

RESOLUTION NO. 96-210

A RESOLUTION AUTHORIZING THE DEFEASANCE OF THE OUTSTANDING ST. JOHNS COUNTY, FLORIDA, SOLID WASTE DISPOSAL REVENUE BONDS, SERIES 1990; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT BETWEEN THE COUNTY AND THE ESCROW HOLDER IN CONNECTION THEREWITH; APPOINTING THE ESCROW HOLDER UNDER SAID ESCROW DEPOSIT AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

SECTION 1. DEFINITIONS. The terms used in this resolution shall have the respective meanings assigned to them in the Original Instrument and in this Section, unless the text hereof clearly otherwise requires:

"Board" shall mean the Board of County Commissioners of the Issuer.

"Bond Counsel" shall mean Foley & Lardner, Jacksonville, Florida, bond counsel to the Issuer.

"Bonds" shall mean the outstanding St. Johns County, Florida, Solid Waste Disposal Revenue Bonds, Series 1990, dated as of October 1, 1990.

"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement attached hereto as Exhibit A.

"Escrow Holder" shall mean the Escrow Holder appointed pursuant to Section 6 of this resolution.

"Escrow Requirement" shall have the meaning assigned to such term in the Escrow Deposit Agreement.

"Issuer" shall mean St. Johns County, Florida.

"Original Instrument" shall mean Resolution No. 90-194 adopted by the Board on October 30, 1990, as supplemented, authorizing the issuance of the Bonds.

SECTION 2. AUTHORITY FOR THIS RESOLUTION. This resolution is adopted pursuant to the provisions of the Act, other applicable provisions of law and Section 8.01 of the Original Instrument.

SECTION 3. FINDINGS. It is hereby found and determined that:

(A) The Issuer has heretofore issued and has presently outstanding and unpaid the Bonds. The Issuer deems it necessary, desirable and in the best financial interest of the Issuer that the Bonds be defeased in order to effectuate interest cost savings and a reduction in the debt service applicable to bonded indebtedness issued to finance the System. In connection with the defeasance of the Bonds, certain funds, including certain funds in the Closure Fund established under the Original Instrument, will be paid by the Issuer to the Escrow Holder for deposit by the Escrow Holder into the Escrow Account established pursuant to the Escrow Deposit Agreement to effectuate the defeasance of the Bonds by providing for the payment of the principal of, premium, if any, and interest on the Bonds as provided in the Escrow Deposit Agreement.

(B) The Issuer has received confirmation that such funds in the Closure Fund may be used in connection with the defeasance of the Bonds under the Original Instrument, such confirmation being attached hereto collectively as Exhibit B.

(C) In order to carry out the defeasance of the Bonds in accordance with this resolution and the Original Instrument, it is necessary and appropriate that the Issuer authorize the execution and delivery of the Escrow Deposit Agreement between the Issuer and the Escrow Holder.

(D) It is necessary and appropriate that the Issuer appoint an escrow holder to serve as such under the Escrow Deposit Agreement, and the institution hereinafter named is acceptable to the Issuer; and it appears to the Board that the same is qualified to serve as Escrow Holder under the Escrow Deposit Agreement in accordance with the terms of the Escrow Deposit Agreement.

SECTION 4. AUTHORIZATION OF DEFEASANCE. The defeasance of the Bonds in the manner provided in the Original Instrument and the Escrow Deposit Agreement is hereby authorized. Effective upon and subject to the execution and delivery of the Escrow Deposit Agreement and the deposit of the Escrow Requirement with the Escrow Holder thereunder, the Issuer (A) does hereby call all Bonds maturing after November 1, 2000, for redemption on November 1, 2000, at a redemption price of 102% (expressed as a percentage of the principal amount of the Bonds to be redeemed), plus accrued interest to the redemption date, and (B) does hereby give irrevocable instructions to The Bank of New York, New York, New York, the registrar for the Bonds, to give notice of such call for redemption in the manner provided in the Original Instrument.

SECTION 5. AUTHORIZATION OF EXECUTION AND DELIVERY OF ESCROW DEPOSIT AGREEMENT. The Chairman is hereby authorized to execute and deliver, and the Clerk of the Board or any deputy clerk is hereby authorized to attest and seal, the Escrow Deposit Agreement in favor of the Escrow Holder, with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chairman prior to the delivery thereof, such necessity and/or desirability and approval by the Chairman to be presumed by the Chairman's execution and delivery thereof.

SECTION 6. ESCROW HOLDER. The Bank of New York, a New York banking organization, New York, New York, is hereby appointed to serve as Escrow Holder under the Escrow Deposit Agreement.

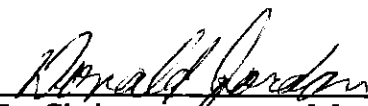
SECTION 7. AUTHORIZATION OF EXECUTION OF OTHER CERTIFICATES AND OTHER INSTRUMENTS. The Chairman and other officers of the Issuer are hereby authorized and directed, either alone or severally, under the official seal of the Issuer, to execute and deliver certificates of the Issuer certifying such facts as the Issuer's attorney, or Bond Counsel shall require in connection with the defeasance of the Bonds, and to execute and deliver such other instruments as shall be necessary or desirable to perform the Issuer's obligations under this resolution and the Original Instrument and to consummate the transactions contemplated hereby and thereby.

