

# COUNCIL COMMITTEE REPORT ACTION ITEM

TO: Members of City Council

DATE: September 22, 2022

COUNCIL DATE: October 6, 2022

RE: September 22, 2022 Budget, Finance, & Taxation Committee Action Item  
– Approval of Two Debt-Related Resolutions

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## **ACTION DESIRED:**

Respectfully requesting City Council approval of the following Resolutions:

- 1) A Resolution Authorizing the Issuance of Not to Exceed \$40,000,000 for the City's Public Utility Revenue Bonds (Series 2022B)
- 2) A Resolution Authorizing the Issuance of a Non-Ad Valorem Revenue Note (Series 2022) Not to Exceed \$16,000,000 for the Sanitation Administration Facility

## **ATTACHED:**

### **Public Utility Revenue Bonds (Series 2022B)**

- 1) Redlined Changes from the Preliminary Official Statement Presented to BF&T on 9-22-2022
- 2) Preliminary Source and Use of Funds
- 3) Updated Draft Bond Resolution and Attachments

### **Non-Ad Valorem Revenue Note (Series 2022)**

- 1) Updated Source and Use of Funds
- 2) Updated Note Resolution

Council Member Ed Montanari  
Chair, Budget, Finance, & Taxation

**ST. PETERSBURG CITY COUNCIL**

**Meeting of October 6, 2022**

**TO:** The Honorable Ed Montanari, Chair, and members of City Council

**FROM:** Anne A. Fritz, Chief Financial Officer *Aaf*

**SUBJECT:**

**A RESOLUTION AUTHORIZING THE ISSUANCE OF NOT  
TO EXCEED \$40,000,000 CITY OF ST. PETERSBURG, FL  
SERIES 2022B PUBLIC UTILITY REVENUE BONDS**

As presented to BFT on September 22, 2022, the agenda package has been updated to include the latest changes to the Preliminary Official Statement (POS) and attachments including the following:

*The revisions to the Engineer's Report from the version approved by the BFT committee primarily reflect the inclusion of updated system information and assumptions. The revisions to the Preliminary Official Statement from the version approved by the BFT committee relating to the corresponding updates to the Exhibits, and revisions adding certain information relating to recent storm events.*

**Recommendation:** The City staff recommends approval of the resolution authorizing the issuance of not to exceed \$40,000,000 million for Public Utility Revenue Bonds, Series 2022B.

**Attachments:**

- 1.) Redlined Changes from the Preliminary Official Statement presented to BFT 9/22/22
- 2.) Preliminary Source and Use of Funds
- 3.) Updated Draft Bond Resolution and Attachments

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## SOURCES AND USES OF FUNDS

**City of St. Petersburg, Florida**  
**Public Utility Revenue Bonds, Series 2022B**

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**Preliminary Numbers For Illustration Purposes Only**  
**Market Conditions as of September 12, 2022**

Sources:

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Bond Proceeds:	
Par Amount	33,800,000.00
Premium	3,263,273.00
	<hr/>
	37,063,273.00

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Uses:

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Project Fund Deposits:	
Project Fund	36,692,250.00
Delivery Date Expenses:	
Cost of Issuance	200,000.00
Underwriter's Discount	<hr/>
	169,000.00
	<hr/>
	369,000.00
Other Uses of Funds:	
Additional Proceeds	2,023.00
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	37,063,273.00

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## BOND SUMMARY STATISTICS

### City of St. Petersburg, Florida Public Utility Revenue Bonds, Series 2022B

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#### Preliminary Numbers For Illustration Purposes Only Market Conditions as of September 12, 2022

