

# EXECUTIVE BRIEF REGULAR MEETING

**AGENDA DATE:** November 17, 2020

**DEPARTMENT:** Financial Services

**TITLE:**

Resolution No. 52-2020 – Authority for Executing SRF Loan Amendment for the City’s Consolidated Utility Revenue Bonds, Series 2020.

**SUMMARY:**

Resolution No. 52-2020 provides authorization to the City to enter and execute a forthcoming State Revolving Loan Fund amendment which will expand and subrogate the City’s pledge of revenue under the State Revolving Loan agreements to the City’s Consolidated Utility Revenue Bonds, Series 2020.

**BACKGROUND AND JUSTIFICATION:**

Over the years, the City’s Water Utility Department has entered several State Revolving Loan Fund Agreements with the State of Florida (“SRF Agreements”) in order to fund Water Utility improvement projects. The SRF Agreements required the City to pledge its Water Utility Department revenue to re-pay the funds received by the City. With the City’s issuance of the City’s Consolidated Utility Revenue Bonds, Series 2020, the City must subrogate the City’s pledge under the SRF Agreements to the pledge of revenue for the City’s Consolidated Utility Revenue Bonds, Series 2020. The State of Florida (Department of Environmental Protection) has agreed to such subrogation as long as the City expands its pledge of revenues under the SRF Agreements. The State is working on the amendment to the SRF Agreements and will be providing the same soon. Due to the timing of this matter, the SRF amendment will need to be executed with the issuance of the bonds, which will occur prior to the next City Commission meeting.

Bond Counsel and Financial Services Department have confirmed that the City has the capacity to expand the revenue pledge for the SRF Agreements, which will now include the net water, sewer and electric system revenues after payment of debt service on the City's Consolidated Utility Revenue Bonds, Series 2020 and any obligations issued on a parity therewith.

**MOTION:**

Move to approve/disapprove Resolution No. 52-2020 – Authority for Executing SRF Loan Amendment for the City’s Consolidated Utility Revenue Bonds, Series 2020.

**ATTACHMENT(S):**

Fiscal Impact Analysis N/A  
Resolution 52-2020