SECTION 8. REPEALING CLAUSE. All resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 9. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this twelfth day of November, 1996.


BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA



Its Chairman Donald Jordan

(OFFICIAL SEAL)


ATTEST: Carl "Bud" Markel, Clerk



Its Clerk

I, Carl "Bud" Markel, Clerk of the Board of County Commissioners of St. Johns County, Florida, hereby certify that the foregoing is a true and correct copy of Resolution No. 96-210 of said County passed and adopted on November 12, 1996.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the official seal of said County this twelfth day of November, 1996.



Clerk of the Board of County
Commissioners

(OFFICIAL SEAL)

EXHIBIT A

Escrow Deposit Agreement

ESCROW DEPOSIT AGREEMENT

In consideration of the facts hereinafter recited and of the mutual covenants and agreements herein contained, ST. JOHNS COUNTY, a political subdivision created and existing under the laws of the State of Florida (the "Issuer"), and THE BANK OF NEW YORK, a New York, banking organization, New York, New York, as Escrow Holder (the "Escrow Holder"), do hereby agree as follows:

Section 1. Definitions. Terms used herein shall have the respective meanings assigned in and by the Resolution hereinafter defined, and the following terms which are not defined in the Resolution shall have the following meanings, unless the text clearly otherwise requires:

"Aggregate Debt Service" shall mean, as of any particular date, the sum of the amounts of Annual Debt Service for all years with respect to which the Annual Debt Service shall remain unpaid. Aggregate Debt Service as of the date of the delivery of this Agreement is set forth in the Verification Report.

"Agreement" shall mean this Escrow Deposit Agreement.

"Annual Debt Service" shall mean, with respect to any year, the interest on the Bonds becoming due in such year and the principal of and premium, if any, on the Bonds maturing or becoming due in such year according to the Verification Report.

"Bonds" shall mean the Issuer's outstanding Solid Waste Disposal Revenue Bonds, Series 1990, dated as of October 1, 1990.

"Escrow Account" shall mean the Escrow Account created pursuant to the provisions of Section 3 of this Agreement.

"Escrow Requirement" shall mean, as of any particular date, the sum of an amount in cash in the Escrow Account and the principal amount of the Federal Securities held by the Escrow Holder pursuant to Section 4 hereof which, together with the interest which shall thereafter become payable on the Federal Securities, will be sufficient to pay Aggregate Debt Service, as each of the respective installments thereof shall become due.

"Federal Securities" shall mean direct obligations of the United States of America, none of which permit redemption prior to maturity at the option of the obligor, which obligations are set forth in the Verification Report, and such other obligations as may be purchased in accordance with Section 8 hereof.

"Resolution" shall mean Resolution No. 96-__ adopted by the Issuer on November 12, 1996, as amended and supplemented from time to time, authorizing the defeasance of the Bonds and the execution and delivery of this Agreement.

"Verification Report" shall mean the Verification Report dated November __, 1996, issued by _____, _____, _____, independent certified public accountants, in connection with the defeasance of the Bonds, a copy of which is attached hereto as Exhibit A and incorporated herein by reference.

Section 2. Recitals.

(a) The Issuer adopted the Resolution for the purpose of authorizing the defeasance of the Bonds.

(b) The Resolution authorized the Issuer to enter into this Agreement for the purposes expressed therein and herein, and all acts and things have been done and performed to make this Agreement valid and binding for the security of the Bonds.

(c) The Escrow Holder has the powers and authority of a trust company under the laws of the [United States of America] and, accordingly, the power to execute the trust hereby created.

Section 3. Deposit of Funds. There is hereby created and established with the Escrow Holder a special account to be known as the "Escrow Account." Simultaneously with the execution and delivery of this Agreement, the Issuer has deposited with the Escrow Holder, for deposit by the Escrow Holder to the Escrow Account, \$ _____ heretofore held by the Issuer for the payment of the principal of and interest on the Bonds and \$ _____ of other available funds of the Issuer, totalling \$ _____. After such funds are invested to the extent required to purchase the Federal Securities, the uninvested portion of such funds and the principal amount of such Federal Securities and the interest to become due thereon will equal or exceed the Escrow Requirement as of the date of the delivery of this Agreement. Such Federal Securities shall mature and such interest shall be payable on or before the funds represented thereby shall be required for timely payment of the principal of, premium, if any, and interest on the Bonds as the same shall become due and payable in accordance with their terms as described in the Verification Report.

The Escrow Holder shall hold the Escrow Account as a separate trust account wholly segregated from all other funds held by the Escrow Holder in any capacity and shall make disbursements from the Escrow Account only in accordance with the provisions of this Agreement. The Federal Securities described in the Verification Report shall not be sold or otherwise disposed of or reinvested except as provided in Sections 4 and 8 hereof. The owners of the Bonds are hereby granted a first and prior lien on the principal of and interest on such Federal Securities until the same shall be used and applied in accordance with the provisions of this Agreement.

