

RESOLUTION NO. 2006-417

A RESOLUTION OF ST. JOHNS COUNTY, FLORIDA, PROVIDING FOR THE ACQUISITION AND CONSTRUCTION OF CERTAIN ADDITIONS, EXTENSIONS AND IMPROVEMENTS TO THE COUNTY'S SOLID WASTE DISPOSAL SYSTEM; AUTHORIZING THE ISSUANCE BY THE COUNTY OF \$4,155,000 IN PRINCIPAL AMOUNT OF A SOLID WASTE DISPOSAL REVENUE BOND, SERIES 2006, TO FINANCE THE COST OF SUCH PROJECT AND PAY THE COSTS OF ISSUANCE OF SUCH BOND; PLEDGING TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SUCH BOND THE GROSS REVENUES OF THE COUNTY'S SOLID WASTE DISPOSAL SYSTEM, ALL MONEYS ON DEPOSIT IN AND INVESTMENTS HELD FOR THE CREDIT OF CERTAIN FUNDS CREATED HEREUNDER AND THE EARNINGS ON SUCH INVESTMENTS; MAKING CERTAIN COVENANTS AND AGREEMENTS FOR THE BENEFIT OF THE HOLDER OF SUCH BOND; AUTHORIZING A NEGOTIATED SALE OF SUCH BOND; AWARDED SUCH BOND TO THE PURCHASER THEREOF; AND PROVIDING AN EFFECTIVE DATE.

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Exhibit A Disclosure Statement

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

ARTICLE 1

GENERAL

Section 1.1 Definitions.

When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

“Act” shall mean Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 88-49, and other applicable provisions of law.

“Annual Audit” shall mean the annual audit prepared pursuant to the requirements of Section 5.4 hereof.

“Annual Budget” shall mean the annual budget prepared pursuant to the requirements of Section 5.3 hereof.

“Assessments” shall mean the proceeds to be derived by the Issuer from non ad-valorem assessments which may be levied from time to time by the Issuer, on its own behalf or as the governing body of a municipal services benefit unit, against certain classifications of lands and properties to be specially benefited by the construction of the Project, including interest on such assessments and any penalties thereon and moneys received upon foreclosure of the liens of any such assessment and, by reason of such assessment, upon the sale of tax certificates, and shall include, without limitation, any assessment relating to the Project levied pursuant to St. Johns County Ordinance No. 88-49 or Ordinance No. 99-27, as amended.

“Authorized Depository” shall mean the State Board of Administration of Florida or a bank or trust company in the State which is eligible under the laws of the State to receive funds of the Issuer.

“Authorized Issuer Officer” for the performance on the behalf of the Issuer of any act of the Issuer or the execution of any instrument on behalf of the Issuer shall mean any person authorized by resolution or certificate of the Issuer to perform such act or sign such document.

“Authorized Investments” shall mean all accounts with the State Board of Administration and any investment which shall be authorized from time to time by applicable laws of the State for deposit or purchase by the Issuer for the temporary investment of its funds.

“Bond” shall mean the obligation of the Issuer authorized to be issued pursuant to Section 2.1 hereof.

“Bond Year” shall mean the annual period commencing October 2 of each year (except that the first Bond Year shall commence on the date of issuance of the Bond) and

continuing through the next succeeding October 1. Each Bond Year shall be designated with the number of the calendar year in which such Bond Year ends.

“Bondholder” or “Holder” or “holder” shall mean any Person who shall be the registered owner of the Bond according to the registration books of the Issuer.

“Bond Counsel” shall mean any attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

“Chairman” shall mean the Chairman of the Issuer or such other person as may be duly authorized by the Issuer to act on his or her behalf.

“Clerk” shall mean the Clerk of the Issuer or such other person as may be duly authorized by the Issuer to act on his or her behalf.

“Code” shall mean the United States Internal Revenue Code of 1986, as the same may be amended from time to time, and the regulations thereunder, whether proposed, temporary or final, promulgated by the Department of the Treasury, Internal Revenue Service, and all other promulgations of said service pertaining thereto.

“Consulting Engineers” shall mean one or more qualified and recognized consulting engineers or firm of consulting engineers having favorable repute, skill and experience with respect to the planning and operation of solid waste disposal systems similar to the System, who shall be retained from time to time by the Issuer.

“Cost” when used in connection with the Project, shall mean (1) the Issuer’s cost of physical construction; (2) costs of acquisition by or for the Issuer of the Project; (3) costs of land and interests therein and the cost of the Issuer incidental to such acquisition; (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bond and other obligations relating to the Project during the construction period of the Project and for a reasonable period thereafter; (6) engineering, legal and other consultant fees and expenses; (7) costs and expenses incidental to the issuance of the Bond; (8) payments, when due (whether at the maturity of principal or the due date of interest or upon redemption) on any indebtedness of the Issuer (other than the Bond) incurred for the Project; (9) costs of machinery or equipment required by the Issuer for the commencement of operation of the Project; and (10) any other costs properly attributable to the issuance of the Bond, and such construction or acquisition, as determined by generally accepted accounting principles.

“Debt Service Requirement” for any Bond Year shall mean the sum of (1) the aggregate amount required to pay the interest becoming due on the Bond and any other indebtedness of the Issuer secured by a lien upon and pledge of the Gross Revenues on a parity with the Bond during such Bond Year, except to the extent that such interest shall have been provided by payments out of other sources for a specified period of time, and (2) the aggregate amount required to pay the principal becoming due on the Bond and such other indebtedness for such Bond Year.

“Federal Securities” shall mean direct obligations of the United States of America and obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. Federal Securities shall include any certificates or any other evidences of an ownership interest in the aforementioned obligations or in specified portions thereof (which may consist of specified portions of the interest thereon).

“Fiscal Year” shall mean the period commencing on October 1 of each year and continuing through the next succeeding September 30, or such other period as may be prescribed by law.

“Governing Body” shall mean the Board of County Commissioners of the Issuer or its successor in function.

“Gross Revenues” shall mean all income and moneys received by the Issuer from the Rates, and all earnings and income derived from the investment of moneys under the provisions of this Resolution which are transferred to the Sinking Fund as herein provided. Gross Revenues shall also include Assessments but only to the extent and in the manner as such Assessments are pledged to the payment of the Bond pursuant to Section 4.2 hereof.

“Issuer” shall mean St. Johns County, Florida.

“Net Revenues” shall mean Gross Revenues less Operating Expenses.

