



OFFICE OF MANAGEMENT AND BUDGET

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M E M O R A N D U M

TO: Mark S. Woodard, County Administrator

FROM: Jim Abernathy, Sr. Financial Management & Budget Analyst *JA*

DATE: April 8, 2015

SUBJECT: 2015 Bond Disclosure Filing

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Enclosed is the completed Annual Bond Disclosure for 2015.

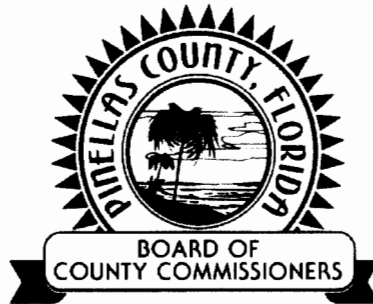
I have verified that the Utilities' "Historical Revenues and Expenses of the Sewer System and Debt Service Coverage" schedule ties to the FY2014 Audited Sewer Financial Statements for revenues, expenditures, and debt service coverage.

Please sign the memo and return the document to me to electronically file with DAC before our due date of April 30th.

Thank you

Enclosure

**PINELLAS COUNTY  
BOARD OF COUNTY COMMISSIONERS  
PINELLAS COUNTY, FLORIDA**



**BOND DISCLOSURE**

**\$86,580,000 Sewer Revenue Bonds, Series 2003**

**\$25,205,000 Sewer Revenue Refunding Bonds, Series 2006**

**\$59,510,000 Sewer Revenue Refunding Bonds, Series 2012**

**April 30, 2015**

**BOARD OF COUNTY  
COMMISSIONERS**

Dave Eggers

Pat Gerard

Charlie Justice

Janet C. Long

John Morroni

Karen Williams Seel

Kenneth T. Welch



Mark S. Woodard  
County Administrator

April 30, 2015

Dear Sirs:

Pursuant to Rule 15c2-12 of the Securities and Exchange Commission ("SEC"), we are filing the Continuing Disclosure undertaking of Pinellas County, Board of County Commissioners. This undertaking encompasses three (3) bond issues:

\$86,580,000 Sewer Revenue Bonds, Series 2003

\$25,205,000 Sewer Revenue Refunding Bonds, Series 2006

\$59,510,000 Sewer Revenue Refunding Bonds, Series 2012

In addition to updated financial and operating information, the Comprehensive Annual Financial Report (CAFR), for the year ending September 30, 2014 and the audited financial report for the Sewer System (Pinellas County Utilities) is also provided.

If you should have any questions or require additional information, please feel free to contact Jim Abernathy at (727) 453-3278.

Sincerely,

A handwritten signature in black ink that reads "Mark S. Woodard".

Mark S. Woodard

County Administrator

cc: Jim Bennett, County Attorney

PLEASE ADDRESS REPLY TO:  
Pinellas County Administration  
315 Court St. • Room 601  
Clearwater, FL 33765  
Main Office: (727) 464-3485  
FAX: (727) 464-4384  
V/TDD: (727) 464-4062

[www.pinellascounty.org](http://www.pinellascounty.org)

**PINELLAS COUNTY  
BOARD OF COUNTY COMMISSIONERS  
PINELLAS COUNTY, FLORIDA**

**BOND DISCLOSURE  
April 30, 2015**

**\$86,580,000 Sewer Revenue Bonds, Series 2003**

Continuing Disclosure Certificate  
Discussion  
Audited Sewer System Enterprise Fund Financial Statements

**\$25,205,000 Sewer Revenue Refunding Bonds, Series 2006**

Continuing Disclosure Certificate  
Discussion  
Audited Sewer System Enterprise Fund Financial Statements

**\$59,510,000 Sewer Revenue Refunding Bonds, Series 2012**

Disclosure Dissemination Agent Agreement  
Discussion  
Audited Sewer System Enterprise Fund Financial Statements

**\$42,005,000 Sewer Revenue Bond, Series 2008A (1)**

**\$32,700,000 Sewer Revenue Refunding Bond, Series 2008B (1)**

**\$20,870,000 Sewer Revenue Refunding Bond, Series 2011 (2)**

(1) On July 9, 2008, the County issued \$42,005,000 of Sewer Revenue Bonds, Series 2008A and \$32,700,000 of Sewer Revenue Refunding Bonds, Series 2008 B. These are privately placed, bank-held bonds. Therefore, there is no continuing disclosure requirement with the Municipal Securities Rulemaking Board (MSRB) for these bonds.

Proceeds from the Series 2008A Bonds were utilized to finance the cost of certain capital projects for the Sewer System, and to fund a debt service reserve. Proceeds from the 2008 B-1 Bonds were used together with other available funds of the Sewer System to refund a portion of the Sewer Revenue and Revenue Refunding Bonds, Series 1998 totaling \$32,045,000 and to pay related bond issuance costs.

(2) On July 21, 2011, the County issued \$20,870,000 of the Sewer Revenue Refunding Bond, Series 2011. These are privately placed, bank-held bonds. Therefore, there is no continuing disclosure requirement with the Municipal Securities Rulemaking Board (MSRB) for these bonds.

Proceeds from the Series 2011 Bonds were used together with other available funds of the Sewer System to refund the remaining Sewer Revenue and Revenue Refunding Bonds, Series 1998 totaling \$23,250,688 and to pay related bond issuance costs.

**NEW ISSUE - FULL BOOK ENTRY**

**RATINGS (Insured/Underlying):**

Moody's: Aaa/A1

Standard & Poor's: AAA/A+

Fitch: AAA/AA

(See "Municipal Bond Insurance" and "Ratings" herein)

*In the opinion of Bond Counsel, assuming compliance by the County with certain covenants in the Resolution, under existing statutes, regulations and judicial decisions, the interest on the Series 2003 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof. The Series 2003 Bonds are, under existing laws and regulations, also exempt from intangible taxes imposed pursuant to Chapter 199, Florida Statutes. See "Tax Exemption" herein for a description of alternative minimum tax treatment and certain other tax consequences to holders of the Series 2003 Bonds.*

**\$86,580,000**

**PINELLAS COUNTY, FLORIDA**

**Sewer Revenue Bonds**

**Series 2003**

Dated: January 1, 2008

Due: October 1, as shown below

Pinellas County, Florida (the "County") Sewer Revenue Bonds, Series 2003 (the "Series 2003 Bonds") are being issued in fully registered form and will be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), to which principal and interest payments on the Series 2003 Bonds will be made. Interest on the Series 2003 Bonds is payable semiannually on April 1 and October 1 commencing April 1, 2008. Principal of and premium, if any, on the Series 2003 Bonds will be payable through the corporate trust office of Bank One Trust Company, National Association, Columbus, Ohio, as the Registrar and Paying Agent. The Series 2003 Bonds will be available to purchasers under the book entry system maintained by DTC through brokers and dealers who are, or act through, DTC Participants. Purchasers will not be entitled to receive physical delivery of the Series 2003 Bonds. For so long as Cede & Co. is the registered owner of the Series 2003 Bonds, the principal of and interest on the Series 2003 Bonds are payable to Cede & Co., which will in turn remit such principal and interest to the DTC Participants for subsequent disbursement to the beneficial owners of the Series 2003 Bonds. See "The Series 2003 Bonds - Book-Entry Only System" herein.

The Series 2003 Bonds are subject to redemption prior to their stated maturities as set forth herein.

The Series 2003 Bonds are being issued for the purpose of providing funds, together with other available funds of the County, (i) to finance certain capital improvements to the County's Sewer System, (ii) to fund the Reserve Fund Requirement for the Series 2003 Bonds through the purchase of a debt service reserve fund surety bond, and (iii) to pay related costs and expenses in connection with the issuance of the Series 2003 Bonds. The Series 2003 Bonds will be payable from and secured solely by a lien upon and a pledge of the Net Revenues derived from the operation of the County's Sewer System and certain other monies as further described herein on parity with the County's outstanding Sewer Revenue Refunding Bonds, Series 1993 (the "Series 1993 Bonds") and the Sewer Revenue and Revenue Refunding Bonds, Series 1998 (the "Series 1998 Bonds") (the Series 1993 Bonds and the Series 1998 Bonds are herein referred to together as the "Parity Bonds").

The scheduled payment of principal of and interest on the Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Bonds by Financial Security Assurance Inc.

**P FSA**

**MATURITIES, AMOUNTS, INTEREST RATES AND PRICES AND INITIAL CUSIP NUMBERS**

Maturity	Principal Amount	Interest Rate	Price or Yield	Initial CUSIP Numbers	Maturity	Principal Amount	Interest Rate	Price or Yield	Initial CUSIP Numbers
2003	\$1,025,000	3.000%	1.15%	723215BF0	2016	\$2,525,000	4.200%	4.230%	723215FC8
2004	1,545,000	3.000	1.50	723215BQ8	2017	2,630,000	4.250	4.820	723215FD6
2005	1,590,000	2.900	1.85	723215BR6	2018	2,740,000	4.375	4.410	723215FE4
2006	1,635,000	3.000	2.23	723215BS4	2019	2,860,000	4.400	4.500	723215FF1
2007	1,685,000	3.000	2.60	723215BT2	2020	2,985,000	4.500	4.580	723215FG9
2008	1,735,000	5.000	2.95	723215BU0	2021	3,120,000	4.500	4.660	723215FH7
2009	1,820,000	5.000	3.20	723215BV7	2022	3,260,000	4.625	4.740	723215FJ5
2010	1,910,000	5.000	3.45	723215BW5	2023	3,410,000	4.625	4.800	723215FK0
2011	2,010,000	5.000	3.64	723215BX3	2024	3,570,000	4.625	4.890	723215FL8
2012	2,110,000	5.000	3.74	723215BY1	2025	3,735,000	4.700	4.850	723215FM6
2013	2,215,000	5.250	3.87	723215BZ8	2026	3,910,000	4.700	4.860	723215FN4
2014	2,330,000	4.000	100	723215FA2	2027	4,095,000	4.750	4.870	723215FP9
2015	2,425,000	4.100	4.13	723215FB0					

\$23,705,000 5.00%, Term Bonds due October 1, 2032, Yield 4.91% Initial CUSIP Number 723215FQ7  
(plus accrued interest from January 1, 2003)

The Series 2003 Bonds are offered for delivery when, as and if issued by the County and subject to the receipt of an approving legal opinion as to certain legal matters with respect to the issuance of the Series 2003 Bonds by Bryant, Miller and Olive, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed on for the County by Susan H. Ohuruti, County Attorney and by Squire, Sanders & Dempsey L.L.P., Disclosure Counsel to the County. It is expected that the Series 2003 Bonds in book-entry form will be available for delivery in New York, New York, on or about January 8, 2003.

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 making an informed investment decision.

**Merrill Lynch & Co.**

Dated: December 18, 2002

### **Form of Continuing Disclosure Certificate**

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Pinellas County, Florida (the "County" or the "Issuer") in connection with the issuance by the County of its \$86,580,000 Sewer System Revenue Bonds, Series 2003 (the "Series 2003 Bonds"). The Series 2003 Bonds are being issued pursuant to Resolution No. 93-292, adopted by the Board of County Commissioners of Pinellas County (the "Board") on October 5, 1993, as supplemented, and particularly as supplemented by Resolution No. 02-320 adopted on December 17, 2002 (collectively, the "Resolution"). The Issuer covenants and agrees as follows:

**SECTION 1. PURPOSE OF DISCLOSURE CERTIFICATE.** This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the Series 2003 Bondholders (including beneficial owners) and in order to assist the underwriters of the Series 2003 Bonds in complying with the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934 (the "Rule").

**SECTION 2. NATURE OF UNDERTAKING.** The Issuer, in accordance with the Rule, hereby covenants to provide or cause to be provided:

(a) to each nationally recognized municipal securities information repository designated from time to time by the SEC (each a "NRMSIR") and to any state information depository with which filings are required to be made by the Issuer in accordance with the Rule (the "SID"), (i) annual financial information and operating data of the type described under "Annual Information" below for each Fiscal Year ending on or after September 30, 2003, not later than the following April 30, and (ii) when and if available, audited financial statements of the Issuer for each Fiscal Year ending on or after September 30, 2002; and

(b) to each NRMSIR or to the Municipal Securities Rulemaking Board established by the SEC (the "MSRB"), and to the SID, in a timely manner, notice of (i) any Specified Event described in the section entitled a "Specified Event" if that Specified Event is material, (ii) the Issuer's failure to provide the Annual Information on or prior to the date specified above, and (iii) any change in the accounting principles applied in the preparation of its annual financial statements, any change in its Fiscal Year, and the termination of the Issuer's continuing disclosure obligations.