Section 4. Use and Investment of Funds. The Escrow Holder acknowledges receipt of the cash described in Section 3 of this Agreement and agrees:

(a) to hold the same in irrevocable escrow for application in the manner provided herein;

(b) to apply such cash and the proceeds of such Federal Securities in the manner provided in this Agreement, and only in such manner;

(c) to invest immediately \$ _____ thereof by purchasing the Federal Securities described in the Verification Report;

(d) to retain _____ thereof in cash in the Escrow Account for application as shown in the Verification Report; and

(e) to deposit in the Escrow Account, as received, the principal of all of such Federal Securities described in the Verification Report and any other Federal Securities acquired hereunder which shall mature during the term of this Agreement, all interest which shall be derived during the term of this Agreement from such Federal Securities and any other Federal Securities acquired hereunder, and the proceeds of any sale, transfer, redemption or other disposition of such Federal Securities and any other Federal Securities acquired hereunder.

All moneys held by the Escrow Holder pursuant to any provision of this Agreement, on deposit in the Escrow Account or otherwise, shall at all times be continually secured in the manner provided by Florida law for the securing of municipal funds.

Section 5. Payment of the Bonds and Expenses. The owners of the Bonds shall have a first and prior lien on the principal of and interest on the Federal Securities and all moneys held by the Escrow Holder in the Escrow Account, until all such moneys shall be used and applied by the Escrow Holder as provided in paragraph (a) below.

(a) Bonds. On each date which shall be an interest payment date for any of the Bonds, the Escrow Holder shall pay to the paying agent for the Bonds, from the moneys on deposit in the Escrow Account, a sum sufficient to pay that portion of Annual Debt Service due on such date, as shown in the Verification Report. After making such payments from the Escrow Account, the Escrow Holder, upon the written request of the Issuer, signed by the Chairman, shall pay to the Issuer any moneys remaining in said account in excess of the Escrow Requirement, for the Issuer to use for any lawful purpose, provided that, prior to any such payment, the Escrow Holder shall have received a verification report prepared by a nationally recognized firm of independent certified public accountants verifying the Escrow Requirement and that such moneys to be paid to the Issuer are in excess of the Escrow Requirement.

(b) Fees and Expenses.

- (i) In consideration of the services rendered by the Escrow Holder under this Agreement, the Issuer upon the execution hereof has paid to the Escrow Holder a fee of \$_____ for all services and ordinary expenses to be incurred as Escrow Holder in connection with such services. The term "ordinary expenses" means expenses of holding, investing and disbursing the Escrow Account as provided herein.
- (ii) The Issuer shall also reimburse the Escrow Holder for any extraordinary expenses incurred by it in connection herewith. The term "extraordinary expenses" includes (a) expenses arising out of the assertion of any third party to any interest in the Escrow Account or any challenge to the validity hereof, including reasonable attorneys' fees, (b) expenses relating to any substitution under Section 8 hereof, and (c) expenses (other than ordinary expenses) not occasioned by the Escrow Holder's misconduct or negligence.
- (iii) The fees and expenses payable by the Issuer under this section shall not be paid from the Escrow Account, but shall be paid by the Issuer as an Operating Expense of the System (as such terms are defined in the Original Instrument). The Escrow Holder shall have no lien for the payment of its fees or expenses or otherwise for its benefit on the Escrow Account and hereby waives any rights of set off against the Escrow Account which it may lawfully have or acquire.

Section 6. Notice of Defeasance; Notice of Redemption. Within thirty (30) days after the execution and delivery of this Agreement, the Escrow Holder shall give or cause to be given notice of the defeasance of the Bonds, which notice shall be substantially in the form of the Notice of Defeasance attached hereto as Exhibit B. Such notice shall be sent by first class mail, postage prepaid, to each owner of Bonds at the address of such owner shown on the registration books maintained by the registrar for the Bonds and to Depository Trust Company of New York, New York, Midwest Securities Trust Company of Chicago, Illinois, and Philadelphia Depository Trust Company of Philadelphia, Pennsylvania, and to one or more national information services that disseminate notices of defeasance of obligations such as the Bonds.

The Issuer has called all Bonds maturing after November 1, 2000, for redemption on November 1, 2000, at a redemption price of 102% (expressed as a percentage of the principal amount of the Bonds to be redeemed), plus accrued interest to the redemption date. The Issuer

hereby gives irrevocable instructions to the Escrow Holder, as registrar for Bonds, to give notice of such call for redemption in the manner provided in the Original Instrument.

Section 7. No Redemption or Acceleration of Maturity. The Issuer will not accelerate the maturity of any Bonds or exercise any option to redeem any Bonds before November 1, 2000.

Section 8. Reinvestment. Except as provided in Section 4 of this Agreement and in this Section, the Escrow Holder shall have no power or duty to invest any funds held under this Agreement or to sell, transfer or otherwise dispose of or make substitutions for any Federal Securities held hereunder.

At the written request of the Issuer and upon compliance with the conditions stated in this Section, the Escrow Holder shall sell, transfer, or otherwise dispose of or request the redemption of any of the Federal Securities acquired hereunder and shall purchase either Bonds or other Federal Securities to be substituted for such Federal Securities disposed of or redeemed.

