

Meeting Date
8/18/15



AGENDA	
Section	New Business
Item No.	VLE.1

**AGENDA REPORT**  
*BREVARD COUNTY BOARD OF COUNTY COMMISSIONERS*

SUBJECT:	AUTHORIZE COUNTY STAFF AND FINANCING TEAM TO UNDERTAKE A REQUEST FOR PROPOSALS TO IDENTIFY A FINANCIAL INSTITUTION WILLING TO PROVIDE A LOAN TO FUND CAPITAL IMPROVEMENTS TO THE COUNTY'S SOLID WASTE SYSTEM.
DEPT/OFFICE:	COUNTY MANAGERS OFFICE

**Requested Action:**  
 It is requested that the Board authorize County Staff and the County's financing team (Public Financial Management – Financial Advisor and Nabors, Giblin & Nickerson – Bond Counsel) to undertake a request for proposals to identify a financial institution that is willing to provide a loan to fund capital improvements to the County's solid waste system. Following completion of the RFP, the results along with a Bond Resolution will be brought back to the Board for consideration at a future meeting.

**Summary Explanation & Background:**

The County's solid waste system anticipates the need to issue debt in the amount not to exceed \$18,000,000 to finance the development of the Central Disposal Facility's southern expansion landfill, which will allow the County to meet its disposal needs for the next 25 years. The financing is currently part of the Solid Waste Management Department's budget. Permitting and construction of the first Class 1 Landfill Disposal Unit (Cell 1) provide approximately 3.6 million cubic yards of capacity and includes construction of a double-composite landfill liner, leachate collection and transmission piping, construction of perimeter ditches and berms and internal paved roads.

The County's financial advisor has recommended that a privately placed bank loan secured through a competitive RFP process will provide the most cost effective financing terms. As such, it is being requested that the Board authorize the distribution of an RFP to qualified financial institutions. Upon receipt of proposals, a summary of responses and recommendation will be prepared. Such recommendation, along with the bond resolution, will brought back before the Board for consideration at a future meeting.

**Fiscal Impact:**

No fiscal impact for administering RFP. If Bond Resolution is approved at subsequent meeting and financing is completed, the annual debt service payment will be approximately \$1,600,000 assuming an \$18,000,000 financing with a 15 year repayment. The source of repayment will be revenues of the solid waste system.

Clerk to the Board instruction:

Exhibits Attached:

<b>Contract /Agreement (If attached):</b>	<b>Reviewed by County Attorney</b>	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>	PR	<input type="checkbox"/>
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County Manager	Assistant County Manager	Department Director / Extension
Stockton Whitten	Assistant County Manager	



Tammy Etheridge, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001  
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August 19, 2015

MEMORANDUM

TO: Stockton Whitten, County Manager

RE: Item VI.E.1., Authorize County Staff and Financing Team to Undertake Request for Proposals to Identify a Financial Institution Willing to Provide a Loan to Fund Capital Improvements to the County's Solid Waste System

The Board of County Commissioners, in regular session on August 18, 2015, authorized County Staff and the County's Financing team (Public Financial Management – Financial Advisor and Nabors, Giblin & Nickerson – Bond Counsel) to undertake a Request for Proposals (RFP) to identify a financial institution that is willing to provide a loan to fund capital improvements to the County's Solid Waste System; and following the completion of the Request for Proposals, the results, along with Bond Resolution, will be brought back to the Board for consideration at a future meeting.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
SCOTT ELLIS, CLERK

Tammy Etheridge, Deputy Clerk

/kg

cc: Finance

CERTIFICATE RELATING TO TAX,  
ARBITRAGE AND OTHER MATTERS OF  
BREVARD COUNTY, FLORIDA, CONCERNING  
ITS LOCAL OPTION FUEL TAX REVENUE BONDS, SERIES 2005

The undersigned County Finance Director of Brevard County, Florida (the "Issuer"), being one of the officers of the Issuer charged with the responsibility of issuing the 2005 Bonds described below, DOES HEREBY CERTIFY on behalf of the Issuer as follows:

1. THE BONDS.

1.1 The Issuer is issuing and delivering, simultaneously with the execution of this Certificate, its \$48,535,000 Local Option Fuel Tax Revenue Bonds, Series 2005 (the "2005 Bonds"). The 2005 Bonds were authorized by Resolution No. 05-297 adopted on November 1, 2005 (the "Resolution"), which Resolution was supplemented by Resolution No. 2005-298 of the Issuer adopted on November 1, 2005, (which, together with the Resolution, is collectively referred to as the "Bond Resolution"). Capitalized terms not otherwise defined herein have the meanings ascribed to such terms by the Bond Resolution.

