



## **FMPA BOARD OF DIRECTORS AGENDA PACKAGE**

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**February 17, 2022  
9:00 a.m. [NOTE TIME]  
Dial-in Info: 1-321-299-0575  
Conference ID Number: 910 293 775#**

### **Board of Directors**

Barbara Quiñones, Homestead –Chair  
Lynne Tejeda, Key West – Vice Chair  
Larry Mattern, Kissimmee – Secretary  
Allen Putnam, Jacksonville Beach – Treasurer  
Rodolfo Valladares, Alachua  
Bradley Hiers, Bartow  
Vacant, Blountstown  
Steve Macholz, Bushnell  
Robert Presnell, Chattahoochee  
Lynne Mila, Clewiston  
David Lord, Fort Meade  
Javier Cisneros, Fort Pierce  
Tom Brown, Gainesville  
Robert Page, Green Cove Springs  
Howard McKinnon, Havana  
Ed Liberty, Lake Worth Beach

Michael Beckham, Lakeland  
Brad Chase, Leesburg  
Vacant, Moore Haven  
Steve Langley, Mount Dora  
Mike New, Newberry  
Joe Bunch, New Smyrna Beach  
Bill Kaufman, Ocala  
Claston Sunanon, Orlando  
Vacant, Quincy  
Keith Trace, St. Cloud  
Drew Mullins, Starke  
Tony Guillen, Tallahassee  
James Braddock, Wauchula  
Vacant, Williston  
Dan D'Alessandro, Winter Park

### **Meeting Location**

**Florida Municipal Power Agency  
8553 Commodity Circle  
Orlando, FL 32819  
(407) 355-7767**



## MEMORANDUM

**TO:** FMPA Board of Directors  
**FROM:** Jacob A. Williams, General Manager and CEO  
**DATE:** February 8, 2022  
**RE:** **FMPA Board of Directors Meeting – 9:00 a.m., February 17, 2022**  
**PLACE:** Florida Municipal Power Agency  
8553 Commodity Circle, Orlando, FL 32819  
**DIAL-IN:** **DIAL-IN INFO 321-299-0575, Conference ID # 910 293 775#**  
**Meeting Link:** **[Click here to join the meeting](#)**  
(If you have trouble connecting via phone or internet, call 407-355-7767)

## AGENDA

**Chairperson Barbara Quiñones, Presiding**

1. Call to Order, Roll Call, Declaration of Quorum ..... 4
2. Recognition of Guests ..... 5
3. Public Comments (Individual public comments limited to 3 minutes) ..... 6
4. Set Agenda (by vote) ..... 7
5. Report from the General Manager (Jacob Williams) ..... 8
6. Sunshine Law Update (Dan O'Hagan) ..... 18
7. **Consent Agenda**
  - a. Approval of the Minutes for the Meeting Held January 20, 2022 ..... 20
  - b. Approval of the Projects' Preliminary Financials as of December 31, 2021 .. 25
  - c. Approval of the Treasury Reports as of December 31, 2021 ..... 27

**8. Action Items**

- a. Approval of Resolution 2022-B1 – Budget Amendment for Pooled Loan Project (Jason Wolfe/Louis DeSimone) ..... 31
- b. Approval of Resolution 2022-B2 - Stanton II Direct Placement Note 2022A (Rich Popp) ..... 37

**9. Information Items**

- a. Annual Debt Report \* (Ed Nunez) ..... 46
- b. Member Services CY 2021 Year-in-Review (Mark McCain) ..... 60
- c. Tri-City Project O&M Fund Status (Jason Wolfe) ..... 70
- d. Summary of Finance Committee Items \* (Linda S. Howard) ..... 80

**10. Member Comments ..... 82**

**11. Adjournment ..... 83**

**\*Also on the Executive Committee agenda.**

JW/ws

NOTE: One or more participants in the above referenced public meeting may participate by telephone. At the above location there will be a speaker telephone so that any interested person can attend this public meeting and be fully informed of the discussions taking place either in person or by telephone communication. If anyone chooses to appeal any decision that may be made at this public meeting, such person will need a record of the proceedings and should accordingly ensure that a verbatim record of the proceedings is made, which includes the oral statements and evidence upon which such appeal is based. This public meeting may be continued to a date and time certain, which will be announced at the meeting. Any person requiring a special accommodation to participate in this public meeting because of a disability, should contact FMPA at (407) 355-7767 or (888) 774-7606, at least two (2) business days in advance to make appropriate arrangements.

**AGENDA ITEM 1 - CALL TO ORDER,  
ROLL CALL, DECLARATION OF  
QUORUM**

**Board of Directors Meeting  
February 17, 2022**

**AGENDA ITEM 2 – RECOGNITION OF  
GUESTS**

**Board of Directors Meeting  
February 17, 2022**

**AGENDA ITEM 3 – PUBLIC  
COMMENTS (Individual Public  
Comments Limited to 3 Minutes)**

**Board of Directors Meeting  
February 17, 2022**

**AGENDA ITEM 4 – SET AGENDA (By  
Vote)**

**Board of Directors Meeting  
February 17, 2022**

**AGENDA ITEM 5 – REPORT FROM  
THE GENERAL MANAGER**

**Board of Directors Meeting  
February 17, 2022**

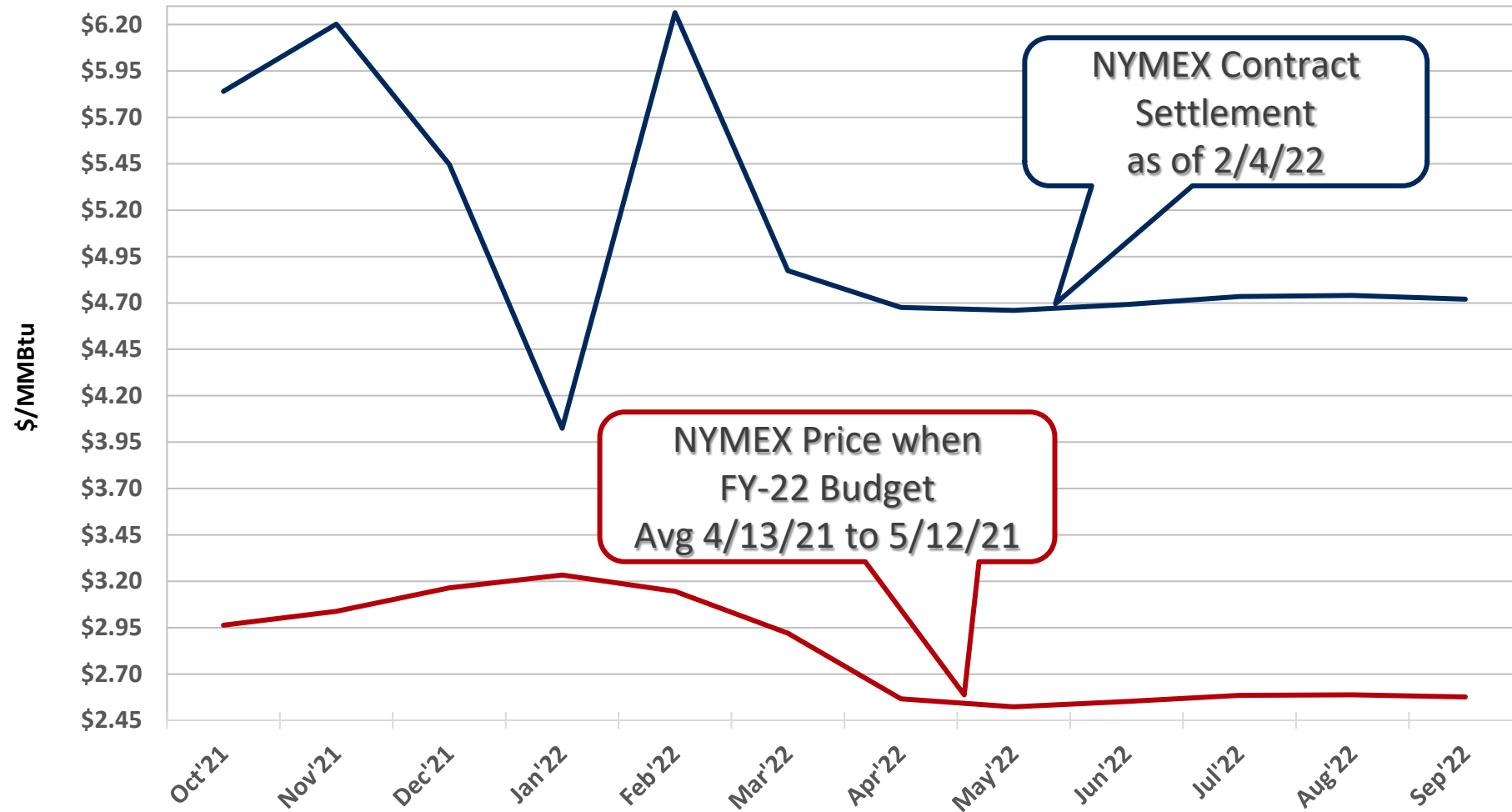


# Fiscal 2022 Management Goals – Jan. 2022 Data

Goal		Status	Actual	YTD Actual	YTD Target	FY 2022 Target	Comment
<b>1. Safety</b>	Lost-time Accidents		0	0	0	0	
	OSHA Recordables		0	0	0	0	
<b>2. Compliance</b>	Environmental		0	0	0	0	Regulatory Compliance Department began internal NERC standard-by-standard top-down review – completed NERC standards PRC-005-6; EOP-004-4; COM-001-3; COM-002-4; IRO-001-4
	Financial		0	0	0	0	
	Regulatory		0	0	0	0	
<b>3. Low Cost (\$/MWh)</b>	Under \$70/MWh		\$82.50	\$90.98	\$74.77	< \$70.00	YTD December 2021 MWh sales ~1% <budget. All-in costs \$16.21/MWh (17.82%) > YTD target, primarily due to net fuel expense 69% > target; partially offset by A&G 11% and O&M 19% below target
	Fuel		\$34.33	\$43.69	\$20.99	\$22.00	
	Non-Fuel		\$48.17	\$47.29	\$53.78	\$48.00	
<b>4. Capacity Replacement Plan</b> Complete evaluation of alternatives meeting ARP needs to 2027 & provide Non-ARP members participation options						1	Finalize plan to meet capacity shortages through 2027 and execute. Potential of 2 – 4 non-ARP members participating in effort.

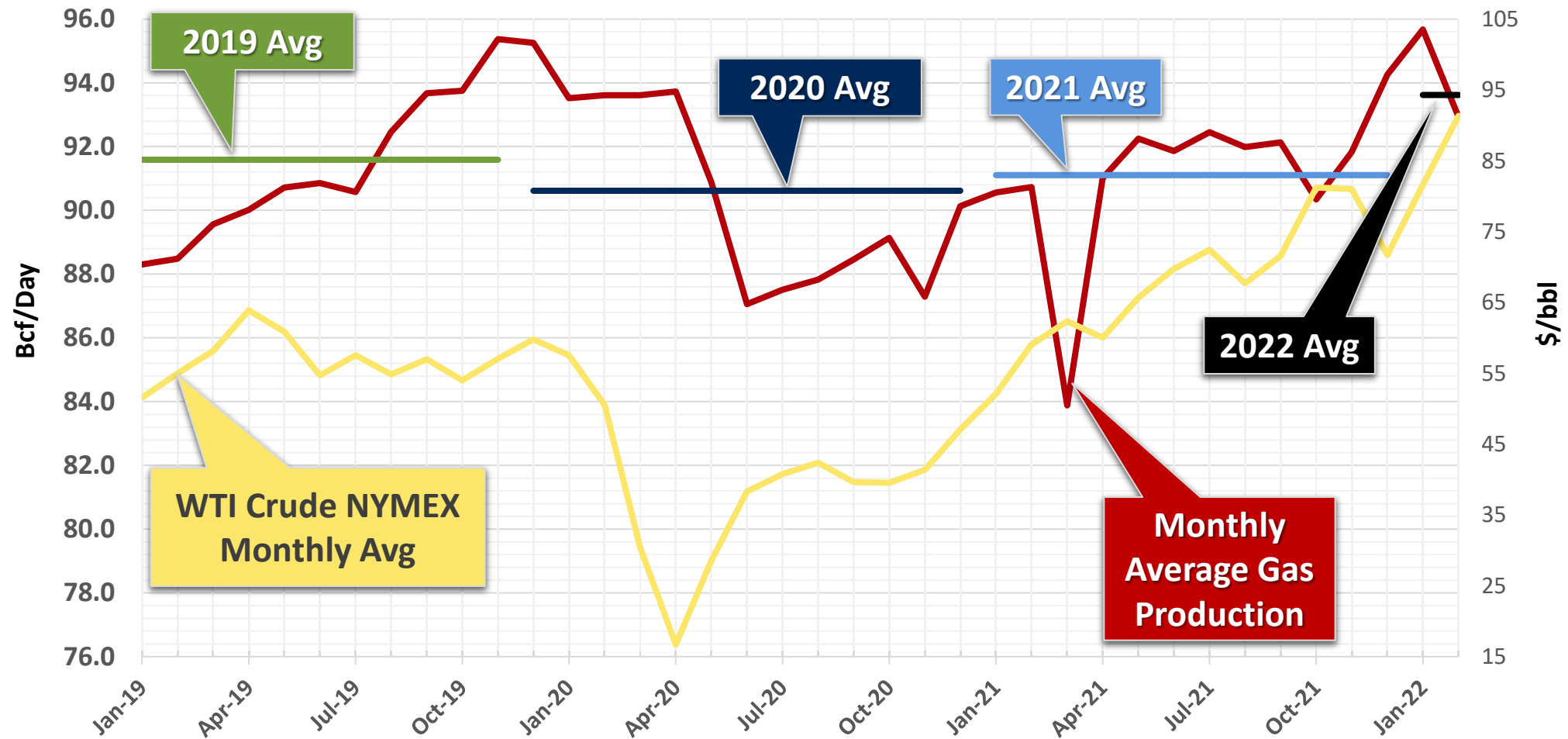
# FY 2022 NYMEX Contract \$2.25/MMBtu above Budget

*NYMEX Natural Gas FY22 Settlement as of February 4, 2022*



# Natural Gas Production Following Changes in Oil Prices

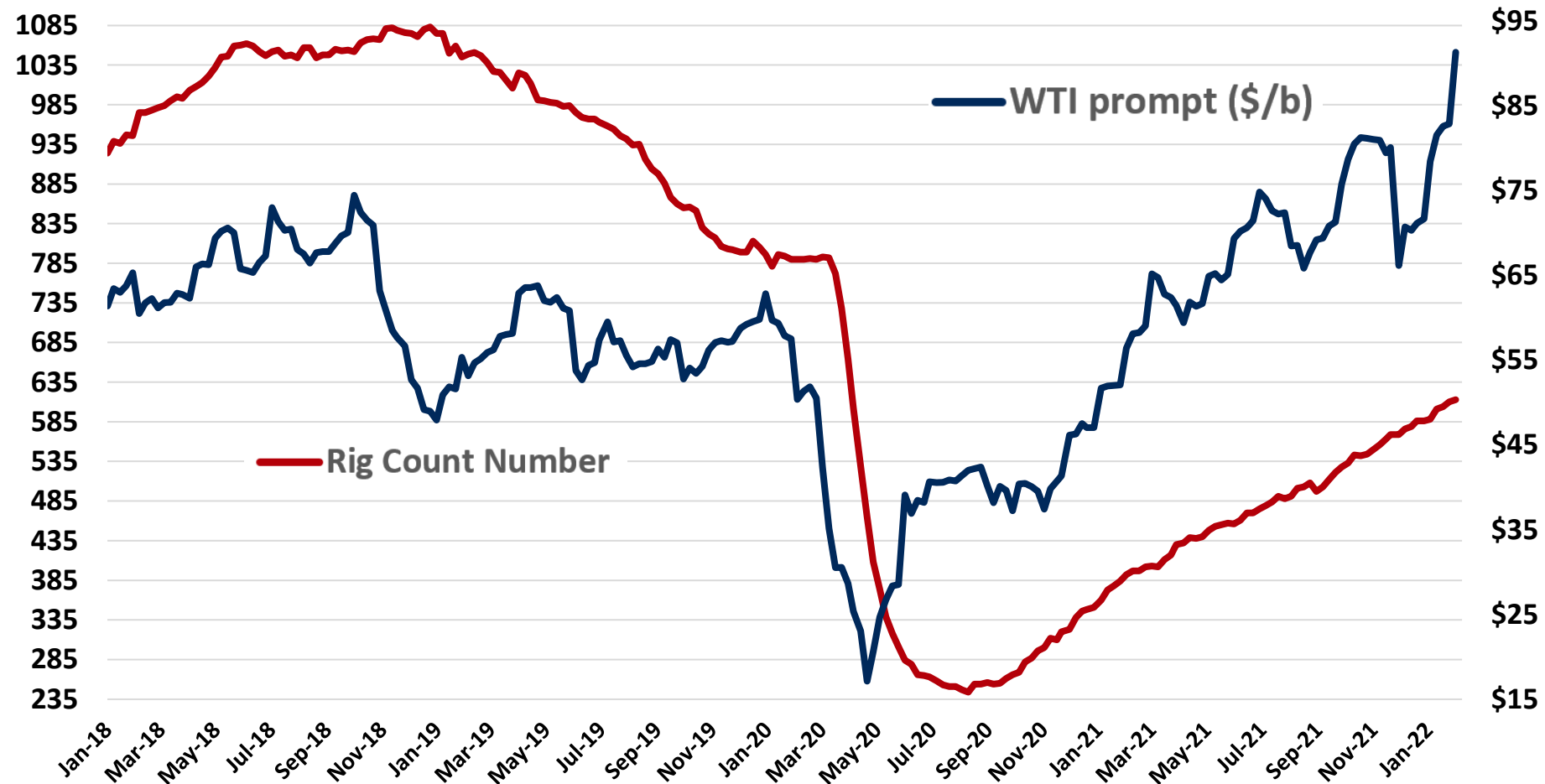
*Average Monthly Change Since 2019 to Date (2/07/22)*



# Drilling Rig Count Continues to Increase, Oil Prices Move Upward

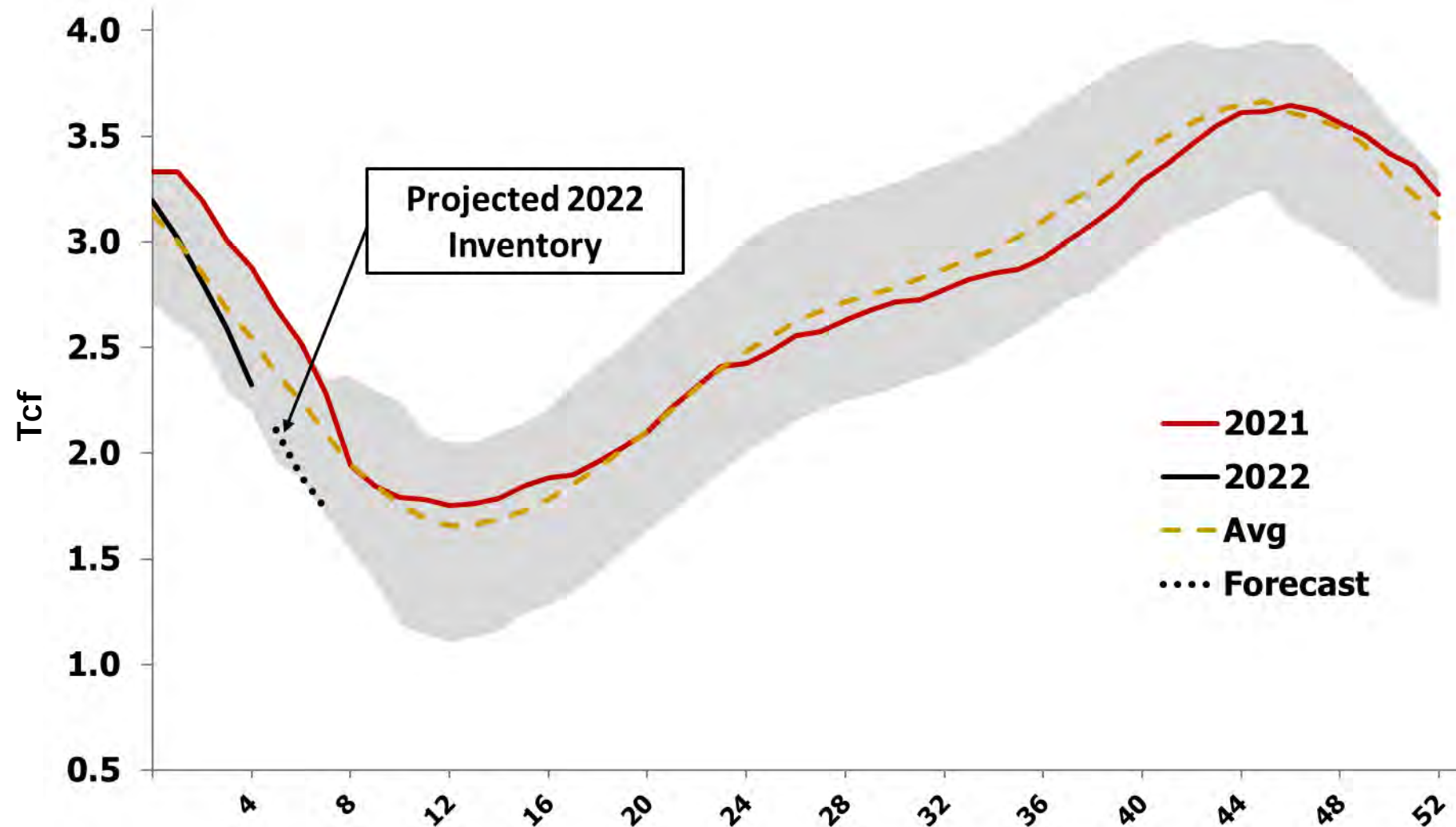
*WTI Prices rise into the low \$90 Range (as of Feb 4<sup>th</sup>)*

US Drilling Rig Count vs WTI Prompt



# Gas Storage Inventory as of Week Ending January 28th

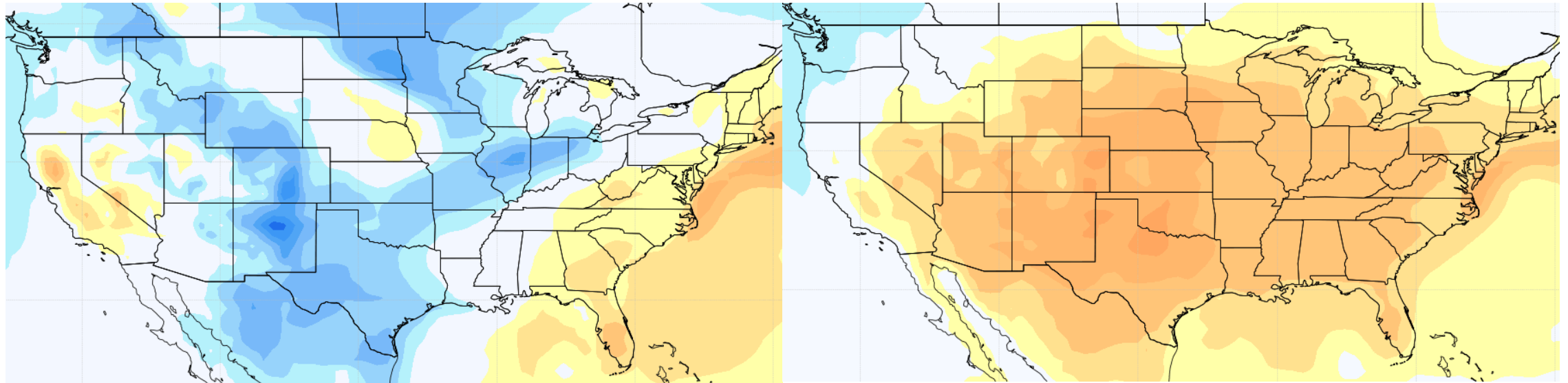
*2022 Withdrawal Season forecasted to move to the Lower Level of the 5 Year Average*