The Issuer expects that audited annual financial statements will be prepared and will be available together with the Annual Information identified below. The accounting principles to be applied in the preparation of those financial statements will be generally accepted accounting principles as recommended from time to time by the Governmental Accounting Standards Board. In the event that the audited annual financial statements are not available by the date on which the Annual Information will be provided, the Issuer will provide unaudited financial statements by the date specified and audited financial statements when available.

### SECTION 3. ANNUAL INFORMATION AND SPECIFIED EVENTS.

1. Annual Information to be provided by the Issuer shall consist of: historical financial information regarding the Issuer presented in a manner consistent with the presentation of such information in the Official Statement prepared in connection with the Series 2003 Bonds under the heading "SELECTED HISTORICAL FINANCIAL INFORMATION AND OPERATING DATA REGARDING THE SYSTEM," and the annual financial statements of the County.

2. Specified Events shall include the occurrence of the following events, within the meaning of the Rule, with respect to the Series 2003 Bonds: principal and interest payment delinquencies; non-payment related defaults; unscheduled draws on debt service reserves reflecting financial difficulties; unscheduled draws on the credit enhancement reflecting financial difficulties; substitution of the credit or liquidity providers, or their failure to perform; adverse tax opinions or events affecting the tax-exempt status of the Series 2003 Bonds; modifications to rights of beneficial owners; Series 2003 Bond calls; defeasances; release, substitution, or sale of property securing repayment of the Series 2003 Bonds; and rating changes.

The Issuer may, from time to time, in its sole discretion, choose to provide notice of the occurrence of certain other events if, in the judgment of the Issuer, such other events are material with respect to the Bonds, but the Issuer does not specifically undertake to commit to provide any such additional notice of the occurrence of any material event except those events listed above. Any voluntary inclusion by the Issuer of supplemental information that is not required hereunder shall not expand the obligations of the Issuer hereunder and the Issuer shall have no obligation to update such supplemental information or include it in any subsequent report.

**SECTION 4. NRMSIRs AND SIDs.** As of the date of issuance of the Series 2003 Bonds, the NRMSIRs to which the Issuer shall provide the information described in Sections 2 and 3 above, to the extent required, shall be the following organizations, their successors and assigns:

- (A) Bloomberg Municipal Repositories  
P.O. Box 840  
Princeton, New Jersey 08542-0840  
Phone: 609/279-3200  
Fax: 609/279-5962  
Email: munis@bloomberg.com
- (B) Interactive Data  
Attn: Repository  
100 Williams Street  
New York, New York 10038  
Phone: 212/771-6899  
Fax: 212/771-7390  
Email: NRMSIR@interactivedata.com

(C) Standard & Poor's J.J. Kenny Repository  
55 Water Street  
New York, New York 10041  
Phone: 212/438-4595  
Fax: 212/438-3975

(D) DPC Data Inc.  
One Executive Drive  
Fort Lee, NJ 07024  
Phone: 201/346-0701  
Fax: 201/947-0107  
Email: NRMSIR@dpcdata.com

The Issuer is required to provide the information described in Sections 2 and 3 above to any NRMSIRs that are subsequently established and approved by the Securities and Exchange Commission. According to a Securities and Exchange Commission press release dated June 26, 1995, a list of names and addresses of all designated NRMSIRs as of any point in time is available by calling the SEC's FAX On Demand Service at (202) 942-8088 from a telecopier machine and requesting document number 0206.

As of the date of issuance of the Series 2003 Bonds, there are no SIDs in the State of Florida.

**SECTION 5. REMEDIES; NO EVENT OF DEFAULT.** The Issuer agrees that its undertaking pursuant to the Rule set forth above is intended to be for the benefit of the holders and beneficial owners of the Series 2003 Bonds and shall be enforceable by any such holder or beneficial owner; provided that the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the Issuer's obligations hereunder and any failure by the Issuer to comply with the provisions of this undertaking shall not be an event of default with respect to the Series 2003 Bonds under the Resolution.

**SECTION 6. SEPARATE BOND REPORT NOT REQUIRED; INCORPORATION BY REFERENCE.** Additionally, the requirements of this Disclosure Certificate do not necessitate the preparation of any separate annual report addressing only the Series 2003 Bonds. These requirements may be met by the filing of a combined bond report or the Issuer's Comprehensive Annual Financial Report; provided, such report includes all of the required information and is available by April 30. Additionally, the Issuer may incorporate any information provided in any prior filing with each NRMSIR or other information filed with the SEC or included in any final official statement of the Issuer; provided, such final official statement is filed with the MSRB.

**SECTION 7. DISSEMINATION AGENTS.** The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

**SECTION 8. TERMINATION.** The Issuer's obligations under this Disclosure Certificate shall cease upon the legal defeasance, prior redemption, payment in full of all of the Series 2003 Bonds, and/or when the Issuer no longer remains an obligated person with respect to the Series 2003 Bonds within the meaning of the Rule.

**SECTION 9. AMENDMENTS.** The Issuer reserves the right to amend the provisions of this Disclosure Certificate as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rule, to cure any ambiguity, inconsistency or formal defect or omission, and to address any change in circumstances arising from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted by the Issuer. Any such amendment shall be made only in a manner consistent with the Rule and any amendments and interpretations thereof by the SEC. Annual Information containing any amended operating data or financial information shall explain, in narrative form, the reasons for any such amendment and the impact of the change on the type of operating data or financial information being provided. Additionally, in the year in which any change in accounting principles is made, the Issuer shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

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**\$86,580,000**  
**PINELLAS COUNTY, FLORIDA**  
**Sewer Revenue Bonds, Series 2003**

The following is an update of litigation information found on page 33 of the Official Statement (OS) and financial and operating data found on page 22 of the OS in the section titled "Selected Historical Financial Information and Operating Data Regarding the System." The current status of general litigation on pages 33 of the OS remains unchanged.

## SELECTED HISTORICAL FINANCIAL INFORMATION AND OPERATING DATA REGARDING THE SEWER SYSTEM

The information and data contained under this heading is intended to provide selected historical financial information and operating data regarding the Sewer System. See "The Sewer System," herein for a description of the Sewer System.

### Historical Revenues and Expenses of the Sewer System and Debt Service Coverage

The following is a summary of the historical revenues and expenses of the Sewer System and debt service coverage for the Fiscal Years ending as of September 30, 2009-10 through 2013-14. (unaudited)<sup>(1)</sup>

Pinellas County Sewer System Historical Revenues and Expenses of the Sewer System and Debt Service Coverage (amounts in thousands of dollars)					
	Fiscal Years Ended September 30				
	2010	2011	2012	2013	2014
Revenues & Other Receipts					
Operating Revenue					
Sewer Service Charges	\$43,267	\$44,936	\$49,348	\$51,725	\$55,204
Wholesale Charges	7,124	6,400	6,731	8,634	9,719
Recaptured - Retail	2,567	3,530	3,850	4,028	4,239
Recaptured - Wholesale	309	338	317	295	255
Tap Fees and Permits	10	2	8	9	21
Total Operating Revenue	\$53,277	\$55,206	\$60,254	\$64,691	\$69,438
Assessment Collections <sup>(2)</sup>	0	0	0	0	0
Connection (Impact) Fees <sup>(2)</sup>	245	280	399	568	681
Interest Income	983	282	233	156	128
Other	1,574	922	997	1,354	1,308
Total Non-Operating Revenue	\$2,802	\$1,484	\$1,629	\$2,078	\$2,117
Total Revenue	\$56,079	\$56,690	\$61,883	\$66,769	\$71,555
Operating Expenses					
Collection System	\$5,026	\$5,080	\$4,939	\$5,714	\$6,779
Treatment Expenses	20,812	20,220	22,431	24,549	26,309
Administration Expenses	7,815	7,255	7,951	7,461	5,323
Total Operating Expenses	\$33,653	\$32,555	\$35,321	\$37,724	\$38,411
Net Revenues Available					
for Debt Service <sup>(2)</sup>	\$22,181	\$23,856	\$26,163	\$28,477	\$32,463
Debt Service	15,236	15,073	14,940	14,453	14,454
Debt Service Coverage <sup>(3)</sup>	1.46x	1.58x	1.75x	1.97x	2.25x
Maximum Annual Debt Service <sup>(4)</sup>	15,236	15,239	14,940	14,589	14,779
Maximum Annual Debt Service <sup>(4)</sup>					
Coverage	1.46x	1.57x	1.75x	1.95x	2.20x
Revenues Available for Renewal and Replacement	\$7,190	\$9,063	\$11,622	\$14,592	\$18,690

- (1) The Historical Revenues and Expenses of the Sewer System and the Debt Service Coverage schedule above is supplementary information provided by Pinellas County Utilities and Office of Management and Budget for FY2014 and has not been subjected to the audited procedures applied in the audit of the financial statements and the auditors have not expressed an opinion relative to this information.
- (2) Connection (Impact) Fees and Assessment Collections are excluded from Gross Revenues under the terms of the Resolution. Pursuant to the Resolution, the County may, by Supplemental Resolution, include Assessments and certain of the Connection (Impact) Fees in the Pledged Revenues. To date, the County has not taken such action.
- (3) Represents actual annual Debt Service Requirements for the Bonds. The rate covenant in the Resolution requires minimum coverage of 125%.
- (4) Represents Maximum Annual Debt Service for any one fiscal year based on current debt level and terms.

Source: Annual Financial Statements of the Pinellas County Sewer System Enterprise Fund for Fiscal Years 2010 - 2014  
Pinellas County Utilities for FY2010 – FY2012 and Office of Management and Budget for FY2013-FY2014.

### Historical Wastewater Treatment

The table below sets forth the historical wastewater treatments for the South Cross Bayou WRF and the W.E. Dunn WRF.

Fiscal Year	Average Daily Flow (MGD)		Total
	South Cross Bayou WRF	W.E Dunn WRF	
2010	22.19	6.7	28.89
2011	23.34	6.5	29.84
2012	22.32	6.7	29.02
2013	20.95	6.5	27.45
2014	21.01	6.4	27.41

Source: Pinellas County Utilities.

The table below shows the historical wastewater treatment sewage collected within the Bear Creek Service Area and treated at St. Petersburg's sewer treatment facility.

Fiscal Year	Average Daily Flow (MGD) Bear Creek
2010	0.46
2011	0.40
2012	0.39
2013	0.43
2014	0.42

Source: Pinellas County Utilities for FY2010 – FY2012 and Office of Management and Budget for FY2013-FY2014.

### Historical Reclaimed Water Flow

The table below sets forth the historical reclaimed water flow for South Cross Bayou WRF and the W.E. Dunn WRF.

Fiscal Year	Average Daily Flow (MGD)		Total
	South Cross Bayou WRF	W.E Dunn WRF	
2010	12.03	8.5	20.53
2011	14.27	8.9	23.17
2012	13.54	8.9	22.44
2013	11.12	8.8	19.92
2014	10.30	7.5	17.80

Source: Pinellas County Utilities.

## Retail Customers

The two tables below set forth, respectively, retail billing units for the Sewer System by user class and reclaimed water accounts for the Fiscal Years 2010-2014. Some customer accounts include multiple billing units. Accordingly, billing unit and customer account information used throughout this Official Statement may differ.

**Pinellas County Sewer System  
Retail Billing Units By User Class**

<b>User Class</b>	<b>2010</b>	<b>2011*</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Single Family Residence	78,179	70,084	70,214	70,425	70,212
Multiple Family Residence and Mobile Home	61,761	62,614	62,710	64,071	64,335
Hotel/ Motel	847	847	847	847	847
Commercial	3,270	3,285	3,295	3,332	3,342
<b>TOTAL</b>	<b>144,057</b>	<b>136,830</b>	<b>137,066</b>	<b>138,675</b>	<b>138,736</b>

\*The County installed a new customer information and billing system which resulted in the reclassification of certain accounts among user classes and, in the County's view, a more accurate depiction of the actual billing units for the Sewer System.

Source: Pinellas County Utilities.

**Pinellas County Sewer System  
Reclaimed Water Accounts**

<b>User Class</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Reclaimed Water Accounts	22,473	22,523	22,533	22,570	22,671

Source: Pinellas County Utilities.

## Major Customers

Set forth below is a listing of major customers of the Sewer System based upon billing records for Fiscal Year 2014. These customers collectively accounted for approximately 3.99% of Sewer System billings for Fiscal Year 2014.

