

ARTICLES OF INCORPORATION
OF
PACE PROPERTY FINANCE AUTHORITY, INC.
A Florida corporation not for profit

FILED
1938 MAR 15 PM 4:30
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

ARTICLE 1

NAME

The name of this corporation is: Pace Property Finance Authority, inc.

ARTICLE 2

DURATION

The duration of this corporation is perpetual. The date and time of commencement of the corporate existence is the time of filing of the articles of incorporation by the Department of State of the State of Florida.

ARTICLE 3

GENERAL PURPOSES

(a) The Authority is organized for the purpose of acquiring, owning, holding, leasing and selling real or personal property to or for the benefit of Santa Rosa County, Florida (the "County") for and in furtherance of its public purposes, and collecting, receiving, borrowing, lending or otherwise obtaining and lending funds to or for the use of the County or to others for the County's public purposes, to the extent necessary and appropriate in the establishment and administration of lawfully created governmental programs and activities ("Approved Programs") that are from time to time approved by ordinance or resolution duly adopted by the Board of County Commissioners of the County, all to be done and accomplished by the Authority as the duly constituted and authorized authority and instrumentality of the County acting on its behalf and for the benefit and welfare of the public.

(b) In the fulfillment of its purposes, the Authority may exercise all powers granted under Chapter 617 of Florida Statutes, as amended (the "Act"), subject to such limitations thereon as may be contained herein or in any ordinance or resolution duly adopted by the Board of County Commissioners of the County.

ARTICLE IV
MEMBERS

The sole member of the corporation shall be Santa Rosa County, Florida. It's qualification is as a home rule county properly established by the Florida legislature.

ARTICLE V
REGISTERED OFFICE AND AGENT

The street address of the initial registered office of the corporation is 800 Caroline Street, Milton, Florida 32570. The name of the initial registered agent of thje corporation at such address is David Moye.

ARTICLE VI
DIRECTORS

The number of directors constituting the initial board of directors shall be at least three and no more than nine and shall consist of the members of the Board of Directors of The Pace Water System, Inc. as from time to time may be elected. The names, addresses and the expiration of the respective terms of the initial directors are as follows:

<u>NAME</u>	<u>ADDRESS</u>	<u>EXPIRATION Of Term</u>
Harold Cooley	118 Struth Lane Pace, FL 32571	Feb. 1992
Danny Warrick	115 Pace Road Pace, FL 32571	Feb. 1992
William Fillingim	617 Grant Street Pace, FL 32571	Feb. 1991
Marvin Fowler	855 Serry Lane Pace, FL 32571	Feb. 1991
James White	405 Avenida Del Fuego Pace, FL 32571	Feb. 1991
Crawford Odom	1 Marcus Circle Pace, FL 32571	Feb. 1992
Danny Lamberdozzi	513 N. Island Road Pace, FL 32571	Feb. 1993
Charles King	102 Longleaf Drive Pace, FL 32571	Feb. 1993
Clearence Ballou	Rt. 8, Box 100 Milton, FL 32570	Feb. 1993

The number and qualifications of directors may be changed from time to time by the by-laws.

ARTICLE VII

AMENDMENT

These Articles of Incorporation may at any time and from time to time be amended by either of the following methods: (a) the members of the Board of Directors of the Authority may file with the Board of County Commissioners of the County a written application seeking permission to amend these Articles of Incorporation, specifying in such application the amendment proposed to be made, and if the Board of County Commissioners finds and determines that it is advisable that the proposed amendment be made and approves the form and substance of the amendment and authorizes the same to be made, the Board of Directors may amend these Articles of Incorporation by adopting such amendment and delivering articles of amendment to the Secretary of State of the State of Florida; or (b) the Board of County Commissioners of the County, in its sole discretion and at any time, may adopt an amendment to these Articles of Incorporation and direct the Board of Directors to amend the same, whereupon the Board of Directors shall amend the same by filing articles of amendment with the Secretary of State of the State of Florida.

ARTICLE VIII

DIVIDENDS

(a) No dividends shall ever be paid by the Authority, and no part of its net earnings (beyond the necessary for retirement of the indebtedness of the Authority or to implement the public purposes of the County for which the Authority has been created) shall be distributed to or inure to the benefit of its directors or officers or any private person, firm, corporation or association except in reasonable amounts for services rendered. In the event the Board of Directors of the Authority determines that sufficient provision has been made for the full payment of the expenses, bonds, notes and other obligations of the Authority issued to finance the costs of any Approved Program, any net earnings of the Authority thereafter accruing with respect to that Approved Program shall be paid to the County.

(b) No substantial part of the Authority's activities shall be carrying on propaganda or otherwise attempting to influence legislation, and it shall not participate or intervene (including the publishing or distributing of statements) in any political campaign on behalf of or in opposition to any candidate for public office.

