COUNTY DEPARTMENT AGENDA REQUEST

Department:	Finance	Presenter(s):	Mary S. Holland
Meeting Date:	Thursday, March 24, 2011	Type of Request:	Old Business

Wording for the Agenda:

Consideration of a resolution approving an Agreement of Sale with the Fayette County Public Facilities Authority and a Bond Purchase Agreement with the Authority and Merchant Capital L.L.C. relating to the issuance by the Authority of its Refunding Revenue Bonds, Series 2011, for the Justice Center and Jail, and for other related purposes.

Background/History/Details:

The Fayette County Public Facilities Authority has previously issued its Refunding Revenue Bonds, Series 2001 (the "Prior Bonds"), now outstanding in the aggregate principal amount of $47,995,000, for the purpose of refinancing the costs of acquiring, constructing, and installing the Fayette County Jail and Criminal Justice Center (the "Facilities"). The Facilities are currently leased by the Authority to the County and the County makes semi-annual lease payments in amounts sufficient to repay the Prior Bonds. Staff is now recommending that the Prior Bonds, due to present market conditions, be refunded in order to achieve debt service savings. In order to effect the refunding, the Authority will approve the issuance of its Refunding Revenue Bonds, Series 2011, the proceeds of which will be applied to redeem the Prior Bonds. The staff recommends that the Board of Commissioners adopt an Authorizing Resolution authoring the County to (1) enter into an Agreement of Sale with the Public Facilities Authority in order to purchase the Facilities from the Authority, and the County's payments under that agreement will be in amounts sufficient for the Authority to repay the 2011 Bonds, (2) to enter into a Bond Purchase Agreement with the Authority and Merchant Capital L.L.C. (the "Underwriter") providing for the sale of the 2011 Bonds to the Underwriter, and (3) authorizing the Chairman to execute these documents on behalf of the County and to take all other necessary steps in furtherance of the issuance of the 2011 Bonds.

What action are you seeking from the Board of Commissioners?

Approve a resolution approving an Agreement of Sale with the Fayette County Public Facilities Authority and a Bond Purchase Agreement with the Authority and Merchant Capital L.L.C. relating to the issuance by the Authority of its Refunding Revenue Bonds, Series 2011, for the Justice Center and Jail, and for other related purposes, and authorization for the Chairman to execute these documents on behalf of Fayette County and to take all necessary steps in furtherance of the issuance of the 2011 Bonds.

If this item requires funding, please describe:

Not Applicable.

Has this issue come before the Commissioners in the past?	Yes	If so, when?	Various Meetings
Do you need audio-visual for the presentation?	No	Back-up Material Submitted?	Yes

STAFF USE ONLY

Approved by Finance	Yes	Reviewed by Legal	Yes
Approved by Purchasing	Not Applicable	Approved by County Clerk	Yes
Administrator's Approval	Yes		

Staff Notes: