

**CITY OF RIVIERA BEACH
PALM BEACH COUNTY, FLORIDA
UTILITY SPECIAL DISTRICT BOARD MEETING MINUTES
MUNICIPAL COMPLEX COUNCIL CHAMBERS
WEDNESDAY, JUNE 18, 2014, AT 5:00 P.M.**

(The following may contain inaudible or misunderstood words due to the recording quality.)

PLEASE TAKE NOTICE AND BE ADVISED that if any interested person desires to appeal any decision made by the Utility Special District Board of Directors with respect to any matter considered at this meeting, such interested person, at own expense, will need a record of the proceedings, and for such purpose may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based, pursuant to F.S. 286.0105.

ANY PERSON WHO WOULD LIKE TO SPEAK ON AN AGENDA ITEM; PLEASE FILL OUT A PINK PUBLIC COMMENT CARD LOCATED IN THE BACK OF THE COUNCIL CHAMBERS AND GIVE IT TO THE STAFF PRIOR TO THE BEGINNING OF THE MEETING. MEMBERS OF THE PUBLIC SHALL BE GIVEN A TOTAL OF THREE (3) MINUTES FOR ALL ITEMS LISTED ON THE CONSENT AGENDA.

MEMBERS OF THE PUBLIC WILL BE GIVEN THREE (3) MINUTES TO SPEAK ON EACH REGULAR AGENDA ITEM. IN NO EVENT WILL ANYONE BE ALLOWED TO SPEAK ON AN AGENDA ITEM AFTER THE RESOLUTION IS READ OR ITEM CONSIDERED.

CITY CLERK CALLS TO ORDER

CHAIRPERSON DAVIS: Good evening, everyone. Welcome to our regularly scheduled Utility Special District meeting. Would you please turn off your cell phones and -- or turn them to vibrate. Okay. Madam Clerk, please call the roll.

Roll Call

DEPUTY DISTRICT CLERK ANTHONY: Chairperson Judy Davis?

CHAIRPERSON DAVIS: Here.

DEPUTY DISTRICT CLERK ANTHONY: Chair Pro Tem Dawn Pardo?

CHAIR PRO TEM PARDO: Present.

DEPUTY DISTRICT CLERK ANTHONY: Board Member Bruce Guyton? Board Member Cedrick Thomas? Board Member Terence Davis?

BOARD MEMBER DAVIS: Here.

DEPUTY DISTRICT CLERK ANTHONY: City Manager Ruth Jones? Executive Director Louis Aurigemma?

EXECUTIVE DIRECTOR OF UTILITIES AURIGEMMA: Here.

DEPUTY DISTRICT CLERK ANTHONY: Deputy District Clerk Claudene Anthony is present. District Attorney Pamala Ryan?

DISTRICT ATTORNEY RYAN: Present.

DEPUTY DISTRICT CLERK ANTHONY: District Finance Director Randy Sherman?

DISTRICT FINANCIAL DIRECTOR SHERMAN: Here.

CHAIRPERSON DAVIS: And let's all stand for a moment of silence and the Pledge by Miss Ryan.

Invocation

Pledge of Allegiance

(Everyone stood for a moment of silence with the Pledge of Allegiance being led by Chairperson Davis).

AGENDA Approval

Additions, Deletions, Substitutions

CHAIRPERSON DAVIS: Okay. Miss Jones, are there any additions or deletions or substitutions?

CITY MANAGER JONES: No, Madam Chair, but we would like consideration to re-order --

CHAIRPERSON DAVIS: Okay.

CITY MANAGER JONES: -- the items that are on the agenda.

CHAIRPERSON DAVIS: Okay.

CITY MANAGER JONES: If you'll -- you'll look at the regular agenda on page 3.

CHAIRPERSON DAVIS: Okay.

CITY MANAGER JONES: I would like for items 3 and 4 to be reversed in order of hearing.

CHAIRPERSON DAVIS: So we're going to do --

CITY MANAGER JONES: So we're going to --

CHAIRPERSON DAVIS: -- 3, 4, 1, 2 and -- is there a number 5? I think not.