ARTICLE IX

POWERS OF BOARD OF COUNTY COMMISSIONERS

(a) In addition to the power to amend these Articles of Incorporation, as provided elsewhere herein, the Board of County Commissioners of the County, in its sole discretion and at any time, may alter the structure, organization, programs or activities of the Authority or terminate and dissolve the Authority, subject only to any limitations provided by the laws of the State of Florida or of the United States of America, including provisions prohibiting the impairment of contracts entered into by the Authority.

(b) If the Board of Directors determines that the purposes for which the Authority was formed have been substantially accomplished and that all expenses, bonds, notes and other obligations theretofore issued or incurred by the Authority have been fully paid or payment has been provided therefor, the Board of Directors, upon approval by the Board of County Commissioners of the County, thereupon shall dissolve the Authority in the manner provided by law, subject to the same limitations referred to in paragraph (a) of this Article IX pertaining to a dissolution directed by the County.

(c) The initial bylaws of the Authority and all amendments thereto shall be subject to the approval of the Board of County Commissioners of the County.

ARTICLE X

INCORPORATOR

The name and address of the incorporator of this corporation are as follows:

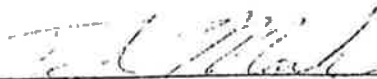
Theodore E. Mack
Cobb Cole & Bell
Suite 500
315 S. Calhoun Street
Tallahassee, FL 32301

ARTICLE XI

INITIAL MEMBERS

The name of the initial member of this corporation is Santa Rosa County, Florida.

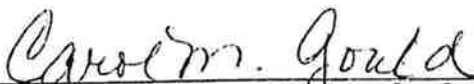
IN WITNESS WHEREOF, the undersigned incorporator does hereby execute and acknowledge these articles this 16th day of March, 1990.



TED MACK
Incorporator

STATE OF FLORIDA
COUNTY OF LEON

The foregoing instrument was acknowledged before me this 16 day of March, 1990.



NOTARY PUBLIC, STATE of Florida
at Large

My Commission Expires:
NOTARY PUBLIC, STATE OF FLORIDA
MY COMMISSION EXPIRES SEPT. 28, 1990.

CERTIFICATE DESIGNATING REGISTERED AGENT AND
STREET ADDRESS FOR SERVICE OF PROCESS

FILED
1990 MAR 16 PM 4:30
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

Pursuant to Section 48.091, Florida Statutes, Pace Property Finance Authority, Inc., hereby designates David Moye at 800 Caroline Street, Milton, Florida 32570, as its registered agent and the street address of its registered office, respectively, for service of process within the State of Florida.

PACE PROPERTY FINANCE AUTHORITY, INC.

By: *Paul Mark*
Incorporator

ACCEPTANCE OF DESIGNATION

I hereby accept the foregoing designation as registered agent of Pace Property Finance Authority, Inc. for service of process within the State of Florida.

David Moye
David Moye

BYLAWS
OF
PACE PROPERTY FINANCE AUTHORITY, INC.

ARTICLE I

Principal Office

The principal office for the transaction of the business of the Authority shall be located at the offices of The Pace Water Systems, Inc., Post Office Drawer H, Pace, Florida 32570. The board of directors may at any time or from time to time change the location of the principal office.

ARTICLE II

Membership

Section 1. Members.

The sole member of the Authority shall be Santa Rosa County, Florida.

Section 2. Annual Meeting.

The annual meeting of the members of this Authority shall be held during the month of March of each year at the principal office of this Authority, or at any other time or at any other place determined by the board of directors. Annual meetings at any other date, time or place shall be noticed by sending a copy of the notice of the date, time and place of said meeting to the Chairman of the Board of County Commissioners, Santa Rosa County Courthouse, Milton, Florida 32570, Attention: County Manager.

Section 3. Special Meetings.

Special meetings of the members of the Authority for any purpose or purposes may be called at any time by the Chairman of the board of directors.

Written notice of the date, time and place of special meetings of the members shall be given in the same manner as for annual meetings of the members.

Section 4. Waiver and Consent.

The transactions of any meeting of the board of directors of this Authority however called and noticed, shall be as valid as though had at a meeting held after regular call and notice if a quorum is present, and if, either before or after the meeting, each of the members of the board of directors not present signs a written waiver of notice, or a consent to holding the meeting or an approval of the minutes. All the waivers, consents, or approvals shall be filed with the corporate records or be made a part of the minutes of the meeting.

Section 5. Quorum.

A quorum for any meeting of the members shall be a majority of the members of the board of directors.

Section 6. Liabilities of Members.

No person who is now, or who later becomes an officer, trustee or member of the board of directors of this Authority shall be personally liable for any indebtedness or liability, and any and

all creditors of this Authority shall look only to the assets of this Authority for payment.

ARTICLE III

Board of Directors

Section 1. Number of Directors.

The affairs and business of this Authority shall be managed by a board of directors consisting of at least three (3) but no more than nine (9). The number of members of the board of directors may be increased or decreased by the board of directors except that at no time shall the board be comprised of less than three (3) members. The members of the board of directors of the corporation shall be the members of the board of directors of the Pace Water System, Inc.

Section 2. Quorum.

A majority of the directors shall constitute a quorum for the transaction of business.

