

RESOLUTION NO. 01-31

A RESOLUTION OF THE CITY OF MARCO ISLAND APPROVING THE RESTRUCTURING OF THE RESERVE FUND SECURING THE FLORIDA MUNICIPAL LOAN COUNCIL REVENUE BONDS, SERIES 2000B; DELEGATING THE AUTHORITY TO THE CITY MANAGER TO APPROVE ANY NECESSARY AMENDMENTS TO THE LOAN AGREEMENT; PROVIDING CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, participating governmental units have created the Florida Municipal Loan Council (the "Council") pursuant to a certain Interlocal Agreement and pursuant to Chapter 163, Part I, Florida Statutes, for the purpose of issuing its bonds to make loans to participating governmental units for qualified projects; and

WHEREAS, the Council has issued its Revenue Bonds, Series 1999A, Revenue Bonds, Series 1999B, Revenue Bonds, Series 2000A, and Revenue Bonds, Series 2000B, each secured by a separate reserve fund; and

WHEREAS, the City of Marco Island, Florida (the "Borrower") has previously borrowed \$985,000.00 from the Council pursuant to a Loan Agreement dated the 15th day of November, 2000 (the "Loan"); and

WHEREAS, the Borrower and the Council desires to restructure the Reserve Fund securing the Loan to provide for a single reserve fund securing one or more series of bonds; and

WHEREAS, the rating agencies believe that the probability that defaults will exceed the funding of a debt service reserve fund decreases as the number of borrowers covered by a common reserve fund increases, assuming all other variables are equal; and

WHEREAS, it is determined to be in the best interest of the Borrower to approve the restructuring of the Reserve Fund to improve the credit strength of the Council's revenue bond program.

SECTION 1. AUTHORITY. This Resolution is adopted pursuant to Chapter 166, Florida Statutes, and other applicable provisions of law.

SECTION 2. APPROVAL OF RESTRUCTURING. The Borrower hereby approves the restructuring of the Reserve Fund by the Council to provide for a common reserve fund.

SECTION 3. DELEGATION OF AMENDMENTS. The Borrower hereby authorizes the City Manager to approve any necessary amendments to the Loan Agreement between the Borrower and the Council dated the 15th day of November, 2000 to effect the restructuring of the Reserve Fund. Such amendments may include, but not limited to, the amending of the definition of "Surety Bond Provider".

SECTION 4. AUTHORIZED OFFICERS. The City Manager is hereby authorized and directed to execute any and all certifications or other instruments or documents required by this Resolution or any other document required by the Council to effect the restructuring of the Reserve Fund, and any such representations and agreements made therein shall be deemed to be made on behalf of the Borrower. All action taken to date by the officers of the Borrower in connection herewith is hereby approved, confirmed and ratified.

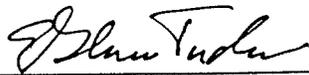
SECTION 5. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

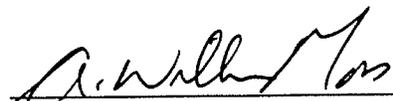
Adopted this 20th day of August, 2001.

CITY OF MARCO ISLAND

(Seal)

ATTEST:

By: 
E. Glenn Tucker, Council Chairman


A. William Moss, City Manager