

LEE COUNTY SCHOOL BOARD LEASING CORPORATION

March 7, 2017

A meeting of the Lee County School Board Leasing Corporation will be held
On March 7, 2017, immediately following a recess in the meeting of
The School Board of Lee County, Florida (the “School Board”)

AGENDA

Order of Business

I. Call to Order

- Adoption of agenda as order of business

II. Public Comment

III. Secretary’s Recommendations

- A. I recommend approval of the minutes of the last Lee County School Board Leasing Corporation meeting held on [December 6, 2016](#)[2](#)
- B. I recommend approval of the Resolution authorizing (i) the issuance of the Certificates of Participation, Series 2017A, in an aggregate principal amount not to exceed \$60,500,000 for the purpose of refunding the Series 2008B Certificates in a private placement sale to a financial institution, and (ii) the execution and delivery of an Amended and Restated Schedule 2004, a Series 2017A Supplemental Trust Agreement, a certificate purchase contract and certain other documents in connection with the issuance of the Series 2017A Certificates[5](#)
- C. I recommend approval of the Resolution authorizing amendments to the Master Lease to revise certain property insurance requirements and revise procedures for obtaining consents to amendments in light of the decline in use of bond insurance.....[7](#)

IV. Other Business

V. Adjournment

LEE COUNTY SCHOOL BOARD LEASING CORPORATION

Date: March 7, 2017

Subject: Approval of Minutes from December 6, 2016

Item: III. A.

Presenter(s): Dr. Gregory K. Adkins

Background:

Minutes of the Lee County School Board Leasing Corporation meeting of December 6, 2016 are being submitted for approval.

Secretary's Recommendation:

I recommend approval of the minutes of the last Lee County School Board Leasing Corporation meeting held on December 6, 2016.

MINUTES
LEE COUNTY SCHOOL BOARD LEASING CORPORATION
Tuesday, December 6, 2016
(School Board Meeting Room, 2855 Colonial Blvd., Fort Myers, FL 33966)

Attending

Mary Fischer, President
Jane E. Kuckel, PhD, Vice President
Melisa W. Giovannelli, Director
Chris N. Patricca, Director
Steven K. Teuber, Director
Pamela H. LaRiviere, Director
Cathleen O'Daniel Morgan, Director

Gregory K. Adkins, Ed.D., Secretary
Ami V. Desamours, Treasurer
Keith B. Martin, Attorney

Susan Johnson, Recording Secretary

Call to Order

The Lee County School Board Leasing Corporation met on Tuesday, December 6, 2016, in the School Board Meeting Room. President Steven Teuber called the meeting to order at 6:47 P.M.

***Motion** by Ms. Fischer, **seconded** by Ms. Morgan and **carried 7-0** to accept the agenda as the Order of Business.*

Secretary's Recommendations

A. Approval of Minutes.

***Motion** by Mrs. LaRiviere, **seconded** by Ms. Fischer, and **carried 7-0** to accept the Secretary's recommendation to approve the minutes of the last Lee County School Board Leasing Corporation meeting held on May 3, 2016.*

B. Organizational Resolution of the Lee County School Board Leasing Corporation.

***Motion** by Mrs. Patricca, **seconded** by Ms. Morgan, and **carried 7-0** to accept the Secretary's recommendation that the Directors approve the Organizational Resolution of the Lee County School Board Leasing Corporation for the election of officers.*

*Mary Fischer – President
Jane E. Kuckel, PhD – Vice President
Gregory K. Adkins, Ed.D., - Secretary
Ami V. Desamours, Ed.D., - Treasurer*

C. Approval for 90 Day Extension of Certificates of Participation, Series 2008B.

***Motion** by Dr. Kuckel, **seconded** by Mr. Teuber, and **carried 7-0** to accept the Secretary's recommendation that the Directors approve the extension of financing for the Series 2008B Certificates for 90 days with Wells Fargo Municipal Capital Strategies, LLC, under the*

terms and conditions of the current financing documents as previously approved by the School Board, for the period December 15, 2016 through March 15, 2017.

Adjournment

There being no further business to come before the Directors, Ms. Fischer called for a motion to adjourn.

Motion by Ms. Morgan, **seconded** by Dr. Kuckel, and **carried 7-0** to adjourn the December 6, 2016, meeting of the Lee County School Board Leasing Corporation.