# February and March Monthly Temperature Anomaly Forecast

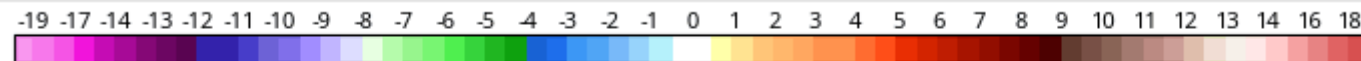
## *Florida Temps Warmer than Normal February and March*

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**February**

**March**



Goal		Status	Actual	YTD Actual	YTD Target	FY 2022 Target	Comment
5.Cyber-security	Breaches		0	0	0	0	
	Phishing tests		7.2%	5.2%	3% or <	3% or <	Four people clicked on fake "Teams Document" email pretending to come from their manager
6. Reliability	CC EAF		87.8%	76.4%	76.6%	89%	Cane Island Unit 3 in scheduled outage
	SI black start and trans. backup		82%	71%		100%	CT4 Vibration Equipment, unit wasn't available for scheduled operation. Mini-rupter failure, removed CT4 from service during a scheduled operation.
7. Member Reliability	Individual member reliability recommendations/projects		0	1	4	12	Several projects under consideration
8. Member Services	Leadership member visits		5	23	25	75	8 meetings scheduled in Feb.
	Projects managed for members		3	9	8	24	Fort Meade bridge project, NSB AMS/WMS selection, Moore Haven electric rate review

Goal		Status	Actual	YTD Actual	YTD Target	FY 2022 Target	Comment
9. Value of Muni	Presentations, social media		2	2	3	10	Newberry Town Hall – Nov. 16 KUA Board – Dec. 1
10. Financing	15K of Prepaid gas min. svgs. of \$0.25/mmBtu		7.4	7.4	4	15k /day	7.4k/day of deals completed at \$0.30/mmBtu savings. Have 10k/day ready to execute at \$0.32
	Refinance Stanton II					1	Bank has been selected; recommendation this month
11. Solar Phase III							RFP issued Jan. 14. Responses due March 6.  Three to five 75MW sites + battery storage.
12. People			0	0	0	2	41 team members attended emotional intelligence training in February.
			8	8	1.99	8	Leadership training for supervisors/potential leaders began in November



# Leading Author to Speak During April PMLC Meeting

## *Shellenberger to Discuss Climate Change, Energy and Politics*

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- Leading climate and environmental activist
- Advises policymakers around the world including in the U.S., Japan, Taiwan, South Korea, the Philippines, Australia, United Kingdom, the Netherlands and Belgium
- Reported on major environmental stories that created change and enhanced communities
- Best-selling author of “Apocalypse Never”



**Join us April 20. Invite sent by Ryan Dumas 1-26-22.**

# **VERBAL REPORT**

## **AGENDA ITEM 6 – SUNSHINE LAW UPDATE**

**Board of Directors Meeting  
February 17, 2022**

**AGENDA ITEM 7 – CONSENT  
AGENDA**

- a. Approval of the Minutes for the  
Meeting for the Meeting Held  
January 20, 2022**

**Board of Directors Meeting  
February 17, 2022**

CLERKS DULY NOTIFIED .....JANUARY 11, 2022  
AGENDA PACKAGES POSTED.....JANUARY 11, 2022

**MINUTES**  
**FMPA BOARD OF DIRECTORS MEETING**  
**FLORIDA MUNICIPAL POWER AGENCY**  
**8553 COMMODITY CIRCLE**  
**ORLANDO, FL 32819**  
**THURSDAY, JANUARY 20, 2022**  
**9:00 A.M.**

**MEMBERS** Lynne Mila, Clewiston  
**PRESENT** Javier Cisneros, Fort Pierce  
Gary Baysinger, Gainesville (via telephone)  
Bob Page, Green Cove Springs  
Howard McKinnon, Havana  
Barbara Quinones, Homestead  
Allen Putnam, Jacksonville Beach  
Lynne Tejeda, Key West (via telephone)  
Larry Mattern, Kissimmee  
Brian King, Lake Worth Beach (via telephone)  
Michael Beckham, Lakeland (via telephone)  
Brad Chase, Leesburg (via telephone)  
Steve Langley, Mount Dora (via telephone)  
Joe Bunch, New Smyrna Beach (via telephone)  
Randy Hahn, Ocala  
Claston Sunanon, Orlando  
Keith Trace, St. Cloud (via telephone)  
Drew Mullins, Starke \*  
Tony Guillen, Tallahassee (via telephone)  
James Braddock, Wauchula

\*joined after roll call.

**OTHERS** Doug Peebles, Ocala  
**PRESENT** Craig Dunlap, Dunlap & Associates, Inc. (via telephone)  
Rafael Couret, Power Engineers  
Kathryn Eno, Purvis Gray & Co.  
Tim Westgate, Purvis Gray & Co. (via telephone)

**STAFF** Jacob Williams, General Manager and CEO  
**PRESENT** Jody Finklea, General Counsel and CLO  
Ken Rutter, Chief Operating Officer  
Linda S. Howard, Chief Financial Officer  
Mark McCain, Vice President of Member Service & Public Relations  
Dan O'Hagan, Assistant General Counsel and Regulatory  
Compliance Counsel  
Sue Utley, Executive Asst. /Asst. Secy. to the Board

Mike McCleary, Manager of Member Services Development  
Sharon Adams, Vice President of Human Resources & Shared Services  
Cairo Vanegas, Manager of Member Services Development  
Susan Schumann, Manager of External Affairs and Solar Projects  
David Schumann, Power Generation Fleet Director  
Carter Manucy, IT/OT & Cybersecurity Director  
LaKenya VanNorman, Regulatory Compliance Specialist  
Danyel Sullivan-Marrero, Controller  
Rich Popp, Treasurer and Risk Director  
Mark McCain, Vice President, Member Services and Public Relations  
Ryan Dumas, Senior Public Relations Specialist  
Rachel Ilardi, Public Relations Specialist  
Angel Dias, IT Support Specialist  
Isaac Barbosa, IT Security Analyst  
Wayne Koback, IT Manager

### **ITEM 1 - CALL TO ORDER, ROLL CALL AND DECLARATION OF QUORUM**

Chair Barbara Quiñones, Homestead, called the Board of Directors meeting to order at 9:00 a.m. on Thursday, January 20, 2022, in the Frederick M. Bryant Board Room at Florida Municipal Power Agency, 8553 Commodity Circle, Orlando, Florida. The roll was taken and a quorum was declared with 19 members present representing 30.5 votes out of a possible 47.5. Drew Mullins, Starke, arrived after roll call bringing the total members present to 20 representing 32.5 votes out of a possible 47.5.

### **ITEM 2 – Recognition of Guests**

Chair Barbara Quiñones welcomed Doug Peebles, Ocala, and Tim Westgate and Kathryn Eno of Purvis Gray & Co.

### **ITEM 3 – PUBLIC COMMENTS (Individual Public Comments Limited to 3 Minutes)**

None

### **ITEM 4 – SET AGENDA (by vote)**

**MOTION:** Allen Putnam, Jacksonville Beach, moved approval of the agenda as presented. Bob Page, Green Cove Springs, seconded the motion. Motion carried 32.5 – 0.

### **ITEM 5 – REPORT FROM THE GENERAL MANAGER**

Jacob Williams reported on the following items:

1. Goals Scorecard
2. Members' Reliability improvements
3. APPA's Upcoming Legislative Rally
4. Member Services – Accounting Services offered to Members

## **ITEM 6 – SUNSHINE LAW UPDATE**

Dan O'Hagan reported on Public Records Exemption – House Bill 1287 and Senate Bill 1740 on Critical Energy/Electric Infrastructure Information.

## **ITEM 7 – CONSENT AGENDA**

- a. Approval of Minutes – Meeting Held December 9, 2021
- b. Approval of the Projects' Preliminary Financials as of November 30, 2021
- c. Approval of the Treasury Reports as of November 30, 2021

**MOTION:** Allen Putnam, Jacksonville Beach, moved approval of the Consent Agenda as presented. Larry Mattern, Kissimmee, seconded the motion. Motion carried 32.5 – 0.

## **ITEM 8 – ACTION ITEMS**

- a. Approval of Financial Results for Fiscal Year 2021

**MOTION:** Howard McKinnon, Havana, moved approval of the 2021 External Audit Report and Audited Financial Statements. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 32.5 – 0.

- b. Approval of Information Technology Risk Policy

**MOTION:** Allen Putnam, Jacksonville Beach, moved approval of the Information Technology Risk Management Policy. Bob Page, Green Cove Springs, seconded the motion. Motion carried 32.5 – 0.

- c. Approval of Human Resources Risk Policy

**MOTION:** Larry Mattern, Kissimmee, moved approval of the Human Resources Risk Management Policy. Allen Putnam, Jacksonville Beach, seconded the motion. Motion carried 32.5 – 0.

## **ITEM 9 – INFORMATION ITEMS**

### **a. Solar Phase III Update**

Susan Schumann presented an update on Solar Phase III.

### **b. Summary of Finance Committee Items**

Linda S. Howard presented a summary of the Finance Committee items.

## **ITEM 10 – MEMBER COMMENTS**

Joe Bunch, New Smyrna Beach, requested the presentation on battery storage that is going to be presented at the Executive Committee meeting following the Board meeting.

Chair Barbara Quiñones announced that Jody Young from Bushnell is no longer with the City, and said she will be missed at FMPA. She also said that the meeting was quick because staff is prepared and anticipates what questions the Board will ask and answers them in their presentations. Good work by the FMPA Staff.

## **ITEM 11 – ADJOURNMENT**

There being no further business, the meeting was adjourned at 10:03 a.m.

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Barbara Quiñones  
Chairperson, Board of Directors

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Larry Mattern  
Secretary

Approved: \_\_\_\_\_

Seal

BQ/LM/su

**AGENDA ITEM 7 – CONSENT  
AGENDA**

- b. Approval of the Projects’  
Preliminary Financials as of  
December 31, 2021**

**Board of Directors Meeting  
February 17, 2022**





Linda S. Howard, CPA, CTP  
Chief Financial Officer

## AGENDA PACKAGE MEMORANDUM

**TO:** FMIPA Board of Directors  
**FROM:** Linda Howard  
**DATE:** February 8, 2022  
**ITEM:** 7b – Approval of Projects’ Financials as of December 31, 2021

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**Discussion:** The summary financial statements and detailed financial statements, which include GASB #62 transactions, of the Projects for the period ended December 31, 2021 are posted on the Document Portal section of FMIPA’s website.

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**Recommended:** Move approval of the Projects’ Financial Reports for the month ended December 31, 2021.

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LH/GF

**AGENDA ITEM 7 – CONSENT  
AGENDA**

**c. Approval of the Treasury Reports  
as of December 31, 2021**

**Board of Directors Meeting  
February 17, 2022**



## AGENDA PACKAGE MEMORANDUM

TO: FMPA Board of Directors  
FROM: Gloria Reyes  
DATE: February 17, 2022  
ITEM: BOD 7(c) – Approval of Treasury Reports as of December 31, 2021

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**Introduction** This agenda item is a quick summary update of the Treasury Department's functions.

The Treasury Department reports for June are posted in the member portal section of FMPA's website.

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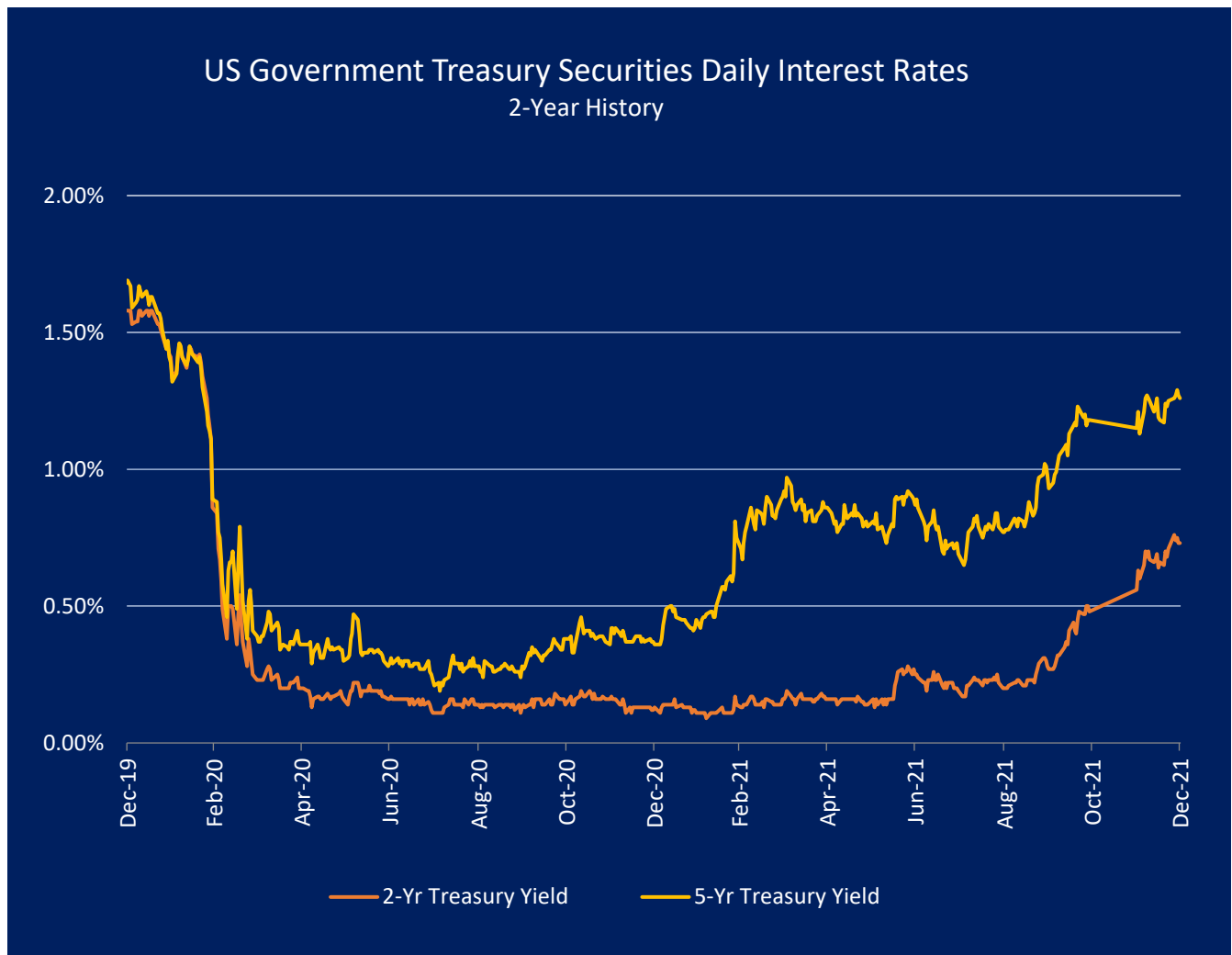
**Debt Discussion** Below is a summary of the total debt outstanding and the percentage of debt that was fixed, variable or synthetically fixed with interest rate swaps as of December 31, 2021.

	Total debt Outstanding	Fixed Rate	Variable Rate	Synthetically Fixed
Agency	0.00	0%	0%	0%
St Lucie	80,790,000	100%	0%	0%
Stanton	0.00	0%	0%	0%
Stanton II	89,548,354	100%	0%	0%
Tri City	0.00	0%	0%	0%

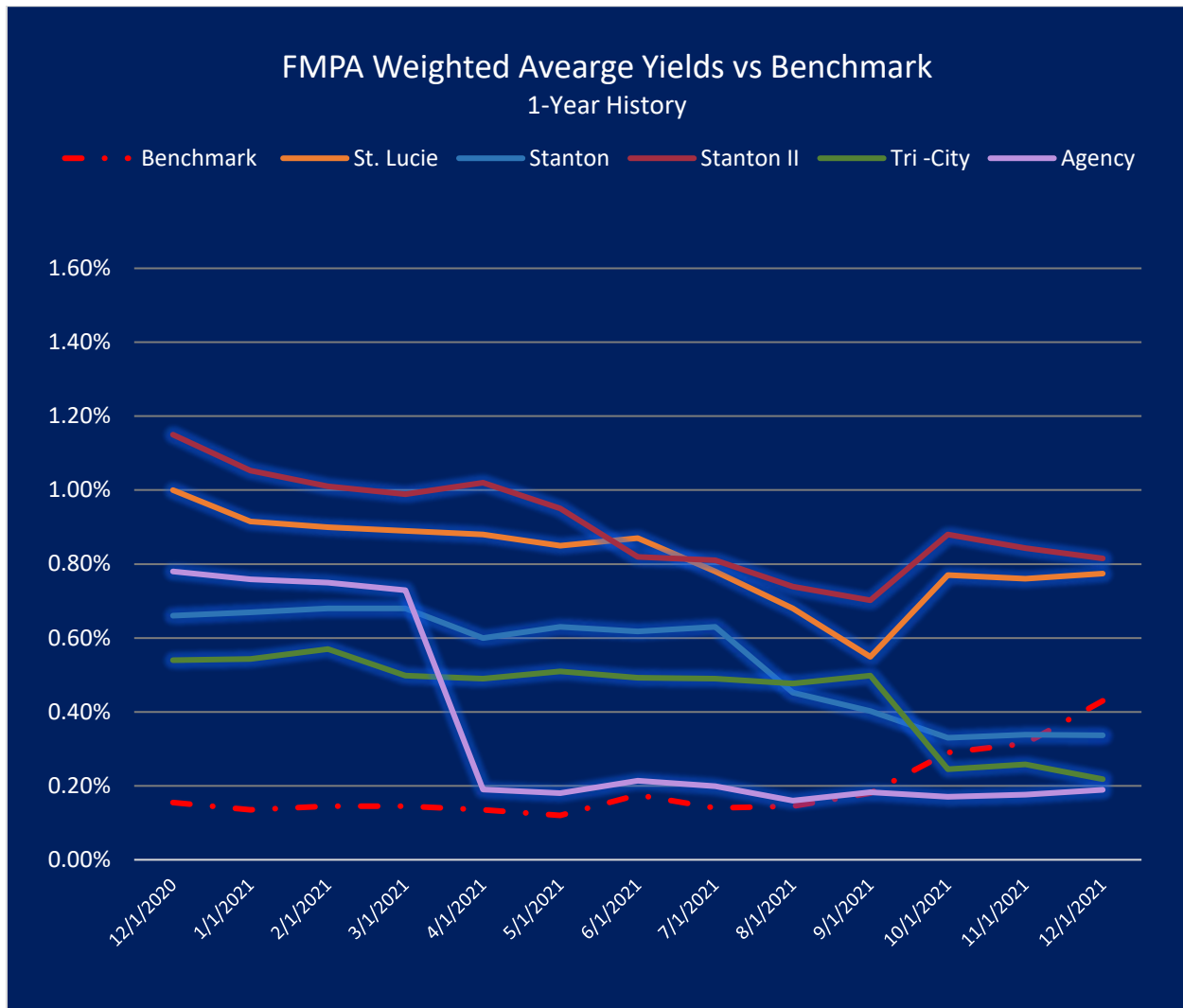
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**Investment Discussion** The investments in the Projects are comprised of debt from the government-sponsored enterprises such as the Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation (Freddie Mac), and Federal National Mortgage Association (Fannie Mae), as well as investments in U.S. Treasuries, Certificates of Deposits, Commercial Paper, Municipal Bonds, Corporate Notes, Local Government Investment Pools and Money Market Mutual Funds.

Below is a graph of daily US Treasury yields for the past 2 years. The orange line is the 2-year Treasury which closed the month of December at 0.73%. The yellow line is the 5-year Treasury which was 1.26%.



The weighted average yields on investments earned as of December 31, 2021, in the Projects, along with their benchmark (Average of Florida Prime Fund and 2-year treasury), are as follows:



Recommended  
Motion

Move approval of the Treasury Reports for December 31, 2021.

**AGENDA ITEM 8 – ACTION ITEMS**

- a. Approval of Resolution 2022-B1 –  
Budget Amendment for Pooled  
Loan Project**

**Board of Directors Meeting  
February 17, 2022**



# **8a – Approval of Resolution 2022-B1 for Budget Amendment for Pooled Loan Project**

Board of Directors  
February 17, 2022

# Budget Increase Needed for Pooled Loan Project

## *Similar to Budget Increase Needed in Fiscal 2021*

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- Pooled loan issued to Stanton II Project to refinance existing debt in fiscal 2020
- Under GASB rules, must be treated as a conduit loan for Pooled Loan Project, as both projects are part of FMPA
  - Stanton II pays Pooled Loan Project, which then pays bank
- Pooled loan principal and interest paid by Stanton II must also be captured as an expense of Pooled Loan Project
- As was done for fiscal 2021, additional \$650,000 spending authority requested to account for these costs for fiscal 2022, total revised spending authority = \$686,000
- No financial impact to project or members from this action
- Fiscal 2023 and future budgets will include these costs



# Recommended Motion

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- Move approval of Resolution 2022-B1 to increase the fiscal 2022 Pooled Loan Project budget spending authority by \$650,000

RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY: (I) AMENDING THE INITIAL POOLED LOAN PROJECT BUDGET FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; (II) ADOPTING THE AMENDED BUDGET FOR THE INITIAL POOLED LOAN PROJECT FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022; AND (III) PROVIDING AN EFFECTIVE DATE.

Whereas, pursuant to resolution 2021-B1 adopted on June 10, 2021, the Board of Directors of the Florida Municipal Power Agency (the “**Agency**”) adopted the Initial Pooled Loan Project budget for the fiscal year beginning October 1, 2021, and ending September 30, 2022 (“**Fiscal Year 2022**”) authorizing total expenditures of \$36,000;

Whereas, pursuant to Section III of resolution 2021-B1, a proposed amendment to the Fiscal Year 2022 budget for the Initial Pooled Loan Project has been duly submitted to the Board of Directors for approval;

Whereas, the Stanton II Project closed on its borrowing from with the Initial Pooled Loan Project in the amount of \$3,921,350 on June 25, 2020 to refund the then-outstanding Stanton II Project Revenue Bonds, Series 2009A and pay the cost of issuance related thereto; and

Whereas, the Board of Directors hereby finds and determines that the proposed budget amendment of \$650,000 is needed to address certain Governmental Accounting Standards Board (“**GASB**”) requirements for conduit loans to account for the principal and interest payments on the Florida Municipal Power Agency Initial Pooled Loan Project Note, Series 2020-1 Stanton II Project (Subordinated Indebtedness) as expenses of the Initial Pooled Loan Project, which does not increase costs for the Initial Pooled Loan Project borrowers, including the Stanton II Project.

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY THAT:

SECTION I.           **Amendment to Initial Pooled Loan Project Budget.** The Initial Pooled Loan Project budget for Fiscal Year 2022 is hereby amended from total expenses of \$36,000 to total expenses of \$686,000.

SECTION II.           **Adoption of Budget Amendment.** The Initial Pooled Loan Project budget for Fiscal Year 2022 as amended by Section I of this resolution is hereby approved and adopted.

SECTION III.           **Effective Date.** This resolution shall take effect immediately upon its adoption.

This Resolution 2022-B1 is hereby approved and adopted by the Board of Directors of the Florida Municipal Power Agency on February 17, 2022.

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Chair of the Board of Directors

I HEREBY CERTIFY that on February 17, 2022, the above Resolution 2022-B1 was approved and adopted by the Board of Directors of the Florida Municipal Power Agency, and that this is a true and conformed copy of Resolution 2022-B1.