“Operating Expenses” shall mean the Issuer’s expenses (i) for operation, maintenance, repairs and replacements with respect to the System and (ii) incurred to administer, levy and collect the Rates and the Assessments, if levied and pledged (the “Collection”), and shall include, without limiting the generality of the foregoing, administration expenses, insurance and surety bond premiums, the fees of any rebate compliance service or of Bond Counsel relating to compliance with the provisions of Section 148 of the Code, legal and engineering expenses, ordinary and current rentals of equipment or other property, refunds of moneys lawfully due to others, payments to others for the disposal of sewage or other wastes, payments to pension, retirement, health and hospitalization funds, and any other expenses required to be paid for or with respect to proper operation or maintenance of the System or the Collection, all to the extent properly attributable to the System or the Collection in accordance with generally accepted accounting principles employed in respect of activities such as those involved in the Collection or in the operation of public solid waste disposal systems similar to the System, as the case may be, but does not include any costs or expenses in respect of original construction or improvement other than expenditures necessary to prevent an interruption or continuance of an interruption of the Gross Revenues or minor capital expenditures necessary for the proper and economical operation or maintenance of the System, or any provision for interest, depreciation, amortization or similar charges.

“Paying Agent” shall mean the Clerk, as paying agent for the Bond, and any other Person which may at any time be substituted as paying agent for the Bond pursuant to resolution of the Governing Body.

“Person” shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

“Pledged Funds” shall mean the Gross Revenues and, until applied in accordance with the provisions of this Resolution, the proceeds of the Bond and all moneys, including investments thereof, in the funds established hereunder.

“Project” shall mean the acquisition and construction of additions, extensions and improvements to the System, including but not limited to, the acquisition and construction of a new solid waste transfer station for the Issuer and equipment and appurtenant facilities necessary or useful in connection therewith, as more particularly described in and in accordance with certain plans on file or to be on file with the Issuer, with such changes, deletions, additions or modifications to the enumerated improvements, equipment and facilities, or such other improvements as shall be designated and approved by resolution of the Governing Body in accordance with the Act.

“Project Fund” shall mean the Project Fund established pursuant to Section 4.3 hereof.

“Purchaser” shall mean Banc of America Public Capital Corp., the purchaser of the Bond.

“Rates” shall mean the rates, fees and other charges which may be made and collected by the Issuer for the use of the services or facilities of the System, but shall not include Assessments.

“Registrar” shall mean the Clerk, as registrar for the Bond, and any other Person which may at any time be substituted as registrar for the Bond pursuant to resolution of Governing Body.

“Resolution” and “this Resolution” shall mean this instrument, as the same may from time to time be amended, modified or supplemented by any and all resolutions of the Governing Body.

“Sinking Fund” shall mean the Sinking Fund established pursuant to Section 4.4 hereof.

“Supplemental Resolution” shall mean any resolution of the Issuer amending or supplementing this Resolution, adopted and becoming effective prior to the issuance of the Bond or in accordance with the terms of Section 5.9 hereof.

“State” shall mean the State of Florida.

“System” shall mean any and all solid waste disposal sites and the facilities and equipment thereon, and any solid waste management facilities described in the definition of “Project” contained in St. Johns County Ordinance No. 88-49, or in the definition of “County Landfill” contained in St. Johns County Ordinance No. 99-27, as either may be amended from time to time, now owned and operated or hereafter acquired and operated by the Issuer (unless

the Issuer shall expressly declare by resolution of the Governing Body that such equipment, facilities and/or sites shall not be part of the System), which System shall also include any and all improvements, extensions and additions to the foregoing which shall be hereafter constructed or acquired, whether the same shall be financed from the proceeds of Bond or from any other funds or sources, together with all property, real or personal, tangible or intangible, now or hereafter owned or used in connection therewith; but excluding all such sites which shall hereafter remain closed by resolution of the Governing Body in the manner provided in Section 5.5 hereof.

The terms “herein,” “hereunder,” “hereby,” “hereto,” “hereof,” and any similar terms, shall refer to this Resolution; the term “heretofore” shall mean before the date of adoption of this Resolution; and the term “hereafter” shall mean after the date of adoption of this Resolution.

Words importing the singular number include the plural number, and vice versa.

Section 1.2 Authority for Resolution.

This Resolution is adopted pursuant to the provisions of the Act.

Section 1.3 Resolution to Constitute Contract.

In consideration of the purchase and acceptance of the Bond by those who shall hold the same from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Bond. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the benefit, protection and security of such Holders.

Section 1.4 Findings.

It is hereby ascertained, determined and declared as follows:

(A) The Issuer deems it necessary, desirable and in the best interests of the Issuer that the Project be acquired and constructed.

(B) The Cost of the Project shall be financed with the proceeds of the Bond.

(C) The Issuer deems it necessary, desirable and in the best interest of the Issuer that the Pledged Funds be pledged to the payment of the principal of and interest on the Bond. No part of the Pledged Funds has been pledged or encumbered in any manner.

(D) The estimated Gross Revenues to be derived each year hereafter from the operation of the System will be sufficient to pay Operating Expenses, the principal of and interest on the Bond, as the same become due, and all other payments provided for in this Resolution.

(E) The principal of and interest on the Bond and all other payments provided for in this Resolution will be paid solely from the sources herein provided in accordance with the

terms hereof; and no ad valorem taxing power of the Issuer will ever be exercised nor will any Holder of the Bond have the right to compel the exercise of such ad valorem taxing power to pay the principal of or interest on the Bond or to make any other payments provided for in this Resolution, and the Bond shall not constitute a lien upon the System or any other property of the Issuer or situated within its territorial limits, except the Pledged Funds.

(F) The Governing Body is advised that due to the present volatility of the market for tax-exempt public obligations such as the Bond, it is in the best interest of the Issuer to sell the Bond by a negotiated sale, allowing the Issuer to enter such market at the most advantageous time, rather than at a specified advertised future date, thereby permitting the Issuer to obtain the best possible price, interest rate and other terms for the Bond and, accordingly, the Issuer does hereby find and determine that it is in the best financial interest of the Issuer that a negotiated sale of the Bond be authorized.

(G) The Issuer requested proposals from various lending institutions to provide the Issuer with the necessary financing for the Project and the proposals received are on file with the Issuer. The Governing Body does hereby find and determine that the proposal received from the Purchaser is the best proposal received by the Issuer. The Purchaser has offered to purchase the Bond at the price of par and having such specifications as described in this Resolution and has filed with the Issuer the Purchaser's Disclosure Statement attached hereto as Exhibit A in compliance with Section 218.385, Florida Statutes, as amended; and the Governing Body does hereby find and determine that it is in the best financial interest of the Issuer that such offer be accepted by the Issuer and that the Bond be awarded to the Purchaser hereby.

