

ORDINANCE NO. 1492

AN ORDINANCE OF THE CITY OF OVIEDO, FLORIDA CALLING FOR A REFERENDUM ELECTION TO BE HELD ON AUGUST 24, 2010 FOR THE PURPOSE OF PROPOSING TO THE ELECTORATE OF THE CITY OF OVIEDO TO REVISE THE CHARTER *OF THE CITY OF OVIEDO*; PROVIDING FOR REVISIONS TO SECTION 4.08.11; PROVIDING FOR BALLOT LANGUAGE; PROVIDING FOR THE CALL OF A REFERENDUM ELECTION; PROVIDING FOR THE DUTIES OF THE CITY CLERK; PROVIDING FOR INCLUSION IN THE *CHARTER OF THE CITY OF OVIEDO* AND POWERS AND AUTHORITY FOR THE CODE CODIFIER; PROVIDING FOR SEVERABILITY AND PROVIDING FOR EFFECTIVE DATE OF ORDINANCE AND EFFECTIVE DATE OF PROPOSED *CHARTER* AMENDMENTS.

WHEREAS, The City of Oviedo, Florida has conditionally agreed to purchase the wastewater and reclaimed water assets and systems of Alafaya Utilities, Inc. (the "System") and to improve the systems and service provided to customers thereof; and

WHEREAS, the acquisition of such System necessitates that the City issue bonds in an amount not exceeding \$36,000,000 payable from the City's utility systems net revenues to acquire and improve such System, to provide reserves and pay acquisition and bond issuance costs; and

WHEREAS, the net revenues of the System have been projected to provide sufficient funds to repay the proposed Bonds when they become due; and

WHEREAS, Section 4.08.11 of the City of Oviedo Charter requires that prior to the issuance of any debt that exceeds \$5 million, such debt must be approved by the voters; and

WHEREAS, the City desires to amend such Charter provision, but only upon voter approval, to allow for the issuance of the Bonds with the proceeds being used to purchase the System so that the Bonds can be timely issued and the contract for the purchase of the System can be completed and to allow the voters to approve or disapprove of such transaction; and

WHEREAS, the City Council of the City of Oviedo has concluded that it is in the best interests of the citizens of the City of Oviedo for the City Council to propose an amendment to the *Charter of the City of Oviedo* at a referendum election in accordance with the provisions of Section 166.031, *Florida Statutes*, and in the form set forth herein.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF OVIEDO, FLORIDA, AS FOLLOWS:

SECTION 1. Proposed amendment to Section 4.08.11: Section 4.08.11 of the *Charter of the City of Oviedo, Florida*, is proposed to be amended to read as follows (new language is underlined):

Sec. 4.08.11. – Managing finances; borrowing money; selling bonds.

The City shall be permitted to issue revenue bonds, notes, certificates of participation, lease purchase contracts or other instruments of indebtedness by the affirmative vote of four (4) City Council members at a public hearing held prior to the issuance of such bonds; provided that the total amount of indebtedness does not exceed \$5 million for infrastructure in any one calendar year and that the City's independent financial advisor certifies that debt limitations as prescribed in City ordinance are not exceeded. The term "infrastructure" shall mean any fixed capital expenditure or fixed capital outlay associated with the construction, reconstruction, or improvement of public facilities which have a life expectancy of 5 or more years and any land acquisition, land improvement, design, and engineering costs related thereto, or a fire service vehicle, an emergency service vehicle, a police vehicle, or any other vehicle or equipment used in the course of providing public services, and such equipment necessary to outfit vehicles for official use, or equipment that has a life expectancy of at least 5 years. The annual indebtedness limitation of \$5,000,000 for infrastructure and the requirement of a debt limitation certification by the City's independent financial advisor for exceeding such annual debt limitation provided in this Section 4.08.11 of the City Charter shall not apply to any bonds or other debt issued by the City in an aggregate principal amount not to exceed \$36,000,000 and bearing interest at an interest rate not exceeding the maximum rate permitted by law in order to purchase the wastewater and reclaimed water assets and system of Alafaya Utilities, Inc., to fund various utility improvements and pay acquisition and debt issuance costs relating to such purchase and the issuance of such debt.

SECTION 2. BALLOT QUESTION: The form of the ballot for the *Charter* amendment provided for in Section 1 of this Ordinance shall be as follows:

Proposed Charter Amendment Permitting Revenue Bonds To Acquire and Improve Alafaya Utilities, Inc. Utility Assets

The *City Charter* currently requires voter approval to borrow more than \$5,000,000. Shall the *City Charter* be amended to allow the purchase of certain wastewater and reclaimed water assets of Alafaya Utilities, Inc. and to issue bonds not exceeding \$36,000,000 bearing interest not exceeding maximum legal rates payable from the City's utility systems net revenues to acquire and improve such systems and the level of service provided to customers?

Yes

No

SECTION 3. REFERENDUM ELECTION. A referendum election is hereby called to be held on August 24, 2010, to present to the electors of the City of Oviedo the ballot

question provided for in this Ordinance. The Supervisor of Elections of Seminole County is hereby requested to coordinate all matters relating to the said referendum election with the City Clerk, the Division of Elections of the Florida Department of State, and the City Attorney. The City Clerk is directed to coordinate all matters relating to the referendum election and coordinate with the City Attorney as needed.

SECTION 4. DUTIES OF CITY CLERK. The City Clerk is hereby directed to ensure that the advertising and notice requirements of Section 100.342, *Florida Statutes*, are complied with and to coordinate all activities necessary to conduct the referendum election called in this Ordinance with the Supervisor of Elections for Seminole County.

SECTION 5. REVISED CHARTER OF THE CITY OF OVIEDO. If the proposed amendment to the *Charter of the City of Oviedo* is approved by the electorate in the referendum election called for in this Ordinance, it is the intention of the City Council, and it is hereby ordained, that the approved provisions of this Ordinance shall become and be made a part of the *Charter of the City of Oviedo*. The City's Code codifier is granted broad and liberal power and authority to codify the *Charter of the City of Oviedo* in terms of making appropriate harmonizing, technical or editorial changes and notes that do not affect the substantive provisions thereof.

SECTION 6. SEVERABILITY. Should any section, paragraph, sentence, clause, phrase or other part of this Ordinance be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the validity of this Ordinance as a whole or any portion thereof, other than the part so declared to be invalid.

SECTION 7. EFFECTIVE DATE. The provisions of this Ordinance shall take effect immediately upon enactment. Any Amendment to the *Charter of the City of Oviedo* proposed for approval in this Ordinance and approved by the electorate shall become effective only upon approval at a referendum election of the electors of the City of Oviedo in accordance with the provisions of Section 166.031, *Florida Statutes*.

FIRST READING:

May 17, 2010

SECOND READING:

June 7, 2010

PASSED AND ADOPTED THIS

7th

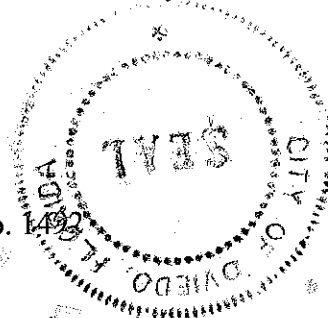
day of JUNE, A.D., 2010.

Mary Lou Andrews
MARY LOU ANDREWS

MAYOR of the City of Oviedo, Florida

ATTEST:

Barbara J. Barbour
Barbara J. Barbour
City Clerk



Ordinance No. 1492

Page 3