



**Presentations & Awards/City Commission Meeting**  
**City Hall, Commission Chambers, 3rd Floor, 1700 Convention Center Drive**  
**March 18, 2015**

Mayor Philip Levine  
Vice-Mayor Jonah Wolfson  
Commissioner Michael Grieco  
Commissioner Joy Malakoff  
Commissioner Micky Steinberg  
Commissioner Edward L. Tobin  
Commissioner Deede Weithorn

City Manager Jimmy L. Morales  
City Attorney Raul J. Aguila  
City Clerk Rafael E. Granado

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**ATTENTION ALL LOBBYISTS**

**Chapter 2, Article VII, Division 3 of the City Code of Miami Beach, entitled "Lobbyists," requires the registration of all lobbyists with the City Clerk prior to engaging in any lobbying activity with the City Commission, any City Board or Committee, or any personnel as defined in the subject Code sections. Copies of the City Code sections on lobbyists laws are available in the Office of the City Clerk. Questions regarding the provisions of the Code should be directed to the Office of the City Attorney.**

*To request this material in alternate format, sign language interpreter (five-day notice required), information on access for persons with disabilities, and/or any accommodation to review any document or participate in any city-sponsored proceedings, call 305.604.2489 and select 1 for English or 2 for Spanish, then option 6; TTY users may call via 711 (Florida Relay Service).*

*In order to ensure adequate public consideration, if necessary, the Mayor and City Commission may move any agenda item to an alternate meeting date. In addition, the Mayor and City Commission may, at their discretion, adjourn the Commission Meeting without reaching all agenda items.*

**AGENDA**

1. Call to Order - 5:00 p.m.
2. Pledge of Allegiance
3. Requests for Additions, Withdrawals, and Deferrals

*We are committed to providing excellent public service and safety to all who live, work, and play in our vibrant, tropical, historic community.*

**Presentations and Awards**

- PA1 Certificates Of Recognition To Be Presented To The Miami Beach Police Department LEO (Law Enforcement Officer) Award Finalists: Officer Christina O'Neal - Safety Category (Award Winner), Officer Tino Serrano - Safety Category, Victim Advocate Aifa Alvarez - Investigative Services Category, Public Safety Specialist Brittany Amuso - Specialized Services Category, Detective Jenny Velazquez - Investigative Services Category (Winner Of The Federal Law Enforcement Officers Association Officer Of The Year Award); And The MBPD's Two Miami-Dade County Association Of Chiefs Of Police Officer Of The Month Winners During 2014: Officer Garfield Taylor And Sergeant James Nolan.  
(Requested by Commissioner Micky Steinberg)
- PA2 Certificates Of Appreciation To Be Presented To The Parks And Recreation Team Members That Were Instrumental In Putting Together The North Shore Park Senior Valentine Party: Andrew Plotkin, Eric Perez, Julissa Judd, Maria Araujo, And Carlos Fabian.  
(Requested by Commissioner Micky Steinberg)
- PA3 Certificate Of Recognition To Be Presented To George Castell, Code Compliance Manager, For Going Above And Beyond To Help A Resident.  
(Requested by Commissioner Micky Steinberg)
- PA4 Certificates Of Recognition To Be Presented To The Hebrew Academy Jump Team: Michael Bixon, Adina Bronstein, Elinor Dahan, Merah Frank, Avraham Hilu, Ariela Israelov, Alix Klein (Co-Captain), Jacob Mitrani (Co-Captain), Aliza Posner, And Malka Suster  
(Requested by Commissioner Michael Grieco)
- PA5 Certificates Of Recognition To Be Presented To Blanca R. Gonzalez And Ricardo Gonzalez For Winning The Domino Contest Held At Scott Rakow On February 21, 2015.  
(Requested by Mayor Philip Levine)

**REGULAR AGENDA**

**R7 - Resolutions**

- R7A A Resolution Pursuant To Section 142-452(d) Of The City Code, Waiving By 5/7<sup>th</sup> Vote Of The City Commission After Public Hearing, The Development Regulations In A GU (Government Use) District Pertaining To Section 138-73, Entitled "General Advertising Signs," In Order To Authorize The Installation Of A General Advertising Sign For A New Playground At Crespi Park Located At 7801 Crespi Boulevard, Miami Beach, Florida. **5:05 p.m. Public Hearing**  
(Parks & Recreation)

**R7 - Resolutions** (Continued)

R7B A Resolution Authorizing The Issuance Of Not To Exceed \$100,000,000 In Aggregate Principal Amount Of City Of Miami Beach, Florida Stormwater Revenue Bonds, Series 2015, For The Principal Purpose Of Paying A Part Of The Cost Of Certain Improvements To The Stormwater Utility, Pursuant To Section 209 Of Resolution No. 2000-24127 Adopted By The City On October 18, 2000; Providing That Said Series 2015 Bonds And Interest Thereon Shall Be Payable Solely As Provided In Said Resolution No. 2000-24127 And This Resolution; Providing Certain Details Of The Series 2015 Bonds; Delegating Other Details And Matters In Connection With The Issuance Of The Series 2015 Bonds, Including Whether The Series 2015 Bonds Shall Not Be Secured By The Reserve Account And Whether To Secure A Credit Facility And/Or A Reserve Account Insurance Policy, To The Mayor, Within The Limitations And Restrictions Stated Herein; Permitting Conditional Optional Redemption Of The Series 2015 Bonds; Appointing Underwriters, A Bond Registrar And A Disclosure Dissemination Agent; Authorizing The Negotiated Sale Of The Series 2015 Bonds And Approving The Form Of And Authorizing The Execution Of A Bond Purchase Agreement; Authorizing And Directing The Bond Registrar To Authenticate And Deliver The Series 2015 Bonds; Approving The Form Of And Distribution Of A Preliminary Official Statement And An Official Statement And Authorizing The Execution Of The Official Statement; Providing For The Application Of The Proceeds Of The Series 2015 Bonds And Creating Certain Funds, Accounts And Subaccounts; Authorizing A Book-Entry Registration System With Respect To The Series 2015 Bonds; Covenanting To Provide Continuing Disclosure In Connection With The Series 2015 Bonds And Approving The Form Of And Authorizing The Execution And Delivery Of A Continuing Disclosure Agreement; Authorizing Officers And Employees Of The City To Take All Necessary Related Actions; And Providing For An Effective Date. **5:06 p.m. First Reading Public Hearing**

(Finance)

R7C A Resolution Urging The State Legislature And Miami-Dade County School Board (School Board) To Reduce Class Sizes In Miami Beach Feeder Pattern Schools To Conform To Article IX, Section (1)(a) Of The Florida Constitution; And Lobby The State Legislature To Expand The List Of "Core Curriculum" Courses Rather Than Continue To Eliminate Core Curriculum Courses, Like Advanced Placement Classes, From The Class Size Amendment Requirements Of The Florida Constitution By Calling Such Courses "Extracurricular"; And Call Upon The School Board To Voluntarily Subject Itself To The Class Size Requirements For All Classes, Whether They Are Considered Core Curriculum Or Extracurricular.

(Sponsored by Commissioner Michael Grieco)  
(Legislative Tracking: Office of the City Attorney)  
(Deferred from March 11, 2015 - R7N)

**R7 - Resolutions** (Continued)

R7D A Resolution Accepting The Recommendation Of The City Manager To Amend Contracts With AAA Automatic Door Repair, Inc., Best Garage Doors. Inc., And Dash Door And Closer Service, Inc., Pursuant To Invitation To Bid (ITB) No. 09-11/12, For Door Related Repair And Replacement Services, Automatic Doors And Gates, Roll-Up Doors, Access Control, Clicker Gates, To Amend The Annually Estimated Contract Amount From \$75,000.00 To The Amount That Is Annually Available In The Public Works Department's Budget For Such Services.  
(Public Works/Procurement)

R7E A Resolution Amending Resolution Number 2014-28825; Said Amended Resolution Approving And Authorizing The Mayor And City Clerk To Execute Amendment No. 2 (Amendment) To The Agreement Between The City And Limousines Of South Florida, Inc., For Turn-Key Operations And Maintenance Services Of A Municipal Trolley System For The City Of Miami Beach, Executed As Of May 8, 2014; Said Amendment Increasing The Scope Of The Agreement To Include The Provision Of Additional Shuttle Services During Events Which Impact Mobility In The City, In The Administration's Discretion; And Clarifying That Said Enhanced Scope Shall Include The Use Of Alternate Vehicles (Other Than Trolley Vehicles), Such As Coach Buses; A Modified Hourly Rate Commensurate With The Use Of The Alternative Vehicle And Equipment; Additional Staff Time; Special Routes; And Further Increasing The Cost Of The Agreement For Said Additional Shuttle Services, In An Amount Not To Exceed \$45,000 Annually, With An Additional Increase For Such Additional Shuttle Services During The 2014-2015 Fiscal Year, Solely, In An Amount Not To Exceed \$100,000, In Order To Accommodate The Additional Transportation Expenses Needed For The Centennial Celebration.  
(Transportation)

R7F A Resolution Waiving By 5/7<sup>th</sup> Vote, The Competitive Bidding Requirement, Finding Such Waiver To Be In The Best Interest Of The City, Authorizing The City Manager To Hire David Mulholland, Senior Vice-President And Project Manager, Of The Orlando Firm GMB Engineers & Planners, Inc., (The Firm) To Provide Professional Traffic Consultant Services Relating To Watson Island, Island Gardens, City Of Miami Development Site; And Further Authorizing The City Attorney To Execute A Retainer Agreement With The Firm, In An Amount Not To Exceed \$200,000.  
(Office of the City Attorney)

**(Item to be Submitted in Supplemental)**

**End of Agenda**

## Presentations and Awards

PA1 Certificates Of Recognition To Be Presented To The Miami Beach Police Department LEO (Law Enforcement Officer) Award Finalists: Officer Christina O'Neal - Safety Category (Award Winner), Officer Tino Serrano - Safety Category, Victim Advocate Aifa Alvarez - Investigative Services Category, Public Safety Specialist Brittany Amuso - Specialized Services Category, Detective Jenny Velazquez - Investigative Services Category (Winner Of The Federal Law Enforcement Officers Association Officer Of The Year Award); And The MBPD's Two Miami-Dade County Association Of Chiefs Of Police Officer Of The Month Winners During 2014: Officer Garfield Taylor And Sergeant James Nolan.

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(Requested by Commissioner Michael Grieco)

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(Requested by Mayor Philip Levine)

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**Condensed Title:**

A Resolution of the Mayor and Commission of the City of Miami Beach, Florida Waiving Development Regulations Pertaining to General Advertising Signs By Authorizing Installation of a General Advertising Sign for a New Playground At Crespi Park.

**Key Intended Outcome Supported:**

Supporting Data (Surveys, Environmental Scan, etc

**Item Summary/Recommendation:**

Crespi Park will be undergoing a planned playground renovation in March 2015. To achieve this project, the City and the Irie Foundation, acting as community partners, entered into an agreement with KaBOOM! Inc. to design, plan and build a community playground with funding from JetBlue. In acknowledgement of the collaboration, signage is planned to be installed within the park in accordance with the attached exhibit as per Section 138-73 of the City Code which prohibits general advertising signs.

The aforementioned Section further requires Planning Board review prior to approval by the City Commission. On February 11, 2015 the City Commission referred the proposed waiver to the Planning Board for review, pursuant to Section 142-4125(d) of the City Code.

On February 24, 2015, the Planning Board (by a vote of 6-0) transmitted the proposed Waiver Development Regulations to the City Commission with a favorable recommendation.

**Advisory Board Recommendation:**

**Financial Information:**

Source of Funds:		Amount	Account
<div style="border: 1px solid black; width: 50px; height: 20px; margin-bottom: 5px;"></div> OBPI	1	\$0.00	
	2		
	<b>Total</b>		

Financial Impact Summary: None

**City Clerk's Office Legislative Tracking:**

John Rebar XT. 6644

**Sign-Offs:**

Department Director	Assistant City Manager	City Manager
JR 	JMT	JLM 

# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

## COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: March 18, 2015

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, PURSUANT TO SECTION 142-452(d) OF THE CITY CODE, WAIVING BY 5/7TH VOTE OF THE CITY COMMISSION AFTER PUBLIC HEARING, THE DEVELOPMENT REGULATIONS IN A GU (GOVERNMENT USE) DISTRICT PERTAINING TO SECTION 138-73, ENTITLED "GENERAL ADVERTISING SIGNS," IN ORDER TO AUTHORIZE THE INSTALLATION OF A GENERAL ADVERTISING SIGN FOR A NEW PLAYGROUND AT CRESPI PARK LOCATED AT 7801 CRESPI BOULEVARD, MIAMI BEACH, FLORIDA.**

### **ADMINISTRATION RECOMMENDATION**

The Administration recommends approval of the Waiver of Development Regulations.

### **HISTORY / BACKGROUND**

Crespi Park will be undergoing a planned playground renovation in March 2015. To achieve this project, the City and the Irie Foundation, acting as community partners, entered into an agreement with KaBOOM! Inc. to design, plan and build a community playground with funding from JetBlue. In acknowledgement of the collaboration, signage is planned to be installed within the park in accordance with the attached exhibit. However Section 138-73 of the City Code prohibits general advertising signs:

*Sec. 138-73. General advertising signs.*

*No general advertising sign shall be constructed, erected, used, operated or maintained in the city.*

The location is zoned Government Use (GU) and, as per Section 142-425(d) of the City Code, the City Commission may waive by five sevenths vote, following a public hearing, development regulations "pertaining to governmental owned or leased buildings, uses and sites which are wholly used by, open and accessible to the general public, or used by not-for-profit, educational, or cultural organizations, or for convention center hotels, or convention center hotel accessory garages, or city utilized parking lots, provided they are continually used for such purposes."

The aforementioned Section further requires Planning Board review prior to approval by the City Commission. On February 11, 2015 the City Commission referred the proposed waiver to the Planning Board for review, pursuant to Section 142-4125(d) of the City Code.

**PLANNING BOARD REVIEW**

On February 24, 2015, the Planning Board (by a vote of 6-0) transmitted the proposed Waiver Development Regulations to the City Commission with a favorable recommendation.

**FISCAL IMPACT**

Not Applicable

**CONCLUSION**

The Administration recommends approval of the Waiver of Development Regulations.

JLM/JMJ/TRM/MCR/MAB/RAM 

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**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, PURSUANT TO SECTION 142-452(d) OF THE CITY CODE, WAIVING BY 5/7TH VOTE OF THE CITY COMMISSION AFTER PUBLIC HEARING, THE DEVELOPMENT REGULATIONS IN A GU (GOVERNMENT USE) DISTRICT PERTAINING TO SECTION 138-73, ENTITLED "GENERAL ADVERTISING SIGNS," IN ORDER TO AUTHORIZE THE INSTALLATION OF A GENERAL ADVERTISING SIGN FOR A NEW PLAYGROUND AT CRESPI PARK LOCATED AT 7801 CRESPI BOULEVARD, MIAMI BEACH, FLORIDA.**

**WHEREAS**, On December 17, 2014, the City Commission adopted Resolution # 2014-28872, authorizing the acceptance of a sponsorship donation from KaBOOM!, Inc. for the Community Built Playground project to build a new playground at Crespi Park with the active support and involvement of the community; and

**WHEREAS**, to achieve this purpose, the City of Miami Beach and the Irie Foundation, acting as community partners ("Community Partners"), entered into a Community Partners Playground Contract with KaBOOM!, Inc., a nonprofit organization that organizes public projects, to design, plan and build a playground at Crespi Park with grant funds provided by JetBlue Airways Corporation ("JetBlue") as the funding partner under the grant; and

**WHEREAS**, pursuant to Section 1.(f) entitled "Signage of the Community Partner Playground Contract, "The City shall allow the names and logos of KaBOOM!, Inc., the Irie Foundation, and JetBlue, to be displayed on permanent playground signage, which shall be substantially in the form attached hereto as Exhibit A, and shall be 12 ¼ inches wide by 30 ¼ inches tall and mounted on poles in a mutually agreed location;" and

**WHEREAS**, Section 138-73, of the City Code, entitled, "General advertising signs", states, "No general advertising sign shall be constructed, erected, used, operated or maintained in the City;" and

**WHEREAS**, Section 142-425(d) of the City of Miami Beach Land Development Regulations (LDR), provides that following review by the Planning Board, and a public hearing before the City Commission, for a waiver, by 5/7th vote of the City Commission, of the City's development regulations on governmentally owned or leased buildings at GU zoned properties, provided the proposed user is a not-for-profit, educational or cultural organizations, and provided the GU sites are continually used for such non-profit, educational or cultural purposes; and

**WHEREAS**, a waiver is necessary in order to fulfill this element of the contract, as the purpose of the sign is not to provide advertisement but to acknowledge the valuable contribution done by KaBOOM!, Inc., JetBlue and the Irie Foundation by providing a free playground to a community that is greatly in need of a playground renovation; and

**WHEREAS**, on February 11, 2015, the City Commission referred the proposed waiver to the Planning Board; and

**WHEREAS**, on February 24, 2015, the Planning Board transmitted the proposed Waiver of Development Regulations to the City Commission with a favorable recommendation; and

**WHEREAS**, the City Commission determines it is appropriate to waive the development regulations by a 5/7<sup>th</sup> vote to allow for the installation of a general advertising sign for a new playground at Crespi Park.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, pursuant to Section 142-452(d) of the City Code, waiving by 5/7th vote of the City Commission, after public hearing, the development regulations in a GU (Government Use) District pertaining to Section 138-73, entitled "General advertising signs," in order to authorize the installation of a general advertising sign for a new playground at Crespi Park located at 7801 Crespi Boulevard, Miami Beach, Florida.

**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_ 2015.

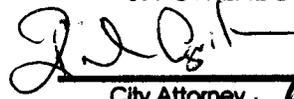
**ATTEST:**

\_\_\_\_\_  
Rafael Granado, City Clerk

\_\_\_\_\_  
Philip Levine, Mayor

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APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
\_\_\_\_\_  
City Attorney

3-13-15  
\_\_\_\_\_  
Date



Project Name: JetBlue, Irie Foundation, City of Miami Beach  
Attn: Eilah@KaBOOM!  
Email: VickiH@PlayworldSystems.com  
Date: 1.27.15

Project Number: 1501018  
Part Number: ZZXX0157  
Sign Number: CRS5886  
Revision: A  
Post Color: Plum



I approve the above image:

Signature

Please Print

Date



## CITY OF MIAMI BEACH NOTICE OF PUBLIC HEARING

**NOTICE IS HEREBY** given that a public hearing will be held by the Mayor and City Commission of the City of Miami Beach, Florida, in the Commission Chambers, 3rd Floor, City Hall, 1700 Convention Center Drive, Miami Beach, Florida, on **Wednesday, March 18, 2015 at 5:05 p.m.**, or as soon thereafter as the matter can be heard, to consider:

A Resolution Pursuant To Section 142-452(d) Of The City Code, Waiving By 5/7th Vote Of The City Commission After Public Hearing, The Development Regulations In A GU (Government Use) District Pertaining To Section 138-73, Entitled "General Advertising Signs," In Order To Authorize The Installation Of A General Advertising Sign For A New Playground At Crespi Park Located At 7801 Crespi Boulevard, Miami Beach, Florida. *Inquiries may be directed to the Parks and Recreation Department at 305.673.7730.*

INTERESTED PARTIES are invited to appear at this meeting, or be represented by an agent, or to express their views in writing addressed to the City Commission, c/o the City Clerk, 1700 Convention Center Drive, 1<sup>st</sup> Floor, City Hall, Miami Beach, Florida 33139. This item is available for public inspection during normal business hours in the City Clerk's Office, 1700 Convention Center Drive, 1<sup>st</sup> Floor, City Hall, Miami Beach, Florida 33139. This meeting, or any item herein, may be continued, and under such circumstances, additional legal notice need not be provided.

Pursuant to Section 286.0105, Fla. Stat., the City hereby advises the public that if a person decides to appeal any decision made by the City Commission with respect to any matter considered at its meeting or its hearing, such person must ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law.

To request this material in alternate format, sign language interpreter (five-day notice required), information on access for persons with disabilities, and/or any accommodation to review any document or participate in any city-sponsored proceedings, call 305.604.2489 and select 1 for English or 2 for Spanish, then option 6; TTY users may call via 711 (Florida Relay Service).

Rafael E. Granado, City Clerk  
City of Miami Beach

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**Condensed Title:**

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$100,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF MIAMI BEACH, FLORIDA STORMWATER REVENUE BONDS, SERIES 2015, FOR THE PRINCIPAL PURPOSE OF PAYING A PART OF THE COST OF CERTAIN IMPROVEMENTS TO THE STORMWATER UTILITY, PURSUANT TO SECTION 209 OF RESOLUTION NO. 2000-24127 ADOPTED BY THE CITY ON OCTOBER 18, 2000; PROVIDING THAT SAID SERIES 2015 BONDS AND INTEREST THEREON SHALL BE PAYABLE SOLELY AS PROVIDED IN SAID RESOLUTION NO. 2000-24127 AND THIS RESOLUTION; PROVIDING CERTAIN DETAILS OF THE SERIES 2015 BONDS; DELEGATING OTHER DETAILS AND MATTERS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2015 BONDS, INCLUDING WHETHER THE SERIES 2015 BONDS SHALL NOT BE SECURED BY THE RESERVE ACCOUNT AND WHETHER TO SECURE A CREDIT FACILITY AND/OR A RESERVE ACCOUNT INSURANCE POLICY, TO THE MAYOR, WITHIN THE LIMITATIONS AND RESTRICTIONS STATED HEREIN; PERMITTING CONDITIONAL OPTIONAL REDEMPTION OF THE SERIES 2015 BONDS; APPOINTING UNDERWRITERS, A BOND REGISTRAR AND A DISCLOSURE DISSEMINATION AGENT; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2015 BONDS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT; AUTHORIZING AND DIRECTING THE BOND REGISTRAR TO AUTHENTICATE AND DELIVER THE SERIES 2015 BONDS; APPROVING THE FORM OF AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION OF THE OFFICIAL STATEMENT; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF THE SERIES 2015 BONDS AND CREATING CERTAIN FUNDS, ACCOUNTS AND SUBACCOUNTS; AUTHORIZING A BOOK-ENTRY REGISTRATION SYSTEM WITH RESPECT TO THE SERIES 2015 BONDS; COVENANTING TO PROVIDE CONTINUING DISCLOSURE IN CONNECTION WITH THE SERIES 2015 BONDS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING OFFICERS AND EMPLOYEES OF THE CITY TO TAKE ALL NECESSARY RELATED ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

**Key Intended Outcome Supported:**

Ensure well-maintained infrastructure.

**Supporting Data (Surveys, Environmental Scan, etc.):** According to the 2009 Community Satisfaction Survey, only 43% of residents rated the City's storm drainage (to avoid flooding) as "excellent" or "good."

**Issue:**

Should the City Commission approve the resolution and set the second public hearing?

**Item Summary/Recommendation: FIRST READING PUBLIC HEARING**

The Administration, in concert with the City's Financial Advisor, has determined that the City now has the need and the capacity to issue additional Stormwater Revenue Bonds for new capital projects. At the Special Finance and Citywide Projects Committee (FCWPC) meeting of May 20, 2014 the Administration presented the funding strategy for the Stormwater program recommending issuing three separate \$100 million Stormwater bonds. The first issue would be in FY 2014/15 and the other issues would follow as funding was needed. The Stormwater Enterprise fund must issue tax-exempt debt in the amount of \$100 million, plus issuance costs, this fiscal year to cover the costs of Stormwater improvement projects committed from the line of credit. The need for future bond issues may be reduced by the establishment of Stormwater impact fees, the removal of certain restrictions on capital funds currently held by the City and any grant funds for which the City may be eligible. The security for the repayment of these amounts will be the net revenues generated from the Stormwater System.

**Advisory Board Recommendation:**

Finance and Citywide Projects Committee March 2, 2015

**Financial Information:**

Source of Funds:	Amount	Account	Approved
OBPI		To be appropriated from the Stormwater Revenues	
<b>Total</b>			

**City Clerk's Office Legislative Tracking:**

Patricia Walker, Chief Financial Officer

**Sign-Offs:**

Department Director	Assistant City Manager	City Manager
	PDW	JLM

T:\AGENDA\2015\March18\Regular\ Stormwater Bonds 2015 Summary Memo.docx





# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

## COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

**FIRST READING  
PUBLIC HEARING**

DATE: March 18, 2015

**SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$100,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF MIAMI BEACH, FLORIDA STORMWATER REVENUE BONDS, SERIES 2015, FOR THE PRINCIPAL PURPOSE OF PAYING A PART OF THE COST OF CERTAIN IMPROVEMENTS TO THE STORMWATER UTILITY, PURSUANT TO SECTION 209 OF RESOLUTION NO. 2000-24127 ADOPTED BY THE CITY ON OCTOBER 18, 2000; PROVIDING THAT SAID SERIES 2015 BONDS AND INTEREST THEREON SHALL BE PAYABLE SOLELY AS PROVIDED IN SAID RESOLUTION NO. 2000-24127 AND THIS RESOLUTION; PROVIDING CERTAIN DETAILS OF THE SERIES 2015 BONDS; DELEGATING OTHER DETAILS AND MATTERS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2015 BONDS, INCLUDING WHETHER THE SERIES 2015 BONDS SHALL NOT BE SECURED BY THE RESERVE ACCOUNT AND WHETHER TO SECURE A CREDIT FACILITY AND/OR A RESERVE ACCOUNT INSURANCE POLICY, TO THE MAYOR, WITHIN THE LIMITATIONS AND RESTRICTIONS STATED HEREIN; PERMITTING CONDITIONAL OPTIONAL REDEMPTION OF THE SERIES 2015 BONDS; APPOINTING UNDERWRITERS, A BOND REGISTRAR AND A DISCLOSURE DISSEMINATION AGENT; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2015 BONDS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT; AUTHORIZING AND DIRECTING THE BOND REGISTRAR TO AUTHENTICATE AND DELIVER THE SERIES 2015 BONDS; APPROVING THE FORM OF AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION OF THE OFFICIAL STATEMENT; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF THE SERIES 2015 BONDS AND CREATING CERTAIN FUNDS, ACCOUNTS AND SUBACCOUNTS; AUTHORIZING A BOOK-ENTRY REGISTRATION SYSTEM WITH RESPECT TO THE SERIES 2015 BONDS; COVENANTING TO PROVIDE CONTINUING DISCLOSURE IN CONNECTION WITH THE SERIES 2015 BONDS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING OFFICERS AND EMPLOYEES OF THE CITY TO**

**TAKE ALL NECESSARY RELATED ACTIONS; AND PROVIDING  
FOR AN EFFECTIVE DATE.**

**ADMINISTRATION RECOMMENDATION**

Approve the resolution on first reading and schedule a second reading public hearing.

**BACKGROUND**

In November 2007, the Mayor and City Commission approved Ordinance 2007-3582 which amended the procedures that the City followed in connection with the approval of a bond issue and added the following Section to Chapter 2 of the Miami Beach City Code, entitled "Administration"; Article V entitled "Finance"; Sec. 2-278, entitled "Procedures governing the issuance of bonds.

*Sec. 2-278. Procedures governing the issuance of bonds.*

- (a) Prior to the adoption by the city commission of the final resolution approving the issuance of any bonds by the city, the following requirements shall be complied with:
  - (1) In order for the city commission and the public to be fully informed on all matters relating to the proposed issuance of bonds, the city manager shall prepare, or cause to be prepared, a fiscal analysis of the economic impact of the proposed bond issuance using the following criteria:
    - a) The estimated cost of the project or projects on account of which such bonds are to be issued;*
    - b) The estimated annual revenues, if any, to be generated by such project or projects; and*
    - c) The estimated annual cost of maintaining, repairing and operating such project or projects.**
  - (2) Upon completion of the fiscal analysis in subsection (a)(1), the proposed issuance of bonds shall be first considered and reviewed by the city's finance and citywide projects committee.*
  - (3) The city commission shall hold two public hearings, each advertised not less than 15 days prior to the hearing, in order to obtain citizen input into the proposed bond issuance.**

In November 2000, the City issued its first series of Stormwater Bonds in the amount of \$52.17 million. In December 2011, the City issued an additional \$52.13 million in Stormwater Bonds along with \$26.6 million to refund the outstanding Stormwater Series 2000 Bonds. The Administration, in concert with the City's Financial Advisor, has determined that the City now has the need and the capacity to issue additional Stormwater Revenue Bonds for new capital projects.

At the Special Finance and Citywide Projects Committee (FCWPC) meeting of May 20, 2014 the Administration presented the funding strategy for the Stormwater program recommending issuing three separate \$100 million Stormwater bonds. The first issue would be in FY 2014/15 and the other issues would follow as funding was needed.

In an effort to defer issuing debt and to expedite the spend down of existing Stormwater bond proceeds and to comply with State law requirements that funds be available at the time a contract is awarded, the City renewed a Line of Credit (LOC) for \$60 million to award scheduled Stormwater projects in anticipation of the new bond issue. On May 21, 2014, the City Commission authorized the execution of the LOC agreement between the City and Wells Fargo Bank, National Association, and to date we have committed approximately \$30 million from this line for Stormwater projects.

### **ANALYSIS**

In accordance with the provisions of Section 2-278 *Procedures governing the issuance of bonds*, the Administration prepared the required fiscal analysis which included the following breakdown of the proposed Stormwater Revenue Bond issue.

In response to Sec. 2-278 (a) 1(a): The Stormwater program will design and implement the upgrade of the City's storm drainage system to meet the new design criteria set by the City Commission with a potential estimated cost of \$300 million and with a target completion timeframe of approximately 5 years. The estimate includes the Stormwater portion of future neighborhood projects, the retrofit of some previously constructed neighborhood Stormwater systems, and miscellaneous Stormwater upgrades that have been identified by the Public Works Department. The upgrades include the installation of approximately 60 new pump stations and the conversion of 21 injection pumps. The estimated portion of the projects, for which the bonds are to be issued, is \$100 million.

In response to Sec. 2-278 (a) 1(b): the estimated revenues to be generated by the projects. These projects will either replace or enhance portions of the existing storm water system; the operation of such system is funded entirely by user fees. No additional fees are anticipated to be earned as a result of these projects and no additional increase in the user fee is required at this time.

In response to Sec. 2-278 (a) 1(c): the estimated annual cost of maintaining, repairing and operating such projects. Operating and maintenance costs for these enhancements were included in the cost model that resulted in the stormwater rate increase from \$9.06 per ERU to \$16.67 per ERU that became effective October 1, 2014. However, additional operating or maintenance costs may require future increases to user fees.

If approved by you today, in accordance with Sec. 2-278 (a) 3, a second public hearing will be held for this proposed Stormwater Revenue Bond issue on April 15, 2015, and will be advertised at least fifteen (15) days prior to the public hearing date.

The Stormwater Enterprise fund must issue tax-exempt debt in the amount of \$100 million, plus issuance costs, this fiscal year to cover the costs of Stormwater improvement projects committed from the line of credit. The need for future bond issues may be reduced by the establishment of Stormwater impact fees, the removal of certain restrictions on capital funds currently held by the City and any grant funds for which the City may be eligible. Additionally, the City has applied for \$7.5 million of additional stormwater funding from the State Revolving Fund and anticipates applying for additional amounts as funding becomes available.

At the March 2, 2015, meeting of the Finance and Citywide Projects Committee, the Committee voted to recommend approval of the issuance of the Stormwater bonds to

finance the construction of certain improvements to the Stormwater program in accordance with Sec. 2-278(a)2.

The Commission may approve by resolution other improvements as part of the Series 2015 Project in addition to and/or in lieu of one or more of the above improvements.

The security for the repayment of these amounts will be the net revenues generated from the Stormwater System.

Because of the character of the Series 2015 Stormwater Bonds, the prevailing market conditions, the complexity of structuring a new system-wide financing program for the Stormwater System and the recommendations of the Financial Advisor, it was further determined that the sale of the Series 2015 Stormwater Bonds on the basis of a negotiated sale rather than a public sale by competitive bid is in the best interest of the City.

The Resolution for the issuance of the Series 2015 Stormwater Bonds will delegate to the Mayor, relying upon the recommendation of the Chief Financial Officer and RBC Capital Markets (the City's Financial Advisor), the determination of various terms of the Series 2015 Bonds, including whether to secure one or more Credit Facilities and/or Reserve Account Insurance Policies with respect to the Series 2015 Bonds, the final award of the Series 2015 Bonds, the dates of redemption of the Prior Bonds to be redeemed prior to maturity, the payment of all related costs and expenses in connection with the issuance of the Bonds and all other actions necessary or desirable in connection with the issuance of the Series 2015 Bonds.

The Chief Financial Officer is further authorized to establish procedures in order to ensure compliance by the City with the Series 2015 Continuing Disclosure Agreement, including the timely provision of information and notices. Prior to making any filing in accordance with such agreement, the Chief Financial Officer may consult with, as appropriate, the City Attorney or Bond Counsel. The Chief Financial Officer, acting in the name and on behalf of the City, shall be entitled to rely upon any legal advice provided by the City Attorney or Bond Counsel in determining whether a filing should be made.

In order to describe and specify the terms of the City's continuing disclosure agreement, the Chief Financial Officer is hereby authorized and directed to enter into and deliver, in the name and on behalf of the City, a Disclosure Dissemination Agent Agreement (the "Series 2015 Continuing Disclosure Agreement"), with Digital Assurance Certification, L.L.C. ("DAC"), which is hereby appointed as disclosure dissemination agent with respect to the Series 2015 Bonds, in substantially the form presented at the meeting at which this Series Resolution was considered, subject to such changes, modifications, insertions and omissions and such filling-in of blanks therein as may be determined and approved by the Chief Financial Officer, after consultation with the City Attorney. The execution of the Series 2015 Continuing Disclosure Agreement, for and on behalf of the City by the Chief Financial Officer, shall be deemed conclusive evidence of the City's approval of the Series 2015 Continuing Disclosure Agreement.

U.S. Bank National Association is hereby appointed as Bond Registrar for the Series 2015 Bonds.

The officers, agents and employees of the City, the Bond Registrar and DAC are hereby authorized and directed to do all acts and things and execute and deliver all documents, agreements and certificates required of them by the provisions of the Series 2015 Bonds, the Bond Resolution, the Series 2015 Bond Purchase Agreement, the Series 2015 Continuing Disclosure Agreement and this Series Resolution, for the full, punctual and complete performance of all the terms, covenants, provisions and agreements of the Series 2015 Bonds, the Bond Resolution, the Series 2015 Bond Purchase Agreement, the Series 2015 Continuing Disclosure Agreement and this Series Resolution.

Additionally, the proposed Resolution provides the structure for the issuance of other Bonds and other forms of indebtedness of the City payable from the Net Revenues of the Stormwater System for the purpose of paying all or any part of the cost of any other improvements to the Stormwater System or to refund or refinance all or a portion of the Bonds or any other series or other indebtedness of the City incurred with respect to the Stormwater System then outstanding. All such additional actions would require approval of the Mayor and City Commission.

### **Conclusion**

The Administration recommends that the Mayor and City Commission of the City of Miami Beach, Florida, approve the resolution on first reading and schedule a second reading public hearing.

JLM/PDW/GE/JAR

Attachments (presented in draft form to be finalized for second reading):

- Bond Purchase Agreement
- Disclosure Dissemination Agreement
- The Preliminary Official Statement (POS)

T:\Agenda\2015\March 18\Regular\Stormwater Bonds Series 2015-Comm Memo

RESOLUTION NO.

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$100,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF CITY OF MIAMI BEACH, FLORIDA STORMWATER REVENUE BONDS, SERIES 2015, FOR THE PRINCIPAL PURPOSE OF PAYING A PART OF THE COST OF CERTAIN IMPROVEMENTS TO THE STORMWATER UTILITY, PURSUANT TO SECTION 209 OF RESOLUTION NO. 2000-24127 ADOPTED BY THE CITY ON OCTOBER 18, 2000; PROVIDING THAT SAID SERIES 2015 BONDS AND INTEREST THEREON SHALL BE PAYABLE SOLELY AS PROVIDED IN SAID RESOLUTION NO. 2000-24127 AND THIS RESOLUTION; PROVIDING CERTAIN DETAILS OF THE SERIES 2015 BONDS; DELEGATING OTHER DETAILS AND MATTERS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2015 BONDS, INCLUDING WHETHER THE SERIES 2015 BONDS SHALL NOT BE SECURED BY THE RESERVE ACCOUNT AND WHETHER TO SECURE A CREDIT FACILITY AND/OR A RESERVE ACCOUNT INSURANCE POLICY, TO THE MAYOR, WITHIN THE LIMITATIONS AND RESTRICTIONS STATED HEREIN; PERMITTING CONDITIONAL OPTIONAL REDEMPTION OF THE SERIES 2015 BONDS; APPOINTING UNDERWRITERS, A BOND REGISTRAR AND A DISCLOSURE DISSEMINATION AGENT; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2015 BONDS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF A BOND PURCHASE AGREEMENT; AUTHORIZING AND DIRECTING THE BOND REGISTRAR TO AUTHENTICATE AND DELIVER THE SERIES 2015 BONDS; APPROVING THE FORM OF AND DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT AND AUTHORIZING THE EXECUTION OF THE OFFICIAL STATEMENT; PROVIDING FOR THE APPLICATION OF THE PROCEEDS OF THE SERIES 2015 BONDS AND CREATING CERTAIN FUNDS, ACCOUNTS AND SUBACCOUNTS; AUTHORIZING A BOOK-ENTRY REGISTRATION SYSTEM WITH RESPECT TO THE SERIES 2015 BONDS; COVENANTING TO PROVIDE CONTINUING DISCLOSURE IN CONNECTION WITH THE SERIES 2015 BONDS AND APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; AUTHORIZING OFFICERS AND EMPLOYEES OF THE CITY TO TAKE ALL NECESSARY RELATED ACTIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Miami Beach, Florida (the "City") currently owns, maintains and operates a Stormwater Utility (as such term and all other capitalized terms used in this resolution and not defined herein are defined in the hereinafter described Original Resolution); and

WHEREAS, the City has heretofore issued its (i) \$16,185,000 original principal amount of City of Miami Beach, Florida Stormwater Revenue Refunding Bonds, Taxable Series 2009J-2, currently Outstanding in the principal amount of \$10,375,000, pursuant to Resolution No. 2000-24127 adopted by the Commission on October 18, 2000 (the “Original Resolution” and as amended and supplemented from time to time, the “Bond Resolution”), and Resolution No. 2009-27242 adopted by the Commission on October 14, 2009, and (ii) \$52,130,000 original principal amount of City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2011A, all of which are currently Outstanding, and \$26,575,000 original principal amount of City of Miami Beach, Florida Stormwater Revenue Refunding Bonds, Series 2011B, currently outstanding in the principal amount of \$26,240,000, pursuant to the Original Resolution and Resolution No. 2011-27782 adopted by the Commission on October 19, 2011; and

WHEREAS, the City has determined that certain capital improvements to the Stormwater Utility as more particularly described in Exhibit A attached hereto and made a part hereof (collectively, the “Series 2015 Project”) are necessary and desirable for the furtherance of the health, safety and welfare of the users of the Stormwater Utility and the residents of the City; and

WHEREAS, Section 209 of the Original Resolution provides for the issuance of Additional Bonds under the Bond Resolution for the principal purpose of paying all or any part of the Cost of any Improvements, upon meeting certain conditions contained in said Section 209; and

WHEREAS, the Series 2015 Project constitutes Improvements under the Bond Resolution; and

WHEREAS, the City has determined that it is desirable to issue Additional Bonds (the “Series 2015 Bonds”) pursuant to the provisions of Section 209 of the Original Resolution and this resolution, which constitutes a Series Resolution for the Series 2015 Bonds under the Bond Resolution, for the purpose of paying, together with any other available moneys of the City, a part of the Cost of the Series 2015 Project and funding as necessary the Reserve Account; and

WHEREAS, the Commission has determined that it is in the best interest of the City to delegate to the Mayor, who shall rely upon the recommendations of the Chief Financial Officer of the City (the “Chief Financial Officer”), who is the officer succeeding to the principal functions of the Finance Director, and RBC Capital Markets, LLC, the City’s financial advisor (the “Financial Advisor”), the determination of various terms of the Series 2015 Bonds, whether the Series 2015 Bonds shall not be secured by the Reserve Account, whether to secure a Credit Facility and/or Reserve Account Insurance Policy with respect to the Series 2015 Bonds, the final award of the Series 2015 Bonds, including execution of the Series 2015 Bond Purchase Agreement (as hereinafter defined), and other actions in connection with the issuance of the Series 2015 Bonds, all as provided and subject to the limitations contained herein; and

WHEREAS, the City has determined that due to the character of the Series 2015 Bonds, current favorable market conditions, the uncertainty inherent in a competitive bidding process and the recommendations of the Financial Advisor, it is in the best interest of the City to authorize the negotiated sale of the Series 2015 Bonds; and

WHEREAS, in connection with the issuance of the Series 2015 Bonds, the requirements of Ordinance No. 2007-3582, adopted by the Commission on November 21, 2007, including the holding of two public hearings, have been complied with prior to the adoption of this Series Resolution;

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

SECTION 1. The above recitals are incorporated herein as findings.

