

**PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS  
AGENDA ITEM SUMMARY**

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Meeting Date: May 5, 2009     Consent     Regular  
   Ordinance     Public Hearing  
Department:            Office of Financial Management & Budget  
Submitted For:        Water Utilities

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**I. Executive Brief**

**Motion and Title:** Staff recommends motion to adopt a Resolution supplementing Resolution R-84-1206 of the County, as amended and supplemented, authorizing the issuance, in one or more series of the County's Water and Sewer Revenue Bonds (FP&L Reclaimed Water Project) in an aggregate principal amount of not exceeding \$90,000,000 (the Bonds) to finance the cost of acquisition, construction and installation of additions, extensions and improvements to the County's existing water and sewer system; providing for the payment of such Bonds from net revenues of the County water and sewer system, and connection charges on a parity with certain outstanding water and sewer obligations of the County; appointing a paying agent and registrar; approving the form of and authorizing the execution and delivery of a bond purchase agreement and providing a method for determining the terms of such Bonds and for awarding the sale of such Bonds to the underwriters identified herein and making certain findings in connection therewith; approving the form of a preliminary official statement and authorizing its use in the marketing of the Bonds; authorizing the execution and delivery of an official statement to be used in connection with the sale of the Bonds; approving the form of and authorizing the execution and delivery of a registrar and paying agent agreement in connection therewith; providing for certain continuing disclosure obligations consistent with Rule 15c2-12 of the Securities and Exchange Commission; providing certain other details with respect to the Bonds; and providing an effective date.

**Summary:** On November 18, 2008, the Board conducted a TEFRA public hearing and adopted a reimbursement resolution (R-2008-2153) for certain capital expenditures incurred by the County and FP&L prior to the sale of the Bonds. On April 8, 2009, the County received the remaining allocation for Private Activity Bonds from the Florida First Business allocation pool and is now in a position to move forward with the issuance of the Bonds. Pursuant to the Reclaimed Water Agreement, FP&L is obligated to pay the debt service on the Bonds. The County has scheduled the sale of the Bonds in July.

**Countywide (PFK)**

**Background and Justification:** On May 20, 2008, the Board approved A) Reclaimed Water Agreement with FP&L to supply reclaimed water for the West County Energy Center; B) Interlocal Agreement with East Central Regional Wastewater Treatment Facilities Operation Board and the City of West Palm Beach (WPB) related to the construction, operation and maintenance of reclaimed water facilities; C) Interlocal Agreement with WPB related reclaimed water service and various consultant services agreements (R-2008-0906) through R-2008-0911) related projects.

**Attachments:**

- 1. Bond Resolution (On File in OFMB)
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Recommended by:	<u><i>Elizabeth Green</i></u>	<u>4/30/09</u>
	Department Director	Date
Approved By:	<u><i>[Signature]</i></u>	<u>5/4/09</u>
	County Administrator	Date

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
Bond Proceeds	_____	_____	_____	_____	_____
Capital Expenditures	_____	_____	_____	_____	_____
Debt Service Reserve	_____	_____	_____	_____	_____
Capitalized Interest	_____	( 2,721,333)	( 3,628,453)	( 25,979)	_____
Costs of Issuance	_____	_____	_____	_____	_____
Debt Service Costs	_____	2,721,333	3,626,453	5,232,148	5,231,903
FPL Payments to County	_____	_____	_____	(5,206,169)	(5,231,903)
Program Income (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	_____	0	0	0	0
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

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


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

FPL has requested that interest during the construction period be capitalized and thus included in bond proceeds. In accordance with the Reclaimed Water Agreement, FPL will pay the annual debt service payments on the Bonds.


C. Departmental Fiscal Review: \_\_\_\_\_

## III. REVIEW COMMENTS

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

 4/29/09 N/A  
 \_\_\_\_\_  
 OFMB Contract Dev. and Control

### B. Legal Sufficiency:

 5/1/09  
 \_\_\_\_\_  
 Assistant County Attorney

### C. Other Department Review:

\_\_\_\_\_  
 Department Director