

TOWN OF DAVIE
TOWN COUNCIL AGENDA REPORT

TO: Mayor and Councilmembers

FROM/PHONE: William W. Ackerman, CPA, Budget & Finance Director/797-1050

PREPARED BY: William W. Ackerman, CPA, Budget & Finance Director/797-1050

SUBJECT: RESOLUTION

AFFECTED DISTRICT: All Districts

ITEM REQUEST: **Schedule for Council Meeting**

TITLE OF AGENDA ITEM: A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, INDICATING THE OFFICIAL INTENT OF THE TOWN COUNCIL TO ISSUE TAX-EXEMPT BONDS TO FINANCE THE COST OF IMPROVEMENTS AND ADDITIONS TO THE TOWN'S WATER AND SEWER SYSTEM AND TO USE A PORTION OF THE PROCEEDS OF SUCH BONDS TO REIMBURSE EXPENDITURES PAID OR INCURRED PRIOR TO THE DATE OF ISSUANCE THEREOF.

REPORT IN BRIEF: The accompanying resolution is necessary to document the Town's intention to reimburse through a future bond issue the funding of the cost of the anticipated water and sewer system expansion and improvement projects as identified in the project listing attached to the resolution. The resolution is necessary to document the Town's intention prior to expending any funds on the project. The Town will apply for a loan through the State Revolving Fund loan program for the wastewater portion of this project (approximately 60%). Any amount received through the State Revolving Fund loan program will be used to reduce the amount of the Water and Sewer Revenue Bonds.

PREVIOUS ACTIONS: Ordinance No. 2007-38, approved December 19, 2007, which approved the Water and Sewer Rate Study which planned for these additions and improvements to the Town's system.

CONCURRENCES: The Town Administrator's Office, Utility Director, and the Budget and Finance Department concur with the recommendation to approve this resolution.

FISCAL IMPACT: not applicable

Has request been budgeted? n/a

If yes, expected cost: \$

Account Name:

If no, amount needed: \$

What account will funds be appropriated from:

Additional Comments:

RECOMMENDATION(S): Motion to approve the resolution.

Attachment(s):

Resolution

Exhibit "A"

RESOLUTION NO. _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, INDICATING THE OFFICIAL INTENT OF THE TOWN COUNCIL TO ISSUE TAX-EXEMPT BONDS TO FINANCE THE COST OF IMPROVEMENTS AND ADDITIONS TO THE TOWN'S WATER AND SEWER SYSTEM AND TO USE A PORTION OF THE PROCEEDS OF SUCH BONDS TO REIMBURSE EXPENDITURES PAID OR INCURRED PRIOR TO THE DATE OF ISSUANCE THEREOF.

WHEREAS, the Town Council of the Town of Davie, Florida (the "Town") intends to issue tax-exempt bonds (the "Bonds") for the purpose of expanding and improving the Town's Water and Sewer System, as detailed in Exhibit "A" (the "Project"); and

WHEREAS, a portion of the costs of the Project may be paid before the Bonds are issued in anticipation of the reimbursement of such expenditures from proceeds of the Bonds; and

WHEREAS, Federal income tax regulations require the Town to officially declare its intent to use proceeds of the Bonds to reimburse expenditures paid prior to issuance thereof as a prerequisite to the proceeds being treated as used for reimbursement purposes;

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA:

SECTION 1. The Town Council intends to issue the Bonds in the amount necessary to finance the costs of the Project.

SECTION 2. The maximum principal amount of the Bonds expected to be issued for this Project is One Hundred Twenty Million Dollars (\$120,000,000).

SECTION 3. This Resolution is adopted for purposes of complying with the requirements of the Federal income tax regulations.

SECTION 4. This Resolution shall be made available for public inspection at the main administrative office of the Town or at the customary location of records of the Town that are available to the general public no later than 30 days after the date hereof, and shall remain available on a reasonable basis until the date of issue of the Bonds.

SECTION 5. This resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____,
2008

MAYOR/COUNCILMEM

BER

Attest:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 2008

Exhibit A

Water and Wastewater Capital Improvement Program

Project Description	Fiscal Year Ending September 30,					Total
	2008	2009	2010	2011	2012	
Equipment	\$430,000	\$582,476	\$595,290	\$608,386	\$621,771	\$2,837,923
Equipment Replacement	\$607,300	\$544,011	\$555,979	\$568,210	\$580,711	\$2,856,211
Meters and Fittings	\$91,920	\$103,795	\$106,079	\$108,413	\$110,798	\$521,005
Generator Repair/Replacement	\$630,000	\$0	\$0	\$0	\$0	\$630,000
Lime Basin Repair	\$385,000	\$0	\$0	\$0	\$0	\$385,000
Lift Station 8 Rehabilitation and Force Main Replacement	\$2,000,000	\$2,000,000	\$0	\$0	\$0	\$4,000,000
Lift Station 11 Rehabilitation	\$290,000	\$0	\$0	\$0	\$0	\$290,000
Lift Station Telemetry	\$200,000	\$200,000	\$200,000	\$0	\$0	\$600,000
New 6 MGD Water Treatment Plant (4 MGD Phase I)	\$4,503,000	\$15,010,000	\$10,507,000	\$0	\$0	\$30,020,000
New 6 MGD Wastewater Treatment Plant (4 MGD Phase I)	\$0	\$8,413,500	\$28,045,000	\$19,631,500	\$0	\$56,090,000
Wastewater Infrastructure Piping	\$0	\$382,500	\$1,275,000	\$892,500	\$0	\$2,550,000
Water Infrastructure Piping	\$0	\$375,000	\$1,250,000	\$875,000	\$0	\$2,500,000
Replace Old 2" Water Line Replacements	\$0	\$500,000	\$500,000	\$500,000	\$0	\$1,500,000
Close North Water Treatment Plant	\$0	\$0	\$500,000	\$0	\$0	\$500,000
Expansion of Existing Wastewater Treatment Plant From 5 MGD to 7 MGD	\$3,250,000	\$3,250,000	\$0	\$0	\$0	\$6,500,000
Land Acquisition for New Water and Wastewater Treatment Plants	\$8,219,861	\$0	\$0	\$0	\$0	\$8,219,861
Total	\$20,607,081	\$31,361,282	\$43,534,348	\$23,184,009	\$1,313,280	\$120,000,000