

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: May 18, 2010 [] Consent [X] Regular
[] Ordinance [] Public Hearing
Department: Office of Financial Management & Budget

I. Executive Brief

Motion and Title: Staff recommends motion to:

A) Adopt a Resolution authorizing the issuance of General Obligation Refunding Bonds, Series 2010 (Library District Improvement Project) in a principal amount of not exceeding \$22,500,000 (the Bonds); authorizing the defeasance of all or a portion of the County's outstanding \$30,500,000 General Obligation Bonds, Series 2003 (Library District Improvement Project); providing for the payment of the Bonds from a tax on all taxable property within the Library District; establishing the maturity schedule for the Bonds; authorizing the County Administrator or County Debt Manager to publish through electronic means a summary Notice of Sale and to receive bids pursuant to a competitive sale of said Bonds and award the sale of said Bonds to the responsible bidder offering the lowest true interest cost to the County which shall not exceed 5.00%; approving the execution and delivery of said Bonds; approving the form of and authorizing the execution and delivery of an escrow deposit agreement and a registrar/paying agent agreement; approving the preparation and use of a summary notice of sale, a preliminary official statement and final official statement; authorizing the electronic dissemination of the preliminary official statement and final official statement; making certain covenants and agreements in connection with the Bonds; providing for the rights of the owners of the Bonds; appointing a paying agent, bond registrar and escrow agent; authorizing the registration of the Bonds pursuant to a book-entry system; providing for an undertaking required under Rule 15c2-12 of the Securities and Exchange Commission; providing for a repealer and providing for an effective date.

B) Adopt a Resolution authorizing the issuance of General Obligation Refunding Bonds, Series 2010 (Recreational and Cultural Facilities) in a principal amount of not exceeding \$32,000,000 (the Bonds); authorizing the defeasance of all or a portion of the County's outstanding \$25,000,000 General Obligation Bonds, Series 2003 (Recreational and Cultural Facilities) and all or a portion of the County's outstanding \$25,000,000 General Obligation Bonds, Series 2005 (Recreational and Cultural Facilities); providing for the payment of the Bonds from a tax on all taxable property in the County; establishing the maturity schedule for the Bonds; authorizing the County Administrator or County Debt Manager to publish through electronic means a summary Notice of Sale and to receive bids pursuant to a competitive sale of said Bonds and award the sale of said Bonds to the responsible bidder offering the lowest true interest cost to the County which shall not exceed 5.00%; approving the execution and delivery of said Bonds; approving the form of and authorizing the execution and delivery of an escrow deposit agreement and a registrar/paying agent agreement; approving the preparation and use of a summary notice of sale, a preliminary official statement and final official statement; authorizing the electronic dissemination of the preliminary official statement and final official statement; making certain covenants and agreements in connection with the Bonds; providing for the rights of the owners of the Bonds; appointing a paying agent, bond registrar and escrow agent; authorizing the registration of the Bonds pursuant to a book-entry system; providing for an undertaking required under Rule 15c2-12 of the Securities and Exchange Commission; providing for a repealer and providing for an effective date.

C) Approve the appointment of Greenberg Traurig, P.A. as bond counsel and Nabors, Giblin & Nickerson, P.A. as disclosure counsel for the both series of general obligation refunding bonds and to approve amendments to each firms respective contracts for legal services.

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Attachments:

- 1. Bond Resolution for the Library District Refunding Bonds (On File in OFMB)
- 2. Bond Resolution for the Recreational and Cultural Facilities Refunding Bonds (On File in OFMB)
- 3. Amendment No. 5 to Agreement with Greenberg Traurig for Bond Counsel Services.
- 4. Amendment No. 5 to Agreement with Nabors Giblin for Disclosure Counsel Services.

Recommended by: Elizabeth Bresser 5/13/10
Department Director Date

Approved By: W. M. Wei 5/13/10
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>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
Debt Service Costs	_____	_____	_____	_____	_____
External Revenues	_____	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(1)</u>	_____	_____	_____	_____
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:

(1) Board is authorizing the Resolution to issue Refunding G.O. Bonds. There is no fiscal impact at this time. The County will not refund any series of bonds unless a minimum of 3.5% net present value savings, approximately \$725,000, can be obtained. Ad valorem taxes will eventually fund debt service for G.O. refunding bonds.

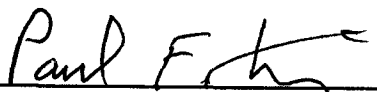
C. Departmental Fiscal Review: _____

III. REVIEW COMMENTS

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


 _____ OFMB *5/12/10*

 _____ Contract Dev. and Control *N/A*

B. Legal Sufficiency:



 Assistant County Attorney

C. Other Department Review:

 Department Director

Summary: On April 2, 2010, the County Financing Committee (CFC) approved the advanced refunding of all or a portion of the County's General Obligation Bonds, Series 2003 (Library District Improvement Project) and all or a portion of the General Obligation Bonds, Series 2003 and 2005 (Recreational and Cultural Facilities) based on a target net present value savings of not less than 3.5%. Each series of general obligation refunding bonds will be sold on a competitive basis. Staff and the County's Financial Advisor will monitor market conditions and when the target level of net present value savings appears to be reasonably obtainable, obtain the ratings for the refunding bonds. In a competitive sale, the County will post electronically its preliminary official statements and official notices of sale. Such notice will set a date and time the bids by underwriters will be due which, under Florida law, must be at least 10 days from the date of the notice. The County will reserve the right to change the bid due date or cancel the sale, if market conditions should deteriorate. No bid will be awarded unless the Bonds of each series have a true interest cost of not more than 5% and achieve a net present value savings of at least 3.5%. The general obligation refunding bonds will be secured by ad valorem taxes. **Countywide (PFK)**