CITY MANAGER JONES: No, it's just relating to number 3 and --

CHAIRPERSON DAVIS: Two, 3, 1 and --

CITY MANAGER JONES: Yes. Two -- you're going to reverse the order for 3 and 4. Four --

CHAIRPERSON DAVIS: So 1, 2, 4 and 3?

CITY MANAGER JONES: Yes, ma'am.

CHAIRPERSON DAVIS: Okay. We -- okay. All right. Is there a motion to approve the agenda? Adopt the agenda?

Adoption of Agenda

CHAIR PRO TEM PARDO: So moved.

BOARD MEMBER DAVIS: Second.

CHAIRPERSON DAVIS: Okay. Madam Clerk?

DEPUTY DISTRICT CLERK ANTHONY: Board Member Davis?

CHAIRPERSON DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Unanimous vote.

CHAIRPERSON DAVIS: Okay. Miss Jones -- I'm sorry. Is there a motion to approve consent?

CONSENT AGENDA

ALL MATTERS LISTED UNDER THIS ITEM ARE CONSIDERED TO BE ROUTINE AND ACTION WILL BE TAKEN BY ONE MOTION. THERE WILL BE NO SEPARATE DISCUSSION OF THESE ITEMS UNLESS A COUNCILPERSON SO REQUESTS, IN WHICH EVENT, THE ITEM WILL BE REMOVED FROM THE GENERAL ORDER OF BUSINESS AND CONSIDERED IN ITS NORMAL SEQUENCE ON THE AGENDA.

1. MINUTES OF THE MARCH 19, 2014 UTILITY SPECIAL DISTRICT MEETING

BOARD MEMBER DAVIS: So moved.

CHAIR PRO TEM PARDO: Second.

CHAIRPERSON DAVIS: Okay. Madam Clerk?

DEPUTY DISTRICT CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Chair Davis?

CHAIRPERSON DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Unanimous vote.

CHAIRPERSON DAVIS: Okay. We're now down to the regular agenda, item 2.

END OF CONSENT AGENDA

COMMENTS FROM THE PUBLIC- 5:15 PM*1-Non Agenda or Consent Item Speakers (Three Minute Limitation) Please be reminded that the Utility District Board has adopted a set of Rules of Decorum Governing Public Conduct During Official Meetings, which has been posted at the entrance of the Council Chambers. In an effort to preserve order, if any of the rules are not adhered to, the District Board Chairperson may have any disruptive speaker removed from the podium from the meeting and/or the building, if necessary. Please govern yourselves accordingly.

¹Public Comments will begin at 5:15 PM or if an item is already in progress, Public Comments will begin immediately after the item has concluded.

REGULAR AGENDA

- 2. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT, PALM BEACH COUNTY, FLORIDA, ESTABLISHING A PAYMENT IN LIEU OF TAXES (PILOT) POLICY PROVIDING FOR THE AMOUNT OF SUCH PILOT TO BE CREDITED TO THE GENERAL FUND; AND PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES**

- 3. RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT AUTHORIZING THE ISSUANCE, FROM TIME TO TIME, OF CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT WATER AND SEWER REVENUE BONDS FOR THE PURPOSE OF FINANCING OR REFINANCING IMPROVEMENTS TO THE DISTRICT'S WATER AND SEWER SYSTEM; PROVIDING FOR THE TERMS AND PAYMENT FOR ALL CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT WATER AND SEWER REVENUE BONDS ISSUED HEREUNDER; PROVIDING FOR THE RIGHTS, REMEDIES AND SECURITY OF THE HOLDERS OF SAID CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT WATER AND SEWER REVENUE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE. A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT AUTHORIZING THE ISSUANCE, FROM TIME TO TIME, OF**

CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT WATER AND SEWER REVENUE BONDS FOR THE PURPOSE OF FINANCING OR REFINANCING IMPROVEMENTS TO THE DISTRICT'S WATER AND SEWER SYSTEM; PROVIDING FOR THE TERMS AND PAYMENT FOR ALL CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT WATER AND SEWER REVENUE BONDS ISSUED HEREUNDER; PROVIDING FOR THE RIGHTS, REMEDIES AND SECURITY OF THE HOLDERS OF SAID CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT WATER AND SEWER REVENUE BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS IN CONNECTION THEREWITH; PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE.