ATTEST:

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Secretary or Assistant Secretary

SEAL

**AGENDA ITEM 8 – ACTION ITEMS**

- b. Approval of Resolution 2022-B2 –  
Stanton II Direct Placement Note  
2022A**

**Board of Directors Meeting  
February 17, 2022**



# **8b – Approval of Resolution 2022-B2 Stanton II Direct Placement Note 2022A**

Board of Directors  
February 17, 2022

# Stanton II RFP Generated Seven Responses

## *Only Four Qualified Responses*

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- Series 2012 outstanding principal \$35.4 million
  - Callable 10/1/2022
  - Maturity 10/1/2027
- RFP requirements
  - No less than 5% present value savings
  - Same maturity date, 10/1/2027
  - Requested quotes for both “Cinderella” and “Forward” structures
    - Cinderella: issue taxable debt which was subsequently refunded by tax-exempt debt in July @ agreed to rate
    - Forward: Lock interest rate for tax-exempt debt in July

# Finance Team Recommends Raymond James “Forward”

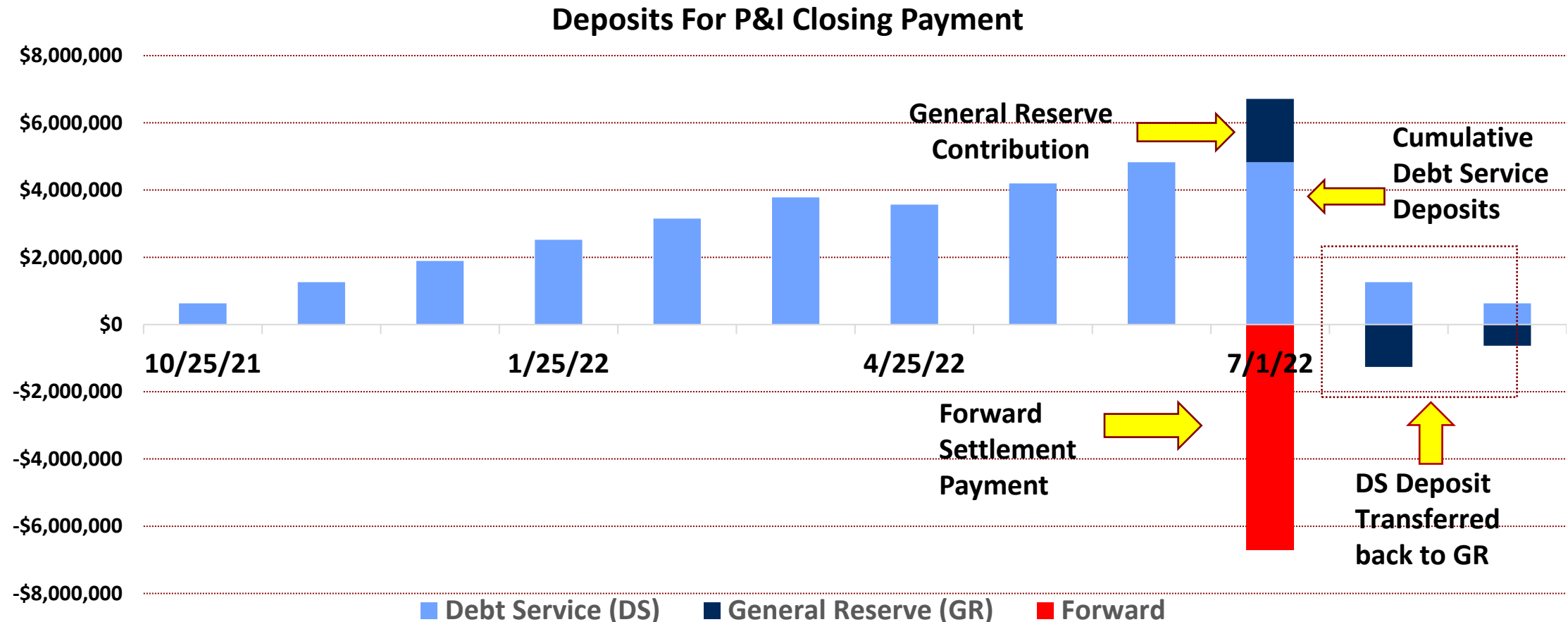
## *Best Overall Bid Based on Multiple Factors*

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- Finance team selected Raymond James “Forward”
  - Forward transaction can be completed quickly
    - Simpler transaction vs. Cinderella
  - Lower issue costs vs. Cinderella structure
  - Raymond James offered RFP interest rate lock at no cost, eliminates market risk
  - PV savings \$2,012,000 or 5.69%
    - Cinderella structure offered immaterial additional PV savings vs. Forward

# Debt Service Funding for Forward Transaction

## *Use General Reserve Funds for July Settlement Payment*





# Raymond James Requires “Breakage-Fee”

## *Locking Rate @ Closing Exposes Bank in Declining Rate Market*

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- Breakage-fee applies to FMPA if July settlement fails for:
  - Limited to actions controlled by FMPA
    - *Legal opinions, failure to settle July cash obligation, BOD does not provide certificates*
    - Breakage-fee amount tied to interest rates in July
      - If rates change 0 bps: \$49,000
      - If rates decrease 25 bps: \$278,000
      - If rates decrease 50 bps: \$506,000
  - "Acts of God" failure will allow for up to an additional five days to settle
    - Event closes market, i.e., 9/11

# Debt Resolution Elements

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- Series A no more than \$26,000,000 Borrowing
  - Covers underwriter's fee and issuance cost
- Present Value Savings Greater Than 5%
- All-In True Interest Cost Less Than 2.10%
- Maturity 10/1/2027
  - Call option 10/1/2023 with "Make Whole Fee"

# Recommended Motion

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- Move approval of Resolution 2022-B2

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY (“FMPA”) (I) RECITING STATEMENT OF AUTHORITY; (II) APPROVING AND ADOPTING THE SERIES 2022A SUPPLEMENTAL STANTON II PROJECT REVENUE BOND RESOLUTION (FIXED RATE BONDS – FORWARD DELIVERY) WHICH AUTHORIZES THE ISSUANCE OF THE FLORIDA MUNICIPAL POWER AGENCY STANTON II PROJECT REFUNDING REVENUE BONDS, SERIES 2022A (FORWARD DELIVERY) TO BE SOLD ON OR BEFORE OCTOBER 1, 2022 IN A PRINCIPAL AMOUNT PLUS ANY ORIGINAL ISSUE PREMIUM AND MINUS ANY ORIGINAL ISSUE DISCOUNT NOT TO EXCEED TWENTY-SIX MILLION DOLLARS (\$26,000,000) IN GROSS REFUNDING PROCEEDS FOR THE PURPOSE OF PAYMENT OF ALL OR ANY PART OF THE COST OF REFUNDING FMPA’S STANTON II PROJECT REVENUE BONDS, SERIES 2012A AND PAYMENT OF COSTS OF ISSUANCE OF THE FLORIDA MUNICIPAL POWER AGENCY STANTON II PROJECT REFUNDING REVENUE BONDS, SERIES 2022A (FORWARD DELIVERY) AND DELEGATES TO AUTHORIZED SIGNATORIES AND AUTHORIZED OFFICERS, AS APPLICABLE, CERTAIN MATTERS RELATING TO THE ISSUANCE OF SUCH SERIES 2022A BONDS INCLUDING, BUT NOT LIMITED TO, (1) WHEN TO ISSUE SUCH SERIES 2022A BONDS, (2) DETERMINATION OF THE PRINCIPAL AMOUNTS, MATURITIES, INTEREST RATES, SINKING FUND INSTALLMENTS (IF ANY) AND OTHER REDEMPTION PROVISIONS OF THE SERIES 2022A BONDS, (3) DETERMINATION OF REDEMPTION PRICES AND TERMS FOR THE SERIES 2022A BONDS, (4) DETERMINATION OF AMOUNT, IF ANY, OF THE DEBT SERVICE RESERVE REQUIREMENT FOR THE SERIES 2022A BONDS, (5) DETERMINATION OF THE PRESENT VALUE SAVINGS FROM FMPA ISSUING THE SERIES 2022A BONDS AS COMPARED TO THE REFUNDED BONDS, (6) APPROVAL OF THE SALE AND PURCHASE PRICE FOR THE SERIES 2022A BONDS, AND (7) EXECUTION AND DELIVERY OF A FORWARD BOND PURCHASE AGREEMENT AND AN ESCROW DEPOSIT AGREEMENT; (III) MAKING CERTAIN FINDINGS AS TO THE REASONS REQUIRING THE NEGOTIATED SALE OF THE BONDS AUTHORIZED BY SUCH SERIES 2022A SUPPLEMENTAL STANTON II PROJECT REVENUE BOND RESOLUTION (FIXED RATE BONDS – FORWARD DELIVERY) ON A NEGOTIATED BASIS AND AS TO THE OBJECTIVES TO BE ACHIEVED BY ISSUING SUCH SERIES 2022A BONDS; (IV) DESIGNATING AUTHORIZED OFFICERS; (V) APPROVING AND TAKING CERTAIN OTHER ACTIONS; AND (VI) PROVIDING AN EFFECTIVE DATE.**

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE FLORIDA MUNICIPAL POWER AGENCY ("FMPA") THAT:

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This resolution (the "Resolution") is adopted pursuant to the provisions of Chapter 361, Part II, Florida Statutes, as amended, Section 163.01, Florida Statutes, as amended, and Chapter 166, Part II, Florida Statutes, as amended, and Section 218.385, Florida Statutes, as amended.

**SECTION 2. APPROVAL AND ADOPTION OF THE SERIES 2022A SUPPLEMENTAL STANTON II PROJECT REVENUE BOND RESOLUTION (FIXED RATE BONDS – FORWARD DELIVERY).** The terms of the Series 2022A Supplemental Stanton II Project Revenue Bond Resolution (Fixed Rate Bonds – Forward Delivery) (the "Series 2022A Supplemental Resolution") in the form attached hereto as Exhibit A, which delegates to Authorized Signatories, defined therein, certain matters relating to the issuance by FMPA of its Stanton II Project Refunding Revenue Bonds, Series 2022A (Forward Delivery) (the "Series 2022A Bonds") including, without limitation, whether and when to issue the Series 2022A Bonds, the aggregate principal amount of the Series 2022A Bonds, various matters relating to the initial issuance of the Series 2022A Bonds, including the interest rates, maturities, principal amounts, sinking fund installments (if any) and other redemption provisions relating to the Series 2022A Bonds, determination of amount, if any, of the Debt Service Reserve Requirement for the Series 2022A Bonds; and provisions relating to the sale and purchase of the Series 2022A Bonds, including the execution and delivery of a Forward Bond Purchase Agreement and Escrow Deposit Agreement, each substantially in the form attached as Exhibit A and Exhibit B, respectively, to the Supplemental Resolution, are hereby approved and said Series 2022A Supplemental Resolution is hereby adopted and the Authorized Officers designated herein are hereby authorized and directed to execute and file the same with the Trustee. In connection with such delegation, the Authorized Signatories are further authorized to execute and deliver a Bond Series Certificate fixing the terms and other details of the Series 2022A Bonds.

**SECTION 3. FINDINGS RELATING TO SALE OF BONDS AUTHORIZED BY THE SERIES 2022A SUPPLEMENTAL RESOLUTION.** Pursuant to Section 218.385, Florida Statutes, as amended, it is hereby found, determined and declared in respect of any negotiated sale of the Series 2022A Bonds authorized by the Series 2022A Supplemental Resolution, as follows:

3.01 The Series 2022A Bonds to be sold on a forward delivery basis will provide funds for the payment of a portion of the cost of refunding FMPA's Stanton II Project Revenue Bonds, Series 2012A and to pay Costs of Issuance relating to the Series 2022A Bonds.

3.02 The Series 2022A Bonds authorized by the Series 2022A Supplemental Resolution are expected to be issued in a single series at a time deemed most beneficial to providing monies for the payment of a portion of the cost of refunding FMPA's Stanton II Project Revenue Bonds, Series 2012A in a direct placement with a single purchaser, at an attractive expected interest cost as fixed rate bonds.

3.03 Due to prevailing and anticipated market conditions and the attractive, expected interest rate available through a forward delivery direct placement transaction, it has been determined that a negotiated bond sale would be more beneficial and more likely to achieve the benefits sought by the Stanton II Project Participants than a competitive bid sale. Therefore, it is hereby found,

determined and declared that it is necessary, desirable and in the best interests of FMPA, the Stanton II Project Participants, and the residents of the State of Florida to whom the Stanton II Project Participants furnish, supply or distribute electrical energy that FMPA sell the Series 2022A Bonds in a negotiated forward delivery direct placement, upon satisfaction of the terms and conditions set forth in the Supplemental Resolution (including the Bond Series Certificate) and in the Forward Bond Purchase Agreement substantially in the form attached as Exhibit A to the Supplemental Resolution.

**SECTION 4. DESIGNATION OF AUTHORIZED OFFICERS.** The Chair of the Board of Directors, the Vice Chair of the Board of Directors, the Treasurer, the Secretary, the General Manager and CEO, any Assistant Secretary, the General Counsel and Chief Legal Officer and the Chief Financial Officer of FMPA are each hereby designated as (i) Authorized Officers for the purposes of executing and delivering the Supplemental Resolution and taking any other actions authorized by this Resolution and in connection with the issuance of the Series 2022A Bonds and (ii) as Authorized Officers as defined in Section 101 of the Bond Resolution.

**SECTION 5. FURTHER ACTIONS.** Each Authorized Officer designated hereunder is hereby authorized and empowered to take all further actions as may be necessary or desirable in carrying out the terms and provisions of this Resolution and each of the documents referred to herein.

**SECTION 6. SEVERABILITY.** If one or more provisions of this Resolution should be determined by a court of competent jurisdiction to be contrary to law, such provisions shall be deemed to be severable from the remaining provisions hereof, and shall in no way affect the validity or enforceability of such remaining provisions.

**SECTION 7. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

This Resolution 2022-B2 is hereby approved and adopted by the Board of Directors of the Florida Municipal Power Agency on February 17, 2022.

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Chair, Board of Directors

I HEREBY CERTIFY that, on February 17, 2022, the above Resolution 2022-B2 was approved and adopted by the Board of Directors of the Florida Municipal Power Agency, and that this is a true and conformed copy of Resolution 2022-B2.

ATTEST:

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Secretary or Assistant Secretary

SEAL

## **EXHIBIT A**

Series 2022A Supplemental Stanton II Project Revenue Bond Resolution  
(Fixed Rate Bonds – Forward Delivery)

[See attached]



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**FLORIDA MUNICIPAL POWER AGENCY**

**Stanton II Project Refunding Revenue Bonds,  
Series 2022A (Forward Delivery)**

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**Series 2022A Supplemental  
Stanton II Project  
Revenue Bond Resolution  
(Fixed Rate Bonds – Forward Delivery)**

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**Adopted February 17, 2022**

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**SERIES 2022A SUPPLEMENTAL  
STANTON II PROJECT  
REVENUE BOND RESOLUTION (Fixed Rate Bonds – Forward Delivery)**

BE IT RESOLVED by Florida Municipal Power Agency (“FMPA”) as follows:

**ARTICLE I.**

**DEFINITIONS AND STATUTORY AUTHORITY**

**SECTION 1.01. Supplemental Resolution.** This Series 2022A Supplemental Stanton II Project Revenue Bond Resolution (Fixed Rate Bonds – Forward Delivery) (this “Supplemental Resolution”) is supplemental to the Stanton II Project Revenue Bond Resolution adopted by FMPA on June 26, 1991, as amended and restated in its entirety on April 10, 2002, as previously supplemented and amended (the “Bond Resolution”). The Bond Resolution as supplemented and amended to the date hereof is hereinafter referred to as the “Resolution”.

**SECTION 1.02. Definitions.** 1. Except as provided by this Supplemental Resolution, all terms which are defined in Section 101 of the Resolution shall have the same meanings, respectively, in this Supplemental Resolution as such terms are given in said Section 101 of the Resolution.

2. In this Supplemental Resolution:

**Authorized Signatories** means (i) Chair of the Board of Directors or the Vice Chair of the Board of Directors and (ii) the General Manager and CEO of FMPA or the Chief Financial Officer of FMPA.

**Bond Counsel** means Nixon Peabody LLP or any other attorney at law or a firm of attorneys, designated by FMPA, of nationally recognized standing in matters pertaining to the tax-exempt nature of interest on bonds issued by states and their political subdivisions, duly admitted to the practice of law before the highest court of any state of the United States of America selected by FMPA.

**Bond Series Certificate** means a certificate fixing the terms and other details of the Series 2022A Bonds, executed by the Authorized Signatories in accordance with delegation of power to do so under Section 2.07 hereof.

**Business Day** means any day that is not a Saturday, Sunday or other day on which commercial lenders in New York City or the State of Florida are closed.

**Code** means the Internal Revenue Code of 1986, as amended, and the applicable regulations thereunder.

**Gross Refunding Proceeds** shall have the meaning set forth in Section 2.01 of this Supplemental Resolution.

**Opinion of Bond Counsel** means a written opinion signed by Bond Counsel.

**Refunded Bonds** means FMPA's Stanton II Project Revenue Bonds, Series 2012A to be refunded with a portion of the proceeds of the Series 2022A Bonds, as more particularly described in the Bond Series Certificate.

**Series 2022A Bonds** means FMPA's Stanton II Project Refunding Revenue Bonds, Series 2022A (Forward Delivery), authorized by Article II of this Supplemental Resolution.

**Supplemental Resolution** means, collectively, this Supplemental Resolution and Bond Series Certificate, which is supplemental to the Bond Resolution as from time to time amended or supplemented by other supplemental resolutions in accordance with the terms of the Resolution and the terms hereof. This Supplemental Resolution shall constitute a "Supplemental Resolution" within the meaning of the Resolution.

**SECTION 1.03. Authority for this Supplemental Resolution.** This Supplemental Resolution is adopted (i) pursuant to the provisions of the Act and (ii) in accordance with Article II and Article X of the Bond Resolution.

## **ARTICLE II.**

### **AUTHORIZATION OF SERIES 2022A BONDS; TERMS AND PROVISIONS OF SERIES 2022A BONDS**

**SECTION 2.01. Principal Amount, Designation of Series, Purpose, Debt Service Reserve Requirement.** 1. Pursuant to the provisions of the Bond Resolution, a Series of additional Bonds entitled to the benefit, protection and security of the Bond Resolution, which for purposes of this Supplemental Resolution shall be referred to herein as the "Series 2022A Bonds", is hereby authorized to be issued from the date of this Supplemental Resolution to and including October 1, 2022 in an aggregate principal amount specified in the Bond Series Certificate. Such aggregate principal amount plus any original issue premium and minus any original issue discount shall not exceed \$26,000,000 ("Gross Refunding Proceeds").

2. Series 2022A Bonds shall be designated as, and shall be distinguished from the Bonds of all other Series by the title, "Stanton II Project Refunding Revenue Bonds, Series 2022A (Forward Delivery)" or such other title or titles as are set forth in the Bond Series Certificate.

3. The purposes for which the Series 2022A Bonds are issued shall include the payment of all or any part of the cost of refunding the Refunded Bonds deemed advisable by the Authorized Signatories executing a Bond Series Certificate pursuant to Section 2.07.2 hereof in accordance with Section 205 of the Bond Resolution, to fund the Debt Service Reserve Requirement, if any, the payment of related Costs of Issuance, all to the extent and in the manner provided in this Supplemental Resolution.

4. The Debt Service Reserve Requirement, if any, for the Series 2022A Bonds shall be the amount set forth in the Bond Series Certificate.

**SECTION 2.02. Date, Maturities, Principal Amounts and Interest.** The Series 2022A Bonds, except as otherwise provided in the Resolution, shall be dated the date or dates determined in the Bond Series Certificate. The Series 2022A Bonds shall mature on the date or dates and in the year or years and principal amount or amounts, and shall bear interest at the rate or rates per annum, if any, specified in the Bond Series Certificate.

The Series 2022A Bonds shall bear interest from their date or dates and be payable on such date or dates as may be determined pursuant to the Bond Series Certificate. Except as otherwise provided in the Bond Series Certificate, interest on the Series 2022A Bonds shall be computed on the basis of twelve 30-day months and a 360-day year.

**SECTION 2.03. Forms of Series 2022A Bonds and Trustee's Certificate of Authentication, Denominations, Numbers and Letters.** Unless otherwise provided in the Bond Series Certificate, the Series 2022A Bonds shall be issued in fully registered form without coupons. Subject to the provisions of the Resolution, the form of registered Series 2022A Bonds, and the Trustee's certificate of authentication, shall be substantially in the form and in the authorized denominations set forth in the Bond Series Certificate. The Series 2022A Bonds shall be lettered and numbered as provided in the Bond Series Certificate.

**SECTION 2.04. Place and Medium of Payment; Paying Agent.** Except as otherwise provided in the Bond Series Certificate, principal and Redemption Price of the Series 2022A Bonds shall be payable to the registered owner of each Series 2022A Bond when due upon presentation of such Series 2022A Bond at the principal corporate trust office of the Trustee. Except as otherwise provided in the Bond Series Certificate, interest on the registered Series 2022A Bonds will be paid by check or draft mailed on the interest payment date by the Paying Agent, to the registered owner as of the record date at the address of the registered owner as it appears on the registration books or, at the option of any Holder of at least one million dollars (\$1,000,000) in principal amount of the Series 2022A Bonds, by wire transfer in immediately available funds on each interest payment date to such Holder thereof upon written notice from such Holder to the Trustee, at such address as the Trustee may from time to time notify such Holder, containing the wire transfer address (which shall be in the continental United States) to which such Holder wishes to have such wire directed, if such written notice is received not less than twenty (20) days prior to the related interest payment date (such notice may refer to multiple interest payments).

**SECTION 2.05. Sinking Fund Installments.** The Series 2022A Bonds as determined in the Bond Series Certificate may be subject to redemption in part, selected in such manner as the Trustee deems fair and appropriate, on each date in the year or years determined in the Bond Series Certificate at the principal amount thereof plus accrued interest up to but not including the date of redemption thereof, from mandatory Sinking Fund Installments which are required to be made in amounts sufficient to redeem on each such date the principal amount of such Series 2022A Bonds.

**SECTION 2.06. Redemption Prices and Terms.** The Series 2022A Bonds as determined in the Bond Series Certificate may also be subject to redemption prior to maturity, at the option of FMPA, at the Redemption Price or Redemption Prices, if any, and on the redemption terms, if any, as provided in the Bond Series Certificate, upon notice as provided in

Article IV of the Resolution and in the Bond Series Certificate, at any time as a whole or in part (selected in such manner as the Trustee deems fair and appropriate within a maturity if less than all of a maturity is to be redeemed), from maturities designated by FMPA on and after the date and in the years and at the Redemption Price or Redemption Prices provided in the Bond Series Certificate, plus accrued interest up to but not including the redemption date.

