

11-4-14  
CR-5  
REVISED



**CITY OF FORT LAUDERDALE  
City Commission Agenda Memo  
REGULAR MEETING**

#14-1329

**TO:** Honorable Mayor & Members of the Fort Lauderdale City Commission  
**FROM:** Lee Feldman, ICMA-CM, City Manager *L.F. Feldman*  
**DATE:** November 4, 2014  
**TITLE:** REVISED CR- 5 - 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~~ \$150,000,000 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 ~~\$72,420,000~~ \$98,660,000 of its Series 2008 bonds. The refunding would have an estimated present value savings of ~~\$8,462,746~~ \$9,930,510 or ~~8.14%~~ 7.61% with an annual average savings of ~~\$629,306~~ \$660,651.

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. The payment of Bond and Disclosure Counsel fees is contingent upon the bonds being sold. As such, if the bond sale does not occur, payment of said fees is not required.

#### **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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Prepared by: Pamela Winston, Senior Accountant  
Elizabeth Cohen, Administrative Assistant I

Department Director: Kirk W. Buffington, Finance

RESOLUTION NO. 14-

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA, 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 TO THE CITY OF FORT LAUDERDALE, FLORIDA IN CONNECTION WITH ISSUANCE OF WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2014.

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WHEREAS, the City of Fort Lauderdale is contemplating the issuance of bonds in an amount not to exceed (\$150,000,000) for the issuance of Water and Sewer Revenue Refunding Bonds, Series 2014 and has determined that it is necessary and advisable to obtain the services of bond counsel and disclosure counsel; and

WHEREAS, Albert del Castillo, Esq., is a partner with the law firm of Greenberg Traurig, P.A.; and

WHEREAS, the City Commission desires to appoint Albert del Castillo, Esq., as bond counsel to the City of Fort Lauderdale in connection with the aforementioned bond issue, subject to certain terms and conditions; and

WHEREAS, the City Commission desires to appoint Steven Bullock, Esq. of the law firm of Steven Bullock, P.A., as disclosure counsel in connection with the aforementioned bond issue, subject to certain terms and conditions;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF FORT LAUDERDALE, FLORIDA:

**SECTION 1.** That Albert del Castillo, Esq., of the law firm of Greenberg Traurig, P.A., is hereby appointed as bond counsel for the City of Fort Lauderdale in connection with the issuance of bonds as described herein.

**SECTION 2.** That Steven Bullock of the Law Firm of Steven Bullock, P.A. is hereby appointed as disclosure counsel in connection with the issuance of the bonds as described herein.

SECTION 3. That if the bonds are sold, Albert del Castillo of the law firm of Greenberg Traurig, P.A. shall be paid a fee of \$1.10 per \$1,000 of bonds issued with a minimum fee of \$25,000, plus expenses in an amount not to exceed \$2,500 for services as bond counsel.

SECTION 4. That if the bonds are sold, Steven Bullock of the law firm of Steven Bullock, P.A., shall be paid a fee of \$0.88 per \$1,000 of bonds issued with a minimum fee of \$20,000, plus expenses in an amount not to exceed \$2,500 for services as disclosure counsel.

SECTION 5. That such bond counsel hereby appointed shall serve at the pleasure of the City Commission of the City of Fort Lauderdale, Florida.

SECTION 6. That the proper City Officials are authorized to execute such agreements as are necessary with the law firms selected in accordance with the provisions of this Resolution.

SECTION 7. That this Resolution shall take effect immediately upon its adoption.

ADOPTED this the \_\_\_\_ day of \_\_\_\_\_, 2014.

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Mayor  
JOHN P. "JACK" SEILER

ATTEST:

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City Clerk  
JONDA K. JOSEPH