The Issuer will not request the Escrow Holder to exercise any of the powers described in the preceding sentence in any manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations proposed or promulgated thereunder.

The Escrow Holder may, at the written direction of the Issuer, substitute other noncallable Federal Securities ("Substitute Federal Securities") in lieu of the Federal Securities then on deposit in the Escrow Account provided that, prior to any such substitution, the Escrow Holder and the Issuer shall have received:

(a) New debt service and cash flow schedules showing (i) the dates and amounts of all principal and interest payments thereafter to become due on the Bonds, (ii) the cash and Federal Securities to be on deposit in the Escrow Account upon making such substitution, (iii) the dates and amounts of maturing principal and interest to be received by the Escrow Holder from such Federal Securities, and (iv) that the cash on hand in the Escrow Account plus cash to be derived from the maturing principal and interest of such Federal Securities shall be sufficient to pay when due all remaining debt service payments on the Bonds (the most recent debt service and cash flow schedules shall be considered to be the applicable "Debt Service and Cash Flow Schedules");

(b) A new verification report prepared by a nationally recognized firm of independent certified public accountants verifying the accuracy of the new Debt Service and Cash Flow Schedules (the most recent verification report shall be considered to be the applicable "New Verification Report" for purposes hereof); and

(c) An opinion of nationally recognized bond counsel to the effect that such substitution is permissible hereunder, that (based on said new Debt Service and Cash Flow

Schedules and New Verification Report as to sufficiency) such substitution will not adversely affect the defeasance of the Bonds or the exclusion from gross income for federal income tax purposes of the interest payable on the Bonds.

Section 9. Indemnity. Whether or not any action or transaction authorized or contemplated hereby shall be undertaken or consummated, the Issuer hereby agrees to the extent allowed by Florida law to indemnify, protect, save and keep harmless the Escrow Holder and its respective successors, agents and servants, from and against any and all liabilities, obligations, losses, damages, penalties, claims, actions, suits, costs, expenses and disbursements (including reasonable legal fees and attorneys' disbursements and expenses) of whatsoever kind and nature which may be imposed on, incurred by or asserted against the Escrow Holder at any time, whether or not the same may be indemnified against by the Issuer or any other Person under any other agreement or instrument, by reason of or arising out of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance by the Escrow Holder of the funds herein described, the purchase, retention or disposition of the Federal Securities or the proceeds thereof, or any payment, transfer or other application of funds or securities by the Escrow Holder in accordance with the provisions of this Agreement; provided, however, that the Issuer shall not be required to indemnify the Escrow Holder for any expense, loss, costs, disbursements, damages or liability resulting from its own negligence or misconduct. The indemnities contained in this Section shall survive the termination of this Agreement.

Nothing in this Section contained shall give rise to any liability on the part of the Issuer in favor of any Person other than the Escrow Holder.

Section 10. Responsibilities of Escrow Holder. The Escrow Holder and its respective successors, agents and servants shall not be held to any personal liability whatsoever, in tort, contract or otherwise, by reason of the execution and delivery of this Agreement, the establishment of the Escrow Account, the acceptance and disposition of the various moneys and funds described herein, the purchase, retention or disposition of the Federal Securities or the proceeds thereof, any payment, transfer or other application of funds or securities by the Escrow Holder in accordance with the provisions of this Agreement or any non-negligent act, omission or error of the Escrow Holder made in good faith in the conduct of its duties. The Escrow Holder shall, however, be liable to the Issuer and to holders of the Bonds to the extent of their respective damages for negligent or willful acts, omissions or errors of the Escrow Holder which violate or fail to comply with the terms of this Agreement. The duties and obligations of the Escrow Holder shall be determined by the express provisions of this Agreement. The Escrow Holder may consult with counsel, who may or may not be counsel to the Issuer, and be entitled to receive from the Issuer reimbursement of the reasonable fees and expenses of such counsel, and in reliance upon the opinion of such counsel have full and complete authorization and protection in respect of any action taken, suffered or omitted by it in good faith in accordance therewith. Whenever the Escrow Holder shall deem it necessary or desirable that a matter be proved or established prior to taking, suffering or omitting any action under this Agreement,

such matter may be deemed to be conclusively established by a certificate signed by an authorized officer of the Issuer.

Section 11. Resignation of Escrow Holder. The Escrow Holder may resign and thereby become discharged from the duties and obligations hereby created, by notice in writing given to the Issuer and published once in a newspaper of general circulation published in the territorial limits of the Issuer, and in a daily newspaper of general circulation or a financial journal published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such resignation shall take effect. Such resignation shall take effect immediately upon the appointment of a new Escrow Holder hereunder, if such new Escrow Holder shall be appointed before the time limited by such notice and shall then accept the duties and obligations of the Escrow Holder hereunder.

Section 12. Removal of Escrow Holder.

(a) The Escrow Holder may be removed at any time by an instrument or concurrent instruments in writing, executed by the owners of not less than fifty-one per centum (51%) in aggregate principal amount of the Bonds then outstanding, such instrument or instruments to be filed with the Issuer, and notice published once in a newspaper of general circulation published in the territorial limits of the Issuer, and in a daily financial journal published in the Borough of Manhattan, City and State of New York, not less than sixty (60) days before such removal is to take effect as stated in said instrument or instruments. A photographic copy of any instrument filed with the Issuer under the provisions of this paragraph shall be delivered by the Issuer to the Escrow Holder.