1.2 The 2005 Bonds are payable as to both principal and interest from certain legally available pledged revenues of the Issuer consisting of the first 6-cents of the local option fuel tax levied and received by the Issuer pursuant to the Act (the "Local Option Fuel Tax Revenues") and until applied, all moneys, including earnings on investments acquired with Local Option Fuel Tax Revenues and 2005 Bond proceeds, held in certain funds and accounts under the Bond Resolution in the manner and to the extent provided in the Bond Resolution (collectively, the "Pledged Funds"). Payment of the 2005 Bonds is guaranteed by a municipal bond insurance policy issued by Financial Guaranty Insurance Company (the "Insurer").

The 2005 Bonds and any additional bonds issued by the Issuer that are payable on a parity with the 2005 Bonds are collectively referred to herein as the "Bonds."

2. GOVERNMENTAL PURPOSE OF THE ISSUE.

2.1 The 2005 Bonds are being issued for the purposes of financing of the acquisition and construction of the Project (as defined herein), the funding of the debt service reserve subaccount with respect to the 2005 Bonds through the payment of a debt service reserve surety policy premium, and the payment of the costs of issuance of, and the bond insurance policy premium with respect to, the 2005 Bonds.

\* 2.2 The entire amount of proceeds of the 2005 Bonds is needed to accomplish the purposes described above (There are no other uncommitted or unallocated funds reasonably available for the purposes of the 2005 Bonds, and the 2005 Bonds do not replace or free up funds that were committed, or were uncommitted but would have been used for such purposes but for the issuance of the 2005 Bonds.) Funds accumulated in general and specific improvement accounts and other accounts of the Issuer are required as working capital reserves

BREVARD COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2014

	<i>Business-type</i>	
	<u>Solid Waste Management Department</u>	<u>Water Resources Department</u>
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 39,529,314	\$ 19,287,072
Cash with escrow and paying agent	0	0
Accounts receivable (net of allowance for uncollectibles)	536,255	126,308
Accrued interest receivable	84,909	23,376
Due from other funds	34,885	131,894
Due from component units	0	0
Due from other governmental units	0	4,223,576
Prepaid items	1,060,793	15,104
Inventories	242,303	706,863
Restricted assets:		
Cash and cash equivalents	31,359,126	407,639
Total current assets	<u>\$ 72,847,585</u>	<u>\$ 24,921,832</u>
Noncurrent assets:		
Capital assets:		
Land	\$ 27,153,310	\$ 3,038,545
Buildings and structures	26,595,169	20,673,679
Infrastructure	11,560,971	8,589,580
Improvements to land	2,804,036	0
Improvements other than buildings	18,403,695	239,842,083
Machinery and equipment	20,801,880	10,990,667
Goodwill	0	0
Construction in progress	11,423,472	6,253,280
Less accumulated depreciation	(38,869,071)	(170,133,776)
Advances to other funds	241,590	1,083,190
Unamortized bond insurance	0	0
Total noncurrent assets	<u>\$ 80,115,052</u>	<u>\$ 120,337,248</u>
Total assets	<u>\$ 152,962,637</u>	<u>\$ 145,259,080</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charge on refunding	<u>\$ 0</u>	<u>\$ 0</u>

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Landfill

BREVARD COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2014

	<i>Business-type</i>	
	<u>Solid Waste Management Department</u>	<u>Water Resources Department</u>
<b>LIABILITIES</b>		
Current liabilities		
(payable from current assets):		
Vouchers and contracts payable	\$ 1,577,605	\$ 1,672,750
Claims payable	0	0
Due to other funds	0	0
Due to other governmental units	0	0
Accrued interest payable	0	1,745
Customer deposits	344,592	407,639
Unearned revenue	0	0
Accrued compensated absences	40,579	111,821
Revenue bonds	0	0
Leasés payable	0	0
Total current liabilities	<u>\$ 1,962,776</u>	<u>\$ 2,193,955</u>
Noncurrent liabilities:		
Revenue bonds payable (net of unamortized discounts)	\$ 0	\$ 0
Notes payable	0	0
Leases payable	0	0
Advances from other funds	0	0
Claims payable	0	0
Landfill closure and postclosure care	33,661,491	0
Accrued compensated absences	642,539	525,682
Other postemployment benefits	941,208	941,926
Total noncurrent liabilities	<u>\$ 35,245,238</u>	<u>\$ 1,467,608</u>
Total liabilities	<u>\$ 37,208,014</u>	<u>\$ 3,661,563</u>
<b>NET POSITION</b>		
Net investment in capital assets	\$ 79,873,462	\$ 119,254,058
Restricted for:		
Renewal and replacement	0	0
Unrestricted	<u>35,881,161</u>	<u>22,343,459</u>
Total net position	<u>\$ 115,754,623</u>	<u>\$ 141,597,517</u>

Adjustment to reflect the consolidation of Internal Service fund activities related to Enterprise funds

Net position of business-type activities

available for non landfill closure capital purposes. Maybe deduct \$4 million to maintain 3 months of operating expenses, there is still \$30+ million.

The accompanying notes to the financial statements are an integral part of this statement.