SECTION 2. A Series of Additional Bonds of the City in an aggregate principal amount not to exceed \$100,000,000 is authorized to be issued pursuant to, and subject to the conditions of, Section 209 of the Original Resolution and the authority granted to the City by the Act, for the purpose of paying, together with any other available moneys, a part of the Cost of the Series 2015 Project and funding as necessary the Reserve Account. The Series 2015 Bonds shall be designated "City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2015," shall be issued as Current Interest Bonds, shall be issued in fully registered form as provided in Section 202 of the Original Resolution, shall be in the denominations of \$5,000 or any whole multiple thereof and shall be numbered R-1 upwards.

The Series 2015 Bonds shall be issued in such aggregate principal amount, shall be dated and issued at such time or times, shall be in the form of Serial Bonds and/or Term Bonds, shall have such Interest Payment Dates, shall bear interest at such fixed rates, but not to exceed the maximum rate permitted by law, shall be stated to mature on such dates, but not later than September 30, 2045, as to any Term Bonds, shall have Amortization Requirements payable in such amounts and on such dates, and shall be subject to redemption prior to maturity, all as shall be determined by the Mayor, after consultation with the Chief Financial Officer and the Financial Advisor, and specified in a certificate of the Mayor executed at the time of the sale of the Series 2015 Bonds (the "Series 2015 Mayor's Certificate"). Term Bonds, if any, will be subject to mandatory redemption at par, without premium, each year in amounts equal to the respective Amortization Requirements therefor. Principal of and interest and redemption premium, if any, on the Series 2015 Bonds shall be payable in accordance with the provisions of the Bond Resolution. The execution of the Series 2015 Mayor's Certificate shall be conclusive evidence of the City's approval of the details of the Series 2015 Bonds.

If the Mayor determines, in reliance upon the recommendations of the Chief Financial Officer and the Financial Advisor, that there is an economic benefit to the City to secure and pay for a Credit Facility and/or a Reserve Account Insurance Policy with respect to all or a portion of the Series 2015 Bonds, the Mayor is authorized to secure a Credit Facility and/or a Reserve Account Insurance Policy with respect to all or a portion of the Series 2015 Bonds. The Mayor is authorized to provide for the payment of any premiums for such Credit Facility and/or Reserve Account Insurance Policy from the proceeds of the Series 2015 Bonds and, after consultation with the City Attorney, to enter into, execute and deliver such agreements as may be necessary to secure such Credit Facility and/or Reserve Account Insurance Policy, the execution and delivery by the Mayor of any such agreements for and on behalf of the City to be conclusive evidence of the City's approval of securing such Credit Facility and/or Reserve Account Insurance Policy and of such agreements. Any agreements with any providers of Credit Facility and/or Reserve

Account Insurance Policy shall supplement and be in addition to the provisions of the Bond Resolution.

SECTION 3. In accordance with the provisions of the Bond Resolution, the Series 2015 Bonds shall be limited obligations of the City payable solely from the Net Revenues and, to the extent provided in the Bond Resolution, from certain Funds and Accounts which are pledged to the payment thereof in the manner provided in the Bond Resolution, and nothing shall be construed as obligating the City to pay the principal, interest and premium, if any, thereon except from the Net Revenues and, to the extent provided in the Bond Resolution, said Funds and Accounts or as pledging the full faith and credit of the City or any form of taxation whatever to such payments; provided, however, that notwithstanding anything to the contrary contained in the Bond Resolution, to the extent so determined by the Mayor, in reliance upon the recommendations of the Chief Financial Officer and the Financial Advisor, the Series 2015 Bonds shall not be secured by, nor payable from moneys, Reserve Account Insurance Policies or Reserve Account Letters of Credit on deposit in, the Reserve Account created under the Bond Resolution and in which case the Reserve Account Requirement with respect to the Series 2015 Bonds shall be \$0.00.

SECTION 4. In the case of an optional redemption of the Series 2015 Bonds, the redemption notice may state that (a) it is conditioned upon the deposit of moneys with the Bond Registrar or with a bank, trust company or other appropriate fiduciary institution acting as escrow agent (the "escrow agent"), in amounts necessary to effect the redemption, no later than the redemption date, or (b) the City retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a "Conditional Redemption"), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in this Section. Any such notice of Conditional Redemption shall be captioned "Conditional Notice of Redemption." Any Conditional Redemption may be rescinded at any time prior to the redemption date if the City delivers a written direction to the Bond Registrar directing the Bond Registrar to rescind the redemption notice. The Bond Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Series 2015 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such moneys available shall constitute an Event of Default under the Bond Resolution.

SECTION 5. It is hereby found and determined that due to the character of the Series 2015 Bonds, current favorable market conditions, the uncertainty inherent in a competitive bidding process and the recommendations of the Financial Advisor, the negotiated sale of the Series 2015 Bonds is in the best interest of the City. The negotiated sale of the Series 2015 Bonds to Wells Fargo Bank, National Association (the "Senior Managing Underwriter") on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., LLC (collectively with the Senior Managing Underwriter, the "Underwriters") is hereby authorized at a purchase price (not including original issue premium or original issue discount) of not less than 99% of the aggregate principal amount of the Series 2015 Bonds (the "Minimum Purchase Price") and at a true interest cost rate ("TIC") not to exceed 5.25% (the "Maximum TIC"). The Mayor, after consultation with the Chief Financial Officer and the Financial Advisor, is hereby authorized to award the Series 2015 Bonds to the Underwriters at a purchase price of not less than the Minimum Purchase Price and at a TIC not in

excess of the Maximum TIC. The execution and delivery of the Series 2015 Bond Purchase Agreement for and on behalf of the City by the Mayor shall be conclusive evidence of the City's acceptance of the Underwriters' proposal to purchase the Series 2015 Bonds.

SECTION 6. Upon compliance with the requirements of Section 218.385, Florida Statutes, by the Underwriters, the Commission hereby authorizes the Mayor to execute and deliver a Bond Purchase Agreement for the Series 2015 Bonds (the "Series 2015 Bond Purchase Agreement") for and on behalf of the City, in substantially the form presented at the meeting at which this Series Resolution was considered, subject to such changes, modifications, insertions and omissions and such filling-in of blanks therein as may be determined and approved by the Mayor, after consultation with the Chief Financial Officer and the City Attorney. The execution of the Series 2015 Bond Purchase Agreement for and on behalf of the City by the Mayor shall be conclusive evidence of the City's approval of the Bond Purchase Agreement.

SECTION 7. The Bond Registrar is hereby authorized and directed to authenticate the Series 2015 Bonds and to deliver the Series 2015 Bonds to or upon the order of the Underwriters upon payment of the purchase price, as shall be set forth in the Series 2015 Bond Purchase Agreement, and satisfaction of the conditions contained in Section 209 of the Original Resolution.

SECTION 8. The proposed Preliminary Official Statement (the "Series 2015 Preliminary Official Statement") and Official Statement (the "Series 2015 Official Statement") in connection with the issuance of the Series 2015 Bonds are hereby approved in substantially the form of the Series 2015 Preliminary Official Statement presented at the meeting at which this Series Resolution was considered, subject to such changes, modifications, insertions and omissions and such filling-in of blanks therein as may be determined and approved by the Mayor, after consultation with the Chief Financial Officer and the City Attorney. The execution of the Official Statement, for and on behalf of the City by the Mayor and the City Manager shall be conclusive evidence of the City's approval of the Series 2015 Preliminary Official Statement and the Series 2015 Official Statement. The distribution of said Series 2015 Preliminary Official Statement and Series 2015 Official Statement in connection with the marketing of the Series 2015 Bonds and the execution and delivery of the Series 2015 Official Statement by the Mayor and the City Manager are hereby authorized. The Mayor or his designee, after consultation with the Chief Financial Officer and the City Attorney, is hereby authorized to make any necessary certifications to the Underwriters regarding a near final or deemed final official statement, if and to the extent required by Rule 15c2-12 of the United States Securities and Exchange Commission (the "Rule").

SECTION 9. The proceeds of the Series 2015 Bonds shall be applied in accordance with the provisions of Section 209 of the Original Resolution and this Series Resolution, all as specified in a certificate of the Chief Financial Officer delivered concurrently with the issuance of the Series 2015 Bonds, including, to the extent provided in such certificate, for the payment of interest accruing on the Series 2015 Bonds prior to, during and after construction of the Series 2015 Project.

In accordance with the provisions of the Bond Resolution, there is hereby created within the Construction Fund a "Series 2015 Construction Account" and within said Series 2015

Construction Account, a “Series 2015 Construction Subaccount” for the deposit of proceeds of the Series 2015 Bonds to be applied to the payment of a part of the Cost of the Series 2015 Project, other than the portion of such part representing expenses incurred in the issuance of the Series 2015 Bonds, and a “Series 2015 Cost of Issuance Subaccount” for the deposit of proceeds of the Series 2015 Bonds to be applied to the payment of expenses incurred in the issuance of the Series 2015 Bonds.

The proceeds of the Series 2015 Bonds shall be invested in accordance with the provisions of Section 602 of the Original Resolution in Investment Obligations as determined by the Chief Financial Officer.

SECTION 10. In connection with the issuance of the Series 2015 Bonds and for the purpose of complying with the covenants contained in Section 605 of the Original Resolution, there is hereby created a special fund designated “Series 2015 Arbitrage Rebate Fund,” which shall be held by the City and constitute an Arbitrage Rebate Fund under the Bond Resolution.

SECTION 11. The Series 2015 Bonds shall be executed in the form and manner provided in the Bond Resolution. The Series 2015 Bonds are hereby authorized to be issued initially in book-entry form and registered in the name of The Depository Trust Company, New York, New York (“DTC”), or its nominee which will act as securities depository for the Series 2015 Bonds. The Chief Financial Officer is hereby authorized and directed to execute any necessary letters of representations with DTC and, notwithstanding the provisions of the Bond Resolution, to do all other things, comply with all requirements and execute all other such documents as are incidental to such book-entry system. In the event a book-entry system for the Series 2015 Bonds ceases to be in effect, the Series 2015 Bonds shall be issued in fully certificated form.

SECTION 12. For the benefit of the Holders and beneficial owners from time to time of the Series 2015 Bonds, the City agrees, in accordance with and as the only obligated person with respect to the Series 2015 Bonds under the Rule, to provide or cause to be provided certain financial information and operating data, financial statements and notices, in such manner, as may be required for purposes of paragraph (b)(5) of the Rule. In order to describe and specify the terms of the City’s continuing disclosure agreement, the Chief Financial Officer is hereby authorized and directed to enter into and deliver, in the name and on behalf of the City, a Disclosure Dissemination Agent Agreement (the “Series 2015 Continuing Disclosure Agreement”), with Digital Assurance Certification, L.L.C. (“DAC”), which is hereby appointed as disclosure dissemination agent with respect to the Series 2015 Bonds, in substantially the form presented at the meeting at which this Series Resolution was considered, subject to such changes, modifications, insertions and omissions and such filling-in of blanks therein as may be determined and approved by the Chief Financial Officer, after consultation with the City Attorney. The execution of the Series 2015 Continuing Disclosure Agreement, for and on behalf of the City by the Chief Financial Officer, shall be deemed conclusive evidence of the City’s approval of the Series 2015 Continuing Disclosure Agreement. Notwithstanding any other provisions of the Bond Resolution, including this Series Resolution, any failure by the City to comply with any provisions of the Series 2015 Continuing Disclosure Agreement shall not constitute an Event of Default under the Bond Resolution and the remedies therefor shall be solely as provided in the Series 2015 Continuing Disclosure Agreement.

The Chief Financial Officer is further authorized to establish procedures in order to ensure compliance by the City with the Series 2015 Continuing Disclosure Agreement, including the timely provision of information and notices. Prior to making any filing in accordance with such agreement, the Chief Financial Officer may consult with, as appropriate, the City Attorney or Bond Counsel. The Chief Financial Officer, acting in the name and on behalf of the City, shall be entitled to rely upon any legal advice provided by the City Attorney or Bond Counsel in determining whether a filing should be made.

SECTION 13. U.S. Bank National Association is hereby appointed as Bond Registrar for the Series 2015 Bonds.

SECTION 14. The officers, agents and employees of the City, the Bond Registrar and DAC are hereby authorized and directed to do all acts and things and execute and deliver all documents, agreements and certificates required of them by the provisions of the Series 2015 Bonds, the Bond Resolution, the Series 2015 Bond Purchase Agreement, the Series 2015 Continuing Disclosure Agreement and this Series Resolution, for the full, punctual and complete performance of all the terms, covenants, provisions and agreements of the Series 2015 Bonds, the Bond Resolution, the Series 2015 Bond Purchase Agreement, the Series 2015 Continuing Disclosure Agreement and this Series Resolution.

SECTION 15. This Series Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Mayor

(Seal)

Attest:

\_\_\_\_\_  
City Clerk

**APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION**

  
\_\_\_\_\_  
City Attorney **RAP**

3-12-15  
Date

EXHIBIT A

SERIES 2015 PROJECT

The Series 2015 Project includes the following:

- Repair, replace and/or install curbs and gutters
- Reconstruct and/or raise streets and sidewalks
- Repair, replace and/or install collection systems (including, but not limited to, catch basins, manholes and storage facilities)
- Construct pumping stations and water quality treatment devices
- Repair and/or upgrade existing outfalls (including, but not limited to, tidal backflow prevention devices)

The Commission may approve by resolution other Improvements as part of the Series 2015 Project in addition to and/or in lieu of one or more of the above Improvements.

## DISCLOSURE DISSEMINATION AGENT AGREEMENT

This Disclosure Dissemination Agent Agreement (the “Disclosure Agreement”), dated as of \_\_\_\_\_, 2015, is executed and delivered by the City of Miami Beach, Florida (the “Issuer”) and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the “Disclosure Dissemination Agent” or “DAC”) for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the “Rule”).

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute “advice” within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Act”). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer’s behalf regarding the “issuance of municipal securities” or any “municipal financial product” as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

“Annual Filing Date” means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

“Audited Financial Statements” means the financial statements (if any) of the Issuer for the prior Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

“Bonds” means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

“Certification” means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure

Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

“Disclosure Dissemination Agent” means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

“Disclosure Representative” means the Chief Financial Officer of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

“Failure to File Event” means the Issuer’s failure to file an Annual Report on or before the Annual Filing Date.

“Force Majeure Event” means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent’s reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

“Holder” means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

“Information” means the Annual Financial Information, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices and the Voluntary Reports.

“MSRB” means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

“Notice Event” means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

“Obligated Person” means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

“Official Statement” means that Official Statement prepared by the Issuer in connection with the Bonds.

“Voluntary Report” means the information provided to the Disclosure Dissemination Agent by the Issuer pursuant to Section 7.

SECTION 2. Provision of Annual Reports.

(a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent, not later than 30 days prior to the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than two hundred forty (240) days after the end of each Fiscal Year, commencing with the Fiscal Year ended September 30, 2015. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 12:00 noon on the first business day following the Annual Filing Date for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, without reference to the anticipated filing date for the Annual Report.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification, for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to the Section of this Disclosure Agreement indicated:

1. "Principal and interest payment delinquencies," pursuant to Sections 4(c) and 4(a)(1);

2. "Non-Payment related defaults, if material," pursuant to Sections 4(c) and 4(a)(2);

3. "Unscheduled draws on debt service reserves reflecting financial difficulties," pursuant to Sections 4(c) and 4(a)(3);

4. "Unscheduled draws on credit enhancements reflecting financial difficulties," pursuant to Sections 4(c) and 4(a)(4);

5. "Substitution of credit or liquidity providers, or their failure to perform," pursuant to Sections 4(c) and 4(a)(5);

6. "Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security," pursuant to Sections 4(c) and 4(a)(6);

7. "Modifications to rights of securities holders, if material," pursuant to Sections 4(c) and 4(a)(7);

8. "Bond calls, if material, and tender offers" pursuant to Sections 4(c) and 4(a)(8);

9. "Defeasances," pursuant to Sections 4(c) and 4(a)(9);

10. "Release, substitution, or sale of property securing repayment of the securities, if material," pursuant to Sections 4(c) and 4(a)(10);

11. "Rating changes," pursuant to Sections 4(c) and 4(a)(11);

12. "Bankruptcy, insolvency, receivership or similar event of the obligated person," pursuant to Sections 4(c) and 4(a)(12);

13. "The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the obligated person, other than in the ordinary course of business, the entry into a

definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material,” pursuant to Sections 4(c) and 4(a)(13); and

14. “Appointment of a successor or additional trustee or the change of name of a trustee, if material,” pursuant to Sections 4(c) and 4(a)(14).

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as “Failure to provide annual information as required” when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Report received under Section 7 with the MSRB.

(vii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its Fiscal Year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event, provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

### SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain the following Annual Financial Information with respect to the Stormwater Utility for the prior Fiscal Year: the information in the Official Statement under the captions [“THE STORMWATER UTILITY - Rates, Fees and Charges” and “HISTORICAL AND FORECASTED SCHEDULE OF NET REVENUE, DEBT SERVICE AND DEBT COVERAGE”].

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles (“GAAP”) will be included in the Annual Report, but may be provided in accordance with Section 2(d).

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues with respect to which the Issuer is an Obligated Person, which have been previously filed with the Securities and Exchange Commission or available to the public on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

#### SECTION 4. Reporting of Notice Events.

(a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements relating to the Bonds reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes on the Bonds;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

*Note: for the purposes of the event identified in this subsection 4(a)(12), the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an*

*Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.*

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and

14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten (10) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth (10th) business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth (10th) business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to Section 4(c), together with a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth (10th) business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with the MSRB in accordance with Section 2(e)(iv) hereof.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, notices of Notice Events, Failure to File Events and Voluntary Reports filed pursuant to Section 7(a), the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the failure of the Disclosure Dissemination Agent to so advise the Issuer shall not constitute a breach by the Disclosure Dissemination Agent of any of its duties and responsibilities under this Disclosure Agreement. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Reports.

(a) The Issuer may instruct the Disclosure Dissemination Agent to file information with the MSRB, from time to time pursuant to a Certification of the Disclosure Representative accompanying such information (a "Voluntary Report").

(b) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice, or Failure to File Event notice in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Voluntary Report, Notice Event notice or Failure to File Event notice.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an Obligated Person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of nationally recognized bond counsel to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty days written notice to the Disclosure Dissemination Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the

Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Disclosure Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, including the Bond Resolution, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.

(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

Notwithstanding the preceding paragraph, the Disclosure Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the Securities and Exchange Commission from time to time by giving not less than 20 days written notice of the intent to do so together with a copy of the proposed amendment to the Issuer. No such amendment shall become effective if the Issuer shall, within 10 days following the giving of such notice, send a notice to the Disclosure Dissemination Agent in writing that it objects to such amendment.

SECTION 13. Sources of Payments; No Personal Liability. Notwithstanding anything to the contrary contained in this Disclosure Agreement, the Issuer shall be required to use only Revenues to pay any costs and expenses to be incurred in the performance of this Disclosure Agreement by it, and the performance of its obligations hereunder shall be subject to the availability of Revenues for that purpose; provided, that any such costs and expenses shall constitute Current Expenses under the Bond Resolution. This Disclosure Agreement does not and shall not constitute a general obligation of the Issuer. No covenant, stipulation, obligation or agreement of the Issuer contained in this Disclosure Agreement shall be deemed to be a covenant, stipulation, obligation or agreement of any present or future officer, agent or employee of the Issuer in other than that person's official capacity.

SECTION 14. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Disclosure Dissemination Agent, the Underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 15. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida.

SECTION 16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the Issuer have caused this Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Disclosure Dissemination Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

CITY OF MIAMI BEACH, FLORIDA,  
as Issuer

By: \_\_\_\_\_  
Patricia D. Walker  
Chief Financial Officer

**EXHIBIT A**

**NAME AND CUSIP NUMBERS OF BONDS**

Name of Issuer: City of Miami Beach, Florida  
Obligated Person: City of Miami Beach, Florida  
Name of Bond Issue: Stormwater Revenue Bonds, Series 2015  
Date of Issuance: \_\_\_\_\_, 2015  
Date of Official Statement: \_\_\_\_\_, 2015

CUSIP Numbers:

**EXHIBIT B**

**NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Issuer: City of Miami Beach, Florida  
Obligated Person: City of Miami Beach, Florida  
Name of Bond Issue: Stormwater Revenue Bonds, Series 2015  
Date of Issuance: \_\_\_\_\_, 2015

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report with respect to the above-named Bonds as required by the Disclosure Dissemination Agent Agreement, dated as of \_\_\_\_\_, 2015, between the Issuer and Digital Assurance Certification, L.L.C., as Disclosure Dissemination Agent. The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by \_\_\_\_\_.

Dated: \_\_\_\_\_

Digital Assurance Certification, L.L.C., as  
Disclosure Dissemination Agent, on behalf  
of the Issuer

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cc: City of Miami Beach, Florida

\$ \_\_\_\_\_  
CITY OF MIAMI BEACH, FLORIDA  
Stormwater Revenue Bonds,  
Series 2015

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BOND PURCHASE AGREEMENT

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\_\_\_\_\_, 2015

Mayor and City Commission  
City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Ladies and Gentlemen:

Wells Fargo Bank, National Association (the "Senior Managing Underwriter"), acting on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., LLC (collectively, with the Senior Managing Underwriter, the "Underwriters"), offer to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the City of Miami Beach, Florida (the "City"), for the sale by the City and the purchase by the Underwriters of the City's \$\_\_\_\_\_ Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). This offer is made subject to acceptance by the City prior to 5:00 p.m. (Eastern Time) on the date hereof. Upon such acceptance, this Purchase Agreement will be in full force and effect in accordance with its terms and will be binding on the City and the Underwriters. If this offer is not so accepted, it is subject to withdrawal by the Underwriters upon written notice delivered to the City at any time prior to such acceptance. In conformance with Section 218.385, Florida Statutes, as amended, the Underwriters hereby deliver the Disclosure and Truth-in-Bonding Statement attached hereto as Exhibit "A." Capitalized terms used in this Purchase Agreement, but not defined, are used with the meanings ascribed to them in the Bond Resolution hereinafter described.

The Senior Managing Underwriter represents that it is authorized on behalf of itself and the other Underwriters to enter into this Purchase Agreement and to take any other actions that may be required on behalf of the Underwriters.

SECTION 1.

- (a) Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriters hereby agree to purchase from the

City, and the City hereby agrees to sell to the Underwriters all (but not less than all) of the Series 2015 Bonds for a purchase price equal to \$\_\_\_\_\_ (which purchase price is the aggregate principal amount of the Series 2015 Bonds of \$\_\_\_\_\_, plus/minus a net original issue premium/discount of \$\_\_\_\_\_ and less an Underwriters' discount of \$\_\_\_\_\_). The purchase price for the Series 2015 Bonds shall be payable to the City in immediately available funds.

- (b) In connection with the execution of this Purchase Agreement, the Senior Managing Underwriter, on behalf of the Underwriters, has delivered to the City a wire transfer credited to the order of the City in immediately available federal funds in the aggregate amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (the "Good Faith Deposit"), which is being delivered to the City on account of the purchase price of the Series 2015 Bonds and as security for the performance by the Underwriters of their obligation to accept and to pay for the Series 2015 Bonds. If the City does not accept this offer, the Good Faith Deposit shall be immediately returned to the Senior Managing Underwriter by wire transfer credited to the order of the Senior Managing Underwriter in the amount of the Good Faith Deposit, in federal funds to the Senior Managing Underwriter. In the event the Closing takes place, the amount of the Good Faith Deposit shall be credited against the purchase price of the Series 2015 Bonds pursuant to Section 1(a). In the event of the City's failure to deliver the Series 2015 Bonds at the Closing, or if the City shall be unable at or prior to the Closing to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Agreement (unless such conditions are waived by the Senior Managing Underwriter), or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Agreement, the City shall immediately wire to the Senior Managing Underwriter in federal funds the Good Faith Deposit without interest, and such wire shall constitute a full release and discharge of all claims by the Underwriters against the City arising out of the transactions contemplated by this Purchase Agreement. In the event that the Underwriters fail other than for a reason permitted under this Purchase Agreement to accept and pay for the Series 2015 Bonds upon their tender by the City at the Closing, the amount of the Good Faith Deposit shall be retained by the City and such retention shall represent full liquidated damages and not a penalty, for such failure and for any and all defaults on the part of the Underwriters and the retention of such funds shall constitute a full release and discharge of all claims, rights and damages for such failure and for any and all such defaults. It is understood by both the City and the Underwriters that actual damages in the circumstances as described in the preceding sentence may be difficult or impossible to compute; therefore, the funds represented by the Good Faith Deposit are a reasonable estimate of the liquidated damages in this type of situation.

- (c) The Series 2015 Bonds will be issued pursuant to Chapter 166, Florida Statutes, as amended, the City of Miami Beach Charter and Section 403.0893(1), Florida Statutes, and other applicable provisions of law (collectively, the "Act"), and pursuant and subject to the terms and conditions of Resolution No. 2000-24127 adopted by the Mayor and City Commission of the City of Miami Beach, Florida (the "Commission") on October 18, 2000, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. 2015-\_\_\_\_\_ adopted by the Commission on \_\_\_\_\_, 2015 (collectively, "Bond Resolution"). The Series 2015 Bonds will be secured as provided in the Bond Resolution. The Series 2015 Bonds shall mature and have such other terms and provisions as are described on Exhibit "B" hereto. Proceeds of the Series 2015 Bonds will provide funds, together with other available funds, to (i) pay the costs of certain capital improvements to the Stormwater Utility as described in the Bond Resolution (the "Series 2015 Project"), (ii) [fund required reserves, and (iii)] pay costs of issuance of the Series 2015 Bonds. It shall be a condition to the obligation of the City to sell and deliver the Series 2015 Bonds to the Underwriters, and to the obligation of the Underwriters to purchase and accept delivery of the Series 2015 Bonds, that the entire aggregate principal amount of the Series 2015 Bonds shall be sold and delivered by the City and accepted and paid for by the Underwriters at the Closing. **[Upon delivery of the Series 2015 Bonds, the County shall deposit into a subaccount in the the Reserve Account a Reserve Account Insurance Policy issued by \_\_\_\_\_ (the "Insurer") to secure the Series 2015 Bonds (the "2015 Reserve Account Insurance Policy").]**
- (d) The Underwriters agree to make a *bona fide* public offering of substantially all of the Series 2015 Bonds to the public at initial public offering prices not greater than (or yields not less than) the initial public offering prices (or yields) set forth in the Official Statement; provided, however, that the Underwriters reserve the right to make concessions to certain dealers, certain dealer banks and banks acting as agents and to change such initial public offering prices as the Underwriters shall deem necessary in connection with the marketing of the Series 2015 Bonds.

At the Closing, the Underwriters shall deliver to the City a certificate, in a form acceptable to Bond Counsel, stating the facts of the sale of the Series 2015 Bonds in a manner such that the issue price can reasonably be established.

- (e) The City shall deliver, or cause to be delivered, at its expense, to the Senior Managing Underwriter, within seven (7) business days after the date hereof or within such shorter period as may be requested by the Senior Managing Underwriter, and in no event later than required to enable the Underwriters to comply with their responsibilities under applicable rules of the Municipal Securities Rulemaking Board ("MSRB"): (i) sufficient copies of the Official

Statement to enable the Underwriters to fulfill their obligations pursuant to the securities laws of the State of Florida and the United States, in form and substance satisfactory to the Senior Managing Underwriter, and (ii) an executed original counterpart or certified copy of the Official Statement at Closing. In determining whether the number of copies to be delivered by the City are reasonably necessary, at a minimum, the number shall be sufficient to enable the Underwriters to comply with the requirements of the Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Senior Managing Underwriter agrees to file the Official Statement with the Electronic Municipal Market Access system ("EMMA") (accompanied by a completed Form G-32) by the date of Closing. The filing of the Official Statement with EMMA shall be in accordance with the terms and conditions applicable to EMMA.

- (f) From the date hereof until the earlier of (i) ninety days from the "end of the underwriting period" (as defined in the Rule), or (ii) the time when the Official Statement is available to any person from the MSRB (but in no case less than twenty-five (25) days following the end of the underwriting period), if any event occurs or a condition or circumstance exists which may make it necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the party discovering such event, condition or occurrence shall notify the other party and if, in the reasonable opinion of the City or the reasonable opinion of the Senior Managing Underwriter, such event requires the preparation and publication of an amendment or supplement to the Official Statement, the City, at its expense, will promptly prepare an appropriate amendment or supplement thereto, in a form and in a manner reasonably approved by the Senior Managing Underwriter (and file, or cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record owner of the Series 2015 Bonds) so that the statements in the Official Statement, as so amended or supplemented, will not, in light of the circumstances under which they were made, be misleading. Each party will promptly notify the other parties of the occurrence of any event of which it has knowledge or the discovery of such conditions or circumstance, which, in its reasonable opinion, is an event described in the preceding sentence. Notwithstanding the foregoing, if prior to the Closing either the City or the Underwriters hereto does not in good faith approve the form and manner of such supplement or amendment, the other may terminate this Purchase Agreement. If subsequent to Closing, the City determines that any event, condition or circumstance requires the publication of a supplement or amendment to the Official Statement, then the approval of the Underwriters shall not be required, although the City agrees to seek the approval of the Underwriters to such supplement or amendment, and the Underwriters

shall use their reasonable best efforts to distribute the supplement or amendment with the Official Statement. The parties agree to cooperate in good faith with regard to the form and manner of the supplement or amendment to the Official Statement.

- (g) The City hereby approves and authorizes the delivery and distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement in substantially the form of the Preliminary Official Statement, together with such other changes, amendments or supplements as shall be made and approved in writing by the Senior Managing Underwriter and the City prior to the Closing in connection with the public offering and sale of the Series 2015 Bonds.

## SECTION 2.

The City represents and warrants to and agrees with the Underwriters as follows:

- (a) The Bond Resolution and the Rate Instrument (as hereinafter defined) were adopted and/or enacted by the Commission at meetings duly called and held in open session upon requisite prior public notice pursuant to the laws of the State of Florida and the standing resolutions and rules of procedure of the Commission. The City has full right, power and authority to adopt and/or enact the Bond Resolution and the Rate Instrument. On the date hereof, the Bond Resolution and the Rate Instrument are, and, at the Closing shall be, in full force and effect, and no portions thereof have been or shall have been supplemented, repealed, rescinded or revoked. The Bond Resolution and Rate Instrument constitute the legal, valid and binding obligations of the City, enforceable in accordance with their terms. The Bond Resolution creates a lien upon and pledge of Net Revenues, **[Impact Fees and Special Assessments]** for the payment of principal and interest on the Series 2015 Bonds on parity and equal status with the City's Stormwater Revenue Refunding Bonds, Series 2009J-2, Stormwater Revenue Bonds, Series 2011A, and Stormwater Revenue Refunding Bonds, Series 20011B (the "Parity Bonds").
- (b) As of their respective dates and, with respect to the Official Statement, at the time of Closing, the statements and information contained in the Preliminary Official Statement and the Official Statement are and will be accurate in all material respects for the purposes for which their use is authorized, and do not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, any amendments to the Preliminary Official Statement and the Official Statement prepared and furnished by the City pursuant hereto will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements

therein, in the light of the circumstances under which they were made, not misleading. The Series 2015 Bonds, the Bond Resolution, the Rate Instrument and the Disclosure Dissemination Agent Agreement relating to the Series 2015 Bonds (the "Continuing Disclosure Agreement") conform to the descriptions thereof set forth in the Official Statement.

- (c) The City is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, or any agency or department of either, or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its properties or other assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, in any such case to the extent that the same would have a material and adverse effect upon the business or properties or financial condition of the City including the City's receipts of the Net Revenues[**Impact Fees and Special Assessments**] in the amount contemplated by the Official Statement; and the execution and delivery of the Series 2015 Bonds, the Continuing Disclosure Agreement, [**the Financial Guaranty Agreement between the City and the Insurer relating to the 2015 Reserve Account Insurance Policy (the "Financial Guaranty Agreement")**]; and this Purchase Contract and the adoption of the Bond Resolution, the adoption and/or enactment of the Rate Instrument, and compliance with the provisions on the City's part contained in each, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its properties or other assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or the assets of the City under the terms of any such law, regulation or instrument, except as provided or permitted by the Series 2015 Bonds and the Bond Resolution.
- (d) As of its date, the Preliminary Official Statement was deemed "final" (except for permitted omissions) by the City for purposes of paragraph (b)(1) of the Rule.
- (e) On the date hereof, the Commission is the governing body of the City and the City is, and will be on the date of the Closing, duly organized and validly existing as a municipality under the Act, with the power and authority set forth therein.
- (f) The City has full right, power and authority to issue, sell and deliver the Series 2015 Bonds to the Underwriters as described herein; to provide funds to finance

the 2015 Project; to have enacted and/or adopted the ordinances and/or resolutions which established the rates, fees, rentals, charges and other income which comprise Revenues of the Stormwater Utility, [**Impact Fees and Special Assessments**] (collectively, the "Rate Instrument"); to enter into this Purchase Agreement, [**the Financial Guaranty Agreement,**] and the Continuing Disclosure Agreement (collectively, the "Bond Documents"), to issue and deliver the Series 2015 Bonds as provided in this Purchase Agreement and the Bond Resolution, to apply the proceeds of the sale of the Series 2015 Bonds for the purposes described herein and in the Official Statement, to execute and deliver the Bond Documents, and to carry out and consummate the transactions contemplated by the aforesaid documents.

- (g) At meetings of the Commission that were duly called and at which a quorum was present and acting throughout, the Commission approved the execution and delivery of the Series 2015 Bonds and the Bond Documents; authorized the execution and delivery of the Official Statement; and authorized the use of the Official Statement in connection with the public offering of the Series 2015 Bonds. The City represents that it will have no bonds or other indebtedness outstanding that are secured by the Net Revenues, [**Impact Fees and Special Assessments**], other than as described in the Official Statement. All conditions and requirements of the Bond Resolution relating to the issuance of the Series 2015 Bonds have been complied with or fulfilled, or will be complied with or fulfilled on the date of Closing.
- (h) Since September 30, 2014, there has been no material adverse change in the financial position, results of operations or condition, financial or otherwise, of the City or its Stormwater Utility other than as disclosed in the Official Statement and the City has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution or the Bond Documents, direct or contingent, other than as disclosed in the Official Statement.
- (i) No authorization, approval, consent or license of any governmental body or authority, not already obtained, is required for the valid and lawful execution and delivery by the City of the Series 2015 Bonds, the Bond Documents, the Official Statement, the adoption of the Bond Resolution and the adoption and/or enactment of the Rate Instrument, and the performance of its obligations thereunder or as contemplated thereby; provided, however, that no representation is made concerning compliance with the registration requirements of the federal securities laws or the securities or Blue Sky laws of the various states.
- (j) The City is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor.

The City has not undertaken an independent review or investigation of securities for which it has served as conduit issuer, and the City does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2015 Bonds because the City is not obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the City have been pledged or used to pay such securities or the interest thereon.

- (k) Except as disclosed in the Official Statement, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, or public board or body, pending or, to the best of its knowledge, threatened: (i) contesting the corporate existence or powers of the Commission, or the titles of the officers of the Commission to their respective offices; (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2015 Bonds or the collection of the Net Revenues, **[Impact Fees or Special Assessments]** pledged to pay the principal of and interest on the Series 2015 Bonds in the manner and to the extent provided in the Bond Resolution, or the application of the proceeds of the Series 2015 Bonds or in which an unfavorable decision, ruling or finding would materially adversely affect the financial position of the City or the operations of its Stormwater Utility or the validity or enforceability of the Series 2015 Bonds, the Bond Resolution, the Rate Instrument or the Bond Documents; (iii) contesting in any way the completeness or accuracy of the Official Statement; (iv) adversely affect the exclusion of interest on the Series 2015 Bonds from gross income for federal income tax purposes; or (v) challenging the City's ownership or operation of the Stormwater Utility, nor, to the best knowledge of the City, is there any basis therefor.
- (l) When duly executed and delivered, the Series 2015 Bonds, and the Bond Documents will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of the City, enforceable in accordance with their respective terms, except insofar as the enforcement thereof may be limited by bankruptcy, insolvency or similar laws relating to the enforcement of creditors' rights.
- (m) The City will furnish such information, execute such instruments and take such other action in cooperation with the Senior Managing Underwriter as the Senior Managing Underwriter may reasonably request to: (i) qualify the Series 2015 Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Senior Managing Underwriter may designate; (ii) determine the eligibility of the Series 2015 Bonds for investment under the laws of such states and other jurisdictions; and (iii) continue such qualifications in effect so long as required for the distribution of the Series 2015 Bonds; provided that the City will not be

required to qualify to do business or submit to service of process in any such jurisdiction.

- (n) The City has not been notified of any listing or the proposed listing of the City by the Internal Revenue Service as an issuer whose arbitrage certifications may not be relied upon.
- (o) Any certificate signed by any official of the City and delivered to the Underwriters will be deemed to be a representation by the City to the Underwriters as to the statements made therein.
- (p) The City will undertake, pursuant to the Continuing Disclosure Agreement, to provide or cause to be provided to the MSRB certain annual financial information and operating data of the Stormwater Utility, and certain notices of material events, as more fully set forth in the Continuing Disclosure Agreement. A description of the undertaking will be set forth in the Official Statement.
- (q) The Financial Statements included in the Official Statement have been prepared in accordance with generally accepted accounting principles applied on a consistent basis with that of the audited combined financial statements of the City and fairly present the financial condition and results of the operations of the City and the Stormwater Utility at the dates and for the periods indicated.
- (r) The City will provide to the rating agencies rating the Series 2015 Bonds appropriate periodic credit information necessary for maintaining the ratings on the Series 2015 Bonds.
- (s) Except as disclosed in the Official Statement, within the last five (5) years, the City has not failed to comply in all material respects with any continuing disclosure undertaking made by it pursuant to the Rule in connection with outstanding bond issues for which the City has agreed to undertake continuing disclosure obligations.
- (t) At the time of Closing, the City will be in compliance in all respects with the covenants and agreements contained in the Bond Resolution and no event of default, nor an event which, with the lapse of time or giving of notice, or both, would constitute an event of default under the Bond Resolution will have occurred or be continuing.
- (u) The City will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Series 2015 Bonds to be applied in a manner contrary to that provided for in the Bond Resolution and as described in the Official Statement.

- (v) No representation or warranty by the City in this Purchase Agreement, nor any statement, certificate, document or exhibit furnished to or to be furnished by the City pursuant to this Purchase Agreement or the Official Statement or in connection with the transactions contemplated hereby contains, or will contain on the Closing Date, any untrue statement of material fact or omits or will omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.
- (w) Between the date of this Purchase Agreement and the date of Closing, the City will not, without the prior written consent of the Senior Managing Underwriter, offer or issue any bonds, notes or other obligations for borrowed money relating to the Stormwater Utility, and the City will not incur any material liabilities, direct or contingent, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the City or relating to the Stormwater Utility, other than (i) as contemplated by the Official Statement, or (ii) in the ordinary course of business.

### **SECTION 3.**

On or before the acceptance by the City of this Purchase Agreement, the Underwriters shall receive from the City certified copies of the Bond Resolution and the Rate Instrument.

### **SECTION 4.**

At 10:00 a.m. (Eastern Time) on \_\_\_\_\_, 2015, or at such earlier or later time or date as the parties hereto mutually agree upon (the "Closing"), the City will cause to be delivered to the Underwriters, at the offices of Squire Patton Boggs (US) LLP ("Bond Counsel"), in the City of Miami, Florida or at such other place upon which the parties hereto may agree, the documents mentioned in Section 5(b) of this Purchase Agreement and shall release the Series 2015 Bonds, in the form of one typewritten, fully registered bond with a CUSIP identification number thereon for each maturity of the Series 2015 Bonds, duly executed and authenticated and registered in the name of Cede & Co., as nominee for DTC, through the DTC FAST System to the Underwriters. At the Closing, the Underwriters shall evidence their acceptance of delivery of the Series 2015 Bonds and pay the purchase price of the Series 2015 Bonds as set forth in Section 1(a) of this Purchase Agreement.

