



Legislation Text

File #: 170394., **Version:** 1

Bond Issuance for Financing Acquisition of the Gainesville Renewable Energy Center (Series A) (B)

Upon the execution and delivery of an Asset Purchase Agreement with Gainesville Renewable Energy Center LLC, the City will have entered into an agreement to purchase the Gainesville Renewable Energy Center ("GREC"), including tangible and intangible assets thereof, at a purchase price of \$750,000,000, subject to certain conditions precedent set forth therein. In order to finance the acquisition of GREC the City must authorize Bonds pursuant to its Amended and Restated Utilities System Revenue Bond Resolution, secured by revenues of the City's Utility System. Certain underwriters and banks have agreed to purchase the Bonds in an amount equal to the purchase price and costs of issuance of one or more series of such Bonds.

The Twenty-Seventh Supplemental Utilities System Revenue Bond Resolution authorizes the sale of the 2017 Series A Bonds to Goldman Sachs & Co., Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc., Barclays Bank, Plc, Wells Fargo Bank, National Association and Samuel A. Ramirez & Co. (collectively, the "Underwriters") in an amount that, when combined with the 2017 Series B Bonds and 2017 Series C Bonds, shall not exceed (\$757,500,000). The 2017 Series A Bonds will be sold at a fixed rate to the Underwriters pursuant to a public bond and sold to the public pursuant to the Official Statement. The Underwriters will agree to purchase the 2017 Series A Bonds pursuant to a Contract of Purchase between the City and the Underwriters.

None.

The City Commission approve the Twenty-Seventh Supplemental Utilities System Revenue Bond Resolution and thereby approve the issuance and sale of the 2017 Series A Bonds to the underwriters and approve the forms of the Purchase Contract, Preliminary Official Statement, Continuing Disclosure Certificate, Insurance Agreement with a bond insurer to fund a debt service reserve fund, and authorize the execution and delivery thereof, subject to approval of the City Attorney as to form and legality.

This was presented to the UAB on 9/14/17 and they voted 4-1 (member Alford in dissent, members Denslow and Orlando absent) to recommend that the Commission approve.