Dated Date	11/10/2022
Delivery Date	11/10/2022
Last Maturity	10/01/2052
Arbitrage Yield	3.877009%
True Interest Cost (TIC)	4.412237%
Net Interest Cost (NIC)	4.696281%
All-In TIC	4.457596%
Average Coupon	5.171969%
Average Life (years)	19.245
Duration of Issue (years)	12.264
Par Amount	33,800,000.00
Bond Proceeds	37,063,273.00
Total Interest	33,642,796.77
Net Interest	30,548,523.77
Total Debt Service	67,442,796.77
Maximum Annual Debt Service	2,274,837.50
Average Annual Debt Service	2,256,240.76
Underwriter's Fees (per \$1000)	
Average Takedown	
Other Fee	5.000000
Total Underwriter's Discount	5.000000
Bid Price	109.154654

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
Bond Component	16,465,000.00	110.757	5.000%	12.331	12,692.75
Term Bond 2047	7,565,000.00	108.845	5.250%	22.994	6,430.25
Term Bond 2052	9,770,000.00	108.423	5.250%	27.994	8,304.50
	33,800,000.00			19.245	27,427.50

	TIC	All-In TIC	Arbitrage Yield
Par Value	33,800,000.00	33,800,000.00	33,800,000.00
+ Accrued Interest			
+ Premium (Discount)	3,263,273.00	3,263,273.00	3,263,273.00
- Underwriter's Discount	(169,000.00)	(169,000.00)	
- Cost of Issuance Expense		(200,000.00)	
- Other Amounts			
Target Value	36,894,273.00	36,694,273.00	37,063,273.00
Target Date	11/10/2022	11/10/2022	11/10/2022
Yield	4.412237%	4.457596%	3.877009%

## BOND PRICING

### City of St. Petersburg, Florida Public Utility Revenue Bonds, Series 2022B

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Preliminary Numbers For Illustration Purposes Only  
Market Conditions as of September 12, 2022

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Yield to Maturity	Call Date	Call Price	Premium (-Discount)
Bond Component:									
	10/01/2024	540,000	5.000%	2.550%	104.493				24,262.20
	10/01/2025	565,000	5.000%	2.600%	106.641				37,521.65
	10/01/2026	595,000	5.000%	2.650%	108.632				51,360.40
	10/01/2027	625,000	5.000%	2.750%	110.229				63,931.25
	10/01/2028	655,000	5.000%	2.830%	111.697				76,615.35
	10/01/2029	690,000	5.000%	2.900%	113.029				89,900.10