### 2014 Major Customers

<b>MAJOR CUSTOMERS</b>	<b>PERCENT OF ANNUAL BILLINGS</b>
Pinellas County School Board	0.73%
Innisbrook Resort	0.53%
Five Towns LTD Corp	0.53%
East Lake Woodlands St Andrews	0.40%
Young-Rainey Star Center	0.38%
Square/Brookdale Living Inc Si	0.37%
Lansbrook Village Condo	0.35%
Veteran's Administration Facility	0.25%
Pinellas County Housing Authority	0.23%
Clearview Oaks Apts S Colen	0.22%
<b>TOTAL</b>	<b>3.99%</b>

Source: Pinellas County Utilities.

## Rates, Fees and Charges

Pursuant to the recommendations of its outside rate consultant, Burton & Associates, the County implemented new rates for retail sewer service, wholesale sewer service and reclaimed water service through the adoption of Resolution Nos. 11-164, 11-165, and 11-166, respectively, on September 27, 2011 (collectively, the "Rate Resolutions"). Such new rates became effective on October 1, 2011. The Rate Resolutions provide for automatic increases in the rates each Fiscal Year and require the rates to be reviewed annually and adjusted as necessary to meet the revenue requirements of the Sewer System.

The following are the rates for retail sewer service that became effective on October 1, 2013:

**Single Family Residence:**

Base Rate Charge per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Multiple Family Residence and Mobile Home:**

Base Rate Charge per Family Dwelling Unit or Mobile Home space available for occupancy per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Hotel/ Motel:**

Base Rate Charge per unit per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Commercial:**

Base Rate Charge per ERU per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Unmetered Residential and Commercial Customer:**

Base Rate Charge per Month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons (capped at 5,000 gallons per month)	<u>22.85</u>

The following is the rate for wholesale sewer service that became effective on October 1, 2013:

Volumetric Charge per 1,000 gallons	<u>\$3.8333</u>
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The following are the rates for reclaimed water service that became effective on October 1, 2013:

**2014 Rates, Fees, and Charges  
Reclaimed Water Service Rates**

**Funded Systems <sup>(1)</sup> - Retail Rate:**

Unmetered Service - Single Family or Multi Family (from 1 to 3 dwelling units) and commercial or Public Use Property (up to 2 ERCs)	
Monthly Fee	\$17.00
Plus Bi-Monthly Billing Charge for Unmetered, Reclaimed Water Only Customers	3.75
Metered Service - Multi Family (more than 3 dwelling units) and Commercial or Public Use Property (more than 2 ERCs)	
User Fee per 1,000 gallons	\$0.88
Plus Bi-Monthly Billing Charge for Metered, Reclaimed Water Only Customers	4.50

**Unfunded Systems - Availability Charge Program: <sup>(2)</sup>**

Unmetered Service - Single Family or Multi Family (from 1 to 3 dwelling units) and Commercial or Public Use Property (up to 2 ERCs)	
Monthly Fee (for connection to service)	\$11.00
Plus Monthly Availability Charge (not connected to service)	7.00
Plus Bi-Monthly Billing Charge for Unmetered, Reclaimed Water Only Customers	3.75
Metered Service - Multi Family (more than 3 dwelling units) and Commercial or Public Use Property (more than 2 ERCs)	
User Fee per 1,000 gallons (for connection to service)	\$0.88
Plus Monthly Availability Charge (not connected to service)	7.00
Plus Bi-Monthly Billing Charge for metered, Reclaimed Water Only Customers	4.50

- (1) A funded system is an in-service reclaimed water distribution system that was paid for with funds other than the Availability Charge Program.
- (2) The Availability Charge pays for the cost of construction of the reclaimed distribution mains. The Availability Charge is billed to all properties in the readiness to serve zone whether connected to the Sewer System or not. Customers may pre-pay the Availability Charge. Customers who connect to the Sewer System will pay the Availability Charge and User Fee.

In addition to the monthly rates for sewer and reclaimed water service, the County currently charges connection fees (commonly referred to as impact fees and defined as "Impact Fees" in the Resolution) based upon an equitable and proportionate share of the cost for capacity of the Sewer System. The purpose of the Impact Fees is for paying or reimbursing the equitable share of the capital costs relating to the construction, expansion, or equipping of excess or unused capacity of the Sewer System in order to serve new users. The obligation for the payment of these charges by a new customer or developer arises at the time when the developer requests a building permit as a condition for construction/development. If an existing customer requests an increase in treatment capacity due to increased development, an additional Impact Fee charge will be imposed by the County consistent with the new increase in demand. The following table summarizes the sewer Impact Fees which became effective October 1, 2011:

**2014 Rates, Fees, and Charges  
Sewer Impact Fees**

Single Family Residence	<u>\$2,060.00</u>
Multiple Family and Mobile Home Parks:	
Each Multiple Family Dwelling Unit	<u>\$1,643.00</u>
Each Mobile Home Space	<u>1,540.00</u>
Commercial, Industrial and Miscellaneous Buildings:	
Per gallon of flow <sup>(1)</sup>	<u>\$10.98</u>

(1) Fee amount is determined at time application is made for sewer service and shall be based upon flow and demand made on the Sewer System in accordance with a schedule of estimated wastewater flows.

The following table summarizes the reclaimed water Impact Fees which became effective October 1, 2011:

**2014 Rates, Fees, and Charges  
Reclaimed Water Impact Fees**

Unmetered Service	
Unmetered Service 1"	<u>\$790.00</u>
Unmetered Service 1 1/2"	<u>1,060.00</u>
Unmetered Service 2"	<u>1,060.00</u>
Metered Service	
Metered Service 3/4"	<u>\$840.00</u>
Metered Service 1"	<u>1,010.00</u>
Metered Service 1 1/2"	<u>1,400.00</u>
Metered Service 2"	<u>1,480.00</u>
Metered Service 4"	<u>Installed by customer and shall be purchased from County at the current contract price.</u>

Under Florida law, Impact Fees may be validly imposed against new connections in order to fund capital improvements that are needed to serve such new connections or for debt service for bonds or other obligations issued for expansion for new customers.

Such Impact Fees must be placed in separate accounts and used only for the capital improvements or debt service attributable to expansion or over-sizing of the Sewer System for future capacity through construction or acquisition. Impact Fee revenues can fluctuate with the amount of new construction or development that occurs within the Sewer System's service area. Pursuant to the Resolution, Impact Fees are only pledged to the repayment of Bonds in the event the County, by Supplemental Resolution, includes any portion of the Impact Fees as Pledged Revenues. To date, the County has not taken such action. Accordingly, none of the Impact Fees imposed and collected by the County are currently pledged to the repayment of Bonds.

The County has also adopted a schedule of fees, charges, and deposits which are applicable to miscellaneous or customer requested services. The fees generally are imposed to recover the cost of specific service such as service taps, turn-on fees, meter installation, removal, reading or resetting, or deposits to defray the risk of nonpayment for Sewer System services.

### Rate Comparison

The following is a comparison of sewer charges for single family residences by various Florida counties.

#### Comparison of Sewer Charges For Counties Single Family Residence

County	Base Rate	Volumetric Charge (Per 1,000 Gal)	Total*
Pinellas County	\$12.51	\$4.57	\$35.36
Brevard County	26.12	6.03	56.27
Broward County	17.46	3.66	35.76
Duval County	14.10	4.94	38.80
Hernando County	17.09	3.68	35.49
Hillsborough County	13.49	4.34	35.19
Lee County	20.45	5.85	49.70
Manatee County	19.89	4.44	42.09
Orange County	15.25	3.47	32.60
Pasco County	17.34	5.10	42.84

Source: Pinellas County Office of Management and Budget and individual county websites.

\*Based on average water usage of 5,000 gallons per month. Survey conducted in March, 2015

### Collection Practices

Bills for service are rendered bi-monthly and monthly for retail and wholesale customers, respectively, by the County. Bills are considered delinquent if not paid within 28 days of issuance, and services are subject to disconnection if payment is not received within 45 days of billing. Pursuant to the covenant requirements of the Resolution, the County does not render any free Sewer services of any nature by its Sewer System nor does it apply preferential rates for users of the same customer class. The County diligently enforces the payment of rates, fees and other charges for services of the Sewer System. The County's bad debt expenses with respect to Sewer System collections has historically been less than ½ of one percent (<0.50%)

## **RENEWAL, REPLACEMENT AND IMPROVEMENT PROGRAM**

The County has an expansive Renewal Replacement and Improvement Program for its Sewer System for the period 2014 through 2018 as generally presented on the following page. These improvements are anticipated to be financed from (1) funds on deposit in the Sewer System's Renewal and Replacement Fund, (2) funds which will accrue in the Renewal and Replacement Fund from the Sewer System's revenues and sewer Impact Fees during the five year period, and (3) the proceeds of Additional Bonds or subordinate debt.

Annually, the Sewer System implements construction projects which include renewal, replacement, and rehabilitation of facilities which can no longer provide reasonable service and cannot be maintained economically, as well as, additions to, and extension of, the Sewer System.

**PINELLAS COUNTY SEWER SYSTEM  
RENEWAL, REPLACEMENT AND IMPROVEMENT PROGRAM FISCAL YEARS 2014-2018**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>5 Year Total</b>
Renew, Replace & Improve Projects						
Buildings & Structures	\$136,000	\$1,317,000	\$783,000	\$1,093,000	\$591,000	\$3,920,000
Sewer Relocation DOT/PCPW	302,000	1,017,000	475,000	1,709,000	507,000	4,010,000
SCADA System	101,000	611,000	238,000	247,000	244,000	1,441,000
N Pinellas WWTP	1,218,000	2,920,000	1,300,000	3,500,000	600,000	9,538,000
Sewer Modifications & Rehab	4,042,000	6,697,000	6,566,000	7,828,000	7,152,000	32,285,000
Sewer Extensions	0	1,993,950	0	0	0	1,993,950
South Cross Improvements	8,105,000	4,607,000	3,305,000	3,300,000	5,740,000	25,057,000
Grease Disposal System	10,000	124,000	120,000	0	0	254,000
<b>Total R, R &amp; I Projects</b>	<b>13,914,000</b>	<b>19,286,950</b>	<b>12,787,000</b>	<b>17,677,000</b>	<b>14,834,000</b>	<b>78,498,950</b>
In-House Cost Centers						
Capital Equipment	1,161,166	2,949,500	709,900	709,900	709,900	6,240,366
Utilities Engineering Svcs	814,188	0	0	0	0	814,188
<b>Total In-House Cost Centers</b>	<b>1,975,354</b>	<b>2,949,500</b>	<b>709,900</b>	<b>709,900</b>	<b>709,900</b>	<b>7,054,554</b>
<b>Total Paid from R&amp;R Fund</b>	<b>\$15,889,354</b>	<b>\$22,236,450</b>	<b>\$13,496,900</b>	<b>\$18,386,900</b>	<b>\$15,543,900</b>	<b>\$85,553,504</b>
Construction Fund						
North County Reclaimed	0	0	0	0	0	0
South County Reclaimed	0	0	0	0	0	0
<b>Total Paid from Construction Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Capital Improvement Program</b>	<b>\$15,889,354</b>	<b>\$22,236,450</b>	<b>\$13,496,900</b>	<b>\$18,386,900</b>	<b>\$15,543,900</b>	<b>\$85,553,504</b>

Source: Capital Improvement Program 10-Year Work Plan and Pinellas County Office of Management and Budget.

**NEW ISSUE - FULL BOOK ENTRY**

**RATINGS (Insured/Underlying):** Moody's: Aaa/A1  
 Standard & Poor's: AAA/AA-  
 Fitch: AAA/AA  
 (See "Municipal Bond Insurance" and "Ratings" herein)

In the opinion of Bond Counsel, assuming continuing compliance by the County with various covenants in the Bond Resolution, under existing statutes, regulations, and judicial decisions, the interest on the Series 2006 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. See "TAX MATTERS" herein for a description of alternative minimum tax treatment and certain other tax consequences to holders of the Series 2006 Bonds.



**\$25,205,000**  
**PINELLAS COUNTY, FLORIDA**  
**SEWER REVENUE REFUNDING BONDS**  
**SERIES 2006**

**Dated:** Date of Delivery

**Due:** October 1, as shown below

The Pinellas County, Florida (the "County") Sewer Revenue Refunding Bonds, Series 2006 (the "Series 2006 Bonds") are being issued in fully registered form and will be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), to which principal and interest payments on the Series 2006 Bonds will be made. Interest on the Series 2006 Bonds is payable semiannually on April 1 and October 1 commencing April 1, 2007. Principal of and premium, if any, on the Series 2006 Bonds will be payable through the corporate trust office of U.S. Bank National Association, New York, New York, as the Registrar and Paying Agent. The Series 2006 Bonds will be available to purchasers under the book entry system maintained by DTC through brokers and dealers who are, or act through, DTC Participants. Purchasers will not be entitled to receive physical delivery of the Series 2006 Bonds. For so long as Cede & Co. is the registered owner of the Series 2006 Bonds, the principal of and interest on the Series 2006 Bonds are payable to Cede & Co., which will in turn remit such principal and interest to the DTC Participants for subsequent disbursement to the beneficial owners of the Series 2006 Bonds. See "THE SERIES 2006 BONDS - Book-Entry Only System" herein.

