

**CITY OF QUINCY  
CITY COMMISSION  
AGENDA REQUEST**

**MEETING DATE:** October 13, 2015

**DATE OF REQUEST:** October 5, 2015

**TO:** Honorable Mayor and Members of the City Commission

**FROM:** Mike Wade, Manager, City of Quincy  
Bernard O. Piawah, Director, Building and Planning

**SUBJECT:** Request for Lien Forgiveness on the Property located at 314 N. 11<sup>th</sup> Street

---

**Statement of Issue:**

On September 21, 2015, Mr. Tim Rowan wrote the City expressing his desire to acquire from the Tax Roll the property located at 314 N. 11<sup>th</sup> Street, Quincy in order to correct the code violations associated with the property. The property has been abandoned for several years and not maintained. As a result, code violation notices were issued and liens placed on the property for failure to correct the violations. The lien has accumulated to a huge amount that would make the acquisition of the property prohibitive and impossible to accomplish. Mr. Rowan is asking the City Commission to waive the lien on the property as an incentive that will enable him to purchase the property and correct the code violations directed by the City. The City's staff has evaluated the request and is recommending that the Commission should authorize the City's staff to waive the lien on the property as soon as the code violations have been corrected, and collect the City's cost of maintaining the property during the past years.

**Background:**

The City has two code violation liens running concurrently on the property. The first one was recorded on June 13, 2013 and the second was recorded on October 31, 2014. The nature of the violation for the lien of 2013 was overgrown grass, trash and debris accumulation on the property. The fine was \$100.00 for each day that the violation remained unresolved. The order was issued by the code magistrate on July 30, 2012 which is 1,159 days from the date of this request, amounting to approximately \$115,900.00.

The order for the second lien was issued by the magistrate on October 31, 2014. The nature of the violation was that the structure was dangerous and constituted a nuisance and the fine was \$25.00 per day that the violation remained uncorrected. The recommended order was that the structure should be renovated or demolished. It has

been 347 days from the date of this request since that order was issued amounting to approximately \$8,675.00. In total, the code enforcement related lien on the property is \$124,575.00.

During the past years, the City has maintained the yard several times and incurred an expense of \$700.00, plus \$8.28 recording fee for a total of \$708.28. (See attached the work invoice from Public Works Department).

**Conclusion and Recommendation:**

Pursuant to Section 2-507(d) of the City's code, neither the Code Magistrate nor the Manager can compromise or reduce the amount owed incident to a recorded lien. The code further states that the "jurisdiction regarding compromise or reduction of such a lien vests with the City Commission". The objective of the code enforcement process is to achieve compliance with the provisions of the code that will ensure the protection of public health and safety as well as the protection of property. The code, under Section 14-287, grants the City the authority to collect on all costs incurred from corrective actions related to a code violation. In view of these circumstances, the City's staff is recommending that the City Commission use the discretion granted to it by the code to forgive the lien on this property, provided that the code violation has been corrected, and also authorize the City's staff to collect the cost of all corrective actions performed on the property.

**OPTIONS:**

- Option 1: Authorize the City's staff to waive the lien on this property after the code violation on the property has been corrected and after the property owner has paid the city the cost of maintaining the yard.
- Option 2: Do not authorize staff to waive the lien on this property.

**STAFF RECOMMENDATION:**

Option 1

**ATTACHMENTS:**

1. Letter from Mr. Rowan requesting that the lien be waived; and
2. Work invoice from the Public Works Department.

City of Quincy  
City Hall  
Quincy, FL. 32351

September 21, 2015

RE: Property – 314 N 11<sup>th</sup> St.

To Whom It May Concern:

The property at 314 N 11<sup>th</sup> St in Quincy has now been abandoned by the current property owner and apparently by the mortgage holder for many years now. The property is an eye sore to the City and the neighborhood.

The property taxes have not been paid on the property since the 2011 tax year. I was able to acquire (buy) the tax certificate for the outstanding 2012 taxes from the tax certificate holder, making it possible to go through the process and expense to apply for a tax deed on the property. This is a process that takes approximately 5 months and does not guarantee I will end up with the property but will be likely.

The City code enforcement lien survives this process, and it is my request that the city wave these liens if I am successful in acquiring the property. Otherwise, it would be cost prohibitive for me to apply for the tax deed.

It is my intention to incorporate this adjoining property with my own and have the house demolished as it is within approximately 20 feet of my own house.

I have been a resident of Quincy since 1984 and have resided at my current address since 1989.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Rowan', with a long horizontal flourish extending to the right.

Tim Rowan  
320 N 11<sup>th</sup> St  
Quincy, FL. 32351



**City of Quincy**  
Parks, Recreation, & Public Works



**CITY OF QUINCY**  
**Parks, Recreation, and Public Works**  
122 North Graves Street  
Quincy, Florida 32351  
Phone: (850) 618-0042

Date: September 25, 2014

Date	Description	HOURS	RATE	AMOUNT
4/24/2014	Cut and Clean Property on 11 <sup>th</sup> Street			
	Use of Backhoe	4	\$100.00 per hour	\$400.00
9/10/2014	Cut and Clean Property on 11 <sup>th</sup> Street			
	Mowing and Weed eating	1.5	\$100.00 per hour	\$150.00
<b>Subtotal</b>				<b>\$550.00</b>
<b>Tax</b>				
<b>Miscellaneous</b>				
<b>Balance Due</b>				<b>\$550.00</b>

Please make all checks payable to:  
City of Quincy  
**THANKS FOR YOU BUSINESS!**

**CITY OF QUINCY  
CITY COMMISSION  
AGENDA REQUEST**

**MEETING DATE:** October 13, 2015

**DATE OF REQUEST:** October 9, 2015

**TO:** Honorable Mayor and Members of the City Commission

**FROM:** Mike Wade, City Manager

**SUBJECT:** Temporary Construction Easement

---

**Statement of Issue:**

This is a request to grant a temporary construction easement to Gadsden County for construction of a sidewalk at the intersection of Martin Luther King Jr. Boulevard and Atlanta Street.

**Background:**

Gadsden County is in the process of designing and installing a sidewalk on the west side of Atlanta Street from U.S. Highway 90 to Martin Luther King Jr. through an FDOT and Local Agency Program (LAP) sidewalk construction project. Most of this project is located outside the city limits along the west side of Atlanta Street with a small portion extending inside the city limits that will connect the existing sidewalk at the end of MLK to the new sidewalk on Atlanta Street. In order for the project to include the portion of sidewalk that will extend inside the city limits and connect the existing sidewalk with the new sidewalk it will be necessary to grant a temporary construction easement for the portion of the project that extends inside the city limits. If the city does not want to participate in the project the sidewalk construction will end on the west side of Atlanta Street. The temporary construction easement will expire upon completion of the project but no later than September 30, 2017.

**OPTIONS:**

- Option 1: Move to authorize the Mayor to sign the Temporary Construction Easement
- Option 2: Do not grant the Temporary Construction Easement

**STAFF RECOMMENDATION:**

Option 1

**Attachment:**

1. Temporary Construction Easement
2. Survey and Legal Description

This instrument was prepared by or under the supervision of David J. Weiss, Esq., of AUSLEY McMULLEN, who certifies **ONLY** that he prepared the same from information furnished to him and that the accuracy of the description and title thereto are **NOT** guaranteed.

WHEN RECORDED, RETURN TO:

David J. Weiss, Esq.  
AUSLEY McMULLEN  
Post Office Box 391  
Tallahassee, Florida 32302

**TEMPORARY CONSTRUCTION EASEMENT**

**THIS TEMPORARY CONSTRUCTION EASEMENT** (the "Easement"), granted this \_\_\_\_ day of \_\_\_\_\_, by the **CITY OF QUINCY, FLORIDA**, a municipal corporation created and existing under the laws of the State of Florida, whose mailing address is 404 West Jefferson Street, 404, Quincy, FL 32351, hereinafter called "Grantor," to **GADSDEN COUNTY, FLORIDA**, a political subdivision of the State of Florida, whose mailing address is 9-B East Jefferson Street, Quincy, FL 32351, hereinafter called "Grantee;"

(Wherever the context hereof so requires or admits, the terms "Grantor" and "Grantee" shall include singular and plural, and use of any gender shall be applicable to all genders, and this instrument shall be binding upon all parties hereto and their legal representatives, successors, and assigns.)