	10/01/2030	725,000	5.000%	2.970%	114.184				102,834.00
	10/01/2031	760,000	5.000%	3.110%	114.580				110,808.00
	10/01/2032	795,000	5.000%	3.170%	115.431				122,676.45
	10/01/2033	835,000	5.000%	3.320%	114.063	C 3.440%	10/01/2032	100.000	117,426.05
	10/01/2034	880,000	5.000%	3.440%	112.982	C 3.645%	10/01/2032	100.000	114,241.60
	10/01/2035	920,000	5.000%	3.580%	111.737	C 3.837%	10/01/2032	100.000	107,980.40
	10/01/2036	970,000	5.000%	3.660%	111.033	C 3.959%	10/01/2032	100.000	107,020.10
	10/01/2037	1,015,000	5.000%	3.730%	110.421	C 4.060%	10/01/2032	100.000	105,773.15
	10/01/2038	1,070,000	5.000%	3.790%	109.900	C 4.143%	10/01/2032	100.000	105,930.00
	10/01/2039	1,120,000	5.000%	3.830%	109.554	C 4.204%	10/01/2032	100.000	107,004.80
	10/01/2040	1,175,000	5.000%	3.870%	109.209	C 4.259%	10/01/2032	100.000	108,205.75
	10/01/2041	1,235,000	5.000%	3.920%	108.781	C 4.315%	10/01/2032	100.000	108,445.35
	10/01/2042	1,295,000	5.000%	3.960%	108.439	C 4.361%	10/01/2032	100.000	109,285.05
		<u>16,465,000</u>							<u>1,771,221.65</u>
Term Bond 2047:									
	10/01/2043	1,360,000	5.250%	4.150%	108.845	C 4.646%	10/01/2032	100.000	120,292.00
	10/01/2044	1,435,000	5.250%	4.150%	108.845	C 4.646%	10/01/2032	100.000	126,925.75
	10/01/2045	1,510,000	5.250%	4.150%	108.845	C 4.646%	10/01/2032	100.000	133,559.50
	10/01/2046	1,590,000	5.250%	4.150%	108.845	C 4.646%	10/01/2032	100.000	140,635.50
	10/01/2047	1,670,000	5.250%	4.150%	108.845	C 4.646%	10/01/2032	100.000	147,711.50
		<u>7,565,000</u>							<u>669,124.25</u>
Term Bond 2052:									
	10/01/2048	1,760,000	5.250%	4.200%	108.423	C 4.721%	10/01/2032	100.000	148,244.80
	10/01/2049	1,850,000	5.250%	4.200%	108.423	C 4.721%	10/01/2032	100.000	155,825.50
	10/01/2050	1,950,000	5.250%	4.200%	108.423	C 4.721%	10/01/2032	100.000	164,248.50
	10/01/2051	2,050,000	5.250%	4.200%	108.423	C 4.721%	10/01/2032	100.000	172,671.50
	10/01/2052	2,160,000	5.250%	4.200%	108.423	C 4.721%	10/01/2032	100.000	181,936.80
		<u>9,770,000</u>							<u>822,927.10</u>
		<u>33,800,000</u>							<u>3,263,273.00</u>

