

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

Blue Sheet No. 20060247

1. ACTION REQUESTED/PURPOSE:

Authorize the Administration to proceed with the refunding of the Solid Waste System Revenue Bonds, Series 1995.

2. WHAT ACTION ACCOMPLISHES:

Allows the Solid Waste System Revenue Bonds, Series 1995 Bonds to be refunded for savings.

3. MANAGEMENT RECOMMENDATION:

Approve.

4. Departmental Category: 01

CIA

5. Meeting Date: 03-14-2006

6. Agenda:

- Consent
- Administrative
- Appeals
- Public
- Walk-On

7. Requirement/Purpose: (specify)

- Statute
- Ordinance
- Admin. Code
- Other

8. Request Initiated:

Commissioner
Department County Administration
Division Budget Services
By: Antonio Majul, Budget Director

9. Background:

On November 1, 1995, Lee County issued its Solid Waste System Revenue Bonds, Series 1995. The funds were used to acquire and construct the first phase of a landfill and acquisition of two transfer stations in Hendry County. The bonds reached their ten year call eligibility in November, 2005 and can now be refunded for savings at any time. Based upon figures as of February 28, 2006, there is a 2.80 percent savings for an estimated present value savings of \$687,500 or \$72,400 annually over the next 9.5 years.

The County's debt policy recommends consideration of a refunding when the savings is at least 3.00%. Although the savings rate is slightly less than 3.00%, there are several other factors to consider. Because this is a current refunding and the marketing is expected to occur in April, 2005, there is minimal risk based upon unknown long term interest rates. The County anticipates the sale of bonds for partial funding of the expansion to the Waste to Energy Facility to occur in April, 2006. Given the timing of the refunding and the new money issue, an opportunity was presented to market each issue together as Series 2006A (the new money for the Waste to Energy Expansion Project) and Series 2006B (refunding the Series 1995 bonds). This will reduce the cost by utilizing one set of documents and one marketing effort and thereby reduce the costs of issuance.

Given present market conditions, by proceeding with this refinancing opportunity will result in a savings of \$72,400 in annual debt service.

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services				County Manager/P.W. Director
					Analyst	Risk	Grants	Mgr.	
<i>[Signature]</i> 3/2/06				<i>[Signature]</i> 3/2/06	<i>[Signature]</i> 3/2/06	<i>[Signature]</i> 3/2/06	<i>[Signature]</i> 3/2/06	<i>[Signature]</i> 3/2/06	<i>[Signature]</i> 3/2/06

11. Commission Action:

- Approved
- Deferred
- Denied
- Other

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 3-2-06
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