### **SECTION 5.**

The Underwriters have entered into this Purchase Agreement in reliance upon the representations and agreements of the City herein and the performance by the City of its obligations hereunder, both as of the date hereof and as of the date of Closing. The City's and the Underwriters' obligations under this Purchase Agreement are and will be subject to the following further conditions:

- (a) at the time of Closing: (i) the Bond Resolution, the Rate Instrument and the Bond Documents will be in full force and effect and will not have been amended, modified or supplemented, except as may have been agreed to in writing by the Senior Managing Underwriter; (ii) the proceeds of the sale of the Series 2015 Bonds shall be applied as described in the Official Statement; and (iii) the Commission shall have duly adopted and there shall be in full force and effect, resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby;
- (b) at or prior to the Closing, the Underwriters shall receive the following documents:
- (i) the opinion of Bond Counsel with respect to the Series 2015 Bonds, dated the date of Closing, substantially in the form attached to the Official Statement as Appendix \_\_, either addressed to the Underwriters and the City or accompanied by a letter addressed to the Underwriters indicating that it may rely on said opinion as if it were addressed to them;
  - (ii) a supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriters to the effect that: (A) they have reviewed the statements in the Official Statement under the captions ["INTRODUCTION", "PURPOSE OF THE SERIES 2015 BONDS", "THE SERIES 2015 BONDS" (except for information under the subheading "Book-Entry Only System"), "SECURITY FOR THE SERIES 2015 BONDS" (except for the information under the subheading "RESERVE ACCOUNT - EXISTING RESERVE ACCOUNT INSURANCE POLICY"), and "CONTINUING DISCLOSURE"], and believe that, insofar as such statements purport to summarize certain provisions of the Series 2015 Bonds, the Bond Resolution and the Continuing Disclosure Agreement, such statements present an accurate summary of such provisions; (B) they have reviewed the statements in the Official Statement under the caption "TAX MATTERS" and believe that such statements are accurate; and (C) the Series 2015 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended (the "1933 Act") and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended (the "1939 Act");
  - (iii) the opinion of the Law Offices of Steve E. Bullock, P.A., Disclosure Counsel to the City, dated the date of Closing and either addressed to the Underwriters and the City or accompanied by a letter addressed to the Underwriters indicating that it may rely on said opinion as if it were addressed to them, in form and substance acceptable to the City and the Underwriters, (i) to the effect that nothing has come to its attention which

leads it to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) the Continuing Disclosure Agreement complies, in all material respects, with the requirements of Rule 15(c)2-12(b)(5), and (iii) the Series 2015 Bonds are exempt from the registration requirements of the 1933 Act and the Bond Resolution is exempt from qualification under the 1939 Act;

- (iv) the opinion of Raul Aguila, Esq., Counsel to the City, dated the date of Closing and addressed to the Underwriters and the City, to the effect that: (A) the Commission is the governing body of the City and the City is validly existing as a municipality under the Act, with all corporate power necessary to conduct the operations described in the Official Statement and to carry out the transactions contemplated by this Purchase Agreement; (B) the City has obtained all governmental consents, approvals and authorizations necessary for execution and delivery of the Bond Documents, for issuance of the Series 2015 Bonds and for execution and delivery of the Official Statement and consummation of the transactions contemplated thereby and hereby; (C) the City has full legal right, power and authority to pledge and grant a lien on the Net Revenues, **[Impact Fees and Special Assessments]** for the security of the Series 2015 Bonds on parity and equal status with the Parity Bonds; (D) the Commission has duly adopted the Bond Resolution and duly enacted and/or adopted the Rate Instrument and approved the form, execution, distribution and delivery of the Official Statement; (E) the Series 2015 Bonds and the Bond Documents have each been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery thereof by the other parties thereto, if any, each constitutes a valid and binding agreement of the City, enforceable in accordance with its terms; (F) the information in the Official Statement with respect to the City (excluding financial, statistical and demographic information and information relating to DTC, as to which no opinion need be expressed) is, to the best knowledge of such counsel after due inquiry with respect thereto, correct in all material respects and does not omit any matter necessary in order to make the statements made therein regarding such matters, in light of the circumstances under which such statements are made, not misleading, and, based on its participation as counsel to the City, such counsel has no reason to believe that the Official Statement (excluding financial, statistical and demographic information (and information relating to DTC **[and the Insurer]**) contained as of its date or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein,

in light of the circumstances under which they were made, not misleading; (G) except as disclosed in the Official Statement under the caption "LITIGATION," there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or, to the best of knowledge of such counsel, threatened, against or affecting the Commission or the City challenging the validity of the Series 2015 Bonds, the Bond Resolution, the Rate Instrument, the Bond Documents, or any of the transactions contemplated thereby or by the Official Statement, or challenging the existence of the City or the respective powers of the several offices of the officials of the City or the titles of the officials holding their respective offices, or challenging the City's ownership or operation of the Stormwater Utility or the pledge of the Net Revenues, **[Impact Fees or Special Assessments]** for the payment of the Series 2015 Bonds in the manner and to the extent provided in the Bond Resolution, nor is there any basis therefor; (H) the execution and delivery of the Bond Documents and the issuance of the Series 2015 Bonds, and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under, or result in the creation of a lien on any property of the City (except as contemplated therein) pursuant to any note, mortgage, deed of trust, indenture, resolution or other agreement or instrument to which the Commission or the City is a party, or any existing law, regulation, court order or consent decree to which the Commission or the City is subject;

- (v) a certificate, dated the date of Closing, signed on behalf of the City by the Mayor and the City Manager of the City, setting forth such matters as the Senior Managing Underwriter may reasonably require, including that each of the representations of the City contained in Section 2 hereof were true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the date of Closing as if made on such date; and stating that to the best of their knowledge, no event affecting the City, the Series 2015 Project, the Stormwater Utility or the Series 2015 Bonds has occurred since the date of the Official Statement which should be disclosed therein for the purpose for which it is used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect as of the date of Closing;
- (vi) a customary signature certificate, dated the date of Closing, signed on behalf of the City by the City Clerk of the City;

- (vii) evidence satisfactory to the Senior Managing Underwriter that the requirements of Section 209 of the Bond Resolution have been satisfied;
- (viii) letters from Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services ("S&P") addressed to the City, to the effect that the Series 2015 Bonds have been assigned ratings of "\_\_\_\_" and "\_\_\_\_" with a "\_\_\_\_ outlook," respectively, which ratings shall be in effect as of the Closing date;
- (ix) a customary authorization and incumbency certificate, dated the date of Closing, signed by authorized officers of the Bond Registrar;
- (x) copies of the Blue Sky Survey and Legal Investment Survey, if any, prepared by Counsel to the Underwriters, indicating the jurisdictions in which the Series 2015 Bonds may be sold in compliance with the "blue sky" or securities laws of such jurisdictions;
- (xi) such additional documents as may be required by the Bond Resolution to be delivered as a condition precedent to the issuance of the Series 2015 Bonds;
- (xii) one executed copy of a letter from the Consulting Engineers consenting to the references to them in the Official Statement and inclusion of its Report of Consulting Engineer as Appendix \_\_ to the Official Statement;
- (xiii) one executed copy of certificates of each of the Public Works Director and the Consulting Engineers to the effect that the information contained in the Official Statement under the caption "THE STORMWATER UTILITY" is accurate and does not omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;
- (xiv) **[a true and correct copy of the 2015 Reserve Account Insurance Policy; ]**
- (xv) **[an opinion, dated the date of the Closing and addressed to the Issuer and the Underwriters, of counsel for the Insurer and/or a certificate or certificates of the Insurer, in such form as is mutually and reasonably acceptable to the Issuer and the Underwriters; and]**
- (x) such additional legal opinions, proceedings, instruments and other documents as the Senior Managing Underwriter, Underwriters' Counsel or Bond Counsel may reasonably request.

All of the opinions, letters, certificates, instruments and other documents mentioned in this Purchase Agreement shall be deemed to be in compliance with the provisions of this

Purchase Agreement if, but only if, in the reasonable judgment of the Senior Managing Underwriter and Underwriters' Counsel, they are satisfactory in form and substance.

#### **SECTION 6.**

If the City shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Agreement or if the Underwriters' obligations are terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriters and the City shall have no further obligation hereunder, except that the respective obligations of the parties hereto provided in Section 7 hereof shall continue in full force and effect and the City shall return the Good Faith Deposit as provided in Section 1(b).

#### **SECTION 7.**

- (a) The following costs and expenses relating to the transaction contemplated or described in this Purchase Agreement shall be borne and paid by the City regardless of whether the transaction contemplated herein shall close: printing of Series 2015 Bonds; printing or copying of closing documents (including the Preliminary Official Statement and the Official Statement) in such reasonable quantities as the Senior Managing Underwriter may request; fees and disbursements of Bond Counsel; fees and disbursements of the City's Financial Advisor; any accounting fees; the Bond Registrar fees; fees of the rating agencies; and any other fees as described in Schedule A-1 hereto. The City shall pay any expenses incurred by the Underwriters on behalf of the City and its staff in connection with the marketing, issuance and delivery of the Series 2015 Bonds, including, but not limited to, meals, transportation, lodging and entertainment of the City's employees and representatives; the City's obligations in regard to these expenses survive even if the underlying transaction fails to close or consummate.
- (b) The Underwriters will pay: (i) the fees and disbursements of Underwriters' Counsel; (ii) all advertising expenses in connection with the public offering of the Series 2015 Bonds; and (iii) the cost of preparing, printing and distributing the Blue Sky and Legal Investment Surveys, if any, and the filing fees required by the "blue sky" laws of various jurisdictions.

#### **SECTION 8.**

The City acknowledges and agrees that: (i) the transactions contemplated by this Purchase Agreement are arm's length, commercial transactions between the City and the Underwriters in which the Underwriters are acting solely as a principal and are not acting as a municipal advisor, financial advisor or fiduciary to the City; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the City with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters or their affiliates have provided other services or are currently providing other services to the City on other matters); (iii) the only obligations the

Underwriters have to the City with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; (iv) the City has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate and (v) the Underwriters have financial and other interests that differ from those of the City.

#### SECTION 9.

The Underwriters shall have the right to cancel their obligations hereunder by if the Senior Managing Underwriter notifies the City in writing of their election to do so between the date hereof and the Closing if, at any time hereafter and on or prior to the Closing:

- (a) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation, or a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States of America, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by, the House of Representatives or the Senate, or recommended to the Congress of the United States of America for passage by the President of the United States of America, or be enacted by the Congress of the United States of America, or an announcement or a proposal for any such legislation shall be made by a member of the House of Representatives or the Senate of the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States of America or the Tax Court of the United States of America shall be rendered, or a ruling, regulation, or order of the Treasury Department of the United States of America or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in or proposes the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the City, any of its affiliates, state and local governmental units or by any similar body or upon interest received on obligations of the general character of the Series 2015 Bonds which, in the Senior Managing Underwriter's opinion, materially and adversely affects the market price of the Series 2015 Bonds.
- (b) Any legislation, ordinance, rule, or regulation shall be introduced in or be enacted by any governmental body, department, or agency of the United States or of any state, or a decision by any court of competent jurisdiction within the United States or any state shall be rendered which, in the Senior Managing Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2015 Bonds.
- (c) A stop order, ruling, regulation, or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having

jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, or sale of obligations of the general character of the Series 2015 Bonds, or the issuance, offering, or sale of the Series 2015 Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provisions of the federal securities laws as amended and then in effect, including without limitation the registration provisions of the 1933 Act, or the registration provisions of the Securities Exchange Act of 1934 (the "1934 Act"), or the qualification provisions of the 1939 Act.

- (d) Legislation shall be introduced by amendment or otherwise in, or be enacted by, the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered to the effect that obligations of the general character of the Series 2015 Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act, or with the purpose or effect of otherwise prohibiting the issuance, offering, or sale of obligations of the general character of the Series 2015 Bonds, as contemplated hereby or by the Official Statement.
- (e) Any event shall have occurred, or information shall have become known, which, in the Senior Managing Underwriter's reasonable opinion, makes untrue in any material respect any representation by or certificate of the City hereunder, or any statement or information furnished to the Underwriters by the City for use in connection with the marketing of the Series 2015 Bonds or any material statement or information contained in the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; provided, however, that the City shall be granted a reasonable amount of time in which to cure any such untrue or misleading statement or information.
- (f) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.
- (g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to Series 2015 Bonds or obligations of the general character of the Series 2015 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or a change to the net capital requirements of, the Underwriters.
- (h) A general banking moratorium or suspension or limitation of banking services shall have been established by federal, Florida or New York authorities or a

major financial crisis or material disruption in commercial banking or securities settlement or clearance services shall have occurred.

- (i) Any proceeding shall be pending, or to the knowledge of the Underwriters, threatened, to restrain, enjoin, or otherwise prohibit the issuance, sale, or delivery of the Series 2015 Bonds by the City or the purchase, offering, sale, or distribution of the Series 2015 Bonds by the Underwriters, or for any investigatory or other proceedings under any federal or state securities laws or the rules and regulations of the National Association of Securities Dealers, Inc. relating to the issuance, sale, or delivery of the Series 2015 Bonds by the City or the purchase, offering, sale, or distribution of the Series 2015 Bonds by the Underwriters.
- (j) There shall have occurred any new outbreak or escalation of hostilities, any declaration by the United States of war or any national or international calamity or crisis, the effect of such outbreak, escalation, declaration, calamity or crisis being such as would cause a major disruption in the municipal bonds market and as, in the reasonable judgment of the Senior Managing Underwriter, would make it impracticable or inadvisable for the Underwriters to market the Series 2015 Bonds or to enforce contracts for the sale of the Series 2015 Bonds.
- (k) Prior to Closing, any of the rating agencies which have rated the Series 2015 Bonds shall inform the City or the Senior Managing Underwriter that the Series 2015 Bonds will be rated lower than the respective rating published in the Preliminary Official Statement or there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change of credit watch status by any national rating service to any of the City's obligations.
- (l) There shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the City or any agency or political subdivision thereof or proceedings under the bankruptcy laws of the United States or the State of Florida shall have been instituted by the City or any agency or political subdivision, in either case the effect of which, in the reasonable judgment of the Senior Managing Underwriter, is such as to materially and adversely affect the market price or the marketability of the Series 2015 Bonds or the ability of the Underwriters to enforce contracts of the sale of the Series 2015 Bonds.
- (m) **[The Insurer shall inform the City or the Underwriters that it will not deliver the 2015 Reserve Account Insurance Policy at Closing.]**

#### SECTION 10.

Any notice or other communication to be given under this Purchase Agreement may be

given by delivering the same in writing as follows:

To the City at:

City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, FL 33139  
Attention: Patricia D. Walker, Chief Financial Officer

To the Underwriters (as the Senior Managing Underwriter, the representative on behalf of the Underwriters) at:

Wells Fargo Bank, National Association  
2363 Gulf-to-Bay Boulevard  
Clearwater, Florida 33765  
Attention: J. Michael Olliff

**SECTION 11.**

This Purchase Agreement is made solely for the benefit of the City and the Underwriters (including the successors or assigns of the Underwriters), and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof.

**SECTION 12.**

All the representations, warranties and agreements of the Underwriters and the City in this Purchase Agreement shall remain operative and in full force and effect and shall survive delivery of and payment for the Series 2015 Bonds hereunder regardless of any investigation made by or on behalf of the Underwriters.

**SECTION 13.**

This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

**SECTION 14.**

This Purchase Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement; such counterparts may be delivered by facsimile transmission.

[Signature Page to Follow]

If the foregoing is acceptable to you, please sign below and this Purchase Agreement will become a binding agreement between the City and the Underwriters.

Very Truly Yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION, on behalf of itself and CITIGROUP GLOBAL MARKETS INC., J.P. MORGAN SECURITIES LLC and SIEBERT BRANDFORD SHANK & CO., LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Accepted and confirmed as of the date first above written:

CITY OF MIAMI BEACH, FLORIDA

By: \_\_\_\_\_  
Name: Philip Levine  
Title: Mayor

**EXHIBIT A**

(Disclosure and Truth-in-Bonding Statement)

\$ \_\_\_\_\_

CITY OF MIAMI BEACH, FLORIDA  
Stormwater Revenue Bonds  
Series 2015

\_\_\_\_\_, 2015

Mayor and City Commission  
City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Ladies and Gentlemen:

In connection with the proposed execution and delivery of the \$ \_\_\_\_\_ City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds"), Wells Fargo Bank, National Association (the "Senior Managing Underwriter"), acting on behalf of itself Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., LLC (collectively, with the Senior Managing Underwriter, the "Underwriters"), has agreed to underwrite a public offering of the Series 2015 Bonds. Arrangements for underwriting the Series 2015 Bonds will include a Bond Purchase Agreement between the City of Miami Beach, Florida (the "City") and the Underwriters which will embody the negotiations in respect thereof (the "Purchase Agreement").

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385, Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Series 2015 Bonds as follows:

- (a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Series 2015 Bonds are set forth in schedule A-1 attached hereto.
- (b) No person has entered into an understanding with the Underwriters or, to the knowledge of the Underwriters, with the City for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Underwriters or to exercise or attempt to exercise any influence to effect any transaction in connection with the purchase of the Series 2015 Bonds by the Underwriters.

- (c) The total underwriting spread is \$\_\_\_\_\_ (\$\_\_\_\_\_/ \$1,000 of Bonds).
- (d) The Management Fee is \$\_\_\_\_\_ (\$\_\_\_\_\_/ \$1,000 of Bonds).
- (e) The Underwriters' Expenses are \$\_\_\_\_\_ (\$\_\_\_\_\_/ \$1,000 of Bonds).
- (f) No other fee, bonus or other compensation has been or will be paid by the Underwriters in connection with the issuance of the Series 2015 Bonds to any person not regularly employed or retained by the Underwriters, except Underwriters' Counsel, Bryant Miller Olive P.A., as shown on Schedule A-1 hereto, including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended.
- (g) The names and addresses of the Underwriters are:

Wells Fargo Bank, National Association  
2363 Gulf-to-Bay Blvd, Suite 200  
Clearwater, Florida 33765  
Attn: J. Michael Olliff

Citigroup Global Markets Inc.  
100 North Tampa Street, Suite 3750  
Tampa, Florida 33602  
Attn: Kevin Dempsey

J.P. Morgan Securities LLC  
1450 Brickell Ave, 33rd Floor  
Miami, FL 33131  
Attn: T.J. Whitehouse

Siebert Brandford Shank & Co., LLC  
1025 Connecticut Avenue NW, Suite 1202  
Washington, DC 20036  
Attn: Jon Kim

- (h) The City is proposing to issue \$\_\_\_\_\_ principal amount of the Series 2015 Bonds, as described in the Official Statement dated \_\_\_\_\_, 2015 relating to the Series 2015 Bonds (the "Official Statement"). These obligations are expected to be repaid over a period of approximately \_\_ years. At a true interest cost rate of \_\_\_\_\_%, total interest paid over the life of the Series 2015 Bonds will be \$\_\_\_\_\_. Proceeds of the Series 2015 Bonds will provide funds, together with other available funds, to (i) pay the costs of certain improvements to the City's Stormwater Utility, (ii) **[fund required reserves, and (iii)]** pay costs of issuance of the Series 2015 Bonds.

- (i) The anticipated source of repayment or security for the Series 2015 Bonds is the Net Revenues, **[Impact Fees or Special Assessments]** (as defined in the Bond Resolution, which in turn is defined in the Purchase Agreement). Authorizing these obligations will result in an annual amount of approximately \$\_\_\_\_\_ (total debt service divided by \_\_ years) of the aforementioned funds not being available each year to finance the other services of the City over a period of approximately \_\_ years, with respect to the Series 2015 Bonds.

[Remainder of page intentionally left blank]

We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385, Florida Statutes, as amended.

Very Truly Yours,

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, on behalf of itself and  
CITIGROUP GLOBAL MARKETS INC., J.P.  
MORGAN SECURITIES LLC and SIEBERT  
BRANDFORD SHANK & CO., LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SCHEDULE "A-1"  
 DETAILED BREAKDOWN OF UNDERWRITERS' DISCOUNT

\$ \_\_\_\_\_  
 CITY OF MIAMI BEACH, FLORIDA  
 Stormwater Revenue Bonds  
 Series 2015

<u>Spread Breakdown</u>	<u>\$/ \$1,000</u>	<u>Amount</u>
Underwriter/Takedown:		\$
Expenses:		
Total		<u>\$</u>

<u>Expense Breakdown</u>	<u>\$/ \$1,000</u>	<u>Amount</u>
Total		<u>\$</u>

**EXHIBIT B**  
**\$ \_\_\_\_\_**  
**CITY OF MIAMI BEACH, FLORIDA**  
**Stormwater Revenue Bonds**  
**Series 2015**

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND PRICES**

\$ \_\_\_\_\_ Serial Bonds

<u>Maturity</u> (September 1)	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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\$ \_\_\_\_\_ % Term Bond Due September 1, \_\_\_\_\_; Yield \_\_\_\_\_%; Price \_\_\_\_\_%

\$ \_\_\_\_\_ % Term Bond Due September 1, \_\_\_\_\_; Yield \_\_\_\_\_%; Price \_\_\_\_\_%

**[Insert Redemption Provisions]**

\$ \_\_\_\_\_  
CITY OF MIAMI BEACH, FLORIDA  
Stormwater Revenue Bonds,  
Series 2015

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BOND PURCHASE AGREEMENT

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\_\_\_\_\_, 2015

Mayor and City Commission  
City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Ladies and Gentlemen:

Wells Fargo Bank, National Association (the "Senior Managing Underwriter"), acting on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., LLC (collectively, with the Senior Managing Underwriter, the "Underwriters"), offer to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the City of Miami Beach, Florida (the "City"), for the sale by the City and the purchase by the Underwriters of the City's \$\_\_\_\_\_ Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). This offer is made subject to acceptance by the City prior to 5:00 p.m. (Eastern Time) on the date hereof. Upon such acceptance, this Purchase Agreement will be in full force and effect in accordance with its terms and will be binding on the City and the Underwriters. If this offer is not so accepted, it is subject to withdrawal by the Underwriters upon written notice delivered to the City at any time prior to such acceptance. In conformance with Section 218.385, Florida Statutes, as amended, the Underwriters hereby deliver the Disclosure and Truth-in-Bonding Statement attached hereto as Exhibit "A." Capitalized terms used in this Purchase Agreement, but not defined, are used with the meanings ascribed to them in the Bond Resolution hereinafter described.

The Senior Managing Underwriter represents that it is authorized on behalf of itself and the other Underwriters to enter into this Purchase Agreement and to take any other actions that may be required on behalf of the Underwriters.

SECTION 1.

- (a) Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriters hereby agree to purchase from the

City, and the City hereby agrees to sell to the Underwriters all (but not less than all) of the Series 2015 Bonds for a purchase price equal to \$\_\_\_\_\_ (which purchase price is the aggregate principal amount of the Series 2015 Bonds of \$\_\_\_\_\_, plus/minus a net original issue premium/discount of \$\_\_\_\_\_ and less an Underwriters' discount of \$\_\_\_\_\_). The purchase price for the Series 2015 Bonds shall be payable to the City in immediately available funds.

- (b) In connection with the execution of this Purchase Agreement, the Senior Managing Underwriter, on behalf of the Underwriters, has delivered to the City a wire transfer credited to the order of the City in immediately available federal funds in the aggregate amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (the "Good Faith Deposit"), which is being delivered to the City on account of the purchase price of the Series 2015 Bonds and as security for the performance by the Underwriters of their obligation to accept and to pay for the Series 2015 Bonds. If the City does not accept this offer, the Good Faith Deposit shall be immediately returned to the Senior Managing Underwriter by wire transfer credited to the order of the Senior Managing Underwriter in the amount of the Good Faith Deposit, in federal funds to the Senior Managing Underwriter. In the event the Closing takes place, the amount of the Good Faith Deposit shall be credited against the purchase price of the Series 2015 Bonds pursuant to Section 1(a). In the event of the City's failure to deliver the Series 2015 Bonds at the Closing, or if the City shall be unable at or prior to the Closing to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Agreement (unless such conditions are waived by the Senior Managing Underwriter), or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Agreement, the City shall immediately wire to the Senior Managing Underwriter in federal funds the Good Faith Deposit without interest, and such wire shall constitute a full release and discharge of all claims by the Underwriters against the City arising out of the transactions contemplated by this Purchase Agreement. In the event that the Underwriters fail other than for a reason permitted under this Purchase Agreement to accept and pay for the Series 2015 Bonds upon their tender by the City at the Closing, the amount of the Good Faith Deposit shall be retained by the City and such retention shall represent full liquidated damages and not a penalty, for such failure and for any and all defaults on the part of the Underwriters and the retention of such funds shall constitute a full release and discharge of all claims, rights and damages for such failure and for any and all such defaults. It is understood by both the City and the Underwriters that actual damages in the circumstances as described in the preceding sentence may be difficult or impossible to compute; therefore, the funds represented by the Good Faith Deposit are a reasonable estimate of the liquidated damages in this type of situation.

- (c) The Series 2015 Bonds will be issued pursuant to Chapter 166, Florida Statutes, as amended, the City of Miami Beach Charter and Section 403.0893(1), Florida Statutes, and other applicable provisions of law (collectively, the "Act"), and pursuant and subject to the terms and conditions of Resolution No. 2000-24127 adopted by the Mayor and City Commission of the City of Miami Beach, Florida (the "Commission") on October 18, 2000, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. 2015-\_\_\_\_\_ adopted by the Commission on \_\_\_\_\_, 2015 (collectively, "Bond Resolution"). The Series 2015 Bonds will be secured as provided in the Bond Resolution. The Series 2015 Bonds shall mature and have such other terms and provisions as are described on Exhibit "B" hereto. Proceeds of the Series 2015 Bonds will provide funds, together with other available funds, to (i) pay the costs of certain capital improvements to the Stormwater Utility as described in the Bond Resolution (the "Series 2015 Project"), (ii) [fund required reserves, and (iii)] pay costs of issuance of the Series 2015 Bonds. It shall be a condition to the obligation of the City to sell and deliver the Series 2015 Bonds to the Underwriters, and to the obligation of the Underwriters to purchase and accept delivery of the Series 2015 Bonds, that the entire aggregate principal amount of the Series 2015 Bonds shall be sold and delivered by the City and accepted and paid for by the Underwriters at the Closing. **[Upon delivery of the Series 2015 Bonds, the County shall deposit into a subaccount in the the Reserve Account a Reserve Account Insurance Policy issued by \_\_\_\_\_ (the "Insurer") to secure the Series 2015 Bonds (the "2015 Reserve Account Insurance Policy").]**
- (d) The Underwriters agree to make a *bona fide* public offering of substantially all of the Series 2015 Bonds to the public at initial public offering prices not greater than (or yields not less than) the initial public offering prices (or yields) set forth in the Official Statement; provided, however, that the Underwriters reserve the right to make concessions to certain dealers, certain dealer banks and banks acting as agents and to change such initial public offering prices as the Underwriters shall deem necessary in connection with the marketing of the Series 2015 Bonds.

At the Closing, the Underwriters shall deliver to the City a certificate, in a form acceptable to Bond Counsel, stating the facts of the sale of the Series 2015 Bonds in a manner such that the issue price can reasonably be established.

- (e) The City shall deliver, or cause to be delivered, at its expense, to the Senior Managing Underwriter, within seven (7) business days after the date hereof or within such shorter period as may be requested by the Senior Managing Underwriter, and in no event later than required to enable the Underwriters to comply with their responsibilities under applicable rules of the Municipal Securities Rulemaking Board ("MSRB"): (i) sufficient copies of the Official

Statement to enable the Underwriters to fulfill their obligations pursuant to the securities laws of the State of Florida and the United States, in form and substance satisfactory to the Senior Managing Underwriter, and (ii) an executed original counterpart or certified copy of the Official Statement at Closing. In determining whether the number of copies to be delivered by the City are reasonably necessary, at a minimum, the number shall be sufficient to enable the Underwriters to comply with the requirements of the Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Senior Managing Underwriter agrees to file the Official Statement with the Electronic Municipal Market Access system ("EMMA") (accompanied by a completed Form G-32) by the date of Closing. The filing of the Official Statement with EMMA shall be in accordance with the terms and conditions applicable to EMMA.

- (f) From the date hereof until the earlier of (i) ninety days from the "end of the underwriting period" (as defined in the Rule), or (ii) the time when the Official Statement is available to any person from the MSRB (but in no case less than twenty-five (25) days following the end of the underwriting period), if any event occurs or a condition or circumstance exists which may make it necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the party discovering such event, condition or occurrence shall notify the other party and if, in the reasonable opinion of the City or the reasonable opinion of the Senior Managing Underwriter, such event requires the preparation and publication of an amendment or supplement to the Official Statement, the City, at its expense, will promptly prepare an appropriate amendment or supplement thereto, in a form and in a manner reasonably approved by the Senior Managing Underwriter (and file, or cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record owner of the Series 2015 Bonds) so that the statements in the Official Statement, as so amended or supplemented, will not, in light of the circumstances under which they were made, be misleading. Each party will promptly notify the other parties of the occurrence of any event of which it has knowledge or the discovery of such conditions or circumstance, which, in its reasonable opinion, is an event described in the preceding sentence. Notwithstanding the foregoing, if prior to the Closing either the City or the Underwriters hereto does not in good faith approve the form and manner of such supplement or amendment, the other may terminate this Purchase Agreement. If subsequent to Closing, the City determines that any event, condition or circumstance requires the publication of a supplement or amendment to the Official Statement, then the approval of the Underwriters shall not be required, although the City agrees to seek the approval of the Underwriters to such supplement or amendment, and the Underwriters

shall use their reasonable best efforts to distribute the supplement or amendment with the Official Statement. The parties agree to cooperate in good faith with regard to the form and manner of the supplement or amendment to the Official Statement.

- (g) The City hereby approves and authorizes the delivery and distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement in substantially the form of the Preliminary Official Statement, together with such other changes, amendments or supplements as shall be made and approved in writing by the Senior Managing Underwriter and the City prior to the Closing in connection with the public offering and sale of the Series 2015 Bonds.

## SECTION 2.

The City represents and warrants to and agrees with the Underwriters as follows:

- (a) The Bond Resolution and the Rate Instrument (as hereinafter defined) were adopted and/or enacted by the Commission at meetings duly called and held in open session upon requisite prior public notice pursuant to the laws of the State of Florida and the standing resolutions and rules of procedure of the Commission. The City has full right, power and authority to adopt and/or enact the Bond Resolution and the Rate Instrument. On the date hereof, the Bond Resolution and the Rate Instrument are, and, at the Closing shall be, in full force and effect, and no portions thereof have been or shall have been supplemented, repealed, rescinded or revoked. The Bond Resolution and Rate Instrument constitute the legal, valid and binding obligations of the City, enforceable in accordance with their terms. The Bond Resolution creates a lien upon and pledge of Net Revenues, **[Impact Fees and Special Assessments]** for the payment of principal and interest on the Series 2015 Bonds on parity and equal status with the City's Stormwater Revenue Refunding Bonds, Series 2009J-2, Stormwater Revenue Bonds, Series 2011A, and Stormwater Revenue Refunding Bonds, Series 20011B (the "Parity Bonds").
- (b) As of their respective dates and, with respect to the Official Statement, at the time of Closing, the statements and information contained in the Preliminary Official Statement and the Official Statement are and will be accurate in all material respects for the purposes for which their use is authorized, and do not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, any amendments to the Preliminary Official Statement and the Official Statement prepared and furnished by the City pursuant hereto will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements

therein, in the light of the circumstances under which they were made, not misleading. The Series 2015 Bonds, the Bond Resolution, the Rate Instrument and the Disclosure Dissemination Agent Agreement relating to the Series 2015 Bonds (the "Continuing Disclosure Agreement") conform to the descriptions thereof set forth in the Official Statement.

- (c) The City is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, or any agency or department of either, or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its properties or other assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, in any such case to the extent that the same would have a material and adverse effect upon the business or properties or financial condition of the City including the City's receipts of the Net Revenues **[Impact Fees and Special Assessments]** in the amount contemplated by the Official Statement; and the execution and delivery of the Series 2015 Bonds, the Continuing Disclosure Agreement, **[the Financial Guaranty Agreement between the City and the Insurer relating to the 2015 Reserve Account Insurance Policy (the "Financial Guaranty Agreement")];** and this Purchase Contract and the adoption of the Bond Resolution, the adoption and/or enactment of the Rate Instrument, and compliance with the provisions on the City's part contained in each, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its properties or other assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or the assets of the City under the terms of any such law, regulation or instrument, except as provided or permitted by the Series 2015 Bonds and the Bond Resolution.
- (d) As of its date, the Preliminary Official Statement was deemed "final" (except for permitted omissions) by the City for purposes of paragraph (b)(1) of the Rule.
- (e) On the date hereof, the Commission is the governing body of the City and the City is, and will be on the date of the Closing, duly organized and validly existing as a municipality under the Act, with the power and authority set forth therein.
- (f) The City has full right, power and authority to issue, sell and deliver the Series 2015 Bonds to the Underwriters as described herein; to provide funds to finance

the 2015 Project; to have enacted and/or adopted the ordinances and/or resolutions which established the rates, fees, rentals, charges and other income which comprise Revenues of the Stormwater Utility, **[Impact Fees and Special Assessments]** (collectively, the "Rate Instrument"); to enter into this Purchase Agreement, **[the Financial Guaranty Agreement,]** and the Continuing Disclosure Agreement (collectively, the "Bond Documents"), to issue and deliver the Series 2015 Bonds as provided in this Purchase Agreement and the Bond Resolution, to apply the proceeds of the sale of the Series 2015 Bonds for the purposes described herein and in the Official Statement, to execute and deliver the Bond Documents, and to carry out and consummate the transactions contemplated by the aforesaid documents.

- (g) At meetings of the Commission that were duly called and at which a quorum was present and acting throughout, the Commission approved the execution and delivery of the Series 2015 Bonds and the Bond Documents; authorized the execution and delivery of the Official Statement; and authorized the use of the Official Statement in connection with the public offering of the Series 2015 Bonds. The City represents that it will have no bonds or other indebtedness outstanding that are secured by the Net Revenues, **[Impact Fees and Special Assessments]**, other than as described in the Official Statement. All conditions and requirements of the Bond Resolution relating to the issuance of the Series 2015 Bonds have been complied with or fulfilled, or will be complied with or fulfilled on the date of Closing.
- (h) Since September 30, 2014, there has been no material adverse change in the financial position, results of operations or condition, financial or otherwise, of the City or its Stormwater Utility other than as disclosed in the Official Statement and the City has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution or the Bond Documents, direct or contingent, other than as disclosed in the Official Statement.
- (i) No authorization, approval, consent or license of any governmental body or authority, not already obtained, is required for the valid and lawful execution and delivery by the City of the Series 2015 Bonds, the Bond Documents, the Official Statement, the adoption of the Bond Resolution and the adoption and/or enactment of the Rate Instrument, and the performance of its obligations thereunder or as contemplated thereby; provided, however, that no representation is made concerning compliance with the registration requirements of the federal securities laws or the securities or Blue Sky laws of the various states.
- (j) The City is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor.

The City has not undertaken an independent review or investigation of securities for which it has served as conduit issuer, and the City does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2015 Bonds because the City is not obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the City have been pledged or used to pay such securities or the interest thereon.

- (k) Except as disclosed in the Official Statement, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, or public board or body, pending or, to the best of its knowledge, threatened: (i) contesting the corporate existence or powers of the Commission, or the titles of the officers of the Commission to their respective offices; (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2015 Bonds or the collection of the Net Revenues, **[Impact Fees or Special Assessments]** pledged to pay the principal of and interest on the Series 2015 Bonds in the manner and to the extent provided in the Bond Resolution, or the application of the proceeds of the Series 2015 Bonds or in which an unfavorable decision, ruling or finding would materially adversely affect the financial position of the City or the operations of its Stormwater Utility or the validity or enforceability of the Series 2015 Bonds, the Bond Resolution, the Rate Instrument or the Bond Documents; (iii) contesting in any way the completeness or accuracy of the Official Statement; (iv) adversely affect the exclusion of interest on the Series 2015 Bonds from gross income for federal income tax purposes; or (v) challenging the City's ownership or operation of the Stormwater Utility, nor, to the best knowledge of the City, is there any basis therefor.
- (l) When duly executed and delivered, the Series 2015 Bonds, and the Bond Documents will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of the City, enforceable in accordance with their respective terms, except insofar as the enforcement thereof may be limited by bankruptcy, insolvency or similar laws relating to the enforcement of creditors' rights.
- (m) The City will furnish such information, execute such instruments and take such other action in cooperation with the Senior Managing Underwriter as the Senior Managing Underwriter may reasonably request to: (i) qualify the Series 2015 Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Senior Managing Underwriter may designate; (ii) determine the eligibility of the Series 2015 Bonds for investment under the laws of such states and other jurisdictions; and (iii) continue such qualifications in effect so long as required for the distribution of the Series 2015 Bonds; provided that the City will not be

required to qualify to do business or submit to service of process in any such jurisdiction.

- (n) The City has not been notified of any listing or the proposed listing of the City by the Internal Revenue Service as an issuer whose arbitrage certifications may not be relied upon.
- (o) Any certificate signed by any official of the City and delivered to the Underwriters will be deemed to be a representation by the City to the Underwriters as to the statements made therein.
- (p) The City will undertake, pursuant to the Continuing Disclosure Agreement, to provide or cause to be provided to the MSRB certain annual financial information and operating data of the Stormwater Utility, and certain notices of material events, as more fully set forth in the Continuing Disclosure Agreement. A description of the undertaking will be set forth in the Official Statement.
- (q) The Financial Statements included in the Official Statement have been prepared in accordance with generally accepted accounting principles applied on a consistent basis with that of the audited combined financial statements of the City and fairly present the financial condition and results of the operations of the City and the Stormwater Utility at the dates and for the periods indicated.
- (r) The City will provide to the rating agencies rating the Series 2015 Bonds appropriate periodic credit information necessary for maintaining the ratings on the Series 2015 Bonds.
- (s) Except as disclosed in the Official Statement, within the last five (5) years, the City has not failed to comply in all material respects with any continuing disclosure undertaking made by it pursuant to the Rule in connection with outstanding bond issues for which the City has agreed to undertake continuing disclosure obligations.
- (t) At the time of Closing, the City will be in compliance in all respects with the covenants and agreements contained in the Bond Resolution and no event of default, nor an event which, with the lapse of time or giving of notice, or both, would constitute an event of default under the Bond Resolution will have occurred or be continuing.
- (u) The City will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Series 2015 Bonds to be applied in a manner contrary to that provided for in the Bond Resolution and as described in the Official Statement.

- (v) No representation or warranty by the City in this Purchase Agreement, nor any statement, certificate, document or exhibit furnished to or to be furnished by the City pursuant to this Purchase Agreement or the Official Statement or in connection with the transactions contemplated hereby contains, or will contain on the Closing Date, any untrue statement of material fact or omits or will omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.
- (w) Between the date of this Purchase Agreement and the date of Closing, the City will not, without the prior written consent of the Senior Managing Underwriter, offer or issue any bonds, notes or other obligations for borrowed money relating to the Stormwater Utility, and the City will not incur any material liabilities, direct or contingent, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the City or relating to the Stormwater Utility, other than (i) as contemplated by the Official Statement, or (ii) in the ordinary course of business.

### **SECTION 3.**

On or before the acceptance by the City of this Purchase Agreement, the Underwriters shall receive from the City certified copies of the Bond Resolution and the Rate Instrument.

### **SECTION 4.**

At 10:00 a.m. (Eastern Time) on \_\_\_\_\_, 2015, or at such earlier or later time or date as the parties hereto mutually agree upon (the "Closing"), the City will cause to be delivered to the Underwriters, at the offices of Squire Patton Boggs (US) LLP ("Bond Counsel"), in the City of Miami, Florida or at such other place upon which the parties hereto may agree, the documents mentioned in Section 5(b) of this Purchase Agreement and shall release the Series 2015 Bonds, in the form of one typewritten, fully registered bond with a CUSIP identification number thereon for each maturity of the Series 2015 Bonds, duly executed and authenticated and registered in the name of Cede & Co., as nominee for DTC, through the DTC FAST System to the Underwriters. At the Closing, the Underwriters shall evidence their acceptance of delivery of the Series 2015 Bonds and pay the purchase price of the Series 2015 Bonds as set forth in Section 1(a) of this Purchase Agreement.