Dated Date	11/10/2022	
Delivery Date	11/10/2022	
First Coupon	04/01/2023	
Par Amount	33,800,000.00	
Premium	3,263,273.00	
Production	37,063,273.00	109.654654%
Underwriter's Discount	(169,000.00)	(0.500000%)
Purchase Price	36,894,273.00	109.154654%
Accrued Interest		
Net Proceeds	36,894,273.00	

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## BOND DEBT SERVICE

### City of St. Petersburg, Florida Public Utility Revenue Bonds, Series 2022B

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#### Preliminary Numbers For Illustration Purposes Only Market Conditions as of September 12, 2022

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
04/01/2023			678,890.52	678,890.52	
10/01/2023			866,668.75	866,668.75	1,545,559.27
04/01/2024			866,668.75	866,668.75	
10/01/2024	540,000	5.000%	866,668.75	1,406,668.75	2,273,337.50
04/01/2025			853,168.75	853,168.75	
10/01/2025	565,000	5.000%	853,168.75	1,418,168.75	2,271,337.50
04/01/2026			839,043.75	839,043.75	
10/01/2026	595,000	5.000%	839,043.75	1,434,043.75	2,273,087.50
04/01/2027			824,168.75	824,168.75	
10/01/2027	625,000	5.000%	824,168.75	1,449,168.75	2,273,337.50
04/01/2028			808,543.75	808,543.75	
10/01/2028	655,000	5.000%	808,543.75	1,463,543.75	2,272,087.50
04/01/2029			792,168.75	792,168.75	
10/01/2029	690,000	5.000%	792,168.75	1,482,168.75	2,274,337.50
04/01/2030			774,918.75	774,918.75	
10/01/2030	725,000	5.000%	774,918.75	1,499,918.75	2,274,837.50
04/01/2031			756,793.75	756,793.75	
10/01/2031	760,000	5.000%	756,793.75	1,516,793.75	2,273,587.50
04/01/2032			737,793.75	737,793.75	
10/01/2032	795,000	5.000%	737,793.75	1,532,793.75	2,270,587.50
04/01/2033			717,918.75	717,918.75	
10/01/2033	835,000	5.000%	717,918.75	1,552,918.75	2,270,837.50
04/01/2034			697,043.75	697,043.75	
10/01/2034	880,000	5.000%	697,043.75	1,577,043.75	2,274,087.50
04/01/2035			675,043.75	675,043.75	
10/01/2035	920,000	5.000%	675,043.75	1,595,043.75	2,270,087.50
04/01/2036			652,043.75	652,043.75	
10/01/2036	970,000	5.000%	652,043.75	1,622,043.75	2,274,087.50
04/01/2037			627,793.75	627,793.75	
10/01/2037	1,015,000	5.000%	627,793.75	1,642,793.75	2,270,587.50
04/01/2038			602,418.75	602,418.75	
10/01/2038	1,070,000	5.000%	602,418.75	1,672,418.75	2,274,837.50
04/01/2039			575,668.75	575,668.75	
10/01/2039	1,120,000	5.000%	575,668.75	1,695,668.75	2,271,337.50
04/01/2040			547,668.75	547,668.75	
10/01/2040	1,175,000	5.000%	547,668.75	1,722,668.75	2,270,337.50
04/01/2041			518,293.75	518,293.75	
10/01/2041	1,235,000	5.000%	518,293.75	1,753,293.75	2,271,587.50
04/01/2042			487,418.75	487,418.75	
10/01/2042	1,295,000	5.000%	487,418.75	1,782,418.75	2,269,837.50
04/01/2043			455,043.75	455,043.75	
10/01/2043	1,360,000	5.250%	455,043.75	1,815,043.75	2,270,087.50
04/01/2044			419,343.75	419,343.75	
10/01/2044	1,435,000	5.250%	419,343.75	1,854,343.75	2,273,687.50
04/01/2045			381,675.00	381,675.00	
10/01/2045	1,510,000	5.250%	381,675.00	1,891,675.00	2,273,350.00
04/01/2046			342,037.50	342,037.50	
10/01/2046	1,590,000	5.250%	342,037.50	1,932,037.50	2,274,075.00
04/01/2047			300,300.00	300,300.00	
10/01/2047	1,670,000	5.250%	300,300.00	1,970,300.00	2,270,600.00
04/01/2048			256,462.50	256,462.50	
10/01/2048	1,760,000	5.250%	256,462.50	2,016,462.50	2,272,925.00
04/01/2049			210,262.50	210,262.50	
10/01/2049	1,850,000	5.250%	210,262.50	2,060,262.50	2,270,525.00
04/01/2050			161,700.00	161,700.00	
10/01/2050	1,950,000	5.250%	161,700.00	2,111,700.00	2,273,400.00
04/01/2051			110,512.50	110,512.50	
10/01/2051	2,050,000	5.250%	110,512.50	2,160,512.50	2,271,025.00
04/01/2052			56,700.00	56,700.00	
10/01/2052	2,160,000	5.250%	56,700.00	2,216,700.00	2,273,400.00
	33,800,000		33,642,796.77	67,442,796.77	67,442,796.77

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## AGGREGATE DEBT SERVICE

**City of St. Petersburg, Florida  
Public Utility Revenue Bonds, Series 2022B**

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**Preliminary Numbers For Illustration Purposes Only  
Market Conditions as of September 12, 2022**