**WITNESSETH:**

For and in consideration of the sum of ten and 00/100 dollars and other valuable considerations, the receipt of which is hereby acknowledged, Grantor does hereby grant to Grantee, its successors and assigns, a temporary easement in, to, over, across and under the following described property in Gadsden County, Florida (the "Property"):

**See Exhibit "A" attached hereto and made a part hereof.**

Said temporary construction easement is for the sole purpose of constructing the sidewalk and otherwise completing the improvements on the Property pursuant to and in accordance with the current plans and specifications of the Florida Department of Transportation Local Agency Program FPN: 435252-1-038-01 (the "Project"). This easement shall commence upon commencement of the Project on



the Property and shall expire upon the completion of the Project on the Property but not later than September 30, 2017, after which this easement shall terminate automatically and all interests herein conveyed shall revert to the Grantor, its successors and assigns.

The easement is granted on the following conditions:

To the greatest extent permitted by law, the Grantor shall indemnify and hold harmless the Grantee, its officers, employees, attorneys, and agents from and against all liabilities, damages, losses, costs (including, but not limited to, reasonable attorneys' fees, whether or not there is litigation, and including those incurred on appeal), and actions or causes of action of any nature whatsoever that may at any time be made or brought by anyone for the purpose of bringing or enforcing a claim due to an injury or damage allegedly resulting from injury caused by or related to the use of the Easement and for any acts or failures to act related to the work performed or equipment located on the Property in connection with the Project, which liabilities, damages, losses, costs and actions or causes of action have occurred as a result of the negligent or wrongful acts or omissions of Grantor or any of Grantor's officers, employees, contractors, representatives or agents. The indemnity obligations of the Grantor shall continue in full force and effect subsequent to and notwithstanding the expiration or termination of this Easement. By granting and accepting this Easement, the Grantor and Grantee do not intend to and in no way waive any sovereign immunity rights that they possess.

Grantor shall remain solely responsible for all of Grantor's utilities located on the Property, including but not limited to, any adjustment to or relocation of any or Grantor's utility lines or equipment required to complete the Project in accordance with the current plans and specifications, during the term of this Easement and thereafter. Grantee shall not be responsible for any costs, expenses, or damages associated with the Grantor's utilities located on the Property, including but not limited to, the adjustment to or relocation of any of Grantor's utility lines or equipment; and shall not be liable for any losses, damages, or injury allegedly caused by or resulting from the Grantor's utilities located on the Property, including but not limited to, the adjustment or relocation of any of Grantor's utility lines or equipment.

Grantee is in no way bound or obligated under this Easement or otherwise to improve, repair, or maintain the Property or the remainder of Grantor's property during the term of this Easement or thereafter, nor does the Grantee assume any liability or responsibility to Grantor or any trespassers, licensees, invitees or any other persons or entities entering onto the Property or the remainder of Grantor's property during the term of this Easement or thereafter.

The Grantor covenants that it is the owner of the Property and that said Property is free and clear of encumbrances and liens of any nature.

IN WITNESS WHEREOF, the said Grantor has signed and sealed these presents the day and year first above written.

Signed, sealed, and delivered  
in the presence of:

**CITY OF QUINCY, FLORIDA, a municipal  
corporation created and existing under the laws of  
the State of Florida**

\_\_\_\_\_  
(1<sup>st</sup> Witness Signature)

\_\_\_\_\_  
(1<sup>st</sup> Witness – Printed Name)

\_\_\_\_\_  
(2<sup>nd</sup> Witness Signature)

\_\_\_\_\_  
(2<sup>nd</sup> Witness – Printed Name)

By: Derrick D. Elias

Its: Mayor

STATE OF FLORIDA  
COUNTY OF GADSDEN

The foregoing instrument was acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, by Derrick D. Elias, as Mayor of the City of Quincy, Floirda City Commission, on behalf of the City of Quincy, Florida, a municipal corporation created and existing under the laws of the State of Florida. Such person: ( ) is personally known to me; ( ) produced a current driver's license as identification; or ( ) produced \_\_\_\_\_ as identification.

(Notarial Seal)

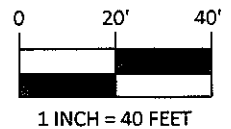
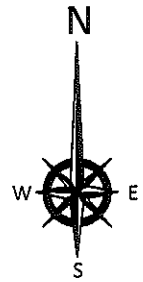
\_\_\_\_\_  
(Signature of Notary Public)

\_\_\_\_\_  
(Typed or Printed Name of Notary Public)

# SKETCH of DESCRIPTION

## LEGEND:

No. or # = NUMBER  
 & = AND  
 N/A = NOT APPLICABLE  
 ORB = OFFICIAL RECORDS BOOK  
 PG = PAGE  
 C/L = CENTERLINE  
 SQ FT = SQUARE FEET  
 SRD = STATE ROAD DEPARTMENT  
 TCE = TEMPORARY CONSTRUCTION EASEMENT  
 LB = LICENSED BUSINESS  
 LS = LICENSED SURVEYOR  
 PSM = PROFESSIONAL SURVEYOR AND MAPPER  
 P.O.B. = POINT OF BEGINNING  
 P.O.C. = POINT OF COMMENCEMENT



"IMPERIAL NURSERIES INC."  
 PARCEL # 3-10-2N-4W-0000-00441-0100  
 ORB 460, PAGE 111  
 and OTHERS

WEST RIGHT-OF-WAY

SOUTH ATLANTA STREET (PAVED)  
 66.0' WIDE RIGHT-OF-WAY

LINE - 3

S 03°30'18" E 45.36'

N 03°30'18" W 103.79'

P.O.C.

LINE - 4

P.O.B.

N 89°17'50" E 86.04'

"CITY OF QUINCY"  
 PARCEL # 3-11-2N-4W-0000-00340-0100  
 ORB 759, PAGE 1085  
 and OTHERS

NORTH RIGHT-OF-WAY

TEMPORARY  
 CONSTRUCTION EASEMENT  
 CONTAINING 7853.76 SQ FT or 0.18 AC ±

LINE - 2

C/L of RIGHT-OF-WAY

S 89°17'50" W 137.12'

MLK Jr. BOULEVARD (PAVED)  
 formerly EXPERIMENT STATION ROAD  
 80.0' WIDE RIGHT-OF-WAY (SRD)

APPROXIMATE PROPERTY LINE

"MIGUEL TORRES GONZALEZ"  
 PARCEL # 3-14-2N-4W-0000-00221-0200  
 ORB 562, PAGE 1896  
 and OTHERS

WEST RIGHT-OF-WAY

APPROXIMATE CITY LIMITS  
 C/L of RIGHT-OF-WAY

EAST RIGHT-OF-WAY

SOUTH RIGHT-OF-WAY

"CITY OF QUINCY"  
 PARCEL # 3-14-2N-4W-0000-00210-0400  
 ORB 607, PAGE 978  
 and OTHERS

LINE - 1  
 N 89°17'50" E 20.00'

LINE - 3  
 N 86°29'42" E 33.00'

LINE - 2  
 S 00°42'10" E 40.00'

LINE - 4  
 S 47°06'14" E 28.97'

## SURVEYOR'S NOTES:

- 1) BEARINGS AND DISTANCES SHOWN HEREON ARE RELATIVE TO STATE PLANE GRID (NORTH 903/NAD 83) AND ARE IN REFERENCE TO A TOPOGRAPHIC ROUTE SURVEY PERFORMED ON MAY 2015, BY THIS FIRM, REFERENCE HSA JOB NUMBER 40153.
- 2) PROPERTY LINES SHOWN HEREON WERE COMPUTED FROM FOUND MONUMENTATION, FIELD EVIDENCE AND FIELD WORK PERFORMED ON MAY 2015. THE EXISTING PUBLIC RECORDS OF GADSDEN COUNTY, FLORIDA WERE ALSO UTILIZED IN THE DETERMINATION OF THE LOCATION OF PROPERTY AND RIGHT-OF-WAY LINES.
- 3) THIS IS A SKETCH OF DESCRIPTION, AS DEFINED IN CHAPTER 5J-17.050(10)(A)-(K) OF THE FLORIDA ADMINISTRATIVE CODE. MORE SPECIFICALLY, THE PURPOSE OF THIS SKETCH IS TO SHOW A TEMPORARY CONSTRUCTION EASEMENT (T.C.E.) FOR GADSDEN COUNTY TO CONSTRUCT A SIDEWALK IN QUINCY CITY LIMITS.
- 4) INSTRUMENTS OF RECORD REFLECTING EASEMENTS, ENCUMBRANCES, RIGHTS-OF-WAY, AND/OR OWNERSHIP WERE NOT FURNISHED TO THIS SURVEYOR, EXCEPT AS SHOWN. LANDS SHOWN HEREON WERE NOT ABSTRACTED FOR RIGHTS-OF-WAY, EASEMENTS, OWNERSHIP OR OTHER DEEDS OF RECORD.
- 5) ADDITIONS OR DELETIONS TO SURVEY MAPS OR REPORTS BY OTHER THAN THE SIGNING PARTY OR PARTIES IS PROHIBITED WITHOUT WRITTEN CONSENT OF THE SIGNING PARTY OR PARTIES.