Section 1.5 Authorization of Project.

The acquisition and construction of the Project in the manner herein provided is hereby authorized.

ARTICLE 2

AUTHORIZATION, TERMS AND
EXECUTION OF BOND

Section 2.1 Authorization of Bond.

For the purpose of financing the Cost of the Project, the Issuer hereby authorizes the issuance of the Bond, to be designated as St. Johns County, Florida, Solid Waste Disposal Revenue Bond, Series 2006," in the manner herein provided, in a principal amount of \$4,155,000.

Section 2.2 Description of Bond.

The Bond shall be dated the date of issuance thereof, and shall be payable as to both principal and interest as such place and in such manner, shall contain such redemption

provisions, and shall have initially such Paying Agent and such Registrar as is stated in the form of the Bond set out in Section 2.7 hereof.

The Bond shall bear interest at such rate or rates not exceeding the maximum nonusurious contract rate of interest allowed from time to time by applicable law and shall be payable in lawful money of the United States of America on such dates all as stated in the form on the Bond set out in Section 2.7 hereof.

If the specified date for the making of any payment on the Bond shall be a day other than a business day, such payment may be made on the next succeeding business day with the same force and effect as if made on the specified date and no interest shall accrue for the period of any such extension.

From and after the maturity date of the Bond (deposit of moneys for the payment of the principal and interest on the Bond having been made by the Issuer with the Paying Agent), notwithstanding that the Bond shall have not been surrendered for cancellation, no further interest shall accrue upon the principal or upon the interest which shall have accrued and shall then be due on such date, and the Bond shall cease to be entitled to any lien, benefit or security under this Resolution, and the Holder shall have no rights in respect of the Bond except to receive payment of such principal and unpaid interest accrued to the maturity date.

Section 2.3 Application of Bond Proceeds.

The proceeds derived from the sale of the Bond shall, simultaneously with the delivery of the Bond to the Purchaser, be applied by the Issuer first to pay all costs and expenses in connection with the preparation, issuance and sale of the Bond and all such costs and expenses shall be promptly paid by the Issuer to the persons respectively entitled to receive the same and the balance of the Bond proceeds shall be deposited in the Project Fund.

Section 2.4 Execution of Bond.

The Bond shall be executed in the name of the Issuer with the signature of the Chairman and attested and countersigned with the signature of the Clerk. In case any one or more of the officers who shall have signed the Bond shall cease to be such officer of the Issuer before the Bond so signed has been actually delivered, the Bond may nevertheless be delivered as herein provided and may be issued as if the person who signed the Bond had not ceased to hold such office.

Section 2.5 Bond Mutilated, Destroyed, Stolen or Lost.

In case the Bond shall become mutilated, or be destroyed, stolen or lost, the Issuer may, in its discretion, issue and deliver a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Issuer proof of such Holder's ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Issuer may prescribe and paying such expenses as the Issuer may incur. Any Bond so surrendered or otherwise substituted shall be cancelled by the Issuer. If the Bond shall

have matured or be about to mature, instead of issuing a substitute Bond, the Issuer may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bond issued pursuant to this Section 2.5 shall constitute original, additional contractual obligations on the part of the Issuer whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as any prior Bond issued hereunder and shall be entitled to the same benefits and security as the Bond so lost, stolen or destroyed.

Section 2.6 Negotiability and Transfer.

The Bond issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bond. So long as the Bond shall remain outstanding, the Issuer shall cause to be maintained and kept, at the office of the Registrar, books for the registration and transfer of the Bond.

The Bond shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by such Holder's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or such Holder's duly authorized attorney. Upon the transfer of the Bond, the Issuer shall issue, and cause to be authenticated, in the name of the transferee a new Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name the Bond shall be registered upon the books of the Issuer as the absolute owner of the Bond, whether the Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on the Bond and for all other purposes, and all such payments so made to any such Holder or upon such Holder's order shall be valid and effectual to satisfy and discharge the liability upon the Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

Any Bond surrendered in any such transfers shall be cancelled by the Registrar. For every such transfer of the Bond, the Issuer may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such transfer. The Issuer shall not be obligated to make any such transfer of the Bond during the five (5) days next preceding a payment date on the Bond or, in the case of any proposed redemption of the Bond, during the five (5) days next preceding the redemption date established for the Bond.

Section 2.7 Form of Bond.

The Bond shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chairman or

the Clerk prior to the issuance thereof (which necessity and/or desirability and approval shall be evidenced conclusively by the Issuer's delivery of the Bond to the Purchaser):

\$4,155,000

\$4,155,000

ST. JOHNS COUNTY, FLORIDA
SOLID WASTE DISPOSAL REVENUE BOND, SERIES 2006

Registered Holder: BANC OF AMERICA PUBLIC CAPITAL CORP.

Principal Amount: FOUR MILLION ONE HUNDRED FIFTY-FIVE THOUSAND DOLLARS

KNOW ALL MEN BY THESE PRESENTS, that St. Johns County, a political subdivision created and existing under and by virtue of the laws of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the sources of payment hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, the Principal Amount identified above in annual installment payments on October 1 of each year in the years and in the amounts set forth in the following amortization schedule:

<u>Year</u>	<u>Installment</u>
2007	\$205,000
2008	215,000
2009	225,000
2010	230,000
2011	240,000
2012	250,000
2013	260,000
2014	275,000
2015	285,000
2016	295,000
2017	310,000
2018	320,000
2019	335,000
2020	350,000
2021	360,000

and interest (calculated on a 30/360-day basis) on such Principal Amount from the date hereof or from the most recent interest payment date to which interest has been paid, at the rate per annum determined in the manner hereinafter provided, on April 1 and October 1 of each year, commencing April 1, 2007, until such Principal Amount shall have been paid or provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

