

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

**Blue Sheet No. 20020109**

**1. REQUESTED MOTION:**

**ACTION REQUESTED:** Authorize Chairman to execute loan documents with SunTrust Bank for long term financing of Iona Shores and Rainbow Farms MSBU Projects and authorize Budget Amendment Resolutions to reflect this transaction.

**WHY ACTION IS NECESSARY:** Allow the implementation of Long Term Debt Financing for the Iona Shores and Rainbow Farms MSBU Projects without pledging the Non-Ad Valorem Debt Capacity of the County.

**WHAT ACTION ACCOMPLISHES:** Provides Private Placement Financing for the Iona Shores and Rainbow Farms MSBU Projects.

**2. DEPARTMENTAL CATEGORY:  
COMMISSION DISTRICT #**

*CIB*

**3. MEETING DATE:**

*04-16-2002*

**4. AGENDA:**

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- TIME REQUIRED:

**5. REQUIREMENT/PURPOSE:  
(Specify)**

- STATUTE
- ORDINANCE
- ADMIN. CODE
- OTHER

**6. REQUESTOR OF INFORMATION:**

- A. COMMISSIONER
- B. DEPARTMENT County Administration
- C. DIVISION Budget Services
- BY: Tony Majul, Budget Director

**7. BACKGROUND:** On September 28, 1999 the Board of County Commissioners approved authorization of the Chairman to execute a commitment letter with SunTrust Bank for a Term Loan Assessment Program in the amount of \$5,000,000 for a three year period effective in August, 2000 relative to permanent financing for MSBU Projects.

On November 30, 1999 the Board of County Commissioners approved acceptance of the Bank's commitment for the credit line and the form of the loan agreement. As individual MSBU projects are considered for use of this credit line, each loan request will brought to the BOCC for approval.

The first of these projects funded under this program was the University Overlay MSBU for \$827,838 on August 8, 2000. (Blue Sheet #20000691).

The second round of funding requested is for the Iona Shores and Rainbow Farms MSBU's. The projects include installation of waterline systems. The final costs for the projects were not to exceed \$147,083 for Iona Shores and \$116,947 for Rainbow Farms with the public hearings held on March 12, 2002 (Blue Sheet #20020071 and #20020072). Prepayment invoices were sent to property owners with notice of public hearing three weeks prior to March 12, 2002. The amount financed will be reduced by the prepayments received over the 30-day period prior to the implementation of long term financing. The loan amount must be a minimum of \$100,000 with maturity options available of 5 years (99.82% of the US Treasury Rate (TN)); 10 Years (101.59% of the TN); 15 Years (103.72% of the TN) and 20 Years (105.84% of the TN but based upon the 10 year yield with a rate adjustment at the end of the first ten years). The term of this loan will be for 15 years.

It is anticipated that the loan will be closed during the week ending April 19, 2002. Proceeds from this loan as well as prepayments will be used to fund construction expenditures previously spent by the County.

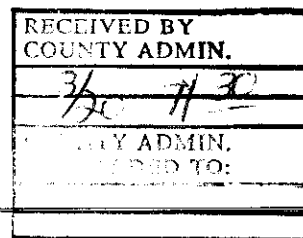
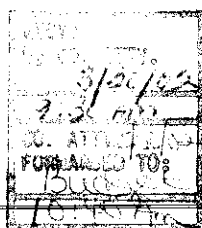
**8. MANAGEMENT RECOMMENDATIONS:** Authorize Execution of Documents for Permanent Financing of the Iona Shores and Rainbow Farms MSBU's with SunTrust Bank.

**9. RECOMMENDED APPROVAL:**

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services			G County Manager
<i>[Signature]</i>	<i>NA</i>	<i>NA</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>QA</i>	<i>OM</i>	<i>Risk</i>	<i>GC</i>
			<i>5-18-02</i>	<i>3-20-02</i>	<i>28</i>	<i>3-20-02</i>	<i>AP 3/18/02</i>	<i>128</i>
					<i>3-18-02</i>			<i>3-18-02</i>

**10. COMMISSION ACTION:**

- APPROVED
- DENIED
- DEFERRED
- OTHER



**RESOLUTION NO.**

A RESOLUTION AUTHORIZING THE ISSUANCE OF A NOTE IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$116,947 PURSUANT TO THAT CERTAIN LOAN AGREEMENT BETWEEN THE COUNTY AND SUNTRUST BANK, IN ORDER TO FINANCE AND REIMBURSE THE COSTS OF CONSTRUCTION OF CERTAIN POTABLE WATER IMPROVEMENTS WITHIN THE RAINBOW FARMS WATERLINE MUNICIPAL SERVICE BENEFIT UNIT; DETERMINING CERTAIN DETAILS OF SUCH NOTE; PLEDGING CERTAIN SPECIAL ASSESSMENT PROCEEDS COLLECTED WITHIN THE RAINBOW FARMS WATERLINE MUNICIPAL SERVICE BENEFIT UNIT TO THE REPAYMENT OF SUCH NOTE; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH NOTE; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

**BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA:**

**SECTION 1. AUTHORITY FOR THIS RESOLUTION.** This Resolution is adopted pursuant to the provisions of Chapter 125, Florida Statutes and other applicable provisions of law.

**SECTION 2. DEFINITIONS.** When used in this Resolution, terms not otherwise defined herein shall have the meanings set forth in the Loan Agreement between SunTrust Bank (the "Bank") and Lee County, Florida (the "County"), dated August 11, 2000 (the "Loan Agreement"), unless the context clearly indicates a different meaning.

The words "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms shall refer to this Resolution.

Words importing the singular number include the plural number, and vice versa.

**SECTION 3. FINDINGS.** It is hereby ascertained, determined and declared:

(A) On November 30, 1999, the Board of County Commissioners (the "Board") of the County adopted Resolution No. 99-01-34 which, among other things, accepted the commitment of the Bank to provide the County with a \$5,000,000 loan facility, the proceeds of which will be applied to finance the costs of various capital projects in the County, and authorized the execution and delivery of the Loan Agreement to evidence such loan facility.

(B) The County has heretofore adopted Resolution No. 01-01-26 (the "Assessment Resolution") establishing the Rainbow Farms Waterline Municipal Service Benefit Unit (the "MSBU") and imposing certain special assessments therein for the construction of certain potable water capital improvements within the MSBU, as described in the Assessment Resolution, all in accordance with the plans and specifications on file or to be on file with the County, as the same may be modified from time to time (the "Series 2002B Project").

(C) It is in the best interests of the County and the citizens within the MSBU that a note be issued to the Bank pursuant to the Loan Agreement in the aggregate principal amount of not exceeding \$116,947 (the "Series 2002B Note") in order to finance and reimburse a portion of the costs of the Series 2002B Project.

(D) The Series 2002B Note shall be repaid solely from special assessment proceeds levied and collected within the MSBU pursuant to the Assessment Resolution (the "2002B Special Assessment Proceeds") and the proceeds of the Series 2002B Note prior to the application thereof (collectively, the "2002B Designated Revenues") and shall never constitute a general obligation, or a pledge of the faith, credit or taxing power of the County, the State of Florida, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions. Neither the State of Florida, nor any political subdivision thereof, including the County shall be obligated to exercise its ad valorem taxing power in any form on any real or personal property of or in the County to pay the principal of the Series 2002B Note, the interest thereon, or other costs incidental thereto, or pay the same from any other funds of the County except from the 2002B Designated Revenues in the manner provided herein and in the Loan Agreement. The provisions of Section 2.06 of the Loan Agreement shall not apply to the repayment of the Series 2002B Note.

(E) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2002B Note and the complexity of the transactions relating to such Series 2002B Note, it is in the best interest of the County to issue the Series 2002B Note by a negotiated sale to the Bank, allowing the County to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the County to obtain the best possible price and interest rate for the Series 2002B Note.

(F) Prior to the issuance of the Series 2002B Note, the Board shall receive a copy of the Bank's Disclosure Letter and Truth-in-Bonding Statement required by Section 218.385, Florida Statutes.

**SECTION 4. AUTHORIZATION OF SERIES 2002B PROJECT.** The County does hereby authorize the acquisition and construction of the Series 2002B Project.

**SECTION 5. AUTHORIZATION AND TERMS OF THE SERIES 2002B NOTE.** The County hereby authorizes the issuance of a note in the aggregate principal amount of not exceeding \$116,947 to be known as the "Lee County, Florida Revenue Note (SunTrust Bank), Series 2002B (Rainbow Farms Waterline MSBU Project)" for the principal purpose of financing and reimbursing a portion of the costs of the acquisition and construction of the Series 2002B Project. The actual principal amount of the Series 2002B Note shall be determined by the Chairman prior to its issuance. The Chairman and the Clerk are hereby authorized to execute, seal and deliver the Series 2002B Note on behalf of the County and such other documents, instruments, agreements and certificates necessary or desirable to effectuate the issuance of the Series 2002B Note in accordance with the provisions of the Loan Agreement.

