



Legislation Details (With Text)

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Title: RESOLUTION 95-18 DELEGATING SCRWTDB AUTHORITY TO OBTAIN BANK LOAN FOR CAPITAL IMPROVEMENTS TO FACILITY
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Date	Ver.	Action By	Action	Result
8/21/2018	1	City Commission	approved	

TO: Mayor and Commissioners
FROM: Bradley W. Biggs, Assistant City Attorney
DATE: August 21, 2018

RESOLUTION 95-18 DELEGATING SCRWTDB AUTHORITY TO OBTAIN BANK LOAN FOR CAPITAL IMPROVEMENTS TO FACILITY

Recommended Action:

Motion to approve Resolution 95-18.

Background:

The City of Delray Beach and the City of Boynton Beach (collectively, the "Cities") created a Special District by Interlocal Agreement in 1974 (the "Interlocal") and established the South Central Regional Wastewater Treatment and Disposal Board ("SCRWTDB") for the purpose of providing wastewater treatment and disposal services for both Cities. The powers of SCRWTDB are set forth in the Interlocal and Section 3(B)5 of the Interlocal provides that the Special District has "such additional powers [as] are by resolution...lawfully delegated to it by each City Council of each City." Each of the Cities has the legal authority to issue bonds or notes to finance the costs of any proposed capital improvement project for the SCRWTDB facility.

Each City accounts for its investment on the SCRWTDB as a joint venture recorded on the equity method of accounting. The SCRWTDB charges each City for its share of the SCRWTDB's operating expenses based on the percentage flow of wastewater from each City, and pursuant to the Interlocal, each City is obligated to pay to the SCRWTDB its proportional part of the SCRWTDB's operating and capital improvement costs. The Series 2018 Bank Loan proceeds will be used to fund capital projects for an aggregate amount not to exceed \$15,500,000.00 to finance the costs of needed improvements. This Resolution merely provides delegated authority for SCRWTDB itself to obtain such a bank loan

to accomplish important infrastructure upgrades to the plant to realize increased efficiencies and output from the facility through the following project components: new blowers; increased aeration capacity, additional filters and piping; and installation of a second, deep injection well.

City Attorney Review:

Approved as to legal sufficiency and form.

Timing of Request:

This item is timed so that SCRWTDB may approve its RFP for the proposed bank loan at its special meeting of August 27, 2018.