(b) The Escrow Holder may also be removed at any time by any court of competent jurisdiction upon the application of the Issuer or the owners of not less than five per centum (5%) in aggregate principal amount of the Bonds then outstanding for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Agreement with respect to the duties or obligations of the Escrow Holder.

Section 13. Successor Escrow Holder.

(a) If at any time hereafter the Escrow Holder shall resign, be removed, be dissolved or otherwise become incapable of acting, or shall be taken over by any governmental official, agency, department or board, the position of Escrow Holder shall thereupon become vacant. If the position of Escrow Holder shall become vacant for any of the foregoing reasons or for any other reason, the Issuer shall appoint a successor Escrow Holder to fill such vacancy. The Issuer shall publish notice of any such appointment once in each week for four (4) successive weeks in a newspaper of general circulation published in the territorial limits of the Issuer and in a daily financial journal published in the Borough of Manhattan, City and State of New York.

(b) At any time within one year after such vacancy shall have occurred, the owners of not less than fifty-one per centum (51%) in aggregate principal amount of Bonds then outstanding, by an instrument or concurrent instruments in writing, executed by such owners and filed with the Board, may appoint a successor Escrow Holder, which shall supersede any successor Escrow Holder theretofore appointed by the Issuer. Photographic copies of each such instrument shall be promptly delivered by the Issuer to the predecessor Escrow Holder and to the Escrow Holder so appointed by such owners.

(c) If no appointment of a successor Escrow Holder shall be made pursuant to the foregoing provisions of this Section, the owner of any Bonds then outstanding, or the retiring Escrow Holder may apply to any court of competent jurisdiction to appoint a successor Escrow Holder. Such court may thereupon, after such notice, if any, as such court may deem proper and prescribe, appoint a successor Escrow Holder.

(d) Every successor Escrow Holder appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Issuer an instrument in writing accepting such appointment hereunder, and thereupon such successor Escrow Holder, without any further act, shall become full vested with all of the duties and obligations of its predecessor under this Agreement.

Section 14. Predecessor Escrow Holder. Every predecessor Escrow Holder shall deliver to its successor and also to the Issuer an accounting of all moneys and securities held by it under this Agreement, and shall deliver to its successor all such moneys and securities held by it as Escrow Holder hereunder.

Section 15. Amendments. This Agreement is made for the benefit of the Issuer and the holders from time to time of the Bonds and it shall not be repealed, revoked, altered or amended without the written consent of all such holders, the Escrow Agent and the Issuer; provided, however, that the Issuer and the Escrow Agent may, without the consent of, or notice to, such holders, enter into such agreements supplemental to this Agreement as shall not adversely affect the rights of such holders and as shall not be inconsistent with the terms and provisions of this Agreement, for any one or more of the following purposes:

- (a) to cure any ambiguity or formal defect or omission in this Agreement;
- (b) to grant, or confer upon, the Escrow Agent for the benefit of the holders of the Bonds, any additional rights, remedies, powers or authority that may lawfully be granted to, or conferred upon, such holders or the Escrow Agent; and
- (c) to subject to this Agreement additional funds, securities or properties.

The Escrow Agent shall be entitled to rely exclusively upon an unqualified opinion of nationally recognized bond counsel with respect to compliance with this Section 15, including the extent, if any, to which any change, modification or addition affects the rights of the holders

of the Bonds, or that any instrument executed hereunder complies with the conditions and provisions of this Section 15.

Section 16. Notices. All notices, approvals, consents, requests and other communications hereunder shall be in writing and shall be deemed to have been given when mailed or delivered by registered or certified mail, return receipt requested, postage prepaid, and addressed as follows:

If to the Issuer: County Administration Building
4020 Lewis Speedway
St. Augustine, FL 32095

Attention: Chairman of the Board of
County Commissioners

If to the Escrow Holder: The Bank of New York
c/o The Bank New York Trust Company of
Florida, N.A.
Towermarc Plaza
10161 Centurion Parkway
Jacksonville, FL 32256

Attention: Corporate Trust Department

The Issuer and the Escrow Holder may, by notice given hereunder, designate any further or different addresses to which subsequent notices, approvals, consents, requests or other communications shall be sent or persons to whose attention the same may be directed.

Section 17. Term. This Agreement shall commence upon its execution and delivery and shall terminate when the Bonds and the interest thereon shall have been paid and discharged in accordance with the proceedings authorizing the Bonds and all excess moneys have been paid to the Issuer.

Section 18. Severability. If any of the covenants, agreements or provisions of this Agreement on the part of the Issuer or the Escrow Holder to be performed should be determined by a court of competent jurisdiction to be contrary to law, such covenant, agreement or provision shall be null and void, shall be deemed separable from the remaining covenants, agreements and provisions of this Agreement and shall in no way affect the validity of the remaining covenants, agreements or provisions of this Agreement.