CHAIRPERSON DAVIS: Okay. Is there a motion?

CHAIR PRO TEM PARDO: So moved.

BOARD MEMBER DAVIS: Second.

CHAIRPERSON DAVIS: It's been moved and second. Miss Jones?

CITY MANAGER JONES: Madam Chair, members of the board. As you will recall, we came before you earlier asking approval to -- for consideration of refinancing the outstanding bonds of the Utility Special District. What I would like to do tonight is to turn the remainder of the presentations over to Mr. Randy Sherman, Director of Administration and Finance, and Mr. Lou Aurigemma, the Executive Director of the Utility Special District, along with bond counsel and our financial advisor to give you a more detailed background on this particular item.

CHAIRPERSON DAVIS: Okay. Mr. Sherman?

DISTRICT FINANCIAL DIRECTOR SHERMAN: Thank -- thank you. And good evening, again Randy Sherman, the District Finance Director. First I'd like to thank you for postponing your regularly scheduled meeting two weeks to give us a little bit more time to prepare these documents. Just -- just so you know, by the time we're done, we'll probably have a -- about this thick of maybe 60 or 70 documents that are developed -- whoops, I lost my mike -- that are developed along the way. And at the end of the day, they all have to agree, have the same terminology and -- and all mesh together. So again, we're putting these documents together.

Tonight we have the basic bond resolution for your approval and then we have the supplemental resolution. And what I'm going to do, I'm going to introduce the team that -- that's working on -- on the District's behalf. On my far right is Sergio Masvidal from Public Financial Management. He's our financial advisor. And Skip Miller is the bond counsel. And I would like to introduce one person. Michael Hole is actually here from Citigroup tonight. Citigroup is one of the underwriters that will actually be closing out this deal for us. So I'm going to actually turn it over to Mr. Masvidal at this point so he can make a presentation and between him and Mr. Miller, they can walk you through those two resolutions.

CHAIR PRO TEM PARDO: Madam Chair?

CHAIRPERSON DAVIS: Yes, Miss Pardo?

CHAIR PRO TEM PARDO: Before we go any further, how did -- how did we choose Citibank?

DISTRICT FINANCIAL DIRECTOR SHERMAN: Citibank was selected through a -- an RFP process that was issued. We actually had eight proposers.

CHAIR PRO TEM PARDO: Uh-huh.

DISTRICT FINANCIAL DIRECTOR SHERMAN: And then we had a team go through and review them and the team unanimously selected Citigroup, a joint proposal from Citigroup and Loop Capital.

CHAIR PRO TEM PARDO: Okay. And is that in our documents anywhere?

DISTRICT FINANCIAL DIRECTOR SHERMAN: It's actually in the supplemental resolution. As part of the supplemental resolution, you are assigning that group as your underwriters and, you know, dealing with -- with other appointments but this specific deal.

CHAIR PRO TEM PARDO: Right. But I -- right. But I don't see the backup in any of these documents, you know, how you chose Citibank and, you know, who else.

DISTRICT FINANCIAL DIRECTOR SHERMAN: It -- it should have -- you had -- some material was attached to the agenda item.

CHAIR PRO TEM PARDO: Hmm. Okay. I will check again.

CHAIRPERSON DAVIS: I think she's --

CHAIR PRO TEM PARDO: All right, sir.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Okay. And again, if there's something that didn't get attached, I mean, I certainly can -- you know, can provide it.

CHAIR PRO TEM PARDO: Okay. Thank you. All right.

SERGIO MASVIDAL: Thank you, Randy. Good afternoon, everyone. Again, I'm Sergio Masvidal, Public Financial Management, financial advisor to the City.

CHAIRPERSON DAVIS: Uh-huh. Can you pull the mike and get a little bit closer if you can, stretch it.

SERGIO MASVIDAL: Sure. I'll -- I'll lean over a little bit. There we go.

CHAIRPERSON DAVIS: Okay. Thank you.