SHEET 1 of 2

**SOUTH ATLANTA STREET**  
 TEMPORARY CONSTRUCTION EASEMENT  
 QUINCY, GADSDEN COUNTY, FLORIDA

NOT VALID WITHOUT THE  
 SIGNATURE AND THE ORIGINAL  
 RAISED SEAL OF A FLORIDA  
 LICENSED SURVEYOR AND MAPPER

FIELD DATE: N/A  
 PARTY CHIEF: N/A  
 DRAWN BY: J. PULICE  
 CHECKED BY: J. MATTHEWS

JOB NUMBER: 40153-1  
 DRAWING: GAD - SW - ATL - TCE  
 DRAWING DATE: 9/1/2015  
 FIELD BOOK: N/A - PAGE: N/A



**HSA CONSULTING GROUP INC.**

Experience • Technology • Innovation  
 2900-A Northmont Drive, Tallahassee, FL 32303  
 Certificate of Authorization No. LB 7043  
 Phone: (850) 309-7510 Fax: (850) 309-0246  
 www.hsa.cc

## SURVEYOR'S CERTIFICATE:

I HEREBY CERTIFY THAT THIS SKETCH OF DESCRIPTION OF THE DESCRIBED PROPERTY, IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SKETCH OF DESCRIPTION CONFORMS WITH THE STANDARDS OF PRACTICE AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL SURVEYORS AND MAPPERS IN CHAPTER 5J-17, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES.

9/02/2015  
 DATE SIGNED

JOHN M. PULICE, PSM  
 PROFESSIONAL SURVEYOR & MAPPER  
 FLORIDA LICENSE NUMBER LS6811

# LEGAL DESCRIPTION

## LEGAL DESCRIPTION: (for recording purposes)

### TEMPORARY CONSTRUCTION EASEMENT

A PORTION OF LAND LYING IN SECTION 11, TOWNSHIP 2 NORTH, RANGE 4 WEST, GADSDEN COUNTY, FLORIDA. BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCE** AT A 5/8" IRON ROD AND CAP "LB 3293", THAT MARKS THE SOUTHWEST CORNER OF LANDS OWNED BY THE "CITY OF QUINCY", PARCEL IDENTIFICATION NUMBER 3-11-2N-4W-0000-00340-0100, FOUND IN OFFICIAL RECORDS BOOK 759, PAGE 1085 OF THE PUBLIC RECORDS OF GADSDEN COUNTY, FLORIDA, SAID POINT IS ALSO THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF MLK Jr. BOULEVARD formerly EXPERIMENT STATION ROAD (HAVING A 80 FOOT WIDE RIGHT-OF-WAY) AND THE EAST RIGHT-OF-WAY LINE OF SOUTH ATLANTA STREET (HAVING A 66 FOOT WIDE RIGHT-OF-WAY); THENCE ALONG SAID NORTH RIGHT-OF-WAY LINE, NORTH 89°17'50" EAST, 20.00 FEET TO THE **POINT OF BEGINNING**; THENCE FROM SAID **POINT OF BEGINNING** CONTINUE ALONG SAID NORTH RIGHT-OF-WAY LINE, NORTH 89° 17' 50" EAST, 86.04 FEET; THENCE LEAVING SAID NORTH RIGHT OF WAY LINE, SOUTH 00° 42' 10" EAST, 40.00 FEET TO THE CENTERLINE OF MLK Jr. BOULEVARD RIGHT-OF-WAY; THENCE ALONG SAID CENTERLINE OF MLK Jr. BOULEVARD RIGHT-OF-WAY, SOUTH 89° 17' 50" WEST, 137.12 FEET TO THE INTERSECTION OF SAID MLK Jr. BOULEVARD CENTERLINE OF RIGHT-OF-WAY AND SOUTH ATLANTA STREET CENTERLINE OF RIGHT-OF-WAY; THENCE LEAVING SAID INTERSECTION AND ALONG SAID SOUTH ATLANTA STREET CENTERLINE OF RIGHT-OF-WAY, NORTH 03° 30' 18" WEST, 103.79 FEET; THENCE LEAVING SAID SOUTH ATLANTA STREET CENTERLINE OF RIGHT-OF-WAY, NORTH 86° 29' 42" EAST, 33.00 FEET TO THE EAST RIGHT-OF-WAY LINE OF SOUTH ATLANTA STREET; THENCE ALONG SAID EAST RIGHT-OF-WAY LINE, SOUTH 03° 30' 18" EAST, 45.36 FEET; THENCE LEAVING SAID EAST RIGHT-OF-WAY LINE, SOUTH 47° 06' 14" EAST, 28.97 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7853.76 SQUARE FEET or 0.18 ACRES MORE OR LESS.

SHEET 2 of 2

### SOUTH ATLANTA STREET

TEMPORARY CONSTRUCTION EASEMENT  
QUINCY, GADSDEN COUNTY, FLORIDA

NOT VALID WITHOUT THE  
SIGNATURE AND THE ORIGINAL  
RAISED SEAL OF A FLORIDA  
LICENSED SURVEYOR AND MAPPER

FIELD DATE: N/A  
PARTY CHIEF: N/A  
DRAWN BY: J. PULICE  
CHECKED BY: J. MATTHEWS

JOB NUMBER: 40153-1  
DRAWING: GAD - SW - ATL - TCE  
DRAWING DATE: 9/1/2015  
FIELD BOOK: N/A - PAGE: N/A




### HSA CONSULTING GROUP INC.

Experience - Technology - Innovation  
2900-A Northmont Drive, Tallahassee, FL 32303  
Certificate of Authorization No. LB 7043  
Phone: (850) 309-7510 Fax: (850) 309-0246  
www.hsa.cc

### SURVEYOR'S CERTIFICATE:

I HEREBY CERTIFY THAT THIS SKETCH OF DESCRIPTION OF THE DESCRIBED PROPERTY, IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF, AND THAT THIS SKETCH OF DESCRIPTION CONFORMS WITH THE STANDARDS OF PRACTICE AS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL SURVEYORS AND MAPPERS IN CHAPTER 5J-17, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO SECTION 472.027, FLORIDA STATUTES.

9/02/2015  
DATE SIGNED

  
JOHN M. PULICE, PSM  
PROFESSIONAL SURVEYOR & MAPPER  
FLORIDA LICENSE NUMBER LS6811

**CITY OF QUINCY**  
**CITY COMMISSION AGENDA REQUEST**

MEETING DATE: October 13, 2015

DATE OF REQUEST: October 8, 2015

TO: Honorable Mayor and Members of the City Commission

FROM: Mike Wade, City Manager

SUBJECT: Proposed Amendment 4 to the City of Quincy's State Revolving Funding loan/grant agreement.

---

**Statement of Issue:**

The information provided herein is in reference to a proposed amendment to the City of Quincy's State Revolving Fund agreement with the Florida Department of Environmental Protection. This amendment provides the City additional time to complete preconstruction activities for identifying inflow/infiltration issues in the sanitary sewer system.

**Background on the SSES Project:**

The Florida Department of Environmental Protection granted the City a low interest loan for preconstruction activities to identify and design corrective measures for excess inflow/infiltration entering into our sewer system. The City has performed system analysis, flow monitoring, smoke testing, and close circuit television of the noted worst areas within our collection system. After those preconstruction activities were completed with no definable construction project being identified, staff through discussions with Hatch Mott McDonald and FDEP decided to do further study of the system by smoke testing. This has always been one of the most effective methods for eliminating point of inflow into a sanitary system. In the meantime, everyone agreed that additional time would be needed to analyze the system further. Therefore, we have been provided a proposal to extend planning and study by dates as listed on pages four and five of the attached amendment.

**Staff Recommendation:**

Staff has determined that further study is necessary to the project so that we may better determine areas that have rehabilitation needs instead of just expending funds on areas

that are old but have yet to be determined as the problem of inflow/infiltration. Some of these funds will have to be repaid as per our agreement and the expenditure of those funds on areas such as “trunk lines” will possibly use up the available monies without curing any of the problems. This time extension will allow us to be more prudent in our expenditure of funds and better assure the City of time to identify the areas of most need.

**Options:**

1. Move to authorize the City Manager to sign Amendment #4 and have it submitted to FDEP for final approval.
2. Move to direct the City Manager to follow an alternative direction as decided by the City Commission.

