ORDINANCE NO. 167

AN ORDINANCE PROVIDING FOR THE CONSTRUCTION OF A CITY OFFICE BUILDING COMPLEX FOR THE CITY OF BONIFAY, FLORIDA: AUTHORIZING THE BORROWING OF $32,000.00 FROM THE BANK OF BONIFAY TO MATCH A GRANT OF $128,000.00 RECEIVED FROM THE ECONOMIC DEVELOPMENT ADMINISTRATION WHICH SUMS ARE TO BE USED TO FINANCE THE COST OF SAID OFFICE BUILDING COMPLEX; AND PROVIDING FOR THE PAYMENT OF THE PRINCIPAL AND INTEREST THEREON FOR THE NET PROCEEDS OF THE FRANCHISE TAX LEVIED BY SAID CITY.

BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF BONIFAY, FLORIDA:

Section 1. It is hereby ascertained, determined, and declared, that:

(a) The City of Bonifay, Florida has sold and conveyed its City Hall and is now operating the business of said City in a temporary rented building.

(b) It has heretofore been found and determined that it is necessary for said City to construct a City office building complex.

(c) The estimated cost of constructing said City office building complex will be the sum of $160,000.00.

(d) That said City has made an application to the Economic Development Administration for a grant of $128,000.00 to be used in the construction of said City Hall building complex and said application has been approved on condition that said City match said grant with the sum of $32,000.00 in cash immediately. That said City needs to borrow $32,000.00 from the Bank of Bonifay to be used for said matching funds.

(e) There is in force at this time an Electric Distribution Franchise between the Gulf Power Company and the City of Bonifay, Florida dated February 19, 1954, whereby the said Gulf
Power Company is granted the exclusive right to distribute and sell electric current to the residents and inhabitants of Bonifay, Florida, for a period of 30 years from the date of said contract; said agreement was approved by a majority vote of the duly qualified electors of said City in a special election held on the 8th day of December, 1953; by reason of the terms of said Franchise Agreement the Gulf Power Company is required to pay Bonifay, Florida, an annual Franchise Tax amounting to three per centum of the annual gross sales of current within the City limits of Bonifay, Florida.

The net proceeds of the Franchise Tax during the last two fiscal years has amounted to the following sums:

<table>
<thead>
<tr>
<th>FISCAL YEAR</th>
<th>NET PROCEEDS</th>
</tr>
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<tbody>
<tr>
<td>March 1, 1969 to March, 1970</td>
<td>$6,262.18</td>
</tr>
<tr>
<td>March 1, 1970 to March 18, 1971</td>
<td>6,835.43</td>
</tr>
</tbody>
</table>

(f) The net proceeds of the Franchise Tax as now levied by the City is not obligated for any municipal purpose and will be sufficient to pay the principal and interest on the note herein authorized to be executed to The Bank of Bonifay as the same becomes due as provided for in this Ordinance.

Section 2. The proper officials of the City of Bonifay are hereby authorized to execute a note to The Bank of Bonifay for the sum of $32,000.00 dated March 9, 1972, and which note is to draw interest at the rate of seven (7) per cent per annum from date until paid in full. Said principal and interest payments on said note are as follows:

<table>
<thead>
<tr>
<th>YEAR</th>
<th>PRINCIPAL</th>
<th>INTEREST</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>March 9, 1973</td>
<td>$2,760.00</td>
<td>$2,240.00</td>
<td>$5,000.00</td>
</tr>
<tr>
<td>March 9, 1974</td>
<td>2,953.20</td>
<td>2,046.80</td>
<td>5,000.00</td>
</tr>
<tr>
<td>March 9, 1975</td>
<td>3,159.91</td>
<td>1,840.09</td>
<td>5,000.00</td>
</tr>
<tr>
<td>March 9, 1976</td>
<td>3,381.11</td>
<td>1,618.89</td>
<td>5,000.00</td>
</tr>
</tbody>
</table>

Page 2.
And said note shall provide that said City may prepay said note at its option and only be liable for interest on unpaid principal to date of payment.

This note described herein to be executed to The Bank of Bonifay to secure said loan of $32,000.00 to be advanced to said City by said bank shall be payable solely from and secured by a first lien upon and a pledge of the net proceeds of the Franchise Tax received by said City under and by reason of the terms and provisions of that certain Franchise Agreement with the Gulf Power Company date February 19, 1954 and in effect for a period of 30 years from the date of said agreement, all in the manner provided in the Ordinance authorizing the execution of the Note to the Bank of Bonifay described herein. This note described herein does not constitute an indebtedness of the City of Bonifay, Florida within the meaning of any Constitutional, Statutory or Charter provision or limitation, and it is expressly agreed by the holder of this note that said holder shall never have the right to require or compel the exercise of the advalorem taxing power of said City for the payment of the principal and interest on this note. This note and the obligation evidenced thereby shall not constitute a lien upon any property of or in the City of Bonifay, but shall constitute a lien only upon the net proceeds of the Franchise Tax described in this Ordinance.

The City agrees with The Bank of Bonifay to levy and collect such Franchise Tax (up to the maximum rate as provided in the Franchise Agreement) as will always provide funds sufficient to
pay, and out of said funds shall pay, as the same shall become due the principal and interest on said note described herein.

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 the issuance of this note, exist, have happened and have been performed in regular and due form and time as required by the Statutes and Constitution of the State of Florida applicable thereto and that the issuance of this note does not violate any Constitutional, Statutory, or Charter limitation.

Section 3. The City will not repeal the Ordinance enacted the 19th day of February, 1954 levying such Franchise Tax, and will not amend or modify said Ordinance or Franchise Agreement in any manner so as to materially impair or adversely effect the pledge of said Franchise Tax for the payment of said note described herein. Any obligations hereafter issued by the City payable out of the net proceeds of said Franchise Tax shall be expressly subordinated to the lien on such proceeds to the holder of the note described herein.

Section 4. That all Ordinances and resolutions of the City Council of the City of Bonifay, or parts thereof in conflict with the provision of this Ordinance are to the extent of such conflict hereby superseded and repealed.

Section 5. This Ordinance shall take effect immediately upon its passage and approval.
Passed in Special Session of the City Council on this 8th day of March, 1972.

[C. C. Taylor]
President, City Council

Attest:

[Janie W. Dannelley]
City Clerk

Approved this 8th day of March, 1972.

[Mayor

I, JANIE W. DANNELLEY, Clerk of the City of Bonifay, hereby certify that the above is a true and correct copy of that certain Ordinance passed by the Council of the said City of Bonifay on March 8, 1972, as the same appears in the minutes of said body, and said Ordinance became a law since it was approved by the Mayor.

Certified to this the 8th day of March, 1972, by my hand and official seal of said City.

[SEAL]
City Clerk,
City of Bonifay, Florida

Page 5.