### **SECTION 5.**

The Underwriters have entered into this Purchase Agreement in reliance upon the representations and agreements of the City herein and the performance by the City of its obligations hereunder, both as of the date hereof and as of the date of Closing. The City's and the Underwriters' obligations under this Purchase Agreement are and will be subject to the following further conditions:

- (a) at the time of Closing: (i) the Bond Resolution, the Rate Instrument and the Bond Documents will be in full force and effect and will not have been amended, modified or supplemented, except as may have been agreed to in writing by the Senior Managing Underwriter; (ii) the proceeds of the sale of the Series 2015 Bonds shall be applied as described in the Official Statement; and (iii) the Commission shall have duly adopted and there shall be in full force and effect, resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby;
- (b) at or prior to the Closing, the Underwriters shall receive the following documents:
- (i) the opinion of Bond Counsel with respect to the Series 2015 Bonds, dated the date of Closing, substantially in the form attached to the Official Statement as Appendix \_\_, either addressed to the Underwriters and the City or accompanied by a letter addressed to the Underwriters indicating that it may rely on said opinion as if it were addressed to them;
- (ii) a supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriters to the effect that: (A) they have reviewed the statements in the Official Statement under the captions **["INTRODUCTION", "PURPOSE OF THE SERIES 2015 BONDS", "THE SERIES 2015 BONDS" (except for information under the subheading "Book-Entry Only System"), "SECURITY FOR THE SERIES 2015 BONDS" (except for the information under the subheading "RESERVE ACCOUNT - EXISTING RESERVE ACCOUNT INSURANCE POLICY"), and "CONTINUING DISCLOSURE"]**, and believe that, insofar as such statements purport to summarize certain provisions of the Series 2015 Bonds, the Bond Resolution and the Continuing Disclosure Agreement, such statements present an accurate summary of such provisions; (B) they have reviewed the statements in the Official Statement under the caption **"TAX MATTERS"** and believe that such statements are accurate; and (C) the Series 2015 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended (the "1933 Act") and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended (the "1939 Act");
- (iii) the opinion of the Law Offices of Steve E. Bullock, P.A., Disclosure Counsel to the City, dated the date of Closing and either addressed to the Underwriters and the City or accompanied by a letter addressed to the Underwriters indicating that it may rely on said opinion as if it were addressed to them, in form and substance acceptable to the City and the Underwriters, (i) to the effect that nothing has come to its attention which

leads it to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) the Continuing Disclosure Agreement complies, in all material respects, with the requirements of Rule 15(c)2-12(b)(5), and (iii) the Series 2015 Bonds are exempt from the registration requirements of the 1933 Act and the Bond Resolution is exempt from qualification under the 1939 Act;

- (iv) the opinion of Raul Aguila, Esq., Counsel to the City, dated the date of Closing and addressed to the Underwriters and the City, to the effect that: (A) the Commission is the governing body of the City and the City is validly existing as a municipality under the Act, with all corporate power necessary to conduct the operations described in the Official Statement and to carry out the transactions contemplated by this Purchase Agreement; (B) the City has obtained all governmental consents, approvals and authorizations necessary for execution and delivery of the Bond Documents, for issuance of the Series 2015 Bonds and for execution and delivery of the Official Statement and consummation of the transactions contemplated thereby and hereby; (C) the City has full legal right, power and authority to pledge and grant a lien on the Net Revenues, **[Impact Fees and Special Assessments]** for the security of the Series 2015 Bonds on parity and equal status with the Parity Bonds; (D) the Commission has duly adopted the Bond Resolution and duly enacted and/or adopted the Rate Instrument and approved the form, execution, distribution and delivery of the Official Statement; (E) the Series 2015 Bonds and the Bond Documents have each been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery thereof by the other parties thereto, if any, each constitutes a valid and binding agreement of the City, enforceable in accordance with its terms; (F) the information in the Official Statement with respect to the City (excluding financial, statistical and demographic information and information relating to DTC, as to which no opinion need be expressed) is, to the best knowledge of such counsel after due inquiry with respect thereto, correct in all material respects and does not omit any matter necessary in order to make the statements made therein regarding such matters, in light of the circumstances under which such statements are made, not misleading, and, based on its participation as counsel to the City, such counsel has no reason to believe that the Official Statement (excluding financial, statistical and demographic information (and information relating to DTC **[and the Insurer]**) contained as of its date or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein,

in light of the circumstances under which they were made, not misleading; (G) except as disclosed in the Official Statement under the caption "LITIGATION," there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or, to the best of knowledge of such counsel, threatened, against or affecting the Commission or the City challenging the validity of the Series 2015 Bonds, the Bond Resolution, the Rate Instrument, the Bond Documents, or any of the transactions contemplated thereby or by the Official Statement, or challenging the existence of the City or the respective powers of the several offices of the officials of the City or the titles of the officials holding their respective offices, or challenging the City's ownership or operation of the Stormwater Utility or the pledge of the Net Revenues, **[Impact Fees or Special Assessments]** for the payment of the Series 2015 Bonds in the manner and to the extent provided in the Bond Resolution, nor is there any basis therefor; (H) the execution and delivery of the Bond Documents and the issuance of the Series 2015 Bonds, and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under, or result in the creation of a lien on any property of the City (except as contemplated therein) pursuant to any note, mortgage, deed of trust, indenture, resolution or other agreement or instrument to which the Commission or the City is a party, or any existing law, regulation, court order or consent decree to which the Commission or the City is subject;

- (v) a certificate, dated the date of Closing, signed on behalf of the City by the Mayor and the City Manager of the City, setting forth such matters as the Senior Managing Underwriter may reasonably require, including that each of the representations of the City contained in Section 2 hereof were true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the date of Closing as if made on such date; and stating that to the best of their knowledge, no event affecting the City, the Series 2015 Project, the Stormwater Utility or the Series 2015 Bonds has occurred since the date of the Official Statement which should be disclosed therein for the purpose for which it is used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect as of the date of Closing;
- (vi) a customary signature certificate, dated the date of Closing, signed on behalf of the City by the City Clerk of the City;

- (vii) evidence satisfactory to the Senior Managing Underwriter that the requirements of Section 209 of the Bond Resolution have been satisfied;
- (viii) letters from Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services ("S&P") addressed to the City, to the effect that the Series 2015 Bonds have been assigned ratings of "\_\_\_" and "\_\_\_" with a "\_\_\_\_ outlook," respectively, which ratings shall be in effect as of the Closing date;
- (ix) a customary authorization and incumbency certificate, dated the date of Closing, signed by authorized officers of the Bond Registrar;
- (x) copies of the Blue Sky Survey and Legal Investment Survey, if any, prepared by Counsel to the Underwriters, indicating the jurisdictions in which the Series 2015 Bonds may be sold in compliance with the "blue sky" or securities laws of such jurisdictions;
- (xi) such additional documents as may be required by the Bond Resolution to be delivered as a condition precedent to the issuance of the Series 2015 Bonds;
- (xii) one executed copy of a letter from the Consulting Engineers consenting to the references to them in the Official Statement and inclusion of its Report of Consulting Engineer as Appendix \_\_ to the Official Statement;
- (xiii) one executed copy of certificates of each of the Public Works Director and the Consulting Engineers to the effect that the information contained in the Official Statement under the caption "THE STORMWATER UTILITY" is accurate and does not omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;
- (xiv) **[a true and correct copy of the 2015 Reserve Account Insurance Policy; ]**
- (xv) **[an opinion, dated the date of the Closing and addressed to the Issuer and the Underwriters, of counsel for the Insurer and/or a certificate or certificates of the Insurer, in such form as is mutually and reasonably acceptable to the Issuer and the Underwriters; and]**
- (x) such additional legal opinions, proceedings, instruments and other documents as the Senior Managing Underwriter, Underwriters' Counsel or Bond Counsel may reasonably request.

All of the opinions, letters, certificates, instruments and other documents mentioned in this Purchase Agreement shall be deemed to be in compliance with the provisions of this

Purchase Agreement if, but only if, in the reasonable judgment of the Senior Managing Underwriter and Underwriters' Counsel, they are satisfactory in form and substance.

#### **SECTION 6.**

If the City shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Agreement or if the Underwriters' obligations are terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriters and the City shall have no further obligation hereunder, except that the respective obligations of the parties hereto provided in Section 7 hereof shall continue in full force and effect and the City shall return the Good Faith Deposit as provided in Section 1(b).

#### **SECTION 7.**

- (a) The following costs and expenses relating to the transaction contemplated or described in this Purchase Agreement shall be borne and paid by the City regardless of whether the transaction contemplated herein shall close: printing of Series 2015 Bonds; printing or copying of closing documents (including the Preliminary Official Statement and the Official Statement) in such reasonable quantities as the Senior Managing Underwriter may request; fees and disbursements of Bond Counsel; fees and disbursements of the City's Financial Advisor; any accounting fees; the Bond Registrar fees; fees of the rating agencies; and any other fees as described in Schedule A-1 hereto. The City shall pay any expenses incurred by the Underwriters on behalf of the City and its staff in connection with the marketing, issuance and delivery of the Series 2015 Bonds, including, but not limited to, meals, transportation, lodging and entertainment of the City's employees and representatives; the City's obligations in regard to these expenses survive even if the underlying transaction fails to close or consummate.
- (b) The Underwriters will pay: (i) the fees and disbursements of Underwriters' Counsel; (ii) all advertising expenses in connection with the public offering of the Series 2015 Bonds; and (iii) the cost of preparing, printing and distributing the Blue Sky and Legal Investment Surveys, if any, and the filing fees required by the "blue sky" laws of various jurisdictions.

#### **SECTION 8.**

The City acknowledges and agrees that: (i) the transactions contemplated by this Purchase Agreement are arm's length, commercial transactions between the City and the Underwriters in which the Underwriters are acting solely as a principal and are not acting as a municipal advisor, financial advisor or fiduciary to the City; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the City with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters or their affiliates have provided other services or are currently providing other services to the City on other matters); (iii) the only obligations the

Underwriters have to the City with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; (iv) the City has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate and (v) the Underwriters have financial and other interests that differ from those of the City.

#### SECTION 9.

The Underwriters shall have the right to cancel their obligations hereunder by if the Senior Managing Underwriter notifies the City in writing of their election to do so between the date hereof and the Closing if, at any time hereafter and on or prior to the Closing:

- (a) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation, or a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States of America, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by, the House of Representatives or the Senate, or recommended to the Congress of the United States of America for passage by the President of the United States of America, or be enacted by the Congress of the United States of America, or an announcement or a proposal for any such legislation shall be made by a member of the House of Representatives or the Senate of the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States of America or the Tax Court of the United States of America shall be rendered, or a ruling, regulation, or order of the Treasury Department of the United States of America or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in or proposes the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the City, any of its affiliates, state and local governmental units or by any similar body or upon interest received on obligations of the general character of the Series 2015 Bonds which, in the Senior Managing Underwriter's opinion, materially and adversely affects the market price of the Series 2015 Bonds.
- (b) Any legislation, ordinance, rule, or regulation shall be introduced in or be enacted by any governmental body, department, or agency of the United States or of any state, or a decision by any court of competent jurisdiction within the United States or any state shall be rendered which, in the Senior Managing Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2015 Bonds.
- (c) A stop order, ruling, regulation, or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having

jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, or sale of obligations of the general character of the Series 2015 Bonds, or the issuance, offering, or sale of the Series 2015 Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provisions of the federal securities laws as amended and then in effect, including without limitation the registration provisions of the 1933 Act, or the registration provisions of the Securities Exchange Act of 1934 (the "1934 Act"), or the qualification provisions of the 1939 Act.

- (d) Legislation shall be introduced by amendment or otherwise in, or be enacted by, the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered to the effect that obligations of the general character of the Series 2015 Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act, or with the purpose or effect of otherwise prohibiting the issuance, offering, or sale of obligations of the general character of the Series 2015 Bonds, as contemplated hereby or by the Official Statement.
- (e) Any event shall have occurred, or information shall have become known, which, in the Senior Managing Underwriter's reasonable opinion, makes untrue in any material respect any representation by or certificate of the City hereunder, or any statement or information furnished to the Underwriters by the City for use in connection with the marketing of the Series 2015 Bonds or any material statement or information contained in the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; provided, however, that the City shall be granted a reasonable amount of time in which to cure any such untrue or misleading statement or information.
- (f) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.
- (g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to Series 2015 Bonds or obligations of the general character of the Series 2015 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or a change to the net capital requirements of, the Underwriters.
- (h) A general banking moratorium or suspension or limitation of banking services shall have been established by federal, Florida or New York authorities or a

major financial crisis or material disruption in commercial banking or securities settlement or clearance services shall have occurred.

- (i) Any proceeding shall be pending, or to the knowledge of the Underwriters, threatened, to restrain, enjoin, or otherwise prohibit the issuance, sale, or delivery of the Series 2015 Bonds by the City or the purchase, offering, sale, or distribution of the Series 2015 Bonds by the Underwriters, or for any investigatory or other proceedings under any federal or state securities laws or the rules and regulations of the National Association of Securities Dealers, Inc. relating to the issuance, sale, or delivery of the Series 2015 Bonds by the City or the purchase, offering, sale, or distribution of the Series 2015 Bonds by the Underwriters.
- (j) There shall have occurred any new outbreak or escalation of hostilities, any declaration by the United States of war or any national or international calamity or crisis, the effect of such outbreak, escalation, declaration, calamity or crisis being such as would cause a major disruption in the municipal bonds market and as, in the reasonable judgment of the Senior Managing Underwriter, would make it impracticable or inadvisable for the Underwriters to market the Series 2015 Bonds or to enforce contracts for the sale of the Series 2015 Bonds.
- (k) Prior to Closing, any of the rating agencies which have rated the Series 2015 Bonds shall inform the City or the Senior Managing Underwriter that the Series 2015 Bonds will be rated lower than the respective rating published in the Preliminary Official Statement or there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change of credit watch status by any national rating service to any of the City's obligations.
- (l) There shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the City or any agency or political subdivision thereof or proceedings under the bankruptcy laws of the United States or the State of Florida shall have been instituted by the City or any agency or political subdivision, in either case the effect of which, in the reasonable judgment of the Senior Managing Underwriter, is such as to materially and adversely affect the market price or the marketability of the Series 2015 Bonds or the ability of the Underwriters to enforce contracts of the sale of the Series 2015 Bonds.
- (m) **[The Insurer shall inform the City or the Underwriters that it will not deliver the 2015 Reserve Account Insurance Policy at Closing.]**

#### SECTION 10.

Any notice or other communication to be given under this Purchase Agreement may be

given by delivering the same in writing as follows:

To the City at:

City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, FL 33139  
Attention: Patricia D. Walker, Chief Financial Officer

To the Underwriters (as the Senior Managing Underwriter, the representative on behalf of the Underwriters) at:

Wells Fargo Bank, National Association  
2363 Gulf-to-Bay Boulevard  
Clearwater, Florida 33765  
Attention: J. Michael Olliff

**SECTION 11.**

This Purchase Agreement is made solely for the benefit of the City and the Underwriters (including the successors or assigns of the Underwriters), and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof.

**SECTION 12.**

All the representations, warranties and agreements of the Underwriters and the City in this Purchase Agreement shall remain operative and in full force and effect and shall survive delivery of and payment for the Series 2015 Bonds hereunder regardless of any investigation made by or on behalf of the Underwriters.

**SECTION 13.**

This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

**SECTION 14.**

This Purchase Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement; such counterparts may be delivered by facsimile transmission.

[Signature Page to Follow]

If the foregoing is acceptable to you, please sign below and this Purchase Agreement will become a binding agreement between the City and the Underwriters.

Very Truly Yours,

WELLS FARGO BANK, NATIONAL ASSOCIATION, on behalf of itself and CITIGROUP GLOBAL MARKETS INC., J.P. MORGAN SECURITIES LLC and SIEBERT BRANDFORD SHANK & CO., LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted and confirmed as of the date first above written:

CITY OF MIAMI BEACH, FLORIDA

By: \_\_\_\_\_

Name: Philip Levine

Title: Mayor

**EXHIBIT A**

(Disclosure and Truth-in-Bonding Statement)

\$ \_\_\_\_\_

CITY OF MIAMI BEACH, FLORIDA  
Stormwater Revenue Bonds  
Series 2015

\_\_\_\_\_, 2015

Mayor and City Commission  
City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Ladies and Gentlemen:

In connection with the proposed execution and delivery of the \$ \_\_\_\_\_ City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds"), Wells Fargo Bank, National Association (the "Senior Managing Underwriter"), acting on behalf of itself Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., LLC (collectively, with the Senior Managing Underwriter, the "Underwriters"), has agreed to underwrite a public offering of the Series 2015 Bonds. Arrangements for underwriting the Series 2015 Bonds will include a Bond Purchase Agreement between the City of Miami Beach, Florida (the "City") and the Underwriters which will embody the negotiations in respect thereof (the "Purchase Agreement").

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385, Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Series 2015 Bonds as follows:

- (a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Series 2015 Bonds are set forth in schedule A-1 attached hereto.
- (b) No person has entered into an understanding with the Underwriters or, to the knowledge of the Underwriters, with the City for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Underwriters or to exercise or attempt to exercise any influence to effect any transaction in connection with the purchase of the Series 2015 Bonds by the Underwriters.

- (c) The total underwriting spread is \$ \_\_\_\_\_ (\$ \_\_\_\_\_/\$1,000 of Bonds).
- (d) The Management Fee is \$ \_\_\_\_\_ (\$ \_\_\_\_\_/\$1,000 of Bonds).
- (e) The Underwriters' Expenses are \$ \_\_\_\_\_ (\$ \_\_\_\_\_/\$1,000 of Bonds).
- (f) No other fee, bonus or other compensation has been or will be paid by the Underwriters in connection with the issuance of the Series 2015 Bonds to any person not regularly employed or retained by the Underwriters, except Underwriters' Counsel, Bryant Miller Olive P.A., as shown on Schedule A-1 hereto, including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended.
- (g) The names and addresses of the Underwriters are:

Wells Fargo Bank, National Association  
2363 Gulf-to-Bay Blvd, Suite 200  
Clearwater, Florida 33765  
Attn: J. Michael Olliff

Citigroup Global Markets Inc.  
100 North Tampa Street, Suite 3750  
Tampa, Florida 33602  
Attn: Kevin Dempsey

J.P. Morgan Securities LLC  
1450 Brickell Ave, 33rd Floor  
Miami, FL 33131  
Attn: T.J. Whitehouse

Siebert Brandford Shank & Co., LLC  
1025 Connecticut Avenue NW, Suite 1202  
Washington, DC 20036  
Attn: Jon Kim

- (h) The City is proposing to issue \$ \_\_\_\_\_ principal amount of the Series 2015 Bonds, as described in the Official Statement dated \_\_\_\_\_, 2015 relating to the Series 2015 Bonds (the "Official Statement"). These obligations are expected to be repaid over a period of approximately \_\_\_ years. At a true interest cost rate of \_\_\_\_\_%, total interest paid over the life of the Series 2015 Bonds will be \$ \_\_\_\_\_. Proceeds of the Series 2015 Bonds will provide funds, together with other available funds, to (i) pay the costs of certain improvements to the City's Stormwater Utility, (ii) **[fund required reserves, and (iii)]** pay costs of issuance of the Series 2015 Bonds.

- (i) The anticipated source of repayment or security for the Series 2015 Bonds is the Net Revenues, **[Impact Fees or Special Assessments]** (as defined in the Bond Resolution, which in turn is defined in the Purchase Agreement). Authorizing these obligations will result in an annual amount of approximately \$\_\_\_\_\_ (total debt service divided by \_\_ years) of the aforementioned funds not being available each year to finance the other services of the City over a period of approximately \_\_ years, with respect to the Series 2015 Bonds.

[Remainder of page intentionally left blank]

We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385, Florida Statutes, as amended.

Very Truly Yours,

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, on behalf of itself and  
CITIGROUP GLOBAL MARKETS INC., J.P.  
MORGAN SECURITIES LLC and SIEBERT  
BRANDFORD SHANK & CO., LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

SCHEDULE "A-1"  
**DETAILED BREAKDOWN OF UNDERWRITERS' DISCOUNT**

\$ \_\_\_\_\_  
 CITY OF MIAMI BEACH, FLORIDA  
 Stormwater Revenue Bonds  
 Series 2015

<u>Spread Breakdown</u>	<u>\$/1,000</u>	<u>Amount</u>
Underwriter/Takedown:		\$
Expenses:		
Total		<u>\$</u>

<u>Expense Breakdown</u>	<u>\$/1,000</u>	<u>Amount</u>
Total		<u>\$</u>

EXHIBIT B  
\$ \_\_\_\_\_  
CITY OF MIAMI BEACH, FLORIDA  
Stormwater Revenue Bonds  
Series 2015

MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND PRICES

\$ \_\_\_\_\_ Serial Bonds

<u>Maturity</u> (September 1)	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
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\$ \_\_\_\_\_ % Term Bond Due September 1, \_\_\_\_\_; Yield \_\_\_\_\_%; Price \_\_\_\_\_%

\$ \_\_\_\_\_ % Term Bond Due September 1, \_\_\_\_\_; Yield \_\_\_\_\_%; Price \_\_\_\_\_%

**[Insert Redemption Provisions]**

\$ \_\_\_\_\_  
CITY OF MIAMI BEACH, FLORIDA  
Stormwater Revenue Bonds,  
Series 2015

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BOND PURCHASE AGREEMENT

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\_\_\_\_\_, 2015

Mayor and City Commission  
City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Ladies and Gentlemen:

Wells Fargo Bank, National Association (the "Senior Managing Underwriter"), acting on behalf of itself and Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., LLC (collectively, with the Senior Managing Underwriter, the "Underwriters"), offer to enter into this Bond Purchase Agreement (this "Purchase Agreement") with the City of Miami Beach, Florida (the "City"), for the sale by the City and the purchase by the Underwriters of the City's \$\_\_\_\_\_ Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). This offer is made subject to acceptance by the City prior to 5:00 p.m. (Eastern Time) on the date hereof. Upon such acceptance, this Purchase Agreement will be in full force and effect in accordance with its terms and will be binding on the City and the Underwriters. If this offer is not so accepted, it is subject to withdrawal by the Underwriters upon written notice delivered to the City at any time prior to such acceptance. In conformance with Section 218.385, Florida Statutes, as amended, the Underwriters hereby deliver the Disclosure and Truth-in-Bonding Statement attached hereto as Exhibit "A." Capitalized terms used in this Purchase Agreement, but not defined, are used with the meanings ascribed to them in the Bond Resolution hereinafter described.

The Senior Managing Underwriter represents that it is authorized on behalf of itself and the other Underwriters to enter into this Purchase Agreement and to take any other actions that may be required on behalf of the Underwriters.

SECTION 1.

- (a) Upon the terms and conditions and upon the basis of the representations and warranties herein set forth, the Underwriters hereby agree to purchase from the

City, and the City hereby agrees to sell to the Underwriters all (but not less than all) of the Series 2015 Bonds for a purchase price equal to \$\_\_\_\_\_ (which purchase price is the aggregate principal amount of the Series 2015 Bonds of \$\_\_\_\_\_, plus/minus a net original issue premium/discount of \$\_\_\_\_\_ and less an Underwriters' discount of \$\_\_\_\_\_). The purchase price for the Series 2015 Bonds shall be payable to the City in immediately available funds.

- (b) In connection with the execution of this Purchase Agreement, the Senior Managing Underwriter, on behalf of the Underwriters, has delivered to the City a wire transfer credited to the order of the City in immediately available federal funds in the aggregate amount of \_\_\_\_\_ Dollars (\$\_\_\_\_\_) (the "Good Faith Deposit"), which is being delivered to the City on account of the purchase price of the Series 2015 Bonds and as security for the performance by the Underwriters of their obligation to accept and to pay for the Series 2015 Bonds. If the City does not accept this offer, the Good Faith Deposit shall be immediately returned to the Senior Managing Underwriter by wire transfer credited to the order of the Senior Managing Underwriter in the amount of the Good Faith Deposit, in federal funds to the Senior Managing Underwriter. In the event the Closing takes place, the amount of the Good Faith Deposit shall be credited against the purchase price of the Series 2015 Bonds pursuant to Section 1(a). In the event of the City's failure to deliver the Series 2015 Bonds at the Closing, or if the City shall be unable at or prior to the Closing to satisfy the conditions to the obligations of the Underwriters contained in this Purchase Agreement (unless such conditions are waived by the Senior Managing Underwriter), or if the obligations of the Underwriters shall be terminated for any reason permitted by this Purchase Agreement, the City shall immediately wire to the Senior Managing Underwriter in federal funds the Good Faith Deposit without interest, and such wire shall constitute a full release and discharge of all claims by the Underwriters against the City arising out of the transactions contemplated by this Purchase Agreement. In the event that the Underwriters fail other than for a reason permitted under this Purchase Agreement to accept and pay for the Series 2015 Bonds upon their tender by the City at the Closing, the amount of the Good Faith Deposit shall be retained by the City and such retention shall represent full liquidated damages and not a penalty, for such failure and for any and all defaults on the part of the Underwriters and the retention of such funds shall constitute a full release and discharge of all claims, rights and damages for such failure and for any and all such defaults. It is understood by both the City and the Underwriters that actual damages in the circumstances as described in the preceding sentence may be difficult or impossible to compute; therefore, the funds represented by the Good Faith Deposit are a reasonable estimate of the liquidated damages in this type of situation.

- (c) The Series 2015 Bonds will be issued pursuant to Chapter 166, Florida Statutes, as amended, the City of Miami Beach Charter and Section 403.0893(1), Florida Statutes, and other applicable provisions of law (collectively, the "Act"), and pursuant and subject to the terms and conditions of Resolution No. 2000-24127 adopted by the Mayor and City Commission of the City of Miami Beach, Florida (the "Commission") on October 18, 2000, as amended and supplemented from time to time, and as particularly supplemented by Resolution No. 2015-\_\_\_\_\_ adopted by the Commission on \_\_\_\_\_, 2015 (collectively, "Bond Resolution"). The Series 2015 Bonds will be secured as provided in the Bond Resolution. The Series 2015 Bonds shall mature and have such other terms and provisions as are described on Exhibit "B" hereto. Proceeds of the Series 2015 Bonds will provide funds, together with other available funds, to (i) pay the costs of certain capital improvements to the Stormwater Utility as described in the Bond Resolution (the "Series 2015 Project"), (ii) [fund required reserves, and (iii)] pay costs of issuance of the Series 2015 Bonds. It shall be a condition to the obligation of the City to sell and deliver the Series 2015 Bonds to the Underwriters, and to the obligation of the Underwriters to purchase and accept delivery of the Series 2015 Bonds, that the entire aggregate principal amount of the Series 2015 Bonds shall be sold and delivered by the City and accepted and paid for by the Underwriters at the Closing. **[Upon delivery of the Series 2015 Bonds, the County shall deposit into a subaccount in the the Reserve Account a Reserve Account Insurance Policy issued by \_\_\_\_\_ (the "Insurer") to secure the Series 2015 Bonds (the "2015 Reserve Account Insurance Policy").]**
- (d) The Underwriters agree to make a *bona fide* public offering of substantially all of the Series 2015 Bonds to the public at initial public offering prices not greater than (or yields not less than) the initial public offering prices (or yields) set forth in the Official Statement; provided, however, that the Underwriters reserve the right to make concessions to certain dealers, certain dealer banks and banks acting as agents and to change such initial public offering prices as the Underwriters shall deem necessary in connection with the marketing of the Series 2015 Bonds.

At the Closing, the Underwriters shall deliver to the City a certificate, in a form acceptable to Bond Counsel, stating the facts of the sale of the Series 2015 Bonds in a manner such that the issue price can reasonably be established.

- (e) The City shall deliver, or cause to be delivered, at its expense, to the Senior Managing Underwriter, within seven (7) business days after the date hereof or within such shorter period as may be requested by the Senior Managing Underwriter, and in no event later than required to enable the Underwriters to comply with their responsibilities under applicable rules of the Municipal Securities Rulemaking Board ("MSRB"): (i) sufficient copies of the Official

Statement to enable the Underwriters to fulfill their obligations pursuant to the securities laws of the State of Florida and the United States, in form and substance satisfactory to the Senior Managing Underwriter, and (ii) an executed original counterpart or certified copy of the Official Statement at Closing. In determining whether the number of copies to be delivered by the City are reasonably necessary, at a minimum, the number shall be sufficient to enable the Underwriters to comply with the requirements of the Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Senior Managing Underwriter agrees to file the Official Statement with the Electronic Municipal Market Access system ("EMMA") (accompanied by a completed Form G-32) by the date of Closing. The filing of the Official Statement with EMMA shall be in accordance with the terms and conditions applicable to EMMA.

- (f) From the date hereof until the earlier of (i) ninety days from the "end of the underwriting period" (as defined in the Rule), or (ii) the time when the Official Statement is available to any person from the MSRB (but in no case less than twenty-five (25) days following the end of the underwriting period), if any event occurs or a condition or circumstance exists which may make it necessary to amend or supplement the Official Statement in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the party discovering such event, condition or occurrence shall notify the other party and if, in the reasonable opinion of the City or the reasonable opinion of the Senior Managing Underwriter, such event requires the preparation and publication of an amendment or supplement to the Official Statement, the City, at its expense, will promptly prepare an appropriate amendment or supplement thereto, in a form and in a manner reasonably approved by the Senior Managing Underwriter (and file, or cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record owner of the Series 2015 Bonds) so that the statements in the Official Statement, as so amended or supplemented, will not, in light of the circumstances under which they were made, be misleading. Each party will promptly notify the other parties of the occurrence of any event of which it has knowledge or the discovery of such conditions or circumstance, which, in its reasonable opinion, is an event described in the preceding sentence. Notwithstanding the foregoing, if prior to the Closing either the City or the Underwriters hereto does not in good faith approve the form and manner of such supplement or amendment, the other may terminate this Purchase Agreement. If subsequent to Closing, the City determines that any event, condition or circumstance requires the publication of a supplement or amendment to the Official Statement, then the approval of the Underwriters shall not be required, although the City agrees to seek the approval of the Underwriters to such supplement or amendment, and the Underwriters

shall use their reasonable best efforts to distribute the supplement or amendment with the Official Statement. The parties agree to cooperate in good faith with regard to the form and manner of the supplement or amendment to the Official Statement.

- (g) The City hereby approves and authorizes the delivery and distribution of the Preliminary Official Statement and the execution, delivery and distribution of the Official Statement in substantially the form of the Preliminary Official Statement, together with such other changes, amendments or supplements as shall be made and approved in writing by the Senior Managing Underwriter and the City prior to the Closing in connection with the public offering and sale of the Series 2015 Bonds.

## SECTION 2.

The City represents and warrants to and agrees with the Underwriters as follows:

- (a) The Bond Resolution and the Rate Instrument (as hereinafter defined) were adopted and/or enacted by the Commission at meetings duly called and held in open session upon requisite prior public notice pursuant to the laws of the State of Florida and the standing resolutions and rules of procedure of the Commission. The City has full right, power and authority to adopt and/or enact the Bond Resolution and the Rate Instrument. On the date hereof, the Bond Resolution and the Rate Instrument are, and, at the Closing shall be, in full force and effect, and no portions thereof have been or shall have been supplemented, repealed, rescinded or revoked. The Bond Resolution and Rate Instrument constitute the legal, valid and binding obligations of the City, enforceable in accordance with their terms. The Bond Resolution creates a lien upon and pledge of Net Revenues, **[Impact Fees and Special Assessments]** for the payment of principal and interest on the Series 2015 Bonds on parity and equal status with the City's Stormwater Revenue Refunding Bonds, Series 2009J-2, Stormwater Revenue Bonds, Series 2011A, and Stormwater Revenue Refunding Bonds, Series 20011B (the "Parity Bonds").
- (b) As of their respective dates and, with respect to the Official Statement, at the time of Closing, the statements and information contained in the Preliminary Official Statement and the Official Statement are and will be accurate in all material respects for the purposes for which their use is authorized, and do not and will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, any amendments to the Preliminary Official Statement and the Official Statement prepared and furnished by the City pursuant hereto will not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements

therein, in the light of the circumstances under which they were made, not misleading. The Series 2015 Bonds, the Bond Resolution, the Rate Instrument and the Disclosure Dissemination Agent Agreement relating to the Series 2015 Bonds (the "Continuing Disclosure Agreement") conform to the descriptions thereof set forth in the Official Statement.

- (c) The City is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, or any agency or department of either, or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its properties or other assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, in any such case to the extent that the same would have a material and adverse effect upon the business or properties or financial condition of the City including the City's receipts of the Net Revenues[**Impact Fees and Special Assessments**] in the amount contemplated by the Official Statement; and the execution and delivery of the Series 2015 Bonds, the Continuing Disclosure Agreement, [**the Financial Guaranty Agreement between the City and the Insurer relating to the 2015 Reserve Account Insurance Policy (the "Financial Guaranty Agreement")**]; and this Purchase Contract and the adoption of the Bond Resolution, the adoption and/or enactment of the Rate Instrument, and compliance with the provisions on the City's part contained in each, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the City is a party or to which the City or any of its properties or other assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or the assets of the City under the terms of any such law, regulation or instrument, except as provided or permitted by the Series 2015 Bonds and the Bond Resolution.
- (d) As of its date, the Preliminary Official Statement was deemed "final" (except for permitted omissions) by the City for purposes of paragraph (b)(1) of the Rule.
- (e) On the date hereof, the Commission is the governing body of the City and the City is, and will be on the date of the Closing, duly organized and validly existing as a municipality under the Act, with the power and authority set forth therein.
- (f) The City has full right, power and authority to issue, sell and deliver the Series 2015 Bonds to the Underwriters as described herein; to provide funds to finance

the 2015 Project; to have enacted and/or adopted the ordinances and/or resolutions which established the rates, fees, rentals, charges and other income which comprise Revenues of the Stormwater Utility, [**Impact Fees and Special Assessments**] (collectively, the "Rate Instrument"); to enter into this Purchase Agreement, [**the Financial Guaranty Agreement,**] and the Continuing Disclosure Agreement (collectively, the "Bond Documents"), to issue and deliver the Series 2015 Bonds as provided in this Purchase Agreement and the Bond Resolution, to apply the proceeds of the sale of the Series 2015 Bonds for the purposes described herein and in the Official Statement, to execute and deliver the Bond Documents, and to carry out and consummate the transactions contemplated by the aforesaid documents.

- (g) At meetings of the Commission that were duly called and at which a quorum was present and acting throughout, the Commission approved the execution and delivery of the Series 2015 Bonds and the Bond Documents; authorized the execution and delivery of the Official Statement; and authorized the use of the Official Statement in connection with the public offering of the Series 2015 Bonds. The City represents that it will have no bonds or other indebtedness outstanding that are secured by the Net Revenues, [**Impact Fees and Special Assessments**], other than as described in the Official Statement. All conditions and requirements of the Bond Resolution relating to the issuance of the Series 2015 Bonds have been complied with or fulfilled, or will be complied with or fulfilled on the date of Closing.
- (h) Since September 30, 2014, there has been no material adverse change in the financial position, results of operations or condition, financial or otherwise, of the City or its Stormwater Utility other than as disclosed in the Official Statement and the City has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution or the Bond Documents, direct or contingent, other than as disclosed in the Official Statement.
- (i) No authorization, approval, consent or license of any governmental body or authority, not already obtained, is required for the valid and lawful execution and delivery by the City of the Series 2015 Bonds, the Bond Documents, the Official Statement, the adoption of the Bond Resolution and the adoption and/or enactment of the Rate Instrument, and the performance of its obligations thereunder or as contemplated thereby; provided, however, that no representation is made concerning compliance with the registration requirements of the federal securities laws or the securities or Blue Sky laws of the various states.
- (j) The City is not and has not been in default on any bond issued since December 31, 1975 that would be considered material by a reasonable investor.

The City has not undertaken an independent review or investigation of securities for which it has served as conduit issuer, and the City does not believe that any information about any default on such securities is appropriate and would be considered material by a reasonable investor in the Series 2015 Bonds because the City is not obligated to pay the debt service on any such securities except from payments made to it by the private companies on whose behalf such securities were issued and no funds of the City have been pledged or used to pay such securities or the interest thereon.

- (k) Except as disclosed in the Official Statement, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental agency, or public board or body, pending or, to the best of its knowledge, threatened: (i) contesting the corporate existence or powers of the Commission, or the titles of the officers of the Commission to their respective offices; (ii) seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Series 2015 Bonds or the collection of the Net Revenues, **[Impact Fees or Special Assessments]** pledged to pay the principal of and interest on the Series 2015 Bonds in the manner and to the extent provided in the Bond Resolution, or the application of the proceeds of the Series 2015 Bonds or in which an unfavorable decision, ruling or finding would materially adversely affect the financial position of the City or the operations of its Stormwater Utility or the validity or enforceability of the Series 2015 Bonds, the Bond Resolution, the Rate Instrument or the Bond Documents; (iii) contesting in any way the completeness or accuracy of the Official Statement; (iv) adversely affect the exclusion of interest on the Series 2015 Bonds from gross income for federal income tax purposes; or (v) challenging the City's ownership or operation of the Stormwater Utility, nor, to the best knowledge of the City, is there any basis therefor.
- (l) When duly executed and delivered, the Series 2015 Bonds, and the Bond Documents will have been duly authorized, executed, issued and delivered and will constitute valid and binding obligations of the City, enforceable in accordance with their respective terms, except insofar as the enforcement thereof may be limited by bankruptcy, insolvency or similar laws relating to the enforcement of creditors' rights.
- (m) The City will furnish such information, execute such instruments and take such other action in cooperation with the Senior Managing Underwriter as the Senior Managing Underwriter may reasonably request to: (i) qualify the Series 2015 Bonds for offer and sale under the "blue sky" or other securities laws and regulations of such states and other jurisdictions of the United States of America as the Senior Managing Underwriter may designate; (ii) determine the eligibility of the Series 2015 Bonds for investment under the laws of such states and other jurisdictions; and (iii) continue such qualifications in effect so long as required for the distribution of the Series 2015 Bonds; provided that the City will not be

required to qualify to do business or submit to service of process in any such jurisdiction.

- (n) The City has not been notified of any listing or the proposed listing of the City by the Internal Revenue Service as an issuer whose arbitrage certifications may not be relied upon.
- (o) Any certificate signed by any official of the City and delivered to the Underwriters will be deemed to be a representation by the City to the Underwriters as to the statements made therein.
- (p) The City will undertake, pursuant to the Continuing Disclosure Agreement, to provide or cause to be provided to the MSRB certain annual financial information and operating data of the Stormwater Utility, and certain notices of material events, as more fully set forth in the Continuing Disclosure Agreement. A description of the undertaking will be set forth in the Official Statement.
- (q) The Financial Statements included in the Official Statement have been prepared in accordance with generally accepted accounting principles applied on a consistent basis with that of the audited combined financial statements of the City and fairly present the financial condition and results of the operations of the City and the Stormwater Utility at the dates and for the periods indicated.
- (r) The City will provide to the rating agencies rating the Series 2015 Bonds appropriate periodic credit information necessary for maintaining the ratings on the Series 2015 Bonds.
- (s) Except as disclosed in the Official Statement, within the last five (5) years, the City has not failed to comply in all material respects with any continuing disclosure undertaking made by it pursuant to the Rule in connection with outstanding bond issues for which the City has agreed to undertake continuing disclosure obligations.
- (t) At the time of Closing, the City will be in compliance in all respects with the covenants and agreements contained in the Bond Resolution and no event of default, nor an event which, with the lapse of time or giving of notice, or both, would constitute an event of default under the Bond Resolution will have occurred or be continuing.
- (u) The City will not take or omit to take any action which action or omission will in any way cause the proceeds from the sale of the Series 2015 Bonds to be applied in a manner contrary to that provided for in the Bond Resolution and as described in the Official Statement.

- (v) No representation or warranty by the City in this Purchase Agreement, nor any statement, certificate, document or exhibit furnished to or to be furnished by the City pursuant to this Purchase Agreement or the Official Statement or in connection with the transactions contemplated hereby contains, or will contain on the Closing Date, any untrue statement of material fact or omits or will omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading.
- (w) Between the date of this Purchase Agreement and the date of Closing, the City will not, without the prior written consent of the Senior Managing Underwriter, offer or issue any bonds, notes or other obligations for borrowed money relating to the Stormwater Utility, and the City will not incur any material liabilities, direct or contingent, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the City or relating to the Stormwater Utility, other than (i) as contemplated by the Official Statement, or (ii) in the ordinary course of business.

### **SECTION 3.**

On or before the acceptance by the City of this Purchase Agreement, the Underwriters shall receive from the City certified copies of the Bond Resolution and the Rate Instrument.

### **SECTION 4.**

At 10:00 a.m. (Eastern Time) on \_\_\_\_\_, 2015, or at such earlier or later time or date as the parties hereto mutually agree upon (the "Closing"), the City will cause to be delivered to the Underwriters, at the offices of Squire Patton Boggs (US) LLP ("Bond Counsel"), in the City of Miami, Florida or at such other place upon which the parties hereto may agree, the documents mentioned in Section 5(b) of this Purchase Agreement and shall release the Series 2015 Bonds, in the form of one typewritten, fully registered bond with a CUSIP identification number thereon for each maturity of the Series 2015 Bonds, duly executed and authenticated and registered in the name of Cede & Co., as nominee for DTC, through the DTC FAST System to the Underwriters. At the Closing, the Underwriters shall evidence their acceptance of delivery of the Series 2015 Bonds and pay the purchase price of the Series 2015 Bonds as set forth in Section 1(a) of this Purchase Agreement.