Period Ending	Public Utility Revenue Bonds, Series 2022B	Parity Debt Service	Aggregate Debt Service
10/01/2023	1,545,559.27	43,051,724.28	44,597,283.55
10/01/2024	2,273,337.50	42,360,134.28	44,633,471.78
10/01/2025	2,271,337.50	42,246,034.28	44,517,371.78
10/01/2026	2,273,087.50	42,252,204.28	44,525,291.78
10/01/2027	2,273,337.50	42,262,364.28	44,535,701.78
10/01/2028	2,272,087.50	42,273,236.78	44,545,324.28
10/01/2029	2,274,337.50	42,323,706.78	44,598,044.28
10/01/2030	2,274,837.50	42,346,901.78	44,621,739.28
10/01/2031	2,273,587.50	42,390,976.78	44,664,564.28
10/01/2032	2,270,587.50	42,432,230.52	44,702,818.02
10/01/2033	2,270,837.50	42,255,000.02	44,525,837.52
10/01/2034	2,274,087.50	42,726,865.02	45,000,952.52
10/01/2035	2,270,087.50	42,749,390.02	45,019,477.52
10/01/2036	2,274,087.50	41,812,321.26	44,086,408.76
10/01/2037	2,270,587.50	41,917,076.26	44,187,663.76
10/01/2038	2,274,837.50	42,037,071.26	44,311,908.76
10/01/2039	2,271,337.50	42,562,661.26	44,833,998.76
10/01/2040	2,270,337.50	41,718,542.52	43,988,880.02
10/01/2041	2,271,587.50	34,611,313.76	36,882,901.26
10/01/2042	2,269,837.50	34,693,847.52	36,963,685.02
10/01/2043	2,270,087.50	33,844,823.76	36,114,911.26
10/01/2044	2,273,687.50	31,895,156.26	34,168,843.76
10/01/2045	2,273,350.00	31,809,275.00	34,082,625.00
10/01/2046	2,274,075.00	29,856,350.00	32,130,425.00
10/01/2047	2,270,600.00	26,901,750.00	29,172,350.00
10/01/2048	2,272,925.00	26,640,700.00	28,913,625.00
10/01/2049	2,270,525.00	7,508,350.00	9,778,875.00
10/01/2050	2,273,400.00	3,983,200.00	6,256,600.00
10/01/2051	2,271,025.00		2,271,025.00
10/01/2052	2,273,400.00		2,273,400.00
	67,442,796.77	1,023,463,207.96	1,090,906,004.73

**PRELIMINARY OFFICIAL STATEMENT DATED OCTOBER [ ] , 2022**

**NEW ISSUE - FULL-BOOK ENTRY**

**Moody's:** "\_\_\_" (\_\_\_ outlook)  
**Fitch:** "\_\_\_" (\_\_\_ outlook)  
(See "Ratings" herein)

*In the opinion of Bond Counsel, assuming compliance by the City with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the 2022B Bonds (as defined herein) will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax; however, for tax years beginning after December 31, 2022, interest on the 2022B Bonds may be included in the "adjusted financial statement income" of certain "applicable corporations" that are subject to the 15-percent alternative minimum tax under section 55 of the Internal Revenue Code of 1986, as amended (the "Code"). See "TAX MATTERS" herein for a description of other tax consequences to holders of the 2022B Bonds.*

**CITY OF ST. PETERSBURG, FLORIDA**

\$ 34,535,000\*

**PUBLIC UTILITY REVENUE BONDS,  
SERIES 2022B**

**Dated:** Date of Delivery

**Due:** As Shown on Next Page

The City of St. Petersburg, Florida (the "City") is issuing \$ 34,535,000\* of its Public Utility Revenue Bonds, Series 2022B (the "2022B Bonds"). The 2022B Bonds are being issued in fully registered form and, when initially issued, will be registered to Cede & Co. as nominee of The Depository Trust Company, New York, New York. Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof. Purchasers will not receive physical delivery of bond certificates. Interest on the 2022B Bonds will be payable semi-annually beginning on April 1, 2023 and on each October 1 and April 1 thereafter.

The 2022B Bonds are being issued pursuant to Resolution No. 99-227 adopted by the City Council of the City on April 22, 1999, as amended and supplemented from time to time, as particularly amended by Resolution No. 2005-559 adopted by the City Council of the City on October 20, 2005, Resolution No. 2008-256 adopted by the City Council of the City on May 15, 2008, and Resolution No. 2013-400 adopted by the City Council of the City on October 3, 2013, and as particularly supplemented by Resolution No. 2022-[ ] adopted by the City Council of the City on [October 6], 2022 (collectively, the "Bond Resolution") and the Constitution and laws of the State of Florida, Chapter 166, Part II, Florida Statutes, Chapter 159, Part I, Florida Statutes, the municipal Charter of the City, and other applicable provisions of law (collectively, the "Act").

The 2022B Bonds are subject to optional redemption and may be subject to mandatory redemption as described herein.

The proceeds of the 2022B Bonds are being used to (i) finance and/or reimburse the costs of the acquisition, construction and erection of additions, improvements and extensions to the City's public utility system (as further described herein, the "2022B Project"), and (ii) pay certain costs of issuance of the 2022B Bonds.