The Series 2002B Note shall be dated its date of issuance which shall be April 18, 2002, or such other date as shall be determined by the Chairman, or his designee. The Series 2002B Note shall bear interest in accordance with the terms of the Loan Agreement at the Fixed Interest Rate as described in and determined pursuant to the Loan Agreement and shall have a Final Maturity Date of May 1, 2017. Interest on the Series 2002B Note shall be payable semi-annually on May 1 and November 1 of each year commencing November 1, 2002. Principal of the Series 2002B Note shall be payable in substantially equal installments on May 1 of each year commencing May 1, 2003, such installments to be set forth in the actual Series 2002B Note. The Series 2002B Note shall be subject to prepayment at the option of the County in accordance with Section 3.03 of the Loan Agreement.

**SECTION 6. SECURITY FOR SERIES 2002B NOTE.** The Series 2002B Note shall be secured by the 2002B Designated Revenues in the manner provided therefore herein and in the Loan Agreement; provided, however, that the provisions of Section 2.06 of the Loan Agreement shall not apply with respect to the repayment of the Series 2002B Note. The County hereby irrevocably pledges the 2002B Designated Revenues to the full and prompt payment of the principal of and interest on the Series 2002B Note.

**SECTION 7. LOAN AGREEMENT.** Except as otherwise provided herein, all of the terms and provisions of the Loan Agreement shall apply with respect to the Series

2002B Note and unless subsequently modified by resolution of the Board, shall be in full force and effect through the Final Maturity Date of the Series 2002B Note.

**SECTION 8. GENERAL AUTHORIZATION.** The Chairman, Vice-Chairman and Clerk of the Board and other employees or agents of the County are authorized to execute and deliver such documents, instruments and contracts, and are hereby authorized and directed to do all acts and things required hereby as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution. To the extent the Chairman or the Clerk is unable to perform any duty or function hereunder, the Vice-Chairman of the Board and any duly authorized Deputy Clerk, respectively, are hereby authorized to act on their respective behalf.

**SECTION 9. REPEAL OF INCONSISTENT INSTRUMENTS.** All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

**SECTION 10. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

**ADOPTED** this 16th day of April, 2002.

**BOARD OF COUNTY COMMISSIONERS  
OF LEE COUNTY, FLORIDA**

(SEAL)

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

\_\_\_\_\_  
County Attorney

**RESOLUTION NO.**

A RESOLUTION AUTHORIZING THE ISSUANCE OF A NOTE IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$147,083 PURSUANT TO THAT CERTAIN LOAN AGREEMENT BETWEEN THE COUNTY AND SUNTRUST BANK, IN ORDER TO FINANCE AND REIMBURSE THE COSTS OF CONSTRUCTION OF CERTAIN POTABLE WATER IMPROVEMENTS WITHIN THE IONA SHORES WATERLINE MUNICIPAL SERVICE BENEFIT UNIT; DETERMINING CERTAIN DETAILS OF SUCH NOTE; PLEDGING CERTAIN SPECIAL ASSESSMENT PROCEEDS COLLECTED WITHIN THE IONA SHORES WATERLINE MUNICIPAL SERVICE BENEFIT UNIT TO THE REPAYMENT OF SUCH NOTE; AUTHORIZING THE EXECUTION AND DELIVERY OF OTHER DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH NOTE; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

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(B) The County has heretofore adopted Resolution No. 00-11-14 (the "Assessment Resolution") establishing the Iona Shores Waterline Municipal Service Benefit Unit (the "MSBU") and imposing certain special assessments therein for the construction of certain potable water capital improvements within the MSBU, as described in the Assessment Resolution, all in accordance with the plans and specifications on file or to be on file with the County, as the same may be modified from time to time (the "Series 2002A Project").

(C) It is in the best interests of the County and the citizens within the MSBU that a note be issued to the Bank pursuant to the Loan Agreement in the aggregate principal amount of not exceeding \$147,083 (the "Series 2002A Note") in order to finance and reimburse a portion of the costs of the Series 2002A Project.

(D) The Series 2002A Note shall be repaid solely from special assessment proceeds levied and collected within the MSBU pursuant to the Assessment Resolution (the "2002A Special Assessment Proceeds") and the proceeds of the Series 2002A Note prior to the application thereof (collectively, the "2002A Designated Revenues") and shall never constitute a general obligation, or a pledge of the faith, credit or taxing power of the County, the State of Florida, or any political subdivision thereof, within the meaning of any constitutional or statutory provisions. Neither the State of Florida, nor any political subdivision thereof, including the County shall be obligated to exercise its ad valorem taxing power in any form on any real or personal property of or in the County to pay the principal of the Series 2002A Note, the interest thereon, or other costs incidental thereto, or pay the same from any other funds of the County except from the 2002A Designated Revenues in the manner provided herein and in the Loan Agreement. The provisions of Section 2.06 of the Loan Agreement shall not apply to the repayment of the Series 2002A Note.