### **SECTION 5.**

The Underwriters have entered into this Purchase Agreement in reliance upon the representations and agreements of the City herein and the performance by the City of its obligations hereunder, both as of the date hereof and as of the date of Closing. The City's and the Underwriters' obligations under this Purchase Agreement are and will be subject to the following further conditions:

- (a) at the time of Closing: (i) the Bond Resolution, the Rate Instrument and the Bond Documents will be in full force and effect and will not have been amended, modified or supplemented, except as may have been agreed to in writing by the Senior Managing Underwriter; (ii) the proceeds of the sale of the Series 2015 Bonds shall be applied as described in the Official Statement; and (iii) the Commission shall have duly adopted and there shall be in full force and effect, resolutions as, in the opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby;
- (b) at or prior to the Closing, the Underwriters shall receive the following documents:
  - (i) the opinion of Bond Counsel with respect to the Series 2015 Bonds, dated the date of Closing, substantially in the form attached to the Official Statement as Appendix \_\_, either addressed to the Underwriters and the City or accompanied by a letter addressed to the Underwriters indicating that it may rely on said opinion as if it were addressed to them;
  - (ii) a supplemental opinion of Bond Counsel, dated the date of the Closing and addressed to the Underwriters to the effect that: (A) they have reviewed the statements in the Official Statement under the captions [**"INTRODUCTION", "PURPOSE OF THE SERIES 2015 BONDS", "THE SERIES 2015 BONDS" (except for information under the subheading "Book-Entry Only System"), "SECURITY FOR THE SERIES 2015 BONDS" (except for the information under the subheading "RESERVE ACCOUNT - EXISTING RESERVE ACCOUNT INSURANCE POLICY"), and "CONTINUING DISCLOSURE"**], and believe that, insofar as such statements purport to summarize certain provisions of the Series 2015 Bonds, the Bond Resolution and the Continuing Disclosure Agreement, such statements present an accurate summary of such provisions; (B) they have reviewed the statements in the Official Statement under the caption **"TAX MATTERS"** and believe that such statements are accurate; and (C) the Series 2015 Bonds are exempt from the registration requirements of the Securities Act of 1933, as amended (the **"1933 Act"**) and the Bond Resolution is exempt from qualification under the Trust Indenture Act of 1939, as amended (the **"1939 Act"**);
  - (iii) the opinion of the Law Offices of Steve E. Bullock, P.A., Disclosure Counsel to the City, dated the date of Closing and either addressed to the Underwriters and the City or accompanied by a letter addressed to the Underwriters indicating that it may rely on said opinion as if it were addressed to them, in form and substance acceptable to the City and the Underwriters, (i) to the effect that nothing has come to its attention which

leads it to believe that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, (ii) the Continuing Disclosure Agreement complies, in all material respects, with the requirements of Rule 15(c)2-12(b)(5), and (iii) the Series 2015 Bonds are exempt from the registration requirements of the 1933 Act and the Bond Resolution is exempt from qualification under the 1939 Act;

- (iv) the opinion of Raul Aguila, Esq., Counsel to the City, dated the date of Closing and addressed to the Underwriters and the City, to the effect that: (A) the Commission is the governing body of the City and the City is validly existing as a municipality under the Act, with all corporate power necessary to conduct the operations described in the Official Statement and to carry out the transactions contemplated by this Purchase Agreement; (B) the City has obtained all governmental consents, approvals and authorizations necessary for execution and delivery of the Bond Documents, for issuance of the Series 2015 Bonds and for execution and delivery of the Official Statement and consummation of the transactions contemplated thereby and hereby; (C) the City has full legal right, power and authority to pledge and grant a lien on the Net Revenues, **[Impact Fees and Special Assessments]** for the security of the Series 2015 Bonds on parity and equal status with the Parity Bonds; (D) the Commission has duly adopted the Bond Resolution and duly enacted and/or adopted the Rate Instrument and approved the form, execution, distribution and delivery of the Official Statement; (E) the Series 2015 Bonds and the Bond Documents have each been duly authorized, executed and delivered by the City and, assuming due authorization, execution and delivery thereof by the other parties thereto, if any, each constitutes a valid and binding agreement of the City, enforceable in accordance with its terms; (F) the information in the Official Statement with respect to the City (excluding financial, statistical and demographic information and information relating to DTC, as to which no opinion need be expressed) is, to the best knowledge of such counsel after due inquiry with respect thereto, correct in all material respects and does not omit any matter necessary in order to make the statements made therein regarding such matters, in light of the circumstances under which such statements are made, not misleading, and, based on its participation as counsel to the City, such counsel has no reason to believe that the Official Statement (excluding financial, statistical and demographic information (and information relating to DTC **[and the Insurer]**) contained as of its date or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein,

in light of the circumstances under which they were made, not misleading; (G) except as disclosed in the Official Statement under the caption "LITIGATION," there is no action, suit, proceeding or investigation at law or in equity before or by any court, public board or body pending or, to the best of knowledge of such counsel, threatened, against or affecting the Commission or the City challenging the validity of the Series 2015 Bonds, the Bond Resolution, the Rate Instrument, the Bond Documents, or any of the transactions contemplated thereby or by the Official Statement, or challenging the existence of the City or the respective powers of the several offices of the officials of the City or the titles of the officials holding their respective offices, or challenging the City's ownership or operation of the Stormwater Utility or the pledge of the Net Revenues, [Impact Fees or Special Assessments] for the payment of the Series 2015 Bonds in the manner and to the extent provided in the Bond Resolution, nor is there any basis therefor; (H) the execution and delivery of the Bond Documents and the issuance of the Series 2015 Bonds, and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the City a breach of or default under, or result in the creation of a lien on any property of the City (except as contemplated therein) pursuant to any note, mortgage, deed of trust, indenture, resolution or other agreement or instrument to which the Commission or the City is a party, or any existing law, regulation, court order or consent decree to which the Commission or the City is subject;

- (v) a certificate, dated the date of Closing, signed on behalf of the City by the Mayor and the City Manager of the City, setting forth such matters as the Senior Managing Underwriter may reasonably require, including that each of the representations of the City contained in Section 2 hereof were true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continues to be true and accurate in all material respects on the date of Closing as if made on such date; and stating that to the best of their knowledge, no event affecting the City, the Series 2015 Project, the Stormwater Utility or the Series 2015 Bonds has occurred since the date of the Official Statement which should be disclosed therein for the purpose for which it is used or which is necessary to disclose therein in order to make the statements and information therein not misleading in any material respect as of the date of Closing;
- (vi) a customary signature certificate, dated the date of Closing, signed on behalf of the City by the City Clerk of the City;

- (vii) evidence satisfactory to the Senior Managing Underwriter that the requirements of Section 209 of the Bond Resolution have been satisfied;
- (viii) letters from Moody's Investors Service, Inc. ("Moody's") and Standard & Poor's Ratings Services ("S&P") addressed to the City, to the effect that the Series 2015 Bonds have been assigned ratings of "\_\_\_" and "\_\_\_" with a "\_\_\_\_ outlook," respectively, which ratings shall be in effect as of the Closing date;
- (ix) a customary authorization and incumbency certificate, dated the date of Closing, signed by authorized officers of the Bond Registrar;
- (x) copies of the Blue Sky Survey and Legal Investment Survey, if any, prepared by Counsel to the Underwriters, indicating the jurisdictions in which the Series 2015 Bonds may be sold in compliance with the "blue sky" or securities laws of such jurisdictions;
- (xi) such additional documents as may be required by the Bond Resolution to be delivered as a condition precedent to the issuance of the Series 2015 Bonds;
- (xii) one executed copy of a letter from the Consulting Engineers consenting to the references to them in the Official Statement and inclusion of its Report of Consulting Engineer as Appendix \_\_ to the Official Statement;
- (xiii) one executed copy of certificates of each of the Public Works Director and the Consulting Engineers to the effect that the information contained in the Official Statement under the caption "THE STORMWATER UTILITY" is accurate and does not omit to state a material fact necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;
- (xiv) **[a true and correct copy of the 2015 Reserve Account Insurance Policy; ]**
- (xv) **[an opinion, dated the date of the Closing and addressed to the Issuer and the Underwriters, of counsel for the Insurer and/or a certificate or certificates of the Insurer, in such form as is mutually and reasonably acceptable to the Issuer and the Underwriters; and]**
- (x) such additional legal opinions, proceedings, instruments and other documents as the Senior Managing Underwriter, Underwriters' Counsel or Bond Counsel may reasonably request.

All of the opinions, letters, certificates, instruments and other documents mentioned in this Purchase Agreement shall be deemed to be in compliance with the provisions of this

Purchase Agreement if, but only if, in the reasonable judgment of the Senior Managing Underwriter and Underwriters' Counsel, they are satisfactory in form and substance.

#### **SECTION 6.**

If the City shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Agreement or if the Underwriters' obligations are terminated for any reason permitted by this Purchase Agreement, this Purchase Agreement shall terminate and the Underwriters and the City shall have no further obligation hereunder, except that the respective obligations of the parties hereto provided in Section 7 hereof shall continue in full force and effect and the City shall return the Good Faith Deposit as provided in Section 1(b).

#### **SECTION 7.**

- (a) The following costs and expenses relating to the transaction contemplated or described in this Purchase Agreement shall be borne and paid by the City regardless of whether the transaction contemplated herein shall close: printing of Series 2015 Bonds; printing or copying of closing documents (including the Preliminary Official Statement and the Official Statement) in such reasonable quantities as the Senior Managing Underwriter may request; fees and disbursements of Bond Counsel; fees and disbursements of the City's Financial Advisor; any accounting fees; the Bond Registrar fees; fees of the rating agencies; and any other fees as described in Schedule A-1 hereto. The City shall pay any expenses incurred by the Underwriters on behalf of the City and its staff in connection with the marketing, issuance and delivery of the Series 2015 Bonds, including, but not limited to, meals, transportation, lodging and entertainment of the City's employees and representatives; the City's obligations in regard to these expenses survive even if the underlying transaction fails to close or consummate.
- (b) The Underwriters will pay: (i) the fees and disbursements of Underwriters' Counsel; (ii) all advertising expenses in connection with the public offering of the Series 2015 Bonds; and (iii) the cost of preparing, printing and distributing the Blue Sky and Legal Investment Surveys, if any, and the filing fees required by the "blue sky" laws of various jurisdictions.

#### **SECTION 8.**

The City acknowledges and agrees that: (i) the transactions contemplated by this Purchase Agreement are arm's length, commercial transactions between the City and the Underwriters in which the Underwriters are acting solely as a principal and are not acting as a municipal advisor, financial advisor or fiduciary to the City; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the City with respect to the transactions contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters or their affiliates have provided other services or are currently providing other services to the City on other matters); (iii) the only obligations the

Underwriters have to the City with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement; (iv) the City has consulted its own financial and/or municipal, legal, accounting, tax, and other advisors, as applicable, to the extent it has deemed appropriate and (v) the Underwriters have financial and other interests that differ from those of the City.

#### SECTION 9.

The Underwriters shall have the right to cancel their obligations hereunder by if the Senior Managing Underwriter notifies the City in writing of their election to do so between the date hereof and the Closing if, at any time hereafter and on or prior to the Closing:

- (a) A committee of the House of Representatives or the Senate of the Congress of the United States shall have pending before it legislation, or a tentative decision with respect to legislation shall be reached by a committee of the House of Representatives or the Senate of the Congress of the United States of America, or legislation shall be favorably reported by such a committee or be introduced, by amendment or otherwise, in, or be passed by, the House of Representatives or the Senate, or recommended to the Congress of the United States of America for passage by the President of the United States of America, or be enacted by the Congress of the United States of America, or an announcement or a proposal for any such legislation shall be made by a member of the House of Representatives or the Senate of the Congress of the United States, or a decision by a court established under Article III of the Constitution of the United States of America or the Tax Court of the United States of America shall be rendered, or a ruling, regulation, or order of the Treasury Department of the United States of America or the Internal Revenue Service shall be made or proposed having the purpose or effect of imposing federal income taxation, or any other event shall have occurred which results in or proposes the imposition of federal income taxation, upon revenues or other income of the general character to be derived by the City, any of its affiliates, state and local governmental units or by any similar body or upon interest received on obligations of the general character of the Series 2015 Bonds which, in the Senior Managing Underwriter's opinion, materially and adversely affects the market price of the Series 2015 Bonds.
- (b) Any legislation, ordinance, rule, or regulation shall be introduced in or be enacted by any governmental body, department, or agency of the United States or of any state, or a decision by any court of competent jurisdiction within the United States or any state shall be rendered which, in the Senior Managing Underwriter's reasonable opinion, materially adversely affects the market price of the Series 2015 Bonds.
- (c) A stop order, ruling, regulation, or official statement by, or on behalf of, the Securities and Exchange Commission or any other governmental agency having

jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, or sale of obligations of the general character of the Series 2015 Bonds, or the issuance, offering, or sale of the Series 2015 Bonds, including all the underlying obligations, as contemplated hereby or by the Official Statement, is in violation or would be in violation of any provisions of the federal securities laws as amended and then in effect, including without limitation the registration provisions of the 1933 Act, or the registration provisions of the Securities Exchange Act of 1934 (the "1934 Act"), or the qualification provisions of the 1939 Act.

- (d) Legislation shall be introduced by amendment or otherwise in, or be enacted by, the Congress of the United States of America, or a decision by a court of the United States of America shall be rendered to the effect that obligations of the general character of the Series 2015 Bonds, including all the underlying obligations, are not exempt from registration under or from other requirements of the 1933 Act or the 1934 Act, or with the purpose or effect of otherwise prohibiting the issuance, offering, or sale of obligations of the general character of the Series 2015 Bonds, as contemplated hereby or by the Official Statement.
- (e) Any event shall have occurred, or information shall have become known, which, in the Senior Managing Underwriter's reasonable opinion, makes untrue in any material respect any representation by or certificate of the City hereunder, or any statement or information furnished to the Underwriters by the City for use in connection with the marketing of the Series 2015 Bonds or any material statement or information contained in the Official Statement as originally circulated contains an untrue statement of a material fact or omits to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; provided, however, that the City shall be granted a reasonable amount of time in which to cure any such untrue or misleading statement or information.
- (f) Additional material restrictions not in force as of the date hereof shall have been imposed upon trading in securities generally by any governmental authority or by any national securities exchange.
- (g) The New York Stock Exchange or any other national securities exchange, or any governmental authority, shall impose, as to Series 2015 Bonds or obligations of the general character of the Series 2015 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or a change to the net capital requirements of, the Underwriters.
- (h) A general banking moratorium or suspension or limitation of banking services shall have been established by federal, Florida or New York authorities or a

major financial crisis or material disruption in commercial banking or securities settlement or clearance services shall have occurred.

- (i) Any proceeding shall be pending, or to the knowledge of the Underwriters, threatened, to restrain, enjoin, or otherwise prohibit the issuance, sale, or delivery of the Series 2015 Bonds by the City or the purchase, offering, sale, or distribution of the Series 2015 Bonds by the Underwriters, or for any investigatory or other proceedings under any federal or state securities laws or the rules and regulations of the National Association of Securities Dealers, Inc. relating to the issuance, sale, or delivery of the Series 2015 Bonds by the City or the purchase, offering, sale, or distribution of the Series 2015 Bonds by the Underwriters.
- (j) There shall have occurred any new outbreak or escalation of hostilities, any declaration by the United States of war or any national or international calamity or crisis, the effect of such outbreak, escalation, declaration, calamity or crisis being such as would cause a major disruption in the municipal bonds market and as, in the reasonable judgment of the Senior Managing Underwriter, would make it impracticable or inadvisable for the Underwriters to market the Series 2015 Bonds or to enforce contracts for the sale of the Series 2015 Bonds.
- (k) Prior to Closing, any of the rating agencies which have rated the Series 2015 Bonds shall inform the City or the Senior Managing Underwriter that the Series 2015 Bonds will be rated lower than the respective rating published in the Preliminary Official Statement or there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change of credit watch status by any national rating service to any of the City's obligations.
- (l) There shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the City or any agency or political subdivision thereof or proceedings under the bankruptcy laws of the United States or the State of Florida shall have been instituted by the City or any agency or political subdivision, in either case the effect of which, in the reasonable judgment of the Senior Managing Underwriter, is such as to materially and adversely affect the market price or the marketability of the Series 2015 Bonds or the ability of the Underwriters to enforce contracts of the sale of the Series 2015 Bonds.
- (m) **[The Insurer shall inform the City or the Underwriters that it will not deliver the 2015 Reserve Account Insurance Policy at Closing.]**

#### **SECTION 10.**

Any notice or other communication to be given under this Purchase Agreement may be

given by delivering the same in writing as follows:

To the City at:

City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, FL 33139  
Attention: Patricia D. Walker, Chief Financial Officer

To the Underwriters (as the Senior Managing Underwriter, the representative on behalf of the Underwriters) at:

Wells Fargo Bank, National Association  
2363 Gulf-to-Bay Boulevard  
Clearwater, Florida 33765  
Attention: J. Michael Olliff

**SECTION 11.**

This Purchase Agreement is made solely for the benefit of the City and the Underwriters (including the successors or assigns of the Underwriters), and no other person, partnership, association or corporation shall acquire or have any right hereunder or by virtue hereof.

**SECTION 12.**

All the representations, warranties and agreements of the Underwriters and the City in this Purchase Agreement shall remain operative and in full force and effect and shall survive delivery of and payment for the Series 2015 Bonds hereunder regardless of any investigation made by or on behalf of the Underwriters.

**SECTION 13.**

This Purchase Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

**SECTION 14.**

This Purchase Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement; such counterparts may be delivered by facsimile transmission.

[Signature Page to Follow]

If the foregoing is acceptable to you, please sign below and this Purchase Agreement will become a binding agreement between the City and the Underwriters.

Very Truly Yours,

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, on behalf of itself and  
CITIGROUP GLOBAL MARKETS INC., J.P.  
MORGAN SECURITIES LLC and SIEBERT  
BRANDFORD SHANK & CO., LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Accepted and confirmed as of the  
date first above written:

CITY OF MIAMI BEACH, FLORIDA

By: \_\_\_\_\_

Name: Philip Levine

Title: Mayor

**EXHIBIT A**

(Disclosure and Truth-in-Bonding Statement)

\$ \_\_\_\_\_

CITY OF MIAMI BEACH, FLORIDA  
Stormwater Revenue Bonds  
Series 2015

\_\_\_\_\_, 2015

Mayor and City Commission  
City of Miami Beach, Florida  
1700 Convention Center Drive  
Miami Beach, Florida 33139

Ladies and Gentlemen:

In connection with the proposed execution and delivery of the \$ \_\_\_\_\_ City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds"), Wells Fargo Bank, National Association (the "Senior Managing Underwriter"), acting on behalf of itself Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., LLC (collectively, with the Senior Managing Underwriter, the "Underwriters"), has agreed to underwrite a public offering of the Series 2015 Bonds. Arrangements for underwriting the Series 2015 Bonds will include a Bond Purchase Agreement between the City of Miami Beach, Florida (the "City") and the Underwriters which will embody the negotiations in respect thereof (the "Purchase Agreement").

The purpose of this letter is to furnish, pursuant to the provisions of Section 218.385, Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the underwriting of the Series 2015 Bonds as follows:

- (a) The nature and estimated amounts of expenses to be incurred by the Underwriters in connection with the purchase and reoffering of the Series 2015 Bonds are set forth in schedule A-1 attached hereto.
- (b) No person has entered into an understanding with the Underwriters or, to the knowledge of the Underwriters, with the City for any paid or promised compensation or valuable consideration, directly or indirectly, expressly or implied, to act solely as an intermediary between the City and the Underwriters or to exercise or attempt to exercise any influence to effect any transaction in connection with the purchase of the Series 2015 Bonds by the Underwriters.

- (c) The total underwriting spread is \$\_\_\_\_\_ (\$\_\_\_\_\_/ \$1,000 of Bonds).
- (d) The Management Fee is \$\_\_\_\_\_ (\$\_\_\_\_\_/ \$1,000 of Bonds).
- (e) The Underwriters' Expenses are \$\_\_\_\_\_ (\$\_\_\_\_\_/ \$1,000 of Bonds).
- (f) No other fee, bonus or other compensation has been or will be paid by the Underwriters in connection with the issuance of the Series 2015 Bonds to any person not regularly employed or retained by the Underwriters, except Underwriters' Counsel, Bryant Miller Olive P.A., as shown on Schedule A-1 hereto, including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended.
- (g) The names and addresses of the Underwriters are:

Wells Fargo Bank, National Association  
2363 Gulf-to-Bay Blvd, Suite 200  
Clearwater, Florida 33765  
Attn: J. Michael Olliff

Citigroup Global Markets Inc.  
100 North Tampa Street, Suite 3750  
Tampa, Florida 33602  
Attn: Kevin Dempsey

J.P. Morgan Securities LLC  
1450 Brickell Ave, 33rd Floor  
Miami, FL 33131  
Attn: T.J. Whitehouse

Siebert Brandford Shank & Co., LLC  
1025 Connecticut Avenue NW, Suite 1202  
Washington, DC 20036  
Attn: Jon Kim

- (h) The City is proposing to issue \$\_\_\_\_\_ principal amount of the Series 2015 Bonds, as described in the Official Statement dated \_\_\_\_\_, 2015 relating to the Series 2015 Bonds (the "Official Statement"). These obligations are expected to be repaid over a period of approximately \_\_ years. At a true interest cost rate of \_\_\_\_\_%, total interest paid over the life of the Series 2015 Bonds will be \$\_\_\_\_\_. Proceeds of the Series 2015 Bonds will provide funds, together with other available funds, to (i) pay the costs of certain improvements to the City's Stormwater Utility, (ii) **[fund required reserves, and (iii)]** pay costs of issuance of the Series 2015 Bonds.

- (i) The anticipated source of repayment or security for the Series 2015 Bonds is the Net Revenues, **[Impact Fees or Special Assessments]** (as defined in the Bond Resolution, which in turn is defined in the Purchase Agreement). Authorizing these obligations will result in an annual amount of approximately \$\_\_\_\_\_ (total debt service divided by \_\_ years) of the aforementioned funds not being available each year to finance the other services of the City over a period of approximately \_\_ years, with respect to the Series 2015 Bonds.

[Remainder of page intentionally left blank]

We understand that you do not require any further disclosure from the Underwriters pursuant to Section 218.385, Florida Statutes, as amended.

Very Truly Yours,

WELLS FARGO BANK, NATIONAL  
ASSOCIATION, on behalf of itself and  
CITIGROUP GLOBAL MARKETS INC., J.P.  
MORGAN SECURITIES LLC and SIEBERT  
BRANDFORD SHANK & CO., LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SCHEDULE "A-1"  
 DETAILED BREAKDOWN OF UNDERWRITERS' DISCOUNT

\$ \_\_\_\_\_  
 CITY OF MIAMI BEACH, FLORIDA  
 Stormwater Revenue Bonds  
 Series 2015

<u>Spread Breakdown</u>	<u>\$/1,000</u>	<u>Amount</u>
Underwriter/Takedown:		\$
Expenses:		
Total		\$

<u>Expense Breakdown</u>	<u>\$/1,000</u>	<u>Amount</u>
Total		\$

**EXHIBIT B**  
**\$ \_\_\_\_\_**  
**CITY OF MIAMI BEACH, FLORIDA**  
**Stormwater Revenue Bonds**  
**Series 2015**

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS AND PRICES**

\$ \_\_\_\_\_ Serial Bonds

<u>Maturity</u> (September 1)	<u>Principal</u> <u>Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>
----------------------------------	-----------------------------------	----------------------	--------------	--------------

\$ \_\_\_\_\_ % Term Bond Due September 1, \_\_\_\_\_; Yield \_\_\_\_\_%; Price \_\_\_\_\_%

\$ \_\_\_\_\_ % Term Bond Due September 1, \_\_\_\_\_; Yield \_\_\_\_\_%; Price \_\_\_\_\_%

**[Insert Redemption Provisions]**

**PRELIMINARY OFFICIAL STATEMENT DATED APRIL \_\_, 2015**

**NEW ISSUE - Book-Entry-Only**

**Ratings:** Moody's: "\_\_\_\_"  
S&P: "\_\_\_\_"  
(See "RATINGS" herein)

*In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law (i) assuming continuing compliance with certain covenants and the accuracy of certain representations, interest on the Series 2015 Bonds is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations and (ii) the Series 2015 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Interest on the Series 2015 Bonds may be subject to certain federal taxes imposed only on certain corporations, including the corporate alternative minimum tax on a portion of that interest. For a more complete discussion of the tax aspects relating to the Series 2015 Bonds, see the discussion under the heading "TAX MATTERS" herein.*



**\$90,000,000\***  
**CITY OF MIAMI BEACH, FLORIDA**  
**STORMWATER REVENUE BONDS**  
**SERIES 2015**

**Dated:** Date of Delivery

**Due:** September 1, as shown on inside cover page

The City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds") will be issued by the City of Miami Beach, Florida (the "City") as fully registered bonds, without coupons, in denominations of \$5,000 and integral multiples thereof. When issued, the Series 2015 Bonds will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2015 Bonds. Purchasers will not receive certificates representing their ownership interests in the Series 2015 Bonds purchased. See "DESCRIPTION OF THE SERIES 2015 BONDS - Book-Entry Only System" herein. Interest on the Series 2015 Bonds will accrue from their date of delivery and will be payable on September 1, 2015 and semiannually on each March 1 and September 1 thereafter. U.S. Bank National Association, Miami, Florida, will serve as the initial bond registrar and paying agent (collectively, the "Bond Registrar") for the Series 2015 Bonds. While the Series 2015 Bonds are registered through the DTC book-entry only system, principal of and interest on the Series 2015 Bonds will be payable by the Bond Registrar to DTC.

The Series 2015 Bonds are being issued for the purpose of providing funds to (i) finance a portion of the costs of improving and upgrading the City's Stormwater Utility (the "Series 2015 Project"), and (ii) pay the costs of issuing the Series 2015 Bonds. See "PURPOSE OF THE ISSUE" herein.

The Series 2015 Bonds are payable from and secured by a first lien on and a pledge of the Net Revenues derived from the City's ownership and operation of the Stormwater Utility and certain other moneys held under the Resolution (as such terms are defined herein). Such first lien on and pledge of Net Revenues and certain other moneys held under the Resolution shall be on a parity with the first lien on and pledge of the Net Revenues and certain other moneys held under the Resolution granted in favor of (i) the City of Miami Beach, Florida Stormwater Revenue Refunding Bonds, Taxable Series 2009J-2, the City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2011A and the City of Miami Beach, Florida Stormwater Revenue Refunding Bonds, Series 2011B, and (ii) that may be granted by the City in favor of

Additional Bonds, Refunding Bonds, Alternative Parity Debt and certain Short-Term Indebtedness; **provided, however, that no deposit to the Reserve Account shall be made in connection with the issuance of the Series 2015 Bonds and the Series 2015 Bonds shall not be secured by, or entitled to any benefit from, amounts held in the Reserve Account for the benefit of other Bonds issued and Outstanding under the Bond Resolution (as such terms are defined herein).** See "SECURITY AND SOURCES OF PAYMENT" herein.

The Series 2015 Bonds are subject to optional and mandatory sinking fund redemption prior to maturity as described herein.

THE CITY IS OBLIGATED TO PAY THE PRINCIPAL OF AND INTEREST ON THE SERIES 2015 BONDS SOLELY FROM THE NET REVENUES AND CERTAIN OTHER MONEYS, AS DESCRIBED IN THE RESOLUTION. THE SERIES 2015 BONDS SHALL NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY, MIAMI-DADE COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION. THE FAITH AND CREDIT OF THE CITY, MIAMI-DADE COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF IS NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2015 BONDS. ISSUANCE OF THE SERIES 2015 BONDS SHALL NOT DIRECTLY, INDIRECTLY OR CONTINGENTLY OBLIGATE THE CITY, MIAMI-DADE COUNTY, FLORIDA, THE STATE OF FLORIDA OR ANY POLITICAL SUBDIVISION THEREOF TO LEVY OR TO PLEDGE ANY TAXES WHATEVER THEREFOR, OR TO MAKE ANY APPROPRIATION FOR THE PAYMENT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2015 BONDS, EXCEPT AS PROVIDED IN THE RESOLUTION.

**This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire official statement to obtain information essential to the making of an informed investment decision.**

*The Series 2015 Bonds are offered when, as and if issued by the City, subject to the opinion on certain legal matters relating to their issuance of Squire Patton Boggs (US) LLP, Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the City by Raul J. Aguila, Esquire, City Attorney, and certain legal matters relating to disclosure will be passed upon for the City by the Law Offices of Steve E. Bullock, P.A., Miami, Florida, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by Bryant Miller Olive P.A., Miami, Florida, as Counsel to the Underwriters. RBC Capital Markets, LLC, Miami, Florida, is serving as Financial Advisor to the City in connection with the issuance of the Series 2015 Bonds. It is expected that the Series 2015 Bonds will be available for delivery through DTC in New York, New York on or about May \_\_, 2015.*

### **Wells Fargo Securities**

**Citigroup**

**J.P. Morgan**

**Siebert Brandford Shank & Co., LLC**

Dated: \_\_\_\_\_, 2015

\_\_\_\_\_  
\* Preliminary, subject to change.

*Red herring: This Preliminary Official Statement and the information contained herein are subject to amendment and completion without notice. The Series 2015 Bonds may not be sold and offers to buy may not be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2015 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.*

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES,  
PRICES, YIELDS AND INITIAL CUSIP NUMBERS\*†**

\$ \_\_\_\_\_ **Series 2015 Serial Bonds**

<u>Due (September 1)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Price</u>	<u>Yield</u>	<u>Initial CUSIP Number</u>
2016	\$	%		%	59324 ____
2017					59324 ____
2018					59324 ____
2019					59324 ____
2020					59324 ____
2021					59324 ____
2022					59324 ____
2023					59324 ____
2024					59324 ____
2025					59324 ____
2026					59324 ____
2027					59324 ____
2028					59324 ____
2029					59324 ____
2030					59324 ____
2031					59324 ____
2032					59324 ____
2033					59324 ____
2034					59324 ____
2035					59324 ____
2036					59324 ____
2037					59324 ____
2038					59324 ____
2039					59324 ____
2040					59324 ____
2041					59324 ____
2042					59324 ____
2043					59324 ____
2044					59324 ____
2045					59324 ____

\$ \_\_\_\_\_ % Term Series 2015 Bonds Due September 1, 20\_\_\_\_ – Price: \_\_\_\_\_ / Yield:  
\_\_\_\_\_ % Initial CUSIP Number: 59324 \_\_\_\_\_

- 
- \* Preliminary, subject to change.
  - † Neither the City nor the Underwriters is responsible for the use of CUSIP Numbers, nor is a representation made as to their correctness. The CUSIP Numbers are included solely for the convenience of the readers of this Official Statement.

**CITY OF MIAMI BEACH, FLORIDA**

**MAYOR**

Philip Levine

**CITY COMMISSION**

Jonah Wolfson, *Vice-Mayor*  
Michael Grieco, *Commissioner*  
Joy Malakoff, *Commissioner*  
Micky Steinberg, *Commissioner*  
Edward L. Tobin, *Commissioner*  
Deede Weithorn, *Commissioner*

**ADMINISTRATION**

***City Manager***  
Jimmy L. Morales

***City Attorney***  
Raul J. Aguila, Esquire

***Chief Financial Officer***  
Patricia D. Walker

***City Clerk***  
Rafael E. Granado

***Assistant City Manager***  
John M. Taxis

***Public Works Director***  
Eric T. Carpenter, P.E.

**CONSULTANTS**

***Bond Counsel***  
Squire Patton Boggs (US) LLP  
West Palm Beach, Florida

***Financial Advisors***  
RBC Capital Markets, LLC  
Miami, Florida

***Disclosure Counsel***  
Law Offices of Steve E. Bullock, P.A.  
Miami, Florida

***Consulting Engineers***  
AECOM  
Coral Gables, Florida

***Independent Auditors***  
McGladrey LLP  
Miami, Florida

No dealer, broker, salesman or other person has been authorized by the City or the Underwriters to make any representations, other than those contained in this Official Statement, in connection with the offering contained herein, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the Series 2015 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information contained in this Official Statement has been obtained from public documents, records and other sources considered to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct. Any statement in this Official Statement involving estimates, assumptions and opinions, whether or not so expressly stated, are intended as such and are not to be construed as representations of fact, and the Underwriters and the City expressly make no representation that such estimates, assumptions and opinions will be realized or fulfilled. Any information, estimates, assumptions and matters of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement, nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in the affairs of the City since the date hereof.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

The order and placement of materials in this Official Statement, including the Appendices, are not to be deemed a determination of relevance, materiality or importance, and this Official Statement, including the Appendices, must be considered in its entirety. The captions and headings in this Official Statement are for convenience only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Official Statement. The offering of the Series 2015 Bonds is made only by means of this entire Official Statement.

Certain statements included or incorporated by reference in this Official Statement constitute "forward-looking statements." Such statements generally are identifiable by the terminology used, such as "plan," "expect," "estimate," "project," "forecast," "budget" or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The City does not plan to issue any updates or revisions to those forward-looking statements if or when its expectations or events, conditions or circumstances on which such statements are based occur.

THE SERIES 2015 BONDS HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY STATE SECURITIES LAW, NOR HAS THE BOND RESOLUTION BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON EXEMPTIONS CONTAINED IN SUCH ACTS. THE EXEMPTION OF THE SERIES 2015 BONDS FROM REGISTRATION OR QUALIFICATION IN CERTAIN STATES CANNOT BE REGARDED AS A RECOMMENDATION THEREOF. IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE CITY AND THE TERMS OF THIS OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE OR GOVERNMENTAL ENTITY OR CITY WILL HAVE PASSED UPON THE ACCURACY OR ADEQUACY OF THIS

OFFICIAL STATEMENT OR APPROVED OR RECOMMENDED THE SERIES 2015 BONDS FOR SALE. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVERALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2015 BONDS AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET, AND SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME. THE UNDERWRITERS MAY OFFER AND SELL THE SERIES 2015 BONDS TO CERTAIN DEALERS AND OTHERS AT PRICES LOWER THAN THE PUBLIC OFFERING PRICES STATED ON THE INSIDE COVER PAGE OF THIS OFFICIAL STATEMENT, AND SUCH PUBLIC OFFERING PRICES MAY BE CHANGED FROM TIME TO TIME BY THE UNDERWRITERS.

THIS OFFICIAL STATEMENT SHALL NOT CONSTITUTE A CONTRACT BETWEEN THE CITY OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2015 BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM (“ORIGINAL BOUND FORMAT”) OR IN ELECTRONIC FORMAT ON THE WEBSITE: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM). THIS OFFICIAL STATEMENT MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR IF IT IS PRINTED IN FULL DIRECTLY FROM SUCH WEBSITE.

THIS PRELIMINARY OFFICIAL STATEMENT IS IN A FORM DEEMED FINAL BY THE CITY FOR PURPOSES OF RULE 15c2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN FINANCIAL INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15c2-12(b)(1).

TABLE OF CONTENTS

	<u>Page</u>
INTRODUCTION.....	1
PURPOSE OF THE ISSUE.....	2
ESTIMATED SOURCES AND USES OF FUNDS.....	2
DESCRIPTION OF THE SERIES 2015 BONDS.....	3
General.....	3
Redemption Provisions.....	3
Book-Entry-Only System.....	5
Discontinuance of Book-Entry Only System.....	7
SECURITY AND SOURCES OF PAYMENT.....	7
General.....	7
Flow of Funds.....	8
Reserve Account.....	10
Rate Covenant.....	10
Additional Bonds.....	11
Refunding Bonds.....	13
Limited Liability.....	13
Other Indebtedness.....	14
Modifications or Supplements to Bond Resolution.....	14
THE STORMWATER UTILITY.....	15
General.....	15
Public Works Department.....	16
Existing Stormwater Utility.....	17
Capital Improvement Program.....	18
Government Regulations.....	21
Rates, Fees and Charges.....	23
Comparative Rate Study.....	24
Billing and Collection.....	24
DEBT SERVICE SCHEDULE.....	26
HISTORICAL AND FORECASTED SCHEDULE OF NET REVENUES.....	27
FINDINGS AND CONCLUSIONS OF CONSULTING ENGINEERS.....	29
LITIGATION.....	29
LEGAL MATTERS.....	29
ENFORCEABILITY OF REMEDIES.....	30
TAX MATTERS.....	30
General.....	30
Risk of Future Legislative Changes and/or Court Decisions.....	31
Original Issue Discount and Original Issue Premium.....	32
CONTINUING DISCLOSURE.....	33
RATINGS.....	33
UNDERWRITING.....	34
EXPERTS.....	35
FINANCIAL STATEMENTS.....	35
FINANCIAL ADVISOR.....	35
CONTINGENT FEES.....	35
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY LAWS.....	35
AUTHORIZATION CONCERNING OFFICIAL STATEMENT.....	36
MISCELLANEOUS.....	36

- APPENDIX A - General Information and Economic Data Regarding the City of Miami Beach, Florida and Miami-Dade County, Florida
- APPENDIX B - Report of the Consulting Engineers
- APPENDIX C - Basic Financial Statements of the City of Miami Beach, Florida for the Fiscal Year Ended September 30, 2014
- APPENDIX D - The Resolution
- APPENDIX E - Proposed Form of Opinion of Bond Counsel
- APPENDIX F - Proposed Form of Opinion of Disclosure Counsel
- APPENDIX G - Form of Disclosure Dissemination Agent Agreement

**OFFICIAL STATEMENT**  
*relating to*

**\$90,000,000\***  
**CITY OF MIAMI BEACH, FLORIDA**  
**STORMWATER REVENUE BONDS**  
**SERIES 2015**

**INTRODUCTION**

The purpose of this Official Statement, including the cover page and all appendices, is to set forth certain information relating to the City of Miami Beach, Florida (the "City"), its stormwater management utility system, which is owned and operated by the City (the "Stormwater Utility") and the sale by the City of its \$90,000,000\* aggregate principal amount of Stormwater Revenue Bonds, Series 2015 (the "Series 2015 Bonds"). The Series 2015 Bonds, the Series 2009 Bonds (defined below) and any Additional Bonds and Refunding Bonds issued on a parity therewith, are collectively referred to as the "Bonds." The Series 2015 Bonds are being issued pursuant to the Constitution and Laws of the State of Florida, including Chapter 166 and Section 403.0893(1), Florida Statutes, and the City of Miami Beach Charter (collectively, the "Act") and other applicable provisions of law and pursuant and subject to the terms and conditions of Resolution No. 2000-24127 adopted by the Mayor and City Commission of the City (collectively, the "City Commission") on October 18, 2000 (the "Bond Resolution"), and Resolution No. 2015-\_\_\_\_\_ adopted by the City Commission on April \_\_\_, 2015 (the "Series 2015 Resolution" and, collectively with the Bond Resolution, the "Resolution"). For a complete description of the terms and conditions of the Series 2015 Bonds, and the provisions of the Resolution, see "APPENDIX D - The Resolution."

The Series 2015 Bonds will be issued in book-entry only form and purchasers of the Series 2015 Bonds will not receive certificates representing their interest in the Series 2015 Bonds purchased. The Series 2015 Bonds will contain such other terms and provisions, including provisions regarding redemption, as described in "DESCRIPTION OF THE SERIES 2015 BONDS" herein.

The City has previously issued pursuant to the Bond Resolution its (i) \$16,185,000 original principal amount of City of Miami Beach, Florida Stormwater Revenue Refunding Bonds, Taxable Series 2009J-2 (the "Series 2009 Bonds"), \$\_\_\_\_\_ of which are currently Outstanding; (ii) \$52,130,000 original principal amount of City of Miami Beach, Florida Stormwater Revenue Bonds, Series 2011A (the "Series 2011A Bonds"), all of which are currently Outstanding; and (iii) \$26,575,000 original principal amount of City of Miami Beach, Florida Stormwater Revenue Refunding Bonds, Series 2011B (the "Series 2011B Bonds" and, together with the Series 2011A Bonds, the "Series 2011 Bonds"), \$26,240,000 of which are currently Outstanding

The principal of, and interest on, the Series 2015 Bonds will be secured by a first lien on and pledge of the Pledged Revenues as described herein, on a parity with the Series 2009 Bonds, the Series 2011 Bonds and any Additional Bonds and Refunding Bonds that may be issued from time to time under the Bond Resolution and Alternative Parity Debt and certain Short-Term Indebtedness that may be hereafter issued; **provided, however, that no deposit to the Reserve Account shall be made in connection with the issuance of the Series 2015 Bonds and the Series 2015 Bonds shall not be secured by, or entitled to any benefit from, amounts held in the Reserve Account for the benefit of the Outstanding Bonds**

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\* Preliminary, subject to change.

or any other Bonds issued and Outstanding under the Bond Resolution. See "SECURITY AND SOURCES OF PAYMENT - Reserve Account" herein.

This introduction is intended to serve as a brief description of this Official Statement and is expressly qualified by reference to this Official Statement as a whole. A full review should be made of this entire Official Statement, as well as the documents and reports summarized or described herein. The description of the Series 2015 Bonds, the documents authorizing and securing the same, including, without limitation, the Resolution, and the information from various reports contained herein are not comprehensive or definitive. All references herein to such documents and reports are qualified by the entire, actual content of such documents and reports. Copies of such documents and reports may be obtained from the City. Capitalized terms used but not defined in this Official Statement shall have the meaning ascribed to such terms in the Resolution. See "APPENDIX D - The Resolution."

