



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#16-0444

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

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: April 5, 2016

TITLE: Resolution Authorizing the Issuance of Water and Sewer Revenue and
Revenue Refunding Bonds, Series 2016 in an Amount Not to Exceed
\$185,000,000

Recommendation

It is recommended that the City Commission approve a resolution authorizing the issuance of Water and Sewer Revenue and Revenue Refunding Bonds, Series 2016 in an amount not to exceed \$185,000,000 for the purpose of refinancing all or a portion of Water and Sewer Revenue Bonds Series 2006, Series 2008 and Series 2010, and prepay certain loans from the State of Florida, and pay the costs of issuance associated with the Series 2016 Bonds, as determined by the City Manager prior to the award of the Series 2016 Bonds.

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

The City Commission has adopted Resolutions 12-75 and 14-186, which authorized the refunding of the Series 2003 Bonds and the partial refunding the Series 2006 and Series 2008 Bonds.

The Series 2016 Bonds are payable from and secured by a lien on the pledge of the net revenues derived from the City's ownership or operation of the Water and Sewer System and certain other moneys held under the Master Bond Resolution, on a parity with the Water and Sewer Revenue Refunding Bonds, Series 2012, Water and Sewer Revenue Refunding Bonds, Series 2014.

The City's staff and professional consultants have reviewed the economic environment; and based on current market conditions, a refunding of the remaining principal balance will provide an estimated present value savings of \$9,716,000 or 5.6% (as of March 28, 2016).

Resource Impact

There is a positive fiscal impact associated with this action. There will be an estimated savings of \$101,753 on the current year debt service payments.

Strategic Connection

This item is a *Press Play Fort Lauderdale Strategic Plan 2018* initiative, included within the Internal Support Cylinder of Excellence, specifically advancing:

- Goal 12: Be a leading government organization, managing resources wisely and sustainably.
- Objective 1: Ensure sound fiscal management

This item advances the *Fast Forward Fort Lauderdale Vision Plan 2035: We are United*.

Attachments

Exhibit 1 – Resolution

Exhibit 2 – Preliminary Official Statement

Exhibit 3 -- Refunding Analysis

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