The Series 2006 Bonds are subject to redemption prior to their stated maturities as set forth herein.

The Series 2006 Bonds are being issued for the purpose of providing funds, together with other available funds of the County, (i) to refund a portion of the County's outstanding Sewer Revenue and Revenue Refunding Bonds, Series 1998 (the "Series 1998 Bonds"), and (ii) to pay related costs and expenses in connection with the issuance of the Series 2006 Bonds. The Series 2006 Bonds will be payable from and secured solely by a lien upon and a pledge of the Net Revenues derived from the operation of the County's Sewer System and certain other moneys as further described herein on parity with the County's outstanding Series 1998 Bonds which are not refunded with proceeds of the Series 2006 Bonds and will remain outstanding (the "Unrefunded Series 1998 Bonds") and the County's outstanding Sewer Revenue Bonds, Series 2003 (the "Series 2003 Bonds"). The Unrefunded Series 1998 Bonds and the Series 2003 Bonds are herein referred to collectively as the "Parity Bonds".

The scheduled payment of principal of and interest on the Series 2006 Bonds when due will be guaranteed under an insurance policy to be issued concurrently with the delivery of the Series 2006 Bonds by Financial Security Assurance Inc. (the "Bond Insurer").

**PFSA.**

**MATURITIES, AMOUNTS, INTEREST RATES, PRICES, YIELDS AND INITIAL CUSIP NUMBERS**

Maturity	Principal Amount	Interest Rate	Yield	Initial CUSIP Numbers	Maturity	Principal Amount	Interest Rate	Yield	Initial CUSIP Numbers
2007	\$45,000	4.000%	3.500%	728215FR5	2016	\$1,495,000	4.000%	3.780%	728215GA1
2008	105,000	4.000	3.500	728215FS8	2017	1,550,000	5.000	3.800*	728215GB9
2009	1,145,000	4.000	3.520	728215FT1	2018	1,625,000	5.000	3.850*	728215GC7
2010	1,195,000	4.000	3.520	728215FU8	2019	1,710,000	4.000	4.050	728215GD5
2011	1,245,000	3.750	3.530	728215FV6	2020	1,780,000	4.000	4.100	728215GE8
2012	1,290,000	3.750	3.560	728215FW4	2021	1,850,000	4.000	4.140	728215GF0
2013	1,385,000	3.750	3.590	728215FX2	2022	1,920,000	4.000	4.170	728215GG8
2014	1,390,000	3.750	3.640	728215FY0	2023	2,000,000	4.125	4.200	728215GH6
2015	1,440,000	3.750	3.690	728215FZ7	2024	2,085,000	4.125	4.290	728215GJ2

\* Priced to call date of October 1, 2016.

The Series 2006 Bonds are offered for delivery when, as and if issued by the County and subject to the receipt of an approving legal opinion as to certain legal matters with respect to the issuance of the Series 2006 Bonds by Bryant Miller Olive P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed on for the County by Susan H. Ohuruti, County Attorney and by Holland & Knight LLP, Disclosure Counsel to the County. It is expected that the Series 2006 Bonds in book-entry form will be available for delivery in New York, New York, via The Depository Trust Company on or about November 22, 2006.

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 making an informed investment decision.

**LaSalle Financial Services, Inc.**

**Dated:** November 6, 2006

## FORM OF CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by Pinellas County, Florida (the "Issuer") in connection with the issuance of its \$25,205,000 Sewer Revenue Refunding Bonds, Series 2006 (the "2006 Bonds"). The 2006 Bonds are being issued pursuant to Resolution No. 93-292 (as supplemented by Resolution No. 93-322), as amended and supplemented from time to time, and as particularly supplemented by Resolution No. 06-201-7 adopted by the Board on October 24, 2006 and as the same may hereafter be supplemented and amended (collectively, the "Resolution"). Capitalized terms used but not otherwise defined herein shall have the same meaning as when used in the Resolution or the Rule (as defined below) unless the context would clearly indicate otherwise. The Issuer covenants and agrees as follows:

**SECTION 1. PURPOSE OF DISCLOSURE CERTIFICATE.** This Disclosure Certificate is being executed and delivered by the Issuer for the benefit of the 2006 Bondholders and in order to assist the Underwriter of the 2006 Bonds in complying with the continuing disclosure requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934 (the "Rule").

**SECTION 2. NATURE OF UNDERTAKING.** The Issuer, in accordance with the Rule, hereby covenants to provide or cause to be provided:

(a) to each nationally recognized municipal securities information repository designated from time to time by the SEC (each a "NRMSIR") and to any state information depository with which filings are required to be made by the Issuer in accordance with the Rule (the "SID"), (i) annual financial information and operating data of the type described as "Annual Information" in Section 3(a) hereof for each Fiscal Year ending on or after September 30, 2006, not later than the following April 30, and (ii) when and if available, audited General Purpose Financial Statements of the Issuer for each such Fiscal Year; and

(b) to each NRMSIR or to the Municipal Securities Rulemaking Board established by the SEC (the "MSRB"), and to the SID, if any, in a timely manner, notice of (i) any Specified Event described in Section 3(b) hereof if that Specified Event is material, (ii) the Issuer's failure to provide the Annual Information on or prior to the date specified above, and (iii) any change in the accounting principles applied in the preparation of its annual financial statements, any change in its Fiscal Year, and the termination of the Issuer's continuing disclosure obligations.

The Issuer expects that audited annual financial statements will be prepared and will be available together with the Annual Information identified below. The accounting principles to be applied in the preparation of those financial statements will be generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board. In the event that the audited annual financial statements are not available by the date on which the Annual Information will be provided, the Issuer will provide unaudited financial statements by the date specified and audited financial statements when available.

### **SECTION 3. ANNUAL INFORMATION AND SPECIFIED EVENTS.**

(a) Annual information to be provided by the Issuer shall consist of the information contained in the table entitled "PINELLAS COUNTY SEWER SYSTEM HISTORICAL REVENUES AND EXPENSES OF THE SEWER SYSTEM AND DEBT SERVICE COVERAGE" and the tables entitled "HISTORICAL WATER TREATMENT," "PINELLAS COUNTY SEWER SYSTEM RETAIL BILLING UNITS BY USER CLASS," "MAJOR CUSTOMERS," "RETAIL SEWER RATES" "AND "PINELLAS COUNTY SEWER SYSTEM FORECAST OF CAPITAL IMPROVEMENT PROGRAM," each under the heading "THE SEWER SYSTEM."

(b) Specified Events shall include the occurrence of the following events, within the meaning of the Rule, with respect to the 2006 Bonds:

- (1) delinquencies in the payment of principal and interest;
- (2) non-payment related defaults;
- (3) unscheduled draws on debt service reserves reflecting financial difficulties;
- (4) unscheduled draws on the credit enhancement reflecting financial difficulties;
- (5) substitution of the credit or liquidity providers, or their failure to perform;
- (6) adverse tax opinions or events affecting the tax-exempt status of the 2006 Bonds;
- (7) modifications to rights of the holders of the 2006 Bonds;
- (8) any 2006 Bond calls (other than scheduled mandatory redemption);
- (9) defeasances in whole or in part of the 2006 Bonds;
- (10) release, substitution, or sale of property securing repayment of the 2006 Bonds; and
- (11) any changes in the ratings assigned to the 2006 Bonds.

The Issuer may, from time to time, in its sole discretion, choose to provide notice of the occurrence of certain other events if, in the judgment of the Issuer, such other events are material with respect to the 2006 Bonds, but the Issuer does not specifically undertake to commit to provide any such additional notice of the occurrence of any material event except those events listed above. Any voluntary inclusion by the Issuer of supplemental information that is not required hereunder shall not expand the obligations of the Issuer hereunder and the Issuer shall

have no obligation to update such supplemental information or include it in any subsequent report.

**SECTION 4. NRMSIRs AND SIDs.** As of the date of issuance of the 2006 Bonds, the NRMSIRs to which the Issuer shall provide the information described in Sections 2 and 3 above, to the extent required, shall be the following organizations, their successors and assigns:

- (a) Bloomberg Municipal Repository  
100 Business Park Drive  
Skillman, New Jersey 08558  
Phone: (609) 279-3225  
Fax: (609) 279-5962  
Email: [Munis@Bloomberg.com](mailto:Munis@Bloomberg.com)
- (b) DPC Data Inc.  
One Executive Drive  
Fort Lee, NJ 07024  
Phone: (201) 346-0701  
Fax: (201) 947-0107  
Email: [nrmsir@dpedata.com](mailto:nrmsir@dpedata.com)
- (c) FT Interactive Data  
Attn: NRMSIR  
100 William Street, 15<sup>th</sup> Floor  
New York, New York 10038  
Phone: (212) 771-6999  
Fax: (212) 771-7390  
Email: [NRMSIR@interactivedata.com](mailto:NRMSIR@interactivedata.com)
- (d) Standard & Poor's Securities Evaluations, Inc.  
55 Water Street  
45th Floor  
New York, NY 10041  
Phone: (212) 438-4595  
Fax: (212) 438-3975  
Email: [nrmsir\\_repository@sandp.com](mailto:nrmsir_repository@sandp.com)

The Issuer is required to provide the information described in Sections 2 and 3 above to any NRMSIR's that are subsequently established and approved by the Securities and Exchange Commission. According to a Securities and Exchange Commission press release dated June 26, 1995, a list of names and addresses of all designated NRMSIRs as of any point in time is available by visiting the SEC's website at [www.sec.gov/info/municipal/nrmsir.htm](http://www.sec.gov/info/municipal/nrmsir.htm).

As of the date of issuance of the 2006 Bonds, there are no SIDs in the State of Florida.

Notwithstanding the foregoing, the Issuer shall be in compliance with the filing requirements of this Disclosure Certificate if the required information is provided to the "Central

Post Office" or any other entity serving a similar purpose which complies with the requirements of the Rule, who shall then be responsible for forwarding the filing information to any NRMSIR or SID. The Central Post Office is the internet-based electronic filing system operated by the Texas Municipal Advisory Council under the name of "Disclosure USA" at the following internet address: [www.disclosureusa.org](http://www.disclosureusa.org). Information provided to the Central Post Office shall not have to also be separately filed with any NRMSIR or SID unless the Securities and Exchange Commission has withdrawn the interpretative advice in its letter to the Texas Municipal Advisory Council dated September 7, 2004.

**SECTION 5. REMEDIES; NO EVENT OF DEFAULT.** The Issuer agrees that its undertaking pursuant to the Rule set forth above is intended to be for the benefit of the holders and beneficial owners of the 2006 Bonds and shall be enforceable by any such holder or beneficial owner; provided that the right to enforce the provisions of this undertaking shall be limited to a right to obtain specific performance of the Issuer's obligations hereunder and any failure by the Issuer to comply with the provisions of this undertaking shall not be an event of default with respect to the 2006 Bonds under the Resolution.

**SECTION 6. SEPARATE BOND REPORT NOT REQUIRED; INCORPORATION BY REFERENCE.** The requirements of this Disclosure Certificate do not necessitate the preparation of any separate annual report addressing only the 2006 Bonds. These requirements may be met by the filing of a combined bond report or the Issuer's Comprehensive Annual Financial Report; provided, such report includes all of the required information and is available by April 30. Additionally, the Issuer may incorporate any information provided in any prior filing with each NRMSIR or other information filed with the SEC or included in any final official statement of the Issuer; provided, such final official statement is filed with the MSRB.

**SECTION 7. DISSEMINATION AGENTS.** The Issuer may, from time to time, appoint or engage a dissemination agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such agent, with or without appointing a successor dissemination agent.

**SECTION 8. TERMINATION.** The Issuer's obligations under this Disclosure Certificate shall cease (a) upon the legal defeasance, prior redemption, payment in full of all of the 2006 Bonds, or (b) when the Issuer no longer remains an Obligated Person with respect to the 2006 Bonds within the meaning of the Rule, or (c) upon the termination of the continuing disclosure requirements of the Rule by legislative, judicial or administrative action.