### PURPOSE OF THE ISSUE

#### General

The Series 2015 Bonds are being issued by the City for the purpose of providing funds to (i) pay the costs of certain capital improvements to the Stormwater Utility (the "Series 2015 Project"), and (ii) paying the costs of issuance of the Series 2015 Bonds.

#### Series 2015 Project

The improvements to the Stormwater Utility to be made with the proceeds of the Series 2015 Bonds are part of the improvements to be made pursuant to the Capital Improvement Program for the Stormwater Utility. See "THE STORMWATER UTILITY - The Capital Improvement Program" herein.

### ESTIMATED SOURCES AND USES OF FUNDS

The following table sets forth the estimated sources and uses of funds in connection with the issuance of the Series 2015 Bonds:

#### Sources of Funds

Par Amount of Series 2015 Bonds	\$
Net Original Issue Premium/Discount	_____
Total Estimated Sources of Funds	\$ <u>                    </u>

#### Uses of Funds

Deposit to Series 2015 Construction Subaccount <sup>(1)</sup>	\$
Deposit to Series 2015 Cost of Issuance Subaccount <sup>(2)</sup>	_____
Underwriters' Discount	_____
Total Estimated Uses of Funds	\$ <u>                    </u>

- 
- (1) See "PURPOSE OF THE ISSUE - Series 2015 Project" herein.
  - (2) To pay certain costs of issuance of the Series 2015 Bonds, including, without limitation, printing costs, bond counsel fees, disclosure counsel fees, fees of the financial advisor and fees of the Consulting Engineers.

## DESCRIPTION OF THE SERIES 2015 BONDS

### General

The Series 2015 Bonds will be dated their date of delivery. The Series 2015 Bonds will bear interest at the rates and will mature on the dates and in the amounts set forth on the inside cover page of this Official Statement. Interest on the Series 2015 Bonds is payable semiannually commencing on September 1, 2015 and on each March 1 and September 1 thereafter. Such interest shall be calculated on the basis of a 360 day year consisting of twelve 30-day months. The City has appointed U.S. Bank National Association, Miami, Florida, to ser as the paying agent and as the bond registrar for the Series 2015 Bonds (collectively, the “Bond Registrar”).

In any case where the date of maturity of interest on or principal of the Series 2015 Bonds or the date fixed for redemption of the Series 2015 Bonds shall not be business day, then payment of such interest or principal or redemption price need not be made by the Bond Registrar on such date but may be made on the next succeeding business day with the same force and effect as if made on the date of maturity or the date fixed for redemption, and no interest shall accrue for the period after such date of maturity or redemption.

The Series 2015 Bonds will be registered in the name of Cede & Co., as registered owner and nominee of The Depository Trust Company, New York, New York (“DTC”). Purchases of beneficial interests in the Series 2015 Bonds will be made in book-entry-only form, without certificates. Unless a securities depository other than DTC is selected by the City, so long as the Series 2015 Bonds shall be in book-entry-only form, the principal of and interest on the Series 2015 Bonds will be payable to Cede & Co. (or such other nominee selected by DTC), as registered owner thereof, and will be distributed by DTC and the DTC Participants to the Beneficial Owners (as such terms are hereinafter defined). See “THE SERIES 2015 BONDS – Book-Entry Only System” herein.

### Redemption Provisions

#### Optional Redemption

The Series 2015 Bonds maturing on or before September 1, [2025] are not subject to redemption prior to maturity. The Series 2015 Bonds maturing on or after September 1, 2026 are subject to redemption prior to maturity, at the option of the City, on or after September 1, 2025, in whole or in part at any time, in any order of maturity selected by the City and by lot or by such other manner as the Bond Registrar shall deem appropriate within a maturity, at a redemption price equal to one hundred percent (100%) of the principal amount of the Series 2015 Bonds to be redeemed, together with accrued interest to the date fixed for redemption and without premium.

#### Mandatory Sinking Fund Redemption

The Series 2015 Bonds maturing on September 1, 20\_\_ are subject to mandatory sinking fund redemption in part prior to maturity, by lot, or by such other manner as the Bond Registrar shall deem appropriate, through the application of Amortization Requirements, at a redemption price equal to one hundred percent (100%) of the principal amount thereof, plus accrued interest to the redemption date, on September 1 of each year in the following amounts and in the years specified:

Due  
(September 1)

Amortization  
Requirement

§

\*

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\* Final maturity.

Notice of Redemption

***Mailing of Notice of Redemption.*** At least thirty (30) days, but not more than sixty (60) days, before the redemption date, a notice of redemption (a) shall be filed by the City with the Bond Registrar and (b) shall be mailed by the Bond Registrar, first class mail, postage prepaid, to all registered owners of Series 2015 Bonds (which, so long as DTC shall act as securities depository for the Series 2015 Bonds, shall be Cede & Co.) to be redeemed at their addresses as they appear on the registration books of the Bond Registrar, but failure so to mail any such notice to any registered owner shall not affect the validity of the proceedings for such redemption.

Each such notice shall specify the redemption date and the place or places where amounts due upon such redemption will be payable and, if less than all of the Series 2015 Bonds are to be redeemed, the numbers or other distinguishing marks of such Series 2015 Bonds to be redeemed in part and the respective portions thereof to be redeemed. Such notice shall further state that on such date there shall become due and payable upon each of the Series 2015 Bonds to be redeemed the redemption price or the specified portions thereof in the case of Series 2015 Bonds to be redeemed in part only, together with interest accrued to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable on such Series 2015 Bonds or portions thereof so redeemed.

In the case of an optional redemption of the Series 2015 Bonds, the redemption notice may state that (a) it is conditioned upon the deposit of moneys with the Bond Registrar or with a bank, trust company or other appropriate fiduciary institution acting as escrow agent (the “escrow agent”), in amounts necessary to effect the redemption, no later than the redemption date, or (b) the City retains the right to rescind such notice on or prior to the scheduled redemption date (in either case, a “Conditional Redemption”), and such notice and optional redemption shall be of no effect if such moneys are not so deposited or if the notice is rescinded as described in this paragraph. Any such notice of Conditional Redemption shall be captioned “Conditional Notice of Redemption.” Any Conditional Redemption may be rescinded at any time prior to the redemption date if the City delivers a written direction to the Bond Registrar directing the Bond Registrar to rescind the redemption notice. The Bond Registrar shall give prompt notice of such rescission to the affected Bondholders. Any Series 2015 Bonds subject to Conditional Redemption where redemption has been rescinded shall remain Outstanding, and neither the rescission nor the failure by the City to make such moneys available shall constitute an Event of Default under the Bond Resolution.

***Effect of Calling for Redemption.*** On the date so designated for redemption, notice having been filed and mailed in the manner and under the conditions described above, the Series 2015 Bonds so called for redemption shall become and be due and payable at the redemption price provided for redemption of such Series 2015 Bonds on such date, and, moneys for payment of the redemption price being held in separate accounts by the Finance Director or by the Bond Registrar in trust for the Holders of the Series 2015 Bonds to be redeemed, all as provided in the Resolution, interest on the Series 2015 Bonds so called for redemption shall cease to accrue, such Series 2015 Bonds shall cease to be entitled to any lien, benefit or security under the Resolution, and the Holders or registered owners of such Series 2015 Bonds shall

have no rights in respect thereof except to receive payment of the redemption price thereof and accrued interest thereon.

### **Book-Entry Only System**

*The following description of the procedures and record keeping with respect to beneficial ownership interests in the Series 2015 Bonds, payment of interest and principal on the Series 2015 Bonds to Participants or Beneficial Owners of the Series 2015 Bonds, confirmation and transfer of beneficial ownership interest in the Series 2015 Bonds and other related transactions by and between DTC, the Participants and the Beneficial Owners of the Series 2015 Bonds is based solely on information furnished by DTC on its website for inclusion in this Official Statement. Accordingly, neither the City nor the Underwriters can make any representation concerning these matters or take any responsibility for the accuracy or completeness of such information.*

The Depository Trust Company (“DTC”), New York, New York, will act as securities depository for the Series 2015 Bonds. The Series 2015 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered bond certificate will be issued for each maturity of each Series of the Series 2015 Bonds, each in the aggregate principal amount of such maturity to be issued, as set forth on the inside cover page of this Official Statement, and will be deposited with DTC.

DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Direct and Indirect Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com) and [www.dtc.org](http://www.dtc.org).

Purchases of Series 2015 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2015 Bonds on DTC’s records. The ownership interest of each actual purchaser of each Series 2015 Bond (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2015 Bonds are to be accomplished by entries made on the books of

Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Series 2015 Bonds, except in the event that use of the book-entry system for the Series 2015 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2015 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2015 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2015 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2015 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of the Series 2015 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2015 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the security documents. For example, Beneficial Owners of the Series 2015 Bonds may wish to ascertain that the nominee holding the Series 2015 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the Bond Registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent by the Bond Registrar to DTC. If less than all of the Series 2015 Bonds within a particular maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2015 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the City as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Series 2015 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the Series 2015 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from City or the Bond Registrar, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Direct and Indirect Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Registrar or the City, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the City or the Bond Registrar, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

**NEITHER THE CITY NOR THE BOND REGISTRAR WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO ANY DIRECT OR INDIRECT PARTICIPANT OR THE**

**PERSONS FOR WHOM THEY ACT AS NOMINEES WITH RESPECT TO THE SERIES 2015 BONDS IN RESPECT OF THE ACCURACY OF ANY RECORDS MAINTAINED BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT, THE PAYMENT BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OF ANY AMOUNT IN RESPECT OF THE PRINCIPAL OF OR INTEREST ON THE SERIES 2015 BONDS, ANY NOTICE WHICH IS PERMITTED OR REQUIRED TO BE GIVEN TO BONDHOLDERS UNDER THE BOND RESOLUTION, THE SELECTION BY DTC OR ANY DIRECT OR INDIRECT PARTICIPANT OR ANY PERSON TO RECEIVE PAYMENT IN THE EVENT OF A PARTIAL REDEMPTION OF THE SERIES 2015 BONDS, OR ANY CONSENT GIVEN OR OTHER ACTION TAKEN BY DTC AS BONDHOLDER. SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2015 BONDS, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2015 BONDS SHALL MEAN CEDE & CO., AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2015 BONDS.**

### **Discontinuance of Book-Entry Only System**

In the event the City determines that it is in the best interest of the Beneficial Owners to obtain Series 2015 Bond certificates, the City may notify DTC and the Bond Registrar, whereupon DTC will notify the DTC Participants, of the availability through DTC of Series 2015 Bond certificates. In such event, the City shall prepare and execute, and the Bond Registrar shall authenticate, transfer and exchange, Series 2015 Bond certificates as requested by DTC in appropriate amounts and within the guidelines set forth in the Bond Resolution. DTC may also determine to discontinue providing its services with respect to the Series 2015 Bonds at any time by giving written notice to the City and the Bond Registrar and discharging its responsibilities with respect thereto under applicable law. Under such circumstances (if there is no successor securities depository), the City and the Bond Registrar shall be obligated to deliver Series 2015 Bond certificates as described herein. In the event Series 2015 Bond certificates are issued, the provisions of the Bond Resolution shall apply to, among other things, the transfer and exchange of such certificate and the method of payment of principal of and interest on such certificates. Whenever DTC requests the City and the Bond Registrar to do so, the City will direct the Bond Registrar to cooperate with DTC in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Series 2015 Bonds to any DTC Participant having Series 2015 Bonds credited to its DTC account; or (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Series 2015 Bonds.

## **SECURITY AND SOURCES OF PAYMENT**

### **General**

The Bonds issued under the Bond Resolution are limited obligations of the City, payable solely from and secured by a lien upon and pledge of Net Revenues and, to the extent provided in the Bond Resolution, from Impact Fees and Special Assessments, and all moneys held in the respective Funds and Accounts established under the Bond Resolution other than the Subordinated Indebtedness Account and the Arbitrage Rebate Fund (collectively, the "Pledged Revenues"). See APPENDIX D - The Resolution for a further description of the Pledged Revenues. The Series 2015 Bonds are payable from and secured by the Pledged Revenues on a parity with the Series 2009 Bonds, the Series 2011 Bonds and any Additional Bonds and Refunding Bonds that may be issued from time to time under the Bond Resolution and Alternative Parity Debt and certain Short-Term Indebtedness that may be hereafter issued; **provided, however, that no deposit to the Reserve Account shall be made in connection with the issuance of the Series 2015 Bonds and the Series 2015 Bonds shall not be secured by, or entitled to any benefit from,**

**amounts held in the Reserve Account for the benefit of other Bonds issued and Outstanding under the Bond Resolution.**

With respect to the Series 2015 Bonds, there will be no Special Assessments or Impact Fees available to pay principal of and interest on the Series 2015 Bonds. Therefore, as applied to the Series 2015 Bonds, “Pledged Revenues” shall not be deemed to include Special Assessments or Impact Fees.

“Net Revenues” is defined in the Bond Resolution as being, for any particular period, the amount of Revenues for such period less Current Expenses for such period.

“Revenues” is defined in the Bond Resolution as all moneys received by the City in connection with or as a result of its ownership or operation of the Stormwater Utility, including the income derived by the City from the provision of stormwater management utility services, any proceeds of use and occupancy insurance on the Stormwater Utility or any part thereof, payments made to the City under Interest Rate Swap arrangements, income from investments made under the Bond Resolution and, except for certain purposes related to the issuance of Additional Bonds under the Bond Resolution, amounts transferred or to be transferred from the Rate Stabilization Account; provided, however, Revenues shall not include grants, contributions or donations, investment income from investments of moneys on deposit in the Construction Fund, the Subordinated Indebtedness Account, the Impact Fee Account and the Special Assessment Account, proceeds of insurance (except use and occupancy insurance) and condemnation awards, moneys held in the Subordinated Indebtedness Account and in any Arbitrage Rebate Fund created pursuant to the Bond Resolution, proceeds of sales of property constituting a part of the Stormwater Utility, Special Assessments, the proceeds of Bonds or other Utility Debt and Impact Fees.

“Current Expenses” is defined in the Bond Resolution as the City’s reasonable and necessary current expenses of maintenance, repair and operation of the Stormwater Utility and shall include, without limiting the generality of the foregoing, all ordinary and usual expenses of maintenance and repair, which may include expenses not annually recurring, any reasonable payments to pension or retirement funds properly chargeable to the Stormwater Utility, insurance premiums, engineering expenses relating to maintenance, repair and operation, fees and expenses of the Bond Registrar, legal and accounting expenses, any fees, fines, or penalties lawfully imposed on the Stormwater Utility, any taxes which may be lawfully imposed on the Stormwater Utility or its income or operations and reserves for such taxes, annual fees for the maintenance of Credit Facilities, Liquidity Facilities, Reserve Account Insurance Policies, Reserve Account Letters of Credit or Interest Rate Swaps (other than payments due under an Interest Rate Swap on a parity with interest due on the Bonds and termination payments thereunder), and any other expenses required to be paid by the City in connection with the Stormwater Utility under the provisions of the Bond Resolution or by law, including any amounts required from time to time to pay arbitrage rebate to the United States of America or to fund the Arbitrage Rebate Fund, but shall not include any reserves for extraordinary maintenance or repair, or any allowance for depreciation, or any administrative expenses payable to the City’s General Fund, or any deposits or transfers to the credit of the Debt Service Account, the Reserve Account, the Rate Stabilization Account, the Subordinated Indebtedness Account, the Impact Fee Account or the Special Assessment Account.

**Flow of Funds**

The City maintains a special fund designated the “Stormwater Utility Fund” (the “Enterprise Fund”). The Bond Resolution establishes within the Enterprise Fund the Debt Service Account (and within the Debt Service Account, the Bond Service Subaccount and Redemption Subaccount), Reserve Account, Rate Stabilization Account, Subordinated Indebtedness Account, Impact Fee Account and Special Assessment Account. The Bond Resolution also establishes the Construction Fund. All such funds and

accounts will be held by the City, and no independent trustee has been appointed to hold the moneys in such funds for the benefit of the Bondholders.

The City deposits all Revenues collected from the Stormwater Utility's operations into the Enterprise Fund. Not later than the 20th day of each month, the City will withdraw from the Enterprise Fund (except for an amount equal to the next two month's Current Expenses under the Annual Budget, which amount shall be held for the payment of Current Expenses) and deposit the funds withdrawn in the following order:

(a) To the Bond Service Subaccount of the Debt Service Account, an amount which, together with amounts concurrently deposited therein from Impact Fees pursuant to the Bond Resolution and from Special Assessments pursuant to the Bond Resolution, will equal one-sixth (1/6) of interest payable on the Bonds of each Series on the next Interest Payment Date, and one-twelfth (1/12) or, if principal is payable semiannually, one-sixth (1/6), of the next maturing installment of principal on all Serial Bonds then Outstanding; provided, however, that in each month intervening between the date of delivery of Bonds and the next succeeding Interest Payment Date or principal payment date, respectively, the amount specified in this subparagraph shall be the amount which when multiplied by the number of deposits to the credit of the Bond Service Subaccount required to be made during such respective periods as provided above will equal the amounts required (taking any amounts received as accrued interest or capitalized interest from the proceeds of the Bonds) for such next succeeding interest payment and next maturing installment of principal, respectively;

(b) To the Redemption Subaccount of the Debt Service Account, an amount which, together with amounts concurrently deposited therein from Impact Fees pursuant to the Bond Resolution and from Special Assessments pursuant to the Bond Resolution, will equal one-twelfth (1/12) or, if any Bonds are required to be retired semiannually in satisfaction of the Amortization Requirements therefor, one-sixth (1/6), of the principal amount of Term Bonds of each Series required to be retired in satisfaction of the Amortization Requirements, if any, for such Fiscal Year;

(c) To the Reserve Account, the amount, if any, as may be required to make the amount deposited to the credit of the Reserve Account in such month equal to the Reserve Account Deposit Requirement for such month; provided, however, that if the Reserve Account Deposit Requirement is being satisfied by the restoration of any amounts drawn or paid under a Reserve Account Insurance Policy or a Reserve Account Letter of Credit, there shall be paid to the provider thereof such amount, if any, of any balance remaining after the deposits under clauses (a) and (b) above, as may be required to cause the Reserve Account Deposit Requirement to be satisfied;

(d) To the Rate Stabilization Account, amounts determined from time to time by the Commission; and

(e) To the Subordinated Indebtedness Account, an amount, if any, equal to the sum of one-twelfth (1/12) of the principal, redemption premium, if any, and interest coming due on any Subordinated Indebtedness during the succeeding twelve month period and the amount, if any, required to be deposited in any special reserve subaccount established within the Subordinated Indebtedness Account.

Impact Fees are required to be deposited to the Impact Fee Account, and Special Assessments are required to be deposited to the Special Assessment Account, and the amounts in such accounts are required

to be used for the specific purposes for which such Impact Fees or Special Assessments have been levied. See Appendix D hereto for a further description of such Accounts.

## **Reserve Account**

### General

Under the Bond Resolution, the City has established the Reserve Account within the Enterprise Fund. The Reserve Account is held for the benefit of all Bonds Outstanding except that the Series Resolution for one or more particular Series of Bonds may establish a separate subaccount within the Reserve Account for such particular Series of Bonds and, in such event, such Series of Bonds shall be secured only by the moneys held for the credit of such subaccount and by no other amounts held for the credit of the Reserve Account, and the Bonds outstanding of any other Series will have no claim whatsoever on the moneys held for the credit of such separate subaccount in the Reserve Account.

The Reserve Account Requirement under the Bond Resolution is an amount equal to the lesser of (i) the Maximum Principal and Interest Requirements for all outstanding Bonds in the current or any subsequent Fiscal Year, or (ii) the maximum amount allowed to be funded from Bond proceeds under the Code; provided that if the Series Resolution corresponding to a Series of Bonds provides for the establishment of a separate subaccount in the Reserve Account to secure only such Series of Bonds (with such Series of Bonds having no claim on the other moneys deposited to the credit of the Reserve Account), the Reserve Account Requirement for such Series of Bonds shall be calculated as set forth in the corresponding Series Resolution.

Notwithstanding anything to the contrary contained in the Bond Resolution, (i) the Series 2009 Bonds are not secured by the Reserve Account or any separate subaccount therein, and (ii) the Reserve Account Requirement is computed without regard to the Series 2009 Bonds.

### No Deposit for Series 2015 Bonds

The Series 2015 Resolution provides that, notwithstanding anything to the contrary contained in the Bond Resolution, the City may determine that no deposit to the Reserve Account shall be made in connection with the issuance of the Series 2015 Bonds. The City has made such determination and, therefore, no deposit has been made to the Reserve Account in connection with the issuance of the Series 2015 Bonds and no separate subaccount in the Reserve Account has been created for the benefit of the Series 2015 Bonds. **As a result, the Series 2015 Bonds shall not be secured by any separate subaccount in the Reserve Account nor entitled to any benefit from amounts held in the Reserve Account for the benefit of the Outstanding Bonds or any other Bonds issued and Outstanding under the Bond Resolution.** Amounts on deposit in the Reserve Account upon issuance of the Series 2015 Bonds shall be held solely for the benefit of the holders of the Outstanding Series 2011 Bonds and not for the benefit of the holders of the Series 2009 Bonds or the Series 2015 Bonds.

## **Rate Covenant**

The City has covenanted in the Bond Resolution that it will fix, charge and collect reasonable rates and charges for the use of the services and facilities furnished by the Stormwater Utility and that from time to time, and as often as it shall appear necessary, it will adjust such rates and charges by increasing or decreasing the same or any selected categories of rates and charges so that the Net Revenues (excluding from the computation of Current Expenses for any Fiscal Year any amount received from any source other than Revenues and applied to the payment of Current Expenses in such Fiscal Year) will be sufficient to

provide an amount in each Fiscal Year at least equal to one hundred ten percent (110%) of Principal and Interest Requirements on all Bonds for such Fiscal Year and one hundred percent (100%) of all amounts required to be deposited to the Reserve Account (or paid to the provider of a Reserve Account Insurance Policy or Reserve Account Letter of Credit), Rate Stabilization Account and Subordinated Indebtedness Account for such Fiscal Year.

If the City has covenanted to levy Special Assessments or Impact Fees against property to be benefitted by any Improvements (which levy is done in accordance with State law), and if, in the case of Special Assessments, the City has pledged such Special Assessments to the payment of Bonds or portions thereof and if, in the case of Impact Fees, such Impact Fees are legally available for application with respect to the payment of Bonds or portions thereof, then the Net Revenues in any Fiscal Year for purposes of the rate covenant shall be increased by the amount which the Consulting Engineers estimate will be received from the levy of said Special Assessments or Impact Fees, as the case may be, during such Fiscal Year, said amount to be the installment payments on the Special Assessments or Impact Fees, as the case may be, plus, in the case of Special Assessments, any interest payable on the unpaid portion of the Special Assessments during such Fiscal Year.

If in any Fiscal Year the Net Revenues are less than the amount required under the preceding paragraphs, within thirty (30) days of the receipt of the audit report for such Fiscal Year (which, under the Bond Resolution, may be the provisions of the City's Consolidated Audited Financial Report relating to the Stormwater Utility), the City is required to either cause the Chief Financial Officer, or employ a Rate Consultant, to review and analyze the financial status and operations of the Stormwater Utility, and to submit, within sixty (60) days thereafter, a written report to the City recommending revisions of the rates, fees and charges of the Stormwater Utility and the methods of operation of the Stormwater Utility that will result in producing the amount so required in the following Fiscal Year. Promptly upon its receipt of such recommendations, the City is required to transmit copies thereof to the City Manager and Chief Financial Officer and to revise its rates, fees and charges, or alter its methods of operation and take such other action as will conform with such recommendations.

If the City fails to comply with the recommendations of the Chief Financial Officer or Rate Consultant, as applicable, the registered owners of not less than ten percent (10%) in principal amount of all Bonds then Outstanding may institute and prosecute an action or proceeding in any court or before any board or commission having jurisdiction to compel the City to comply with the recommendations and the requirements of the preceding paragraph.

If the City complies with all recommendations of the Chief Financial Officer or Rate Consultant, as applicable, in respect to its rates, fees, charges and methods of operation, the failure of Net Revenues to meet the rate covenant described above will not constitute an Event of Default so long as the Revenues, together with available moneys in the Funds and Accounts created under the Bond Resolution, other than the Construction Fund and the Arbitrage Rebate Fund, are sufficient to pay in cash the Current Expenses and to pay the Principal and Interest Requirements on all Outstanding Bonds and other Utility Debt for such Fiscal Year.

### **Additional Bonds**

Additional Bonds of the City may be issued under and secured by the Bond Resolution, on a parity as to the pledge of the Net Revenues of the Stormwater Utility with the Series 2015 Bonds, the Series 2011 Bonds, the Series 2009 Bonds and any Additional Bonds, Refunding Bonds, Alternative Parity Debt and Short-Term Indebtedness issued on a parity therewith and secured by the Bond Resolution and then Outstanding, subject to the conditions described below, from time to time, for the purpose of paying all

or any part of the Cost of any Improvements and the funding of the Reserve Account and/or the Rate Stabilization Account.

Before any Additional Bonds are permitted to be issued under the Bond Resolution, the City Commission shall adopt a Series Resolution authorizing the issuance of such Additional Bonds and there shall be filed with the City, among other things, the following:

(a) a certificate of the Chief Financial Officer, an Accountant or the Rate Consultant, demonstrating that either (i) the percentage derived by dividing the Net Revenues projected for the Stormwater Utility for the Fiscal Year following the Fiscal Year in which the Completion Date of the Improvements to be financed by the Additional Bonds then to be delivered is expected to occur, as certified by the Rate Consultant, adjusted as permitted below, by the Maximum Principal and Interest Requirements, including the Principal and Interest Requirements with respect to the Additional Bonds then to be delivered, for any future Fiscal Year is not less than one hundred ten percent (110%); or (ii) the percentage derived by dividing the Net Revenues for any period of twelve (12) consecutive months selected by the City out of the eighteen (18) months preceding the delivery of such certificate, by the Maximum Principal and Interest Requirements, including the Principal and Interest Requirements with respect to the Additional Bonds then to be delivered, for any future Fiscal Year is not less than one hundred ten percent (110%) (the period during which Net Revenues are determined being referred to hereinafter as the "Measurement Period"); and

(b) if the certificate described in (a)(i) above is being delivered, a certificate of the Rate Consultant setting forth the projected Net Revenues for the Fiscal Year following the Fiscal Year in which the Completion Date of the Improvements to be financed by the Additional Bonds then to be delivered is expected to occur; and

(c) a certificate of the Chief Financial Officer to the effect that no event of default under the Bond Resolution and no event which with the passage of time, the giving of notice or both would become an event of default, has occurred within the twelve consecutive calendar months prior to the date of such certificate and is continuing, or, if any such event or events has occurred and is continuing, that the issuance of such Series of Additional Bonds will cure the same.

In determining whether to execute and deliver the certificate mentioned in paragraph (a) above, the following adjustments to Net Revenues may be made:

(1) If the City, prior to the issuance of the proposed Additional Bonds, shall have increased the rates, fees, rentals or other charges for the services of the Stormwater Utility, the Net Revenues for the Measurement Period shall be adjusted to show the Net Revenues which would have been derived from the Stormwater Utility in such Measurement Period as if such increased rates, fees, rentals or other charges for the services of the Stormwater Utility had been in effect during all of such Measurement Period.

(2) If the City shall have acquired or has contracted to acquire any privately or publicly owned existing stormwater management utility system, then the Net Revenues derived from the Stormwater Utility during the Measurement Period shall be increased by addition to the Net Revenues for the Measurement Period of the Net Revenues which would have been derived from said existing stormwater management utility system as if such existing stormwater management utility system had been a part of the Stormwater Utility during the Measurement Period. For the purposes of this paragraph, the Net Revenues derived from said existing stormwater management utility system during the Measurement Period shall be adjusted by deducting the cost of operation and maintenance of said existing stormwater management utility system

from the gross revenues of said existing stormwater management utility system in the same manner provided in the Bond Resolution for the determination of Net Revenues.

(3) If the City, in connection with the issuance of Additional Bonds, shall enter into a contract (with a duration not less than the final maturity of such Additional Bonds) with any public or private entity whereby the City agrees to furnish services in connection with any stormwater management utility system then the Net Revenues of the Stormwater Utility during the Measurement Period shall be increased by the least amount which said public or private entity shall guarantee to pay in any one (1) year for the furnishing of said services by the City, after deducting therefrom the proportion of operating expenses and repair, renewal and replacement cost attributable in such year to such services. Such payments shall be deemed to be Net Revenues of the Stormwater Utility and pledged for the Bonds in the same manner as other Net Revenues of the Stormwater Utility.

(4) If the City has covenanted to levy Special Assessments or Impact Fees against property to be benefited by any Improvements (which levy must be done in accordance with State law), and if, in the case of Special Assessments, the City has pledged or pledges such Special Assessments to the payment of Bonds or portions thereof and if, in the case of Impact Fees, such Impact Fees are legally available for application with respect to Bonds or portions thereof, then solely for purposes of clauses (a) and (b) above the Net Revenues during the Measurement Period shall be increased by the amount which the Consulting Engineers estimate will be received from the levy of said Special Assessments or Impact Fees, as the case may be, during any Fiscal Year occurring within three years of the date of the sale of such Additional Bonds, said amount to be the installment payments on the Special Assessments or Impact Fees, as the case may be, plus, in the case of Special Assessments, any interest payable on the unpaid portion of the Special Assessments during such Fiscal Year.

The Series 2015 Bonds are being issued as Additional Bonds.

### **Refunding Bonds**

Under the provisions of the Bond Resolution, Refunding Bonds of the City may be issued under and secured by the Bond Resolution, on a parity with the Series 2015 Bonds, and any Additional Bonds, Refunding Bonds, Alternative Parity Debt and Short-Term Indebtedness issued on a parity therewith, for the purpose of refunding all or any portion of the Outstanding Bonds of any one or more Series, funding the Reserve Account and/or the Rate Stabilization Account and paying any expenses in connection with such refunding; provided that, before such Refunding Bonds are permitted to be issued, there shall be filed with the City Clerk, among other things, either (i) a certificate of the Chief Financial Officer that the issuance of the Refunding Bonds will result in a decrease in total Principal and Interest Requirements for all Bonds outstanding, or (ii) the certificates required by (a), (b) and (c) under the caption "Additional Bonds" above; provided, however, that with respect to the certificates required by (a)(ii) and (b), the projected Net Revenues shall be computed for the Fiscal Year immediately following the issuance of the Refunding Bonds.

### **Limited Liability**

The City is not obligated to pay the Series 2015 Bonds or the interest thereon except from the Pledged Revenues and neither the faith and credit nor any physical properties of the City are pledged to the payment of the Series 2015 Bonds. The issuance of the Series 2015 Bonds does not directly or indirectly or contingently obligate the City to levy any form of taxation whatever therefor or to make any appropriation for their payment except from the Pledged Revenues. Neither the full faith and credit nor

the taxing power of the City, Miami-Dade County, Florida (the "County"), the State of Florida or any political subdivision thereof is pledged to the payment of the Series 2015 Bonds.

### **Other Indebtedness**

The City may also issue other types of indebtedness as provided in the Bond Resolution, including certain Short-Term Indebtedness and Alternative Parity Debt on a parity with the Series 2015 Bonds. Such Short-Term Indebtedness may be issued without meeting any parity test. For a description of such other types of indebtedness and the tests applicable to the issuance thereof, see Appendix D hereto (Sections 211 and 212 of the Bond Resolution). The City intends to issue Additional Bonds in accordance with its Capital Improvement Program.

### **Modifications or Supplements to Resolution**

Except as set forth in the third (3<sup>rd</sup>) succeeding paragraph below, no supplemental resolution may be adopted by the City Commission for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions of the Bond Resolution or of any resolution supplemental thereto without the consent in writing of the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding; provided, however, that no such supplemental resolution shall permit (i) an extension of the maturity of the principal of or the interest on any Bond, (ii) a reduction in the principal amount of any Bond or the redemption premium or the rate of interest thereon, (iii) the creation of a superior or parity lien upon or a pledge of Revenues other than the lien and pledge created by the Bond Resolution, (iv) a preference or priority of any Bond or Bonds over any other Bond or Bonds, or (v) a reduction in the aggregate principal amount of the Bonds required for consent to such supplemental resolution without, in each case, the consent of the Holders of all the Bonds Outstanding.

For purposes of providing the written consent of the Holders of any Series of Bonds to any supplemental resolution modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions of the Bond Resolution or of any resolution supplemental thereto, the consent of the Holders of any Series of Additional Bonds or Refunding Bonds shall be deemed given if the underwriters or initial purchasers for resale consent in writing to such supplemental resolution and the nature of the amendment effected by such supplemental resolution is disclosed in the official statement or other offering document pursuant to which such Series of Additional Bonds or Refunding Bonds is offered and sold to the public.

In addition, for purposes of providing the written consent of the Holders of any Series of Bonds to any supplemental resolution modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions of the Bond Resolution or of any resolution supplemental thereto, to the extent any Series of Bonds is secured by a Credit Facility, so long as the issuer of such Credit Facility shall not be in default in its obligations under such Credit Facility, the consent of the Credit Facility Issuer for such Series of Bonds shall constitute the consent of the Holders of such Bonds.

Notwithstanding the foregoing, the City may, from time to time, without the consent of the Holders of any Series of Bonds, amend, change, modify or alter the Bond Resolution for any of the specifically authorized reasons set forth in Sections 1001(a) through (j) of the Bond Resolution. See "APPENDIX D – The Resolution."

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## THE STORMWATER UTILITY

The following is intended to provide only a summary description of the Stormwater Utility. For a more detailed description of the Stormwater Utility, see APPENDIX B – Report of the Consulting Engineers.

### General

The City is a highly urbanized coastal community located in southeast Florida and is a major economic resource to the region. Bounded by the Atlantic Ocean and the environmentally sensitive Biscayne Bay Aquatic Preserve, which is also an Outstanding Florida Water (OFW), the Stormwater Utility covers an area of approximately 4,200 acres. The area has relatively low-lying topography that is intersected by intracoastal waterways. The area has a subtropical climate with high intensity rainfall, significant tidal influence, limited soil storage for infiltration, high amounts of impervious area, and limited available surface storage. Such factors have historically and have the potential in the future to cause tidal flooding.

The City installed the current stormwater collection and disposal system beginning in the early 1940s. The infrastructure consisted of a network of catch basins, conveyance piping, and positive outfalls that discharge stormwater into the surrounding waterways. The installation of the Stormwater Utility paralleled development of the City and was focused initially in the South Beach and Mid-Beach areas. In addition to the City's drainage network, the Florida Department of Transportation has installed several independent drainage systems within the City.

On June 18, 1991, through the adoption of Ordinance 91-66, the Board of County Commissioners of Miami-Dade County, Florida established a county-wide stormwater utility. On September 2, 1992, the City Commission adopted Resolution No. 92-20579, which authorized the execution of an Interlocal Agreement with the County. The Interlocal Agreement formalized the relationship between the County and the City and established responsibilities for the planning, control, operation, construction, maintenance, repair, and enhancement of stormwater systems within the City limits. In March 1996, the City Commission adopted Resolution 96-21923, which notified the County that the City desired to be excluded from the County stormwater utility and, through enactment of Ordinance No. 96-3051, on September 11, 1996, the City established the Stormwater Utility.

Currently, the City owns the Stormwater Utility, which exist within the geographical boundaries of the City and also includes a number of discrete islands located in Biscayne Bay. The infrastructure of the Stormwater Utility includes approximately 4,200 stormwater inlets, 6,100 conduits (gravity pipes and force mains), 2,200 manholes, 14 pumping stations and 340 stormwater outfalls. The Stormwater Utility is responsible for protecting the waterways in and around the City from pollution and removing stormwater from the City's roadways. The Stormwater Utility manages and controls the amount of rainfall runoff that is discharged into the stormwater system. It is also responsible for maintaining the stormwater conveyance system, relieving flooding conditions, and complying with National Pollutant Discharge System ("NPDES") permit requirements.

The City exercises exclusive jurisdiction, control and supervision over the Stormwater Utility. The City Commission has the legal authority to fix, charge and collect from its customers, rates, fees, and charges, and to acquire, construct, finance and operate the Stormwater Utility, without supervision or regulation by any other commission, board, bureau, agency or other political subdivision of the County or the State; provided, however, that environmental impacts are regulated by various governmental entities. See "THE STORMWATER UTILITY - Governmental Regulation") herein.

## Public Works Department

The Public Works Department is responsible for the operation and maintenance of the facilities of the Stormwater Utility. Eric T. Carpenter, P.E. is the Director of the Public Works Department. Mr. Carpenter reports to John M. Taxis, the Assistant City Manager responsible for the City's parks and recreation, information technology, capital improvement projects and public works. The Public Works Director is assisted by \_\_\_\_ Assistant Public Works Directors.

The Infrastructure Director is responsible for the daily operations of the stormwater system. The Infrastructure Director oversees Operation and Maintenance (O&M) and minor construction of the following:

- Sewer collection system
- Water distribution system
- Stormwater collection and disposal system
- Pump stations
- Water metering

The Infrastructure Director also oversees warehouse operations.

Other Public Works Department Divisions include the following:

- Planning and Engineering of the following:
  - Sewer collection system
  - Water distribution system
  - Stormwater collection and disposal system
  - Pump stations
  - Water metering
- Right-of-Way permitting and enforcement
- Transportation management
- Environmental resources management
- Property Management Division
- Sanitation Division
- Geographic Information Systems (GIS)

The Public Works Department is supported by other departments within the City and the City Manager's office provides managerial and administrative guidance. The Finance Department performs the utility billing functions. The Procurement Department performs several functions, including handling requests for payment of invoices received by the Public Works Department, advertising and awarding all construction contracts, handling all requests for proposals for engineering consultant contracts, and facilitating purchases of equipment. The Office of Budget and Performance Improvement approves all spending requests and allocates funding for all water, wastewater and stormwater operations. The Parks Department handles green space restoration. Fleet Maintenance and Property Management performs vehicle fleet maintenance and building maintenance, respectively. The Human Resources Department handles all personnel functions. The Capital Improvement Project Office provides planning, design review, fiscal and construction management services of City capital projects.

The following table identifies those management officials of the City who are responsible for the operation of the Stormwater Utility:

<u>Name</u>	<u>Title</u>	<u>Experience</u>
Jimmy L. Morales	City Manager	<b>TO BE PROVIDED</b>
Patricia D. Walker	Chief Financial Officer	Appointed Chief Financial Officer for the City of Miami Beach, Florida in March 1997; Director of Airports, Broward County, Florida, 1994-1997; Director of Broward County Aviation Department, 1991-1997, and Dade County Aviation Department, 1978-1990, Price Waterhouse & Co., 1973-1978. Education: Florida State University, B.S. Accounting; Florida International University, M.S.M. Accounting. Certification: Certified Public Accountant, Florida 1974.
John M. Taxis	Assistant City Manager	<b>TO BE PROVIDED</b>
Eric T. Carpenter, P.E.	Public Works Director	<b>TO BE PROVIDED</b>

### **Existing Stormwater Utility**

The Stormwater Utility is responsible for protecting the waterways in and around the City from pollution, for flood protection within the City and for the removal of stormwater from the City's roadways. The Stormwater Utility meets its flood protection objectives through three methods: (i) filling land and constructing new buildings and improvements at elevations above the anticipated flood elevation; (ii) lowering the water table through the construction of canals; and (iii) the constructing of storm sewers and other stormwater collection and conveyance systems to remove stormwater from land surfaces and discharge it into the surrounding waterways or into the groundwater.

The filling or elevating of land prior to the improvement of property is accomplished by maintaining building codes that require all new construction to be completed with a finished floor elevation above the 100-year flood stage elevation.

A canal network is also utilized as part of the City's stormwater management program. The canals are constructed along natural drainage features and connect salt water bodies at the same elevation. Continuous concrete bulkheads (sea-walls) were used in the construction process to reduce erosion of soil of the adjacent filled lands. Water movement through these canals is accomplished by tidal flushing action only. The Collins Canal connects the southern end of Indian Creek Waterway with Biscayne Bay at Belle Island. Stormwater runoff enters this canal from Dade Boulevard to the north and from various street-ends to the south. The canals are designed in conjunction with the storm sewer system and reportedly were sized to handle a 25-year storm having a 24-hour duration.

The third method of stormwater management is through the use of storm sewers and other stormwater collection and conveyance devices. Storm sewers serve to collect and dispose of excess water after a rainfall event through containment and/or rapid disposal by positive gravity-driven outlets. Storm sewers are comprised of a complex system of collection devices (typically catch basins), pipes, and outfalls that collect, convey and discharge stormwater runoff directly into surface water bodies.