**SECTION 2.07. Delegation to Authorized Signatories.** 1. There is hereby delegated to the Authorized Signatories, subject to the limitations contained in this Supplemental Resolution, the following powers with respect to the issuance of any Series 2022A Bonds:

(a) to determine when to issue any Series 2022A Bonds, the amount of Gross Refunding Proceeds to be provided by the Series 2022A Bonds, subject to the limitations provided in Section 2.01.1 of this Supplemental Resolution, the amount of the proceeds of the Series 2022A Bonds to be used for payment of all or any part of the cost of refunding the Refunded Bonds and the amount of the proceeds of the Series 2022A Bonds estimated to be necessary to pay the Costs of Issuance of the Series 2022A Bonds;

(b) to determine the amount, if any, of the Debt Service Reserve Requirement for the Series 2022A Bonds and the amount of the proceeds of the Series 2022A Bonds estimated to be necessary to fund any such Debt Service Reserve Requirement;

(c) to determine the principal amounts of the Series 2022A Bonds to be issued, which aggregate principal amounts shall not exceed the principal amounts permitted by Section 2.01 of this Supplemental Resolution and the Bond Series Certificate;

(d) to determine the maturity date and principal amount of each maturity of the Series 2022A Bonds and the amount and due date of each Sinking Fund Installment, if any; provided, however, that the final maturity date of the Series 2022A Bonds shall be no later than October 1, 2027;

(e) to determine the date or dates which the Series 2022A Bonds shall be dated;

(f) to determine the interest rate or rates of the Series 2022A Bonds or the manner of determining such interest rate or rates; provided, however, that the Series 2022A Bonds, the interest on which is generally intended by FMPA to be excluded from gross revenue for federal income tax purposes, shall not have a true interest cost in excess of 2.00%;

(g) to determine the Redemption Price or Redemption Prices, if any, and the redemption terms, if any, for the Series 2022A Bonds;

(h) to determine the purchase price for the Series 2022A Bonds to be paid by the purchasers referred to in the Forward Bond Purchase Agreement, as such document is described in Section 2.08 of this Supplemental Resolution which may include such

original issue discount and original issue premium as shall be determined in the Bond Series Certificate; provided, however, that any original issue discount shall not exceed 0.25% of the aggregate principal amount of the Series 2022A Bonds;

(i) to determine the present value savings from FMPA issuing the Series 2022A Bonds as compared to the Refunded Bonds, provided, however, such present value savings shall be greater than 5.00% of the outstanding principal amount of the Refunded Bonds and the Authorized Signatories may rely on a certificate from FMPA's financial advisor in order to confirm the savings determinations made in this clause (i);

(j) to insert any provisions in the Bond Series Certificate to supplement this Supplemental Resolution as may be necessary or desirable in connection with providing directions to and actions to be taken by, the Trustee, with respect to the Bonds;

(k) to insert any provisions in the Bond Series Certificate to supplement this Supplemental Resolution as may be necessary or desirable in the opinion of Bond Counsel, in order to cure any ambiguities, inconsistencies or other defects in this Supplemental Resolution; and

(l) to determine such other matters specified in or permitted by (i) Sections 202 and 205 of the Bond Resolution or (ii) any provision of this Supplemental Resolution, including preparation of any documentation therefore.

2. The Authorized Signatories shall execute a Bond Series Certificate evidencing the determinations made pursuant to this Supplemental Resolution and any such Bond Series Certificate shall be conclusive evidence of the determinations of the Authorized Signatories as stated therein. The Bond Series Certificate shall be delivered to the Trustee prior to or contemporaneous with the authentication and delivery of the Series 2022A Bonds accompanied by a certificate of Dunlap & Associates, Inc., as financial advisor to FMPA certifying that, based on such assumptions as such financial advisor deems appropriate, issuance of the Series 2022A Bonds for the purposes of refunding the Refunded Bonds and payment of the costs of issuance of the Series 2022A Bonds is advisable given current and expected financial market conditions. Determinations set forth in any Bond Series Certificate shall have the same effect as if set forth in this Supplemental Resolution.

3. In the event that the Authorized Signatories exercise any of the authority delegated to them pursuant to this Section 2.07 and execute a Bond Series Certificate evidencing such exercise, a report describing the exercise of such delegated authority shall be delivered at the next regularly scheduled meeting of the Board of Directors of FMPA occurring at least twenty (20) days following the execution and delivery of the Bond Series Certificate.

## **SECTION 2.08. Sale of Series 2022A Bonds.**

1. The Authorized Signatories are hereby authorized to sell and award the Series 2022A Bonds to Raymond James Capital Funding, Inc. (the "Purchaser") pursuant to a Forward Bond Purchase Agreement and to execute and deliver for and on behalf and in the name of FMPA, a Forward Bond Purchase Agreement, which Forward Bond Purchase Agreement shall

be substantially in the form of the draft Forward Bond Purchase Agreement attached hereto as Exhibit A with such changes, omissions, insertions and revisions to reflect the terms for a forward delivery bond transaction and the terms and provisions of the Series 2022A Bonds as may be approved by the Authorized Signatories executing the Forward Bond Purchase Agreement (the "Forward Bond Purchase Agreement"), said execution being conclusive evidence of the approval of such terms and provisions and such changes, omissions, insertions and revisions.

2. In connection with the Forward Bond Purchase Agreement, the Authorized Signatories are hereby authorized to deliver to the Purchaser such materials and information concerning FMPA and the Stanton II Project as are reasonably requested by the Purchaser.

3. In connection with the Forward Bond Purchase Agreement, the Authorized Signatories are hereby authorized to determine the terms and conditions for determining if any breakage fee is to be paid by FMPA and the terms and conditions for the calculation of such breakage fee, in each case, as set forth in the Forward Bond Purchase Agreement. The Authorized Signatories are additionally hereby authorized to authorize the payment of a breakage fee, if any, calculated in accordance with the terms of the Forward Bond Purchase Agreement and FMPA is hereby authorized to pay such breakage fee.

4. Each Authorized Officer is hereby authorized to execute and deliver for and on behalf and in the name of FMPA, an Escrow Deposit Agreement, with The Bank of New York Mellon Trust Company, N.A. as Trustee and Escrow Agent (the "Escrow Agent"), substantially in the form of the draft Escrow Deposit Agreement attached hereto as Exhibit B, with such changes, omissions, insertions and revisions as such officer shall deem advisable (the "Escrow Deposit Agreement"), said execution being conclusive evidence of the approval of such changes, omissions, insertions and revisions.

5. Each Authorized Officer is hereby authorized and directed to execute and deliver or cause to be executed and delivered any and all documents and instruments and to do and cause to be done any and all administrative acts and things as may be necessary or desirable in connection with the approval, execution and delivery of the Forward Bond Purchase Agreement, the Escrow Agreement, the terms of any bond insurance or other such agreement or arrangement and the carrying out of their terms and the terms of the Bond Resolution and this Supplemental Resolution and the issuance, sale and delivery of the Series 2022A Bonds and for implementing the terms of the Series 2022A Bonds and the transactions contemplated hereby or thereby.

6. When reference is made in this Supplemental Resolution to the authorization of an Authorized Officer to do any act, such act may be accomplished by any of such officers individually.

**SECTION 2.09. Appointment of Paying Agent and Bond Registrar for the Series 2022A Bonds and Provision Regarding Transfer of Series 2022A Bonds.** Unless otherwise provided by the Bond Series Certificate, The Bank of New York Mellon Trust Company, N.A. is hereby appointed Paying Agent and Bond Registrar for the Series 2022A Bonds, such appointments to be effective immediately upon the filing of this Supplemental Resolution with the Trustee. Prior to any transfer of the Series 2022A Bonds, the transferor shall



provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

**SECTION 2.10. Dealings in Series 2022A Bonds with FMPA.** The Trustee, the Paying Agent or the Bond Registrar, each in its individual capacity, may in good faith buy, sell, own, hold and deal in any of the Series 2022A Bonds issued hereunder, and may join in any action which any Holder of the Series 2022A Bonds may be entitled to take with like effect as if it did not act in any capacity hereunder. The Trustee, the Paying Agent or the Bond Registrar, each in its individual capacity, either as principal or agent, may also engage in or be interested in any financial or other transaction with FMPA, and may act as depository, trustee, or agent for any committee or body of Holders of any Series 2022A Bonds secured hereby or other obligations of FMPA as freely as if it did not act in any capacity hereunder.

### **ARTICLE III.**

#### **APPLICATION OF PROCEEDS OF SERIES 2022A BONDS**

**SECTION 3.01. Disposition of Series 2022A Bond Proceeds.** Unless otherwise provided in the Bond Series Certificate, any proceeds of the sale of the Series 2022A Bonds, other than accrued interest, if any, shall be applied, simultaneously with the issuance and delivery of the Series 2022A Bonds, at one time or from time to time in one or more Series or subseries, as follows:

(a) the amount specified in the Bond Series Certificate shall be transferred to the Trustee and Escrow Agent under the Escrow Deposit Agreement to be applied to the refunding of the Refunded Bonds;

(b) the amount, if any, specified in the Bond Series Certificate shall be transferred to the Trustee to be deposited in the Debt Service Reserve Account which, if applicable, is hereby established for the Series 2022A Bonds in the Debt Service Fund; and

(c) the balance of such proceeds, exclusive of accrued interest and capitalized interest, if any, shall be deposited in the Series 2022A Bonds Subaccount which is hereby created and established for such Series in the Operation and Maintenance Account in the Operation and Maintenance Fund and applied to the payment of Costs of Issuance for the Series 2022A Bonds.

Unless otherwise provided in a Bond Series Certificate, the accrued interest, if any, received on the sale of the Series 2022A Bonds shall be deposited in the Debt Service Fund.

## ARTICLE IV.

### MISCELLANEOUS

**SECTION 4.01. Defeasance.** In the event FMPA shall seek, prior to the maturity or redemption date thereof, to pay or cause to be paid, within the meaning and with the effect expressed in the Resolution, all or less than all Outstanding Series 2022A Bonds issued as Bonds the interest on which is generally intended by FMPA to be excluded from gross income for federal income tax purposes and the provisions of Section 4.02 hereof shall then be of any force or effect, then, notwithstanding the provisions of Section 1201 of the Resolution, such Series 2022A Bonds which FMPA then seeks to pay or cause to be paid shall not be deemed to have been paid within the meaning and with the effect expressed in Section 1201 of the Resolution unless (i) FMPA has confirmed in writing that the Holders of such Series 2022A Bonds which FMPA then seeks to pay or cause to be paid will continue, after such action, to have the benefit of a covenant to the effect of the covenant of FMPA contained in Section 4.02 hereof or (ii) there shall have been delivered to the Trustee an Opinion of Bond Counsel to the effect that non-compliance thereafter with the applicable provisions of the Code will not affect the then current treatment of interest on the Series 2022A Bonds issued as Bonds the interest on which is generally intended by FMPA to be excluded from gross income for federal income tax purposes in determining gross income for Federal income tax purposes.

**SECTION 4.02. Tax Covenants.** FMPA covenants that, in order to maintain the exclusion from gross income for Federal income tax purposes of the interest on the Series 2022A Bonds issued as Bonds the interest on which is generally intended by FMPA to be excluded from gross income for federal income tax purposes (as determined by FMPA in a Bond Series Certificate), FMPA will satisfy, or take such actions as are necessary to cause to be satisfied, each provision of the Code necessary to maintain such exclusion. In furtherance of this covenant, FMPA agrees to comply with such written instructions as may be provided by Bond Counsel. In furtherance of the covenant contained in the preceding sentence, FMPA agrees to continually comply with the provisions of any “Tax Certificate as to Arbitrage and the Provisions of Sections 141-150 of the Internal Revenue Code of 1986” to be executed by FMPA in connection with the execution and delivery of any such Series 2022A Bonds, as amended from time to time.

2. FMPA covenants that no part of the proceeds of the Series 2022A Bonds shall be used, directly or indirectly, to acquire any “investment property,” as defined in section 148 of the Code, which would cause the Bonds to become “arbitrage bonds” within the meaning of section 148 of the Code or under applicable Treasury regulations promulgated thereunder. In order to assure compliance with the rebate requirement of section 148 of the Code, FMPA further covenants that it will pay or cause to be paid to the United States Treasury Department the amounts necessary to satisfy the requirements of section 148(f) of the Code, and that it will establish such accounting procedures as are necessary to adequately determine, account for and pay over any such amount or amounts required to be paid to the United States in a manner consistent with the requirements of section 148 of the Code, such covenant to survive the defeasance of the Series 2022A Bonds.

3. Notwithstanding any other provision of the Resolution to the contrary, upon FMPA's failure to observe, or refusal to comply with the covenants contained in this Section 4.02, neither the Holders of the Bonds of any Series (other than the Series 2022A Bonds or the Trustee acting on their behalf) nor the Trustee acting on their behalf shall be entitled to exercise any right or remedy provided to the Bondholders or the Trustee under the Resolution based upon FMPA's failure to observe, or refusal to comply with, the covenants contained in this Section 4.02.

#### **SECTION 4.03.      Effective Date**

This Series 2022A Supplemental Stanton II Revenue Bond Resolution (Fixed Rate Bonds – Forward Delivery) shall take effect immediately after its adoption by the Board of Directors and the filing of a copy thereof certified by the Secretary or Assistant Secretary of the Board of Directors with the Trustee.

*[Remainder of page intentionally left blank]*

FLORIDA MUNICIPAL POWER AGENCY

By: \_\_\_\_\_  
Chair of the Board of Directors

ATTEST:

By: \_\_\_\_\_  
Secretary or Assistant Secretary

*[Signature page to Supplemental Resolution for Series 2022A Bonds]*

**Exhibit A**

**Form of Forward Bond Purchase Agreement**

[See attached]

\$ \_\_\_\_\_  
**FLORIDA MUNICIPAL POWER AGENCY  
STANTON II PROJECT REFUNDING REVENUE BONDS,  
SERIES 2022A (FORWARD DELIVERY)**

**FORWARD BOND PURCHASE AGREEMENT**

This Forward Bond Purchase Agreement (this "Agreement") is dated February \_\_, 2022 and is between Raymond James Capital Funding, Inc. (together with its successors and assigns, the "Lender") and the Florida Municipal Power Agency, a governmental separate legal entity created and organized pursuant to Florida law, acting solely on behalf of the Stanton II Project (the "Issuer").

1. Purchase and Sale. Upon the terms and conditions and in reliance upon the representations, warranties, covenants and agreements set forth herein, the Lender hereby agrees to make a fixed rate loan evidenced by the Bonds described in the above heading (the "Bond"). The Lender shall purchase, and the Issuer agrees to sell to the Lender, all (and not less than all) of the principal amount of the Bond; such purchase and sale shall occur on the Closing Date (as defined in Paragraph 4 hereof). The purchase price of the Bond will be \$\_\_\_\_\_ which represents the principal amount of the Bond of \$\_\_\_\_\_, minus an original issue discount of 0.20%, and without interest.

The Bond shall be issued under and secured pursuant to the provisions of the Stanton II Project Revenue Bond Resolution adopted by the Issuer on June 26, 1991 and amended and restated in its entirety on April 10, 2002, as supplemented and amended (the "Master Resolution"), particularly as supplemented by the Series 2022A Supplemental Stanton II Project Revenue Bond Resolution (Fixed Rate Bonds – Forward Delivery) adopted by the Issuer on February 17, 2022 (the "Supplemental Resolution," and together with the Master Resolution, the "Bond Resolution"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Bond Resolution.

The Bond shall mature, bear interest be subject to payment and have all other terms as set forth in the Supplemental Resolution, as supplemented by the Bond Series Certificate, and in Exhibit "D" hereto. The information required by Section 218.385(2), (5) and (6), Florida Statutes, as amended, to be provided by the Lender is set forth in Exhibit "A" attached hereto. The Bond is being issued for the principal purpose of providing a portion of the funds for the refunding of the Issuer's Stanton II Project Revenue Bonds, Series 2012A (the "Refunded Bonds").

2. Break Funding Event; Breakage Fee.

(a) The following events shall be "Break Funding Events" and a Break Funding Event shall be deemed to have occurred on the Closing Date, except as provided in Paragraph 2(a)(ii) or (iii), if:

(i) except for events described in clause (ii) below, any event which is, or which with the passage of time or the giving of notice, or both, would be, an "Event of Default" pursuant to the Master Resolution (taking into account the provisions of the Supplemental Resolution) shall have occurred and be in existence on the Closing Date and shall not be waived by the Lender in its sole discretion;

(ii) on or before the Closing Date, any event of default described in paragraphs (i), (ii), (iv) or (v) of Section 801 of the Master Resolution shall occur, in which case a Break Funding Event shall be deemed to have occurred immediately upon the occurrence of such event;

(iii) on or before the Closing Date, the Issuer notifies the Lender in writing, which notice shall be irrevocable, that the Issuer has determined that the Bond shall not be issued, for a reason other than a Change in Law (as defined below), acknowledging the same to be a "Break Funding Event" and specifying the effective date of such Break Funding Event (which date shall not be later than the Closing Date, and which shall be deemed to be the Closing Date if no earlier date is specified);

(iv) on the Closing Date, the Issuer shall not have satisfied the conditions of the obligation of the Lender to purchase the Bond as set forth in the lead-in sentences of Paragraph 5 hereof as well as in Paragraphs 5(a), 5(b) and 5(c) hereof, other than due to a Change in Law (as defined below).

As used in this Agreement, "Change in Law" means (i) any change in or addition to applicable federal or state law, whether statutory or as interpreted by the courts, including any changes in or new rules, regulations or other pronouncements or interpretations by federal or state agencies, (ii) any legislation enacted by the Congress of the United States or introduced therein or recommended for passage by the President of the United States (if such enacted, introduced or recommended legislation has a proposed effective date that is on or before the date of Closing), (iii) any law, rule or regulation proposed or enacted by any governmental body, department or agency (if such proposed or enacted law, rule or regulation has a proposed effective date that is on or before the date of Closing) or (iv) any judgment, ruling or order issued by any court or administrative body, which in the case of any of (i), (ii), (iii) or (iv) would make the issuance, sale or delivery of the Bond illegal (or have the retroactive effect of making such issuance, sale or delivery illegal, if enacted, adopted, passed or finalized), or prevent the issuance of any of the opinions referenced in Section 5 herein at the Closing; provided, however, that such change in or addition to law, legislation, law, rule or regulation or judgment, ruling or order shall have become effective, been enacted, introduced or recommended, been proposed or enacted or been issued as the case may be, after the date of this Agreement.

Notwithstanding the foregoing clause (iv), if the Issuer provides the opinion and reliance letter of Bond Counsel described in Paragraph 6(c)(i) hereof, with the exception that such opinion does not include the provisions of paragraph (iv) thereof (regarding the exclusion from gross income of the interest borne by the Bond (the "Tax Exempt Opinion")), such failure shall not in and of itself constitute a Break Funding Event if, and only if, the Issuer agrees in writing on or prior to the Closing Date that the interest to be paid on the Bond is not, as of the Closing Date, excluded from gross income for federal income tax purposes, in which event the interest rate borne by the Bond shall be the interest rate per annum of 2.15%.

As of and after the date of occurrence of any Break Funding Event, the Lender shall have no obligation to purchase the Bond. Notwithstanding the foregoing, the failure of the Issuer to deliver the Bond on the Closing Date or for Bond Counsel to deliver the Tax Exempt Opinion due to a breach by the Lender of Section 5(f) of this Agreement shall not be a Break Funding Event.

(b) If a Break Funding Event occurs, then the Issuer shall pay the Lender a Breakage Fee, if any Breakage Fee is due to be paid, within five (5) business days following the Closing

Date. If any Breakage Fee is not paid to the Lender when due, it will accrue interest, payable on demand, at the rate of the lesser of 12% per annum or the maximum lawful rate. The obligation of the Issuer to pay the Breakage Fee constitutes and is secured and payable as an operating expense pursuant to the Bond Resolution, and that the remedies of the Lender for non-payment thereof shall be only as provided in the Bond Resolution.

The Breakage Fee will be calculated as if the Bond had been issued on the date of the Break Funding Event and then been immediately prepaid in full, based on the following formula:

The Issuer shall pay the Lender a fee equal to the present value of the difference between (1) the amount that would have been realized by the Lender on the amount of the Bond for the term of the Bond at the stated interest rate and (2) the amount that would be realized by the Lender by reinvesting such amount for the term of the Bond, interpolated to the nearest month, at the Replacement Rate (as defined herein) plus 0.25% in effect five (5) Business Days prior to the date of the breakage; both discounted at the Replacement Rate (the "Breakage Fee"). Should the present value have no value or a negative value, there will be no Breakage Fee. For purposes of this Agreement and the Note, "Replacement Rate" means the Standard & Poor's Municipal Bond Yield Curve for A rated credits with a term closest to the remaining term of the Bond at the time of the breakage as such rate is published in The Bond Buyer as of five (5) Business Days prior to the date of the breakage or if that index is not available such other comparable index selected by the Lender.

### 3. Representations, Warranties and Agreements.

(a) The Issuer represents and warrants to and agrees with the Lender that, as of the date hereof (i) the purchase and sale of the Bond pursuant to this Agreement is an arm's-length commercial transaction between the Issuer and the Lender, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Lender is not a fiduciary of the Issuer, (iii) the Lender has not assumed an advisory or fiduciary responsibility in favor of the Issuer with respect to the transaction contemplated hereby or the discussions, undertakings and procedures leading thereto and the Lender has no obligation to the Issuer with respect to the transaction contemplated hereby except the obligations expressly set forth in this Agreement and (iv) the Issuer has consulted with its own legal, financial and other advisors to the extent it has deemed appropriate. The Lender has financial and other interests that differ from those of the Issuer.

(b) Issuer Representations Warranties, Covenants and Agreements. The Issuer represents and warrants to and covenants and agrees with the Lender that, as of the date hereof and as of the date of the Closing:

(i) The Issuer has been duly and validly created, under and pursuant to Chapter 361, Part II, Florida Statutes and Section 163.01 Florida Statutes (collectively, the "Act") and the Interlocal Agreement Creating the Florida Municipal Power Agency, as amended and supplemented (the "Interlocal Agreement") and is a duly and validly existing governmental legal entity under the laws of the State of Florida, and has full legal right, power and authority to acquire, construct, operate, maintain, improve, finance and refinance the Stanton II Project (the "Stanton II Project") as contemplated by the Power Sales Contracts and the Project Support Contracts.



(ii) The Issuer has full legal right, power and authority to enter into this Agreement, to adopt the Bond Resolution and to issue, sell and deliver the Bond to the Lender as provided herein; by official action of the Issuer taken prior to or concurrently with the acceptance hereof, the Issuer has duly enacted the Bond Resolution in accordance with the Act, Chapter 166, Part II, Florida Statutes, and the Interlocal Agreement; the Bond Resolution is in full force and has not been amended, modified or rescinded; the Issuer has duly authorized and approved the execution and delivery of, and the performance by the Issuer of its obligations contained in this Agreement; and the Issuer has duly authorized and approved the performance by the Issuer of its obligations contained in the Bond Resolution and the consummation by it of all other transactions contemplated by the Power Sales Contracts, the Project Support Contracts, the Bond Resolution, and this Agreement to have been performed or consummated at or prior to the Closing Date, and the Issuer is in compliance with the provisions of the Bond Resolution.

(iii) The Issuer had at their respective dates of execution and as of the date hereof has full legal right, power and authority to enter into the Power Sales Contracts and the Project Support Contracts. By appropriate official action, the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations under the Power Sales Contracts and the Project Support Contracts. The Power Sales Contracts and the Project Support Contracts are in full force and effect and have not been amended, modified or rescinded since their respective dates of execution except as provided by amendments, copies of which shall have been furnished to the Lender on or before the date hereof. The Power Sales Contracts and the Project Support Contracts constitute valid and legally binding agreements of the Issuer enforceable against the Issuer in accordance with their respective terms; provided, however, that the enforceability thereof may be subject to judicial discretion, the valid exercise of the sovereign police powers of the State of Florida and of the constitutional powers of the United States and valid bankruptcy, insolvency, reorganization, moratorium and other laws affecting creditors' rights.

(iv) The Issuer is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, or any agency or department of either, or the Interlocal Agreement, or the bylaws of the Issuer, or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party, including the Bond Resolution and any Outstanding Bonds issued under the Bond Resolution, or to which the Issuer or any of its properties or other assets is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or event of default under any such instrument, in any such case to the extent that the same would have a material and adverse effect upon the business or properties or financial condition of the Issuer and which would materially adversely impair the ability of the Issuer to perform its obligations under this Agreement, the Bond Resolution, the Power Sales Contracts, the Project Support Contracts and the Bond; to the best knowledge of the Issuer there is no default by any party to the Power Sales Contracts or the Project Support Contracts and no legal impediment to the performance thereof by any party thereto; and the execution and delivery of the Bond, this Agreement, the Power Sales Contracts and the Project Support Contracts and the adoption of the Bond Resolution, and compliance with the provisions on the Issuer's part contained therein, will not conflict with or constitute a breach of or default under the Act, the Interlocal Agreement or the by-

laws of the Issuer or under any constitutional provision, law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Issuer is a party or to which the Issuer or any of its properties or other assets is otherwise subject, nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or the assets of the Issuer under the terms of any such law, regulation or instrument, except as provided or permitted by the Bond, the Bond Resolution, the Power Sales Contracts and the Project Support Contracts. The Issuer has not been in default in the payment of either principal or interest on any of its obligations issued by it since its inception in 1978. The foregoing representation and warranty is given and made by the Issuer in contemplation of Section 517.051(l), Florida Statutes.