**SECTION 9. AMENDMENTS.** The Issuer reserves the right to amend the provisions of this Disclosure Certificate as may be necessary or appropriate to achieve its compliance with any applicable federal securities law or rule, to cure any ambiguity, inconsistency or formal defect or omission, and to address any change in circumstances arising from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted by the Issuer. Any such amendment shall be made only in a manner consistent with the Rule and any amendments and interpretations thereof by the SEC. Additionally, compliance with any provision of this Disclosure Certificate may be waived. Any such amendment or waiver will not be effective unless this Disclosure Certificate (as amended or taking into account such waiver) would have complied with the requirements of the Rule at the

time of the primary offering of the 2006 Bonds, after taking into account any applicable amendments to or official interpretations of the Rule, as well as any change in circumstances, and until the Issuer shall have received either (a) a written opinion of bond or other qualified independent special counsel selected by the Issuer that the amendment or waiver would not materially impair the interests of holders or beneficial owners of the 2006 Bonds, or (b) the written consent to the amendment or waiver of the holders of at least a majority of the principal amount of the 2006 Bonds then outstanding. Annual Information containing any amended operating data or financial information shall explain, in narrative form, the reasons for any such amendment and the impact of the change on the type of operating data or financial information being provided. Additionally, in the year in which any change in accounting principles is made, the Issuer shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

**SECTION 10. OBLIGATED PERSONS.** If any person other than the Issuer becomes an Obligated Person (as defined in the Rule) relating to the 2006 Bonds, the Issuer shall use its best efforts to require such Obligated Person to comply with all provisions of the Rule applicable to such Obligated Person.

Dated: November 1, 2006

**PINELLAS COUNTY, FLORIDA**

By: \_\_\_\_\_  
Chair, Board of County Commissioners

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**\$25,205,000**  
**PINELLAS COUNTY, FLORIDA**  
**Sewer Revenue Refunding Bonds, Series 2006**

The following is an update of litigation information found on page 33 of the Official Statement (OS) and financial and operating data found on page 22 of the OS in the section titled "Selected Historical Financial Information and Operating Data Regarding the System." The current status of general litigation on pages 33 of the OS remains unchanged.

## SELECTED HISTORICAL FINANCIAL INFORMATION AND OPERATING DATA REGARDING THE SEWER SYSTEM

The information and data contained under this heading is intended to provide selected historical financial information and operating data regarding the Sewer System. See "The Sewer System," herein for a description of the Sewer System.

### Historical Revenues and Expenses of the Sewer System and Debt Service Coverage

The following is a summary of the historical revenues and expenses of the Sewer System and debt service coverage for the Fiscal Years ending as of September 30, 2009-10 through 2013-14. (unaudited)<sup>(1)</sup>

<b>Pinellas County Sewer System</b>					
<b>Historical Revenues and Expenses of the Sewer System and Debt Service Coverage</b>					
(amounts in thousands of dollars)					
	Fiscal Years Ended September 30				
	2010	2011	2012	2013	2014
Revenues & Other Receipts					
Operating Revenue					
Sewer Service Charges	\$43,267	\$44,936	\$49,348	\$51,725	\$55,204
Wholesale Charges	7,124	6,400	6,731	8,634	9,719
Reclaimed - Retail	2,567	3,530	3,850	4,028	4,239
Reclaimed - Wholesale	309	338	317	295	255
Tap Fees and Permits	10	2	8	9	21
Total Operating Revenue	<u>\$53,277</u>	<u>\$55,206</u>	<u>\$60,254</u>	<u>\$64,691</u>	<u>\$69,438</u>
Assessment Collections <sup>(2)</sup>	0	0	0	0	0
Connection (Impact) Fees <sup>(2)</sup>	245	280	399	568	681
Interest Income	983	282	233	156	128
Other	1,574	922	997	1,354	1,308
Total Non-Operating Revenue	<u>\$2,802</u>	<u>\$1,484</u>	<u>\$1,629</u>	<u>\$2,078</u>	<u>\$2,117</u>
Total Revenue	<u>\$56,079</u>	<u>\$56,690</u>	<u>\$61,883</u>	<u>\$66,769</u>	<u>\$71,555</u>
Operating Expenses					
Collection System	\$5,026	\$5,080	\$4,939	\$5,714	\$6,779
Treatment Expenses	20,812	20,220	22,431	24,549	26,309
Administration Expenses	7,815	7,255	7,951	7,461	5,323
Total Operating Expenses	<u>\$33,653</u>	<u>\$32,555</u>	<u>\$35,321</u>	<u>\$37,724</u>	<u>\$38,411</u>
Net Revenues Available					
for Debt Service <sup>(2)</sup>	<u>\$22,181</u>	<u>\$23,856</u>	<u>\$26,163</u>	<u>\$28,477</u>	<u>\$32,463</u>
Debt Service	15,236	15,073	14,940	14,453	14,454
Debt Service Coverage <sup>(3)</sup>	1.46x	1.58x	1.75x	1.97x	2.25x
Maximum Annual Debt Service <sup>(4)</sup>	15,236	15,239	14,940	14,589	14,779
Maximum Annual Debt Service <sup>(4)</sup>					
Coverage	1.46x	1.57x	1.75x	1.95x	2.20x
Revenues Available for Renewal and Replacement	<u>\$7,190</u>	<u>\$9,063</u>	<u>\$11,622</u>	<u>\$14,592</u>	<u>\$18,690</u>

- (1) The Historical Revenues and Expenses of the Sewer System and the Debt Service Coverage schedule above is supplementary information provided by Pinellas County Utilities and Office of Management and Budget for FY2014 and has not been subjected to the audited procedures applied in the audit of the financial statements and the auditors have not expressed an opinion relative to this information.
- (2) Connection (Impact) Fees and Assessment Collections are excluded from Gross Revenues under the terms of the Resolution. Pursuant to the Resolution, the County may, by Supplemental Resolution, include Assessments and certain of the Connection (Impact) Fees in the Pledged Revenues. To date, the County has not taken such action.
- (3) Represents actual annual Debt Service Requirements for the Bonds. The rate covenant in the Resolution requires minimum coverage of 125%.
- (4) Represents Maximum Annual Debt Service for any one fiscal year based on current debt level and terms.

Source: Annual Financial Statements of the Pinellas County Sewer System Enterprise Fund for Fiscal Years 2010 - 2014  
Pinellas County Utilities for FY2010 – FY2012 and Office of Management and Budget for FY2013-FY2014.

### Historical Wastewater Treatment

The table below sets forth the historical wastewater treatments for the South Cross Bayou WRF and the W.E. Dunn WRF.

Fiscal Year	Average Daily Flow (MGD)		Total
	South Cross Bayou WRF	W.E Dunn WRF	
2010	22.19	6.7	28.89
2011	23.34	6.5	29.84
2012	22.32	6.7	29.02
2013	20.95	6.5	27.45
2014	21.01	6.4	27.41

Source: Pinellas County Utilities.

The table below shows the historical wastewater treatment sewage collected within the Bear Creek Service Area and treated at St. Petersburg's sewer treatment facility.

Fiscal Year	Average Daily Flow (MGD) Bear Creek
2010	0.46
2011	0.40
2012	0.39
2013	0.43
2014	0.42

Source: Pinellas County Utilities for FY2010 – FY2012 and Office of Management and Budget for FY2013-FY2014.

### Historical Reclaimed Water Flow

The table below sets forth the historical reclaimed water flow for South Cross Bayou WRF and the W.E. Dunn WRF.

Fiscal Year	Average Daily Flow (MGD)		Total
	South Cross Bayou WRF	W.E Dunn WRF	
2010	12.03	8.5	20.53
2011	14.27	8.9	23.17
2012	13.54	8.9	22.44
2013	11.12	8.8	19.92
2014	10.30	7.5	17.80

Source: Pinellas County Utilities.

## Retail Customers

The two tables below set forth, respectively, retail billing units for the Sewer System by user class and reclaimed water accounts for the Fiscal Years 2010-2014. Some customer accounts include multiple billing units. Accordingly, billing unit and customer account information used throughout this Official Statement may differ.

**Pinellas County Sewer System  
Retail Billing Units By User Class**

<b>User Class</b>	<b>2010</b>	<b>2011*</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Single Family Residence	78,179	70,084	70,214	70,425	70,212
Multiple Family Residence and Mobile Home	61,761	62,614	62,710	64,071	64,335
Hotel/ Motel	847	847	847	847	847
Commercial	3,270	3,285	3,295	3,332	3,342
<b>TOTAL</b>	<b>144,057</b>	<b>136,830</b>	<b>137,066</b>	<b>138,675</b>	<b>138,736</b>

\*The County installed a new customer information and billing system which resulted in the reclassification of certain accounts among user classes and, in the County's view, a more accurate depiction of the actual billing units for the Sewer System.

Source: Pinellas County Utilities.

**Pinellas County Sewer System  
Reclaimed Water Accounts**

<b>User Class</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Reclaimed Water Accounts	22,473	22,523	22,533	22,570	22,671

Source: Pinellas County Utilities.

## Major Customers

Set forth below is a listing of major customers of the Sewer System based upon billing records for Fiscal Year 2014. These customers collectively accounted for approximately 3.99% of Sewer System billings for Fiscal Year 2014.

### 2014 Major Customers

<b>MAJOR CUSTOMERS</b>	<b>PERCENT OF ANNUAL BILLINGS</b>
Pinellas County School Board	0.73%
Innisbrook Resort	0.53%
Five Towns LTD Corp	0.53%
East Lake Woodlands St Andrews	0.40%
Young-Rainey Star Center	0.38%
Square/Brookdale Living Inc Si	0.37%
Lansbrook Village Condo	0.35%
Veteran's Administration Facility	0.25%
Pinellas County Housing Authority	0.23%
Clearview Oaks Apts S Colen	0.22%
<b>TOTAL</b>	<b>3.99%</b>

Source: Pinellas County Utilities.

## Rates, Fees and Charges

Pursuant to the recommendations of its outside rate consultant, Burton & Associates, the County implemented new rates for retail sewer service, wholesale sewer service and reclaimed water service through the adoption of Resolution Nos. 11-164, 11-165, and 11-166, respectively, on September 27, 2011 (collectively, the "Rate Resolutions"). Such new rates became effective on October 1, 2011. The Rate Resolutions provide for automatic increases in the rates each Fiscal Year and require the rates to be reviewed annually and adjusted as necessary to meet the revenue requirements of the Sewer System.

The following are the rates for retail sewer service that became effective on October 1, 2013:

**Single Family Residence:**

Base Rate Charge per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Multiple Family Residence and Mobile Home:**

Base Rate Charge per Family Dwelling Unit or	
Mobile Home space available for occupancy per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Hotel/ Motel:**

Base Rate Charge per unit per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Commercial:**

Base Rate Charge per ERU per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Unmetered Residential and Commercial Customer:**

Base Rate Charge per Month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	
(capped at 5,000 gallons per month)	<u>22.85</u>

The following is the rate for wholesale sewer service that became effective on October 1, 2013:

Volumetric Charge per 1,000 gallons	<u>\$3.8333</u>
-------------------------------------	-----------------

The following are the rates for reclaimed water service that became effective on October 1, 2013:

**2014 Rates, Fees, and Charges**  
**Reclaimed Water Service Rates**

**Funded Systems <sup>(1)</sup> - Retail Rate:**

Unmetered Service - Single Family or Multi Family (from 1 to 3 dwelling units) and commercial or Public Use Property (up to 2 ERCs)	
Monthly Fee	\$17.00
Plus Bi-Monthly Billing Charge for Unmetered, Reclaimed Water Only Customers	3.75
Metered Service - Multi Family (more than 3 dwelling units) and Commercial or Public Use Property (more than 2 ERCs)	
User Fee per 1,000 gallons	\$0.88
Plus Bi-Monthly Billing Charge for Metered, Reclaimed Water Only Customers	4.50

**Unfunded Systems - Availability Charge Program: <sup>(2)</sup>**

Unmetered Service - Single Family or Multi Family (from 1 to 3 dwelling units) and Commercial or Public Use Property (up to 2 ERCs)	
Monthly Fee (for connection to service)	\$11.00
Plus Monthly Availability Charge (not connected to service)	7.00
Plus Bi-Monthly Billing Charge for Unmetered, Reclaimed Water Only Customers	3.75
Metered Service - Multi Family (more than 3 dwelling units) and Commercial or Public Use Property (more than 2 ERCs)	
User Fee per 1,000 gallons (for connection to service)	\$0.88
Plus Monthly Availability Charge (not connected to service)	7.00
Plus Bi-Monthly Billing Charge for metered, Reclaimed Water Only Customers	4.50

- (1) A funded system is an in-service reclaimed water distribution system that was paid for with funds other than the Availability Charge Program.
- (2) The Availability Charge pays for the cost of construction of the reclaimed distribution mains. The Availability Charge is billed to all properties in the readiness to serve zone whether connected to the Sewer System or not. Customers may pre-pay the Availability Charge. Customers who connect to the Sewer System will pay the Availability Charge and User Fee.