**Recommended Option**

Option 1

**Attachments:**

1. Amendment 4 To Loan Agreement
2. WW641090 Loan Agreement
3. Amendment 3 to Loan Agreement

**STATE REVOLVING FUND  
 AMENDMENT 4 TO LOAN AGREEMENT WW641090  
 AMENDMENT 2 TO GRANT AGREEMENT SG641091  
 CITY OF QUINCY**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF QUINCY, FLORIDA, existing as a local government agency (Local Government) under the laws of the State of Florida.

WITNESSETH:

WHEREAS, the Department and the Local Government entered into a Clean Water State Revolving Fund Loan Agreement, Number WW641090, as amended, and Grant Agreement, Number SG641091, authorizing a Loan amount of \$478,753, excluding Capitalized Interest, and a Grant amount of \$201,400; and

WHEREAS, Loan repayment activities need rescheduling to give the Local Government additional time to complete preconstruction activities; and

WHEREAS, certain provisions require clarification for accounting and audit requirements.

NOW, THEREFORE, the parties hereto agree as follows:

1. Section 2.03 of the Agreement is deleted and replaced as follows:

The Local Government agrees to the following audit and monitoring requirements.

Funds provided under this Agreement have been identified as second-tier monies under the Federal Clean Water Act which are identified as state funds whose use is federally protected.

(1) The financial assistance authorized pursuant to this Loan Agreement consists of the following:

State Resources Awarded to the Local Government Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:					
State Program Number	Funding Source	CSFA Number	CSFA Title or Fund Source Description	Funding Amount	State Appropriation Category
Original Agreement	Wastewater Treatment and Stormwater Management TF	37.077	Wastewater Treatment Facility Construction	\$478,753	140131

State Funding Line Item	Funding Source	CSFA	CSFA Title or Fund Source Description	Funding Amount	State Appropriation Category
1675AA of SFY 2011-2012 GAA	Federal Grants Trust Fund	37.075	Small Community Wastewater Grant	\$201,400	143276

(2) Audits.

(a) In the event that the Local Government expends a total amount of state financial assistance equal to or in excess of \$500,000 in any fiscal year of such Local Government, the Local Government must have a State single audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. In determining the state financial assistance expended in its fiscal year, the Local Government shall consider all sources of state financial assistance, including state financial assistance received from the Department of Environmental Protection, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

(b) In connection with the audit requirements addressed in the preceding paragraph (a); the Local Government shall ensure that the audit complies with the requirements of Section 215.97(7), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.

(c) If the Local Government expends less than \$500,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. The Local Government shall inform the Department of findings and recommendations pertaining to the State Revolving Fund in audits conducted by the Local Government in which the \$500,000 threshold has not been met. In the event that the Local Government expends less than \$500,000 in state financial assistance in its fiscal year, and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the Local Government's resources obtained from other than State entities).

(d) The Local Government is hereby advised that the Florida Single Audit Act Requirements may further apply to lower tier transactions that may be a result of this Agreement. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a Local Government should access the Florida Single Audit Act website located at <https://apps.fldfs.com/fsaa> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website at <http://www.leg.state.fl.us/Welcome/index.cfm>, State of Florida's website at



<http://www.myflorida.com/>, Department of Financial Services' Website at <http://www.fldfs.com/> and the Auditor General's Website at <http://www.state.fl.us/audgen>.

(e) The Local Government should confer with its chief financial officer, audit director or contact the Department for assistance with questions pertaining to the applicability of these requirements.

(3) Report Submission.

(a) Copies of financial reporting packages shall be submitted by or on behalf of the Local Government directly to each of the following:

(i) The Department at the following address:

Valerie Peacock, Audit Director  
Office of the Inspector General  
Florida Department of Environmental Protection  
3900 Commonwealth Boulevard, MS 41  
Tallahassee, Florida 32399-3123

(ii) The Auditor General's Office at the following address:

State of Florida Auditor General  
Room 401, Claude Pepper Building  
111 West Madison Street  
Tallahassee, Florida 32399-1450

(iii) Copies of reports or management letters shall be submitted by or on behalf of the Local Government directly to the Department of Environmental Protection at the following address:

Valerie Peacock, Audit Director  
Office of the Inspector General  
Florida Department of Environmental Protection  
3900 Commonwealth Boulevard, MS 41  
Tallahassee, Florida 32399-3123

(b) Any reports, management letters, or other information required to be submitted to the Department pursuant to this Agreement shall be submitted timely in accordance with Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

(c) Local Governments, when submitting financial reporting packages to the Department for audits done in accordance with Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the Local Government in correspondence accompanying the reporting package.

(4) Record Retention.

The Local Government shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date of the final amendment, and shall allow the Department, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The Local Government shall ensure that working papers are made available to the Department, or its designee, Chief Financial Officer, or Auditor General upon request for a period of five years from the date of the final amendment, unless extended in writing by the Department.

(5) Monitoring.

In addition to reviews of audits conducted in accordance with Section 215.97, F.S., as revised monitoring procedures may include, but not be limited to, on-site visits by Department staff and/or other procedures. By entering into this Agreement, the Local Government agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department of Environmental Protection. In the event the Department of Environmental Protection determines that a limited scope audit of the Local Government is appropriate, the Local Government agrees to comply with any additional instructions provided by the Department to the Local Government regarding such audit. The Local Government further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer or Auditor General.

2. Section 8.02 of the Agreement is deleted and replaced as follows:

Books, records, reports, engineering documents, contract documents, and papers shall be available to the authorized representatives of the Department for inspection at any reasonable time after the Local Government has received a disbursement and until five years after the final amendment date.

3. Unless repayment is further deferred by amendment of the Agreement, Semiannual Loan Payments as set forth in Section 10.05 shall be received by the Department beginning on May 15, 2018, and semiannually thereafter on November 15 and May 15 of each year until all amounts due under the Agreement have been fully paid.

4. The items scheduled under Section 10.07 of the Agreement are deleted and replaced as follows:

(1) Acceptance of the planning documents by the Department (including SSES) no later than October 15, 2016.

(2) Design of all Project facilities proposed for loan funding no later than April 15, 2017.

(3) Certification of availability of all sites for facilities proposed for loan funding no later than April 15, 2017.

(4) Evidence that permitting requirements have been satisfied for all Project facilities proposed for construction loan funding no later than October 15, 2017.

(5) Completion of all Preconstruction Activities for all Project facilities proposed for loan funding no later than November 15, 2017.

(6) Unless deferred by amendment, establish the Loan Debt Service Account and begin Monthly Loan Deposits no later than November 15, 2017.

(7) Unless deferred by amendment, provide certifications under Subsection 2.01(10) beginning February 15, 2018 and annually thereafter no later than September 30 of each year until the final Semiannual Loan Payment is made.

(8) The first Semiannual Loan Payment in the amount of \$15,734 shall be due May 15, 2018. The Local Government Share of the Semiannual Loan Payment is \$10,699. The Grant Portion of the Semiannual Loan Payment is \$5,035.

5. All other terms and provisions of the Loan Agreement shall remain in effect.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

This Amendment 4 to Loan Agreement WW641090 and Amendment 2 to Grant Agreement SG641091 shall be executed in two or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this amendment to the Loan Agreement to be executed on its behalf by the Secretary or Designee and the Local Government has caused this amendment to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this amendment shall be as set forth below by the Department.

for  
**CITY OF QUINCY**

\_\_\_\_\_  
City Manager

Attest:

Approved as to form and legal sufficiency:

\_\_\_\_\_  
City Clerk  
SEAL

\_\_\_\_\_  
City Attorney

for  
**STATE OF FLORIDA**  
**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

\_\_\_\_\_  
Secretary or Designee

\_\_\_\_\_  
Date

**Poor Original**

  
Initials \_\_\_\_\_  
Date \_\_\_\_\_

**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**AND**

**CITY OF QUINCY, FLORIDA**

**CLEAN WATER STATE REVOLVING FUND  
LOAN AGREEMENT  
WW641090**

**Florida Department of Environmental Protection  
Bureau of Water Facilities Funding  
Bob Martinez Center  
2600 Blair Stone Road, MS 3505  
Tallahassee, Florida 32399-2400**