(v) All approvals, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction which would constitute a condition precedent to or the absence of which would materially adversely affect the due performance by the Issuer of its obligations under this Agreement, the Bond Resolution, the Power Sales Contracts, the Project Support Contracts and the Bond have been, or prior to the Closing will have been, duly obtained, except for such approvals, consents and orders not of material significance to the Stanton II Project or customarily granted in due course after application therefor and expected to be obtained without material difficulty or delay.

(vi) Under the laws of the State of Florida, the authority of the Issuer and each of the Participants to determine, fix, impose and collect rates and charges for electric power and energy sold and delivered is not subject to the regulatory jurisdiction of the Florida Public Service Commission, and there is no other regional or State governmental regulatory authority with the authority to limit or restrict such rates and charges, in each case except as described in Exhibit "G" hereto.

(vii) The Bond, when issued, authenticated and delivered in accordance with the Bond Resolution and sold to the Lender as provided herein and in accordance with the provisions of the Bond Resolution, will be valid and legally enforceable obligations of the Issuer in accordance with their terms and the terms of the Bond Resolution and will be direct and special obligations of the Issuer payable solely from and secured solely by a pledge and assignment of (a) the proceeds of the sale of the Bond, (b) all right, title and interest of the Issuer in, to and under the Power Sales Contracts and the Project Support Contracts (c) the Revenues (as defined in the Bond Resolution), and (d) all funds established by the Bond Resolution (subject to the provisions of the Bond Resolution governing the application of any separate subaccounts in the Debt Service Reserve Account for a particular Series of Bonds and provisions governing Parity Reimbursement Obligations and Parity Swap Obligations) including investment income, if any, thereon, subject only to the provisions of the Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Bond Resolution on a parity with all Outstanding Bonds heretofore issued under the Bond Resolution.

(viii) The Issuer has not or will not have incurred any material liabilities direct or contingent, or entered into any material transaction related to the Stanton II Project, in each case other than in the ordinary course of its business, and there has not or shall not have been any material adverse change in the condition, financial or physical, of the Issuer or

its properties or other assets related to the Stanton II Project which would materially adversely impair the ability of the Issuer to perform its obligations under this Agreement, the Bond Resolution, the Power Sales Contracts, the Project Support Contracts and the Bond since the date of the most recent financial statements of the Issuer delivered to the Lender.

(ix) There is no action, suit, proceeding, inquiry or investigation, at law or in equity before or by any court, government agency or public board or body, pending or, to the best knowledge of the Issuer, threatened, which may affect the corporate existence of the Issuer or the titles of its officers to their respective offices, or which may affect or which seeks to prohibit, restrain or enjoin the sale, issuance or delivery of the Bond or the collection of the amounts pledged or to be pledged to pay the principal of and interest on the Bond, or which in any way contests or affects the validity or enforceability of the Bond, the Bond Resolution, this Agreement, the Power Sales Contracts, the Project Support Contracts or any of them, or which may result in any material adverse change in the business, properties, other assets or financial condition of the Issuer and which would materially adversely impair the ability of the Issuer to perform its obligations under this Agreement, the Bond Resolution, the Power Sales Contracts, the Project Support Contracts and the Bond or contests the tax-exempt status of the interest on the Bond as set forth in the approving opinion of Nixon Peabody LLP, Bond Counsel to the Issuer, required to be delivered pursuant to Paragraph 5(c)(i) hereof, or which contests the power of the Issuer or any authority or proceedings for the issuance, sale or delivery of this Agreement, the Power Sales Contracts and the Project Support Contracts, or any of them, nor, to the best knowledge of the Issuer, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bond, the Bond Resolution, the Power Sales Contracts, the Project Support Contracts or this Agreement.

4. The Closing. At 1:00 p.m., local time, July 6, 2022 (such date herein called the "Closing Date"), or at such later time or on such later date as may be mutually agreed upon by the Issuer and the Lender (or in the event of a change in the federal tax law permitting advance refunding, such earlier date as may be mutually agreed upon by the Issuer and the Lender), the Issuer shall, subject to the terms and conditions hereof, deliver the Bond to the Lender, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Lender shall accept such delivery and pay the purchase price of the Bond as set forth in Paragraph 1 hereof in Federal funds to the order of the Issuer or as may otherwise be instructed in writing by the Issuer (such delivery of and payment for the Bond herein called the "Closing"). The Closing shall occur at the offices of the Issuer in Orlando, Florida, or such other place as shall have been mutually agreed upon by the Issuer and the Lender. The Bond shall be prepared and delivered as fully registered Bond in the form attached hereto as Exhibit "D."

5. Closing Conditions. The Lender is entering into this Agreement in reliance upon the representations, warranties and agreements of the Issuer contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing, and upon the performance of the covenants and agreements herein, as of the date hereof and as of the date of the Closing. Accordingly, the Lender's obligation under this Agreement to purchase, to accept delivery of and to pay for the Bond shall be conditioned upon the performance of the covenants and agreements to be performed hereunder and under such

other documents and instruments to be delivered at or prior to the Closing, and shall also be subject to the following additional conditions:

(a) At the date of execution hereof and at the Closing (i) the Bond Resolution shall have been duly approved and adopted by the Issuer, shall be in full force and effect, (ii) the Supplemental Resolution shall not have been amended except to the extent the Lender shall have given its prior written consent and (iii) the Bond Resolution, other than the Supplemental Resolution, shall not have been amended subsequent to the date hereof, except to the extent to which the Lender shall have given its prior written consent.

(b) At the Closing, there will be no pending or, to the knowledge of the Issuer, threatened litigation or proceeding of any nature seeking to restrain or enjoin the issuance, sale or delivery of the Bond, or the collection or application of the Revenues (as defined in the Bond Resolution) or in any way contesting or affecting the validity or enforceability of the Bond, the Bond Resolution or this Agreement or contesting in any way the proceedings of the Issuer taken with respect thereto, or contesting in any way the due existence or powers of the Issuer or the title of any of the members or officials of the Issuer, and the Lender will receive the certificate of the Issuer to the foregoing effect, or opinions of Counsel to the Issuer that any such litigation is without merit.

(c) At the Closing, the Lender shall receive all of the documents required to be delivered by the Bond Resolution and, in addition, the following documents, each dated as of the Closing:

(i) The opinion of Nixon Peabody LLP, Bond Counsel, dated the Closing Date, along with a reliance letter addressed to the Lender, each in substantially the forms attached hereto as Exhibit "B";

(ii) An opinion of Jody Finklea, Esquire, General Counsel and Chief Legal Officer to the Issuer, addressed to at least the Lender, in substantially the form attached hereto as Exhibit "C;"

(iii) A certificate dated the Closing Date, signed by the Chairman of the Board of Directors and the General Manager and CEO or other appropriate official satisfactory to the Lender, to the effect that, to the best knowledge of such individual, (A) the representations of the Issuer herein are true and correct in all material respects as of the Closing Date; (B) the Issuer has performed all obligations to be performed and has satisfied all conditions on its part to be observed or satisfied under this Agreement and the Bond Resolution, as of the Closing Date; and (C) there is no litigation pending or threatened (1) to restrain or enjoin the issuance or delivery of any of the Bond, (2) in any way contesting or affecting any authority for the issuance of the Bond or the validity of the Bond, the Bond Resolution or this Agreement, (3) in any way contesting the corporate existence or powers of the Issuer, or (4) to restrain or enjoin the collection of the Revenues or the application thereof to make the payments on the Bond.

(iv) Copies of the Bond Resolution certified by an authorized officer of the Issuer as being complete and in full force and effect, the fully executed Bond.

(v) The Bond Series Certificate in the form attached hereto as Exhibit "E," duly executed on behalf of the Issuer.

(d) At the Closing, the Power Sales Contracts and the Project Support Contracts shall be in full force and effect and shall not have been amended, modified or supplemented since the date hereof unless consented to in writing by the Lender.

(e) At the time of Closing, there shall have been no material adverse change or any development involving a prospective material change in the status of required permits and approvals for the Stanton II Project or in the condition, financial or otherwise, or in the revenue or operations of the Stanton II Project which would materially adversely impair the ability of the Issuer to perform its obligations under this Agreement, the Resolution, the Power Sales Contracts, the Project Support Contracts and the Bond since the date of the most recent financial statements of the Issuer delivered to the Lender.

(f) At the Closing the Lender shall deliver to the Issuer the Lender's Investment Certificate in the form attached hereto as Exhibit "F," executed on behalf of the Lender and the Lender shall assist the Issuer in establishing the issue price of the Bond and shall execute and deliver to the Issuer on the Closing Date an "issue price" or similar certificate in such form as reasonably required by Bond Counsel to deliver its opinion on the excludability of the interest from the gross income of the Lender for federal income tax purposes.

All of the evidence, opinions, letters, certificates, instruments and other documents, mentioned above or elsewhere in this Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are fully completed and executed by all required parties in the form specified herein or are otherwise in form and substance satisfactory to the Lender and its counsel and to the Issuer and its counsel.

If the conditions to the obligations of the Lender to purchase, to accept delivery of and to pay for the Bond contained in this Agreement are not satisfied, other than due to a Change in Law, this Agreement shall terminate and neither the Lender nor the Issuer shall be under any further obligation hereunder, except that the obligations of the Issuer set forth in Paragraphs 2 and 6 hereof shall continue in full force and effect.

If the obligations of the Lender to purchase, to accept delivery of and to pay for the Bond shall be terminated for any reason permitted by this Agreement, or if a Change in Law occurs and the Issuer notifies the Lender in writing that the Issuer has determined that the Bond shall not be issued, this Agreement shall terminate and neither the Lender nor the Issuer shall be under any further obligation hereunder, except that the respective obligations of the Issuer set forth in Paragraph 6 hereof shall continue in full force and effect.

(g) The Lender may terminate this Agreement by notification from the Lender to the Issuer, or upon mutual consent of the parties modify the date of Closing, if at any time on or after the date of this Agreement and at the time of or prior to the Closing:

(i) There shall be in force a general suspension of trading on the New York Stock Exchange or minimum or maximum prices for trading shall have been fixed and be in force, or maximum ranges for prices for securities shall have been required and be in force on the New York Stock Exchange whether by virtue of a determination by the New York Stock Exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction; or

(ii) a general banking moratorium shall have been declared by either federal, Florida or New York authorities having jurisdiction and then in force or a major financial crisis or a material disruption in commercial banking or securities settlement or clearance services shall have occurred the effect of which in the opinion of the Lender which prevents or makes impractical the purchase of the Bond by the Lender.

The termination of this Agreement by the Lender for any of the reasons specified in Section 5(g) shall not constitute a Break Funding Event and the modification of the date of Closing by the mutual agreement of the Lender and the Issuer shall not constitute a Break Funding Event.

6. Expenses. The Lender shall be under no obligation to pay, and the Issuer shall pay, such expenses incident to the issuance of the Bond and the performance of the Issuer's obligations hereunder, including, but not limited to the following expenses: (i) the cost of preparing the Bond Resolution and the Bond; (ii) the fees and disbursements of the Bond Counsel and Counsel to the Issuer; (iii) the fees and disbursements of the financial advisor to the Issuer; and (iv) the fees and disbursements of any experts, accountants, consultants or advisors retained by the Issuer or the Corporation. The Issuer shall pay the fee of counsel to the Lender in the amount of \$21,500, payable (i) in the amount of \$16,500 on the date hereof and (ii) in the amount of \$5,000 on the earlier of the Closing Date or the date on which a Break Funding Event or a determination by the Issuer of the occurrence of a change in Law in which it has given notice to terminate, occurs.

7. Waiver of Jury Trial. Each party hereto hereby irrevocably waives, to the fullest extent permitted by applicable law any right it may have to a trial by jury in any legal proceeding directly or indirectly arising out of or relating to this agreement or any other document executed in connection herewith or the transactions contemplated hereby or thereby (whether based on contract, tort or any other theory). Each party hereto (a) certifies that no representative, agent or attorney of any other person has represented, expressly or otherwise, that such other person would not, in the event of litigation, seek to enforce the foregoing waiver, (b) acknowledges that it and the other parties hereto have been induced to enter into this agreement and the other documents contemplated hereby by, among other things, the mutual waivers and certifications in this section and (c) certifies that this waiver is knowingly, willingly and voluntarily made.

8. Counterparts. This Agreement may be executed in several counterparts, which together shall constitute one and the same instrument.

9. Assignment. This Agreement cannot be assigned by the Issuer hereto; provided, however, that, notwithstanding anything herein contained to the contrary, the Lender may assign this Agreement to any affiliate of the Lender, and any affiliate of the Lender may assign this Agreement to the Lender or any other affiliate of the Lender; and provided further that any company into which the Lender (or any affiliate of the Lender that may have been assigned this Agreement as above provided) may be merged or with which it may be consolidated or any company resulting from any merger, conversion or consolidation to which it shall be a party or any company to which the Lender (or any affiliate of the Lender that may have been assigned this Agreement as above provided) may sell or transfer all or substantially all of its lending business shall be the successor to the Lender (or such affiliate of the Lender that may have been assigned this Agreement as above provided) hereunder, without any further act, deed or conveyance and notwithstanding any prohibitions or conditions contained herein with respect to assignability of this Agreement by the Lender (or any affiliate of the Lender that may have been assigned this Agreement as above provided).

10. Florida Law Governs. The validity, interpretation and performance of this Agreement shall be governed by the laws of the State of Florida.

11. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Agreement to be given to the Issuer or the Lender shall be sent by United States certified mail, first-class postage prepaid, return receipt requested, or by overnight common courier, addressed as follows (unless changed as hereinafter provided):

To the Issuer:

Florida Municipal Power Agency  
8533 Commodity Circle  
Orlando, Florida 32819  
Attention: \_\_\_\_\_  
Email: \_\_\_\_\_

To the Lender:

Raymond James Capital Funding, Inc.  
710 Carillon Parkway  
St. Petersburg, Florida 33716  
Attention: Cord King, Senior Vice President  
Email: Cord.King@RaymondJames.com

Upon written notice to the respective parties mentioned above given in the manner provided above, any of the above or subsequent addresses may be changed.

**RAYMOND JAMES CAPITAL FUNDING, INC.**

By: \_\_\_\_\_  
Name: Cord King  
Title: Senior Vice President

**FLORIDA MUNICIPAL POWER AGENCY  
(STANTON II PROJECT)**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

*[SIGNATURE PAGE TO FORWARD BOND PURCHASE AGREEMENT]*

EXHIBIT "A"

FORM OF LENDER'S DISCLOSURE LETTER

**RAYMOND JAMES CAPITAL FUNDING, INC.  
DISCLOSURE LETTER AND  
TRUTH-IN-BONDING STATEMENT**

\_\_\_\_\_, 2022

Florida Municipal Power Agency  
8533 Commodity Circle  
Orlando, Florida 32819

Re: \$\_\_\_\_\_ Florida Municipal Power Agency Stanton II Project Refunding  
Revenue Bond, Series 2022A

Ladies and Gentlemen:

In connection with the purchase of the \$\_\_\_\_\_ principal amount of the Florida Municipal Power Agency Stanton II Project Refunding Revenue Bond, Series 2022A (the "Series 2022 Bond") authorized to be issued by the Stanton II Project Revenue Bond Resolution adopted by the Florida Municipal Power Agency, a governmental legal entity of the State of Florida (the "Issuer") on June 26, 1991 and amended and restated on April 10, 2022, as supplemented and amended (the "Master Resolution"), particularly as supplemented by the Series 2022A Supplemental Stanton II Project Revenue Bond Resolution (Fixed Rate Bonds – Forward Delivery) adopted by the Issuer on February 17, 2022 (the "Supplemental Resolution," and together with the Master Resolution, the "Resolution"), the undersigned holder of the Series 2022 Bond (the "Lender"), pursuant to the provisions of Section 218.385, Florida Statutes, as amended, is providing the following information with respect to the purchase of the Series 2022 Bond. The Lender represents to you as follows:

(a) The nature and estimated amounts of expenses to be incurred by the Lender in connection with the issuance and sale of the Series 2022 Bond are:

Counsel Fee and Expenses (to be paid by the Issuer)	\$21,500
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(b) There are no "finders," as defined in Section 218.386, Florida Statutes, as amended, in connection with the issuance of the Series 2022 Bond.

(c) No underwriting discount or placement fee is expected to be realized by the Lender in connection with the issuance of the Series 2022 Bond; provided, however, the Lender is purchasing the Series 2022 Bond at a price net of original issue discount.

(d) No management fee will be charged by the Lender in connection with the issuance of the Series 2022 Bond.



(e) No other fee, bonus or other compensation will be paid by the Lender in connection with the issuance of the Series 2022 Bond to any person not regularly employed or retained by the Lender (including a "finder" as defined in Section 218.386, Florida Statutes).

(f) The name and address of the Lender is:

Raymond James Capital Funding, Inc.  
710 Carillon Parkway  
St. Petersburg, FL 33716

(g) The Issuer is proposing to issue the Series 2022 Bond for the principal purpose of financing and refinancing various capital improvements within the Issuer. The Series 2022 Bond is expected to be repaid over approximately \_\_\_\_ years. The interest rate on the Series 2022 Bond is \_\_\_\_%. Total interest paid over the life of the Series 2022 Bond is expected to be \$\_\_\_\_\_. The expected source of repayment for the Series 2022 Bond is Revenues (as defined in the Resolution). The Series 2022 Bond is expected to result in an average of \$\_\_\_\_\_ (representing average annual debt service on the Series 2022 Bond) of such Revenues of the Issuer being expended to pay debt service on the Series 2022 Bond each year.

This disclosure letter is for informational purposes only and shall not affect or control the actual terms of the Series 2022 Bond.

Very truly yours,

RAYMOND JAMES CAPITAL FUNDING, INC.

By: \_\_\_\_\_  
Senior Vice President

EXHIBIT "B"

FORM OF BOND COUNSEL OPINION

EXHIBIT "C"

FORM OF ISSUER ATTORNEY OPINION

EXHIBIT "D"

FORM OF BOND

EXHIBIT "E"

FORM OF BOND SERIES CERTIFICATE

EXHIBIT "F"

LENDER'S INVESTMENT CERTIFICATE

Florida Municipal Power Agency  
Orlando, Florida

Re: \$\_\_\_\_\_ Florida Municipal Power Agency Stanton II Project  
Refunding Revenue Bond, Series 2022A (the "Bond")

Ladies and Gentlemen:

This letter is being provided by Raymond James Capital Funding, Inc. (the "Lender") in connection with the purchase of the above-referenced Bond which were delivered to us by the Florida Municipal Power Agency (the "Agency") on the date hereof.

1. The Lender is engaged in the business of making loans similar to that evidenced by the Bond or in the business of entering into loan transactions evidenced by securities similar to the Bond, and the Lender has sufficient knowledge and experience in financial and business matters, including the purchase and ownership of tax-exempt obligations, to be capable of evaluating the merits and risks of the purchase of the Bond.

2. The Lender is purchasing the Bond for its own account (or the account(s) of our affiliates) and with no present intention to resell or otherwise dispose of the Bond (or any portion thereof or any interest therein); provided, however, that subject to applicable laws, the Lender reserves the right to transfer the Bond or any part thereof or interest therein at any time in the Lender's sole discretion in accordance with the Bond.

3. The Lender is not acting as an Underwriter (as defined in Section 5 below) with respect to the Bond and presently, to the knowledge of the Lender, there is no Underwriter for the Bond. The Bank has not contracted with any person pursuant to a written agreement to have such person participate in the initial sale of the Bond and the Lender has not agreed with the Agency pursuant to a written agreement to sell the Bond to persons other than the Lender or related parties to the Lender.

4. The Lender is an "accredited investor" as that term is defined in Rule 501(a)(1) under Regulation D as promulgated by the Securities and Exchange Commission under the Securities Act of 1933, as amended.

5. Defined Terms:

(a) "Public" means any person (including an individual, trust, estate, partnership, association or corporation) other than an Underwriter or a related party. The term "related party" for purposes of this letter generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(b) "Underwriter" means (i) any person that agrees pursuant to a written contract with the Agency (or with the lead underwriter to form an underwriting syndicate) to participate in the

initial sale of the Bond to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bond to the Public (including a member of the selling group or a party to a retail distribution agreement participating in the initial sale of the Bond to the Public).

6. The Lender understands that the foregoing information will be relied upon by the Agency with respect to certain of the representations set forth in the [**Certificate Relating to Tax, Arbitrage and Other Matters**] with respect to the Bond and with respect to compliance with the federal income tax rules affecting the Bond, and by Nixon Peabody LLP, Bond Counsel, in connection with rendering its opinion that interest component on the Bond is excludable from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Agency from time to time relating to the Bond. Notwithstanding, the Lender has no responsibility for the legal sufficiency of the factual assertions made by the Lender herein.

*[Signature Page Follows]*

DATED this \_\_\_\_ day of \_\_\_\_\_, 2022.

Very truly yours,

RAYMOND JAMES CAPITAL FUNDING, INC.,  
as Lender

By: \_\_\_\_\_

Name: Cord King

Title: Senior Vice President

*[Signature Page to Lender's Investment Certificate]*



## EXHIBIT "G"

### STATE UTILITY REGULATION

In general, the rates of municipal electric utilities in Florida, including the Participants, are established by the governing bodies of such utilities. Under Chapter 366, Florida Statutes, the Public Service Commission ("PSC") has jurisdiction over municipal electric utilities to prescribe uniform systems and classifications of accounts, to require electric power conservation and reliability, to establish rules and regulations regarding cogeneration, to approve territorial agreements, to resolve territorial disputes, to prescribe rate structures and to prescribe and require the periodic filing of reports and other data. Pursuant to the rules of the PSC, rate structure is defined as "the classification system used in justifying different rates between various customer classes." (Fla. Admin. Code R. 25-9.051(7) (2017)). However, the PSC and the Florida Supreme Court have determined that, except as to rate structure, the PSC does not have jurisdiction over municipal electric utility rates, including those of the Participants. The PSC has not asserted any jurisdiction over the rates or rate structure of the Agency. The PSC also has the authority to determine the need for certain new transmission and generation facilities.

**Exhibit B**

**Form of Escrow Deposit Agreement**

[See attached]

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**FORM OF ESCROW DEPOSIT AGREEMENT**

**by and between**

**FLORIDA MUNICIPAL POWER AGENCY  
(STANTON II PROJECT)**

**and**

**THE BANK OF NEW YORK MELLON TRUST COMPANY, N.A.,  
as Escrow Agent, Paying Agent and Trustee**

\_\_\_\_\_  
**Dated July 6, 2022**  
\_\_\_\_\_

**Relating to the Payment of the Principal and Redemption Price of and Interest on  
Stanton II Project Revenue Bonds, Series 2012A**

---

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## ESCROW DEPOSIT AGREEMENT

This **ESCROW DEPOSIT AGREEMENT** (this “**Escrow Agreement**”) is made as of July 6, 2022, by and between the Florida Municipal Power Agency (Stanton II Project) and The Bank of New York Mellon Trust Company, N.A., as escrow agent hereunder and as Paying Agent and Trustee under the Bond Resolution (defined below) (the “**Bank**”).

