



Interoffice Memorandum

APPROVED
BY ORANGE COUNTY BOARD
OF COUNTY COMMISSIONERS

November 17, 2014

DEC 02 2014 CAS/KH

TO: Mayor Teresa Jacobs
and Board of County Commissioners

FROM: Raymond E. Hanson, P. E., Director
Utilities Department

A handwritten signature in cursive script, appearing to read "Glenn", written in black ink.

**SUBJECT: BCC AGENDA ITEM – Consent Agenda
December 2, 2014 BCC Meeting
Approval to Reimburse Costs for Capital Improvements to the Water &
Wastewater System
Contact Person: Glenn Kramer, Manager
Utilities Fiscal & Operational Support Division
407-254-9882**

Historically, robust growth in our Water and Wastewater System (System) has generated sufficient operating and capital charge revenues to cash fund not only our operations, but also our Capital Improvement Program (CIP). Beginning in 2007, the economic downturn and water usage trends have had a significant impact on System revenues. Current reserves and revenues can no longer provide the necessary funding for all requirements, and we have supplemented CIP funding with long-term borrowing through the State Revolving Fund Loan program. However, we have maximized our usage of the program for the next few years, and the current 5-year CIP has several large projects that may require additional debt funding. Staff believes that it is in the best interest of the System to adopt a reimbursement resolution in anticipation of the issuance of debt.

The attached reimbursement resolution was prepared by the County's legal staff in consultation with Nabors, Giblin & Nickerson, as bond counsel for the Utilities Department, County Administration, and the Fiscal & Business Services Division. This resolution is a common action used to declare our intent to reimburse Utilities' capital expenses from the proceeds of a future tax-exempt debt issue. This is not a binding action and does not require the issuance of any future debt. It simply reserves the financial flexibility under the tax code to take that action in the future, if the Board desires. Without the resolution, the Board would be limited by the tax code in the ability to reimburse for prior expenses, and that could be financially unfavorable. All future debt and financial plans are still subject to normal Board approvals and budget review, and all projects must undergo the normal approval process.

Orange County Attorney's Office staff has reviewed the resolution and finds it acceptable as to form and content. Orange County Utilities Department and the Fiscal & Business Services Division staffs recommend approval.

Action Requested: Approval of Resolution of the Orange County Board of County Commissioners Regarding Reimbursement of Certain Costs Relating to the Acquisition, Construction and Equipping of Capital Improvements to its Existing Water and Wastewater Facilities; Providing an Effective Date.

All Districts.

RESOLUTION

of the
ORANGE COUNTY BOARD OF COUNTY COMMISSIONERS

regarding
**REIMBURSEMENT OF CERTAIN COSTS RELATING
TO THE ACQUISITION, CONSTRUCTION AND
EQUIPPING OF CAPITAL IMPROVEMENTS TO ITS
EXISTING WATER AND WASTEWATER
FACILITIES; PROVIDING AN EFFECTIVE DATE.**

Resolution No. 2014-M-73

WHEREAS, Orange County, Florida (the "County") has incurred and/or will incur various costs in relation to the acquisition, construction and equipping of certain capital improvements to its existing water and wastewater facilities (the "Project"); and

WHEREAS, the County has determined it is in its best interest to reimburse itself for such costs from proceeds of one or a combination of short-term notes or tax-exempt debt, and to reimburse itself for costs incurred with respect to the Project prior to the issuance of such debt (herein referred to as the "Debt Obligations"); and

WHEREAS, the United States Treasury Regulations Section 1.150-2 (the "Reimbursement Regulations") prescribe conditions under which the proceeds of Debt Obligations may be used to reimburse governmental advances made for capital and certain other expenditures paid before the issuance of such Debt Obligations;

**BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
ORANGE COUNTY, FLORIDA AS FOLLOWS:**

Section 1. Authority. This Resolution is adopted pursuant to the provisions of the Constitution of the State of Florida, Chapter 125, Florida Statutes, the Charter of the County and other applicable provisions of law.

Section 2. Declaration of Official Intent. It is the intent of the County to reimburse various costs and expenditures relating to the acquisition, construction and equipping of certain capital improvements to its existing water and wastewater facilities, a description of which is attached hereto as EXHIBIT A. The County has paid for, and/or reasonably anticipates that it will pay for, such costs and expenditures from moneys on deposit in the Water and Wastewater Fund of the County. It is reasonably expected that reimbursement of such costs and expenditures shall come from the issuance of Debt Obligations which is not expected to exceed \$170,000,000 aggregate principal amount. The expenditures to be reimbursed shall be consistent with the County's budgetary and financial policy as being the type of expenditures which shall be paid on a long-term basis. It is the intent of the County that the purpose of this Resolution is to meet the requirements of Treasury Regulations Section 1.150-2 and to be a declaration of official intent under such Section.