SERGIO MASVIDAL: I -- I think you've seen a couple of these slides before so I'll go through, now, at least the first one quickly, which will give you an overview of the refunding, and then I'll turn it over to Skip, your bond counsel, to go through the specific document that is you're approving today and the reason behind those documents. So just, again, a brief overview. If -- if this is monotonous, I apologize. But so everybody's on the same page, the City -- the District's 2004 Special Utility Bonds have an optional call October 1st of 2014. So what that means is you can refinance those bonds on that date on a current basis.

How that will work is at the time of -- of that call, you'll basically issue the 2014 bonds. You'll take the proceeds from those bonds, put them in an escrow to pay off those old bonds. So the 2004 bonds will be legally and economically defeased as of that call date. In addition to that escrow, you'll have pay cost of issuance, which will include our fees, your counsel fees, underwriters and a couple other ancillary fees, which are all included in the savings. As I mentioned, there -- there will be obviously debt service savings. The City's debt policy, as well as GFOA, which is the Government Finance Officers Association guidelines, recommend that a current refunding achieve net present value savings of at least 3 percent and that's, again, the same as the City's debt policy threshold.

We ran the numbers this morning and based on current market conditions, we're seeing savings closer to 10 percent so well above your -- your threshold, and that equates to about \$2.3 million in net present value savings. And that's kind of a broad overview of -- of the transaction that you're approving today. And of course, with that are the documents that are on the agenda today, and I'll let Skip speak to the resolution, including the bond resolution, the supplemental resolution and the three attachments there.

SKIP MILLER: Thank you, Sergio. Good afternoon.

CHAIRPERSON DAVIS: Good afternoon, sir.

SKIP MILLER: Again --

CHAIRPERSON DAVIS: Please state your name and --

SKIP MILLER: -- Skip Miller and I'm with Greenspoon Marder. We were retained to be bond counsel for the City a few months ago. And what I want to do is just very briefly and hopefully in a simple way explain these two resolutions that you're being asked to consider tonight. As the City Manager pointed out back in March, Mr. Sherman presented a resolution that -- that essentially gave him the green light to pursue the opportunity to refinance the outstanding bonds that you have. And as Mr. Masvidal pointed out, in order -- your debt management policy provides that you can only do that if you're going to have at least a 3 percent net savings on your new bond issues. So in a lot of ways, this is really like refinancing a mortgage. We're going to replace a higher interest rate mortgage with one that has a lower interest rate and one that has lower payments for you. And -- and these resolutions just kind of set out the legal mechanism for doing that.

So there -- there are two resolutions. The first one is -- is what we typically call an authorizing resolution. It authorizes the issuance of bonds. And not only will it authorize the issuance of this series of bonds to refund your outstanding bonds, but it will allow you to issue additional bonds in the future for capital improvements to the system. And -- and this resolution, it has, just, you know, sort of the -- the -- the -- the basic requirements of a utility bond resolution. It -- it describes what the District does with the revenues as they're received. It explains how the bondholders get paid. You know, just -- just all what we call the nuts and bolts of the financing.

The second resolution, what we call a supplemental resolution or a details resolution, that resolution actually retains the professionals that are going to work on the financing. It establishes parameters for the issue itself. And the supplemental resolution only relates to the refunding of the outstanding bonds. So let's say we come back to you next year with another bond issue that we want to do. We would present to you another supplemental resolution but we wouldn't have to present another bond resolution.

So what the supplemental resolution does, it -- it approves retaining Citigroup Global Markets and Loop Capital as your underwriters. It approves U.S. Bank National Association as your escrow agent and it approves U.S. Bank National Association as your paying agent and registrar. The underwriters, you know, they -- they will market the bonds on your behalf. They will find buyers for your bonds so that's the role that they play. The escrow agent, as Mr. Masvidal pointed out, the -- the mechanics of how we have to do this, when we issue these new bonds, we have to take the proceeds and we put them in escrow until we can pay off the old bonds. And U.S. Bank, this resolution would designate U.S. Bank National Association as the escrow agent and what they would do, they would hold that money and make sure that it gets used to pay off your outstanding bondholders.