**IMAGE QUALITY**

**AS YOU REVIEW THE NEXT FEW PAGES,  
PLEASE NOTE THAT THE ORIGINAL  
DOCUMENT WAS OF POOR QUALITY.**

CLEAN WATER STATE REVOLVING FUND LOAN AGREEMENT

<u>CONTENTS</u>	<u>PAGE</u>
ARTICLE I - DEFINITIONS	1
1.01. WORDS AND TERMS.	1
1.02. CORRELATIVE WORDS.	3
ARTICLE II - WARRANTIES, REPRESENTATIONS AND COVENANTS	3
2.01. WARRANTIES, REPRESENTATIONS AND COVENANTS.	3
2.02. LEGAL AUTHORIZATION.	5
2.03. AUDIT AND MONITORING REQUIREMENTS.	6
ARTICLE III - LOAN REPAYMENT ACCOUNT	8
3.01. LOAN DEBT SERVICE ACCOUNT.	8
3.02. INVESTMENT OF LOAN DEBT SERVICE ACCOUNT MONEYS.	9
3.03. LOAN DEBT SERVICE ACCOUNT WITHDRAWALS.	9
3.04. ASSETS HELD IN TRUST.	9
ARTICLE IV - PROGRAM INFORMATION	9
4.01. PROJECT CHANGES.	9
4.02. TITLE TO PROJECT SITE.	10
4.03. RESERVED.	10
4.04. RESERVED.	10
4.05. PROHIBITION AGAINST ENCUMBRANCES.	10
4.06. COMPLETION MONEYS.	10
4.07. CLOSE-OUT.	10
4.08. LOAN DISBURSEMENTS.	10
ARTICLE V - RATES AND USE OF THE WATER AND SEWER SYSTEMS	11
5.01. RATE COVERAGE.	11
5.02. NO FREE SERVICE.	11
5.03. MANDATORY CONNECTIONS.	11
5.04. NO COMPETING SERVICE.	12
5.05. MAINTENANCE OF THE WATER AND SEWER SYSTEMS.	12
5.06. ADDITIONS AND MODIFICATIONS.	12
5.07. COLLECTION OF REVENUES.	12
ARTICLE VI - DEFAULTS AND REMEDIES	12
6.01. EVENTS OF DEFAULT.	12
6.02. REMEDIES.	13
6.03. DELAY AND WAIVER.	14
ARTICLE VII - THE PLEDGED REVENUES	14
7.01. SUPERIORITY OF THE PLEDGE TO THE DEPARTMENT.	14
7.02. ADDITIONAL DEBT OBLIGATIONS.	14
<del>ARTICLE VIII - GENERAL PROVISIONS</del>	<del>15</del>
8.01. DISCHARGE OF OBLIGATIONS.	15

CLEAN WATER STATE REVOLVING FUND LOAN AGREEMENT

<u>CONTENTS</u>	<u>PAGE</u>
8.02. RECORDS AND STATEMENTS.	15
8.03. ACCESS TO WORK SITE.	15
8.04. ASSIGNMENT OF RIGHTS UNDER AGREEMENT.	15
8.05. AMENDMENT OF AGREEMENT.	15
8.06. ANNULMENT OF AGREEMENT.	16
8.07. SEVERABILITY CLAUSE.	16
ARTICLE IX - RESERVED	16
ARTICLE X - DETAILS OF FINANCING	16
10.01. PRINCIPAL AMOUNT OF LOAN.	16
10.02. LOAN SERVICE FEE.	16
10.03. FINANCING RATE.	17
10.04. LOAN TERM.	17
10.05. REPAYMENT SCHEDULE.	17
10.06. PROJECT RELATED COSTS.	17
10.07. SCHEDULE.	18
10.08. SPECIAL CONDITIONS.	19
ARTICLE XI - EXECUTION OF AGREEMENT	20



## CLEAN WATER STATE REVOLVING FUND LOAN AGREEMENT

WW641090

THIS AGREEMENT is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF QUINCY, FLORIDA, (Local Government) existing as a local governmental agency under the laws of the State of Florida.

### WITNESSETH:

WHEREAS, pursuant to Section 403.1835, Florida Statutes, the Department is authorized to make loans to local governmental agencies to finance the planning, design, and construction of wastewater pollution control facilities; and

WHEREAS, the Local Government has made application for the financing of Preconstruction Activities, and the Department has determined that all requirements for a loan have been met.

NOW, THEREFORE, in consideration of the Department loaning money to the Local Government, in the principal amount and pursuant to the covenants hereinafter set forth, it is agreed as follows:

### ARTICLE I - DEFINITIONS

#### 1.01. WORDS AND TERMS.

Words and terms used herein shall have the meanings set forth below:

- (1) "Agreement" or "Loan Agreement" shall mean this agreement.
  - (2) "Authorized Representative" shall mean the official of the Local Government authorized by ordinance or resolution to sign documents associated with the Loan.
  - (3) "Capitalized Interest" shall mean a finance charge that accrues at the Financing Rate on Loan proceeds from the time of disbursement until six months before the first Semiannual Loan Payment is due. Capitalized Interest is financed as part of the Loan principal.
  - (4) "Construction Related Costs" shall mean costs for Project construction, equipment, materials, demolition, contingency, legal and technical services incurred after construction bid opening, and Capitalized Interest associated with the foregoing costs.
  - (5) "Depository" shall mean a bank or trust company, having a combined capital and unimpaired surplus of not less than \$50 million, authorized to transact commercial banking or savings and loan business in the State of Florida and insured by the Federal Deposit Insurance Corporation.
-

(6) "Financing Rate" shall mean the charges, expressed as a percent per annum, imposed on the unpaid principal of the Loan. The Financing Rate shall consist of an interest rate component and a Grant Allocation Assessment rate component.

(7) "Grant Allocation Assessment" shall mean an assessment, expressed as a percent per annum, accruing on the unpaid balance of the Loan. It is computed similarly to the way interest charged on the Loan is computed and is included in the Semiannual Loan Payment. The Department will use Grant Allocation Assessment moneys for making grants to financially disadvantaged small communities pursuant to Section 403.1835 of the Florida Statutes.

(8) "Gross Revenues" shall mean all income or earnings received by the Local Government from the ownership or operation of its Water and Sewer Systems, including investment income, all as calculated in accordance with generally accepted accounting principles. Gross Revenues shall not include proceeds from the sale or other disposition of any part of the Water or Sewer System, condemnation awards or proceeds of insurance, except use and occupancy or business interruption insurance, received with respect to the Water or Sewer System.

(9) "Loan" shall mean the amount of money to be loaned pursuant to this Agreement and subsequent amendments.

(10) "Loan Application" shall mean the completed form which provides all information required to support obtaining loan financial assistance from the Department.

(11) "Loan Debt Service Account" shall mean an account, or a separately identified component of a pooled cash or liquid account, with a Depository established by the Local Government for the purpose of accumulating Monthly Loan Deposits and making Semiannual Loan Payments.

(12) "Loan Service Fee" shall mean an origination fee which shall be paid to the Department by the Local Government.

(13) "Monthly Loan Deposit" shall mean the monthly deposit to be made by the Local Government to the Loan Debt Service Account.

(14) "Operation and Maintenance Expense" shall mean the costs of operating and maintaining the Water and Sewer Systems determined pursuant to generally accepted accounting principles, exclusive of interest on any debt payable from Gross Revenues, depreciation, and any other items not requiring the expenditure of cash.

(15) "Pledged Revenues" shall mean the specific revenues pledged as security for repayment of the Loan and shall be the Gross Revenues derived yearly from the operation of the Water and Sewer Systems after payment of the Operation and Maintenance Expense and the satisfaction of all yearly payment obligations on account of the Senior Revenue Obligations and any senior obligations issued pursuant to Section 7.02 of this Agreement.

(16) "Preconstruction Activities" shall mean the planning, administrative, and engineering work necessary for the Local Government to qualify for Clean Water State

---

Revolving Fund financing for construction of wastewater transmission, collection, reuse, and treatment facilities.

(17) "Project" shall mean the construction of facilities planned and designed through the Preconstruction Activities.

(18) "Semiannual Loan Payment" shall mean the payment due from the Local Government to the Department at six-month intervals.

(19) "Senior Revenue Obligations" shall mean the following debt obligations:

(a) City of Quincy, Florida, Utility System Improvement Refunding Revenue Bonds, Series 2003, issued in the amount of \$8,890,000, pursuant to Resolution No. 1132; and

(b) Additional bonds issued on a parity with the bonds identified above pursuant to Section 12.02 of Resolution No. 1132; and

(c) Any refunding bonds issued to refund the obligations identified above provided such bonds shall not increase annual debt service during the repayment period of this Loan.

(20) "Sewer System" shall mean all facilities owned by the Local Government for collection, transmission, treatment and reuse of wastewater and its residuals.

(21) "Water System" shall mean all facilities owned by the Local Government for supplying and distributing water for residential, commercial, industrial, and governmental use.

#### 1.02. CORRELATIVE WORDS.

Words of the masculine gender shall be understood to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the singular shall include the plural and the word "person" shall include corporations and associations, including public bodies, as well as natural persons.

### ARTICLE II - WARRANTIES, REPRESENTATIONS AND COVENANTS

#### 2.01. WARRANTIES, REPRESENTATIONS AND COVENANTS.

The Local Government warrants, represents and covenants that:

(1) The Local Government has full power and authority to enter into this Agreement and to comply with the provisions hereof.

