

RESOLUTION NO. 04-06

A RESOLUTION SUPPLEMENTING RESOLUTION NO. 03-55 OF THE CITY OF MARCO ISLAND, FLORIDA, WHICH RESOLUTION AUTHORIZED THE ISSUANCE OF CERTAIN UTILITY SYSTEM REVENUE BONDS, SERIES 2003; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the "City Council") of the City of Marco Island, Florida (the "Issuer") has, by Resolution No. 03-55 adopted on September 29, 2003 (the "Master Resolution," as supplemented by Resolution No. 03-56 adopted on October 6, 2003 and as further supplemented hereby (each a "Supplemental Resolution" and collectively with the Master Resolution the "Resolution")), authorized the issuance of City of Marco Island, Florida Utility System Revenue Bonds, Series 2003 (the "Series 2003 Bonds") to finance the cost of the acquisition of the Marco Island Utility System from Florida Water Services Corporation and to make certain additions, extensions and improvements thereto, to pay the premium of a municipal bond insurance policy applicable to the Series 2003 Bonds, to pay the premium of a reserve fund insurance policy to be deposited to the Reserve Fund, and to pay the costs and expenses, relating to the issuance of the Series 2003 Bonds; and

WHEREAS, the Series 2003 Bonds are insured by a municipal bond insurance policy (the "Policy") issued by MBIA Insurance Corporation ("MBIA"); and

WHEREAS, MBIA had provided in its commitment related to certain payments to Qualified Agreement Providers, as defined in the Master Resolution, to issue the Policy that certain provisions were to be contained in Resolution No. 03-55 related to the Policy and the Series 2003 Bonds; and

WHEREAS, one such provision of the MBIA commitment was not included in Resolution No. 03-55 and this Supplemental Resolution is required to supplement Resolution No. 03-55 to include such provision; and

WHEREAS, this Resolution shall constitute a Supplemental Resolution for purposes of the Master Resolution.

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA, AS FOLLOWS:

SECTION 1. DEFINITIONS. When used in this Supplemental Resolution, the terms defined in the Master Resolution shall have the meanings therein stated, except as such definitions may be hereinafter amended and defined.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This Supplemental Resolution is adopted pursuant to the provisions of the Master Resolution and Chapter 166, Florida Statutes, Section 12, Article VII of the Florida Constitution, and other applicable provisions of law.

SECTION 3. SUPPLEMENT TO MASTER RESOLUTION. The Master Resolution is hereby supplement by adding the following paragraph (O) to Section 3, paragraph (4) of Supplemental Resolution No. 03-56:

- (O) The Issuer shall obtain the written consent of the Insurer prior to designating any payments to a Qualified Agreement Provider under a Qualified Agreement as a Parity Contract Obligation.

SECTION 4. NO THIRD PARTY BENEFICIARIES. Except as may be expressly described herein or in a Supplemental Resolution, nothing in this Resolution, or in the Series 2003 Bonds, expressed or implied, is intended or shall be construed to confer upon anyone of another entity other than the Issuer, the Holders and MBIA with respect to the Series 2003 Bonds, any right, remedy or claim, legal or equitable, under and by reason of this resolution or any provision hereof, or of the Series 2003 Bonds, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer, the Holders from time to time and MBIA with respect to the Series 2003 Bonds.

SECTION 5. SEVERABILITY. If any one or more of the covenants, agreements or provisions of the Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of the Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof, thereof or of the Series 2003 Bonds issued under the Resolution.

SECTION 6. REPEAL OF INCONSISTENT INSTRUMENTS. Except as provided herein the terms and provisions of Resolution No. 03-55 and Resolution No. 03-56 remain in full force and effect. All prior resolutions of the Issuer inconsistent with the provisions of the Resolution are hereby repealed to the extent of such conflict and, except as otherwise repealed hereby, shall remain in full force and effect.

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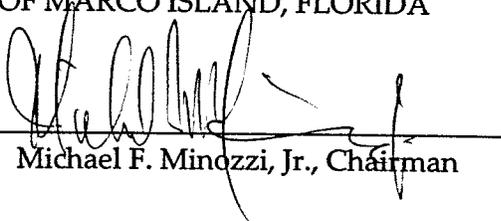
SECTION 7. EFFECTIVE DATE. The provisions of this Resolution shall take effect immediately upon its passage.

Passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida this 1st day of March, 2004.

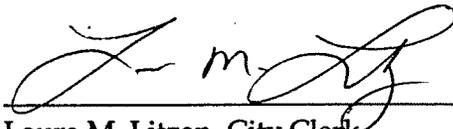
(SEAL)

CITY OF MARCO ISLAND, FLORIDA

By:

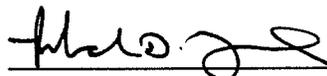

Michael F. Minozzi, Jr., Chairman

ATTEST:



Laura M. Litzan, City Clerk

Approved as to Form:



Richard D. Yovanovich, City Attorney