In addition to the monthly rates for sewer and reclaimed water service, the County currently charges connection fees (commonly referred to as impact fees and defined as "Impact Fees" in the Resolution) based upon an equitable and proportionate share of the cost for capacity of the Sewer System. The purpose of the Impact Fees is for paying or reimbursing the equitable share of the capital costs relating to the construction, expansion, or equipping of excess or unused capacity of the Sewer System in order to serve new users. The obligation for the payment of these charges by a new customer or developer arises at the time when the developer requests a building permit as a condition for construction/development. If an existing customer requests an increase in treatment capacity due to increased development, an additional Impact Fee charge will be imposed by the County consistent with the new increase in demand. The following table summarizes the sewer Impact Fees which became effective October 1, 2011:

**2014 Rates, Fees, and Charges  
Sewer Impact Fees**

Single Family Residence	<u>\$2,060.00</u>
Multiple Family and Mobile Home Parks:	
Each Multiple Family Dwelling Unit	<u>\$1,643.00</u>
Each Mobile Home Space	<u>1,540.00</u>
Commercial, Industrial and Miscellaneous Buildings:	
Per gallon of flow <sup>(1)</sup>	<u>\$10.98</u>

(1) Fee amount is determined at time application is made for sewer service and shall be based upon flow and demand made on the Sewer System in accordance with a schedule of estimated wastewater flows.

The following table summarizes the reclaimed water Impact Fees which became effective October 1, 2011:

**2014 Rates, Fees, and Charges  
Reclaimed Water Impact Fees**

Unmetered Service	
Unmetered Service 1"	<u>\$790.00</u>
Unmetered Service 1 1/2"	<u>1,060.00</u>
Unmetered Service 2"	<u>1,060.00</u>
Metered Service	
Metered Service 3/4"	<u>\$840.00</u>
Metered Service 1"	<u>1,010.00</u>
Metered Service 1 1/2"	<u>1,400.00</u>
Metered Service 2"	<u>1,480.00</u>
Metered Service 4"	<u>Installed by customer and shall be purchased from County at the current contract price.</u>

Under Florida law, Impact Fees may be validly imposed against new connections in order to fund capital improvements that are needed to serve such new connections or for debt service for bonds or other obligations issued for expansion for new customers.

Such Impact Fees must be placed in separate accounts and used only for the capital improvements or debt service attributable to expansion or over-sizing of the Sewer System for future capacity through construction or acquisition. Impact Fee revenues can fluctuate with the amount of new construction or development that occurs within the Sewer System's service area. Pursuant to the Resolution, Impact Fees are only pledged to the repayment of Bonds in the event the County, by Supplemental Resolution, includes any portion of the Impact Fees as Pledged Revenues. To date, the County has not taken such action. Accordingly, none of the Impact Fees imposed and collected by the County are currently pledged to the repayment of Bonds.

The County has also adopted a schedule of fees, charges, and deposits which are applicable to miscellaneous or customer requested services. The fees generally are imposed to recover the cost of specific service such as service taps, turn-on fees, meter installation, removal, reading or resetting, or deposits to defray the risk of nonpayment for Sewer System services.

## Rate Comparison

The following is a comparison of sewer charges for single family residences by various Florida counties.

### Comparison of Sewer Charges For Counties Single Family Residence

County	Base Rate	Volumetric Charge (Per 1,000 Gal)	Total*
Pinellas County	\$12.51	\$4.57	\$35.36
Brevard County	26.12	6.03	56.27
Broward County	17.46	3.66	35.76
Duval County	14.10	4.94	38.80
Hernando County	17.09	3.68	35.49
Hillsborough County	13.49	4.34	35.19
Lee County	20.45	5.85	49.70
Manatee County	19.89	4.44	42.09
Orange County	15.25	3.47	32.60
Pasco County	17.34	5.10	42.84

Source: Pinellas County Office of Management and Budget and individual county websites.

\*Based on average water usage of 5,000 gallons per month. Survey conducted in March, 2015

## Collection Practices

Bills for service are rendered bi-monthly and monthly for retail and wholesale customers, respectively, by the County. Bills are considered delinquent if not paid within 28 days of issuance, and services are subject to disconnection if payment is not received within 45 days of billing. Pursuant to the covenant requirements of the Resolution, the County does not render any free Sewer services of any nature by its Sewer System nor does it apply preferential rates for users of the same customer class. The County diligently enforces the payment of rates, fees and other charges for services of the Sewer System. The County's bad debt expenses with respect to Sewer System collections has historically been less than ½ of one percent (<0.50%)

## **RENEWAL, REPLACEMENT AND IMPROVEMENT PROGRAM**

The County has an expansive Renewal Replacement and Improvement Program for its Sewer System for the period 2014 through 2018 as generally presented on the following page. These improvements are anticipated to be financed from (1) funds on deposit in the Sewer System's Renewal and Replacement Fund, (2) funds which will accrue in the Renewal and Replacement Fund from the Sewer System's revenues and sewer Impact Fees during the five year period, and (3) the proceeds of Additional Bonds or subordinate debt.

Annually, the Sewer System implements construction projects which include renewal, replacement, and rehabilitation of facilities which can no longer provide reasonable service and cannot be maintained economically, as well as, additions to, and extension of, the Sewer System.

**PINELLAS COUNTY SEWER SYSTEM  
RENEWAL, REPLACEMENT AND IMPROVEMENT PROGRAM FISCAL YEARS 2014-2018**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>5 Year Total</b>
Renew, Replace & Improve Projects						
Buildings & Structures	\$136,000	\$1,317,000	\$783,000	\$1,093,000	\$591,000	\$3,920,000
Sewer Relocation DOT/PCPW	302,000	1,017,000	475,000	1,709,000	507,000	4,010,000
SCADA System	101,000	611,000	238,000	247,000	244,000	1,441,000
N Pinellas WWTP	1,218,000	2,920,000	1,300,000	3,500,000	600,000	9,538,000
Sewer Modifications & Rehab	4,042,000	6,697,000	6,566,000	7,828,000	7,152,000	32,285,000
Sewer Extensions	0	1,993,950	0	0	0	1,993,950
South Cross Improvements	8,105,000	4,607,000	3,305,000	3,300,000	5,740,000	25,057,000
Grease Disposal System	10,000	124,000	120,000	0	0	254,000
<b>Total R, R &amp; I Projects</b>	<b>13,914,000</b>	<b>19,286,950</b>	<b>12,787,000</b>	<b>17,677,000</b>	<b>14,834,000</b>	<b>78,498,950</b>
In-House Cost Centers						
Capital Equipment	1,161,166	2,949,500	709,900	709,900	709,900	6,240,366
Utilities Engineering Svcs	814,188	0	0	0	0	814,188
<b>Total In-House Cost Centers</b>	<b>1,975,354</b>	<b>2,949,500</b>	<b>709,900</b>	<b>709,900</b>	<b>709,900</b>	<b>7,054,554</b>
<b>Total Paid from R&amp;R Fund</b>	<b>\$15,889,354</b>	<b>\$22,236,450</b>	<b>\$13,496,900</b>	<b>\$18,386,900</b>	<b>\$15,543,900</b>	<b>\$85,553,504</b>
Construction Fund						
North County Reclaimed	0	0	0	0	0	0
South County Reclaimed	0	0	0	0	0	0
<b>Total Paid from Construction Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Capital Improvement Program</b>	<b>\$15,889,354</b>	<b>\$22,236,450</b>	<b>\$13,496,900</b>	<b>\$18,386,900</b>	<b>\$15,543,900</b>	<b>\$85,553,504</b>

Source: Capital Improvement Program 10-Year Work Plan and Pinellas County Office of Management and Budget.

**NEW ISSUE - FULL BOOK ENTRY**

**RATINGS:** Moody's: Aa2  
Standard & Poor's: AA-  
Fitch: AA  
(See "Ratings" herein)

*In the opinion of Bryant Miller Olive P.A., Bond Counsel, assuming continuing compliance by the County with certain covenants, under existing statutes, regulations and fiduciary decisions, interest on the Series 2012 Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. However, interest on the Series 2012 Bonds will be taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax on corporations. See "TAX MATTERS" herein for a description of certain other tax consequences to holders of the Series 2012 Bonds.*

**\$59,510,000**  
**PINELLAS COUNTY, FLORIDA**  
**SEWER REVENUE REFUNDING BONDS,**  
**SERIES 2012**

**Dated:** Date of Delivery

**Due:** October 1, as shown on the inside cover

The Pinellas County, Florida Sewer Revenue Refunding Bonds, Series 2012 (the "Series 2012 Bonds") are being issued by Pinellas County, Florida (the "County") in fully registered form and will be initially registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), to which principal and interest payments on the Series 2012 Bonds will be made. Interest on the Series 2012 Bonds is payable semiannually on each October 1 and April 1, commencing October 1, 2012. Principal of and premium, if any, on the Series 2012 Bonds will be payable through the corporate trust office of Hancock Bank, Orlando, Florida, as the Registrar and Paying Agent. The Series 2012 Bonds will be available to purchasers under the book-entry only system maintained by DTC through brokers and dealers who are, or act through, DTC Participants. Purchasers will not be entitled to receive physical delivery of the Series 2012 Bonds. For so long as Cede & Co. is the registered owner of the Series 2012 Bonds, the principal of and interest on the Series 2012 Bonds are payable to Cede & Co., which will in turn remit such principal and interest to the DTC Participants for subsequent disbursement to the beneficial owners of the Series 2012 Bonds. See "THE SERIES 2012 BONDS - Book-Entry Only System" herein.

The Series 2012 Bonds are subject to optional and mandatory redemption prior to their stated maturities as set forth herein.

The Series 2012 Bonds are being issued for the purpose of providing funds, together with other available funds of the County, to (i) refund a portion of the County's outstanding Sewer Revenue Bonds, Series 2003, and (ii) pay costs and expenses in connection with the issuance of the Series 2012 Bonds.

The Series 2012 Bonds are issued pursuant to and under the authority of the Home Rule Charter of the County, Chapter 125, Florida Statutes, as amended, and other applicable provisions of law, and under and pursuant to Resolution No. 93-292 adopted by the Board of County Commissioners of the County (the "Board") on October 5, 1993, as amended and supplemented (collectively, the "Original Resolution"), particularly as supplemented by Resolution No. 2012-85 (the "2012 Supplemental Resolution"), adopted by the Board on May 22, 2012 (collectively with the Original Resolution, the "Resolution"). See Appendix B attached hereto.

The Series 2012 Bonds will be payable from and secured solely by a lien upon and a pledge of the Net Revenues (as defined herein) derived from the operation of the County's Sewer System (as defined herein) and, until applied in accordance with the provisions of the Resolution, the proceeds of bonds issued pursuant to the Resolution and all moneys, including investments thereof in certain of the funds and accounts established under the Resolution (collectively, the "Pledged Funds"), on parity with the Unrefunded Series 2003 Bonds (as defined herein) and the County's outstanding Sewer Revenue Refunding Bonds, Series 2006, Sewer Revenue Bond, Series 2008A, Sewer Revenue Refunding Bond, Series 2008B-1, and Sewer Revenue Refunding Bond, Series 2011 (collectively, the "Parity Bonds").

The Series 2012 Bonds do not constitute a debt of the County or the State of Florida nor a pledge of the faith and credit of the County or the State of Florida within the meaning of any constitutional or statutory provision. The principal of, premium, if any, and interest on the Series 2012 Bonds, all required reserves and other payments are payable solely from the Pledged Funds, on parity with the Parity Bonds. The County can never be required to levy ad valorem taxes on any property therein to pay the principal of, premium, if any, and interest on the Series 2012 Bonds or to make any of the required sinking fund, reserve or other payments, and any failure to pay the principal of, premium, if any, and interest on the Series 2012 Bonds as the same becomes due and payable will not give rise to a lien upon any property of or in the County, except the Pledged Funds.

*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 making an informed investment decision.*

The Series 2012 Bonds are offered for delivery when, as and if issued by the County and subject to the receipt of an approving legal opinion as to certain legal matters with respect to the issuance of the Series 2012 Bonds by Bryant Miller Olive P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed on for the County by James L. Bennett, County Attorney and by Nabors, Giffin & Nickerson, P.A., Tampa, Florida, Disclosure Counsel to the County. Public Resources Advisory Group, St. Petersburg, Florida, is serving as Financial Advisor to the County. It is expected that the Series 2012 Bonds in book-entry form will be available for delivery via The Depository Trust Company on or about July 17, 2012.