The paying agent and registrar, that's the -- the third entity that you're approving. That would also be U.S. Bank National Association. Their role is to -- when -- when it's time to make an interest payment or a principal payment on the bonds, the District would send the money to U.S. Bank and U.S. Bank would take care of paying the bondholders. The other function they serve is as registrar. They keep track of who owns the bonds. So those are the -- those are the three professional firms that you are engaging if you pass the supplemental resolution. The other thing the supplemental resolution does, it approves forms of -- Randy showed you this book. Well, there are a bunch of documents that -- that -- that we will have to do after these resolutions are adopted. And the supplemental resolution approves the forms of the major ones of those documents. And -- and there are three documents. The first is the escrow deposit agreement, which is the agreement between the District and the escrow agent, which we talked about already. The -- the second document is what --

CHAIRPERSON DAVIS: One second.

SKIP MILLER: Yes. Yes, ma'am?

CHAIRPERSON DAVIS: Let the record reflect Mr. Guyton's on the dais. Go ahead, sir.

SKIP MILLER: The second -- the -- the second form that's approved in the supplement -- supplemental resolution is something called a bond purchase agreement. And that would be the agreement between the District and the underwriters. And -- and if you see that document, it's got a lot of blanks because we don't fill in the blanks until we actually -- until we actually market the bonds. That's when we find out what the interest rate on the bonds is going to be and what the maturities are going to be. So if you look at that document it has a lot of blanks in it and that's because it's supposed to. The third document is the preliminary official statement. That's the document that the underwriters will use to market the bonds. It -- it describes the District. It describes the utility system. It describes the bond resolution. So it -- it -- it should have within its body and appendices all the information that an investor would need to decide whether or not they want to purchase your bonds, and if they do want to purchase them, what interest rate they want to purchase them for. So that -- that's really a very, very brief explanation of -- of both of these resolutions. We'll be happy to answer any questions that you might have and I don't know, Sergio, were you done? Did you --

SERGIO MASVIDAL: I'm done. We're done there.

SKIP MILLER: Okay. So we're here to answer questions for you.

CHAIRPERSON DAVIS: Okay. Any questions or comments?

CHAIR PRO TEM PARDO: Madam Chair?

CHAIRPERSON DAVIS: Miss Pardo?

CHAIR PRO TEM PARDO: Okay. I have a comment. And I have a problem with the -- this RFP. RFPs always come back to the council. And in this it's -- you know, it's stuck in these documents that they appointed -- first we were told it was Citigroup, that the documents say it's Citigroup and Loop Capital. And I want to see the RFP. I want -- I want to see that whole process. And I am not comfortable moving on until I see them.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Madam Chair, may I?

CHAIRPERSON DAVIS: Mr. Sherman?

DISTRICT FINANCIAL DIRECTOR SHERMAN: Yes. If -- if you go back and look at the debt policy that we adopted, you have to understand that selecting underwriters is not covered under your procurement code. So that process is actually laid out in the -- in the debt policy. So that's the document that -- that we issued and which was attached to the agenda. And then what we did is I -- or I attached the copy of the response from Citigroup and Loop Capital. I'm not sure -- I'm not sure which additional documents --

CHAIR PRO TEM PARDO: I'd like to see the entire process just like the other RFPs that the City issue issues. You know, how -- who was on the committee, how they're ranking, how each of these firms ranked, which firms -- which firms sent in, you know -- answered the RFP. I'd like to see it all. And like I said, with every other RFP, we see that. And at this point I am not comfortable with moving forward with this. I'm -- I'm

sorry. And at the end of the day, we're responsible up here. All right? And you know, people point the fingers and say, Well, Council, you approved it. Well, I'm not approving this until I see the entire RFP and how it was laid out and who responded and -- and also, did the RFP say that we were going to allow partners in this? Because I see --

DISTRICT FINANCIAL DIRECTOR SHERMAN: Yes. We had --

CHAIR PRO TEM PARDO: -- that you guys are proposing Citigroup and Loop.

DISTRICT FINANCIAL DIRECTOR SHERMAN: -- yeah, matter of fact -- yeah. And a matter of fact, it was --

CHAIR PRO TEM PARDO: So I'd like to see it all.

