

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

**Blue Sheet No. 20031439**

**1. REQUESTED MOTION:**

**ACTION REQUESTED:** Authorize the Chairman 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 Transportation Facilities Refunding Revenue Bonds, Series 2004B. Authorize other approvals as necessary contained in this resolution. Formally notify underwriters that a successful sale of the Series 2004B bonds satisfies the award to the underwriters originally made in 1998.

**WHY ACTION IS NECESSARY:** Allows greater flexibility in marketing the Transportation Facilities Refunding Revenue Bonds, Series 2004B.

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

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

**A1B**

**3. MEETING DATE:**

**12-16-2003**

**4. AGENDA:**

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

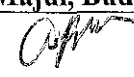
**5. REQUIREMENT/PURPOSE:**  
(Specify)

- 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 June 10, 2003, the Board of County Commissioners authorized the County staff to proceed to prepare documents for the advance refunding of the Series 1995 Bonds (Midpoint Bridge) originally issued for \$95,000,000 to construct the Midpoint Memorial Bridge (Blue Sheet #20030629). Also included at that time was approval to refund the Series 1993A Capital and Transportation Revenue Bonds (refunding completed on November 26, 2003) and initiate preparation of documents to sell bonds for the Sanibel Causeway replacement.

BACKGROUND Continued on Page 2

**8. MANAGEMENT RECOMMENDATIONS:** Approve the Delegating Resolution for the Transportation Refunding Revenue Bonds, Series 2004B.

**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>Approved 12/2/03</i>	NA	NA	NA	<i>S. Bond</i>	OA	OM	Risk	GC	<i>AD 12-4-03</i>
					<i>12/3/03</i>	<i>12/4/03</i>	<i>12/5/03</i>	<i>12/3-03</i>	

**10. COMMISSION ACTION:**

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by CoAtty  
Date: **12/3/03**  
Time: **10:16 am**  
Forwarded To:  
*Co. Atty*  
**12/3/03**

RECEIVED BY  
COUNTY ADMIN: **TD**  
**12-3-03**  
**10:45**  
COUNTY ADMIN  
FORWARDED TO: **JK**  
**12/4/03**

**Blue Sheet #20031439 Continued**

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.

The most recent analysis of possible refunding opportunities for this issue indicated that \$43,400,000 of the remaining \$87,615,000 in principal is a candidate for an advance refunding. The potential savings on November 25, 2003 was a present value savings of \$2.7 million (4.82%) or approximately \$220,000 in annual debt service savings through October 2020. The County generally considers savings opportunities in excess of 3.00%. Documents recently completed for the sale of bonds to finance a replacement to the Sanibel Causeway (Series 2004A) can be utilized for this refunding with some modifications to reflect financing for this particular credit. The effect of this transaction would result in lower overall debt service for the Transportation Facilities Debt.

Assuming a successful refunding issue, there would be \$44,175,000 remaining from the Transportation Facilities Revenue Bonds, Series 1995.

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 Transportation Facilities Refunding Revenue Bonds, Series 2004B, the following criteria are included:

- The issue cannot exceed \$100,000,000;
- The Net Present Value Savings must be at least 3.00% of the par amount of refunded bonds;
- The Underwriter's Discount cannot exceed \$5.18 per bond or .518% of the par amount of the Series 2004B Bonds;
- True Interest Cost (TIC) cannot exceed 5.50% per annum;
- The first call date cannot be later than October 1, 2014;
- The final maturity cannot be later than October 1, 2027;
- Call premium cannot exceed 1.0% of the Series 2004B 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;
- The BOCC Chairman has the authority to determine which maturities will be refunded with the assistance and advice of the Financial Advisor.

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 an escrow deposit agreement and appoints an escrow agent, 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 February 20, 2001 (Blue Sheet #20010100) are as follows:

1. Salomon Smith Barney	55%
2. Raymond James & Associates	20%
3. Banc of America Securities	20%
4. Jackson Securities – MBE	5%
	100%

Nabors, Giblin & Nickerson, PA is the Bond Counsel and Greenberg, Traurig, Hoffman, Lipoff, Rosen & Quentel PA is the Disclosure Counsel. Public Financial Management is the Financial Advisor.

**RESOLUTION TO FOLLOW**