## Capital Improvement Program

The 1997 Stormwater Master Plan identified 34 drainage basins as high priority basins. Improvements are grouped together and reclassified by the neighborhood or general community. The purpose of these improvements is to provide a higher level of service defined by flood protection and control of pollutant loading in the stormwater system. The improvements will consist of one or a combination of the following:

Repair, replace, or install curbs and gutters,

Pavement re-grading,

Repair, replace, or install collection systems (catch basins, manholes, storage facilities, pumping stations, and pipes),

Repair or upgrade existing outfalls (inclusive of tidal backflow prevention devices), and

Install exfiltration trenches, gravity or pressurized recharge wells.

The Capital Improvement projects listed below are a combination of active projects pre-defined by the 1997 Stormwater Master Plan (the "1997 SWMP"), project-specific Basis of Design Reports, and projects identified as part of the 2011 Stormwater Master Plan (the "2011 SWMP"). In most instances, the stormwater improvements were coordinated with the components of the City's Neighborhood Right-of-Way projects, which included improvements to other neighborhood utilities such as water, sewer, streetscape and street lighting. The listed projects are identified for funding from proceeds of the Series 2015 Bonds. The listed projects will provide comprehensive solutions for improving the City's stormwater management system performance for the next fifty (50) years. Appropriate consideration has been given to water quality of the Biscayne Bay, and operation and maintenance of an expanded system. The presented capital improvements allow the systems of the Stormwater Utility to meet the increasing performance, permitting and regulatory demands while modernizing the existing Stormwater Utility system to meet the flood control level of service mandated for the City.

### Citywide Stormwater Master Plan

Project Description - The 2011 SWMP is intended to be a guide for improving the City's stormwater management system performance for the next fifty (50) years. The 2011 SWMP will provide a preliminary schedule of prioritized capital improvements necessary to allow the City's stormwater systems to meet the increasing performance and regulatory demands and modernize existing systems while maintaining the high level of service expected in a modern urban environment.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

### Normandy Isle Neighborhood Improvements (Extension of Series 2000 Bonds Normandy Shores Project)

Project Description - The 2011 SWMP identified capital improvements for the Normandy Isle Neighborhood. Stormwater upgrades provide an improvement in the level of service for flood protection and in the control of pollutants in the Stormwater Utility. Additional funding is required from the Series 2015 Bonds to supplement the flood protection required in the area. Additional capital improvements are needed from a future funding source to meet the level of service desired for the Stormwater Utility.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Seawall - Lincoln Road Streetend West

Project Description - In 2003, the City performed a Preliminary Inspection Report on Seawall and Outfall Conditions (Coastal Planning & Engineering, 2003). The Lincoln Road Streetend West was listed as one of the top ranked damaged seawalls. The 2003 report recommends repairs, including sealing of cracks and construction of a concrete seawall cap to stop further tilting of the seawall.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Oceanfront Neighborhood Improvements

Project Description - The project is based on neighborhood improvements related to redevelopment activities. The project includes upgrades to curb, gutter and various drainage structures.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Right-of-Way Improvements on Prairie Avenue

Project Description - The City's capital improvement projects which involve stormwater initiatives include the construction of swales and other water quality components.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Star Island Right-of-Way

Project Description - In 2002, the City developed a Neighborhood No. 13 Basis of Design Report (EDAW, 2002) which included right-of-way improvements for Star Island. The Basis of Design Report defines the stormwater-related components of this right-of-way project as swale regrading, 7,600 linear feet of concrete curbing and approximately 72,000 square feet of roadway resurfacing, to address localized flooding.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Biscayne Point Neighborhood Improvements

Project Description - The 1997 SWMP identified capital improvements for Biscayne Point. The design is based on the 1997 SWMP recommendations calling for approximately 1,200 linear feet of pipe and 19 recharge wells.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Venetian Islands - San Marino Di Lido & Rivo Alto Islands BP-13C (extension of Series 2000 Bonds Venetian Islands Project)

Project Description - The right-of-way improvement project for the Venetian Islands includes drainage improvements through swale reconfiguration, roadway re-grading toward existing storm water inlets, and spot reconstruction of existing structures previously coordinated with the project manager for the Miami-Dade County Venetian Causeway Project. The County's project was to be designed to intercept

most of the stormwater runoff that presently flows into the side streets and causes flooding conditions in the immediate areas. The City's retained Engineer of Record for this neighborhood improvement project is responsible for verifying that the redesign plans of the City will work in conjunction with the County's plans.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Drainage Hot Spots

Project Description - The 2011 SWMP presented a map of stormwater flood prone areas, including information on areas where numerous service work orders have been issued and additional work is required.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

4400 Middle North Bay Road

Project Description - This project includes the construction, replacement and repair of existing stormwater lines, inclusive of stormwater system improvements, near the 4400 block of North Bay Road.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

48" Outfall at Easement 4180-4200 Chase

Project Description - The City's capital improvement plan includes the construction of approximately eight recharge wells in combination with the expansion of the existing 36-inch diameter outfall to 48-inches to meet level of service objectives.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

Flamingo BP10A/ Flamingo BP10C/Bay Road Pump Station Outfall/West Avenue (Combined Regional South Beach Solution) (Extension of Series 2000 Bonds West Ave. West 5th Street to 15th Street and Flamingo Park West Projects)

Project Description - The 2011 SWMP identified capital improvements for these project areas as one combined regional solution. Additional recommendations are included in the 2011 SWMP, which include expanded flood protection for these project areas.

Cost Allocated to Series 2015 Bonds: \$ \_\_\_\_\_

The total cost of the Stormwater Utility projects included within the City's Capital Improvement Program is \$ \_\_\_\_\_. Of that amount, approximately \$ \_\_\_\_\_ are expected to be funded from proceeds of the Series 2015 Bonds.

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**City of Miami Beach, Florida  
Stormwater Utility Capital Improvement Program Funding from  
Series 2015 Bonds**

<u>Improvement</u>	<u>Amount</u>
Citywide Stormwater Master Plan	
Normandy Isle Neighborhood Improvements	
Seawall-Lincoln Road Streetend West	
Oceanfront Neighborhood Improvements	
Right-of-Way Improvements on Prairie Avenue	
Star Island Right-of-Way	
Biscayne Point Neighborhood Improvements	
Venetian Islands	
Drainage Hot Spots	
4400 Middle North Bay Road	
48" Outfall at Easement 4180-4200 Chase	
Flamingo BP10A/ Flamingo BP10C/Bay Road Pump Station	
Total Improvements from Series 2015 Bonds	

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Source: City of Miami Beach, Florida.

**Government Regulations**

The Stormwater Utility is subject to federal, state and local regulations.

Federal

*U.S. Environmental Protection Agency ("EPA").* The EPA was mandated by the U.S. Congress through Section 405 of the Water Quality Act of 1987 to promulgate an NPDES permitting program for municipal stormwater discharges. As it has done with many states, the EPA has delegated the NPDES permitting authority to FDEP.

*Federal Emergency Management Agency ("FEMA").* FEMA's mission is to support citizens and first responders to ensure that the United States, as a nation, works together to build, sustain, and improve its capability to prepare for, protect against, respond to, recover from, and mitigate all hazards. The Robert T. Stafford Disaster Relief and Emergency Assistance Act, PL 100- 707, signed into law November 23, 1988; amended the Disaster Relief Act of 1974, PL 93-288. This act constitutes the statutory authority for most federal disaster response activities.

FEMA regulates riverine (stormwater) and coastal (tidal) floodplains and floodways under the National Flood Insurance Program (NFIP). Camp Dresser & McKee Inc. used tools developed by FEMA to identify and quantify flood risks, including FISs, FIRMs, and the HAZUS tool coupled with the models

of the City's primary stormwater management system to estimate structural and economic damage costs from the 2- through 100-year design storm events.

The coordination with FEMA allows for the support of flood map revisions and communication of economic impacts in a manner recognized by the Federal government for cost-benefit comparisons.

*United States Army Corps of Engineers ("USACE").* The USACE is the primary federal agency that develops guidance parameters for civil infrastructure design consideration for projects impacting environmentally sensitive water and Outstanding Florida Water (OFW), like Biscayne Bay.

A nationwide permit from the USACE is required when up to one-half acre of waters of the United States (e.g. Biscayne Bay or its tributary canals) are impacted, provided that original grades are restored to the site after completion of construction.

Under the USACE's nationwide permit program a pre-construction notification submittal is required. The Regional Conditions and General Condition for the nationwide permit require that the pre-construction notification include the following information:

- A map of the entire corridor including a delineation of all wetlands and waters of the United States within the corridor.
- An alternative analysis which addresses the selection of an alignment which avoids and minimizes wetland impacts to the maximum extent practicable.
- For all submerged utility lines across navigable waters of the United States, a location map and cross-sectional view showing the utility line crossing from bank to bank is required. In addition, the location and depth of the Federal Project Channel shall be shown in relation to the proposed utility line. In general, all utility lines shall be buried at least 6 feet below the authorized bottom depth of the Federal project channel and at least 3 feet below the bottom depth in all subaqueous areas.
- A delineation of affected special aquatic sites, including wetlands, vegetated shallows (e.g., submerged aquatic vegetation, seagrass beds). This work must be conducted between April 1 through September 30 due to the growth season of aquatic vegetation.

In general, permitting coordination with USACE is required when modifications to stormwater outfalls or seawalls result in impacts to OFW, as previously discussed. More localized impacts are permitted at the State and local level.

#### State

*Florida Department of Environmental Protection ("FDEP").* FDEP regulates environmental programs in the State of Florida and has been delegated for NPDES MS4 permit authority; therefore, it is responsible for implementing the stormwater element of the federal NPDES as part of the Public Works Department's Wastewater Facility and Activities Permitting program. The stormwater element of the NPDES program is mandated by the Clean Water Act (CWA) Section 402(p). Authorized by Section 403.0885, Florida Statutes (F.S.), the Public Works Department's federally approved NPDES stormwater program is set out in various provisions within Chapters 62-4, 62-620, 62-621 and 62-624 of the Florida Administrative Code (F.A.C.). Chapter 62-624, F.A.C. specifically addresses MS4s permit requirements.

The City is one of the 33 entities authorized for stormwater discharge under the comprehensive Miami-Dade County NPDES MS4 permit (Permit Number FLS000003-003). The City is authorized to discharge to waters of the state per the approved Stormwater Management Programs (“SWMPs”), effluent limitations, monitoring requirements, and other provisions as set forth in this permit. The City has actively been fulfilling the requirements of the permit related to their existing outfalls. These efforts are documented in annual reports submitted by the City to the FDEP.

FDEP also regulates underground injection control permits for wells (gravity recharge wells and pumped injection wells).

The current NPDES permit expires June 20, 2016.

*South Florida Water Management District (“SFWMD”).* The SFWMD has responsibilities for stormwater management under F.A.C. Chapters 40E-4, 40E-40 and 40E-400 through issuance of an Environmental Resource Permit (ERP). SFWMD also regulates the surface water under F.A.C. Chapters 40E-40 and 40E-41. In addition, its responsibilities include regulation of dredge and fill activities. Since SFWMD has jurisdiction, their criteria and standards will be used as guidelines for conceptual planning of both water quality and quantity improvements. These guidelines are provided in the South Florida Water Management District ERP Information Manual Volume IV (2010).

#### Local

For any stormwater project the City undertakes, there may be as many as four (4) permits required. The permitting process begins with Miami-Dade County Department of Environmental Resources Management (“DERM”). Any modifications to the existing system (with some exception) require an Environmental Resource Permit to be issued from DERM. Additionally, if the stormwater improvements are connected to a positive outfall (a pipe that discharges water into a navigable surface water body) DERM must also issue a Class II Permit. The Class II Permit is issued from the same permit application package and requires a higher level of review on water quality issues and a permit fee based on a percentage of construction cost. If the proposed improvements contain drainage wells as a method for stormwater disposal or treatment, the plans and calculations must also be submitted to the FDEP in West Palm Beach. The plans are reviewed by the Underground Injection Control Division to evaluate the project's impact on groundwater quality. Finally, if the plans are approved, the drilling contractor must apply for a Well Construction Permit from the South Florida Water Management District.

All required stormwater permits have been secured for projects representing approximately 42% of Series 2015 Project value. Projects with stormwater permits in process of being secured represent approximately 35% of Series 2015 Project value, for a combined total of 77% of Series 2015 Project value having secured, or in the process of securing, stormwater permits. The balance of the projects are primarily in the design phase and, upon completion of design, applications for stormwater permits will be submitted and the permits are expected to be received in the ordinary course of business.

#### **Rates, Fees and Charges**

Effective October 1, 2014, the City Commission approved an increase in the service charge for the Stormwater Utility from \$9.06 per month per Equivalent Residential Unit (“ERU”) to \$16.67 per ERU. The ERU is the estimated average horizontal impervious area of residential developed property per dwelling unit. This estimated average is calculated by dividing the total estimated impervious area of four (4) residential categories (single family, mobile home, multi-family and condominium) by the estimated total number of dwelling units. For the City, one ERU is equal to 791 square feet. For the purpose of the

Stormwater Utility, the minimum number of ERUs per dwelling unit is one. The service charge for the Stormwater Utility is structured as a flat rate for all residential customers.

The City had maintained a steady Equivalent Residential Unit (ERU) rate from 2003 to 2008 of \$5.80 per month. In recent years the City has faced significant increases in expenditures for construction of projects, as well as operation and maintenance of the current infrastructure. As a result, in 2008, the Consulting Engineers provided recommendations to support proper funding and debt service to expand, operate and maintain the Stormwater Utility through a series of utility rate adjustments, which resulted in an ERU rate increase to \$9.06 per month, effective October 1, 2009.

On June 9, 2010, the City authorized development of a Citywide Comprehensive Stormwater Management Master Plan (the "SWMMP") to evaluate and update its Stormwater management practices, infrastructure, funding and regulatory policies. The SWMMP was intended to be a guide for improving the City's Stormwater management system performance for the next twenty (20) years, with considerations to potential sea level rise over this time period. The SWMMP was adopted by the City Commission on November 14, 2012.

To accommodate significant improvements recommended to the Stormwater Utility, including implementation of the Series 2015 Project, an ERU rate increase to \$16.67 per month was implemented on October 1, 2014. Such increase represented an eighty-four percent (84%) increase in the service charge for the Stormwater Utility. The 2014 rate increase was in response to the findings in the SWMMP and the recommendations of the Mayor's Blue Ribbon Panel on Flooding and Sea Rise and of the City's Flooding Mitigation Committee to upgrade the existing storm drainage system in the City and implement enhancements to the Stormwater Utility within the next three (3) to five (5) years, with a potential estimated cost of \$300 million. To provide for all of such improvements, future rate increases of approximately thirty-eight percent (38%) in Fiscal Year 2017 and nineteen percent (19%) in Fiscal Year 2019 are currently forecasted to be required. No action has been taken by the City Commission, however, and no current determination has been made concerning such future rate increases.

The City has a policy of operating the Rate Stabilization Account to transfer into operations annually sufficient amounts to generate debt service coverage of at least one hundred twenty percent (120%), and to subsequently transfer out from operations to such account any excess amounts not required to meet annual cash needs.

## **COMPARATIVE RATE STUDY**

### **TO BE PROVIDED**

#### **Billing and Collection**

A Stormwater Utility fee is assessed against each property in the City based on existing City utility accounts, application for service, and County Tax Assessor property information or other ownership records. Each account is assigned a number of ERUs that are used to determine the Stormwater Utility fee. The ERU is the estimated average horizontal impervious area of residential developed property per dwelling unit.

To receive water, sewer, and stormwater services from the City, property owners fill out an Application for Water Service at the City's Finance Department and pay a deposit according to an established schedule. The Finance Department is responsible for preparing and issuing one itemized bill

for water, sewer, stormwater, and garbage disposal (except for commercial accounts) services provided by the City. All of such services are billed on a monthly basis.

Stormwater Utility fees for properties within the City that meet one of the following criteria may be reduced by 50 percent (50%):

1. The property is subject to a valid NPDES permit.
2. The property is served by a private disposal system meeting State, County, and City criteria.
3. A portion of the property is served by a private disposal system meeting State, County, and City criteria. The fee reduction only applies to that portion of the property.

The fees collected by the City with respect to the Stormwater Utility, including investment earnings, are deposited in the Enterprise Fund and used for planning, constructing, financing and operating and maintaining the Stormwater Utility and the infrastructure of the stormwater management system. The Enterprise Fund tracks the operations, capital expenditures, and revenues of the Stormwater Utility.

The City has streamlined and improved the system that was in place to capture ERU changes in the review and approval of construction plans. The resulting method enhances communication and coordination of the several departments included in the process such as Public Works Department, the Office of Budget and Performance Improvement and the Finance Department.

The City bills monthly for water, wastewater, stormwater, and sanitation services on the same bill. There are four (4) cycle of bills each month. The prioritization of applying payments is first to stormwater, second to sanitation, third to wastewater, and last to water.

Bills are due within fifteen (15) days from the date of the bill. A ten percent (10%) penalty is added to all current charges on the bills if not paid within the fifteen (15) days.

Customers for whom a check has been returned by the bank are notified to replace their check with either cash, cashier's check or money order within five (5) days. The customer's account will be charged a minimum of \$20.00 or five percent (5%) of the amount of the check, whichever is greater.

The charges for utilities services constitute a lien against the premises and become effective and binding as such lien from the date upon which the account becomes due, unpaid and in arrears. Liens accrued as set out in the City Code are of the same dignity as liens acquired by virtue of the City Charter whereby an interest rate of ten percent (10%) accrues to such delinquent accounts. Based on recent historical performance, utility collections are approximately ninety-eight percent (98%) of billings.

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## DEBT SERVICE SCHEDULE

Set forth below are the debt service requirements of the Series 2015 Bonds, all other Bonds Outstanding upon issuance of the Series 2015 Bonds and the total combined debt service on all Bonds Outstanding immediately following issuance of the Series 2015 Bonds.

Fiscal Year Ending <u>September 30</u>	Series 2015 Bonds <u>Principal</u>	Series 2015 Bonds <u>Interest</u>	Series 2015 Bonds <u>Total</u>	Outstanding <u>Bonds</u>	Total Series 2015 Bonds and Outstanding <u>Bonds</u>
2015	\$	\$	\$ - 0 -	\$	\$
2016					
2017					
2018					
2019					
2020					
2021					
2022					
2023					
2024					
2025					
2026					
2027					
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2042					
2043					
2044					
2045					
Total	\$ <u>          </u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>          </u>	\$ <u>          </u>

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**HISTORICAL AND FORECASTED SCHEDULE OF NET REVENUE,  
DEBT SERVICE AND DEBT COVERAGE**

The following table sets forth the historical and forecasted revenues, expenditures and debt service coverage of the Stormwater Utility. This table does not show adjustments necessary to meet the additional bonds test for Additional Bonds expected to be issued in Fiscal Years \_\_\_\_\_. The following tables must be read in conjunction with the report prepared by the Consulting Engineers. See APPENDIX B - Report of the Consulting Engineers.

**TO BE PROVIDED**

The following table shows the debt service coverage of the Stormwater Utility based on the actual results from the Fiscal Year ended September 30, 2014, based on the Maximum Principal and Interest Requirements for all Bonds outstanding upon issuance of the Series 2015 Bonds, calculated in accordance with the requirements for Additional Bonds under the Bond Resolution. The following table must be read in conjunction with the report prepared by the Consulting Engineers, attached hereto as Appendix B.

**TO BE REVISED**

	<u>Fiscal Year ended September 30, 2014</u>
Revenues	
Operating	\$11,365,630
Non-Operating	99
Investment Earnings <sup>(1)</sup>	<u>137,420</u>
Total Revenues	11,503,149
Total Operating Expenses <sup>(2)</sup>	<u>2,998,976</u>
Net Revenues	8,504,173
Maximum Principal and Interest Requirements <sup>(3)</sup>	<u>6,982,346</u>
Funds Available for Subordinated Debt, Administration Fees and Transfers	1,521,827
Net Revenues Coverage of Maximum Principal and Interest Requirements <sup>(4)</sup>	1.22x
Annual Subordinated Debt Service	-
Administration Fees	382,826
Transfers Out	<u>589,158</u>
Funds Available After Subordinated Debt, Administration Fees and Transfers Out	<u>\$ 549,843</u>

- 
- (1) Unrelated to Construction Fund.
  - (2) Excludes amortization, depreciation and administration fees.
  - (3) Maximum Principal and Interest Requirements for the Series 2009 Bonds, the Series 2011 Bonds and the Series 2015 Bonds will occur in Fiscal Year 20\_\_\_. This differs from Schedules \_\_\_\_\_ and \_\_\_\_\_ of the Report of Consulting Engineers, which includes debt service on Additional Bonds expected to be issued in Fiscal Year 20\_\_\_, using the assumptions described in such Report. See APPENDIX B - Report of the Consulting Engineers.
  - (4) The debt service coverage requirement in the Bond Resolution is one hundred ten percent (110%) of the Principal and Interest Requirements for the Fiscal Year, not the Maximum Principal and Interest Requirements.

## FINDINGS AND CONCLUSIONS OF CONSULTING ENGINEERS

### TO BE PROVIDED

#### LITIGATION

There is no litigation or controversy of any nature now pending for which the City has received service of process or, to the actual knowledge of the City Attorney, threatened against the City that seeks to restrain or enjoin the issuance or delivery of the Series 2015 Bonds or contesting the proceedings or authority under which they are to be issued or the creation, organization or existence of the City or, if determined adversely to the City, would have a material adverse impact on the ability of the Stormwater Utility to generate sufficient Net Revenues to pay debt service on the Series 2015 Bonds.

#### LEGAL MATTERS

Certain legal matters incident to the issuance of the Series 2015 Bonds and with regard to the tax-exempt status of the interest on the Series 2015 Bonds (see "TAX MATTERS" herein) are subject to the legal opinion of Squire Patton Boggs (US) LLP, Bond Counsel to the City. The signed legal opinion of Bond Counsel, substantially in the form attached hereto as APPENDIX E, dated and premised on law in effect as of the date of issuance of the Series 2015 Bonds, will be delivered on the date of issuance of the Series 2015 Bonds. The actual legal opinion to be delivered may vary from the form attached hereto to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Bond Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date of issuance.

While Bond Counsel has participated in the preparation of certain portions of this Official Statement, it has not been engaged by the City to confirm or verify such information. Except as may be set forth in an opinion of Bond Counsel delivered to the Underwriters, Bond Counsel expresses and will express no opinion as to the accuracy, completeness or fairness of any statements in this Official Statement, or in any other reports, financial information, offering or disclosure documents or other information pertaining to the City or the Series 2015 Bonds that may be prepared or made available by the City, the Underwriters or others to the Holders of the Series 2015 Bonds or other parties.

Certain legal matters incident to the issuance of the Series 2015 Bonds relating to disclosure will be passed on for the City by the Law Offices of Steve E. Bullock, P.A., Miami, Florida, whose legal services as Disclosure Counsel have been retained by the City. The signed legal opinion, dated and premised on law in effect as of the date of original delivery of the Series 2015 Bonds, will be delivered to the City by Disclosure Counsel at the time of original delivery of the Series 2015 Bonds.

The proposed text of the form of the legal opinion of Disclosure Counsel is set forth as APPENDIX F to this Official Statement. The actual legal opinion to be delivered may vary from that text if necessary to reflect facts and law on the date of delivery. The opinion will speak only as of its date, and subsequent distribution of it by recirculation of this Official Statement or otherwise shall create no implication that Disclosure Counsel has reviewed or expresses any opinion concerning any of the matters referenced in the opinion subsequent to its date of issuance.

Certain legal matters will be passed on for the City by Raul J. Aguila, Esquire, Miami Beach, Florida, City Attorney, and for the Underwriters by their counsel, Bryant Miller Olive P.A., Miami, Florida.

The legal opinions and other letters of counsel to be delivered concurrently with the delivery of the Series 2015 Bonds express the professional judgment of the attorneys rendering the opinions or advice regarding the legal issues and other matters expressly addressed therein. By rendering a legal opinion or advice, the giver of such opinion or advice does not become an insurer or guarantor of the result indicated by that opinion, or the transaction on which the opinion or advice is rendered, or of the future performance of parties to the transaction. Nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Series 2015 Bonds upon the occurrence of a default under the Resolution are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by the Resolution and the Series 2015 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2015 Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery and to general principles of equity (whether sought in a court of law or equity).

### **TAX MATTERS**

#### **General**

In the opinion of Squire Patton Boggs (US) LLP, Bond Counsel, under existing law: (i) interest on the Series 2015 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"), and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; and (ii) the Series 2015 Bonds and the income thereon are exempt from taxation under the laws of the State of Florida, except estate taxes imposed by Chapter 198, Florida Statutes, as amended, and net income and franchise taxes imposed by Chapter 220, Florida Statutes, as amended. Bond Counsel expresses no opinion as to any other tax consequences regarding the Series 2015 Bonds.

The opinion on tax matters will be based on and will assume the accuracy of certain representations and certifications, and continuing compliance with certain covenants, of the City contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2015 Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of the City's representations and certifications or the continuing compliance with the City's covenants.

The opinion of Bond Counsel is based on current legal authority and covers certain matters not directly addressed by such authority. It represents Bond Counsel's legal judgment as to exclusion of interest on the Series 2015 Bonds from gross income for federal income tax purposes but is not a guaranty of that conclusion. The opinion is not binding on the Internal Revenue Service ("IRS") or any court. Bond Counsel expresses no opinion about (i) the effect of future changes in the Code and the applicable regulations under the Code or (ii) the interpretation and the enforcement of the Code or those regulations by the IRS.

The Code prescribes a number of qualifications and conditions for the interest on state and local government obligations to be and to remain excluded from gross income for federal income tax purposes, some of which require future or continued compliance after issuance of the obligations. Noncompliance with these requirements by the City may cause loss of such status and result in the interest on the Series 2015 Bonds being included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2015 Bonds. The City has covenanted to take the actions required of it for the interest on the Series 2015 Bonds to be and to remain excluded from gross income for federal income tax purposes, and not to take any actions that would adversely affect that exclusion. After the date of issuance of the Series 2015 Bonds, Bond Counsel will not undertake to determine (or to so inform any person) whether any actions taken or not taken, or any events occurring or not occurring, or any other matters coming to Bond Counsel's attention, may adversely affect the exclusion from gross income for federal income tax purposes of interest on the Series 2015 Bonds or the market value of the Series 2015 Bonds.

A portion of the interest on the Series 2015 Bonds earned by certain corporations may be subject to a federal corporate alternative minimum tax. In addition, interest on the Series 2015 Bonds may be subject to a federal branch profits tax imposed on certain foreign corporations doing business in the United States and to a federal tax imposed on excess net passive income of certain S corporations. Under the Code, the exclusion of interest from gross income for federal income tax purposes may have certain adverse federal income tax consequences on items of income, deduction or credit for certain taxpayers, including financial institutions, certain insurance companies, recipients of Social Security and Railroad Retirement benefits, those that are deemed to incur or continue indebtedness to acquire or carry tax-exempt obligations, and individuals otherwise eligible for the earned income tax credit. The applicability and extent of these and other tax consequences will depend upon the particular tax status or other tax items of the owner of the Series 2015 Bonds. Bond Counsel will express no opinion regarding those consequences.

Payments of interest on tax-exempt obligations, including the Series 2015 Bonds, are generally subject to IRS Form 1099-INT information reporting requirements. If a Series 2015 Bond owner is subject to backup withholding under those requirements, then payments of interest will also be subject to backup withholding. Those requirements do not affect the exclusion of such interest from gross income for federal income tax purposes.

Bond Counsel's engagement with respect to the Series 2015 Bonds ends with the issuance of the Series 2015 Bonds, and, unless separately engaged, Bond Counsel is not obligated to defend the City or the owners of the Series 2015 Bonds regarding the tax status of interest thereon in the event of an audit examination by the IRS. The IRS has a program to audit tax-exempt obligations to determine whether the interest thereon is includible in gross income for federal income tax purposes. If the IRS does audit the Series 2015 Bonds, under current IRS procedures, the IRS will treat the City as the taxpayer and the beneficial owners of the Series 2015 Bonds will have only limited rights, if any, to obtain and participate in judicial review of such audit. Any action of the IRS, including but not limited to selection of the Series 2015 Bonds for audit, or the course or result of such audit, or an audit of other obligations presenting similar tax issues, may affect the market value of the Series 2015 Bonds.

Prospective purchasers of the Series 2015 Bonds upon their original issuance at prices other than the respective prices indicated on the inside cover of this Official Statement, and prospective purchasers of the Series 2015 Bonds at other than their original issuance, should consult their own tax advisers regarding other tax considerations such as the consequences of market discount, as to all of which Bond Counsel expresses no opinion.

#### **Risk of Future Legislative Changes and/or Court Decisions**

Legislation affecting tax-exempt obligations is regularly considered by the United States Congress and may also be considered by the State legislature. Court proceedings may also be filed, the outcome of

which could modify the tax treatment of obligations such as the Series 2015 Bonds. There can be no assurance that legislation enacted or proposed, or actions by a court, after the date of issuance of the Series 2015 Bonds will not have an adverse effect on the tax status of interest on the Series 2015 Bonds or the market value or marketability of the Series 2015 Bonds. These adverse effects could result, for example, from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), or repeal (or reduction in the benefit) of the exclusion of interest on the Series 2015 Bonds from gross income for federal or state income tax purposes for all or certain taxpayers.

For example, recent presidential and legislative proposals would eliminate, reduce or otherwise alter the tax benefits currently provided to certain owners of state and local government bonds, including proposals that would result in additional federal income tax on taxpayers that own tax-exempt obligations if their incomes exceed certain thresholds. Investors in the Series 2015 Bonds should be aware that any such future legislative actions (including federal income tax reform) may retroactively change the treatment of all or a portion of the interest on the Series 2015 Bonds for federal income tax purposes for all or certain taxpayers. In such event, the market value of the Series 2015 Bonds may be adversely affected and the ability of holders to sell their Series 2015 Bonds in the secondary market may be reduced. The Series 2015 Bonds are not subject to special mandatory redemption, and the interest rates on the Series 2015 Bonds are not subject to adjustment in the event of any such change.

Investors should consult their own financial and tax advisers to analyze the importance of these risks.

#### **Original Issue Discount and Original Issue Premium**

Certain of the Series 2015 Bonds (“Discount Bonds”) as indicated on the inside cover page of this Official Statement were offered and sold to the public at an original issue discount (“OID”). OID is the excess of the stated redemption price at maturity (the principal amount) over the “issue price” of a Discount Bond. The issue price of a Discount Bond is the initial offering price to the public (other than to bond houses, brokers or similar persons acting in the capacity of underwriters or wholesalers) at which a substantial amount of the Discount Bonds of the same maturity is sold pursuant to that offering. For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excluded from the owner’s gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2015 Bonds, and (ii) is added to the owner’s tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale or other disposition of that Discount Bond. The amount of OID that accrues each year to a corporate owner of a Discount Bond is taken into account in computing the corporation’s liability for federal alternative minimum tax. A purchaser of a Discount Bond in the initial public offering at the price for that Discount Bond stated on the inside cover page of this Official Statement who holds that Discount Bond to maturity will realize no gain or loss upon the retirement of that Discount Bond.

Certain of the Series 2015 Bonds (“Premium Bonds”) as indicated on the inside cover page of this Official Statement were offered and sold to the public at a price in excess of their stated redemption price at maturity (the principal amount). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that

results in the lowest yield on that Premium Bond), compounded semiannually. No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity) or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that is amortized during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond. A purchaser of a Premium Bond in the initial public offering at the price for that Premium Bond stated on the inside cover page of this Official Statement who holds that Premium Bond to maturity (or, in the case of a callable Premium Bond, to its earlier call date that results in the lowest yield on that Premium Bond) will realize no gain or loss upon the retirement of that Premium Bond.

***Owners of Discount Bonds and Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable or amortizable in any period with respect to the Discount Bonds or Premium Bonds and as to other federal tax consequences and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.***

### **CONTINUING DISCLOSURE**

The City will covenant for the benefit of the holders of the Series 2015 Bonds to provide certain financial information and operating data relating to the Stormwater Utility not later than two hundred forty (240) days following the end of each Fiscal Year ending September 30, 2015 (the "Annual Report"), and to provide, or cause to be provided, notices of the occurrence of certain enumerated events. The Annual Report and notices of events will be filed with the Municipal Securities Rulemaking Board. Digital Assurance Certification, L.L.C. ("DAC") will act as disclosure dissemination agent for the City. The specific nature of the information to be contained in the Annual Report and the notices of events is contained in "APPENDIX G – Form of Disclosure Dissemination Agent Agreement." These covenants have been made in order to assist the Underwriters in complying with Rule 15c2-12 of the Securities and Exchange Commission (the "SEC").

During the past five years, the City has complied in all material respects with its undertakings under SEC Rule 15c2-12(b)(5).

Information regarding the Series 2015 Bonds may be found at the DAC internet site, "<http://www.dacbond.com>."

### **RATINGS**

Moody's Investors Service, Inc. has assigned to the Series 2015 Bonds a rating of "\_\_\_\_" and Standard & Poor's Ratings Services has assigned a rating of "\_\_\_\_" with a "\_\_\_\_" outlook." Such ratings reflect the view of such organizations and an explanation of the significance of such ratings may be obtained only from Moody's and S&P, respectively. An explanation of the ratings given by Moody's may be obtained from Moody's at 7 World Trade Center, 250 Greenwich Street, 23<sup>rd</sup> Floor, New York, New York 10007, (212) 553-0300. An explanation of the ratings given by S&P may be obtained from S&P at 55 Water Street, 38<sup>th</sup> Floor, New York, New York 10041, (212) 438-2124.

There is no assurance that the ratings provided by Moody's and S&P, respectively, will continue for any given period of time or that they will not be revised downward or withdrawn entirely by such rating

agencies if, in their judgment, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the Series 2015 Bonds.

## UNDERWRITING

The Series 2015 Bonds are being purchased by Wells Fargo Bank, National Association, Citigroup Global Markets Inc., J.P. Morgan Securities LLC and Siebert Brandford Shank & Co., L.L.C. (collectively, the “Underwriters”), subject to certain terms and conditions set forth in the purchase contract between the City and the Underwriters, including the delivery of opinions on certain legal matters relating to the issuance of the Series 2015 Bonds by Bond Counsel and the existence of no material adverse change in the condition of the City or the Stormwater Utility from that set forth in the Official Statement.

The Series 2015 Bonds are being purchased at a purchase price of \$\_\_\_\_\_ (which represents the \$\_\_\_\_\_ principal amount of the Series 2015 Bonds, [plus / minus a net original issue premium / discount of \$\_\_\_\_\_,] minus an Underwriters’ discount of \$\_\_\_\_\_). The Series 2015 Bonds are offered for sale to the public at the prices and yields set forth on the inside cover page of this Official Statement. The Series 2015 Bonds may be offered and sold to certain dealers at prices lower than or yields higher than such offering prices and yields. After the initial public offering, such public offering prices and yields may be changed, from time to time, by the Underwriters.

Wells Fargo Securities is the trade name for certain securities-related capital markets and investment banking services of Wells Fargo & Company and its subsidiaries, including Wells Fargo Bank, National Association. Wells Fargo Bank, National Association (“WFBNA”), one of the Underwriters of the Series 2015 Bonds, has entered into an agreement (the “Distribution Agreement”) with its affiliate, Wells Fargo Advisors, LLC (“WFA”), for the distribution of certain municipal securities offerings, including the Series 2015 Bonds. Pursuant to the Distribution Agreement, WFBNA will share a portion of its underwriting or remarketing agent compensation, as applicable, with respect to the Series 2015 Bonds with WFA. WFBNA also utilizes the distribution capabilities of its affiliates, Wells Fargo Securities, LLC (“WFSLLC”) and Wells Fargo Institutional Securities, LLC (“WFIS”), for the distribution of municipal securities offerings, including the Series 2015 Bonds. In connection with utilizing the distribution capabilities of WFSLLC, WFBNA pays a portion of WFSLLC’s expenses based on its municipal securities transactions. WFBNA, WFSLLC, WFIS, and WFA are each wholly-owned subsidiaries of Wells Fargo & Company. Certain subsidiaries of Wells Fargo & Company (parent company of Wells Fargo Bank, National Association), have provided, from time to time, investment banking services or commercial banking services to the City, for which they have received customary compensation. Wells Fargo & Company or its subsidiaries may, from time to time, engage in transactions with and perform services for the City in the ordinary course of their respective businesses.

J.P. Morgan Securities LLC (“JPMS”), one of the Underwriters of the Series 2015 Bonds, has entered into negotiated dealer agreements (each, a “Dealer Agreement”) with each of Charles Schwab & Co., Inc. (“CS&Co.”) and LPL Financial LLC (“LPL”) for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement (if applicable to this transaction), each of CS&Co. and LPL will purchase Series 2015 Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2015 Bonds that such firm sells.

Siebert Brandford Shank & Co., L.L.C., one of the Underwriters of the Series 2015 Bonds, has entered into a separate agreement with Credit Suisse Securities USA LLC for retail distribution of certain municipal securities offerings, at the original issue prices. Pursuant to said agreement, if applicable to the

Series 2015 Bonds, Siebert Brandford Shank & Co., L.L.C. will share a portion of its underwriting compensation with respect to the Series 2015 Bonds, with Credit Suisse Securities USA LLC.

### **EXPERTS**

The references herein to AECOM, as the Consulting Engineers, have been approved by such firm. The Report of the Consulting Engineers has been included as Appendix B to this Official Statement in reliance upon such Report and upon the Consulting Engineers as experts in engineering, stormwater system planning and financial analysis. References to and excerpts herein from the Report of the Consulting Engineers do not purport to be adequate summaries of such Report or complete in all respects. The Report of the Consulting Engineers is an integral part of this Official Statement and should be read in its entirety for complete information with respect to the subjects discussed therein.

### **FINANCIAL STATEMENTS**

The Basic Financial Statements of the City for the Fiscal Year ended September 30, 2014 and the report of McGladrey LLP, independent certified public accountants, in connection therewith, dated \_\_\_\_\_, 2015, are included in APPENDIX C as part of the public records of the City. Such financial statements and report contain information relating to the City and the Stormwater Utility. No separate financial statements for the Stormwater Utility have been prepared.

The consent of McGladrey LLP was not requested for the reproduction of its audit report in this Official Statement. The auditor has performed no services in connection with the preparation of this Official Statement and is not associated with the offering of the Series 2015 Bonds.

### **FINANCIAL ADVISOR**

RBC Capital Markets, LLC, Miami, Florida is serving as Financial Advisor to the City and has acted in such capacity with respect to the sale and issuance of the Series 2015 Bonds. The Financial Advisor assisted in the preparation of this Official Statement and in other matters relating to the planning, structuring and issuance of the Series 2015 Bonds. RBC Capital Markets, LLC did not engage in any underwriting activities with regard to the issuance and sale of the Series 2015 Bonds.

### **CONTINGENT FEES**

The City has retained Bond Counsel, Disclosure Counsel and the Financial Advisor with respect to the authorization, sale, execution and delivery of the Series 2015 Bonds. Payment of the fees of such professionals and an underwriting discount to the Underwriters (including the fees of Underwriters' Counsel) are each contingent upon the issuance of the Series 2015 Bonds.

### **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY LAWS**

Section 517.051, Florida Statutes, and Rule 3E400.003, Florida Administrative Code, requires the City to disclose each and every default as to payment of principal and interest after December 31, 1975 with respect to obligations issued or guaranteed by the City. Rule 3E400.003 further provides, however, that if the City in good faith believes that such disclosure would not be considered material by reasonable investors, such disclosure may be omitted. The City has not defaulted on the payment of principal or interest with respect to obligations issued or guaranteed by the City after December 31, 1975.

## AUTHORIZATION CONCERNING OFFICIAL STATEMENT

The delivery of this Official Statement has been duly authorized by the City Commission. At the time of the delivery of the Series 2015 Bonds, the Mayor of the City will furnish a certificate to the effect that nothing has come to his attention which would lead him to believe that this Official Statement, as of its date and as of the date of delivery of the Series 2015 Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purpose for which this Official Statement is intended to be used, or which is necessary to make the statements contained herein, in the light of the circumstances under which they were made, not misleading.

A limited number of copies of the final Official Statement will be provided, at the City's expense, on a timely basis.

### MISCELLANEOUS

All information included in this Official Statement has been provided by the City, except where attributed to other sources. The summaries of and references to all documents, statutes, reports, and other instruments referred to herein do not purport to be complete, comprehensive or definitive, and each such reference or summary is qualified in its entirety by reference to each such document, statute, report or other instrument. The information in this Official Statement has been compiled from official and other sources and, while not guaranteed by the City, is believed to be correct. To the extent that any statements made in this Official Statement and the appendices attached hereto involve matters of opinion or of estimates, whether or not expressly stated, they are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized.