The interest rate on this bond shall be payable at the rate of 4.1186% per annum, provided, however, the interest rate on this bond will be subject to adjustment from the date of

issuance of this bond as follows: If interest paid or payable on this bond becomes includable for federal income tax purposes in the gross income of the Registered Holder as a consequence of any act, omission or event whatsoever and regardless of whether the same is within or beyond the control of the Issuer (other than such interest being taken into account in determining adjusted current earnings for the purposes of the alternative minimum income tax imposed on corporations), or the tax laws or regulations are changed or amended to cause the interest on this bond to become taxable to the extent not otherwise taxable on the date of issuance hereof, to be subject to a minimum tax or an alternative minimum tax to the extent not otherwise subject on the date of issuance hereof or to otherwise decrease the yield on this bond to the Registered Holder (directly or indirectly), then the interest rate on this bond shall be adjusted to cause the yield on this bond to equal what the yield on this bond would have been in the absence of such act, omission, event change or amendment in the tax laws or regulations. If the tax laws or regulations are changed or amended to increase the yield on this bond to the Registered Holder, then the Registered Holder will adjust the interest rate on this bond to cause the yield on this bond to equal what the yield on this bond would have been in the absence of such change or amendment in the tax laws or regulations. The Registered Holder will promptly notify the Issuer in writing of any interest rate adjustments for this bond and such adjustments shall become effective as of the effective date of the event causing such adjustment. Such adjustments may be retroactive. The Registered Holder will certify to the Issuer in writing the additional amount, if any, due to the Registered Holder as a result of any such adjustment. Notwithstanding the foregoing, the interest rate payable on this bond shall not exceed the maximum nonusurious contract rate of interest allowed from time to time by applicable law.

Such Principal Amount and interest and the premium, if any, on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts at the office of Clerk of the Issuer, as paying agent, or such other paying agent as the Issuer shall hereafter duly appoint (the "Paying Agent"). Payment of each installment of principal and interest shall be made to the person in whose name this bond shall be registered on the registration books of the Issuer maintained by Clerk of the Issuer, as registrar, or such other registrar as the Issuer shall hereafter duly appoint (the "Registrar"), at the close of business on the date which shall be the last day (whether or not a business day) of the calendar month next preceding each payment date and shall be (except for the final payment of principal, premium, if any, and interest which shall be paid only upon presentation and surrender of this bond at the office of the Paying Agent) paid by a check or draft of the Issuer or the Paying Agent mailed to such Registered Holder at the address appearing on such registration books or, at the option of the Issuer or the Paying Agent, and at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder. In the event principal and interest payable on this bond is not punctually paid or duly provided for by the Issuer on such payment date, payment of each installment of such defaulted principal and interest shall be made to the person in whose name this bond shall be registered at the close of business on a special record date for the payment of such defaulted principal and interest as established by notice to such Registered Holder, not less than ten (10) days preceding such special record date.

This bond is issued to finance the acquisition and construction of additions, extensions and improvements to the Issuer's solid waste disposal system (the "System"), including but not limited to, the acquisition and construction of a new solid waste transfer station

for the Issuer and equipment and appurtenant facilities necessary or useful in connection therewith (the "Project"), under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 88-49, and other applicable provisions of law (the "Act"), and Resolution No. 2006-_____ duly adopted by the Issuer on _____, 2006 (the "Resolution"), and is subject to all the terms and conditions of the Resolution.

The principal of, premium, if any, and interest on this bond are payable solely from and secured by a lien upon and a pledge of (a) the Gross Revenues (as defined in the Resolution) of the System, which Gross Revenues shall include the Assessments (as defined in the Resolution) but only to the extent and in the manner that such Assessments are pledged to the payment of this bond pursuant to the Resolution, and (b) until applied in accordance with the provisions of the Resolution, the proceeds of this bond and all moneys, including investments thereof, in the funds established pursuant to the Resolution, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds"); provided, however, that this provision shall not create any lien upon or pledge of the Assessments other than in the manner and to the extent such Assessments are pledged under the Resolution. The Issuer shall have the right, in its sole discretion, to levy Assessments from time to time and, once levied, discontinue such levy or cause amounts of the Assessments to be increased or decreased and no provision hereof nor any provisions of the Resolution shall be construed to obligate the Issuer to levy or, once levied, to continue to levy Assessments.

It is expressly agreed by the Registered Holder of this bond that the full faith and credit of the Issuer is not pledged to the payment of the principal of or premium, if any, or interest on this bond and that the Registered Holder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer to the payment of such principal, premium, if any, and interest. This bond and the obligation evidenced hereby shall not constitute a lien upon the System or any other property of the Issuer, except the Pledged Funds, and shall be payable solely from the Pledged Funds in accordance with the terms of the Resolution.

Neither the members of the Issuer nor any person executing this bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This bond may be redeemed prior to maturity in whole or in part on any date, at the price of par, with interest to the date of redemption, without premium or penalty. Notice of redemption, unless waived, is to be given by the Registrar by mailing a redemption notice by first class mail, postage prepaid, at least five (5) days prior to the date fixed for redemption to the Registered Holder at such Holder's address shown on the registration books maintained by the Registrar or at such other addresses as shall be furnished in writing by the Registered Holder to the Registrar. Notice of redemption having been given as aforesaid, this bond or the portion thereof to be redeemed shall, on the redemption date, become due and payable at the redemption price specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) this bond or such portion shall cease to bear interest.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida, but may be transferred only in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the office of the Registrar by the Registered Holder in person or by such Holder's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or such Holder's attorney duly authorized in writing, and thereupon a new bond shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, prescribed in the Resolution. The Issuer, the Registrar and any Paying Agent may treat the Registered Holder of this bond as the absolute owner hereof for all purposes, whether or not this bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer and the Registrar shall not be obligated to make any transfer of this bond during the five (5) days next preceding a payment date, or in the case of any proposed redemption of this bond, during the five (5) days next preceding the redemption date established therefor.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in connection with the issuance of this bond, exist, have happened and have been performed, in regular and due form and time as required by the Constitution and laws of the State of Florida applicable thereto, and that the issuance of this bond does not violate any constitutional or statutory limitations or provisions.

IN WITNESS WHEREOF, the St. Johns County, Florida, has issued this bond and has caused the same to be executed by the Chairman of its Board of County Commissioners and attested and countersigned the Clerk of said Board, all as of the _____ day of _____, 2006.

ST. JOHNS COUNTY, FLORIDA

By: _____
Chairman of its Board of County
Commissioners

ATTESTED AND COUNTERSIGNED:

Clerk of its Board of County Commissioners

ARTICLE 3

REDEMPTION OF BOND

Section 3.1 Privilege of Redemption.

The Bond may be redeemed prior to maturity in whole or in part as is stated in the form of Bond set out in Section 2.7 hereof.

Section 3.2 Notice of Redemption.

Unless waived by the Holder of the Bond, notice of any redemption made pursuant to this section shall be given by the Registrar on behalf of the Issuer by mailing a copy of a redemption notice by first class mail, postage prepaid, at least five (5) days prior to the date fixed for redemption to the Bondholder at the address of such holder shown on the registration books maintained by the Registrar or at such other address as shall be furnished in writing by such holder to the Registrar.