(E) Due to the potential volatility of the market for tax-exempt obligations such as the Series 2002A Note and the complexity of the transactions relating to such Series 2002A Note, it is in the best interest of the County to issue the Series 2002A Note by a negotiated sale to the Bank, allowing the County to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the County to obtain the best possible price and interest rate for the Series 2002A Note.

(F) Prior to the issuance of the Series 2002A Note, the Board shall receive a copy of the Bank's Disclosure Letter and Truth-in-Bonding Statement required by Section 218.385, Florida Statutes.

**SECTION 4. AUTHORIZATION OF SERIES 2002A PROJECT.** The County does hereby authorize the acquisition and construction of the Series 2002A Project.

**SECTION 5. AUTHORIZATION AND TERMS OF THE SERIES 2002A NOTE.** The County hereby authorizes the issuance of a note in the aggregate principal amount of not exceeding \$147,083 to be known as the "Lee County, Florida Revenue Note (SunTrust Bank), Series 2002A (Iona Shores Waterline MSBU Project)" for the principal purpose of financing and reimbursing a portion of the costs of the acquisition and construction of the Series 2002A Project. The actual principal amount of the Series 2002A Note shall be determined by the Chairman prior to its issuance. The Chairman and the Clerk are hereby authorized to execute, seal and deliver the Series 2002A Note on behalf of the County and such other documents, instruments, agreements and certificates necessary or desirable to effectuate the issuance of the Series 2002A Note in accordance with the provisions of the Loan Agreement.

The Series 2002A Note shall be dated its date of issuance which shall be April 18, 2002, or such other date as shall be determined by the Chairman, or his designee. The Series 2002A Note shall bear interest in accordance with the terms of the Loan Agreement at the Fixed Interest Rate as described in and determined pursuant to the Loan Agreement and shall have a Final Maturity Date of May 1, 2017. Interest on the Series 2002A Note shall be payable semi-annually on May 1 and November 1 of each year commencing November 1, 2002. Principal of the Series 2002A Note shall be payable in substantially equal installments on May 1 of each year commencing May 1, 2003, such installments to be set forth in the actual Series 2002A Note. The Series 2002A Note shall be subject to prepayment at the option of the County in accordance with Section 3.03 of the Loan Agreement.

**SECTION 6. SECURITY FOR SERIES 2002A NOTE.** The Series 2002A Note shall be secured by the 2002A Designated Revenues in the manner provided therefore herein and in the Loan Agreement; provided, however, that the provisions of Section 2.06 of the Loan Agreement shall not apply with respect to the repayment of the Series 2002A Note. The County hereby irrevocably pledges the 2002A Designated Revenues to the full and prompt payment of the principal of and interest on the Series 2002A Note.

**SECTION 7. LOAN AGREEMENT.** Except as otherwise provided herein, all of the terms and provisions of the Loan Agreement shall apply with respect to the Series



2002A Note and unless subsequently modified by resolution of the Board, shall be in full force and effect through the Final Maturity Date of the Series 2002A Note.

**SECTION 8. GENERAL AUTHORIZATION.** The Chairman, Vice-Chairman and Clerk of the Board and other employees or agents of the County are authorized to execute and deliver such documents, instruments and contracts, and are hereby authorized and directed to do all acts and things required hereby as may be necessary for the full, punctual and complete performance of all the terms, covenants, provisions and agreements herein contained, or as otherwise may be necessary or desirable to effectuate the purpose and intent of this Resolution. To the extent the Chairman or the Clerk is unable to perform any duty or function hereunder, the Vice-Chairman of the Board and any duly authorized Deputy Clerk, respectively, are hereby authorized to act on their respective behalf.

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**SECTION 10. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

**ADOPTED** this 16th day of April, 2002.

**BOARD OF COUNTY COMMISSIONERS  
OF LEE COUNTY, FLORIDA**

(SEAL)

\_\_\_\_\_  
Chairman

ATTEST:

\_\_\_\_\_  
Clerk

APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:

\_\_\_\_\_  
County Attorney

**BUDGET AMENDMENTS TO FOLLOW**