(2) The Local Government currently is not the subject of bankruptcy, insolvency, or reorganization proceedings and is not in default of, or otherwise subject to, any agreement or any law, administrative regulation, judgment, decree, note, resolution, charter or ordinance which would currently restrain or enjoin it from entering into, or complying with, this Agreement.

(3) There is no material action, suit, proceeding, inquiry or investigation, at law or in equity, before any court or public body, pending or, to the best of the Local Government's knowledge, threatened, which seeks to restrain or enjoin the Local Government from entering into or complying with this Agreement.

(4) The Local Government knows of no reason why any future required permits or approvals associated with the Project are not obtainable.

(5) The Local Government shall undertake Preconstruction Activities and the Project on its own responsibility, to the extent permitted by law.

(6) To the extent permitted by law, the Local Government shall release and hold harmless the State, its officers, members, and employees from any claim arising in connection with the Local Government's actions or omissions in its planning, engineering, administrative, and construction activities financed by this Loan or in its operation of Project facilities.

(7) All Local Government representations to the Department, pursuant to the Loan Application and Agreement, were true and accurate as of the date such representations were made. The financial information delivered by the Local Government to the Department was current and correct as of the date such information was delivered. The Local Government shall comply with Chapter 62-503, Florida Administrative Code, and all applicable State and Federal laws, rules, and regulations which are identified in the Loan Application or Agreement. To the extent that any assurance, representation, or covenant requires a future action, the Local Government shall take such action as is necessary for compliance.

(8) The Local Government shall maintain records using generally accepted accounting principles established by the Governmental Accounting Standards Board. As part of its bookkeeping system, the Local Government shall keep accounts of the Water and Sewer Systems separate from all other accounts and it shall keep accurate records of all revenues, expenses, and expenditures relating to the Water and Sewer Systems, and of the Pledged Revenues, Loan disbursement receipts, and Loan Debt Service Account.

(9) In the event the anticipated Pledged Revenues are shown by the Local Government's annual budget to be insufficient to make the Semiannual Loan Payments for such Fiscal Year when due, the Local Government shall include in such budget other legally available non-ad valorem funds which will be sufficient, together with the Pledged Revenues, to make the Semiannual Loan Payments. Such other legally available non-ad valorem funds shall be budgeted in the regular annual governmental budget and designated for the purpose provided by this Subsection, and the Local Government shall collect such funds for application as provided herein. The Local Government shall notify the Department immediately in writing of any such budgeting of other legally available non-ad valorem funds. Nothing in this covenant shall be construed as creating a pledge, lien, or charge upon any such other legally available non-ad valorem funds; requiring the Local Government to levy or appropriate ad valorem tax revenues; or preventing the Local Government from pledging to the payment of any bonds or other obligations all or any part of such other legally available non-ad valorem funds.

(10) Each year, beginning three months before the first Semiannual Loan Payment and ending with the year during which the final Loan repayment is made, the Local Government's Authorized Representative or its chief financial officer shall submit, no later than the date established in Section 10.07, a certification that: (a) Pledged Revenue collections satisfy, on a pro rata basis, the rate coverage requirement; (b) the Loan Debt Service Account contains the funds required; and (c) insurance, including that issued through the National Flood Insurance Program authorized under 42 U.S.C. secs. 4001-4128 when applicable, in effect for the facilities generating the Pledged Revenues, adequately covers the customary risks to the extent that such insurance is available.

(11) Pursuant to Section 216.347 of the Florida Statutes, the Local Government shall not use the Loan proceeds for the purpose of lobbying the Florida Legislature, the Judicial Branch, or a State agency.

(12) The Local Government agrees to complete the Preconstruction Activities and, if included by an amendment to this Agreement, the Project, in accordance with the Preconstruction Activities schedule set forth in Section 10.07 and a Project schedule added by amendment to this Agreement. Delays incident to strikes, riots, acts of God, and other events beyond the reasonable control of the Local Government are excepted. However, there shall be no resulting diminution or delay in the Semiannual Loan Payment or the Monthly Loan Deposit.

(13) The Local Government covenants that this Agreement is entered into for the purpose of completing planning, engineering, and administrative activities in order to construct facilities which will, in all events, serve a public purpose.

## 2.02. LEGAL AUTHORIZATION.

Upon signing this Agreement, the Local Government's legal counsel hereby expresses the opinion, subject to laws affecting the rights of creditors generally, that:

(1) This Agreement has been duly authorized by the Local Government and shall constitute a valid and legal obligation of the Local Government enforceable in accordance with its terms upon execution by both parties; and

(2) This Agreement specifies the revenues pledged for repayment of the Loan, and the pledge is valid and enforceable.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

**2.03. AUDIT AND MONITORING REQUIREMENTS.**

The Local Government agrees to the following audit and monitoring requirements.

(1) The financial assistance authorized pursuant to this Loan Agreement consists of the following:

Federal Resources, Including State Match, Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program Number	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
CS120001-090	EPA	66.458	Capitalization Grants for State Revolving Funds	\$478,753	140131

**(2) Audits.**

(a) In the event that the Local Government expends \$500,000 or more in Federal awards in its fiscal year, the Local Government must have a single or program-specific audit conducted in accordance with the provisions of OMB Circular A-133, as revised. Subsection 2.03(1) of this Agreement indicates that Federal funds are awarded through the Department by this Agreement. In determining the Federal awards expended in its fiscal year, the Local Government shall consider all sources of Federal awards, including Federal resources received from the Department. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised. An audit of the Local Government conducted by the Auditor General in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this part.

(b) In connection with the audit requirements addressed in the preceding paragraph (a), the Local Government shall fulfill the requirements relative to auditee responsibilities as provided in Subpart C of OMB Circular A-133, as revised.

(c) If the Local Government expends less than \$500,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. The Local Government shall inform the Department of findings and recommendations pertaining to the State Revolving Fund in audits conducted by the Local Government in which the \$500,000 threshold has not been met. In the event that the Local Government expends less than \$500,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, the cost of the audit must be paid from non-Federal resources (i.e., the cost of such an audit must be paid from Local Government resources obtained from other than Federal entities).

(d) The Local Government may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at <http://www.cfda.gov/>.

(4) Project-Specific Audit.

Within 12 months after the amendment establishing final Project costs the Local Government shall submit to the Department a Project-specific audit report for the Loan related revenues and expenditures. The audit shall address Loan disbursements received, Project expenditures, and compliance with Loan Agreement covenants. The Local Government shall cause the auditor to notify the Department immediately if anything comes to the auditor's attention during the examination of records that would constitute a default under the Loan Agreement. The audit findings shall set aside or question any costs that are unallowable under Chapter 62-503, Florida Administrative Code. A final determination of whether such costs are allowed shall be made by the Department.

However, notwithstanding the preceding paragraph, a Project-specific audit shall not be required if the only disbursements of Loan proceeds under this Agreement, including amendments thereto, are for allowance costs.

(5) Record Retention.

The Local Government shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of three years from the date the audit report is issued, and shall allow the Department, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The Local Government shall ensure that audit working papers are made available to the Department, or its designee, Chief Financial Officer, or Auditor General upon request for a period of three years from the date the audit report is issued, unless extended in writing by the Department.

(6) Monitoring.

In addition to reviews of audits conducted in accordance with OMB Circular A-133, as revised (see audit requirements above), monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits as defined by OMB Circular A-133, as revised, and/or other procedures. By entering into this Agreement, the Local Government agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department. In the event the Department determines that a limited scope audit of the Local Government is appropriate, the Local Government agrees to comply with any additional instructions provided by the Department to the Local Government regarding such audit. The Local Government further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer or Auditor General.

### ARTICLE III - LOAN REPAYMENT ACCOUNT

#### 3.01. LOAN DEBT SERVICE ACCOUNT.

The Local Government shall establish a Loan Debt Service Account with a Depository and begin making Monthly Loan Deposits no later than the date set forth in Section 10.07 ~~unless the date is revised by amendment of this Agreement.~~

---

#### 4.02. TITLE TO PROJECT SITE.

No later than the date established by Section 10.07, the Local Government shall have an interest in real property sufficient for the construction and location of any facility planned and designed through Preconstruction Activities free and clear of liens and encumbrances which would impair the usefulness of such sites for the intended use. If a limited site title certification is accepted at that date, the Department shall establish a date for submittal of a clear site title certification in an amendment or new agreement which provides financing for construction of affected facilities.

