

Agenda Item: 5C-3

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: Oct. 17, 2006

☐

Consent

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Regular

☐

Public Hearing

Department: Office of Financial Management & Budget

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to select

A) Jackson Securities as Senior Manager and Loop Capital and Citigroup as co-managers for the estimated \$15 Million Public Improvement Revenue Bonds, Series 2006 (Parking Facilities Expansion).

B) Bryant Miller & Olive, P.A./Isaacs Williams, P.A. as bond counsel for the estimated \$15 Million Public Improvement Revenue Bonds, Series 2006 (Parking Facilities Expansion).

Summary: The FY 2007 Budget includes the issuance of approximately \$15 Million Public Improvement Revenue Bonds, Series 2006 (Parking Facilities Expansion) to fund the construction and expansion of the Judicial Center Parking Garage. The initial construction contract will be awarded at the November 21 Board meeting. The bonds will go to market on November 20 and the Board will approve the bond purchase agreement on November 21. The underwriters listed above are next to be selected from the Senior Manager Underwriter Rotation List. Bryant Miller & Olive, P.A./Isaacs Williams, P.A. were previously selected to be bond counsel for the Biotechnology Development District's issuance of not to exceed \$125 Million Capital Improvement Revenue Bonds. These bonds were not issued and we are recommending that the Board move them to the top of the rotation list for bond counsel and select them for bond counsel on this issue. Countywide (PFK)

Background and Justification: The payment of principal and interest on the Series 2006 Bonds will be secured by a pledge of legally available non-ad valorem revenues.

Attachments:

1. Senior Manager Underwriter Rotation List
2. County Bond Counsel Rotation List

Recommended by:

Department Director

10/10/06
Date

Approved By:

County Administrator

10-14-06
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2006	2007	2008	2009	2010
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	_____	_____	_____	_____	_____
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No _____
Budget Account No.: Fund _____ Department _____ Unit _____
Object _____ Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

John A. Long 10/10/06 N/A
OFMB Contract Dev. and Control

B. Legal Sufficiency:

Paul F. Long 10/10/06
Assistant County Attorney

C. Other Department Review:

Department Director

REVISED 9/03

ADM FORM 01

(THIS SUMMARY IS NOT TO BE USED AS A BASIS FOR PAYMENT.)

ATTACHMENT 1

PALM BEACH COUNTY
SENIOR MANAGER UNDERWRITER ROTATION LIST
June 6, 2006

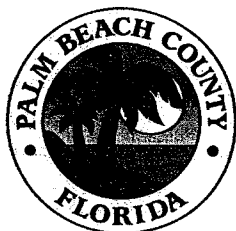
District 7	Jackson Securities	Senior Manager on next issue
District 5	Janney Montgomery	Not eligible to serve as co-manager
District 3	Merrill Lynch	Eligible to serve as co-manager
District 6	Loop Capital Markets (Note 2)	Eligible to serve as co-manager
District 1	Citigroup	Eligible to serve as co-manager
District 4	Wachovia Securities	Eligible to serve as co-manager
District 2	Raymond James	Not eligible to serve as co-manager

Note 1 - One selection per Commissioner with the senior manager selected for an issue always going to the bottom of the rotation list for future issues. If a Commissioner changes underwriters after the initial appointment in October, 2003, the new appointee will be placed at the bottom of the list. Raymond James was appointed by Commissioner Koons on June 6, 2006.

Note 2 - Depending on the size of the bond issue, additional co-managers will be selected from the above list as follows: The firm at the top of the list to be appointed as senior manager, the next firm in line to be senior manager and the last firm selected as senior are not eligible to serve as co-manager on the next bond issue. All firms on the senior manager rotation list are eligible to be co-manager. Eligible firm(s) will be selected to be co-managers in order from the senior rotation list. **As of the June 6, 2006 appointment of Raymond James as the District 2 underwriter, Loop Capital is the next firm to be selected as co-manager with others to be selected following in order.** Selection as co-manager will not effect a firm's standing on the senior manager rotation list.

Note 3 - Staff and the County's Financial Advisor recommend the following guidelines for structuring teams for each bond issue: (1) Up to \$10 Million - 1 Senior, (2) \$10 to \$25 Million - 1 Senior, 1 Co-Manager; (3) \$25 to \$50 Million - 1 Senior, 2 Co-Managers; (4) \$50 to \$75 Million - 1 Senior, 3 Co-Managers; (5) Excess of \$75 Million 1 Senior, 4 or more Co-Managers, depending on the size of the issue.

Note 4 - Proprietary Proposals - The County will continue to consider new and innovative proposals from any underwriter. If the Board decides to move forward with a proposal, the underwriter will be given consideration as the book running manager on the bond issue without regard to the senior manager rotation list. If the underwriter selected to be bookrunning manager is on the County's senior rotation list, the underwriter will be moved to the bottom of the list for future issues. Refunding of outstanding bond issues and other proposals that are currently being done by other issuers are not considered proprietary proposals. Submission of these proposals will not necessarily be a factor in the selection of underwriting teams.



ATTACHMENT 2

MEMORANDUM

Denise M. Nieman
County Attorney

P.O. Box 1989
West Palm Beach, FL 33402-1989
(561) 355-2225
Suncom: (561) 273-2225
FAX: (561) 355-4398
www.pbcgov.com



**Palm Beach County
Board of County
Commissioners**

Tony Masilotti, Chairman

Addie L. Greene, Vice Chairperson

Karen T. Marcus

Jeff Koons

Warren H. Newell

Mary McCarty

Burt Aaronson

County Administrator

Robert Weisman

DATE: January 12, 2006

TO: The Honorable Commissioner Tony Masilotti, Chairman
and Members of the Board of County Commissioners

FROM: Paul F. King, Assistant County Attorney *PFK*

RE: Revisions to and Current Status
of the County Bond Counsel Rotation List

At the January 10, 2006 meeting, the Board of County Commissioners appointed the law firm of Holland & Knight LLP to provide bond counsel and related legal services for the estimated \$50 Million Water and Sewer Revenue Bonds, Series 2006. The current County bond counsel rotation list now stands as follows:

1. Edwards & Angell, LLP
2. Boose Casey Ciklin Lubitz Martens McBane & O'Connell
3. Bryant Miller & Olive, P.A./ Isaacs Williams, P.A.
4. Moyle Flanigan Katz Raymond & Sheehan, P.A.
5. Greenberg Traurig, P.A./Weiss & Handler, P.A.
6. Ruden McClosky Smith Schuster & Russell, P.A.
7. Holland and Knight, LLP

PFK/mej

cc: Denise M. Nieman, County Attorney
Maureen Cullen, Chief Assistant County Attorney
Richard Roberts, Director, OFMB
John Long, Debt Manager, OFMB