

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20060301

1. ACTION REQUESTED/PURPOSE:

Authorize the Chairwoman or Vice Chairman to sign a resolution for the authorization, execution and delivery of a Bond Purchase Agreement that meets certain specific criteria in connection with the Solid Waste Revenue & Refunding Bonds, Series 2006A & B. Authorize other approvals as necessary contained in this resolution. Allows greater flexibility in marketing the Solid Waste Revenue & Refunding Bonds, Series 2006A & B.

2. WHAT ACTION ACCOMPLISHES:

Allows the Bond Purchase Agreement to be signed (if the bonds are sold) without reconvening the Board of County Commissioners.

3. MANAGEMENT RECOMMENDATION:

Approve

4. Departmental Category: AIA **5. Meeting Date:** 04-11-2006

6. Agenda:	<input type="checkbox"/> Consent	7. Requirement/Purpose: (specify)	<input type="checkbox"/> Statute	8. Request Initiated:	
	<input checked="" type="checkbox"/> Administrative		<input type="checkbox"/> Ordinance		Commissioner
	<input type="checkbox"/> Appeals		<input type="checkbox"/> Admin. Code		Department <u>County Administration</u>
	<input type="checkbox"/> Public		<input type="checkbox"/> Other		Division <u>Budget Services</u>
	<input type="checkbox"/> Walk-On				By: <u>Antonio Majul, Budget Director</u>

9. Background:
On June 10, 2003, Public Financial Management, Inc. (PFM) solicited a Request for Proposal for underwriter selection for what were then the Solid Waste Revenue Bonds, Series 2003. On September 2, 2003, the Board of County Commissioners approved the selection of underwriters (Blue Sheet #20030978).

Subsequently, two years and ten months passed in reaching the point where the bonds can now be marketed. During that time, permits were approved for the expansion project, contracts were established for construction and operating agreements completed with Covanta, the county's operator.

On March 14, 2006, the BOCC authorized county personnel to proceed with the refunding of the Solid Waste System Revenue Bonds, Series 1995 for savings in conjunction with the new money issue (Blue Sheet #20060247). The Series 1995 bonds were used to acquire and construct the first phase of the Lee-Hendry landfill and acquire two transfer stations in Hendry County. The new money bond issue will be the Solid Waste Revenue Refunding Bonds, Series 2006B. The Series 2006B bond issue is expected to be \$23,000,000. The County will purchase a bond surety to release a \$2,703,000 reserve that will contribute to the refunding thereby reducing the proceeds borrowed. Based upon the figures as of February 8, 2006, there is an estimated savings of 2.80% or \$687,500.

The Series 2006A Bonds will be used to complete funding of the Expansion to the Waste to Energy facility. The total cost of the project is expected to be \$123,195,000. Financing costs raise the total to \$124,880,300. Funding sources include (as of March 30, 2006):

BACKGROUND CONTINUED ON PAGE 2...

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
<i>[Signature]</i>				<i>[Signature]</i>	Analyst	Risk	Grants	Mgr.	<i>[Signature]</i>
<i>3/29/06</i>				<i>3/29/06</i>	<i>[Signature]</i>	<i>mf 3/30/06</i>	<i>[Signature]</i>	<i>3/30/06</i>	<i>3-31-06</i>

11. Commission Action:

- Approved
- Deferred
- Denied
- Other

RECEIVED BY
COUNTY ADMIN: *IL*
5/29/06
3pm
COUNTY ADMIN
FORWARDED TO:

Rec. by CoAtty
Date: *5/29/06*
Time: *10:00am*
Forwarded To: *Budget*

Bluesheet 20060301 continued.....

Solid Waste Reserves County Contribution -	\$40,546,400
Series 2006A Bond Proceeds -	<u>84,333,900</u>
Total	\$124,880,300

The county contribution of \$40,546,400 is made available from the Solid Waste Management Reserve Fund. Upon receipt of bond proceeds, the county will be reimbursed \$32.1 million in expenses incurred under a bond reimbursement resolution (05-06-72) approved by the BOCC on June 28, 2005. A separate blue sheet will be submitted for BOCC consideration indicating the necessary and appropriate CIP budget amendments following the sale of the bonds.

These bonds will be sold when specific criteria can be met in the market place. The governing body generally should approve bond sales within a maximum of 48 hours. This agenda item will allow the implementation of a Delegating Resolution that gives the authorization to the Chairman or Vice Chairman to execute the Bond Purchase Agreement without a meeting of the BOCC. This allows greater flexibility in selecting the most appropriate day of the week depending upon the changes in the market.

The Delegating Resolution specifies certain conditions that must be met. For the Solid Waste Revenue and Refunding Bonds, Series 2006A & B, the following criteria are included:

Series 2006A (new money)

The issue cannot exceed \$95,000,000;

The Underwriter's Discount cannot exceed \$3.96 per bond or 0.396% of the par amount of the Series 2006A & B Bonds;

True Interest Cost (TIC) cannot exceed 5.00% per annum;

The first call date cannot be later than October 1, 2016;

The final maturity cannot be later than October 1, 2026;

Call premium cannot exceed 0% (par) of the Series 2006A Bonds to be redeemed;

Receipt by the BOCC Chairman of a disclosure statement and a truth-in-bonding statement of the Underwriter;

Receipt of a good faith deposit in the amount no less than 1% of the par amount;

Series 2006B (refunding of Series 1995 Bonds)

The issue cannot exceed \$35,000,000;

The Underwriter's Discount cannot exceed \$3.96 per bond or 0.396% of the par amount of the Series 2006A & B Bonds;

True Interest Cost (TIC) cannot exceed 5.00% per annum;

The first call date cannot be later than October 1, 2015;

The final maturity cannot be later than October 1, 2015;

There shall be present value savings resulting from refunding the Series 1995 Bonds;

The average maturity date of the 2006B Bonds shall not exceed the average maturity of the Series 1995 Bonds;

Call premium cannot exceed 0% (par) of the Series 2006B Bonds to be redeemed;

Receipt by the BOCC Chairman of a disclosure statement and a truth-in-bonding statement of the Underwriter;

Receipt of a good faith deposit in the amount no less than 1% of the par amount;

Bluesheet 20060301 continued.....

This resolution also authorizes the execution and delivery of the Official Statement (OS), appoints the paying agent and registrar for the bonds, authorizes execution and delivery of a bond purchase agreement, approves the execution and delivery of a continuing disclosure certificate and authorizes municipal bond insurance as well as an effective date for the bonds.

The underwriters approved for this transaction by the BOCC on September 2, 2003 are as follows:

UBS Financial Services - Senior Manager
Citigroup Global Markets, Inc.
Samuel A. Ramirez & Co. - MBE

Nabors, Giblin & Nickerson, PA is the Bond Counsel and Bryant, Miller & Olive, PA is the Disclosure Counsel. Edwards Angel Palmer & Dodge LLP is the Underwriter's Counsel and Public Financial Management is the Financial Advisor.

SUPPORTING DOCUMENTS TO COME