



Town of Miami Lakes Memorandum

To: Honorable Mayor and Honorable Councilmembers

From: Edward Pidermann, Town Manager

Subject: Resolution Authorizing Establishment of a Non-Revolving Line of Credit

Date: March 9, 2020

Recommendation:

It is recommended that the Town Council pass an enacting ordinance that will allow the Town to establish a non-revolving line of credit for the purpose of providing the Town with liquidity in the event of a natural disaster.

Background:

The purpose of the Line of Credit ("LOC") is to provide liquidity to the Town of Miami Lakes ("Town") for the response to an emergency event such as, but not limited to, hurricanes or other natural, biological, or man-made disasters that would require the financing of clean-up, collection and disposal of solid waste or other permitted costs, to assure public safety and General Fund cash-flow relief. The LOC will be secured by the Town's covenant to budget and appropriate Non-Ad Valorem Revenues. The LOC may be payable from, but shall not be secured by, federal, state, Town or municipal grant moneys, receipts or reimbursements received by the Town relative to expenses incurred by the Town, immediately preceding, during and following a disaster, as described above, such as, but not limited to, the clean-up, collection and disposal of debris caused by a hurricane or other weather-related events and/or any other disaster-related expense.

On January 3, 2020, the Town issued Request for Proposal ("RFP") 2020-12 for a Line of Credit. Florida Law requires that the Town via an ordinance provide for authority to establish a Line of Credit. The enclosed ordinance provides for the establishment of a non-revolving, \$15,000,000.00 Line of Credit and delegates authority to the Town Manager to negotiate the Line of Credit terms, subject to a supplemental resolution.

Should the Council pass the Ordinance, a Resolution will be provided for the Council's consideration at the March 2020 Town Council Meeting.

Attachments:

Ordinance

Bankunited Proposal

Line Of Credit Agreement