Section 3. Applicable Law. The County shall comply with all applicable laws in regard to the public availability of records of official acts by public entities such as the County, including making this Resolution available for public inspection.

Section 4. Incidental Action. The County Mayor or any person designated for such purpose by the Board of County Commissioners of the County is hereby authorized to take such actions as may be necessary to carry out the purposes of this Resolution.

Section 5. This Resolution shall take effect immediately upon its adoption.

ADOPTED this ____ day of DEC 02 2014.

DEC 02 2014

ORANGE COUNTY, FLORIDA

By: Board of County Commissioners

By: *Teresa Jacobs*
Teresa Jacobs
Orange County Mayor

Attest: Martha O. Haynie, Orange County
Comptroller as Clerk to the Board of
County Commissioners

By: *Barb Grell*
Deputy Clerk



**EXHIBIT A TO RESOLUTION
(WATER AND WASTEWATER SYSTEM IMPROVEMENTS)**

Service	Unit	Sub-Unit	Project Name
Water	1450	50	Lee Vista Blvd. to Innovation Way - Water Main MP2015-W512
Water	1453	92	SR 50 Water Main Relocation (Dean to Old Cheney) (W)
Water	1474	00	New Meter Installation (W)
Water	1498	03	East Service Area Potable Water Storage and Repump Facility (MP2007-W10)
		11	Vistana WSF Improvements
Water	1508	15	SSA-ESA Water Main (Boggy Creek Road to Moss Park/Wewahootee Rd.) (W02)
		24	J. Lawson Boulevard Potable Water Re-pump Facility (W)
		25	South Service Area Water Transmission Improvements (W) - Town Loop Blvd from the SRWSF to the Hunters Creek WSF
Water	1508	29	Westwood Blvd WM (Central FL Pkwy to I-Dr)
Water	1532	00	Western Regional WSF Phase IIIa Improvements
Water	1533	02	University Shores Water Distribution Improvements
Water	1554	01	Eastern WSF Phase 3A Expansion

Wastewater	1411	63	John Young Parkway Reclaimed Water Main Improvements (R510)
Wastewater	1416	05	Water Reclamation SCADA Installation Phase IV
Wastewater	1432	90	SR 50 Wastewater Relocation (Dean to Old Cheney) (S)
Wastewater	1435	04	NWRF Reject Storage and Pumping
		05	NWRF Disk Filters
Wastewater	1445	20	Conserv II Transmission Main Booster Pump Station
Wastewater	1483	07	East Service Area Reclaimed Water Storage and Repump Facility (R011a)
		18	South Service Area/East Service Area 20-inch Reclaimed Water Main (Boggy Creek Rd. to Wewahootee Rd.)
Wastewater	1502	81	Lake Eve Pump Station #3541 Rehabilitation
		92	Meadow Woods PS 3848 Rehab
Wastewater	1504	40	SR 482 (Sand Lake) WW - West of John Young Pkwy to Presidents Dr.
Wastewater	1507	16	Southwest Water Reclamation Facility
Wastewater	1510	31	Lee Vista Blvd. to Innovation Way - Force Main
Wastewater	1511	23	North Pine Hills Force Main Reroute
Wastewater	1538	04	EWRF Phase V Improvements
		07	EWRF Centrifuge Dewatering Improvements
		12	EWRF Disk Filters
Wastewater	1539	09	I-Drive South Force Main R/R Preliminary Design & Coordination
Wastewater	1555	01	SWRF Phase 5A Improvements
		09	SWRF Centrifuge Dewatering System
		12	SWRF Influent Pump Station Improvements
		15	SWRF Hypochlorite Disinfection System

**EXHIBIT A TO RESOLUTION
(WATER AND WASTEWATER SYSTEM IMPROVEMENTS)**

Service	Unit	Sub-Unit	Project Name
Other	1409	B06	CIS System Phase III
Other	1410	05	Utilities Operations Center President Drive Metal Canopy Project
Other	1499	11	Utilities Network Enhancements
Other	1535	03	Database System Integration
Other	1558	01	Eastern Operations Building