This Official Statement has been duly executed and delivered by the Mayor and the City Manager of the City of Miami Beach, Florida.

CITY OF MIAMI BEACH, FLORIDA

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PHILIP LEVINE, Mayor

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JIMMY L. MORALES, City Manager

**APPENDIX A**

**General Information and Economic Data**

**Regarding the City of Miami Beach, Florida**

**and Miami-Dade County, Florida**

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**APPENDIX B**

**Report of the Consulting Engineers**

**APPENDIX C**

**Basic Financial Statements of the City of Miami Beach, Florida**

**for the Fiscal Year Ended September 30, 2014**

**APPENDIX D**

**The Resolution**

**APPENDIX E**

**Proposed Form of Opinion of Bond Counsel**

**APPENDIX F**

**Proposed Form of Opinion of Disclosure Counsel**

**APPENDIX G**

**Form of Disclosure Dissemination Agent Agreement**



**CITY OF MIAMI BEACH  
NOTICE OF FIRST PUBLIC HEARING**

**NOTICE IS HEREBY** given that a first reading/public hearing will be held by the Mayor and City Commission of the City of Miami Beach, Florida, in the Commission Chambers, 3rd Floor, City Hall, 1700 Convention Center Drive, Miami Beach, Florida, on **Wednesday, March 18, 2015 at 5:06 p.m.**, or as soon thereafter as the matter can be heard, to consider:

A Resolution Of The Mayor And City Commission Of The City Of Miami Beach, Florida Authorizing The Issuance Of Not To Exceed \$100,000,000 In Aggregate Principal Amount Of City Of Miami Beach, Florida Stormwater Revenue Bonds, Series 2015, For The Principal Purpose Of Paying A Part Of The Cost Of Certain Improvements To The Stormwater Utility, Pursuant To Section 209 Of Resolution No. 2000-24127 Adopted By The City On October 18, 2000; Providing That Said Series 2015 Bonds And Interest Thereon Shall Be Payable Solely As Provided In Said Resolution No. 2000-24127 And This Resolution; Providing Certain Details Of The Series 2015 Bonds; Delegating Other Details And Matters In Connection With The Issuance Of The Series 2015 Bonds, Including Whether The Series 2015 Bonds Shall Not Be Secured By The Reserve Account And Whether To Secure A Credit Facility And/Or A Reserve Account Insurance Policy, To The Mayor, Within The Limitations And Restrictions Stated Herein; Permitting Conditional Optional Redemption Of The Series 2015 Bonds; Appointing Underwriters, A Bond Registrar And A Disclosure Dissemination Agent; Authorizing The Negotiated Sale Of The Series 2015 Bonds And Approving The Form Of And Authorizing The Execution Of A Bond Purchase Agreement; Authorizing And Directing The Bond Registrar To Authenticate And Deliver The Series 2015 Bonds; Approving The Form Of And Distribution Of A Preliminary Official Statement And An Official Statement And Authorizing The Execution Of The Official Statement; Providing For The Application Of The Proceeds Of The Series 2015 Bonds And Creating Certain Funds, Accounts And Subaccounts; Authorizing A Book-Entry Registration System With Respect To The Series 2015 Bonds; Covenanteeing To Provide Continuing Disclosure In Connection With The Series 2015 Bonds And Approving The Form Of And Authorizing The Execution And Delivery Of A Continuing Disclosure Agreement; Authorizing Officers And Employees Of The City To Take All Necessary Related Actions; And Providing For An Effective Date. *Inquiries may be directed to the Finance Department at 305.673.7574.*

INTERESTED PARTIES are invited to appear at this meeting, or be represented by an agent, or to express their views in writing addressed to the City Commission, c/o the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139. This item is available for public inspection during normal business hours in the Office of the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139. This meeting, or any item herein, may be continued, and under such circumstances, additional legal notice need not be provided.

Pursuant to Section 286.0105, Fla. Stat., the City hereby advises the public that if a person decides to appeal any decision made by the City Commission with respect to any matter considered at its meeting or its hearing, such person must ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law.

To request this material in alternate format, sign language interpreter (five-day notice required), information on access for persons with disabilities, and/or any accommodation to review any document or participate in any city-sponsored proceedings, call 305.604.2489 and select 1 for English or 2 for Spanish, then option 6; TTY users may call via 711 (Florida Relay Service).

Rafael E. Granado, City Clerk  
City of Miami Beach

**Ad 996**

**Publish in the Main Section of The Miami Herald, March 3, 2015.**

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# MIAMI BEACH

OFFICE OF THE MAYOR AND COMMISSION

## MEMORANDUM

TO: Mayor Philip Levine and Commissioners

FROM: Michael Grieco, Commissioner *mg*

DATE: March 11, 2015

SUBJECT: Lobby State Legislature and Miami-Dade County School Board regarding compliance with the State's Class Size Amendment

TITLE: RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, URGING THE STATE LEGISLATURE AND MIAMI-DADE COUNTY SCHOOL BOARD (SCHOOL BOARD) TO REDUCE CLASS SIZES IN MIAMI BEACH FEEDER PATTERN SCHOOLS TO CONFORM TO ARTICLE IX, SECTION (1)(a) OF THE FLORIDA CONSTITUTION; AND LOBBY THE STATE LEGISLATURE TO EXPAND THE LIST OF "CORE CURRICULUM" COURSES RATHER THAN CONTINUE TO ELIMINATE CORE CURRICULUM COURSES, LIKE ADVANCED PLACEMENT CLASSES, FROM THE CLASS SIZE AMENDMENT REQUIREMENTS OF THE FLORIDA CONSTITUTION BY CALLING SUCH COURSES "EXTRACURRICULAR"; AND CALL UPON THE SCHOOL BOARD TO VOLUNTARILY SUBJECT ITSELF TO THE CLASS SIZE REQUIREMENTS FOR ALL CLASSES, WHETHER THEY ARE CONSIDERED CORE CURRICULUM OR EXTRACURRICULAR

---

In 2002, voters approved an amendment to the Florida Constitution, at Article IX, Section (1)(a), which establishes a limit on the number of students that can be placed in a classroom. The Constitutional "Class Size Amendment" provides the following sized classrooms:

- 18 students in prekindergarten through grade 3
- 22 students in grades 4 through 8
- 25 students in grades 9 through 12

The State Legislature also amended several chapters of the Florida Statutes, to implement the Class Size Amendment. One of the revised statutes defined that the Class Size Amendment would only apply to "Core Curriculum" courses and not to extracurricular courses. As a result, class sizes got larger again at the start of the 2010-2011 school year, after the state re-defined what a core class was. About two-thirds of the 849 "core" classes offered in Florida elementary, middle and high schools were downgraded to "extra-

curricular” status, which has no limit on class size. Classes like calculus, anatomy, Advanced Placement, and Spanish were affected.

The State of Florida should take the education of our children seriously, and the State Legislature should comply with the Constitution, and provide the mandates smaller class rooms. Additionally, Miami-Dade County make the needs of our children a priority and provide the smaller class room sizes regardless of how the State defines “core curriculum” or “extracurricular.”

If you have any questions please do not hesitate to contact Danila Bonini at extension 6457.

MG/db

RESOLUTION NO. \_\_\_\_\_

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, URGING THE STATE LEGISLATURE AND MIAMI-DADE COUNTY SCHOOL BOARD (SCHOOL BOARD) TO REDUCE CLASS SIZES IN MIAMI BEACH FEEDER PATTERN SCHOOLS TO CONFORM TO ARTICLE IX, SECTION (1)(a) OF THE FLORIDA CONSTITUTION; AND LOBBY THE STATE LEGISLATURE TO EXPAND THE LIST OF "CORE CURRICULUM" COURSES RATHER THAN CONTINUE TO ELIMINATE CORE CURRICULUM COURSES, LIKE ADVANCED PLACEMENT CLASSES, FROM THE CLASS SIZE AMENDMENT REQUIREMENTS OF THE FLORIDA CONSTITUTION BY CALLING SUCH COURSES "EXTRACURRICULAR"; AND CALL UPON THE SCHOOL BOARD TO VOLUNTARILY SUBJECT ITSELF TO THE CLASS SIZE REQUIREMENTS FOR ALL CLASSES, WHETHER THEY ARE CONSIDERED CORE CURRICULUM OR EXTRACURRICULAR.

**WHEREAS**, Florida voters concerned with the public school system and the education of our minor children determined that our public schools should have smaller student population, per class, to ensure that our children are provided the attention needed to ensure discipline and greater education; and

**WHEREAS**, in 2002 the voters enacted the "Class Size" amendment to the Florida Constitution, found at Article IX, Section (1)(a), which amendment provides:

The education of children is a fundamental value of the people of the State of Florida. It is, therefore, a paramount duty of the state to make adequate provision for the education of all children residing within its borders. Adequate provision shall be made by law for a uniform, efficient, safe, secure, and high quality system of free public schools that allows students to obtain a high quality education and for the establishment, maintenance, and operation of institutions of higher learning and other public education programs that the needs of the people may require. To assure that children attending public schools obtain a high quality education, the legislature shall make adequate provision to ensure that, by the beginning of the 2010 school year, there are a sufficient number of classrooms so that:

- (1) The maximum number of students who are assigned to each teacher who is teaching in public school classrooms for prekindergarten through grade 3 does not exceed 18 students;
- (2) The maximum number of students who are assigned to each teacher who is teaching in public school classrooms for grades 4 through 8 does not exceed 22 students; and
- (3) The maximum number of students who are assigned to each teacher who is teaching in public school classrooms for grades 9 through 12 does not exceed 25 students.

The class size requirements of this subsection do not apply to extracurricular classes. Payment of the costs associated with reducing class size to meet these requirements is the responsibility of the state and not of local schools districts. Beginning with the 2003-2004 fiscal year, the legislature shall provide sufficient funds to reduce the average number of students in each classroom by at least two students per year until the maximum number of students per classroom does not exceed the requirements of this subsection.

**WHEREAS**, in 2003, the Florida Legislature enacted revisions to the Public Education Regulations found at Chapter 1003 and 1011, Florida Statutes, which chapters implement the provisions of the class-size amendment and defines the progress that school board districts must make in reducing class size; and

**WHEREAS**, specifically, section 1003.03, Florida Statutes was revised, and section 1011.685, Florida Statutes, was created to establish the class size operating categorical fund; and other sections of law were amended to fully implement the constitutional requirement; and

**WHEREAS**, Section 1003.01, Florida Statutes provides that the class size amendment to apply solely to "Core Curriculum" Courses and not to elective courses; and

**WHEREAS**, over the years the Legislature has redefined Core Curriculum to continually reduce the number of Core Courses; and

**WHEREAS**, the legislature defines "extracurricular courses" as all courses that are not defined as "core-curricula courses," which may include, but are not limited to, physical education, fine arts, performing fine arts, career education, and courses that may result in college credit

**WHEREAS**, as of the 2010-2011 school year, the maximum number of students in each core curricula class are: 18 students in prekindergarten through grade 3; 22 students in grades 4 through 8; and 25 students in grades 9 through 12; and

**WHEREAS**, class sizes got larger again at the start of the 2010-2011 school year, after the state re-defined what a core class was, thus, about two-thirds of the 849 “core” classes offered in Florida elementary, middle and high schools were downgraded to “extra-curricular” status, which has no limit on class size. Classes like calculus, anatomy and Spanish were affected; and

**WHEREAS**, Advanced Placement courses are no longer considered core curriculum courses and are now considered extracurricular courses for the purpose of the Class Size Amendment

**WHEREAS**, the State Legislature should listen to the voters and adhere to the Florida Constitution, Article IX, Section (1)(a), by ensuring that all class sizes are reduced to the size contemplated by the Voters, and not continue to circumvent the Florida Constitution by using such terminology as “core curriculum” and extracurricular courses to avoid implementing the class size amendment.

**NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND THE CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA**, to urge the State Legislature and Miami-Dade County School Board (School Board) to reduce class sizes in Miami Beach feeder pattern schools to conform to Article IX, Section (1)(a) of the Florida Constitution; to lobby the State Legislature to expand the list of “core curriculum” courses rather than continue to eliminate core curriculum courses, like advanced placement classes, from the class size amendment requirements of the Florida Constitution by defining such courses as “extracurricular”; and to call upon the School Board to voluntarily subject itself to the class size requirements for all classes, whether they are considered core curriculum or extracurricular.

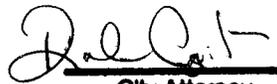
**PASSED AND ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2015.

**ATTEST:**

\_\_\_\_\_  
Philip Levine, Mayor

\_\_\_\_\_  
Rafael E. Granado, City Clerk

APPROVED AS TO  
FORM & LANGUAGE  
& FOR EXECUTION

  
\_\_\_\_\_  
City Attorney

2-24-15  
Date

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**Condensed Title:**

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER TO AMEND CONTRACTS WITH AAA AUTOMATIC DOOR REPAIR, INC., BEST GARAGE DOORS. INC., AND DASH DOOR AND CLOSER SERVICE, INC., PURSUANT TO INVITATION TO BID (ITB) NO. 09-11/12, FOR DOOR RELATED REPAIR AND REPLACEMENT SERVICES, AUTOMATIC DOORS AND GATES, ROLL-UP DOORS, ACCESS CONTROL, CLICKER GATES, TO AMEND THE ANNUALLY ESTIMATED CONTRACT AMOUNT FROM \$75,000.00 TO THE AMOUNT THAT IS ANNUALLY AVAILABLE IN THE PUBLIC WORKS DEPARTMENT'S BUDGET FOR SUCH SERVICES.

**Key Intended Outcome Supported:**

Increase Community Satisfaction with City Services  
**Supporting Data (Surveys, Environmental Scan, etc):** N/A

**Item Summary/Recommendation:**

At its April 11, 2012, meeting, the City Commission accepted the City Manager's recommendation pertaining to the award of a contract pursuant to Invitation to Bid (ITB) No. 9-11/12 for Door Related Repair and Replacement Services, Automatic Doors and Gates, Roll-up Doors, Access Control and Clicker Gates, for the City's Public Works Department. Consequently, the item was passed and adopted authorizing the Administration to execute an agreement in the annually estimated amount of \$75,000. The award also allowed for additional funding based on an increase in the required services.

In addition to routine operational repairs and replacements, specific high priority projects have been expeditiously procured through the contract, including (but not limited to) the Normandy Shores North Gate Replacement. Furthermore, staff intends to utilize this contract to procure other high priority projects such as the beach access gates through this contract. The Police Department has requested that the beach access gates project be completed as soon as possible; and, a permit currently exists for this project which, if the project is not expedited, will expire shortly and the City would incur additional costs and delays in trying to re-secure a new permit.

The purpose of this item is to expand the annual estimated amount of this contract to to the budgeted amount available for these services, which is established yearly through the City's budgeting process and subject to review and approval by the Office of Budget and Performance Improvement (OBPI).

After considering the review and recommendation of City staff, the City Manager exercised his due diligence and recommends to the Mayor and City Commission to adopt a resolution amending the estimated annual contract amount from \$75,000 to the budgeted amount available in the Public Works budget for the required services.

**RECOMMENDATION**  
 Adopt the Resolution

**Advisory Board Recommendation:**

**Financial Information:**

Source of Funds:		Amount	Account
	1	*	Subject to available funds in the Public Works Department's budget for these services.
	2		
OBPI	Total	*	

**Financial Impact Summary:**

**City Clerk's Office Legislative Tracking:**

Eric Carpenter, Ext. 7080

**Sign-Offs:**

Department Director EC AD	Assistant City Manager MT	City Manager JLM
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## COMMISSION MEMORANDUM

TO: Mayor Phillip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: March 18, 2015

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, ACCEPTING THE RECOMMENDATION OF THE CITY MANAGER TO AMEND CONTRACTS WITH AAA AUTOMATIC DOOR REPAIR, INC., BEST GARAGE DOORS. INC., AND DASH DOOR AND CLOSER SERVICE, INC., PURSUANT TO INVITATION TO BID (ITB) NO. 09-11/12, FOR DOOR RELATED REPAIR AND REPLACEMENT SERVICES, AUTOMATIC DOORS AND GATES, ROLL-UP DOORS, ACCESS CONTROL, CLICKER GATES, TO AMEND THE ANNUALLY ESTIMATED CONTRACT AMOUNT FROM \$75,000.00 TO THE AMOUNT THAT IS ANNUALLY AVAILABLE IN THE PUBLIC WORKS DEPARTMENT'S BUDGET FOR SUCH SERVICES.**

### **ADMINISTRATION RECOMMENDATION**

Adopt the resolution.

### **BACKGROUND**

At its April 11, 2012, meeting, the City Commission accepted the City Manager's recommendation pertaining to the award of a contract pursuant to Invitation to Bid (ITB) No. 9-11/12 for Door Related Repair and Replacement Services, Automatic Doors and Gates, Roll-up Doors, Access Control and Clicker Gates, for the City's Public Works Department. Consequently, the item was passed and adopted authorizing the Administration to execute an agreement in the annually estimated amount of \$75,000. The award also allowed for additional funding based on an increase in the required services.

In addition to routine operational repairs and replacements, specific high priority projects have been expeditiously procured through the contract, including (but not limited to) the Normandy Shores North Gate Replacement. Furthermore, staff intends to utilize this contract to procure other high priority projects such as the beach access gates through this contract. The Police Department has requested that the beach access gates project be completed as soon as possible; and, a permit currently exists for this project which, if the project is not expedited, will expire shortly and the City would incur additional costs and delays in trying to re-secure a new permit.

The purpose of this item is to expand the annual estimated amount of this contract to to the budgeted amount available for these services, which is established yearly through the City's budgeting process and subject to review and approval by the Office of Budget and Performance Improvement (OBPI).

**CITY MANAGER'S RECOMMENDATION**

After considering the review and recommendation of City staff, the City Manager exercised his due diligence and recommends to the Mayor and City Commission to adopt a resolution amending the estimated annual contract amount from \$75,000 to the budgeted amount available in the Public Works budget for the required services.

**CONCLUSION**

The Administration recommends that the Mayor and Commission approve the Resolution accepting the City Manager's recommendation amending the estimated annual amounts on the contracts with AAA Automatic Door Repair, Inc., Best Garage Doors. Inc., And Dash Door And Closer Service, Inc., awarded pursuant To Invitation To Bid (ITB) No. 09-11/12, For Door Related Repair And Replacement Services, Automatic Doors And Gates, Roll-Up Doors, Access Control, Clicker Gates.

JLM/MT/EC/AD

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**RESOLUTION TO BE SUBMITTED**

**Condensed Title:**

A Resolution Of The Mayor And City Commission Of The City Of Miami Beach, Florida, Amending Resolution Number 2014-28825; Said Amendment Increasing The Scope Of The Agreement To Include The Provision Of Additional Shuttle Services During Events Which Impact Mobility In The City, In The Administration's Discretion; And Clarifying That Said Enhanced Scope Shall Include The Use Of Alternate Vehicles (Other Than Trolley Vehicles), Such As Coach Buses; A Modified Hourly Rate Commensurate With The Use Of The Alternative Vehicle And Equipment; Additional Staff Time; Special Routes; And Further Increasing The Cost Of The Agreement For Said Additional Shuttle Services, In An Amount Not To Exceed \$45,000 Annually, With An Additional Increase For Such Additional Shuttle Services During The 2014-2015 Fiscal Year, Solely, In An Amount Not To Exceed \$100,000, In Order To Accommodate The Additional Transportation Expenses Needed For The Centennial Celebration.

**Key Intended Outcome Supported:**

Ensure Comprehensive Mobility Addressing All Modes Throughout The City.  
 Supporting Data (Surveys, Environmental Scan, etc.): As recently indicated in the 2014 City of Miami Beach Community Satisfaction Final Report, 54% of the City of Miami Beach residents would be willing to use local bus circulators.

**Item Summary/Recommendation:**

On April 30, 2014, the City Commission approved the award of Invitation to Bid (ITB) No. 2014-154-SR for North Beach Turnkey Trolley Operations and Maintenance Services to Limousines of South Florida, Inc. (LSF). Following the approval of the ITB, an Agreement between the City and LSF was executed on May 8, 2014. While the ITB included a provision for optional additional routes at the City's sole discretion, the executed contract with LSF did not include a provision for shuttle service during special events or the use of vehicles with a seating capacity larger than trolleys or cutaways (about 25 passengers).  
 At its November 19, 2014 City Commission Meeting, the City Commission approved Resolution No. 2014-28825, increasing the scope of the Agreement to include the provision of additional shuttle services during major events which impact mobility in the City, at the Administration's discretion; and increasing the cost of the Agreement for said services, in an amount not to exceed \$45,000 annually, subject to budget appropriation.  
 While Resolution No. 2014-28825 approved the use of trolley vehicles (or cutaways) for the above special events at the City's discretion, it did not allow for additional services not considered in the initial Bid documents and Agreement with LSF. These include, but are not limited to, the following: Different types of vehicles (other than trolleys) - Needed when the service plan requires increasing the capacity by utilizing larger buses (such as 60-passenger Coach Buses to be used during Centennial), additional supervisory staff - needed depending on the nature of the event which may require increased monitoring and dispatching coordination efforts by the Contractor, temporary signage (for vehicles and stops), training, and equipment (additional radios or Global Positioning Systems (GPS) equipment as may be required).  
 The City's Centennial Celebration will consist of nearly 100 hours of City sponsored activities that may result in a significant number of visitors coming to the City during the week of March 21, 2015. The event will also coincide with other special events such as the Winter Party Conference and Spring Break. Given that mobility is expected to be impacted by the overwhelming number of visitors driving in the City during this week, the Administration is recommending increasing the ceiling of the previously approved Amendment No. 2, to not exceed \$100,000 during FY 2014/2015, in order to accommodate the additional transportation expenses needed for the Centennial celebration. An estimate of the cost of shuttle operation during the Centennial celebration has been attached for reference. The estimated cost includes the use of 60-passenger Coach Buses (double the trolley capacity) for \$100 per operating hour, which is lower than if the City contracts separately with another operator (\$130 per hour).  
**THE ADMINISTRATION RECOMMENDS APPROVING THE RESOLUTION.**

**Advisory Board Recommendation:**

NA

**Financial Information:**

Source of Funds:	Amount	Account
1	\$45,000.00	FY 2014/15: 106-9615-000349 Transportation Fund
2	\$55,000.00	FY 2014/15: 160-4300-000349 Centennial Fund Subject to Budget Appropriation

**Financial Impact Summary:** Future annual costs subject to annual budget appropriations

**City Clerk's Office Legislative Tracking:** Jose R. Gonzalez, Ext. 6768

Jose R. Gonzalez, Ext. 6768

**Sign-Offs:**

Department Director	Assistant City Manager	City Manager
JRG <i>JRG</i>	KGB <i>KGB</i>	JLM <i>JLM</i>

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# MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

## COMMISSION MEMORANDUM

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: March 18, 2015

SUBJECT: **A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING RESOLUTION NUMBER 2014-28825; SAID AMENDED RESOLUTION APPROVING AND AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AMENDMENT NO. 2 (AMENDMENT) TO THE AGREEMENT BETWEEN THE CITY AND LIMOUSINES OF SOUTH FLORIDA, INC., FOR TURN-KEY OPERATIONS AND MAINTENANCE SERVICES OF A MUNICIPAL TROLLEY SYSTEM FOR THE CITY OF MIAMI BEACH, EXECUTED AS OF MAY 8, 2014; SAID AMENDMENT INCREASING THE SCOPE OF THE AGREEMENT TO INCLUDE THE PROVISION OF ADDITIONAL SHUTTLE SERVICES DURING EVENTS WHICH IMPACT MOBILITY IN THE CITY, IN THE ADMINISTRATION'S DISCRETION; AND CLARIFYING THAT SAID ENHANCED SCOPE SHALL INCLUDE THE USE OF ALTERNATE VEHICLES (OTHER THAN TROLLEY VEHICLES), SUCH AS COACH BUSES; A MODIFIED HOURLY RATE COMMENSURATE WITH THE USE OF THE ALTERNATIVE VEHICLE AND EQUIPMENT; ADDITIONAL STAFF TIME; SPECIAL ROUTES; AND FURTHER INCREASING THE COST OF THE AGREEMENT FOR SAID ADDITIONAL SHUTTLE SERVICES, IN AN AMOUNT NOT TO EXCEED \$45,000 ANNUALLY, WITH AN ADDITIONAL INCREASE FOR SUCH ADDITIONAL SHUTTLE SERVICES DURING THE 2014-2015 FISCAL YEAR, SOLELY, IN AN AMOUNT NOT TO EXCEED \$100,000, IN ORDER TO ACCOMMODATE THE ADDITIONAL TRANSPORTATION EXPENSES NEEDED FOR THE CENTENNIAL CELEBRATION.**

### FISCAL IMPACT

**Funding Source** – Funding for operation and maintenance of shuttle service during recurring special events will be provided from the Transportation Fund, subject to annual budget appropriation. Funding for operation and maintenance of shuttle service for non-recurring special events will be provided from the respective budget approved by the City Commission for the specific event.

**Cost** –The cost to the City for the operation and maintenance of shuttle service during special events shall not exceed a cumulative total of \$45,000 per year, during the five (5) year initial term of the contract, except during the 2014-2015 Fiscal Year, where the amount shall not exceed \$100,000, in order to accommodate the additional transportation expenses needed for the City's Centennial Celebration. The additional funds required for the Centennial celebration shuttle service will be provided by the Centennial celebration budget already approved by the City Commission.

## **BACKGROUND**

On April 30, 2014, the City Commission approved the award of Invitation to Bid (ITB) No. 2014-154-SR for North Beach Turnkey Trolley Operations and Maintenance Services to Limousines of South Florida, Inc. (LSF). Following the approval of the ITB, an Agreement between the City and LSF was executed on May 8, 2014. While the ITB included a provision for optional additional routes at the City's sole discretion, the executed contract with LSF did not include a provision for shuttle service during special events or the use of vehicles with a seating capacity larger than trolleys or cutaways (about 25 passengers).

At its November 19, 2014 City Commission Meeting, the City Commission approved Resolution No. 2014-28825, increasing the scope of the Agreement to include the provision of additional shuttle services during major events which impact mobility in the City, at the Administration's discretion; and increasing the cost of the Agreement for said services, in an amount not to exceed \$45,000 annually, subject to budget appropriation.

## **ANALYSIS**

The City currently experiences fifteen (15) major special events during its high impact periods, during which both City sponsored and non-City sponsored events occur within the City boundaries. The following is the list of City Commission approved high impact periods (as of February 3, 2015):

1. Art Deco Weekend
2. Miami International Boat Show
3. South Beach Wine and Food Festival
4. Winter Party Week/Spring Break
5. Winter Party Conference/Spring Break
6. Gay Pride
7. Memorial Day Weekend
8. July 4th
9. Labor Day Weekend
10. Halloween
11. White Party
12. Art Basel Miami Beach
13. New Year's Eve

During major special events, the City experiences a high volume of visitors and high levels of street activity, resulting in reduced mobility and parking shortages.

The Administration considers that special events significantly impact mobility and, thus, the City should consider providing shuttle service during these periods to provide an alternative mode of transportation and reduce the need for parking.

While Resolution No. 2014-28825 approved the use of trolley vehicles (or cutaways) for the above special events at the City's discretion, it did not allow for additional services not considered in the initial Bid documents and Agreement with LSF. These include, but are not limited to, the following:

- Different types of vehicles (other than trolleys)
  - Needed when insufficient number of trolley vehicles cannot be provided by the Contractor (in which case it will require the subcontracting of additional vehicles).
  - Needed when the service plan requires increasing the capacity by utilizing larger buses (such as coach type).

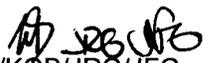
- Additional supervisory staff
  - Needed depending on the nature of the event which may require increased monitoring and dispatching coordination efforts by the Contractor.
- Temporary signage
  - Signage on buses to identify routes or destinations.
  - Signage at the stops to provide information on the shuttle hours of operation or departure times.
- Training
  - Training may be required prior to operating complex events.
- Equipment
  - Additional radios or Global Positioning Systems equipment may be required.

The City's Centennial Celebration will consist of nearly 100 hours of City sponsored activities that may result in a significant number of visitors coming to the City during the week of March 21, 2015. The event will also coincide with other special events such as the Winter Party Conference and Spring Break. Given that mobility is expected to be impacted by the overwhelming number of visitors driving in the City during this week, the Administration is recommending increasing the ceiling of the previously approved Amendment No. 2, to not exceed \$100,000 during FY 2014/2015, in order to accommodate the additional transportation expenses needed for the Centennial celebration. An estimate of the cost of shuttle operation during the Centennial celebration has been attached for reference. The estimated cost includes the use of 60 passenger Coach Buses (double the trolley capacity) for \$100 per operating hour, which is lower than if the City contracts separately with another operator (\$130 per hour).

## **RECOMMENDATION**

The Administration recommends that the Mayor and City Commission approve the Amendment of Resolution No. 2014-28825; said Amended resolution approving and authorizing the Mayor and City Clerk to execute Amendment No. 2 to the Agreement between the City and Limousines of South Florida, Inc., for Turn-Key Operations and Maintenance Services of a Municipal Trolley System for the City of Miami Beach, executed as of May 8, 2014.

Attachments: A. Centennial Shuttle Service Plan and Preliminary Cost Estimate  
B. Centennial Shuttle Service Map

  
JLM/KGB/JRG/JFG

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## Centennial Shuttle Service Plan

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### **March 22 through 25, 2015 Service**

*This shuttle will provide transportation for personnel working in the set up of March 26 concert site as well as attendees of Centennial events taking place March 22-25*

#### **Shuttle Stops:**

##### Route 1:

- Miami Beach Senior High School Parking Lot (Dade Boulevard and Washington Avenue –NW Corner)
- 17 Street Parking Garage (17<sup>th</sup> Street and Convention Center Drive –NW Corner)
- working Site (8<sup>th</sup> Street and Ocean Drive NE Corner)

#### **Hours of Operation:**

- SHUTTLES TO WORKING SITE will operate 7AM-10PM, with a 30 minute frequency

### **March 26, 2015 Service**

*This shuttle will provide transportation for all attendees of Centennial events taking place on March 26*

#### **Shuttle Stops:**

##### Route 1:

- 42 Street Parking Garage (42<sup>nd</sup> Street and Royal Palm Avenue –SW Corner)
- Miami Beach Senior High School Parking Lot (Dade Boulevard and Washington Avenue –NW Corner)
- City Hall Parking Garage (17<sup>th</sup> Street and Convention Center Drive –NW Corner)
- 17 Street Parking Garage (17<sup>th</sup> Street and Convention Center Drive –NW Corner)
- Event Drop-off area (5<sup>th</sup> Street and Ocean Drive NW Corner)

##### Route 2:

- Any Miami-Dade bus stops along route (Flag-Down Service)
- Event Drop-off area (5<sup>th</sup> Street and Ocean Drive NW Corner)

##### Route 3:

- Miami Beach Marina (Water Taxi connection) (2<sup>nd</sup> Street and Alton Road –SW Corner)
- Fifth & Alton Parking Garage (5<sup>th</sup> Street and Lenox Avenue –NE Corner)
- Event Drop-off area (5<sup>th</sup> Street and Ocean Drive NW Corner)

#### **Hours of Operation:**

- SHUTTLES TO EVENT AREA will operate 10AM-10PM, with a 10-15 minute frequency
- RETURN SHUTTLES (FROM EVENT AREA) will operate 10AM-2AM

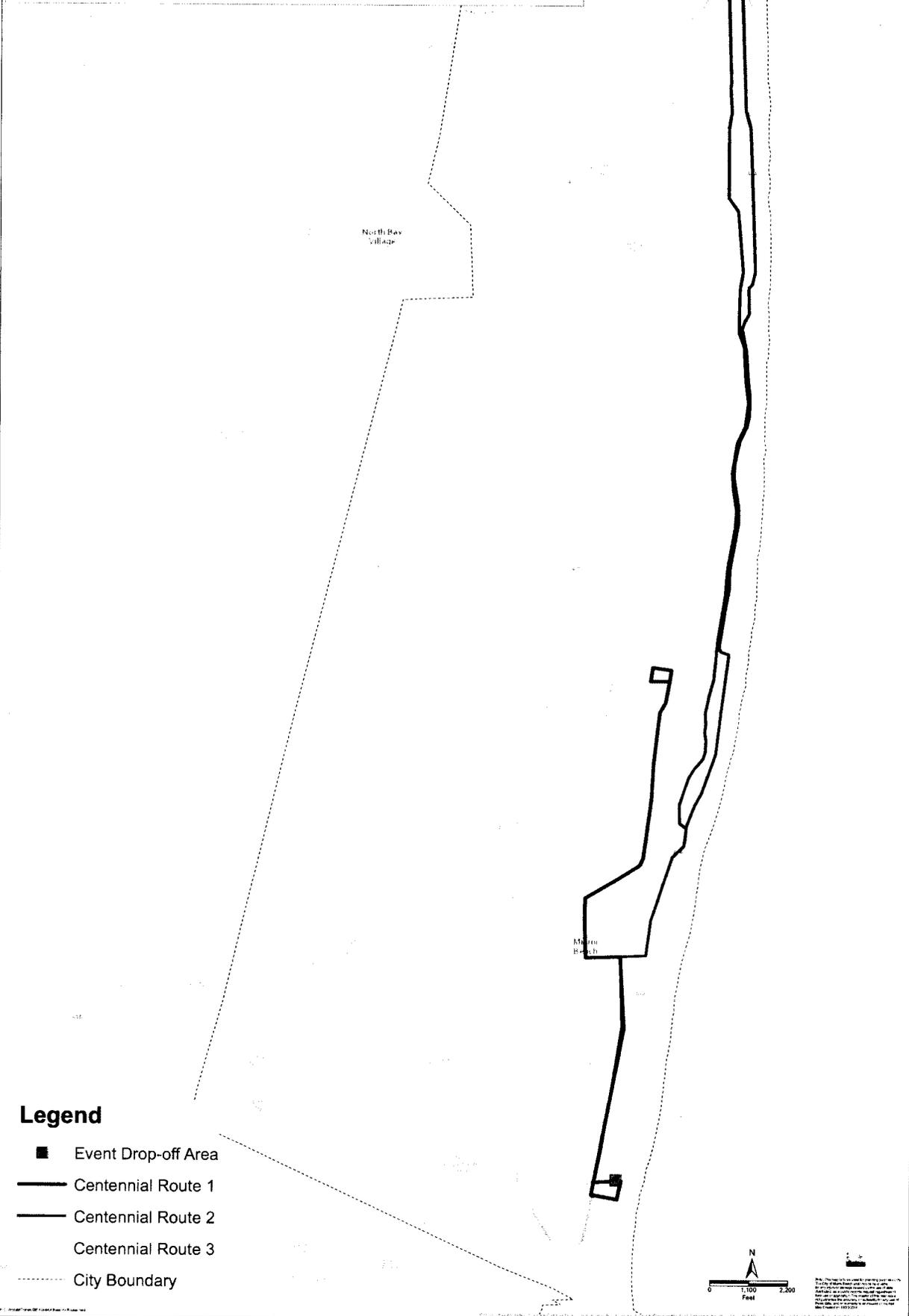
## Centennial Cost Estimation (Preliminary)

Route	# Vehicles	# Hours	# Days	Hourly Rate	Cost
Centennial Route 1	6	16	1	\$ 100.00	\$ 9,600.00
Centennial Route 2	12	16	1	\$ 100.00	\$ 19,200.00
March 26 Backup Shuttles	2	5	1	\$ 100.00	\$ 1,000.00
Centennial Route 3	4	16	1	\$ 69.49	\$ 4,447.36
Pre-Concert Route	2	15	4	\$ 69.49	\$ 8,338.80
<b>Sub Total</b>					\$ 42,586.16

Miscellaneous	# Items	Unit Price	#Hours/Days	Cost
Vehicle Wrap/Decal	22	\$ 300.00		\$ 6,600.00
Road Supervision	3	\$ 25.00	18	\$ 1,350.00
Training				\$ 2,000.00
Radios	6	\$ 20.00	1	\$ 120.00
Tax				\$ 3,000.00
<b>Sub Total</b>				\$ 13,070.00

<b>Total/Day</b>				<b>\$ 55,656.16</b>
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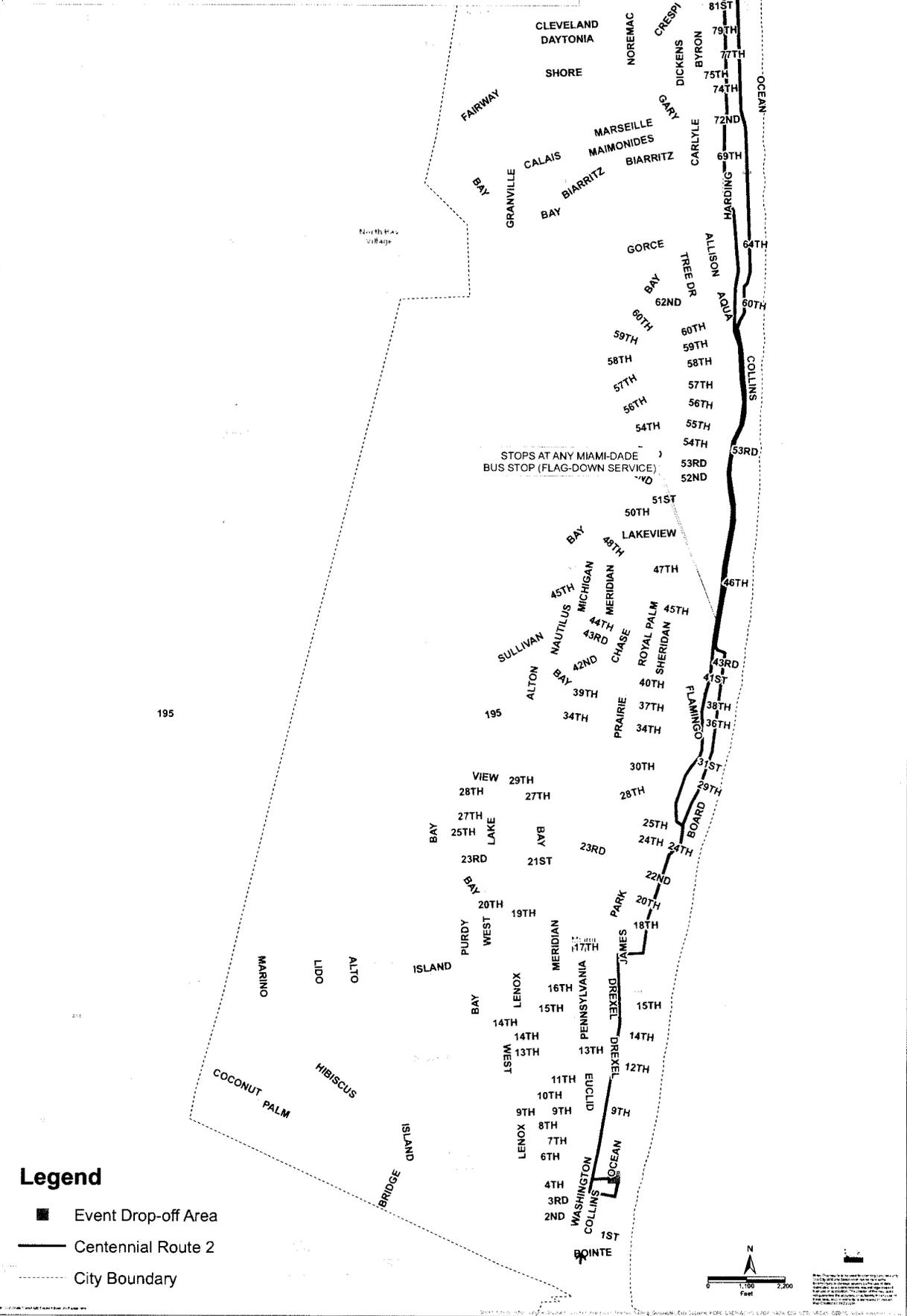
# CENTENNIAL FREE SHUTTLE CIRCULATION



# CENTENNIAL FREE SHUTTLE CIRCULATION



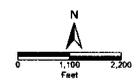
# CENTENNIAL FREE SHUTTLE CIRCULATION



195

## Legend

- Event Drop-off Area
- Centennial Route 2
- - - City Boundary





**RESOLUTION TO BE SUBMITTED**

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## R7 - Resolutions

- R7F A Resolution Waiving By 5/7<sup>th</sup> Vote, The Competitive Bidding Requirement, Finding Such Waiver To Be In The Best Interest Of The City, Authorizing The City Manager To Hire David Mulholland, Senior Vice-President And Project Manager, Of The Orlando Firm GMB Engineers & Planners, Inc., (The Firm) To Provide Professional Traffic Consultant Services Relating To Watson Island, Island Gardens, City Of Miami Development Site; And Further Authorizing The City Attorney To Execute A Retainer Agreement With The Firm, In An Amount Not To Exceed \$200,000.

(Office of the City Attorney)

**(Item to be Submitted in Supplemental)**

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