

Meeting Date October 25,2017		AGENDA ITEM REQUEST	
		Section 7	Consent D
		Item Number	7.D.1

Department	Finance
------------	---------

Requested Action:

Consideration of authorizing CPA Resolution No. RES-2017-005-EXE-3, which will authorize reimbursement of various costs relating to the acquisition, construction and equipping of certain capital improvements as well as authorizing and appointing the Chief Financial Officer or his designee to hold public hearings on behalf of the Canaveral Port Authority. These public hearings will satisfy the public hearing requirements of the Internal Revenue Code of 1986, as amended. This Resolution also provides an effective date.

Summary Explanation & Background:

This Resolution will enable the Canaveral Port Authority (the "Authority"), if desired, to reimburse itself for capital costs related to the contemplated acquisition, construction and equipping of Cruise Terminal 3. These capital costs are anticipated not to exceed one-hundred and fifty million dollars (\$150,000,000). The construction project is anticipated to include a new 190,000 square foot terminal building, adjacent site work and demolition of existing facilities. The resolution permits the Authority to reimburse itself from tax-exempt debt for costs incurred for the Cruise Terminal 3 project.



The Resolution also authorizes the Chief Financial Officer, or his designee, to hold public hearings on behalf of the Authority in order to satisfy public hearing requirements of the Internal Revenue Code of 1986, as amended.

This Resolution will allow the Authority the flexibility to include the projects in a potential future funding and reimburse itself for costs paid for from moneys on deposit in the general operating or construction accounts of the Authority. These costs may be incurred prior to receipt of financing proceeds.

Financial Review by Pat Poston:	N/A
------------------------------------	-----

Attachments: Resolution Number RES-2017-005-EXE-3

Contract/Agreement:	Reviewed by General Counsel	Yes X No
	Reviewed by Port Attorney	Yes X No

Department Approval:	CEO Approval:
 Rodger Rees, Deputy Executive Director, CFO	 John W. Murray, CEO

RESOLUTION NO. RES-2017-005-EXE-3

A RESOLUTION OF THE CANAVERAL PORT AUTHORITY REGARDING REIMBURSEMENT OF VARIOUS COSTS RELATING TO THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF CERTAIN CAPITAL IMPROVEMENTS; AUTHORIZING AND APPOINTING THE CHIEF FINANCIAL OFFICER OR HIS DESIGNEE TO HOLD PUBLIC HEARINGS ON BEHALF OF THE AUTHORITY TO SATISFY THE PUBLIC HEARING REQUIREMENTS OF SECTION 147(F) OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED; PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Canaveral Port Authority (the "Authority") has incurred and/or will incur various costs in relation to the acquisition, construction and equipping of certain capital improvements; and

WHEREAS, the Authority has determined it is in its best interest to reimburse all or a portion of such costs from proceeds of tax-exempt debt; and

WHEREAS, the United States Department of Treasury has issued various regulations in regard to reimbursement of governmental costs through the issuance of such tax-exempt debt; and

WHEREAS, pursuant to Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), the Authority is required to hold a public hearing prior to the issuance of private activity bonds; and

WHEREAS, pursuant to the United States Department of Treasury Regulations promulgated under the Code, the Authority may appoint a person or entity to conduct the public hearing required by the Code on its behalf; and

WHEREAS, the Authority desires to authorize and appoint the Chief Financial Officer of the Authority, or his designee, to conduct such public hearings on the Authority's behalf and report the results of such public hearings to the Authority;

NOW THEREFORE, BE IT RESOLVED BY THE CANAVERAL PORT AUTHORITY as follows:

SECTION 1. It is the intent of the Authority to reimburse various costs and expenditures relating to the acquisition, construction and equipping of certain capital improvements. A description of such capital improvements is attached as Exhibit A. The

Authority has paid for, and/or reasonably anticipates that it will pay for, such costs and expenditures from moneys on deposit in the general operation account of the Authority. It is reasonably expected that reimbursement of such costs and expenditures shall come from the issuance of tax-exempt debt which is not expected to exceed \$150,000,000 aggregate principal amount. The expenditures to be reimbursed shall be consistent with the Authority's budgetary and financial policy as being the type of expenditures which shall be paid on a long-term basis.

SECTION 2. The Authority shall comply with all applicable law in regard to the public availability of records of official acts by public entities such as the Authority, including making this Resolution available for public inspection.

SECTION 3. It is the intent of the Authority that the purpose of this Resolution is to meet the requirements of Treasury Regulations Section 1.150-2 and to be a declaration of official intent under such Section.

SECTION 4. The Authority hereby authorizes and appoints the Chief Financial Officer of the Authority, or his designee, to conduct public hearings, from time to time, in accordance with the Code on the proposed issuance of private activity bonds by the Authority in order to satisfy Section 147(f) of the Code, which public hearings shall be conducted in a manner that provides a reasonable opportunity for persons with differing views to be heard, both orally and in writing, on the issuance of private activity bonds and the location and nature of the projects to be funded by such private activity bonds. The Chief Financial Officer, or his designee, shall report the results of each public hearing to the Authority. The authority granted in this resolution shall not be interpreted to grant exclusive authority to such person to hold public hearings in order to satisfy Section 147(f) of the Code. The Authority may hold such public hearings or grant authority to other persons or entities to hold such hearings on its behalf, as it deems necessary and appropriate.

SECTION 5. This Resolution shall take effect immediately upon its adoption.

DULY ADOPTED, this 25th day of October, 2017.

(SEAL)

CANAVERAL PORT AUTHORITY

By: _____
Chairman

ATTEST:

Secretary

EXHIBIT A

Description of Capital Improvements

Construction and equipping of Cruise Terminal 3, including a new 190,000 square foot terminal building, adjacent site work, and demolition of existing facilities.