Section 3. Powers of Directors.

Subject to the limitations of the articles of incorporation, other sections of the bylaws, and of the laws of the State of Florida, all corporate powers of the corporation shall be exercised by or under the authority of, and the business and affairs of the Authority shall be controlled by, the board of directors. The board of directors shall have all powers permitted a board of directors by the laws of the State of Florida unless restricted by the Articles of Incorporation or these bylaws.

Section 4. Election, Qualifications, and Term of Office.

The term of office of each director shall be the same as his or her term of office as a member of the board of directors of The Pace Water System. Each director shall serve until his successor shall have been elected and qualified or until his earlier resignation, removal from office, or death. Elections of the directors shall be held at the annual meeting of the members of this Authority. All directors shall subscribe to the purposes of the Authority. If a member of the board of directors shall be removed from office by the County such action shall not act to remove such member from the board of directors of The Pace Water System, Inc.

Section 5. Vacancies.

Vacancies in the board of directors shall be filled by a majority of the remaining directors then in office even though less than a quorum. A successor director so elected shall serve for the unexpired term of his predecessor.

Section 6. Principal Place of Business and Depository of Corporate Records.

The principal place of business shall be the offices of the Pace Water System, Inc., Pace, Florida, and all records of the Authority shall be maintained with the officer in charge thereof. The directors may from time to time designate a different principal place of business or depository of the records of the Authority by majority vote of the directors.

Section 7. Place of Meeting.

Regular meetings of the board of directors shall be held at any place, within or without the state, that has been designated from time to time by resolution of the board of directors or by written consent of all members of the board of directors. In the absence of this designation regular meetings shall be held at the principal office of the Authority. Special meetings of the board of directors may be held either at a place designated or at the principal office.

Section 8. Organizational Meeting.

Immediately following each annual meeting of members, the board of directors shall hold a regular meeting for the purposes of organization, election of officers, and the transaction of other business. No notice of such organizational meeting need be given.

Section 9. Special Meetings.

Special meetings of the board of directors for any purpose or purposes may be called at any time by the president or by a majority of the directors.

Written notice of the time and place of special meetings shall be delivered personally to each director or sent to each director by mail or by other form of written communication, charged prepaid, addressed to him at his address as it is shown on the records or if it is not so shown on the records or is not readily ascertainable, at the place at which the meetings of the directors are regularly held. The notice shall be mailed reasonably prior to the time of the holding of the meeting.

Section 11. Action Without a Meeting.

Any action by the board of directors may be taken without a meeting if all members of the board of directors individually or collectively consent to this action. Such consents if not in writing shall be reduced to writing and all consents shall be filed with the minutes of the proceedings of the board of directors.

Section 12. Compensation.

The directors shall receive no compensation for their services as directors.

Section 13. Removal.

A director may be removed from office, for cause, by the County Council of Santa Rosa County, Florida (the "County Council") or by the vote of a majority of the remaining directors.

ARTICLE IV

Officers

Section 1. Officers.

The officers of this Authority shall be a president, vice president, secretary, and treasurer, and such other offices as the board of directors may appoint. One person may hold two or more offices, except the offices of president and secretary. All officers shall be members of the board of directors unless a specific individual is excluded from this requirement by an affirmative vote of a majority of the board of directors.

Section 2. Election.

The board of directors shall elect all officers of the Authority for terms of one (1) year, or until their successors are elected and qualified.

Section 3. Vacancies.

A vacancy in any office because of death, resignation, removal, disqualification, or otherwise shall be filled by the board of directors.

Section 4. President.

Subject to the control of the board of directors and the County Council, the president shall have a general supervision, direction, and control of the business and affairs of the Authority. The president shall preside at all meetings of the members and directors, and shall have such other powers and duties as may be prescribed from time to time by the board of directors.

Section 5. Vice-President.

In the absence or disability of the president, the vice president shall perform all the duties of the president and in so acting shall have all the powers of the president. The vice-president shall have such other powers and duties as may be prescribed from time to time by the board of directors.

Section 6. Secretary.

The secretary shall keep a full and complete record of the proceedings of the board of directors, shall keep the seal of the Authority and affix it to such papers and instruments as may be required in the regular course of business, shall make service

of such notices as may be necessary or proper, shall supervise the keeping of the records of the Authority, and shall discharge such other duties of the office as prescribed by the board of directors.

Section 7. Treasurer.

The treasurer shall receive and safely keep all funds of the Authority and deposit them in the bank or banks that may be designated by the board of directors. Those funds shall be paid out only on checks of the Authority signed by any two (2) officers, one being the treasurer, or by such officers as may be designated by the board of directors as authorized to sign them. The treasurer shall have such other powers and perform such other duties as may be prescribed from time to time by the board of directors.

ARTICLE V

Amendment of Bylaws

These bylaws may be amended or repealed and new bylaws adopted by the board of directors and as provided in the Articles of Incorporation.

ADOPTED: June 4, _____, 1990

Harold Boyd
President, Board of Directors