Ms. Fischer adjourned the meeting at 6:52 P.M.

Mary Fischer, President

ATTEST:

Gregory K. Adkins, Ed.D., Secretary

An audio-visual recording of this meeting has been produced to provide a verbatim record of the proceedings and may be viewed on the School District's Website at www.leeschools.net/board-meeting-videos. Members of the public wishing to obtain a copy of the recording of this or any meeting of the School Board must make a request through the District's Communications Department at (239) 337-8327.

LEE COUNTY SCHOOL BOARD LEASING CORPORATION

Date: March 7, 2017

Subject: Resolution – Authorizing the issuance of Certificates of Participation, Series 2017A for the purpose of refunding the School Board’s outstanding Certificates of Participation, Series 2008B; authorizing execution of related documents in connection with issuance of the Series 2017A Certificates

Item No: III.B.

Presenter(s): Dr. Gregory K. Adkins
Dr. Ami V. Desamours
Ms. Kelly Letcher

Background:

The Lee County School Board Leasing Corporation (the “Corporation”), has determined to lease-purchase finance and refinance certain real property and educational and auxiliary facilities, vehicles and equipment from time to time to the School Board of Lee County, Florida (the “School Board”) pursuant to the Master Lease Purchase Agreement dated as of August 15, 1991 between the School Board and the Corporation, as assignee of Florida School Boards Association, Inc. (the “Association”). The Corporation has also determined to enter into ground leases with the School Board and assignment agreements and has entered into a Master Trust Agreement dated as of August 15, 1991, by and among the Corporation, as assignee of the Association, and U.S. Bank National Association (successor to SunTrust Bank, National Association), as trustee (the “Trustee”), in order to facilitate such financings and to refinance such financings.

In order to provide funds for the lease-purchase financing of certain real property, educational facilities and equipment, on January 21, 2004 two series of certificates of participation were issued on a parity basis consisting of (i) \$147,385,000 in original aggregate principal amount of Certificates of Participation, Series 2004A (the “Series 2004A Certificates”), and (ii) \$60,000,000 in original aggregate principal amount of Certificates of Participation, Series 2004B (the “Series 2004B Certificates”), each representing an undivided proportionate interest in the principal portion and interest portion of the basic lease payments to be made by the School Board under Schedule 2004 dated as of January 1, 2004 (as subsequently amended and restated, “Schedule 2004”) between the Corporation and the School Board, to the Master Lease Purchase Agreement dated as of August 15, 1991, as amended and supplemented (the “Master Lease” and together with Schedule 2004, the “Series 2004 Lease”), between the Corporation, as assignee of the Association, and the School Board.

In order to provide for a new interest rate mode with respect to the portion of basic lease payments due under the Series 2004 Lease represented by the Series 2004B Certificates and to make certain other modifications, the School Board refinanced obligations under the Series 2004 Lease represented by the Series 2004B Certificates and entered into a Series 2008B Supplemental Trust Agreement (the “Series 2008B Supplemental Trust Agreement”) with the Trustee, dated as of December 1, 2008, providing for the issuance of refunding Certificates of Participation, Series 2008B (the “Series 2008B Certificates”) in the original aggregate principal amount of \$60,000,000, which

Series 2008B Certificates represent undivided proportionate interests in the principal portion and interest portion of a portion of the basic lease payments to be made under the Series 2004 Lease.

Pursuant to an Amended and Restated Series 2008B Supplemental Trust Indenture between the Corporation and the Trustee, dated as of December 1, 2011, the Series 2008B Certificates are in a Long-Term Mode which was originally set to terminate on December 15, 2016 (the "Initial Period"), at which time the Series 2008B Certificates were subject to mandatory tender. The School Board extended the Long-Term Period by 90 days (from December 15, 2016 to March 14, 2017) under the same terms and conditions in order to determine the best alternative for a new interest rate mode. On March 15, 2017, the Series 2008B Certificates are again subject to mandatory tender. If the accompanying Resolution is adopted, rather than remarket the Series 2008B Certificates on March 15, 2017, the Series 2008B Certificates will be currently refunded on March 15, 2017.