### WITNESSETH:

**WHEREAS**, Florida Municipal Power Agency (“**FMPA**”), under and pursuant to its Stanton II Project Revenue Bond Resolution, adopted on June 26, 1991, as amended and restated in its entirety on April 10, 2002, as supplemented and amended (the “**Bond Resolution**”) including as supplemented by the Series 2012A Supplemental Stanton II Project Revenue Bond Resolution (Fixed Rate Bonds), adopted on July 12, 2012, as amended and supplemented pursuant to the Bond Series Certificate dated September 12, 2012 (the “**Refunded Bonds Supplemental Resolution**”), which authorized the issuance of Stanton II Project Revenue Bonds, Series 2012A (the “**Series 2012A Bonds**”) in the original aggregate principal amount of \$35,400,000 for the Refunded Bonds; and

**WHEREAS**, FMPA wishes to defease \$35,400,000 of the outstanding Series 2012A Bonds shown in Schedule 1 (the “**Refunded Bonds**”);

**WHEREAS**, FMPA has determined to issue \$[ ] principal amount of its Stanton II Project Refunding Revenue Bonds, Series 2022A (Forward Delivery) (the “**Series 2022A Bonds**”) under and pursuant to the Bond Resolution and the Series 2022A Supplemental Stanton II Project Revenue Bond Resolution (Fixed Rate Bonds – Forward Delivery), adopted on February 17, 2022 (the “**Series 2022A Supplemental Resolution**”) and the Initial Bond Series Certificate, dated as of [ ] (the “**Series 2022A Bond Series Certificate**”), executed by FMPA in connection with the Series 2022A Bonds (said Series 2022A Bond Series Certificate, together with the Bond Resolution, and the Series 2022A Supplemental Resolution (the “**Resolution**”); and

**WHEREAS**, pursuant to the Series 2022A Supplemental Resolution, a portion of the proceeds of the Series 2022A Bonds will be provided to the Bank, along with \$[ ] from amounts on deposit in the Debt Service Account in the Debt Service Fund, \$[ ] from amounts on deposit in the Debt Service Reserve Account in the Debt Service Fund and [ ] from amounts on deposit in the General Reserve Fund to enable the Bank to have moneys sufficient to pay on October 1, 2022 (i) the scheduled principal payment for the bonds maturing on such date and the interest on such bonds and (ii) the redemption price of and interest on the Refunded Bonds that are being redeemed on such date.

**NOW, THEREFOR**, in consideration of the foregoing and the mutual covenants, agreements and representations herein set forth, FMPA and the Bank hereby agree as follows:

**SECTION 1. Irrevocable Instructions.** FMPA hereby irrevocably instructs the Bank, and the Bank hereby agrees, as follows:

(a) The Bank shall establish a special trust account to be known as the “Florida Municipal Power Agency Stanton II Project Revenue Bonds, Series 2012A Escrow Account” (the “**Escrow Account**”);

(b) On the date of delivery of the Series 2022A Bonds, FMPA shall deposit, or cause to be deposited, with the Bank the following amounts that the Bank shall deposit in the Escrow Account: an amount equal to \$[\_\_\_\_\_] from the proceeds of the Series 2022A Bonds, and an amount equal to \$[\_\_\_\_\_] from amounts on deposit in the General Reserve Fund and FMPA directs the Bank to transfer \$[\_\_\_\_\_] from amounts on deposit for the Refunded Bonds in the Debt Service Account in the Debt Service Fund, and to transfer \$[\_\_\_\_\_] from amounts on deposit for the Refunded Bonds in the Debt Service Reserve Account in the Debt Service Fund, in each case, to the Escrow Account. Such amounts shall be held uninvested and without liability for interest in the Escrow Account (unless amounts deposited in the Escrow Account are used to purchase Investment Securities in accordance with a written direction provided by FMPA in accordance with Section 2 below).

(c) The Bank shall hold the Escrow Account as a special and separate trust account, wholly segregated from all other securities and money on deposit with the Bank, to pay the principal of and interest on the Refunded Bonds on October 1, 2022;

(d) FMPA directs the Bank, as Trustee for the Refunded Bonds, to give notice of redemption on the date hereof of the Refunded Bonds to be redeemed on October 1, 2022 as provided in Section 405 of the Bond Resolution, as supplemented by the Refunded Bonds Supplemental Resolution on behalf of FMPA substantially in the form provided in Exhibit A attached hereto. FMPA hereby directs the Bank, as Trustee for the Refunded Bonds, to provide notice of defeasance substantially in the form provided in Exhibit B attached hereto for the Refunded Bonds. Redemption notices and defeasance notices distributed by the Trustee will be sent to bondholders pursuant to the Bond Resolution and will be distributed to the Municipal Securities Rulemaking Board (“MSRB”) through the MSRB’s Electronic Municipal Market Access (“EMMA”) system provided however, FMPA acknowledges and agrees that the Bank, as Trustee for the Refunded Bonds, is not acting as the disclosure/dissemination agent for purposes of Rule 15c2-12 of the Securities Exchange Act of 1934 in connection with any notice required to be posted with the Municipal Securities Rulemaking Board via its EMMA system;

(e) The Bank shall apply the money in the Escrow Account to the payment of the principal of the Refunded Bonds on October 1, 2022 in the amounts set forth in Schedule 1 hereto, and to pay interest on the Refunded Bonds on October 1, 2022.

(f) After payment in full in accordance herewith of the principal of and the interest due on the Refunded Bonds on October 1, 2022 the Bank shall transfer to the Debt Service Fund established by the Bond Resolution and held by the Bank, as trustee under the Bond Resolution, free and clear of the trust created hereby, any and all money remaining in the Escrow Account.

The money deposited in the Escrow Account pursuant to this Escrow Agreement shall not be withdrawn or used for any purpose other than as set forth in this Escrow Agreement, and

shall be held in trust for the payment of the principal of and the interest on the Refunded Bonds on October 1, 2022.

FMPA, agent for the Stanton II Project, represents and warrants that the money deposited in the Escrow Account pursuant to this Escrow Agreement will be sufficient to pay the principal of and interest on the Refunded Bonds on October 1, 2022.

**SECTION 2. Investment of Money.** The Bank shall hold the amounts deposited in the Escrow Account on the date hereof uninvested and without liability for interest in the Escrow Account or the Bank shall use amounts deposited in the Escrow Account to purchase Investment Securities in accordance with a written direction provided by FMPA (the “**Escrow Investments**”).

**SECTION 3. Bondholder’s Lien.** The money on deposit in the Escrow Account shall be subject to an express lien and trust for the benefit of the holders of the Refunded Bonds until used and applied in accordance with the terms of this Escrow Agreement subject to the provisions hereof.

**SECTION 4. Defeasance.** In accordance with Section 1201 of the Bond Resolution and Section 4.02 of the Refunded Bonds Supplemental Resolution, FMPA by this writing exercises the option to have the covenants, agreements and other obligations of FMPA to the holders of the Refunded Bonds discharged and satisfied.

**SECTION 5. Amendments.** This Escrow Agreement may not be amended except to cure any ambiguity or defect or inconsistent provision herein or any provision which is inconsistent with the Bond Resolution or to insert such provisions clarifying matters or questions arising hereunder or under the Bond Resolution as are necessary or desirable, provided that such provisions are not contrary to or inconsistent herewith or with the Bond Resolution. In connection with any amendment to this Escrow Agreement, there shall be delivered an opinion of counsel addressed to the Bank, upon which the Bank shall conclusively rely, to the effect that such amendment is authorized or permitted by the terms of this Escrow Agreement

**SECTION 6. Bank’s Duties.** The duties and obligations of the Bank shall be determined by the express provisions of this Escrow Agreement and no additional covenants or obligations shall be read into this Escrow Agreement against the Bank. The Bank shall not be liable for any action taken or omitted by it so long as such action or omission is made or taken in good faith and belief by the Bank, and is within the discretion or rights or powers conferred upon it hereby. The Bank shall not be liable in connection with the performance of its duties hereunder except for its own negligence or willful misconduct. Notwithstanding any provision herein to the contrary, in no event shall the Bank be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits), even if the Bank has been advised of the likelihood of such loss or damage and regardless of the form of action. The Bank shall not be responsible or liable for any failure or delay in the performance of its obligations under this Agreement arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions; loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of

civil or military authority or governmental action; it being understood that the Bank shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

None of the provisions of this Agreement shall require the Bank to expend or risk its own funds in the performance of any of its duties hereunder. The Bank may consult with counsel with respect to any question relating to its duties or responsibilities hereunder or otherwise in connection herewith and shall not be liable for any action taken, suffered or omitted by the Bank in good faith upon the advice of such counsel. The Bank may act through its agents and attorneys and shall not be responsible for any misconduct or negligence on the part of any such person or entity so appointed with due care. The Bank may conclusively rely upon and shall be fully protected in acting and relying upon any notice, order, requisition, request, consent, certificate, order, opinion (including an opinion of counsel), affidavit, letter, telegram or other paper or document in good faith deemed by it to be genuine and correct and to have been signed or sent by the proper person or persons.

The Bank may resign from its duties hereunder at any time upon thirty (30) days written notice to FMPA; provided however, such resignation shall not become effective until a successor has been appointed by FMPA. Upon receiving such notice of resignation, FMPA shall promptly appoint a successor to the Bank; however, if no successor has been appointed within the thirty (30) day notice period, the resigning Bank or any holder of the Refunded Bonds may, at the expense of FMPA, petition any court of competent jurisdiction for the appointment of a successor until a successor shall have been appointed as herein provided.

**SECTION 7. Compensation.** The Bank shall be entitled to, and FMPA hereby confirms its obligation to pay, the reasonable compensation heretofore mutually agreed to by FMPA and the Bank, for the performance of its duties and responsibilities hereunder. If the Bank is required by a governmental agency or proceeding initiated by a third party to undertake efforts beyond that which is set forth herein but directly related to the Bank's obligations under this Escrow Agreement (other than due to the Bank's negligence or willful misconduct), the Bank shall notify FMPA of the same in writing and FMPA shall promptly pay the Bank for such extraordinary fees, costs and expenses reasonably and necessarily incurred in connection therewith. The Bank shall not have any lien for the payment of any fees or expenses on any of the money or held by it hereunder or transferred to any accounts held by it as trustee under the Bond Resolution.

**SECTION 8. Governing Law.** This Escrow Agreement shall be governed by and construed in accordance with the laws of the State of Florida, without regard to conflict of law principles.

**SECTION 9. Counterparts.** This Escrow Agreement may be executed in one or more counterparts and when each party hereto has executed and delivered at least one counterpart, this Escrow Agreement shall become binding on all parties and such counterparts shall be deemed to be one and the same document.

**SECTION 10. Severability.** If one or more provisions of this Escrow Agreement or the application of any such provisions to any set of circumstances shall be determined to be invalid or ineffective for any reason, such determination shall not affect the validity and



enforceability of the remaining provisions or the application of the same provisions or any of the remaining provisions to other circumstances.

[Remainder of page intentionally left blank; signature page follows]

**IN WITNESS WHEREOF**, the Bank and FMPA have caused this Escrow Agreement to be executed by their respective duly authorized officers, all as of the date and year first above written.

**FLORIDA MUNICIPAL POWER AGENCY  
(STANTON II PROJECT)**

By: \_\_\_\_\_  
Name:  
Title:

**THE BANK OF NEW YORK MELLON  
TRUST COMPANY, N.A.,**  
as Escrow Agent, Paying Agent and Trustee

By: \_\_\_\_\_  
Name:  
Title:

**SCHEDULE 1****BONDS TO BE DEFEASED**Stanton II Project Revenue Bonds, Series 2012A

<b>Maturity (October 1)</b>	<b>Interest Rate</b>	<b>Principal Amount</b>	<b>Redemption Date</b>	<b>CUSIP</b>	<b>Redemption Price</b>
2022	5.00%	\$5,870,000	NA	342816E35	NA
2023	5.00	6,185,000	10/1/2022	342816E43	100
2024	5.00	6,480,000	10/1/2022	342816E50	100
2025	5.00	6,765,000	10/1/2022	342816E68	100
2026	5.00	6,000,000	10/1/2022	342816E76	100
2027	3.00	4,100,000	10/1/2022	342816E84	100

**NOTICE OF REDEMPTION**

**FLORIDA MUNICIPAL POWER AGENCY**

**STANTON II**

**PROJECT REVENUE BONDS,  
SERIES 2012A**

<b>Series</b>	<b>Maturity (October 1)</b>	<b>Interest Rate</b>	<b>Principal Amount</b>	<b>Redemption Date</b>	<b>CUSIP<sup>1</sup></b>
2012A	2023	5.000%	\$6,185,000	10/1/2022	342816E43
2012A	2024	5.000	6,480,000	10/1/2022	342816E50
2012A	2025	5.000	6,765,000	10/1/2022	342816E68
2012A	2026	5.000	6,000,000	10/1/2022	342816E76
2012A	2027*	3.000	4,100,000	10/1/2022	342816E84

\* Term bond maturing 10/1/2027 with a sinking fund payment of \$1,150,000 scheduled for 10/1/2026.

Notice is hereby given to the holders of the outstanding Stanton II Project Revenue Bonds, Series 2012A which mature on October 1 in each of the years set forth above (the “Refunded Bonds”) that the Refunded Bonds have been called for redemption prior to maturity on October 1, 2022 in accordance with their terms at a redemption price equal to 100% of the principal amount thereof, together in each case with accrued interest thereon to, but not including, October 1, 2022.

The source of the funds to be used for such redemption is moneys deposited with the Trustee and Escrow Agent on the date hereof.

The redemption price of and accrued interest on the Refunded Bonds shall become due and payable on October 1, 2022 and from and after October 1, 2022 interest on the Refunded Bonds shall cease to accrue and be payable.

To assure that the holders of the Refunded Bonds receive payment of the redemption price and accrued interest to which they are entitled, send your Registered Bond, unendorsed, about one (1) week prior to October 1, 2022 to the principal corporate trust office of the Trustee:

<u>By Mail</u>	<u>By Hand</u>	<u>Express Delivery</u>
The Bank of New York Mellon	The Bank of New York Mellon	The Bank of New York Mellon
Attn: Transfers/Redemption PO Box 2320 Dallas, TX 75221-2320	Attn: Transfers/Redemption 2001 Bryan Street 10th Floor Dallas, TX 75201	Attn: Transfers/Redemption 2001 Bryan Street 10th Floor Dallas, TX 75201

Sending your certificates by registered, insured mail is recommended.

<sup>1</sup> No representation is made as to the accuracy of the CUSIP numbers either as printed on the Refunded Bonds or as set forth in this Notice of Redemption.

To avoid a 24% backup withholding tax required by the Tax Cuts and Jobs Act of 2017, holders must submit a properly completed IRS Form W-9 with their Bonds, unless such form has been previously provided.

Dated this [\_\_] day of [\_\_\_\_], 2022.

FLORIDA MUNICIPAL POWER AGENCY

By: THE BANK OF NEW YORK MELLON TRUST  
COMPANY, N.A.,  
as Trustee, Escrow Agent and Paying Agent

**NOTICE OF DEFEASANCE  
AND  
DESIGNATION OF CERTAIN BONDS FOR PRIOR REDEMPTION**

**FLORIDA MUNICIPAL POWER AGENCY**

Relating to

**STANTON II PROJECT REVENUE BONDS,  
SERIES 2012A**

<b>Series</b>	<b>Maturity (October 1)</b>	<b>Interest Rate</b>	<b>Principal Amount</b>	<b>Redemption Date</b>	<b>CUSIP<sup>1</sup></b>
2012A	2022	5.000%	\$5,870,000	NA	342816E35
2012A	2023	5.000	6,185,000	10/1/2022	342816E43
2012A	2024	5.000	6,480,000	10/1/2022	342816E50
2012A	2025	5.000	6,765,000	10/1/2022	342816E68
2012A	2026	5.000	6,000,000	10/1/2022	342816E76
2012A	2027	3.000	4,100,000	10/1/2022	342816E84

Notice is hereby given to the holders of the above-listed outstanding bonds designated Florida Municipal Power Agency Stanton II Project Revenue Bonds, Series 2012A which mature on October 1 in each of the years set forth above (the “Refunded Bonds”) (i) that there has been deposited with The Bank of New York Mellon Trust Company, N.A., as Trustee and Escrow Agent, in accordance with the Stanton II Project Revenue Bond Resolution, adopted by the Florida Municipal Power Agency (the “Agency”) on June 26, 1991, as amended and restated in its entirety on April 10, 2002, as supplemented and amended (the “Resolution”) and the Escrow Agreement, dated July 6, 2022, between Florida Municipal Power Agency (Stanton II Project) and The Bank of New York Mellon Trust Company, N.A., moneys which shall be sufficient and available to pay on October 1, 2022 the principal of all Refunded Bonds and interest on all Refunded Bonds on such date; (ii) that the Trustee has been irrevocably instructed to pay the principal of and interest on the Refunded Bonds maturing on October 1, 2022 and to pay the principal of and interest on the Refunded Bonds that are being redeemed on October 1, 2022, and (iii) that the Refunded Bonds are deemed to be paid in accordance the Resolution.

Dated this [\_\_\_\_] day of July, 2022.

FLORIDA MUNICIPAL POWER AGENCY

By: The Bank of New York Mellon Trust  
Company, N.A., as Trustee and Escrow Agent

<sup>1</sup> No representation is made as to the accuracy of the CUSIP numbers either as printed on the Refunded Bonds or as set forth in this Notice of Defeasance.

**AGENDA ITEM 9 – INFORMATION  
ITEMS**

**a. Annual Debt Report**

**Board of Directors Meeting  
February 17, 2022**





# **9a – Annual Debt Report as of Sept. 30, 2021**

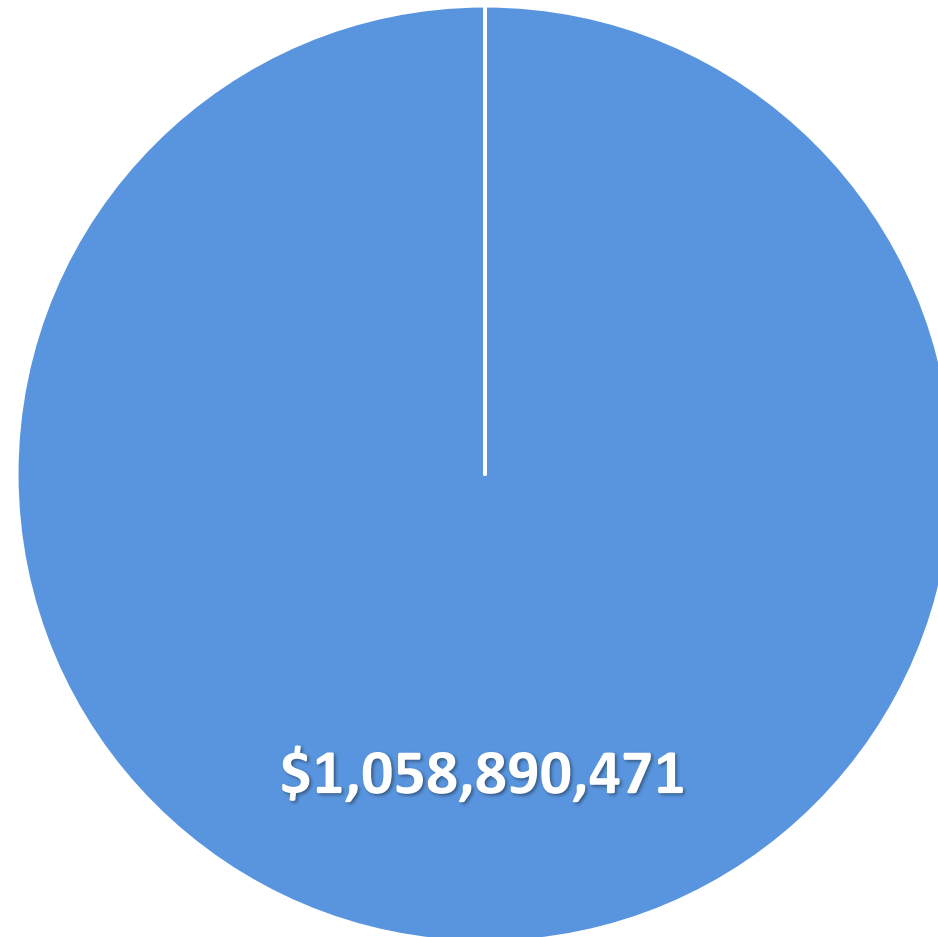
Board of Directors

February 17, 2022

# 100% of FMPA Project Debt is Fixed Rate

## *Most Conservative Debt Structure*

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# FMPA's Total Debt Increased by \$44.8M in 2021

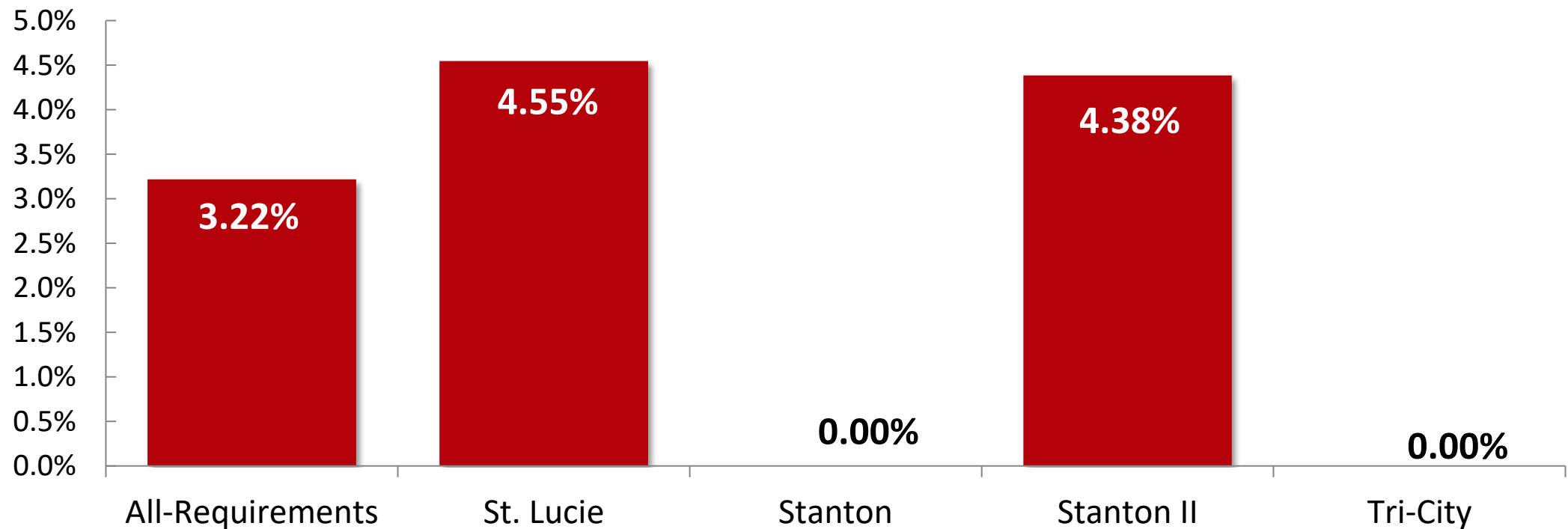
*ARP Issued Debt vs. Higher Cost Lines of Credit*

Project	9/30/21 \$'s in 000's	9/30/20 \$'s in 000's	Debt Reduction
All-Requirements	\$873,865	\$785,140	\$88,725
St. Lucie	\$84,285	\$117,135	<\$32,850>
Stanton	\$0	\$0	\$0
Stanton II	\$100,740	\$111,735	<\$10,995>
Tri-City	\$0	\$0	\$0
<b>Total</b>	<b>\$1,058,890</b>	<b>\$1,014,010</b>	<b>\$44,880</b>