Background and Justification: The County's Debt Management Policy stipulates that the net present value savings on the debt service of the refunding bonds is at least 5% unless interest rates are at historically low levels and future opportunities to achieve more savings are not likely to occur. In mid-March, the County's financial advisor informed the CFC that current interest rates were unusually low and that all indications were that they would begin to rise, so the County should move quickly to refund these bonds to maximize savings. The CFC voted to move forward with the refundings through a competitive sale and instructed the financial advisor to monitor the market to determine the best time to move forward.

**AMENDMENT NO. 5
TO AGREEMENT BETWEEN PALM BEACH COUNTY
AND GREENBERG TRAURIG, P.A.
FOR BOND COUNSEL AND RELATED LEGAL SERVICES**

This Amendment No. 5, dated _____, amends Agreement (R-2008-1852) dated October 21, 2008, ("Agreement"), as amended by Amendment No.1 (R-2008-2041) dated November 18, 2008, as amended by Amendment No. 2 (R-2009-0148) dated January 13, 2009, as amended by Amendment No. 3 (R-2009-0272), and as amended by Amendment No. 4 (R-2009-1205) by and between Palm Beach County ("County") and Greenberg Traurig, P.A. ("Attorney"), as follows:

Notwithstanding anything to the contrary in the Agreement or the Amendments, paragraph 1 of the Agreement is further amended as follows:

"County agrees to engage Attorney to provide bond counsel services for the issuance of General Obligation Refunding Bonds, Series 2010 (Recreation and Cultural Facilities) and General Obligation Refunding Bonds, Series 2010 (Library District Improvement Project). Pursuant to the terms and conditions herein, Attorney agrees to accept such engagement and will provide the legal services."

Except as provided above, the Agreement, as amended, remains in full force and effect.

ATTEST:

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

Sharon R. Bock, Clerk & Comptroller

By: _____
Deputy Clerk

By: _____
Burt Aaronson, Chairman

WITNESS:

ATTORNEY:
GREENBERG TRAURIG, P.A.

Gretchen V. Williams
(Signature)

By: Stephen D. Sanford

GRETCHEN V. WILLIAMS
Name (Type or Print)

STEPHEN D. SANFORD
Name (Type or Print)

Share holder
Title

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: Paul F. J.
County Attorney

**AMENDMENT NO. 5
TO AGREEMENT BETWEEN PALM BEACH COUNTY
AND NABORS, GIBLIN & NICKERSON, P.A.
FOR DISCLOSURE COUNSEL AND RELATED LEGAL SERVICES**

This Amendment No. 5, dated _____, amends Agreement (R-2007-0019) dated January 9, 2007, ("Agreement"), as amended by Amendment No.1 (R-2007-2225) dated December 18, 2007, as amended by Amendment No. 2 (R-2008-2040) dated November 18, 2008, as amended by Amendment No. 3 (R-2009-0147) dated January 13, 2009, and as amended by Amendment No. 4 (R-2009-0741) dated May 5, 2009, by and between Palm Beach County ("County") and Nabors, Giblin & Nickerson, P.A. ("Attorney"), as follows:

Notwithstanding anything to the contrary in the Agreement or the Amendments, the following provision is added to the end of Paragraph 1 of the Agreement:

"County agrees to engage Attorney to provide disclosure counsel services for the issuance of General Obligation Refunding Bonds, Series 2010 (Recreation and Cultural Facilities) and General Obligation Refunding Bonds, Series 2010 (Library District Improvement Project). Attorney shall be compensated at fifty percent (50%) of the amount paid to bond counsel for this engagement. Pursuant to the terms and conditions herein, Attorney accepts such engagement and will provide the legal services."

Except as provided above, the Agreement, as amended, remains in full force and effect.

ATTEST:

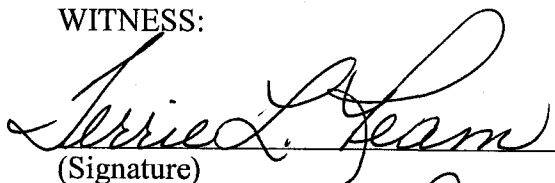
Sharon R. Bock, Clerk & Comptroller

By: _____
Deputy Clerk

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONERS

By: _____
Burt Aaronson, Chairman

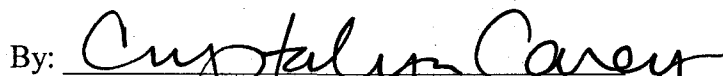
WITNESS:


(Signature)

Terrie L. Ream
Name (Type or Print)

ATTORNEY:

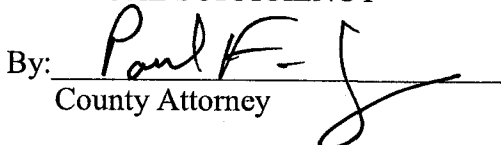
NABORS, GIBLIN & NICKERSON, P.A.

By: 

Crystalyne Carey
Name (Type or Print)

Shareholder
Title

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

By: 
County Attorney