Section 19. Counterparts. This Agreement may be executed in several counterparts, all or any of which shall be regarded for all purposes as the original and shall constitute and be but one and the same instrument.

Section 20. Governing Law. This Agreement shall be construed under the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers and their seals to be hereunto affixed and attested, all as of the 12th day of November, 1996.

ST. JOHNS COUNTY, FLORIDA

By *Donald Gordon*
Chairman of the Board of County
Commissioners

(SEAL)

ATTEST: CARL "BUD" MARKEL

Carl Bud Markel
Clerk of the Board of County
Commissioners

THE BANK OF NEW YORK, as Escrow Holder

By _____
Title: _____

(SEAL)

ATTEST:

Title: _____

EXHIBIT A

VERIFICATION REPORT

EXHIBIT B

NOTICE OF DEFEASANCE
OF ST. JOHNS COUNTY, FLORIDA,
SOLID WASTE DISPOSAL REVENUE BONDS
SERIES 1990

Notice is hereby given by The Bank of New York, New York, New York, as Escrow Holder for St. Johns County, Florida, Solid Waste Disposal Revenue Bonds, Series 1990 ("Bonds"), that the Bonds have been defeased by depositing in irrevocable escrow cash and obligations of the United States of America sufficient to pay the principal of and interest on the Bonds maturing on or before November 1, 2000, as the same shall mature and become payable in accordance with their terms, and for the payment on November 1, 2000, of the principal of, applicable redemption premium and accrued interest on all Bonds maturing after November 1, 2000, which Bonds have been called for redemption on November 1, 2000.

The maturity dates, principal amounts and CUSIP numbers of the Bonds are as follows:

<u>Maturity Date</u> <u>(November 1)</u>	<u>Principal Amount</u>	<u>CUSIP No.</u>
<u>Serial Bonds</u>		
1997	\$485,000	790414 AG1
1998	515,000	790414 AH9
1999	550,000	790414 AJ5
2000	585,000	790414 AK2
2001	630,000	790414 AL0
2002	670,000	790414 AM8
2003	720,000	790414 AN6
<u>Term Bonds</u>		
2010	\$6,710,000	790414 AP1

The Bonds are deemed to be paid in accordance with the defeasance provisions of, and deemed to be no longer outstanding under, the resolution of St. Johns County, Florida (the "Issuer"), authorizing the issuance of the Bonds.

Prior to November 1, 2000, the Issuer will not accelerate the maturity of the Bonds, or exercise any option to redeem the Bonds before maturity.

No representation is made as to the correctness of the CUSIP numbers either as printed on the Bonds or as contained herein and reliance may be placed only on the description of the Bonds.

Dated: November __, 1996.

THE BANK OF NEW YORK, as Escrow Holder

By _____
Title:

EXHIBIT B

Confirmation

LAW OFFICE OF
CONN and CHRISTINE, P.A.

3501 R North Ponce de Leon Blvd.
St. Augustine, Florida 32084
(904) 829-0523

DAVID G. CONN
ALEXANDER R. CHRISTINE, JR.

TELECOPIER
(904) 829-0657

October 28, 1996

Mr. David W. Mason
Department of Environmental Protection
Twin Towers Office Building
2600 Blair Stone Road MS #4565
Tallahassee, Florida 32399-2400
VIA FACSIMILE (904) 414-0414

Re: Tillman Ridge Landfill

Dear Mr. Mason:

The undersigned is attorney for Mr. Carl "Bud" Markel, Clerk of the Circuit Court of St. Johns County. On behalf of his office, I would appreciate your confirmation that the proposed expenditure of County funds for the defeasance of bonds previously issued in connection with the construction of the Tillman Ridge Landfill will not cause St. Johns County to be in violation of closure or long-term care requirements imposed under Rule 62-701.620 or other applicable law on financial assurance.

St. Johns County currently has a "Cell Expansion" account containing approximately 4.4 million and a "Long-Term Care" account containing approximately 5.9 million. All or part of the funds of each of those accounts, with other account funds, will be utilized for defeasance of the bonds.

The County has been using a financial test to demonstrate financial assurance as specified in Subpart H of 40 CFR Part 264, as adopted by reference in Rule 62-701.630, Florida Administrative Code. The County's financial officer has informed me that the Long-Term Care and Cell Expansion accounts were established by the County as part of its financial planning. Neither account was designated with the Florida Department of Environmental Protection as a landfill management escrow account under Rule 62-701.630(5).

It would be appreciated if you would confirm that the expenditure by the County of the funds contained in those two accounts will not violate the aforementioned legal requirements under the Florida Administrative Code and 40 CFR Part 264, provided

Mr. David W. Mason
October 28, 1996
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that the County continues to demonstrate financial assurance by use of the financial test. We would like to be certain that any prior determination that the County demonstrated financial assurance was not predicated on the existence of the Cell Expansion and Long-Term Care accounts.

Thank you for your courtesy.