#### 4.03. RESERVED.

#### 4.04. RESERVED.

#### 4.05. PROHIBITION AGAINST ENCUMBRANCES.

The Local Government is prohibited from selling, leasing, or disposing of any part of the Water or Sewer System which would materially reduce operational integrity or Gross Revenues so long as this Agreement, including any amendment thereto, is in effect unless the written consent of the Department is first secured.

#### 4.06. COMPLETION MONEYS.

In addition to the proceeds of this or subsequent loans, the Local Government covenants that it has obtained, or will obtain, sufficient moneys from other sources to complete the Preconstruction Activities. The Local Government also covenants that if additional Loan financing is provided for Construction Related Costs by amendment of this Agreement, it will obtain sufficient moneys from other sources as necessary to complete the Project.

#### 4.07. CLOSE-OUT.

The Department may conduct a final inspection of the Preconstruction Activities records, or if this Agreement is amended to fund Construction Related Costs, the Department shall conduct a final inspection of the Project records. Following the inspection, deadlines for submitting additional disbursement requests, if any, shall be established, along with deadlines for uncompleted Loan requirements, if any. After the Department establishes the final allowance to be financed by the Loan, the amount may be adjusted by amendment. The Loan principal shall be reduced by any excess over the amount required to pay the approved allowance costs. As a result of such adjustment, the Semiannual Loan Payment shall be reduced accordingly, as addressed in Section 10.05.

#### 4.08. LOAN DISBURSEMENTS.

Disbursements shall be made only by the State Chief Financial Officer and only when the requests for such disbursements are accompanied by a Department certification that such withdrawals are proper expenditures. Disbursements shall be made directly to the Local Government for an allowance based on planning, engineering, and administration costs.



Requests by the Local Government for disbursements of the preconstruction funds shall be made using the Department's disbursement request form but shall not require documentation of actual costs incurred. Up to twenty percent of the allowance shall be disbursed after a Loan Agreement is signed. Up to fifty percent of the allowance shall be disbursed after the planning documentation has been completed and accepted. The remainder of the allowance shall be disbursed after all procurement contracts are executed and shall be adjusted to reflect as-bid costs. The Department may disburse the entire estimated allowance amount after acceptance of the plans and specifications or completion of the request for proposals, if the Local Government agrees to an allowance adjustment once all contracts have been bid.

Disbursements for Construction Related Costs shall occur only as a result of an amendment to this Agreement. The following allowance amount will be disbursed after the specified milestone events unless the allowance is reduced pursuant to Section 10.06:

Milestone Event	Amount
Loan Agreement executed	\$ 95,751
Department acceptance of planning documents	239,377
Department acceptance of executed procurement contracts	143,625
Total	\$ 478,753

#### ARTICLE V - RATES AND USE OF THE WATER AND SEWER SYSTEMS

##### 5.01. RATE COVERAGE.

The Local Government shall maintain rates and charges for the services furnished by the Water and Sewer Systems which will be sufficient to provide, in each Fiscal Year, Pledged Revenues equal to or exceeding 1.15 times the sum of the Semiannual Loan Payments due in such Fiscal Year. In addition, the Local Government shall satisfy the coverage requirements of all senior and parity debt obligations.

##### 5.02. NO FREE SERVICE.

The Local Government shall not permit connections to, or furnish any services afforded by, the Water or Sewer System without making a charge therefore based on the Local Government's uniform schedule of rates, fees, and charges.

##### 5.03. MANDATORY CONNECTIONS.

The Local Government shall adopt, as necessary, and enforce requirements, consistent with applicable laws, for the owner, tenant or occupant of each building located on a lot or parcel of land which is served, or may reasonably be served, by the Sewer System to connect such building to the Sewer System.

**5.04. NO COMPETING SERVICE.**

The Local Government shall not allow any person to provide any services which would compete with the Water or Sewer System so as to materially and adversely affect Gross Revenues.

**5.05. MAINTENANCE OF THE WATER AND SEWER SYSTEMS.**

The Local Government shall operate and maintain the Water and Sewer Systems in a proper, sound and economical manner and shall make all necessary repairs, renewals and replacements.

**5.06. ADDITIONS AND MODIFICATIONS.**

The Local Government may make any additions, modifications or improvements to the Water and Sewer Systems which it deems desirable and which do not materially reduce the operational integrity of any part of the Water or Sewer System. All such renewals, replacements, additions, modifications and improvements shall become part of the Water and Sewer Systems.

**5.07. COLLECTION OF REVENUES.**

The Local Government shall use its best efforts to collect all rates, fees and other charges due to it. The Local Government shall establish liens on premises served by the Water or Sewer System for the amount of all delinquent rates, fees and other charges where such action is permitted by law. The Local Government shall, to the full extent permitted by law, cause to discontinue the services of the Water and Sewer Systems and use its best efforts to shut off water service furnished to persons who are delinquent beyond customary grace periods in the payment of Water and Sewer Systems rates, fees and other charges.

**ARTICLE VI - DEFAULTS AND REMEDIES**

**6.01. EVENTS OF DEFAULT.**

Each of the following events is hereby declared an event of default:

(1) Failure to make any Monthly Loan Deposit or to make any installment of the Semiannual Loan Payment when it is due and such failure shall continue for a period of 30 days.

(2) Except as provided in Subsections 6.01(1) and (7), failure to comply with the provisions of this Agreement or failure in the performance or observance of any of the covenants or actions required by this Agreement and such failure shall continue for a period of 60 days after written notice thereof to the Local Government by the Department.

(3) Any warranty, representation or other statement by, or on behalf of, the Local Government contained in this Agreement or in any information furnished in compliance with, or in reference to, this Agreement, which is false or misleading.

(4) An order or decree entered, with the acquiescence of the Local Government, appointing a receiver of any part of the Water or Sewer System or Gross Revenues thereof; or if such order or decree, having been entered without the consent or acquiescence of the Local Government, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof.

(5) Any proceeding instituted, with the acquiescence of the Local Government, for the purpose of effecting a composition between the Local Government and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are payable from Gross Revenues of the Water or Sewer System.

(6) Any bankruptcy, insolvency or other similar proceeding instituted by or against, the Local Government under federal or state bankruptcy or insolvency law now or hereafter in effect and, if instituted against the Local Government, is not dismissed within 60 days after filing.

(7) Failure of the Local Government to give immediate written notice of default to the Department and such failure shall continue for a period of 30 days.

#### 6.02. REMEDIES.

Upon an event of default and subject to the rights of others having prior liens on the Pledged Revenues, the Department may enforce its rights by any of the following remedies:

(1) By mandamus or other proceeding at law or in equity, cause to establish rates and collect fees and charges for use of the Water and Sewer Systems, and to require the Local Government to fulfill this Agreement.

(2) By action or suit in equity, require the Local Government to account for all moneys received from the Department or from the ownership of the Water and Sewer Systems and to account for the receipt, use, application, or disposition of the Pledged Revenues.

(3) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Department.

(4) By applying to a court of competent jurisdiction, cause to appoint a receiver to manage the Water and Sewer Systems, establish and collect fees and charges, and apply the revenues to the reduction of the obligations under this Agreement.

(5) By certifying to the Auditor General and the Chief Financial Officer delinquency on Loan repayments, the Department may intercept the delinquent amount plus a penalty from any unobligated funds due to the Local Government under any revenue or tax sharing fund established by the State, except as otherwise provided by the State Constitution. The Department may impose a penalty in an amount not to exceed an interest rate of 18 percent per annum on the amount due in addition to charging the cost to handle and process the debt. Penalty interest shall accrue on any amount due and payable beginning on the 30th day following the date upon which payment is due.

---

(6) By notifying financial market credit rating agencies and potential creditors.

(7) By suing for payment of amounts due, or becoming due, with interest on overdue payments together with all costs of collection, including attorneys' fees.

(8) By accelerating the repayment schedule or increasing the Financing Rate on the unpaid principal of the Loan to as much as 1.667 times the Financing Rate for a default under Subsection 6.01(1).

#### 6.03. DELAY AND WAIVER.

No delay or omission by the Department to exercise any right or power accruing upon an event of default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient. No waiver or any default under this Agreement shall extend to or affect any subsequent event of default, whether of the same or different provision of this Agreement, or shall impair consequent rights or remedies.

### ARTICLE VII - THE PLEDGED REVENUES

#### 7.01. SUPERIORITY OF THE PLEDGE TO THE DEPARTMENT.

From and after the effective date of this Agreement, the Department shall have a lien on the Pledged Revenues, which along with any other Department State Revolving Fund liens on the Pledged Revenues, will be prior and superior to any other lien, pledge or assignment with the following exception. All obligations of the Local Government under this Agreement shall be junior, inferior, and subordinate in all respects in right of payment and security to the Senior Revenue Obligations defined in Section 1.01 of this Agreement and to any additional senior obligations issued with the Department's consent pursuant to Section 7.02. Any of the Pledged Revenues may be released from the lien on such Pledged Revenues in favor of the Department if the Department makes a determination, based upon facts deemed sufficient by the Department, that the remaining Pledged Revenues will, in each Fiscal Year, equal or exceed 1.15 times the debt service coming due in each Fiscal Year under the terms of this Agreement.