DISTRICT FINANCIAL DIRECTOR SHERMAN: -- it was encouraged -- it was encouraged as part -- and the RFP was attached to the agenda item.

CHAIR PRO TEM PARDO: Uh-huh.

DISTRICT FINANCIAL DIRECTOR SHERMAN: And the Citigroup proposal was, as well. The RFP actually promoted joint teams so again we could get a good lead and, you know, some minority participation.

CHAIR PRO TEM PARDO: Okay. So there's --

DISTRICT FINANCIAL DIRECTOR SHERMAN: And again, I believe -- I believe the -- the background, you know, also listed out who was on the selection committee, which was Mr. Aurigemma, Mr. Rhoads, myself, Miss Hoskins and Troy Perry from the City Manager's Office.

CHAIR PRO TEM PARDO: And where was the -- the ranking? Where's the ranking and the documents? I haven't been able to find that.

CITY MANAGER JONES: I don't believe you have the typical document that you're accustomed to seeing. And I think -- I know that's what is missing. As -- as it relates to the procurement process. I believe that's what -- that's what she's saying.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Uh-huh.

CHAIRPERSON DAVIS: Yeah.

CITY MANAGER JONES: Not just the one that you're recommending but the process.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Oh.

CHAIR PRO TEM PARDO: The entire process.

DISTRICT FINANCIAL DIRECTOR SHERMAN: No. I -- I understand that. But again, you have -- this is not a procurement process. It's selection process to find someone who is going to buy your bonds. You're actually --

CHAIR PRO TEM PARDO: Yeah. I -- I -- trust me, I understand it. All right? I did it for 35 years.

CITY MANAGER JONES: What -- yeah.

CHAIR PRO TEM PARDO: So I understand the entire process. I want to know how these companies were chosen. That's all I want to know. So I want to see all the backup for it.

CITY MANAGER JONES: Yeah.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Okay.

CITY MANAGER JONES: So that's the -- that's what --

DISTRICT FINANCIAL DIRECTOR SHERMAN: And -- and we can give you the -- the backup on that if you want. I -- I didn't attach that document --

CHAIR PRO TEM PARDO: Thank you.

DISTRICT FINANCIAL DIRECTOR SHERMAN: -- but I can certainly provide you a -- the analysis of -- of all the proposals.

CHAIR PRO TEM PARDO: Madam Chair?

BOARD MEMBER GUYTON: Madam Chair?

CHAIRPERSON DAVIS: Yes. Do you have (inaudible) --

CHAIR PRO TEM PARDO: And then there was one other thing about the minority participation. Where's that? Which firm is --

DISTRICT FINANCIAL DIRECTOR SHERMAN: Loop Capital.

CHAIR PRO TEM PARDO: Is the minority?

DISTRICT FINANCIAL DIRECTOR SHERMAN: Is the minority.

CHAIR PRO TEM PARDO: Uh-huh. Okay. Thank you, Madam Chair.

CHAIRPERSON DAVIS: Sure.

BOARD MEMBER GUYTON: Madam Chair?

CHAIRPERSON DAVIS: Mr. Guyton?

BOARD MEMBER GUYTON: Mr. Sherman or the city manager, how long -- wait, let me back up. What impact it would have on the process for issuing the bonds if we were to allow time for our colleague to receive the information she's comfortable with or asking for?

DISTRICT FINANCIAL DIRECTOR SHERMAN: I mean, we can -- can we assume we can come back on July 2nd? I don't think two weeks is going to impact --

CITY MANAGER JONES: Two weeks. That's what I was going to say.

BOARD MEMBER GUYTON: Okay.

DISTRICT FINANCIAL DIRECTOR SHERMAN: -- you know, significantly at all.

BOARD MEMBER GUYTON: That's fine?

CHAIR PRO TEM PARDO: Absolutely. I'm not voting on this until I have it. Thank you.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Yeah. Yeah.

BOARD MEMBER GUYTON: Okay.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Yeah.

BOARD MEMBER GUYTON: But I do have another question.

DISTRICT FINANCIAL DIRECTOR SHERMAN: Uh-huh.