Section 3.3 Payment of Redeemed Bond.

Notice of redemption having been given substantially as aforesaid, the Bond or portion thereof to be redeemed shall, on the redemption date, become due and payable and from and after such date (unless the Issuer shall default in the payment) the Bond or portion thereof shall cease to bear interest.

ARTICLE 4

SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

Section 4.1 Bond not to be Indebtedness of Issuer.

The Bond shall not be or constitute a general obligation or indebtedness of the Issuer as a "bond" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds in accordance with the terms of this Resolution. No Holder shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay such Bond or shall be entitled to payment of the Bond from any moneys of the Issuer except the Pledged Funds, in the manner provided herein.

Section 4.2 Security for Bond.

The payment of the principal of, premium, if any, and interest on the Bond shall be secured forthwith by a pledge of and lien upon the Pledged Funds. The Pledged Funds shall be subject to the lien of this pledge immediately upon the issuance and delivery of the Bond, without any physical delivery by the Issuer of the Pledged Funds or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind against the

Issuer, in tort, contract or otherwise. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal, premium, if any, and interest on the Bond in the manner provided in this Resolution.

The Issuer shall have the right, in its sole discretion, to levy Assessments from time to time and, once levied, discontinue such levy or cause amounts of the Assessments to be increased or decreased. During such times as the Assessments are levied and collected by the Issuer, the Assessments are hereby pledged to the payment of the principal of, premium, if any, and interest on the Bond. Provided, however, anything herein to the contrary notwithstanding, no provision hereof shall be construed to obligate the Issuer to levy or, once levied, to continue to levy Assessments; but at any time and while Assessments shall be levied and collected by the Issuer, the same shall be pledged hereunder to the extent provided herein.

Section 4.3 Project Fund.

The Issuer covenants and agrees to establish a separate fund with an Authorized Depository to be known as the “St. Johns County, Florida, Solid Waste Disposal System Project Fund,” which shall be used only for the purpose of receiving the proceeds to be derived from the sale and delivery of the Bond and of payment therefrom of the items of the Cost of the Project. Moneys in the Project Fund, until applied in payment of any item of the Cost of the Project in the manner hereinafter provided, shall be held in trust by the Issuer and shall be subject to a lien and charge in favor of the Bondholder and for the further security of the Bondholder.

There shall be paid into the Project Fund the amounts required to be so paid by the provisions of this Resolution or any resolution supplemental hereto, and there may be paid into the Project Fund, at the option of the Issuer, any moneys received for or in connection with a Project by the Issuer from any other source.

The Issuer shall make disbursements or payments from the Project Fund to pay the Cost of the Project upon the filing with the Clerk of documents and/or certificates signed by an Authorized Issuer Officer stating with respect to each disbursement or payment to be made: (1) the item number of the payment, (2) the name and address of the Person to whom payment is due, (3) the amount to be paid, (4) the purpose, by general classification, for which payment is to be made, and (5) that (A) each obligation, item of cost or expense mentioned therein has been properly incurred, is in payment of a part of the Cost of the Project and is a proper charge against the Fund and has not been the basis of any previous disbursement or payment, or (B) each obligation, item of cost or expense mentioned therein has been paid by the Issuer, is a reimbursement of a part of the Cost of the Project, is a proper charge against the Project Fund, has not been theretofore reimbursed to the Issuer or otherwise been the basis of any previous disbursement or payment and the Issuer is entitled to reimbursement thereof. The Clerk shall retain the same for seven (7) years from the dates of such documents and/or certificates.

Notwithstanding any of the other provisions of this Section 4.3, to the extent that other moneys are not available therefor, amounts in the Project Fund shall be applied to the payment of principal and interest on Bond when due.

The date of completion of the Project shall be determined by the Authorized Issuer Officer who shall certify such fact in writing to the Governing Body. Promptly after the date of the completion of the Project, and after paying or making provisions for the payment of all unpaid items of the Cost of such Project, the Issuer shall apply the balance of moneys remaining in the Project Fund to the next payment due on the Bond, provided the Issuer has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion of interest on the Bond from gross income for federal income tax purposes.

Section 4.4 Sinking Fund.

The Issuer covenants and agrees to establish with an Authorized Depository a separate fund to be known as the “St. Johns County, Florida, Solid Waste Disposal System Revenue Bond Sinking Fund.” On or before each date established for payment of any principal of or interest on the Bond, the Issuer shall deposit to the credit of the Sinking Fund Gross Revenues in an amount sufficient to pay the principal and interest to become due on the Bond on such payment date, and on such payment date the Issuer shall withdraw from the Sinking Fund sufficient moneys to pay such principal and interest and deposit such moneys with the Paying Agent for such payment. The amounts remaining on deposit in the Sinking Fund on the day following the respective interest or principal payment may be withdrawn by the Issuer and applied for other lawful purposes. In no event shall any moneys remain on deposit in the Sinking Fund for a period greater than thirteen (13) months.

Section 4.5 Investments.

The Project Fund and the Sinking Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Project Fund and the Sinking Fund may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed in the manner herein provided. Any and all income received by the Issuer from the investment of funds in the Project Fund and the Sinking Fund shall be retained in such respective fund unless otherwise required by law.

The moneys required to be accounted for in any funds established herein may be deposited in a single bank account, and moneys allocated to such funds may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds as herein provided.

The designation and establishment of any funds in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

ARTICLE 5

OBLIGATIONS AND COVENANTS OF ISSUER

Section 5.1 Collection of Assessments.

At all times during which Assessments are pledged to the payment of the Bonds, in accordance with Section 4.2 hereof, the Issuer covenants that it will forthwith, whenever it shall first be timely, adopt all resolutions, hold all hearings and perform all acts which are conditions precedent to and are necessary for the lawful levy and collection of the Assessments against that classification of lands and properties especially benefited by the construction of the Project that the Issuer has determined shall be assessed for the benefit provided by the Project. If any Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer shall be satisfied that any Assessment is so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have failed to assess any particular parcel of property so classified by the Issuer and specially benefited by the Project determined to be financed by Assessments when the Issuer might have done so, the Issuer covenants that it will take all necessary steps to cause a new and valid assessment to be made for the whole or any part of any classified improvement or against any classified property that the Issuer has determined shall be assessed for the benefit provided by the Project; and in any case any such second assessment, or an initial assessment for one that shall have been omitted, shall be either in whole or in part annulled, vacated or set aside or be unenforceable or uncollectible by reason of defect or irregularity, the Issuer shall obtain and make other assessments until a valid assessment shall be made. Provided, however, the Issuer reserves the right to eliminate any classification of lands and properties as either not being benefited by the Project or not to be assessed for any benefit received and the further right to reduce the amount of or eliminate any assessment which shall have been levied against any classification of lands or properties specially benefited by the construction of the Project.