Sincerely,



David G. Conn

DGC/mc

cc: Mr. Michael Givens
Ms. Jean Mangu

NOV-04 '96 (MON) 08:50 FDEP

P. 002



Department of Environmental Protection

Lawton Chiles
Governor

Twin Towers Office Building
2600 Blair Stone Road MS #4666
Tallahassee, Florida 32399-2400

Virginia B. Wetherell
Secretary

November 1, 1996

Mr. David G. Conn
Conn and Christy, P.A.
8501 North Pond de Leon Blvd.
Suite R
St. Augustine, Florida 32084

Re: GMS 3155010012 - Tillman Ridge Landfill, St. Johns County, Florida

Dear Mr. Conn:

At the present time St. Johns County demonstrates adequate financial assurance through the use of the financial test established by 40 CFR Part 264 Subpart H as adopted by reference in Rule 62-701.630, Florida Administrative Code (F.A.C.). St. Johns County provides no solid waste financial assurance by use of a landfill management escrow account as described in Rule 62-701.630(5), F.A.C. The accounts described in your letter of October 28, 1996, are not considered in determining St. Johns County financial assurance compliance status.

However, St. Johns County uses Alternative II of the financial test, which requires bond issuance of a minimum rating, date of issuance, and date of maturity. If the bond currently described in Alternative II of the financial test is the bond being defeased, then upon defeasance the financial test adopted by reference in Rule 62-701.630, F.A.C., and provision of alternate financial assurance will be necessary.

If you have any questions, please contact me at (904) 488-0300.

Sincerely,

David W. Mason
Environmental Specialist
Solid Waste Section

DWM

cc: Fred Wick
Mary Nogas

LAW OFFICE OF
CONN and CHRISTINE, P.A.3501 R North Ponce de Leon Blvd.
St. Augustine, Florida 32084
(904) 829-0523DAVID G. CONN
ALEXANDER R. CHRISTINE, JR.TELECOPIER
(904) 829-0637

November 6, 1996

James G. Sisco, Esquire
St. Johns County Attorney
Board of County Commissioners
Post Office Box 1533
St. Augustine, Florida 32085-1533
VIA FACSIMILE (904) 823-2575

Re: Tillman Ridge Landfill

Dear Mr. Sisco:

For your information, attached are copies of a letter from the undersigned to Mr. David W. Mason dated October 28, 1996, letter from David W. Mason dated November 1, 1996, and the Solid Waste Management Facility Letter from Chief Financial Officer to Demonstrate Financial Assurance dated April 25, 1996.

In clarification of the second paragraph of the letter from Mr. Mason, please be advised that the bond described in Alternative II of the financial test was issued March 1, 1996. Mr. Mike Givens has informed me that the bond issued March 1, 1996, is not the bond being defeased. Accordingly, the defeasance of the landfill bond does not change the information on the 1996 bond as stated in the Solid Waste Management Facility Letter.

Sincerely,



David G. Conn

DGC/mc
Attachments

cc: Mr. Michael Givens (w/o attachments)

DEP Application No. _____

STATE OF FLORIDA SOLID WASTE MANAGEMENT FACILITY LETTER FROM CHIEF FINANCIAL OFFICER TO DEMONSTRATE FINANCIAL ASSURANCE

FOR
 Closing Long-Term Care Corrective Action
(Check Appropriate Box(es))

Virginia B. Wetherell, Secretary
Florida Department of Environmental Protection
Twin Towers Office Building
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

The term "Required Action," as used in this document means closing, long-term care, or corrective action, or any combination of these, which is checked above.

I am the chief financial officer of St. Johns County, Board of County Commissioners,
P.O. Drawer 300, St. Augustine, FL 32085-0300
Name and Address of Firm

This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Part 264, as adopted by reference in Rule 62-701.630, Florida Administrative Code (F.A.C.).

Fill out the following seven paragraphs regarding facilities and associated cost estimates. If your firm has no facilities that belong in a particular paragraph, write "NONE" in the space indicated. For each facility, include its FDEP GMS Identification Number, name, address, and current "Required Action" cost estimates. Identify each cost estimate as to whether it is for "Required Action".

CB political subdivision of the State of Florida
1. This firm is the owner or operator of the following solid waste management facilities in the State of Florida for which financial assurance for the "Required Action" is demonstrated through the financial test specified in Subpart H of 40 CFR Part 264, as adopted by reference in Rule 62-701.630, F.A.C. The current "Required Action" cost estimates covered by the test are shown for each facility:

TILLMAN RIDGE LANDFILL - PHASE I
Permit #SF55-151494
Required Action:
Long-term care costs - \$3,493,166
(see pg. 11, Form 1, att. 3)

TILLMAN RIDGE LANDFILL - PHASE II
Sections 1 & 2, Permit #SC55-155423
Required Action:
Closure costs - \$2,573,904
(see pg. 6, Form 5, att. 3)
Long-term care costs - \$8,647,293
(see pg. 11, Form 5, att. 3)

CB County
2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Part 264, as adopted by reference in Rule 62-701.630, F.A.C., the "Required Action" of the following solid waste management facilities in the State of Florida owned or operated by subsidiaries of this firm. The current cost estimates for the "Required Action" so guaranteed are shown for each facility: "NONE"