BOARD MEMBER GUYTON: Has it been determined how this would impact our debt service?

DISTRICT FINANCIAL DIRECTOR SHERMAN: Well, as Sergio said, the numbers have actually moved in our favor. When we originally talked about this we were looking at a \$2 million savings. We're now, as of this morning, at a \$2.3 million savings. We've actually provided all that information to the rate consultant. But you have to understand, this \$2.3 million savings is over 20 years.

BOARD MEMBER GUYTON: Uh-huh.

DISTRICT FINANCIAL DIRECTOR SHERMAN: It's not -- you're getting \$2.3 million in hand today. And he has built those numbers into his analysis on -- on how much money we need to be able to have to continue to operate the District. So, yeah, there will be -- there will be an impact on it. But again, you take that \$2.3 million divided by 20 years, it's, you know, a couple hundred thousand dollars a year.

BOARD MEMBER GUYTON: Okay.

CHAIRPERSON DAVIS: All right. So I think the -- the -- what I'm hearing here is that we are going to --

BOARD MEMBER GUYTON: I move to table until --

CHAIR PRO TEM PARDO: Second.

CHAIRPERSON DAVIS: Okay.

BOARD MEMBER GUYTON: -- our next meeting.

CHAIRPERSON DAVIS: Madam Clerk?

DEPUTY DISTRICT CLERK ANTHONY: Board Member Guyton?

BOARD MEMBER GUYTON: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Chair Davis?

CHAIRPERSON DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Unanimous vote.

CHAIRPERSON DAVIS: Okay. Do -- well, item 4. Or do we need to go on to -- being that -- that one is tabled?

DISTRICT ATTORNEY RYAN: Is that the pilot, number 4? I'm confused.

CITY MANAGER JONES: Number 4 is the pilot and it goes together.

CHAIRPERSON DAVIS: So we don't --

CITY MANAGER JONES: I would do them all. (Inaudible) them all.

BOARD MEMBER GUYTON: Move to table.

CHAIRPERSON DAVIS: Okay. Post -- table --

CHAIR PRO TEM PARDO: Second.

CHAIRPERSON DAVIS: Okay. Madam Clerk?

DEPUTY DISTRICT CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Board Member Guyton?

BOARD MEMBER GUYTON: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Chair Davis?

CHAIRPERSON DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Unanimous vote.

CHAIRPERSON DAVIS: Okay. Item 3. Same thing?

DISTRICT FINANCIAL DIRECTOR SHERMAN: Yeah. If you're going to -- if you're going to table the first one, you have to table the second one.

BOARD MEMBER GUYTON: Move to table.

CHAIR PRO TEM PARDO: Second.

CHAIRPERSON DAVIS: Okay. Madam Clerk?

DEPUTY DISTRICT CLERK ANTHONY: Board Member T. Davis?

BOARD MEMBER DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Board Member Guyton?

BOARD MEMBER GUYTON: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Pro Tem Pardo?

CHAIR PRO TEM PARDO: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Chair Davis?

CHAIRPERSON DAVIS: Yes.

DEPUTY DISTRICT CLERK ANTHONY: Unanimous vote.

CHAIRPERSON DAVIS: Okay. Discussion by the Executive Director. Okay. Legal? Legal? Do you have any -- you got nothing? Discussion and Recommendations by the Board. Miss Pardo?

4. **A RESOLUTION OF THE BOARD OF DIRECTORS OF THE CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT (THE "DISTRICT"), AUTHORIZING THE NEGOTIATED SALE OF CITY OF RIVIERA BEACH UTILITY SPECIAL DISTRICT WATER AND SEWER REVENUE REFUNDING BONDS, SERIES 2014 (THE "SERIES 2014 BONDS"), IN THE INITIAL AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$25,000,000 FOR THE PURPOSE OF REFUNDING AND DEFEASING THE DISTRICT'S UTILITY SYSTEM WATER AND SEWER REVENUE BONDS, SERIES 2004 (THE "REFUNDED BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2014 BONDS; APPOINTING THE UNDERWRITERS; PROVIDING FOR THE APPLICATION OF**