Section 5.2 Operation and Maintenance.

The Issuer will maintain or cause to be maintained the System and all portions thereof in good condition and will operate or cause to be operated the same in an efficient and economical manner, making or causing to be made such expenditures for equipment and for renewals, repairs and replacements as may be proper for the economical operation and maintenance thereof.

Section 5.3 Annual Budget.

The Issuer shall annually prepare and adopt, prior to the beginning of each Fiscal Year, an Annual Budget in accordance with applicable law. No expenditure for the operation and maintenance of the System shall be made in any Fiscal Year in excess of the amount provided therefor in the Annual Budget (A) without a written finding and recommendation by an Authorized Issuer Officer, which finding and recommendation shall state in detail the purpose of and necessity for such increased expenditures, and (B) until the Governing Body shall have approved such finding and recommendation by resolution.

If for any reason the Issuer shall not have adopted the Annual Budget before the first day of any Fiscal Year, other than the first Fiscal Year, the preliminary budget for such Fiscal Year, if it be approved by the Consulting Engineers, shall be deemed to be in effect for such Fiscal Year until the Annual Budget for such Fiscal Year shall be adopted; and if the preliminary budget shall not have been approved by the Consulting Engineers, the Annual Budget for the preceding Fiscal Year shall be deemed to continue in effect.

The Issuer may at any time adopt an amended Annual Budget for the then current Fiscal Year, but no such amended Annual Budget shall supersede any prior budget until it shall be approved by the Consulting Engineers as reasonable and necessary.

The Issuer shall mail copies of such Annual Budgets and amended Annual Budgets and all resolutions authorizing increased expenditures for operation and maintenance to the Holder upon request in writing that copies of all such Annual Budgets and resolutions be furnished to the Holder and shall make available all such Annual Budgets and resolutions authorizing increased expenditures for operation and maintenance of the System at all reasonable times to the Holder or to anyone acting for or on behalf of the Holder.

Section 5.4 Annual Audit.

The Issuer shall, immediately after the close of each Fiscal Year, cause the books, records and accounts relating to the System to be properly audited by a recognized independent firm of certified public accountants, and shall require such accountants to complete their report of such Annual Audit in accordance with applicable law. Such Annual Audits shall contain, but not be limited to, a statement of net assets, a statement of revenues, expenses and changes in fund net assets, a statement of cash flows, and any other statements as required by law or accounting convention, and a certificate by such accountants disclosing any material default on the part of the Issuer of any covenant or agreement herein. Each Annual Audit shall be in conformity with generally accepted accounting principles practiced in the United States of America. A copy of each Annual Audit shall be furnished to the Holder.

Section 5.5 Mortgage, Sale or Closing of the System.

The Issuer irrevocably covenants, binds and obligates itself not to sell, lease, close, encumber or in any manner dispose of the System as a whole or any substantial part thereof (except as provided below) until the Bond and all interest thereon shall have been paid in full.

The foregoing provision notwithstanding, the Issuer shall have and hereby reserves the right to sell, lease, close or otherwise dispose of any of the property comprising a part of the System in the following manner, if in the judgment of the Issuer such disposition will not adversely affect the security for the Bondholder and any one of the following conditions exist: (A) such property is not necessary for the operation of the System, (B) such property is not useful in the operation of the System, (C) such property is not profitable in the operation of the System, or (D) in the case of a lease of such property, such lease will be advantageous to the System.

Prior to any such sale, lease, closing or other disposition of said property, the Issuer shall have received an opinion of Bond Counsel to the effect that such sale, lease, closing or other disposition of said property (i) will not adversely affect the exclusion from gross income for federal income tax purposes of the interest payable on the Bond and (ii) is permitted pursuant to the provisions of this Section 5.5; and: (1) if the amount to be received therefor is not in excess of one-half (1/2) of one percent (1%) of the value of the gross plant of the System at original cost, an Authorized Issuer Officer shall make a finding in writing determining that one or more of the conditions for sale, lease or disposition of property provided for in the second paragraph of this Section 5.5 have been met; or (2) if the amount to be received from such sale, lease or other disposition of said property shall be in excess of one-half (1/2) of one percent (1%) of the value of the gross plant of the System at original cost, an Authorized Issuer Officer shall first make a finding in writing determining that one or more of the conditions for sale, lease or other disposition of property provided for in the second paragraph of this Section 5.5 have been met, and the Governing Body of the Issuer shall, by resolution, duly adopt, approve and concur in the finding of the Authorized Issuer Officer.

The transfer of the System as a whole from the control of the Governing Body to some other board or authority which may hereafter be created for such purpose and which constitutes a governmental entity, interest on obligations issued by which is excluded from gross income of the holders thereof for federal income tax purposes under Section 103 of the Code, shall not be deemed prohibited by this Section 5.5 and such successor board or authority shall fall within the definition of "Issuer" in Section 1.1 hereof.

Notwithstanding the foregoing provisions of this Section 5.5, the Issuer shall have the authority to sell for fair and reasonable consideration any land comprising a part of the System which is no longer necessary or useful in the operation of the System.

The Issuer may make contracts or grant licenses for the operation of, or grant easements or other rights with respect to, any part of the System if such contract, license, easement or right does not, in the opinion of the Consulting Engineers, as evidenced by a certificate to that effect filed with the Issuer, impede or restrict the operation by the Issuer of the System, but any payments to the Issuer under or in connection with any such contract, license, easement or right in respect of the System or any part thereof shall constitute Gross Revenues.

Section 5.6 Insurance.

The Issuer will carry such insurance as is ordinarily carried by private or public corporations owning and operating solid waste disposal facilities similar to the System with a reputable insurance carrier or carriers, including public and product liability insurance in such amounts as the Issuer shall determine to be sufficient and such other insurance against loss or damage by fire, explosion (including underground explosion), hurricane, tornado or other hazards and risks, and said property loss or damage insurance shall at all times be in an amount or amounts equal to the fair appraisal value of the buildings, properties, furniture, fixtures and equipment of the System, or such other amount or amounts as the Issuer shall determine to be sufficient.

The Issuer may establish certain minimum levels of insurance for which the Issuer may self-insure. Such minimum levels of insurance shall be in amounts as recommended in writing by an insurance consultant who has a favorable reputation and experience and is qualified to survey risks and to recommend insurance coverage for Persons engaged in operations similar to the System.

