

RESOLUTION NO. 23-03

A RESOLUTION OF THE TOWN OF DUNDEE, FLORIDA, RELATING TO A LOAN OBTAINED BY THE POLK REGIONAL WATER COOPERATIVE FROM THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION; MAKING FINDINGS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN AMENDMENT 1 TO GUARANTY AGREEMENT FOR POLK REGIONAL WATER COOPERATIVE DRINKING WATER STATE REVOLVING FUND PLANNING LOAN AGREEMENT; PROVIDING FOR CONFLICTS, SEVERABILITY, AND EFFECTIVE DATE.

WHEREAS, the Polk Regional Water Cooperative (the "Cooperative") entered into a Drinking Water State Revolving Fund Planning Loan Agreement (the "Loan Agreement") with the Florida Department of Environmental Protection (the "DEP"); and

WHEREAS, as a condition precedent, the Town of Dundee, Florida (the "Town"), being a member of the Cooperative, entered into a Guaranty Agreement (the "Guaranty Agreement") on June 26, 2018, with the DEP as security for the Cooperative's Loan Agreement; and

WHEREAS, the Town has been requested to increase its share of the costs of Test Well 2 and Test Well 3 Costs under the Combined Implementation Agreement; and

WHEREAS, in order to implement this request, the Town now intends to approve the form of and authorize the execution and delivery of the Amendment 1 to Guaranty Agreement for Polk Regional Water Cooperative Drinking Water State Revolving Fund Planning Loan Agreement (the "Amendment 1") which is intended to amend and restate the Guaranty Agreement, a copy of which is attached hereto as Exhibit A; and

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF DUNDEE, FLORIDA, AS FOLLOWS:

SECTION 1. The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION 2.

- (a) The form of the Amendment 1 attached hereto as Exhibit A is hereby approved.
- (b) The execution and delivery of the Amendment 1 attached hereto as Exhibit A is hereby authorized, such Amendment 1 to be executed by the Mayor, to be attested under seal by the Town Clerk and approved as to correctness by the Town Attorney.

SECTION 3. If net utility systems revenues are insufficient in any fiscal year to pay the debt service due pursuant to the Amendment 1 in such fiscal year, the Town shall covenant, in the Amendment 1, to budget and appropriate legally available non-ad valorem revenues in the amount of the deficiency. Notwithstanding any provisions of this Resolution or the Amendment 1 to the contrary, (i) the Amendment 1 and the indebtedness evidenced thereby shall not constitute a lien upon any real or personal property of the Town, or any part thereof, or any other tangible personal property of or in the Town, but shall constitute a lien only on funds budgeted and appropriated for the repayment of the loan, all in the manner and to the extent provided in the

Amendment 1, and (ii) the Town shall never be obligated to maintain or continue any of the activities of the Town which generate user service charges, regulatory fees or any non-ad valorem revenues.

SECTION 4. All resolutions or part of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 5. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION 6. This Resolution shall become effective immediately upon its passage and adoption.

READ, PASSED and ADOPTED at a duly called meeting of the Town Commission of the Town of Dundee, Florida, assembled on the 14th day of March, 2023.

TOWN OF DUNDEE

Samuel Pennant, Mayor

ATTEST WITH SEAL:

Trevor Douthat, Town Clerk

Approved as to form:

Frederick J. Murphy, Jr., Town Attorney

EXHIBIT A

Amendment 1 to Guaranty Agreement for Polk Regional Water Cooperative Drinking Water
State Revolving Fund Planning Loan Agreement