# True Interest Cost of Debt by Project

## *TIC Reduction Due to 2021 Refinancings*

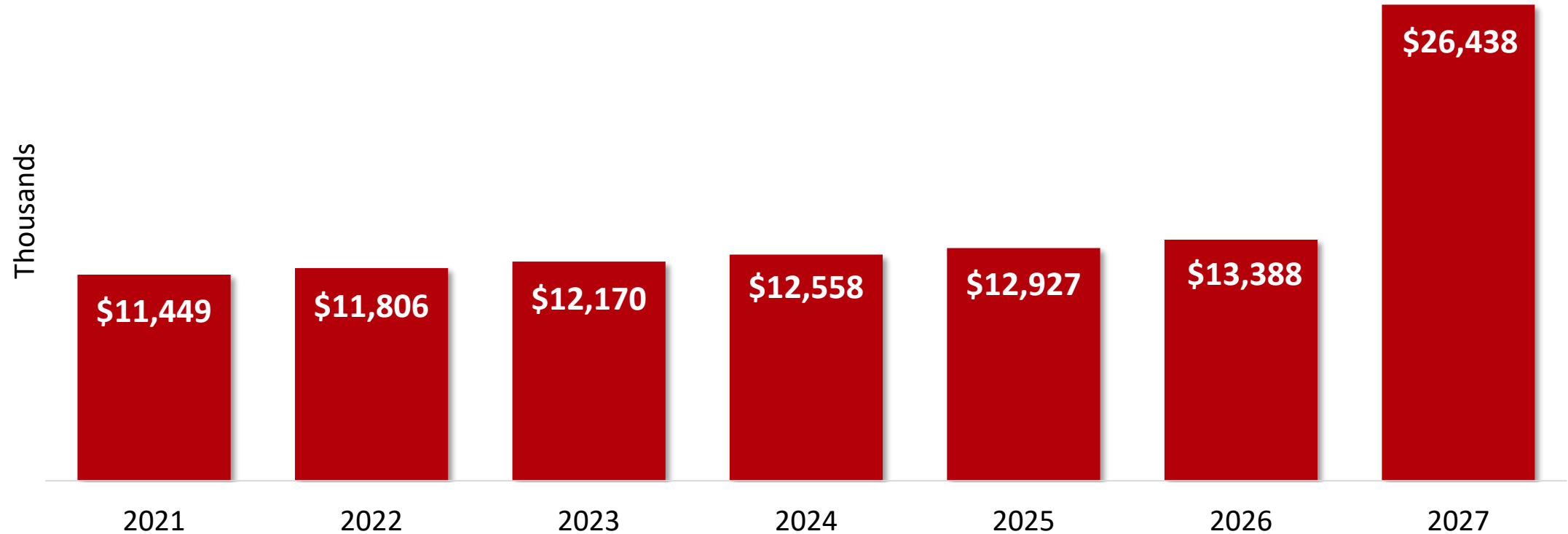
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# Stanton II General Reserve Will Fund Final Payment

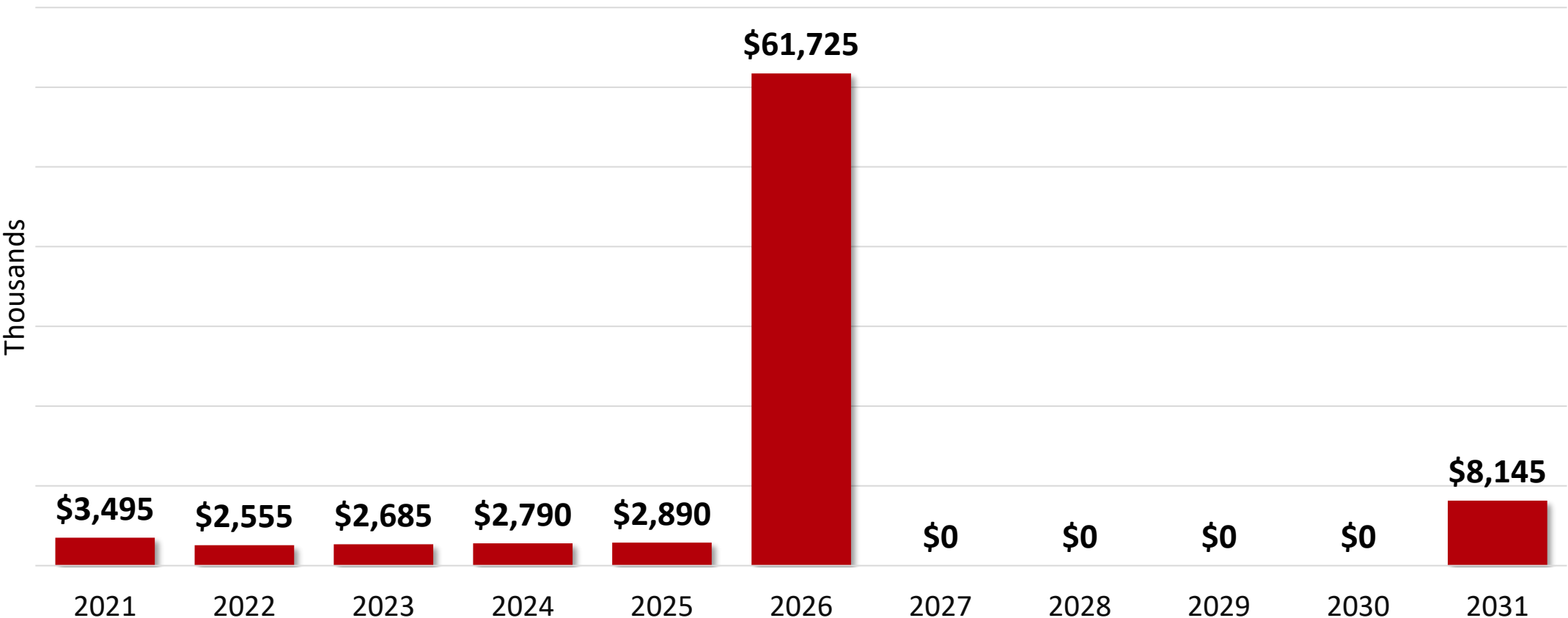
## *No Additional Rate Impact in 2027 for Balloon Payment*

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# St. Lucie 2021B Transaction Amortizes Balloon Payment

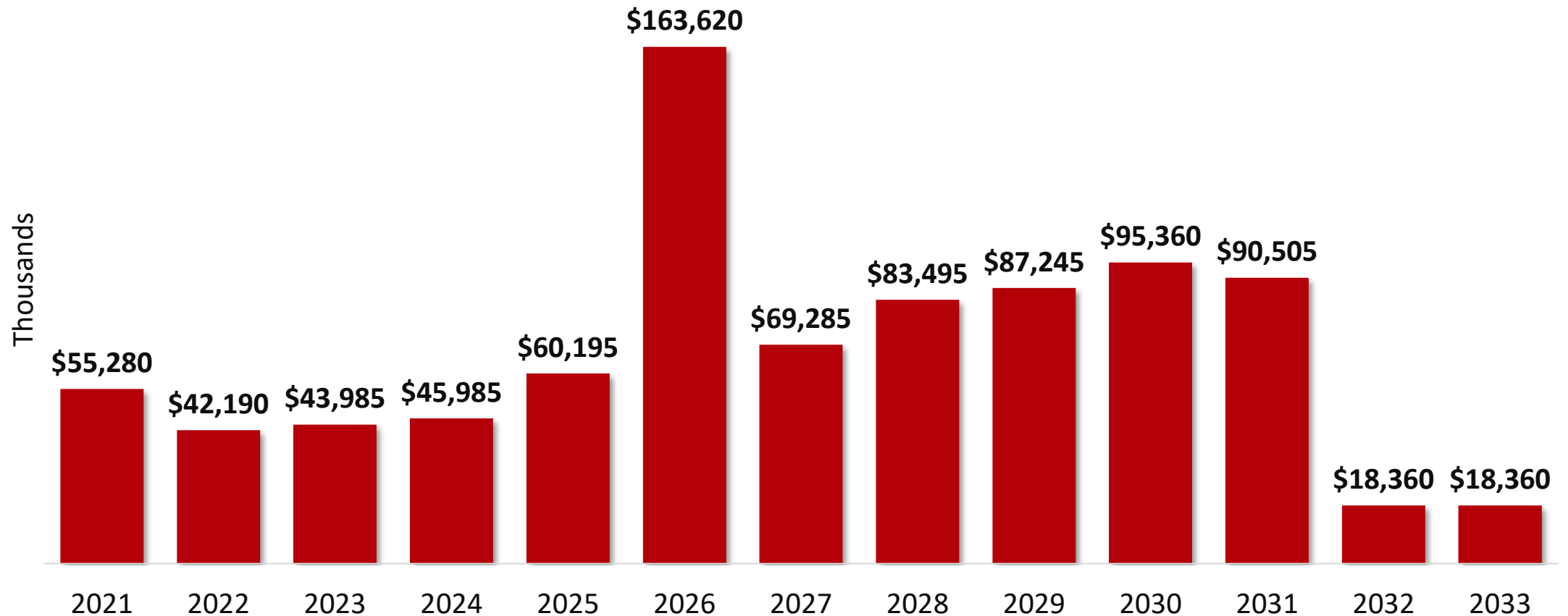
*2021B Closes in 2022, Principal Payment 2026 to 2031*



# ARP Principal Structure Trends with MWh Sales

*\$100M Liquidity Funds Due in 2026, Rolled or Replaced w/LOC*

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# Recommendation

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- For information only. No action required.



## ARP Bonds Purpose of Bonds Summary

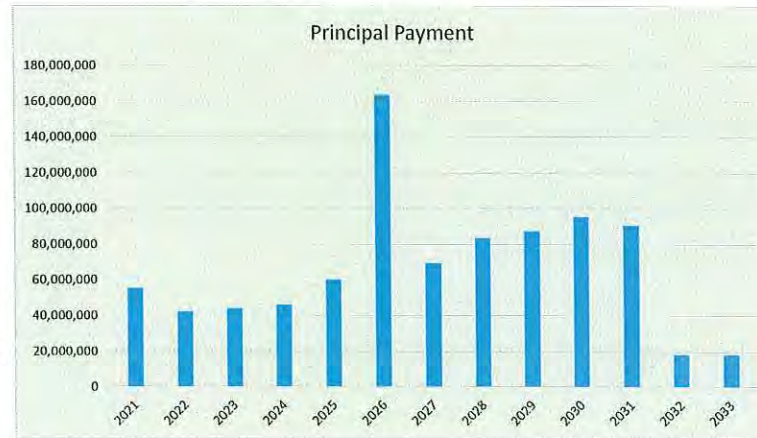
	Total Amount Issued (millions)	Purpose	Amount Outstanding as of 9/30/2021
ARP 2015B	\$115,770,000	Pay off 100% of the Taylor Swap termination fees and draws under the credit agreement	\$92,555,000
ARP 2016A	\$424,120,000	Refunded portion of 2008A and 2009A bonds	\$385,705,000
ARP 2017A	\$69,625,000	Refund 2011A-1, 2011B and interest rate swaps associated with the bonds	\$69,625,000
ARP 2017B	\$52,925,000	Refund 2011A-2 and interest rate swap associated with the bond	\$50,700,000
ARP 2018A	\$57,790,000	Refund all outstanding 2008A Bonds maturing on and after October 1, 2020	\$57,790,000
ARP 2019A	\$75,220,000	Refund 2008C and interest rate swaps associated with the bonds	\$75,220,000
ARP 2019B	\$6,670,000	Refund 2013A bonds	\$5,055,000
ARP 2021A	\$36,720,000	To fund a portion of the ARP Project capital program for the next 3 years	\$36,720,000
ARP 2021B	<u>\$100,495,000</u>	To provide liquidity to FMPA to replace the liquidity provided from existing lines of credit	<u>\$100,495,000</u>
Total	<u><b>\$939,335,000</b></u>		<u><b>\$873,865,000</b></u>

## Non-ARP Bonds Purpose of Bonds Summary

Series	Total Amount Issued (millions)	Purpose	Amount Outstanding as of 9/30/2021
St Lucie 2010	\$20,500,000	Finance capital improvements.	\$2,180,000
St Lucie 2012A	\$58,870,000	Partial refund of the 2000 and 2002 bonds with interest rate swaps	\$58,870,000
St Lucie 2013A	\$24,305,000	Finance capital improvements	\$8,460,000
St Lucie 2021A	\$14,775,000	Refund 2011B bonds	\$14,775,000
Stanton II 2012A	\$77,520,000	Refund 2002. Partial refund of the 2000 and 2004 w/swaps. Finance capital improvements	\$41,020,000
Stanton II 2017A	\$21,888,000	Refund 2000 auction rate securities and interest rate swaps	\$20,727,000
Stanton II 2017B	\$50,019,000	Refund 2004 auction rate securities and interest rate swaps	\$35,495,000
Stanton II 2020-1	\$3,921,350	Pooled Loan refunded 2009A bonds	\$3,498,471
Total	<b><u>\$271,798,350</u></b>		<b><u>\$185,025,471</u></b>

## ARP - CALCULATION BASED ON AVERAGE FY21 BILLING DEMAND

	Average Monthly Billing Demand (MW) FY 2021	% of Total	Bonds, Notes and Loans Outstanding as of 9/30/2021 <sup>1</sup>
Bushnell	11.736	1.0%	8,426
Clewiston	18.876	1.6%	13,552
Fort Meade	9.134	0.8%	6,558
Fort Pierce	96.943	8.0%	69,598
Green Cove Springs	22.333	1.8%	16,033
Havana	4.818	0.4%	3,459
Jacksonville Beach	147.661	12.1%	106,010
KUA	353.415	29.0%	253,726
Key West	136.837	11.2%	98,239
Lake Worth	0.000	0.0%	0
Leesburg	107.759	8.9%	77,363
Newberry	8.687	0.7%	6,237
Ocala	287.118	23.6%	206,130
Starke	11.889	1.0%	8,535
<b>Total</b>	<b>1,217.206</b>	<b>100.0%</b>	<b>873,865</b>

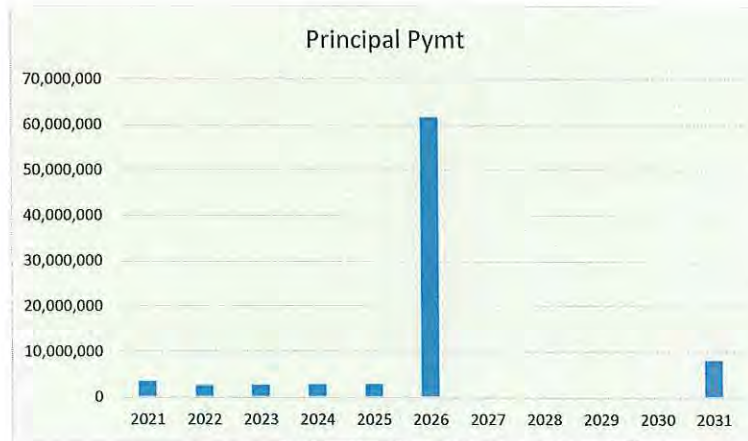


Payment October 1	Principal Payment
2021	55,280,000
2022	42,190,000
2023	43,985,000
2024	45,985,000
2025	60,195,000
2026	163,620,000
2027	69,285,000
2028	83,495,000
2029	87,245,000
2030	95,360,000
2031	90,505,000
2032	18,360,000
2033	18,360,000
	<b>873,865,000</b>

Footnote: ARP Participants' percent share of ARP debt payments varies monthly based on their monthly peak demand (less Excluded Resource capacity, if any) during the hour of the ARP system peak. Due to weather and other factors, such allocations can vary significantly from month to month. Additional factors such as varying levels of load growth among the Participants would also impact the allocations over time. Amounts shown are for illustrative purposes only and are based on each Participant's average monthly ARP billing demand during Fiscal Year 2021. It is important to note that this calculation is not the same as the calculation of outstanding ARP debt that each Participant would be required to pay in the event it exercised its right to withdraw from the ARP pursuant to Section 29 of the ARP Contract

## ST. LUCIE - Entitlement share by participant

	Entitlement Share %	Bonds, Notes and Loans Outstanding as of 9/30/2021 <sup>1</sup>	FY2021 Debt Service Related Budget <sup>2,3,4</sup>
		(\$000)	(\$000)
ALACHUA	0.431%	363	34
CLEWISTON	2.202%	1,856	174
FORT MEADE	0.336%	283	27
FORT PIERCE	15.206%	12,816	1,203
GREEN COVE SPRINGS	1.757%	1,481	139
HOMESTEAD	8.269%	6,970	654
JAX BEACH	7.329%	6,177	580
KISSIMMEE	9.405%	7,927	744
LEESBURG	2.326%	1,960	184
LAKE WORTH	24.870%	20,962	1,968
MOORE HAVEN	0.384%	324	30
NEWBERRY	0.184%	155	15
NEW SMYRNA BEACH	9.884%	8,331	782
STARKE	2.215%	1,867	175
ARP	15.202%	12,813	1,203
	100.000%	84,285	7,914



Payment October 1	Principal Pymt
2021	3,495,000
2022	2,555,000
2023	2,685,000
2024	2,790,000
2025	2,890,000
2026	61,725,000
2027	0
2028	0
2029	0
2030	0
2031	8,145,000
	<u>84,285,000</u>

<sup>1</sup> Makes no assumption about any new debt needs.

<sup>2</sup> Annual debt-service-related budget amounts may vary by year.

<sup>3</sup> Use of monies on hand may reduce total debt service budget amounts collected from rates. As of 9/30/2021, \$48,209,276 (par amt) of investments in the General Reserve, Contingency, and Debt Service Reserves related accounts.

<sup>4</sup> Final debt service payment is October 1, 2031. Plant licensed by NRC to operate until 2043.

Indicates the partial assignment taken from the City of Vero Beach

## STANTON II - Entitlement share by participant

	Entitlement Share %	Bonds, Notes and Loans Outstanding as of 9/30/2021 <sup>1</sup> (\$000)	FY2021 Debt Service Related Budget <sup>2,3,4</sup> (\$000)
ARP	16.489%	16,611	2,461
FORT PIERCE	16.489%	16,611	2,461
HOMESTEAD <sup>A</sup>	8.244%	8,305	1,231
KUA <sup>A</sup>	32.977%	33,221	4,922
ST. CLOUD	14.671%	14,780	2,190
KEY WEST	9.893%	9,966	1,477
STARKE	1.237%	1,246	185
	100.000%	100,740	14,927

<sup>A</sup> Reflects impact of 100% and 50% Entitlement Share assignments respectively from Lake Worth and Homestead to KUA.

<sup>1</sup> Makes no assumption about any new debt needs.

<sup>2</sup> Annual debt-service-related budget amounts may vary by year.

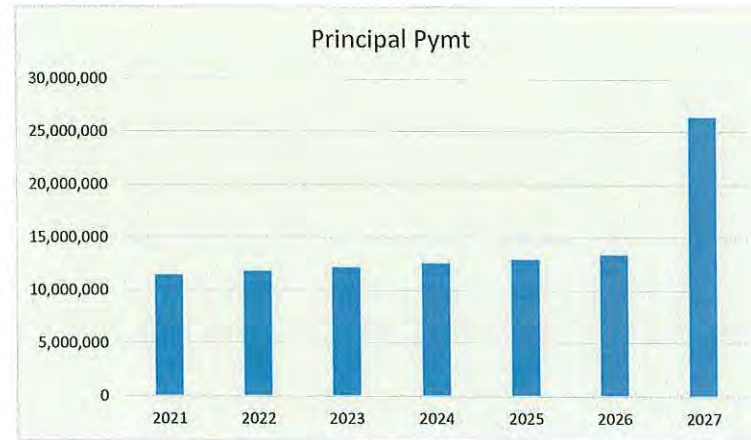
<sup>3</sup> Use of monies on hand may reduce total debt service budget amounts collected from rates. As of 9/30/2021, \$34,040,755 (par amt) of investments in the General Reserve, Contingency and Debt Service Reserve accounts.

<sup>4</sup> Final debt service payment is October 1, 2027.

<sup>5</sup> Funds on hand in 2027 will be used to reduce payment amount to typical amount level. See note <sup>3</sup> above.

Indicates amounts paid by ARP due to Participant being in the ARP

Indicates the partial assignment taken from the City of Vero Beach



Payment October 1	Principal Pymt
2021	11,449,492
2022	11,806,603
2023	12,170,876
2024	12,558,314
2025	12,927,920
2026	13,388,697
2027	26,438,569 <sup>5</sup>
	<u>100,740,471</u>

**AGENDA ITEM 9 – INFORMATION  
ITEMS**

**b. Member Services CY 2021 Year-in-  
Review**

**Board of Directors Meeting  
February 17, 2022**





# **9b – Member Services CY 2021 Year-in-Review**

Board of Directors  
February 17, 2022

# Calendar Year 2021 Highlights for Member Services

## *All Members Participated in at Least One FMPA Service Offering*

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**100%**

FMPA  
member  
participation

### Service Offerings

31 FMPA member utilities engaged in at least one service offering from FMPA in 2021

### Member Projects

FMPA was engaged by its members to help manage 26 projects in 2021

### RFPs

23 agreements available to members through Joint Purchasing with 16 FEMA compliant, an increase from 2020

### Training

149 participants attended events in 2021, representing 20 FMPA members, which was lower than 2020



# What Types of Services Does FMMPA Provide?

## *Operations, Purchasing, Training, Professional and More*

---

### Operations Support

- Distribution Reliability Measurement Program
- Peer Review or Operational Review
- Power Quality Investigations
- Hurricane Assistance
- Substation Services

### Technical Training

- Lineworker Safety Program
- Lineworker, craft and management training
- Substation Training
- Safety Compliance
- Customized training upon request

### Purchasing

- Joint Purchasing Project
- Joint Services Procurement
- AURSI support (procurement platform)
- FEMA compliance support

### Professional Services

- Legal
- Regulatory Compliance
- IT and Cybersecurity
- Utility Rate Services
- Salary Survey
- Email Surveys
- Accounting & Finance

### Roundtables

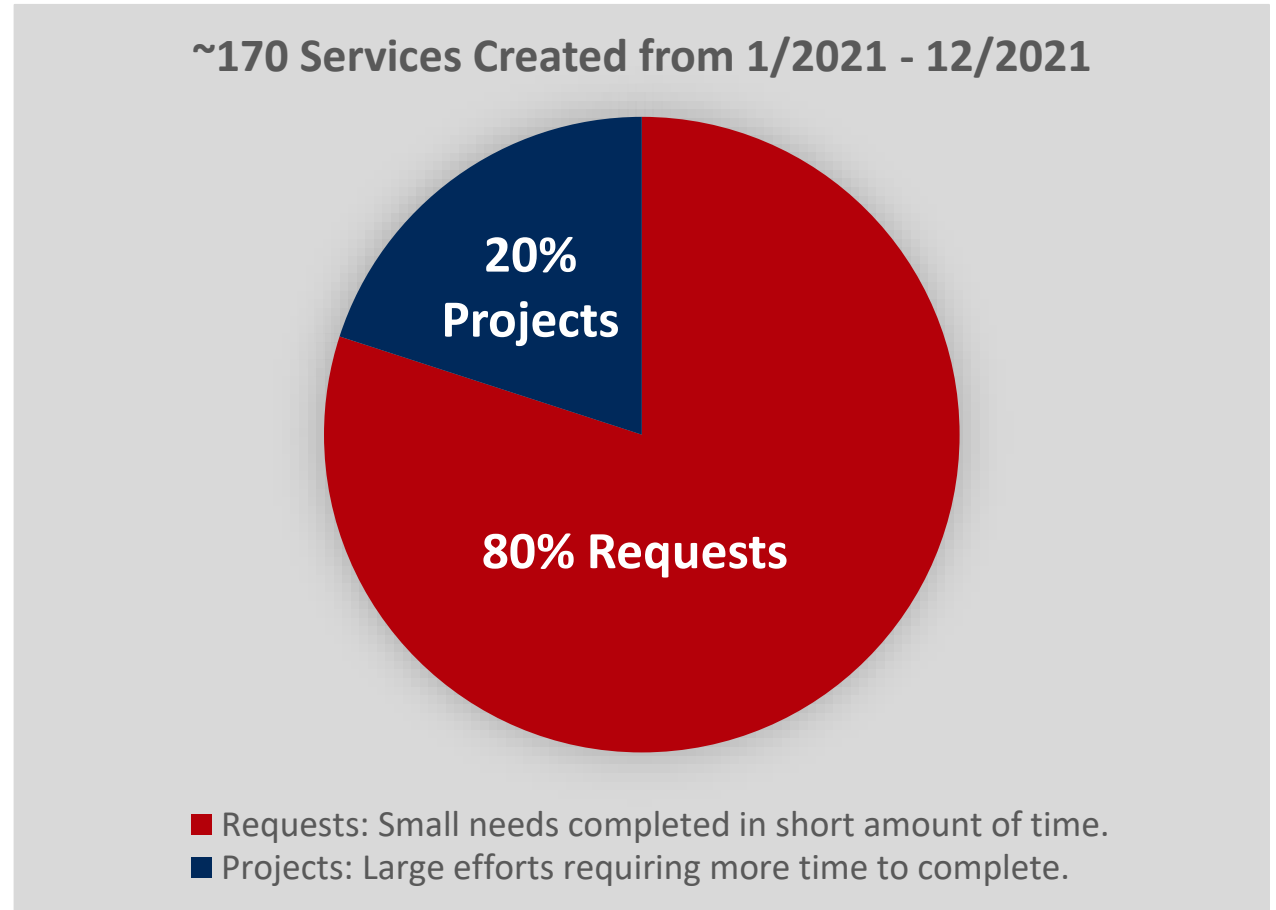
- Human Resources
- Purchasing
- Meter Technician
- Lineworkers
- Regional Crew Leader
- Distribution Reliability
- System Control Operator

