

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

Blue Sheet No. 20030629

1. REQUESTED MOTION:

ACTION REQUESTED: Approval to finance the Transportation Facilities Refunding Revenue Bonds Series 2003A, Transportation Facilities Revenue Bonds, Series 2003B and Transportation Facilities Refunding Revenue Bonds, Series 2003C as well as select Underwriters, Disclosure Counsel and Bond Counsel for this issue.

WHY ACTION IS NECESSARY: Board must approve financing of Transportation Facilities Refunding Revenue Bonds, Series 2003A, Transportation Facilities Revenue Bonds, Series 2003B and Transportation Facilities Refunding Revenue Bonds, Series 2003C.

WHAT ACTION ACCOMPLISHES: Provides financing of the Sanibel Causeway replacement/rehabilitation, current refunding of the Series 1993A Bonds and advance refunding of the Series 1995 Bonds for savings.

2. DEPARTMENTAL CATEGORY:
COMMISSION DISTRICT #

A/A

3. MEETING DATE:

06-10-2003

4. AGENDA:

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

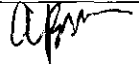
5. REQUIREMENT/PURPOSE:
(Specify)

- STATUTE
- ORDINANCE
- ADMIN. CODE
- OTHER

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER
- B. DEPARTMENT County Administration
- C. DIVISION Budget Services

BY: Antonio Majul, Budget Director



7. BACKGROUND

On April 28, 2003 Public Financial Management, Inc. (PFM), the County's Financial Advisor issued a Request for Proposal for the Transportation Facilities Refunding Revenue Bonds, Series 2003A and Transportation Facilities Revenue Bonds, Series 2003B. Responses from fourteen (14) underwriters were received on May 12, 2003.

The *Series 2003A Bonds* will be issued to refund for savings the Capital and Transportation Revenue Bonds, Series 1993A. This debt service was originally secured by a pledge from non-ad valorem revenues. The Series 2003A Bonds may release this pledge and be ascended to debt on the same level (parity) with the other toll facilities debt if coverage requirements can

8. MANAGEMENT RECOMMENDATIONS: Approve the Transportation Facilities Refunding Revenue Bonds, Series 2003A, Transportation Facilities Revenue Bonds, Series 2003B and Transportation Facilities Refunding Revenue Bonds, Series 2003C as well as approve Underwriters, Disclosure Counsel and Bond Counsel.

9. RECOMMENDED APPROVAL: Approve appointment of Underwriters, Disclosure Counsel and Bond Counsel.

A Department Director	B Purchasing or Contracts	C Human Resources	D Other	E County Attorney	F Budget Services				G County Manager
<i>[Signature]</i> 5/29/03				<i>[Signature]</i> 5/29/03	OA <i>[Signature]</i>	OM <i>[Signature]</i>	Risk <i>[Signature]</i>	GC RK for R6 5/29	<i>[Signature]</i> 5-29-03

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty
Date: *5/29/03*
Time: *1:00 PM*
Forwarded To: *Co. Admin 5/29/03*

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5-29-03
2:10
COUNTY ADMIN. FORWARDED TO: *DB*
[Signature]

be met under market conditions at the time of pricing. Based upon information as of May 28, 2003, the estimated savings from this refunding is 14.24% or \$5.8 million through 2021.

The *Series 2003B Bonds* will be used for construction of a new causeway to Sanibel Island and possibly access roads on the mainland side of the bridge.

The Bond Selection Committee (Clerk of Circuit Court, Director of Public Works, Fiscal Research Analyst) with the Financial Advisor reviewed the Request for Proposals on May 27, 2003 and made the following recommendations regarding the underwriter syndicate and percentage allocation for the Series 2003A and Series 2003B Bonds only:

UBS PaineWebber – Senior Manager	40%
Citigroup Global Markets, Inc.	20%
Morgan Stanley	20%
Raymond James & Associates, Inc.	10%
Samuel A. Ramirez & Co. - MBE	5%
Jackson Securities - MBE	5%
TOTAL	100%

The *Series 2003C Bonds* will be used to advance refund the Series 1995 Bonds (Midpoint Bridge) issued in 1995 for construction of the Midpoint Memorial Bridge. The refunding of the Series 1995 Bonds was first approved by the BOCC on August 4, 1998 and again on February 20, 2001. Salomon Smith Barney (now Citigroup) was selected to be the underwriter. Two attempts were made to refund the debt but both were unsuccessful due to market conditions. However, the most recent market conditions have changed significantly enough to allow at least part or possibly all of the existing debt to be advanced refunded. Citigroup would retain their original allocation. Based upon data as of May 27, 2003, the estimated savings from this refunding is 9.18% or \$7.7 million through 2027.

The advantage to adding the 2003C's as part of this current issue allows document preparation including the Official Statement to include all three issues, thereby lowering issuance costs.

Nabors, Giblin & Nickerson PA has been recommended to be the bond counsel and Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel PA has been recommended to be disclosure counsel.