THE BOND PROCEEDS AND OTHER MONEYS; APPROVING THE FORM OF, AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE AGREEMENT TO EFFECT THE NEGOTIATED SALE OF THE SERIES 2014 BONDS AND SETTING THE PARAMETERS BY WHICH THE CHAIRPERSON OR FINANCE DIRECTOR SHALL BE AUTHORIZED TO EXECUTE AND DELIVER THE BOND PURCHASE AGREEMENT; APPROVING THE FORM AND AUTHORIZING THE EXECUTION OF AN OFFICIAL STATEMENT IN CONNECTION WITH THE OFFERING AND SALE OF THE SERIES 2014 BONDS AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE OFFICIAL STATEMENT BY THE UNDERWRITERS; APPOINTING A PAYING AGENT, REGISTRAR AND ESCROW AGENT; AUTHORIZING THE EXECUTION AND DELIVERY OF A PAYING AGENT/REGISTRAR AGREEMENT; PROVIDING FOR THE FINANCIAL ADVISOR TO MAKE RECOMMENDATIONS REGARDING WHETHER TO FUND A SERIES 2014 RESERVE ACCOUNT, AND WHETHER TO OBTAIN A BOND INSURANCE POLICY AND/OR RESERVE PRODUCT FOR THE SERIES 2014 BONDS AND AUTHORIZING THE BOARD TO FOLLOW SUCH RECOMMENDATIONS; APPROVING THE FORM AND AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT; AUTHORIZING THE SERIES 2014 BONDS TO BE REGISTERED UNDER A BOOK-ENTRY ONLY SYSTEM OF REGISTRATION; AUTHORIZING THE PROPER OFFICERS OF THE DISTRICT TO DO ALL OTHER THINGS DEEMED NECESSARY OR ADVISABLE IN CONNECTION WITH THE SALE AND DELIVERY OF THE SERIES 2014 BONDS; AND PROVIDING FOR AN EFFECTIVE DATE.

END OF REGULAR AGENDA

DISCUSSION BY THE EXECUTIVE DIRECTOR OF UTILITIES

NONE

LEGAL DISCUSSION/REQUEST

NONE

DISCUSSION AND RECOMMENDATIONS BY DISTRICT BOARD

CHAIR PRO TEM PARDO: Nothing. Thank you, Madam Chair.

CHAIRPERSON DAVIS: Okay. Mr. Davis?

BOARD MEMBER DAVIS: Nothing.

CHAIRPERSON DAVIS: Mr. Guyton?

BOARD MEMBER GUYTON: Nothing.

CHAIRPERSON DAVIS: Okay. Motion to adjourn?

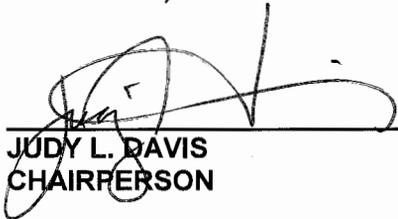
ADJOURNMENT

CHAIR PRO TEM PARDO: So moved.

BOARD MEMBER GUYTON: So moved. Second.

(CONCLUSION OF MEETING)

APPROVED:



JUDY L. DAVIS
CHAIRPERSON

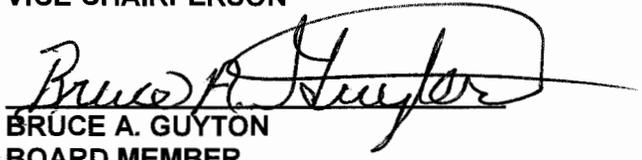
ATTEST:



CARRIE E. WARD
MASTER MUNICIPAL CLERK
CITY CLERK



DAWN S. PARDO
VICE CHAIRPERSON



BRUCE A. GUYTON
BOARD MEMBER



CEDRICK A. THOMAS
BOARD MEMBER



TERENCE D. DAVIS
BOARD MEMBER

MOTIONED BY: D. PARDO
SECONDED BY: T. DAVIS

B. GUYTON TARDY

J. DAVIS AYE

C. THOMAS TARDY

D. PARDO AYE

T. DAVIS AYE

DATE APPROVED: 11/05/14