**Citigroup**

**M.R. Beal & Company**

Dated: June 27, 2012

**AMOUNTS, MATURITIES, INTEREST RATES,  
PRICES, YIELDS AND INITIAL CUSIP NUMBERS**

**\$50,545,000 Serial Bonds**

<b>Maturity (October 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Price</b>	<b>Yield</b>	<b>Initial CUSIP Number**</b>
2013	\$ 10,000	2.00%	102.105	0.25%	723215HM4
2014	2,340,000	2.00	103.062	0.60	723215HN2
2015	2,890,000	3.00	107.018	0.78	723215HP7
2016	2,460,000	3.00	108.430	0.95	723215HQ5
2017	2,535,000	4.00	114.359	1.15	723215HR3
2018	2,635,000	4.00	114.759	1.50	723215HS1
2019	2,740,000	4.00	115.167	1.75	723215HT9
2020	2,850,000	5.00	122.596	2.00	723215HU6
2021	2,990,000	5.00	123.214	2.20	723215HV4
2022	3,140,000	5.00	123.713	2.37	723215HW2
2023	3,295,000	5.00	121.688*	2.57*	723215HX0
2024	3,465,000	5.00	120.492*	2.69*	723215HY8
2025	3,635,000	4.00	107.818*	3.10*	723215HZ5
2026	3,780,000	4.00	106.466*	3.25*	723215JA8
2027	3,935,000	4.00	105.183*	3.40*	723215JB6
2028	4,090,000	4.00	105.309*	3.38*	723215JC4
2029	4,255,000	3.25	98.697	3.35	723215JD2

\$8,965,000 4.00% Term Series 2012 Bonds, Due October 1, 2031; Price - 103.127\* Yield -- 3.63%\*;  
Initial CUSIP No.\*\*\* 723215JE0

\* Callable premium Series 2012 Bonds. Price and Yield calculated to first optional redemption date of October 1, 2022.

\*\* CUSIP is a registered trademark of the American Bankers Association. CUSIP data contained herein is provided by Standard & Poor's, CUSIP Service Bureau, a division of The McGraw-Hill Companies, Inc. This data is not intended to create a database and does not serve in any way as a substitute for the CUSIP Services. CUSIP data is provided for convenience of reference only. The County takes no responsibility for the accuracy of such numbers.

**DISCLOSURE DISSEMINATION AGENT AGREEMENT**

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of July 17, 2012, is executed and delivered by PINELLAS COUNTY, FLORIDA (the "Issuer") and DIGITAL ASSURANCE CERTIFICATION, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

**SECTION 1. Definitions.** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board, or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Bonds" means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Bonds and the 9-digit CUSIP numbers for all Bonds to which the document applies.

"Disclosure Representative" means the County Administrator of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shut-down of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Bonds for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

"Official Statement" means that Official Statement prepared by the Issuer in connection with the Bonds, as listed on Appendix A.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

**SECTION 2. Provision of Annual Reports.** (a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than April 30 of each fiscal year of the Issuer, commencing April 30, 2013. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure

Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification for filing with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"
2. "Non-Payment related defaults, if material;"

3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"
5. "Substitution of credit or liquidity providers, or their failure to perform;"
6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. "Modifications to rights of securities holders, if material;"
8. "Bond calls, if material;"
9. "Defeasances;"
10. "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. "Rating changes;"
12. "Tender offers;"
13. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. "Merger, consolidation, or acquisition of the obligated person, if material;" and
15. "Appointment of a successor or additional trustee, or the change of name of a trustee, if material;"

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable); promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(vi) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking;"
2. "change in obligated person;"
3. "notice to investors pursuant to bond documents;"
4. "certain communications from the Internal Revenue Service;"
5. "secondary market purchases;"
6. "bid for auction rate or other securities;"
7. "capital or other financing plan;"
8. "litigation/enforcement action;"
9. "change of tender agent, remarketing agent, or other on-going party;"
10. "derivative or other similar transaction;" and
11. "other event-based disclosures;"

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. "quarterly/monthly financial information;"
2. "change in fiscal year/timing of annual disclosure;"
3. "change in accounting standard;"
4. "interim/additional financial information/operating data;"
5. "budget;"
6. "investment/debt/financial policy;"

7. "information provided to rating agency, credit/liquidity provider or other third party;"
8. "consultant reports;" and
9. "other financial/operating data."

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent and the MSRB, provided that the period between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

SECTION 3. Content of Annual Reports. (a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the information provided in the Official Statement and contained in the tables entitled: "PINELLAS COUNTY SEWER SYSTEM HISTORICAL REVENUES AND EXPENSES OF THE SYSTEM AND DEBT SERVICE COVERAGE," "PINELLAS COUNTY SEWER SYSTEM RETAIL BILLING UNITS BY USER CLASS," "PINELLAS COUNTY SEWER SYSTEM RECLAIMED WATER ACCOUNTS," "MAJOR CUSTOMERS" and "COMPARISON OF SEWER CHARGES FOR COUNTIES - SINGLE FAMILY RESIDENCE" and under the subheadings "HISTORICAL WASTEWATER TREATMENT," "HISTORICAL RECLAIMED WATER FLOW" and "RATES, FEES AND CHARGES" each under the heading "SELECTED HISTORICAL FINANCIAL INFORMATION AND OPERATING DATA REGARDING THE SYSTEM" and the table entitled "PINELLAS COUNTY SEWER SYSTEM RENEWAL, REPLACEMENT AND IMPROVEMENT FISCAL YEARS 2012-2016" under the heading "RENEWAL, REPLACEMENT AND IMPROVEMENT PROGRAM."

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with generally accepted accounting principles, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB Internet Website. If the document incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

**SECTION 4. Reporting of Notice Events.** (a) The occurrence of any of the following events with respect to the Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;

7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

**Note to subsection (a)(12) of this Section 4:** For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional trustee or the change of name of a trustee, if material.

The Issuer shall, in a timely manner not in excess of ten (10) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification.

Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth business day after the occurrence of the Notice Event; if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall, in a timely manner not in excess of ten business days after the occurrence of such Notice Event, file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

**SECTION 5. CUSIP Numbers.** Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Bonds and the 9-digit CUSIP numbers for the Bonds as to which the provided information relates.

**SECTION 6. Additional Disclosure Obligations.** The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure

Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing. (a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the Rule or the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer

chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Bonds upon the legal defeasance, prior redemption or payment in full of all of the Bonds, when the Issuer is no longer an obligated person with respect to the Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty (30) days written notice to the Disclosure Dissemination Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Bonds or under any other document relating to the Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent. (a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure

Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer or the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Disclosure Dissemination Agent, the underwriter, and the Holders from time to time of the Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Disclosure Dissemination Agent

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

PINELLAS COUNTY, FLORIDA, as Issuer

By: \_\_\_\_\_  
Name: Robert S. LaSala  
Title: County Administrator

**\$59,510,000**  
**PINELLAS COUNTY, FLORIDA**  
**Sewer Revenue Refunding Bonds, Series 2012**

The following is an update of litigation information found on page 42 of the Official Statement (OS) and financial and operating data found on page 31 of the OS in the section titled "Selected Historical Financial Information and Operating Data Regarding the System." The current status of general litigation on pages 42 of the OS remains unchanged.

## SELECTED HISTORICAL FINANCIAL INFORMATION AND OPERATING DATA REGARDING THE SEWER SYSTEM

The information and data contained under this heading is intended to provide selected historical financial information and operating data regarding the Sewer System. See "The Sewer System," herein for a description of the Sewer System.

### Historical Revenues and Expenses of the Sewer System and Debt Service Coverage

The following is a summary of the historical revenues and expenses of the Sewer System and debt service coverage for the Fiscal Years ending as of September 30, 2009-10 through 2013-14. (unaudited)<sup>(1)</sup>

<b>Pinellas County Sewer System</b>					
<b>Historical Revenues and Expenses of the Sewer System and Debt Service Coverage</b>					
(amounts in thousands of dollars)					
	Fiscal Years Ended September 30				
	2010	2011	2012	2013	2014
Revenues & Other Receipts					
Operating Revenue					
Sewer Service Charges	\$43,267	\$44,936	\$49,348	\$51,725	\$55,204
Wholesale Charges	7,124	6,400	6,731	8,634	9,719
Reclaimed - Retail	2,567	3,530	3,850	4,028	4,239
Reclaimed - Wholesale	309	338	317	295	255
Tap Fees and Permits	10	2	8	9	21
Total Operating Revenue	\$53,277	\$55,206	\$60,254	\$64,691	\$69,438
Assessment Collections <sup>(2)</sup>	0	0	0	0	0
Connection (Impact) Fees <sup>(2)</sup>	245	280	399	568	681
Interest Income	983	282	233	156	128
Other	1,574	922	997	1,354	1,308
Total Non-Operating Revenue	\$2,802	\$1,484	\$1,629	\$2,078	\$2,117
Total Revenue	\$56,079	\$56,690	\$61,883	\$66,769	\$71,555
Operating Expenses					
Collection System	\$5,026	\$5,080	\$4,939	\$5,714	\$6,779
Treatment Expenses	20,812	20,220	22,431	24,549	26,309
Administration Expenses	7,815	7,255	7,951	7,461	5,323
Total Operating Expenses	\$33,653	\$32,555	\$35,321	\$37,724	\$38,411
Net Revenues Available for Debt Service <sup>(2)</sup>	\$22,181	\$23,856	\$26,163	\$28,477	\$32,463
Debt Service	15,236	15,073	14,940	14,453	14,454
Debt Service Coverage <sup>(3)</sup>	1.46x	1.58x	1.75x	1.97x	2.25x
Maximum Annual Debt Service <sup>(4)</sup>	15,236	15,239	14,940	14,589	14,779
Maximum Annual Debt Service <sup>(4)</sup> Coverage	1.46x	1.57x	1.75x	1.95x	2.20x
Revenues Available for Renewal and Replacement	\$7,190	\$9,063	\$11,622	\$14,592	\$18,690

- (1) The Historical Revenues and Expenses of the Sewer System and the Debt Service Coverage schedule above is supplementary information provided by Pinellas County Utilities and Office of Management and Budget for FY2014 and has not been subjected to the audited procedures applied in the audit of the financial statements and the auditors have not expressed an opinion relative to this information.
- (2) Connection (Impact) Fees and Assessment Collections are excluded from Gross Revenues under the terms of the Resolution. Pursuant to the Resolution, the County may, by Supplemental Resolution, include Assessments and certain of the Connection (Impact) Fees in the Pledged Revenues. To date, the County has not taken such action.
- (3) Represents actual annual Debt Service Requirements for the Bonds. The rate covenant in the Resolution requires minimum coverage of 125%.
- (4) Represents Maximum Annual Debt Service for any one fiscal year based on current debt level and terms.

Source: Annual Financial Statements of the Pinellas County Sewer System Enterprise Fund for Fiscal Years 2010 - 2014  
Pinellas County Utilities for FY2010 – FY2012 and Office of Management and Budget for FY2013-FY2014.

### Historical Wastewater Treatment

The table below sets forth the historical wastewater treatments for the South Cross Bayou WRF and the W.E. Dunn WRF.

Fiscal Year	Average Daily Flow (MGD)		Total
	South Cross Bayou WRF	W.E Dunn WRF	
2010	22.19	6.7	28.89
2011	23.34	6.5	29.84
2012	22.32	6.7	29.02
2013	20.95	6.5	27.45
2014	21.01	6.4	27.41

Source: Pinellas County Utilities.

The table below shows the historical wastewater treatment sewage collected within the Bear Creek Service Area and treated at St. Petersburg's sewer treatment facility.

Fiscal Year	Average Daily Flow (MGD) Bear Creek
2010	0.46
2011	0.40
2012	0.39
2013	0.43
2014	0.42

Source: Pinellas County Utilities for FY2010 – FY2012 and Office of Management and Budget for FY2013-FY2014.

### Historical Reclaimed Water Flow

The table below sets forth the historical reclaimed water flow for South Cross Bayou WRF and the W.E. Dunn WRF.

Fiscal Year	Average Daily Flow (MGD)		Total
	South Cross Bayou WRF	W.E Dunn WRF	
2010	12.03	8.5	20.53
2011	14.27	8.9	23.17
2012	13.54	8.9	22.44
2013	11.12	8.8	19.92
2014	10.30	7.5	17.80

Source: Pinellas County Utilities.

## Retail Customers

The two tables below set forth, respectively, retail billing units for the Sewer System by user class and reclaimed water accounts for the Fiscal Years 2010-2014. Some customer accounts include multiple billing units. Accordingly, billing unit and customer account information used throughout this Official Statement may differ.