I am requesting approval of a refinancing under the Master Lease pursuant to the accompanying Resolution; approving the issuance, through a private placement, of not to exceed \$60,500,000 aggregate principal amount of refunding Certificates of Participation, Series 2017A (the "Series 2017A Certificates") pursuant to a Series 2017A Supplemental Trust Agreement between the Corporation and the Trustee (the "Series 2017A Supplemental Trust Agreement"), for the purpose of providing funds to refund the Series 2008B Certificates; authorizing the execution of an Amended and Restated Schedule 2004, the Series 2017A Supplemental Trust Agreement, and a certificate purchase contract, within certain parameters set forth in the Resolution; and providing for an effective date.

The School Board has received proposals for a direct purchase of the Series 2017A Certificates, each of which has been submitted and reviewed by staff, Ford & Associates, Inc., the School Board's Financial Advisor, and Greenberg Traurig, P.A., the School Board's Special Tax Counsel and the Superintendent has determined that a direct purchase of the Series 2017A Certificates by Bank of America, N.A. or an affiliate of Bank of America Corporation pursuant to the Proposal for a Fixed Rate Credit Facility dated January 26, 2017, submitted by Bank of America Merrill Lynch will provide the most favorable financing terms available to the School Board including a termination of certain restrictive covenants and will result in the lowest possible risk and costs associated with the Series 2017A Certificates.

The accompanying Resolution, among other purposes: (i) authorizes the issuance of the Series 2017A Certificates; (ii) authorizes the execution and delivery of an Amended and Restated Schedule 2004 to the Master Lease; (iii) approves the form and authorizes the execution of the Series 2017A Supplemental Trust Agreement and a certificate purchase contract; (iv) provides for incidental action; and (v) provides for an effective date.

Copies of the Resolution together with all Exhibits thereto are available for inspection and review in the office of the Secretary.

Secretary's Recommendation:

I recommend approval of the Resolution authorizing (i) the issuance of the Certificates of Participation, Series 2017A, in an aggregate principal amount not to exceed \$60,500,000 for the purpose of refunding the Series 2008B Certificates in a private placement sale to a financial institution, and (ii) the execution and delivery of an Amended and Restated Schedule 2004, a Series 2017A Supplemental Trust Agreement, a certificate purchase contract and certain other documents in connection with the issuance of the Series 2017A Certificates.

LEE COUNTY SCHOOL BOARD LEASING CORPORATION

Date: March 7, 2017

Subject: Resolution – Authorizing the execution and delivery of an amendment to the Master Lease to revise certain property insurance requirements and revise procedures for obtaining consents to amendments in light of the decline in use of bond insurance.

Item No: III. C.

Presenter(s): Dr. Gregory K. Adkins
Dr. Ami Desamours
Ms. Kelly Letcher

Background:

The Lee County School Board Leasing Corporation (the “Corporation”), has determined to lease-purchase finance and refinance certain real property and educational and auxiliary facilities, vehicles and equipment from time to time to the School Board of Lee County, Florida (the “School Board”) pursuant to the Master Lease Purchase Agreement dated as of August 15, 1991 (the “Master Lease”) between the Board and the Corporation, as assignee of Florida School Boards Association, Inc. (the “Association”).

Over the past 26 years the Corporation and the School Board have financed new educational facilities through the issuance of Certificates of Participation under the Master Lease Program.

After twenty six (26) years of experience with financing under the Master Lease and Trust Agreement, and in light of changing circumstances, including changes in the availability and cost of property insurance and a decline in the use of bond insurance in Certificate of Participation financing, it is desirable to amend certain provisions of the Master Lease to more efficiently reflect such changes in circumstances. Such amendments would become effective upon execution by the School Board, the Corporation and the Trustee and the consent of the holders of a majority in principal amount of the outstanding Certificates of Participation or with the consent of the related insurer, if any, in lieu of the consent of the holders of Certificates of Participation it insures.

The District’s Financial Advisor, District staff, and the Board’s General Counsel have reviewed the authorizing resolution prepared by the Board’s Special Tax Counsel.

The accompanying Resolution authorizes the approval of amendments to the Master Lease.

Copies of the Resolution together with all Exhibits thereto are available for inspection and review in the office of the Superintendent.

Secretary’s Recommendation:

I recommend approval of the Resolution authorizing amendments to the Master Lease to revise certain property insurance requirements and revise procedures for obtaining consents to amendments in light of the decline in use of bond insurance.