# FMPA Initiated ~170 Individual Service Projects/Request

*Provided Services Supporting 30 of FMPA's 31 Members\**

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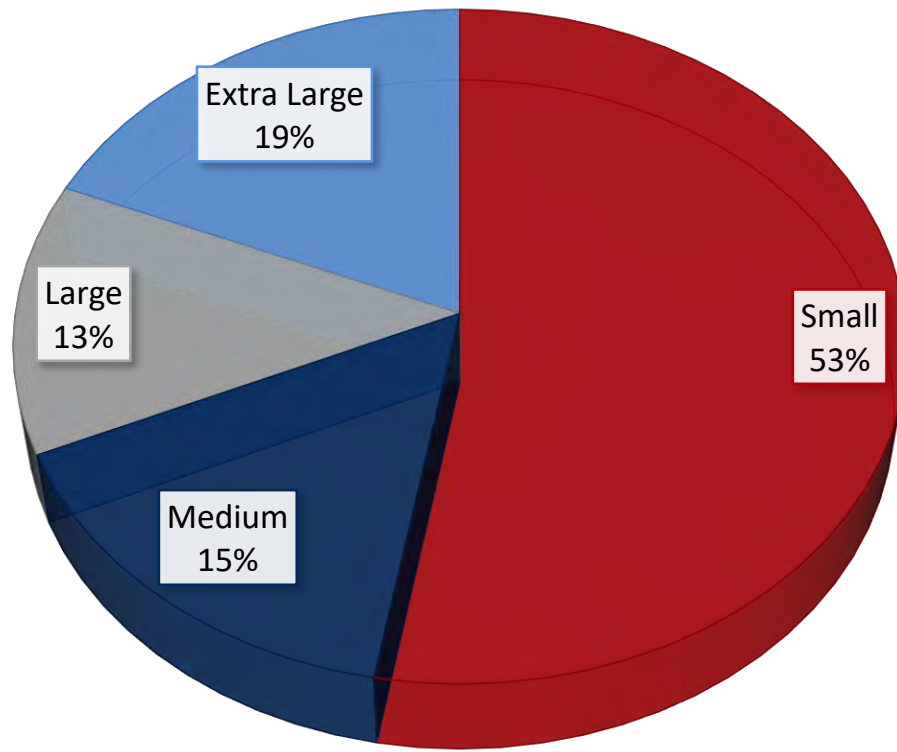
- FMPA initiated ~170 service projects/requests for individual members in 2021
- “Services” includes multi-step “Projects” as well as smaller “Requests”
- The services supported 30 of FMPA's 31 members



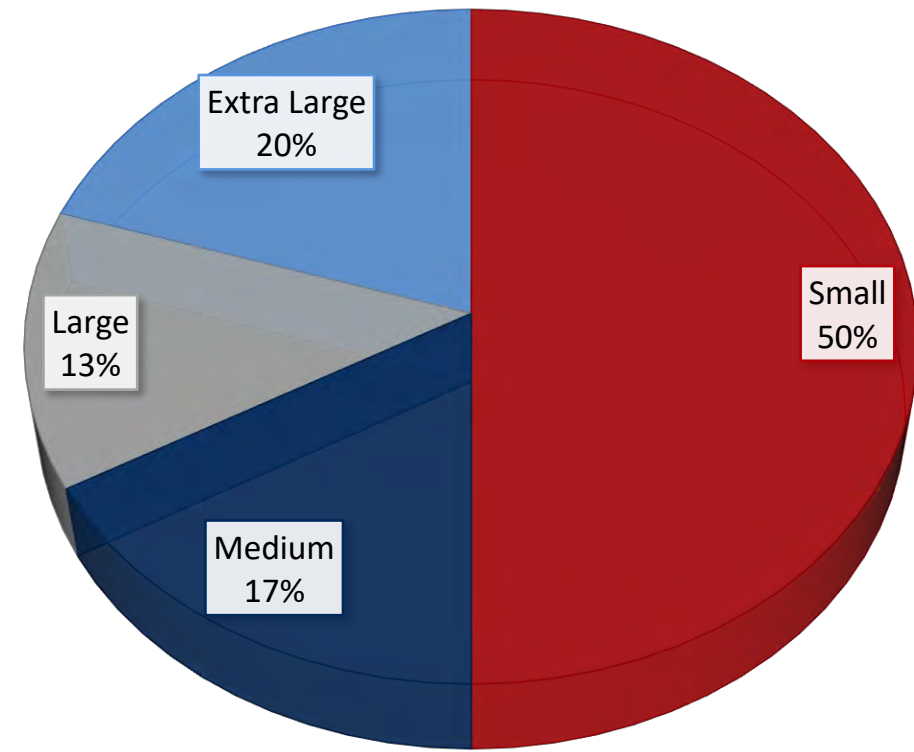
# Individual Services Provided to Members of All Sizes

## *Breakdown of Services by Utility Size Mirrors FMPA's Members*

**SERVICES BY UTILITY SIZE**



**% OF MEMBERS IN EACH GROUP**



# FMPA Provides Additional Services to Members

## *Many Individual Member Service Efforts in These Four Areas*

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### Legal

- Assisted 28 of 31 members
- ~35 projects on variety of issues, such as territory, contracts, regulatory, tax and retail rate structure

### Regulatory Compliance

- Bi-weekly calls (approx. 13 members)
- 2 Peer Reviews
- Compliance Workshop - 2-day event; 12 member cities in attendance
- Standard review/voting; Commented on 10 proposed standards

### Transmission Support

- Interconnections and transmission scenarios
- Short circuit requests and protection evaluations
- NERC compliance support

### Human Resources

- Salary survey
- Interview panel
- Policy development
- Job postings

# FMPA Focused on Helping Cities Enhance Reliability

*Spend Through FMPA's Joint Purchasing Increased 46%*

**183  
Member Visits**

Member Services staff engaged with members directly to discuss issues that were important to them

**25  
Members**

Participation in the Distribution Reliability Measurement Program to benchmark reliability with other utilities

**23 agreements,  
\$3.8 M spent**

23 joint purchasing agreements available to FMPA members in areas of distribution, transmission and utility support; Total spent of \$3.8 million, a 46% increase over 2020

# New FMPA Service Offerings in Three Areas

*Expansion of Substation Services a Key Focus Area*

---

## Substation Maintenance

Developing an Excel-based tool to assist members with substation asset management and maintenance

## IT Assessments

Completed several vulnerability studies, phishing programs, and Office 365 migrations

## Accounting & Finance

Assisted several members with financial statement preparation, bank reconciliation, and investments

# Launched New Lineworker Safety Program in 2021

## *New Training Options Provided*

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### Reoccurring Training Programs

- Roundtables & Workshops
  - Meter Tech
  - Purchasing
  - Human Resources
  - Distribution Reliability Roundtable
- Trainings
  - Foreman Academy Certification

### New Trainings Offered in 2021

- Safety By Design Series (6 sessions)
- TVPPA Safety Program
- AMI Roundtable
- Substation Roundtable

**AGENDA ITEM 9 – INFORMATION  
ITEMS**

**c. Tri-City Project O&M Fund Status**

**Board of Directors Meeting  
February 17, 2022**





## **9c – Tri-City Project O&M Fund Status**

Board of Directors

February 17, 2022

# Tri-City Needs Additional Working Capital

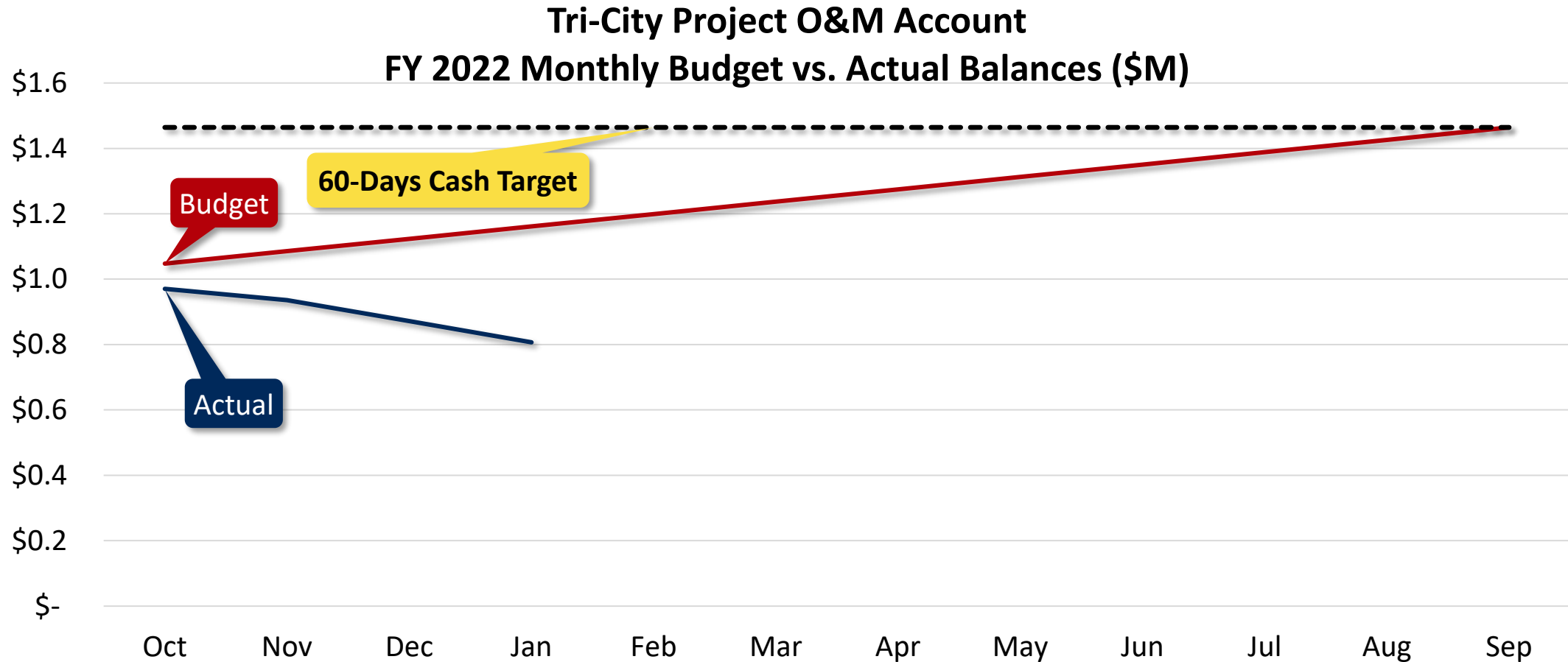
*Declining Balance Leaves Current Working Capital ~ 30 days*

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- All FMPA power supply projects have 60-day target balance for respective O&M Funds (i.e., days cash on hand)
- O&M Fund is used to make payments to vendors and others and is reimbursed from Participant billings and other revenue sources
- Tri-City Project O&M Fund balance has declined during fiscal 2022 and is currently ~\$800k, or near 30-days cash on hand
- Staff taking steps to ensure Tri-City has adequate working capital and is informing Finance Committee and Board of the plan

# Tri-City O&M Balance at \$0.8M, Trending Down

*Well Below Budgeted 60-Day Cash Need of ~\$1.5M*



# Several Factors Combined to Cause O&M Decline

## *True-up, Higher Fuel Costs and Timing are Biggest Drivers*

---

- Project began year below 60-day cash target as expected but was budgeted to reach 60-days cash by year-end; however:
- Fiscal 2021 true-up was ~\$300k due to Participants, being returned in fiscal 2022
  - Budget assumed true-up of \$0
  - True-up calculation does not include a consideration of working capital needs
- Current coal and gas costs are significantly higher than during fiscal 2022 budget development, increasing expenses and working capital needs
  - Current coal costs 2x budgeted levels
- Timing issues due to how/when FMPPA pays OUC and how/when FMPPA collects funds from Participants
  - For example, coal payments to OUC based on cost of coal deliveries in prior month, while energy billings to Participants are based on cost of coal burned in prior month

# Staff Plans to Transfer Money from Contingency Acct.

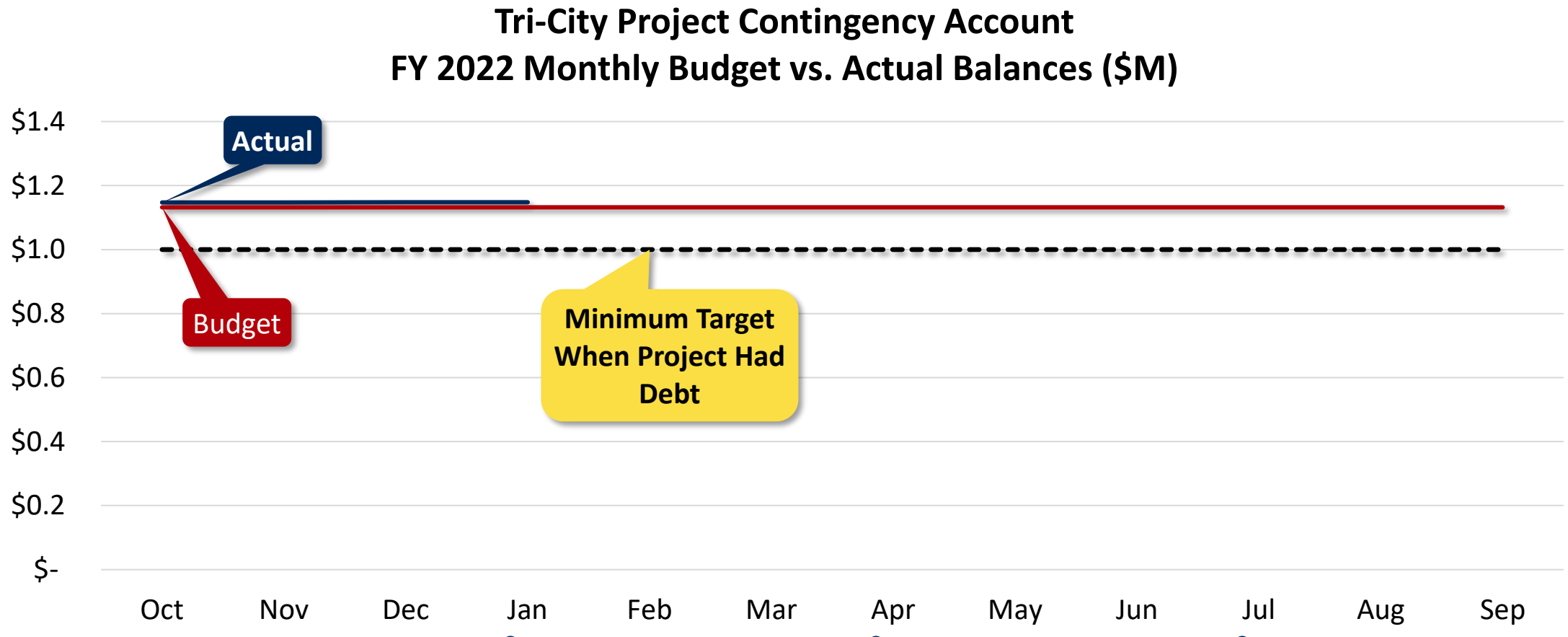
## *Contingency Funds No Longer Need to be Held*

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- Project has funds available in other accounts that can be used to bolster working capital
- Staff plans to transfer \$800k from Contingency Account (part of Reserve & Contingency Fund) for working capital needs
- Resolution allows Contingency funds to be transferred to General Reserve Fund (GRF) if amounts are no longer needed
- Funds can then be transferred from GRF to O&M

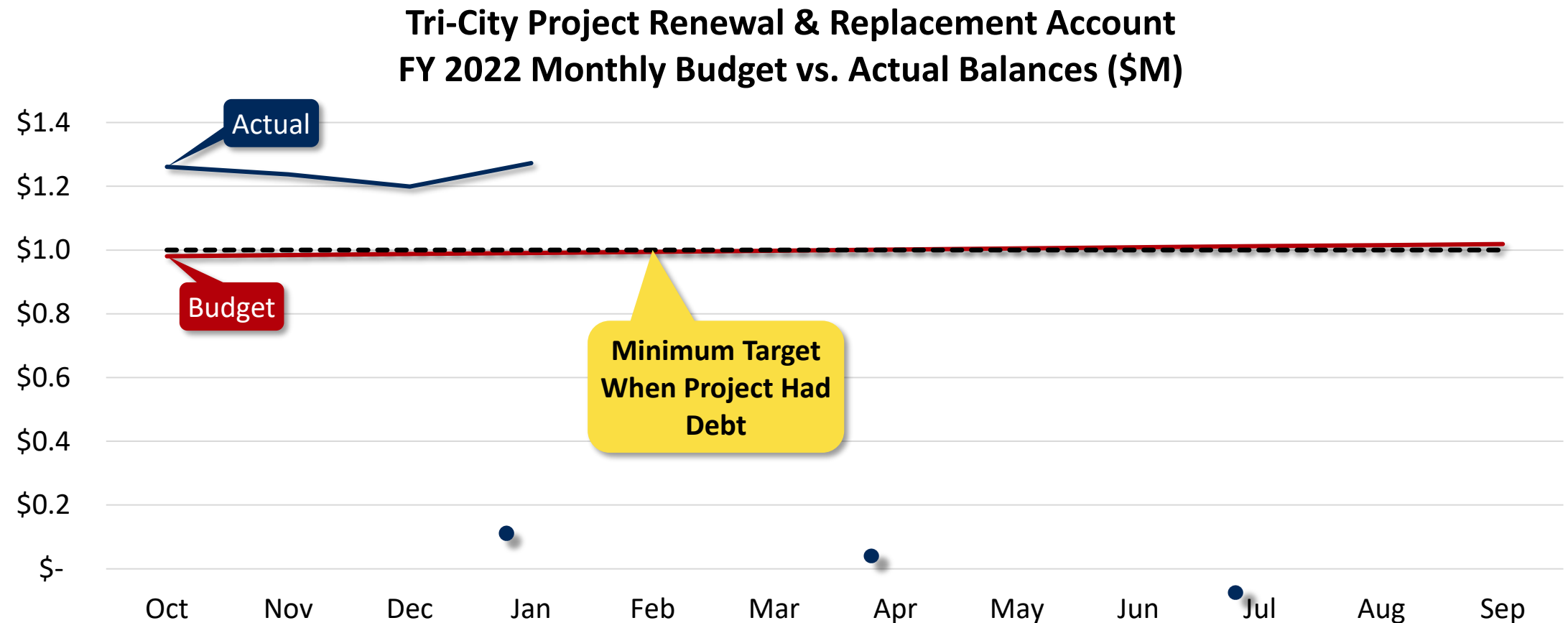
# Contingency Account Balance \$1.1M

*\$1M Target Balance when Project had Debt, No Longer Needed*



# R&R Account Balance \$1.3M, Tracking Above Budget

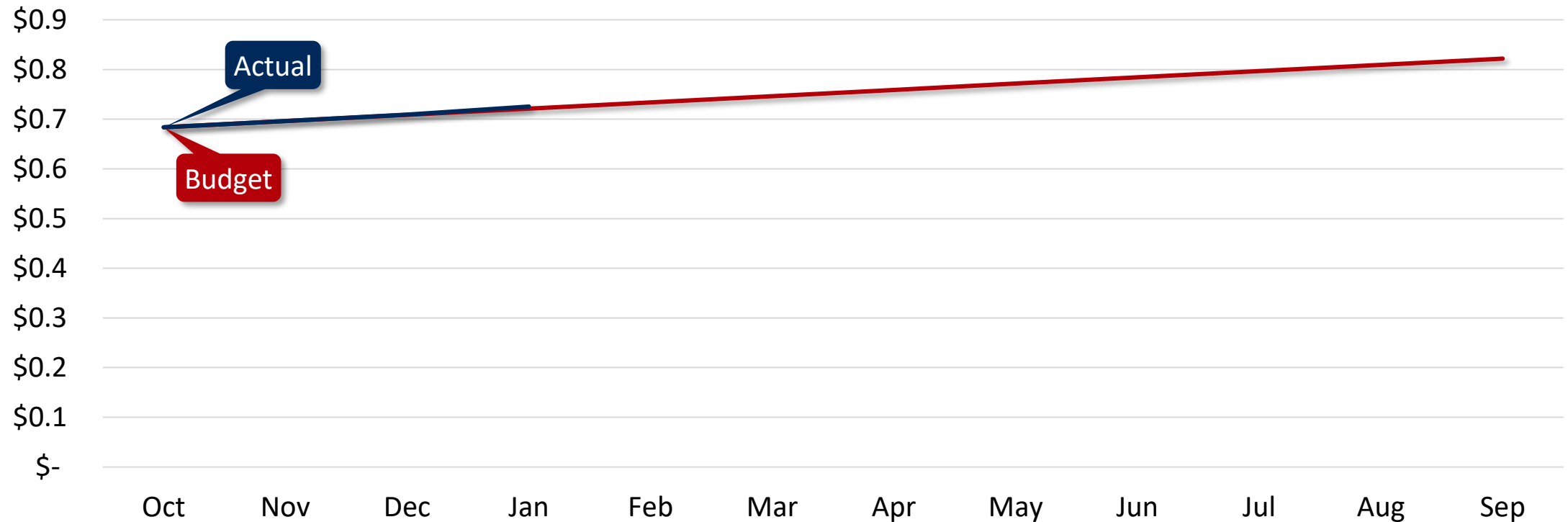
*Capital Needs Should Decline with Stanton 1 Retirement, Funds Still Needed*



# General Reserve Balance \$725k

*Funds Can be Used for Any Lawful Purpose for Tri-City*

**Tri-City Project General Reserve Fund  
FY 2022 Monthly Budget vs. Actual Balances (\$M)**





# Next Steps

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- No formal action by governing bodies required
- Staff plans to make the transfers later this month
- Fiscal 2023 Budget will include impact of projected fiscal 2022 true-up in the working capital calculation
- Fiscal 2023 Budget also anticipated to include higher working capital target due to higher fuel costs

**AGENDA ITEM 9 – INFORMATION  
ITEMS**

**d. Summary of Finance Committee  
Items**

**Board of Directors Meeting  
February 17, 2022**



# **9d -Summary of Finance Committee Items**

Board of Directors

February 17, 2022

# Other Items

## *Review and/or Approval Required*

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- Results of Stanton II debt transaction
- Annual Continuing Disclosure Report
- Approval of Risks Policy changes

**AGENDA ITEM 10 – MEMBER  
COMMENTS**

**Board of Directors Meeting  
February 17, 2022**

**AGENDA ITEM 11 – ADJOURNMENT**

**Board of Directors Meeting  
February 17, 2022**