3. In states other than Florida, this ^{County} ~~area~~, as owner or operator or guarantor is demonstrating financial assurance for the "Required Action" of the following solid waste management facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Part 264, as adopted by reference in Rule 62-701.630, F.A.C. The current "Required Action" cost estimates covered by such test are shown for each facility: "NONE"

4. This ^{County} ~~area~~ is the owner or operator of the following solid waste management facilities for which financial assurance for the "Required Action" is not demonstrated to the federal government or other state government through the financial test or any other financial assurance mechanism specified in Rule 62-701.630, F.A.C., or equivalent or substantially equivalent federal or state mechanisms. The current "Required Action" cost estimates not covered by such financial assurance are shown for each facility: "NONE"

5. This ^{County} ~~area~~ is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under 40 CFR Part 144 and/or Rule 62-28.270(9), F.A.C. The current plugging and abandonment cost estimates as required by 40 CFR 144.62 and/or Rule 62-28.270(9), F.A.C., are shown for each facility: "NONE"

6. This ^{County} ~~area~~ is the owner or operator of the following hazardous waste facilities for which financial assurance for closure, post-closure care, corrective action and/or liability coverage is required under 40 CFR Parts 264 and 265, Subpart H and/or Rule 62-730.180, F.A.C. The current closure, post-closure care, corrective action cost estimates and/or liability coverage as required by 40 CFR Parts 264 and 265, Subpart H and/or Rule 62-730.180, F.A.C., are shown for each facility: "NONE"

7. This firm ^{County} is the owner or operator of the following underground storage tank (UST) facility(ies) for which financial responsibility for liability coverage and corrective action is required under 40 CFR Parts 280 and 281 and/or Rule 62-761.480, F.A.C. The amount of annual aggregate coverage for liability coverage and corrective action being assured by a financial test are shown for each facility: "NONE"

This firm ^{County} is not required ^{"is required" or "is not required"} to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this firm ^{County} ends on September 30th ^{Month, Day}

The figures for the following items marked with an asterisk (*) are derived from this firm's independently audited, year-end financial statements and footnotes for the latest completed fiscal year, ended September 30, 1995 ^{Date}

"Required Action"

Fill in Alternative I if the criteria of paragraphs (D)(1)(i) of 40 CFR §264.143 or §264.145, as adopted by reference in Rule 62-701.630, F.A.C., are used. Fill in Alternative II if the criteria of paragraphs (D)(1)(ii) of 40 CFR §264.143 or §264.145, as adopted by reference in Rule 62-701.630, F.A.C., are used.

ALTERNATIVE I

- 1. Sum of current "Required Action" cost estimates
(Total of all cost estimates listed in 1-7 above) \$ _____
- *2. Total liabilities.
(If any portion of the "Required Action" cost estimates is included in your total liabilities, you may deduct that portion from this line and add that amount to lines 3 and 4) \$ _____
- *3. Tangible net worth. \$ _____
- *4. Net worth. \$ _____
- *5. Current assets. \$ _____
- *6. Current liabilities. \$ _____
- *7. Net working capital.
(Line 5 minus line 6) \$ _____
- *8. The sum of net income plus depreciation, depletion, and amortization. \$ _____
- *9. Total assets in U.S.
(Required only if less than 90% of assets are located in the U.S.) \$ _____

YES NO

- 10. Is line 3 at least \$10 million? _____
- 11. Is line 3 at least 6 times line 17? _____
- 12. Is line 7 at least 6 times line 17? _____
- *13. Are at least 90% of assets located in the U.S.? If not, complete line 14. _____
- 14. Is line 9 at least 6 times line 17? _____
- 15. Is line 2 divided by line 4 less than 2.0? _____
- 16. Is line 8 divided by line 2 greater than 0.1? _____
- 17. Is line 5 divided by line 6 greater than 1.5? _____

ALTERNATIVE II

- 1. Sum of current "Required Action" cost estimates
(Total of all cost estimates listed in 1-7 above) \$ 14,714,363
AAA-Standard & Poors
Aaa-Moodys
- 2. Current bond rating of most recent issuance of this firm and name of rating service. _____
- 3. Date of issuance of bond. March 1, 1996
- 4. Date of maturity of bond. June 1, 1997 - 2026
- *5. Tangible net worth.
(If any portion of the "Required Action" cost estimate is included in "Total Liabilities" on your financial statements, you may add that portion to this line)
(see pg. 7 and pg. 9, att. 4, and NOTE below) \$ 133,319,336
- *6. Total assets in the U.S.
(Required only if less than 90% of assets are located in the U.S.) \$ N/A

YES NO

- 7. Is line 5 at least \$10 million? XX
- 8. Is line 5 at least 6 times line 17? XX
- *9. Are at least 90% of assets located in the U.S.? If not, complete line 10. XX
- 10. Is line 6 at least 6 times line 17? N/A

Carl "Bud" Markel
Signature

4-25-96
Date

Carl "Bud" Markel, Clerk of the Circuit Court
 Type Name and Title NOTE: Tangible net worth calculation:
 Total Assets and Other Debits (pg. 7) \$256,178,248
 Total Liabilities (pg. 9) (130,292,120)
 Accrued Landfill Liability (pg. 9) 7,433,208
 DEP Form 62-701.900(3)(e) pg 4 of 4