



TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

FROM: Lee Feldman, ICMA-CM, City Manager

DATE: November 4, 2014

TITLE: Appointment of Bond and Disclosure Counsel for the issuance of Water
and Sewer Refunding Revenue Bonds, Series 2014

Recommendation

It is recommended that the City Commission approve a resolution appointing Albert del Castillo, Esq., of the law firm of Greenberg Traurig, P.A., to act as Bond Counsel, and Steven Bullock of Steven Bullock, P.A. to act as Disclosure Counsel for the City of Fort Lauderdale, Florida in connection with the 2014 Water and Sewer bond refinancing in an amount not to exceed \$110,000,000 plus the cost of issuance.

Background

In 2003, the City Commission adopted Resolution 03-29 which constitutes the Master Bond Resolution for the City's Water and Sewer Revenue Bonds. The Master Bond Resolution provides for the issuance, from time to time, of water and sewer revenue bonds; provides the source of security of and payment for such bonds; and contains covenants for the benefit of the bondholders. A series resolution is the vehicle used to authorize each specific series (or installment) of bonds. There were four series issued under the Master Bond Resolution:

- \$90 million Water and Sewer Revenue Bonds, Series 2003
- \$100 million Water and Sewer Revenue Bonds, Series 2006
- \$155 million Water and Sewer Revenue Bonds, Series 2008
- \$82.3 million Water and Sewer Revenue Bonds, Series 2010

In 2012, the City Commission adopted Resolution 12-75 which authorized the refunding of the Water and Sewer Revenue Bonds, Series 2003. The City's staff and professional consultants have reviewed the current economic environment and have determined that it would be beneficial to refinance a portion of the Series 2006 and Series 2008 bonds. Refinancing this debt would result in lower interest rates and substantial savings to the City.

Based on current market conditions, the City could advance refund \$31,865,000 of its

Series 2006 bonds and \$72,120,000 of its Series 2008 bonds. The refunding would have an estimated present value savings of \$8,462,746 or 8.14% with an annual average savings of \$629,306.

The debt issuance requires the retention of both a Bond Counsel and Disclosure Counsel. Due to their extensive knowledge of municipal debt issuance and in particular, the City's debt, Albert del Castillo, Esq. with the law firm of Greenberg Traurig, P.A and Steve Bullock, P.A. are recommended as Bond Counsel and Disclosure Counsel, respectively. It should be noted that Mr. Castillo had previously served with the firm of Squire, Sanders & Dempsey, LLP.

The fee for Bond Counsel is \$1.10 per \$1,000 with a minimum fee of \$25,000, plus expenses not to exceed \$2,500. The fee for Disclosure Counsel is \$0.88 per \$1,000 with a minimum fee of \$20,000, plus expenses not to exceed \$2,500 as negotiated by the City Attorney.

Resource Impact

The expenses for Bond and Disclosure Counsel will be included and funded from bond proceeds as part of the cost of issuance. The Bond and Disclosure Counsel contracts are subject to the appropriation of the bond proceeds.

Attachment

Resolution No. 14-

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