Section 5.7 Books and Records.

The Issuer will keep books, records and accounts of the receipt of the Pledged Funds in accordance with generally accepted accounting principles, and the Holder or the duly authorized representatives thereof shall have the right at all reasonable times to inspect all books, records and accounts of the Issuer relating thereto.

Section 5.8 Rates.

The Issuer shall fix, establish, maintain and collect such Rates, and revise the same effective at the beginning of each Fiscal Year, in the manner provided in this Section 5.8, to the extent necessary, so that the sum of the Rates and the Assessments, if pledged to the payment of the Bonds pursuant to Section 4.2 hereof (the "Sum"), will always provide in each Fiscal Year Net Revenues which at least equal one hundred percent (100%) of the Debt Service Requirement for the next succeeding Bond Year. Such Rates shall not be so reduced that the Sum will be insufficient to provide Net Revenues in each Fiscal Year fully adequate for the purposes provided therefor by this Resolution.

If the Assessments are pledged to the payment of the Bonds pursuant to Section 4.2 hereof, the Issuer shall collect such Assessments, in the manner provided by law, so that the Sum will always provide in each Fiscal Year Net Revenues which at least equal one hundred percent (100%) of the Debt Service Requirement for the next succeeding Bond Year. Such Assessments shall not be so reduced that the Sum will be insufficient to provide Net Revenues in each Fiscal Year fully adequate for the purposes provided therefore by this Resolution. The Assessments shall not be increased beyond the maximum assessment permitted by law.

The Issuer covenants and agrees that prior to the beginning of each Fiscal Year, whenever the Sum which shall be projected by the Annual Budget proposed for such Fiscal Year shall be insufficient for the coverages required by the preceding paragraphs of this Section 5.8, the Issuer shall increase the Rates by adopting a schedule thereof by resolution or ordinance in the manner provided by applicable Florida law and/or increase the Assessments (but not to exceed the maximum assessment permitted by law) in the manner provided by applicable Florida law, to the extent necessary to cause such projected Sum to be sufficient for said coverages.

The Issuer further covenants and agrees that after receipt by the Issuer of each Annual Audit, if the Net Revenues shall be shown by such Annual Audit to have been insufficient in the Fiscal Year audited for the coverages required by the first two paragraphs of this Section 5.8, the Issuer shall, prior to the commencement of the next succeeding Fiscal Year, increase the Rates by adopting a schedule thereof by resolution or ordinance in the manner provided by applicable Florida law and/or increase the Assessments (but not to exceed the maximum assessment permitted by law) in the manner provided by applicable Florida law, to the

extent necessary in order that the Issuer shall be able to obtain and file in the minutes of the Governing Body a certificate in writing of an independent firm of certified public accountants of suitable qualifications and experience that (1) had such revised Rates and/or Assessments been in effect during such immediately preceding Fiscal Year the coverages required by the first two paragraphs of this Section 5.8 would have been met or exceeded, and (2) had the same been in effect since the beginning of the then current Fiscal Year, (a) based upon the current Annual Budget said coverages would be met or exceeded for such current Fiscal Year and (b) estimated Gross Revenues for such current Fiscal Year as reflected in the current Annual Budget would exceed the actual Gross Revenues received in such immediately preceding Fiscal Year as reflected in such Annual Audit by at least the amount that the estimated Operating Expenses for such current Fiscal Year as reflected in the current Annual Budget shall exceed the actual Operating Expenses during such immediately preceding Fiscal Year as reflected in such Annual Audit. If and whenever the Issuer shall be required to increase the Rates and/or the Assessments by reason of the provisions of this paragraph, the Issuer shall cause the Consulting Engineers to review the Rates, Assessments, if any, Gross Revenues, Operating Expenses and methods of operation and to make written recommendations as to the means, including further increases in the Rates and/or the Assessments, by which the Issuer may best assure Net Revenues in the next succeeding Fiscal Year sufficient for compliance with all of the terms of this Resolution. The Issuer shall implement such recommendations by making any recommended revisions in the Rates and/or in the Assessments, in the aforesaid manner, effective at the beginning of the next succeeding Fiscal Year or as soon thereafter as shall be possible, and by taking any other recommended action as soon thereafter as shall be practicable.

Section 5.9 Supplemental Resolutions.

The Issuer, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholder (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

(A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.

(B) To grant to or confer upon the Bondholder any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholder.

(C) To add to the covenants and agreements of the Issuer in this Resolution other covenants and agreements thereafter to be observed by the Issuer or to surrender any right or power herein reserved to or conferred upon the Issuer.

(D) To specify and determine at any time prior to the first delivery of the Bond the matters and things referred to in Section 2.2 hereof, and also any other matters and things relative to the Bond which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination.

(E) To change or modify the description of the Project.

(F) To make any other change that, in the opinion of Bond Counsel, would not materially adversely affect the security for the Bonds.

Subject to the terms and provisions contained in this Section 5.9 hereof, the Holder of the Bond shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the Issuer for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by the Bondholder of the adoption of any Supplemental Resolution as authorized in the first paragraph of this Section 5.9.

If at any time the Issuer shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to the second paragraph of this Section 5.9, the Clerk shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to the Bondholder at its address as it appears on the registration books. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall include a copy thereof. Whenever the Issuer shall deliver to the Clerk an instrument in writing purporting to be executed by the Holder, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Issuer may adopt such Supplemental Resolution in substantially such form.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 5.9, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Issuer and the Holder shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

Section 5.10 No Impairment.

The pledging of the Pledged Funds in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution or other proceedings of the Governing Body. This provision shall not, however, be deemed to prohibit the reduction or elimination of the Assessments in the manner provided in Section 5.1 hereof.

Section 5.11 Federal Income Tax Covenants.

(A) The Issuer covenants with the Holder that it shall not use the proceeds of the Bond in any manner which would cause the interest on Bond to be or become includable in the gross income of the Holder thereof for federal income tax purposes.

(B) The Issuer covenants with the Holders that neither the Issuer nor any Person under its control or direction will make any use of the proceeds of the Bond (or amounts deemed to be proceeds under the Code) in any manner which would cause the Bond to be an “arbitrage bond” within the meaning of Section 148 of the Code, and neither the Issuer nor any such other Person shall do any act or fail to do any act which would cause the interest on the Bond to become includable in the gross income of the Holder thereof for federal income tax purposes.

(C) The Issuer hereby covenants with the Holder that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bond from the gross income of the Holder thereof for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code.