The 2022B Bonds and the interest thereon are payable from an irrevocable first lien on the Net Revenues of the City's Public Utility System on a parity with the City's 2013C Bonds outstanding in the aggregate principal amount of \$605,000 (the "2013C Bonds"), the City's Public Utility Revenue Bonds, Series 2014A outstanding in the aggregate principal amount of \$28,875,000 (the "2014A Bonds"), the City's Public Utility Refunding Revenue Bonds, Series 2014B outstanding in the aggregate principal amount of \$36,470,000 (the "2014B Bonds"), the City's Public Utility Revenue Bonds, Series 2015 outstanding in the aggregate principal amount of \$26,290,000 (the "2015 Bonds"), the City's Public Utility Refunding Revenue Bond, Series 2016A outstanding in the aggregate principal amount of \$29,725,000 (the "2016A Bond"), the City's Public Utility Refunding Revenue Bonds, Series 2016B outstanding in the aggregate principal amount of \$49,710,000 (the "2016B Bonds"), the City's Public Utility Revenue Bond, Series 2016C outstanding in the aggregate principal amount of \$40,825,000 (the "2016C Bonds"), the City's Public Utility Refunding Revenue Bonds, Series 2018 outstanding in the aggregate principal amount of \$195,545,000 (the "2018 Bonds"), the City's Public Utility Revenue Bonds, Series 2019A outstanding in the aggregate principal amount of \$51,345,000 (the "2019A Bonds"), the City's Public Utility Refunding Revenue Bonds, Series 2019B outstanding in the aggregate principal amount of \$41,045,000 (the "2019B Bonds"), the City's Public Utility Revenue Bonds, Series 2021A outstanding in the aggregate principal amount of \$69,745,000 (the "2021A Bonds"), the City's Taxable Public Utility Refunding Revenue Bonds, Series 2021B outstanding in the aggregate principal amount of \$57,065,000 (the "2021B Bonds"), the City's Public Utility Refunding Revenue Bond, Series 2022 outstanding in the aggregate principal amount of \$39,860,000 (the "2022 Bond"), and any Additional Parity Obligations (as defined in the Bond Resolution).

**Neither the 2022B Bonds nor the interest thereon constitute a general indebtedness of the City within the meaning of any constitutional, statutory or charter provision or limitation. No owner or owners of any 2022B Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the City, or taxation in any form on any real property therein, to pay the 2022B Bonds or the interest thereon.**

This Preliminary Official Statement and any information contained herein are subject to completion and amendment. Under no circumstances may this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the 2022B Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction.



**This cover page contains certain information for quick reference only. It is not a summary of this issue. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.**

*The 2022B Bonds are offered for delivery when, as and if issued by the City and received by the Original Purchaser(s), subject to the approval of legality by Bryant Miller Olive P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the City by Macall D. Dyer, Esq., Managing Assistant City Attorney, or her designee, and GrayRobinson, P.A., Tampa, Florida, Special Disclosure Counsel to the City. PFM Financial Advisors LLC, Orlando, Florida, is serving as Financial Advisor to the City. It is expected that the 2022B Bonds in definitive form will be available for delivery in New York, New York on or about November [ ], 2022.*

**ELECTRONIC BIDS FOR THE 2022B BONDS PURSUANT TO THE PROVISIONS OF THE OFFICIAL NOTICE OF SALE WILL BE RECEIVED BY THE CITY UNTIL [ ] 10:30 A.M., EASTERN TIME ON OCTOBER 26, 2022, OR SUCH OTHER DATE AS DESCRIBED IN THE OFFICIAL NOTICE OF SALE THROUGH IHS MARKIT'S PARITY/BIDCOMP COMPETITIVE BIDDING SYSTEM. BIDDERS SHOULD REVIEW THE OFFICIAL NOTICE OF SALE IN ITS ENTIRETY.**

Dated: October [ ], 2022.

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\*Preliminary, subject to change.