**Pinellas County Sewer System  
Retail Billing Units By User Class**

<b>User Class</b>	<b>2010</b>	<b>2011*</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Single Family Residence	78,179	70,084	70,214	70,425	70,212
Multiple Family Residence and Mobile Home	61,761	62,614	62,710	64,071	64,335
Hotel/ Motel	847	847	847	847	847
Commercial	3,270	3,285	3,295	3,332	3,342
<b>TOTAL</b>	<b>144,057</b>	<b>136,830</b>	<b>137,066</b>	<b>138,675</b>	<b>138,736</b>

\*The County installed a new customer information and billing system which resulted in the reclassification of certain accounts among user classes and, in the County's view, a more accurate depiction of the actual billing units for the Sewer System.

Source: Pinellas County Utilities.

**Pinellas County Sewer System  
Reclaimed Water Accounts**

<b>User Class</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Reclaimed Water Accounts	22,473	22,523	22,533	22,570	22,671

Source: Pinellas County Utilities.

## Major Customers

Set forth below is a listing of major customers of the Sewer System based upon billing records for Fiscal Year 2014. These customers collectively accounted for approximately 3.99% of Sewer System billings for Fiscal Year 2014.

### 2014 Major Customers

<b>MAJOR CUSTOMERS</b>	<b>PERCENT OF ANNUAL BILLINGS</b>
Pinellas County School Board	0.73%
Innisbrook Resort	0.53%
Five Towns LTD Corp	0.53%
East Lake Woodlands St Andrews	0.40%
Young-Rainey Star Center	0.38%
Square/Brookdale Living Inc Si	0.37%
Lansbrook Village Condo	0.35%
Veteran's Administration Facility	0.25%
Pinellas County Housing Authority	0.23%
Clearview Oaks Apts S Colen	0.22%
<b>TOTAL</b>	<b>3.99%</b>

Source: Pinellas County Utilities.

## Rates, Fees and Charges

Pursuant to the recommendations of its outside rate consultant, Burton & Associates, the County implemented new rates for retail sewer service, wholesale sewer service and reclaimed water service through the adoption of Resolution Nos. 11-164, 11-165, and 11-166, respectively, on September 27, 2011 (collectively, the "Rate Resolutions"). Such new rates became effective on October 1, 2011. The Rate Resolutions provide for automatic increases in the rates each Fiscal Year and require the rates to be reviewed annually and adjusted as necessary to meet the revenue requirements of the Sewer System.

The following are the rates for retail sewer service that became effective on October 1, 2013:

**Single Family Residence:**

Base Rate Charge per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Multiple Family Residence and Mobile Home:**

Base Rate Charge per Family Dwelling Unit or	
Mobile Home space available for occupancy per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Hotel/ Motel:**

Base Rate Charge per unit per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Commercial:**

Base Rate Charge per ERU per month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	<u>4.57</u>

**Unmetered Residential and Commercial Customer:**

Base Rate Charge per Month	<u>\$12.51</u>
Plus Volumetric Charge per 1,000 gallons	
(capped at 5,000 gallons per month)	<u>22.85</u>

The following is the rate for wholesale sewer service that became effective on October 1, 2013:

Volumetric Charge per 1,000 gallons	<u>\$3.8333</u>
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The following are the rates for reclaimed water service that became effective on October 1, 2013:

**2014 Rates, Fees, and Charges  
Reclaimed Water Service Rates**

**Funded Systems <sup>(1)</sup> - Retail Rate:**

Unmetered Service - Single Family or Multi Family (from 1 to 3 dwelling units) and commercial or Public User Property (up to 2 ERCs)	
Monthly Fee	\$17.00
Plus Bi-Monthly Billing Charge for Unmetered, Reclaimed Water Only Customers	3.75

Metered Service - Multi Family (more than 3 dwelling units) and Commercial or Public Use Property (more than 2 ERCs)	
User Fee per 1,000 gallons	\$0.88
Plus Bi-Monthly Billing Charge for Metered, Reclaimed Water Only Customers	4.50

**Unfunded Systems - Availability Charge Program: <sup>(2)</sup>**

Unmetered Service - Single Family or Multi Family (from 1 to 3 dwelling units) and Commercial or Public Use Property (up to 2 ERCs)	
Monthly Fee (for connection to service)	\$11.00
Plus Monthly Availability Charge (not connected to service)	7.00
Plus Bi-Monthly Billing Charge for Unmetered, Reclaimed Water Only Customers	3.75

Metered Service - Multi Family (more than 3 dwelling units) and Commercial or Public Use Property (more than 2 ERCs)	
User Fee per 1,000 gallons (for connection to service)	\$0.88
Plus Monthly Availability Charge (not connected to service)	7.00
Plus Bi-Monthly Billing Charge for metered, Reclaimed Water Only Customers	4.50

(1) A funded system is an in-service reclaimed water distribution system that was paid for with funds other than the Availability Charge Program.

(2) The Availability Charge pays for the cost of construction of the reclaimed distribution mains. The Availability Charge is billed to all properties in the readiness to serve zone whether connected to the Sewer System or not. Customers may pre-pay the Availability Charge. Customers who connect to the Sewer System will pay the Availability Charge and User Fee.

In addition to the monthly rates for sewer and reclaimed water service, the County currently charges connection fees (commonly referred to as impact fees and defined as "Impact Fees" in the Resolution) based upon an equitable and proportionate share of the cost for capacity of the Sewer System. The purpose of the Impact Fees is for paying or reimbursing the equitable share of the capital costs relating to the construction, expansion, or equipping of excess or unused capacity of the Sewer System in order to serve new users. The obligation for the payment of these charges by a new customer or developer arises at the time when the developer requests a building permit as a condition for construction/development. If an existing customer requests an increase in treatment capacity due to increased development, an additional Impact Fee charge will be imposed by the County consistent with the new increase in demand. The following table summarizes the sewer Impact Fees which became effective October 1, 2011:

**2014 Rates, Fees, and Charges  
Sewer Impact Fees**

Single Family Residence	<u>\$2,060.00</u>
Multiple Family and Mobile Home Parks:	
Each Multiple Family Dwelling Unit	<u>\$1,643.00</u>
Each Mobile Home Space	<u>1,540.00</u>
Commercial, Industrial and Miscellaneous Buildings:	
Per gallon of flow <sup>(1)</sup>	<u>\$10.98</u>

(1) Fee amount is determined at time application is made for sewer service and shall be based upon flow and demand made on the Sewer System in accordance with a schedule of estimated wastewater flows.

The following table summarizes the reclaimed water Impact Fees which became effective October 1, 2011:

**2014 Rates, Fees, and Charges  
Reclaimed Water Impact Fees**

Unmetered Service	
Unmetered Service 1"	<u>\$790.00</u>
Unmetered Service 1 1/2"	<u>1,060.00</u>
Unmetered Service 2"	<u>1,060.00</u>
Metered Service	
Metered Service 3/4"	<u>\$840.00</u>
Metered Service 1"	<u>1,010.00</u>
Metered Service 1 1/2"	<u>1,400.00</u>
Metered Service 2"	<u>1,480.00</u>
Metered Service 4"	<u>Installed by customer and shall be purchased from County at the current contract price.</u>

Under Florida law, Impact Fees may be validly imposed against new connections in order to fund capital improvements that are needed to serve such new connections or for debt service for bonds or other obligations issued for expansion for new customers.

Such Impact Fees must be placed in separate accounts and used only for the capital improvements or debt service attributable to expansion or over-sizing of the Sewer System for future capacity through construction or acquisition. Impact Fee revenues can fluctuate with the amount of new construction or development that occurs within the Sewer System's service area. Pursuant to the Resolution, Impact Fees are only pledged to the repayment of Bonds in the event the County, by Supplemental Resolution, includes any portion of the Impact Fees as Pledged Revenues. To date, the County has not taken such action. Accordingly, none of the Impact Fees imposed and collected by the County are currently pledged to the repayment of Bonds.

The County has also adopted a schedule of fees, charges, and deposits which are applicable to miscellaneous or customer requested services. The fees generally are imposed to recover the cost of specific service such as service taps, turn-on fees, meter installation, removal, reading or resetting, or deposits to defray the risk of nonpayment for Sewer System services.

## Rate Comparison

The following is a comparison of sewer charges for single family residences by various Florida counties.

### Comparison of Sewer Charges For Counties Single Family Residence

County	Base Rate	Volumetric Charge (Per 1,000 Gal)	Total*
Pinellas County	\$12.51	\$4.57	\$35.36
Brevard County	26.12	6.03	56.27
Broward County	17.46	3.66	35.76
Duval County	14.10	4.94	38.80
Hernando County	17.09	3.68	35.49
Hillsborough County	13.49	4.34	35.19
Lee County	20.45	5.85	49.70
Manatee County	19.89	4.44	42.09
Orange County	15.25	3.47	32.60
Pasco County	17.34	5.10	42.84

Source: Pinellas County Office of Management and Budget and individual county websites.

\*Based on average water usage of 5,000 gallons per month. Survey conducted in March, 2015

## Collection Practices

Bills for service are rendered bi-monthly and monthly for retail and wholesale customers, respectively, by the County. Bills are considered delinquent if not paid within 28 days of issuance, and services are subject to disconnection if payment is not received within 45 days of billing. Pursuant to the covenant requirements of the Resolution, the County does not render any free Sewer services of any nature by its Sewer System nor does it apply preferential rates for users of the same customer class. The County diligently enforces the payment of rates, fees and other charges for services of the Sewer System. The County's bad debt expenses with respect to Sewer System collections has historically been less than ½ of one percent (<0.50%)

## **RENEWAL, REPLACEMENT AND IMPROVEMENT PROGRAM**

The County has an expansive Renewal Replacement and Improvement Program for its Sewer System for the period 2014 through 2018 as generally presented on the following page. These improvements are anticipated to be financed from (1) funds on deposit in the Sewer System's Renewal and Replacement Fund, (2) funds which will accrue in the Renewal and Replacement Fund from the Sewer System's revenues and sewer Impact Fees during the five year period, and (3) the proceeds of Additional Bonds or subordinate debt.

Annually, the Sewer System implements construction projects which include renewal, replacement, and rehabilitation of facilities which can no longer provide reasonable service and cannot be maintained economically, as well as, additions to, and extension of, the Sewer System.

**PINELLAS COUNTY SEWER SYSTEM  
RENEWAL, REPLACEMENT AND IMPROVEMENT PROGRAM FISCAL YEARS 2014-2018**

	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>5 Year Total</b>
Renew, Replace & Improve Projects						
Buildings & Structures	\$136,000	\$1,317,000	\$783,000	\$1,093,000	\$591,000	\$3,920,000
Sewer Relocation DOT/PCPW	302,000	1,017,000	475,000	1,709,000	507,000	4,010,000
SCADA System	101,000	611,000	238,000	247,000	244,000	1,441,000
N Pinellas WWTP	1,218,000	2,920,000	1,300,000	3,500,000	600,000	9,538,000
Sewer Modifications & Rehab	4,042,000	6,697,000	6,566,000	7,828,000	7,152,000	32,285,000
Sewer Extensions	0	1,993,950	0	0	0	1,993,950
South Cross Improvements	8,105,000	4,607,000	3,305,000	3,300,000	5,740,000	25,057,000
Grease Disposal System	10,000	124,000	120,000	0	0	254,000
<b>Total R, R &amp; I Projects</b>	<b>13,914,000</b>	<b>19,286,950</b>	<b>12,787,000</b>	<b>17,677,000</b>	<b>14,834,000</b>	<b>78,498,950</b>
In-House Cost Centers						
Capital Equipment	1,161,166	2,949,500	709,900	709,900	709,900	6,240,366
Utilities Engineering Svcs	814,188	0	0	0	0	814,188
<b>Total In-House Cost Centers</b>	<b>1,975,354</b>	<b>2,949,500</b>	<b>709,900</b>	<b>709,900</b>	<b>709,900</b>	<b>7,054,554</b>
<b>Total Paid from R&amp;R Fund</b>	<b>\$15,889,354</b>	<b>\$22,236,450</b>	<b>\$13,496,900</b>	<b>\$18,386,900</b>	<b>\$15,543,900</b>	<b>\$85,553,504</b>
Construction Fund						
North County Reclaimed	0	0	0	0	0	0
South County Reclaimed	0	0	0	0	0	0
<b>Total Paid from Construction Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Total Capital Improvement Program</b>	<b>\$15,889,354</b>	<b>\$22,236,450</b>	<b>\$13,496,900</b>	<b>\$18,386,900</b>	<b>\$15,543,900</b>	<b>\$85,553,504</b>

Source: Capital Improvement Program 10-Year Work Plan and Pinellas County Office of Management and Budget.