ARTICLE 6

DEFAULTS AND REMEDIES

Section 6.1 Events of Default.

The following events shall each constitute an “Event of Default” hereunder:

(A) Failure by the Issuer to timely pay any principal of, premium, if any, or interest on the Bond within three (3) days of its due date.

(B) There shall occur the dissolution or liquidation of the Issuer, or the filing by the Issuer of a voluntary petition in bankruptcy, or the commission by the Issuer of any act of bankruptcy, or adjudication of the Issuer as a bankrupt, or assignment by the Issuer for the benefit of its creditors, or appointment of a receiver for the Issuer, or the entry by the Issuer into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Issuer in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Issuer shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bond or in this Resolution on the part of the Issuer to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holder. Notwithstanding the foregoing, the Issuer shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Issuer in good faith institutes curative action and diligently pursues such action until the default has been corrected.

Section 6.2 Remedies.

The Holder may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Issuer or by any officer thereof.

Section 6.3 Remedies Cumulative.

No remedy herein conferred upon or reserved to the Bondholder is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative,

and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

Section 6.4 Waiver of Default.

No delay or omission of the Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by Section 6.2 of this Resolution to the Bondholder may be exercised from time to time, and as often as may be deemed expedient.

ARTICLE 7

MISCELLANEOUS

Section 7.1 Defeasance.

If the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holder of the Bond the principal and premium, if any, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of the Pledged Funds and any additional security pledged hereunder, and all covenants, agreements and other obligations of the Issuer to the Bondholder, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Issuer all money or securities held by them pursuant to this Resolution which are not required for the payment or redemption of Bonds not theretofore surrendered for such payment or redemption.

Any Bond or interest installments appertaining thereto, whether at or prior to the maturity or redemption date of the Bond, shall be deemed to have been paid within the meaning of this Section 7.1 if (A) in case the Bond is to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call the Bond for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (B) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Federal Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with such bank or trust company at the same time shall be sufficient, to pay the principal of, premium, if any, and interest due and to become due on the Bond on and prior to the redemption date or maturity date thereof, as the case may be. Neither the Federal Securities nor any moneys so deposited with such bank or trust company nor any moneys received by such bank or trust company on account of principal of or interest on said Federal Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of and premium, if any, on the Bond for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption thereof; provided, however, the Issuer may substitute new Federal Securities and moneys for the deposited Federal Securities and moneys if the new Federal Securities and moneys are sufficient to pay the principal of , premium, if any, and interest on the Bond.

In the event the Bond is not by its terms subject to redemption within the next succeeding sixty (60) days, the Issuer shall cause the Registrar to mail a notice to the Holder of the Bond that the deposit required by this Section 7.1 of moneys or Federal Securities has been made and the Bond is deemed to be paid in accordance with the provisions of this Section 7.1 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal of, premium, if any, and interest on the Bond.

Nothing herein shall be deemed to require the Issuer to call the Bond for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

Section 7.2 General Authority.

The members of the Governing Body and the Issuer's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Bond and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be required by Bond Counsel or the Purchaser to effectuate the sale of the Bond to the Purchaser.

Section 7.3 No Personal Liability.

No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Bond, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Bond, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Governing Body, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Bond, or any certificate or other instrument to be executed in connection with the issuance of the Bond, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

Section 7.4 No Third Party Beneficiaries.

Except such other Persons as may be expressly described herein or in the Bond, nothing in this Resolution, or in the Bond, expressed or implied, is intended or shall be construed to confer upon any Person other than the Issuer and the Holder any right, remedy or claim, legal or equitable, under and by reason of this Resolution or any provision hereof, or of the Bond, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Persons who shall from time to time be the Holder.

Section 7.5 Severability of Invalid Provisions.

If any one or more of the covenants, agreements or provisions of this 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 this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bond issued hereunder.

Section 7.6 Repeal of Inconsistent Resolutions.

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

Section 7.7 Table of Contents and Headings not Part Hereof.

The Table of Contents preceding the body of this Resolution and the headings preceding the several articles and sections hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

Section 7.8 Effective Date.

This Resolution shall take effect immediately upon its adoption.

PASSED, APPROVED AND ADOPTED this thirty-first day of October, 2006.

BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA

(OFFICIAL SEAL)

ATTEST:

James E. Bryant
Its Chairman

Cheryl Stickland
Its Clerk

RENDITION DATE 11/06/06

EXHIBIT A
DISCLOSURE STATEMENT

DISCLOSURE STATEMENT

Banc of America Public Capital Corp. (the "Purchaser"), the purchaser of \$4,155,000 principal amount of St. Johns County, Florida (the "Issuer"), Solid Waste Disposal Revenue Bond, Series 2006 (the "Bond"), pursuant to Section 218.385, Florida Statutes, as amended, hereby states as follows:

1. The estimated direct expenses to be incurred by us are as follows:

None

2. To the best of our knowledge information and belief, there are no "finders" as defined in Section 218.386, Florida Statutes, as amended, in connection with the issuance of the Bond.

3. The amount of the total underwriting spread or bond discount expected to be realized is \$-0-. There will be a management fee in the amount of \$-0-.

4. No fee, bonus or other compensation has been or will be paid by us in connection with the Bond to any person not regularly employed or retained by us in connection with the sale or issuance of the Bond.

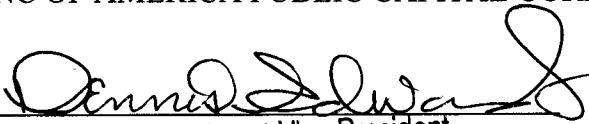
5. The address of the Purchaser is: 555 California Street, 4th Floor, San Francisco, CA. 94104-1503

6. The Purchaser intends to hold the Bond in its own portfolio.

7. Truth-in-Bonding Statement. The Issuer is proposing to issue the Bond for the purpose of financing certain additions, extensions and improvements to the Issuer's solid waste disposal system. The Bond is expected to be repaid over a period of approximately fifteen (15) years. The total interest paid over the life of the Bond will be approximately \$1,500,000. Authorizing the Bond and the related loan will result in an estimated \$375,000 (i.e. the average annual debt service on the Bond) of the Issuer's sources provided therefor in the Bond not being available to finance other services of the Issuer each year for approximately fifteen (15) years.

IN WITNESS WHEREOF, the undersigned has executed this statement on behalf of the Purchaser on this 27 day of October, 2006.

BANC OF AMERICA PUBLIC CAPITAL CORP.

By: 
Title: Assistant Vice President