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18 rights-of-way, franchises, easements, and interests acquired or  
19 used for a utility project;

20 2. The expense of demolishing or removing any buildings or  
21 structures on acquired land, including the expense of acquiring  
22 any lands to which the buildings or structures may be moved, and  
23 the cost of all machinery and equipment used for the demolition  
24 or removal;

25 3. Finance charges;

26 4. Interest, as determined by the authority;

27 5. Provisions for working capital and debt service  
28 reserves;

29 6. Expenses for extensions, enlargements, additions,  
30 replacements, renovations, and improvements;

31 7. Expenses for architectural, engineering, financial,  
32 accounting, and legal services, plans, specifications,  
33 estimates, and administration; or

34 8. Any other expenses necessary or incidental to  
35 determining the feasibility of constructing a utility project or  
36 incidental to the construction, acquisition, or financing of a  
37 utility project.

38 (c) "Customer" means a person receiving water or  
39 wastewater service from a publicly owned utility.

40 (d) "Finance" or "financing" includes refinancing.

41 (e) "Financing cost" means:

42 1. Interest and redemption premiums that are payable on  
43 utility cost containment bonds;

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44 2. The cost of retiring the principal of utility cost  
45 containment bonds, whether at maturity, including acceleration  
46 of maturity upon an event of default, or upon redemption,  
47 including sinking fund redemption;

48 3. The cost related to issuing or servicing utility cost  
49 containment bonds, including any payment under an interest rate  
50 swap agreement and any type of fee;

51 4. A payment or expense associated with a bond insurance  
52 policy; financial guaranty; contract, agreement, or other credit  
53 or liquidity enhancement for bonds; or contract, agreement, or  
54 other financial agreement entered into in connection with  
55 utility cost containment bonds;

56 5. Any coverage charges; or

57 6. The funding of one or more reserve accounts relating to  
58 utility cost containment bonds.

59 (f) "Financing resolution" means a resolution adopted by  
60 the governing body of an authority that provides for the  
61 financing or refinancing of a utility project with utility cost  
62 containment bonds and that imposes a utility project charge in  
63 connection with the utility cost containment bonds in accordance  
64 with subsection (4). A financing resolution may be separate from  
65 a resolution authorizing the issuance of the bonds.

66 (g) "Governing body" means the body that governs a local  
67 agency.

68 (h) "Local agency" means a member of the authority, or an  
69 agency or subdivision of that member, that is sponsoring or

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70 refinancing a utility project, or any municipality, county,  
71 authority, special district, public corporation, regional water  
72 authority, or other governmental entity of the state that is  
73 sponsoring or refinancing a utility project.

74 (i) "Public utility services" means water or wastewater  
75 services provided by a publicly owned utility. The term does not  
76 include communications services, as defined in s. 202.11,  
77 Florida Statutes, Internet access services, or information  
78 services.

79 (j) "Publicly owned utility" means a utility providing  
80 retail or wholesale water or wastewater services that is owned  
81 and operated by a local agency. The term includes any successor  
82 to the powers and functions of such a utility.

83 (k) "Revenue" means income and receipts of the authority  
84 related to the financing of utility projects and issuance of  
85 utility cost containment bonds, including any of the following:

- 86 1. Bond purchase agreements;
- 87 2. Bonds acquired by the authority;
- 88 3. Installment sales agreements and other revenue-  
89 producing agreements entered into by the authority;
- 90 4. Utility projects financed or refinanced by the  
91 authority;
- 92 5. Grants and other sources of income;
- 93 6. Moneys paid by a local agency;
- 94 7. Interlocal agreements with a local agency, including  
95 all service agreements; or

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96 8. Interest or other income from any investment of money  
97 in any fund or account established for the payment of principal,  
98 interest, or premiums on utility cost containment bonds, or the  
99 deposit of proceeds of utility cost containment bonds.

100 (l) "Utility cost containment bonds" means bonds, notes,  
101 commercial paper, variable rate securities, and any other  
102 evidence of indebtedness issued by an authority the proceeds of  
103 which are used directly or indirectly to pay or reimburse a  
104 local agency or its publicly owned utility for the costs of a  
105 utility project and which are secured by a pledge of, and are  
106 payable from, utility project property.

107 (m) "Utility project" means the acquisition, construction,  
108 installation, retrofitting, rebuilding, or other addition to or  
109 improvement of any equipment, device, structure, process,  
110 facility, technology, rights, or property located within or  
111 outside this state which is used in connection with the  
112 operations of a publicly owned utility.

113 (n) "Utility project charge" means a charge levied on  
114 customers of a publicly owned utility to pay the financing costs  
115 of utility cost containment bonds issued under subsection (4).  
116 The term includes any adjustments to the utility project charge  
117 under subsection (5).

118 (o) "Utility project property" means the property right  
119 created pursuant to subsection (6). The term does not include  
120 any interest in a customer's real or personal property but

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121 includes the right, title, and interest of an authority in any  
122 of the following:

123 1. The financing resolution, the utility project charge,  
124 and any adjustment to the utility project charge established in  
125 accordance with subsection (5);

126 2. The financing costs of the utility cost containment  
127 bonds and all revenues, and all collections, claims, payments,  
128 moneys, or proceeds for, or arising from, the utility project  
129 charge; or

130 3. All rights to obtain adjustments to the utility project  
131 charge pursuant to subsection (5).

132 (3) UTILITY PROJECTS.-

133 (a) A local agency that owns and operates a publicly owned  
134 utility may, on its own initiative or by application to an  
135 intergovernmental entity that qualifies as an authority under  
136 this act, finance the costs of a utility project using the  
137 proceeds of utility cost containment bonds. If the local agency  
138 applies to a qualified intergovernmental authority, the local  
139 agency's application shall specify the utility project to be  
140 financed by the utility cost containment bonds and the maximum  
141 principal amount, the maximum interest rate, and the maximum  
142 stated terms of the utility cost containment bonds.

143 (b) A local agency may not finance a utility project under  
144 this section, either on its own initiative or by application to  
145 a qualified intergovernmental authority, unless the governing  
146 body has determined, in a duly noticed public meeting,