#### 7.02. ADDITIONAL DEBT OBLIGATIONS.

The Local Government may issue additional debt obligations on a parity with, or senior to, the lien of the Department on the Pledged Revenues provided the Department's written consent is obtained. Such consent shall be granted if the Local Government demonstrates at the time of such issuance that the Pledged Revenues, which may take into account reasonable projections of growth of the Water and Sewer Systems and revenue increases, plus revenues to be pledged to the additional proposed debt obligations will, during the period of time Semiannual Loan Payments are to be made under this Agreement, equal or exceed 1.15 times the annual combined debt service requirements of this Agreement and the obligations proposed to be issued by the Local Government and will satisfy the coverage requirements of all other debt obligations secured by the Pledged Revenues. However, no such consent is required with respect to issuance of Senior Revenue Obligations as defined in Section 1.01

---

## ARTICLE VIII - GENERAL PROVISIONS

### 8.01. DISCHARGE OF OBLIGATIONS.

All payments required to be made under this Agreement shall be cumulative and any deficiencies in any Fiscal Year shall be added to the payments due in the succeeding year and all years thereafter until fully paid. Payments shall continue to be secured by this Agreement until all of the payments required shall be fully paid to the Department. If, at any time, the Local Government shall have paid, or shall have made provision for the timely payment of, the entire principal amount of the Loan, and as applicable, Loan Service Fee, interest, and Grant Allocation Assessment charges, the pledge of, and lien on, the Pledged Revenues to the Department shall be no longer in effect. Deposit of sufficient cash, securities, or investments, authorized by law, from time to time, may be made to effect defeasance of this Loan. However, the deposit shall be made in irrevocable trust with a banking institution or trust company for the sole benefit of the Department. There shall be no penalty imposed by the Department for early retirement of this Loan.

### 8.02. RECORDS AND STATEMENTS.

Books, records, reports, engineering documents, contract documents, and papers shall be available to the authorized representatives of the Department and the U.S. Environmental Protection Agency's Inspector General for inspection at any reasonable time after the Local Government has received a disbursement and until three years after the date that the Project-specific audit report, required under Subsection 2.03(4), is issued.

### 8.03. ACCESS TO WORK SITE.

The Local Government shall provide access to offices and other sites where Preconstruction Activities or Project work (if financed by this Loan) is ongoing, or has been performed, to authorized representatives of the Department at any reasonable time. The Local Government shall cause its engineers and contractors to provide copies of relevant records and statements for inspection.

### 8.04. ASSIGNMENT OF RIGHTS UNDER AGREEMENT.

The Department may assign any part of its rights under this Agreement after notification to the Local Government. The Local Government shall not assign rights created by this Agreement without the written consent of the Department.

### 8.05. AMENDMENT OF AGREEMENT.

This Agreement may be amended, except that no amendment shall be permitted which is inconsistent with statutes, rules, regulations, executive orders, or written agreements between the Department and the U.S. Environmental Protection Agency. A final amendment establishing the final allowance costs financed by this Loan and the actual Loan Service Fee shall be completed after the Department's final inspection of relevant documents and records.

#### 8.06. ANNULMENT OF AGREEMENT.

The Department may unilaterally annul this Agreement if the Local Government has not drawn any of the Loan proceeds within eighteen months after the effective date of this Agreement. If the Department unilaterally annuls this Agreement, the Department will provide written notification to the Local Government.

#### 8.07. SEVERABILITY CLAUSE.

If any provision of this Agreement shall be held invalid or unenforceable, the remaining provisions shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

### ARTICLE IX - RESERVED

### ARTICLE X - DETAILS OF FINANCING

#### 10.01. PRINCIPAL AMOUNT OF LOAN.

The principal amount of the Loan is \$494,353, which includes \$478,753 to be disbursed to the Local Government and \$15,600 of Capitalized Interest.

Capitalized Interest is not disbursed to the Local Government, but is amortized via periodic Loan repayments to the Department as if it were actually disbursed. Capitalized Interest is computed at the Financing Rate, or rates, set for the Loan. It accrues and is compounded annually from the time when disbursements are made until six months before the first Semiannual Loan Payment is due. Capitalized Interest is estimated prior to establishment of the schedule of actual disbursements.

#### 10.02. LOAN SERVICE FEE.

The Loan Service Fee is estimated as \$9,575 for the Loan amount authorized to date. The fee represents two percent of the Loan amount excluding Capitalized Interest; that is, two percent of \$478,753. The fee shall be revised with any increase or decrease amendment. The Loan Service Fee shall be based on actual Project costs and will be assessed in the final Loan amendment. The Local Government shall pay the Loan Service Fee from the first available repayments following the final amendment.

Capitalized Interest is computed on the assessed Loan Service Fee at the Financing Rate, or rates and included in the final amendment. It accrues and is compounded annually from the final amendment date until six months before the first Semiannual Loan Payment is due. A service fee assessed in a final amendment occurring later than six months before the first Semiannual Loan Payment date would not accrue Capitalized Interest charges.

#### 10.03. FINANCING RATE.

The Financing Rate on the unpaid principal of the Loan amount specified in Section 10.01 is 2.14 percent per annum. The Financing Rate equals the sum of the interest rate and the Grant Allocation Assessment Rate. The interest rate is 1.07 percent per annum and the Grant Allocation Assessment rate is 1.07 percent per annum. However, if this Agreement is not executed by the Local Government and returned to the Department before October 1, 2009, the Financing Rate may be adjusted. A new Financing Rate shall be established for any funds provided by amendment to this Agreement.

#### 10.04. LOAN TERM.

The Loan shall be repaid in 40 Semiannual Loan Payments.

#### 10.05. REPAYMENT SCHEDULE.

The Semiannual Loan Payment shall be computed based upon the principal amount of the Loan plus the estimated Loan Service Fee and the principle of level debt service. The Department will deduct the Loan Service Fee and any associated interest from the first available repayments following the final amendment. The Loan principal and Semiannual Loan Payment amounts may be revised by amendment of the Agreement. After the final disbursement of Loan proceeds, the Loan principal will be adjusted to reflect the actual dates and amounts of disbursements. Accordingly, the Semiannual Loan Payment amount shall be adjusted, taking into consideration any previous payments.

Until the principal amount of the Loan is amended, the Semiannual Loan Payment shall be in the amount of \$15,552. The interest and Grant Allocation Assessment portions of each Semiannual Loan Payment shall be computed, using their respective rates, on the unpaid balance of the principal amount of the Loan, which principal includes Capitalized Interest. Interest (at the Financing Rate) shall also be computed on the unpaid balance of the estimated Loan Service Fee. The interest and Grant Allocation Assessment on the unpaid balance shall be computed as of the due date of each Semiannual Loan Payment.

Unless repayment is deferred by an amendment to this Agreement, Semiannual Loan Payments shall be received by the Department beginning on January 15, 2013, and semiannually thereafter on July 15 and January 15 of each year until all amounts due have been fully paid. Funds transfer shall be made by electronic means.

The Semiannual Loan Payment amount is based on the total amount owed of \$503,928, which consists of the Loan principal plus the estimated Loan Service Fee.

#### 10.06. PROJECT RELATED COSTS.

The Local Government and the Department acknowledge that actual Project costs and Preconstruction Activities allowance costs have not been determined as of the effective date of this Agreement. An adjustment to the Preconstruction Activities allowance may be made due to a reduction in the scope of work proposed for construction or based on construction contract bid prices. Failure to achieve Department acceptance of plans and specifications prior to the date specified in Section 10.07 may cause adjustment of the Preconstruction allowance.

Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. The final allowance amount, and Project costs if financed by this Loan, shall be established in the final amendment. Changes in the Preconstruction Activities allowance or Project costs may also occur as a result of the Local Government's audit or the Department's audit.

The Local Government agrees to the following estimates of the Preconstruction Activities allowance and related costs:

Allowance (Disbursable Amount)	\$	478,753
Capitalized Interest	\$	15,600
TOTAL (Loan Principal Amount)	\$	<u>494,353</u>

The listed allowance is based on estimated construction costs of \$5,000,000, which excludes Capitalized Interest.

#### 10.07. SCHEDULE.

All Preconstruction Activities shall be completed no later than the completion of all Preconstruction Activities date set forth below. Planning activities shall be completed in time to enable the Department to accept the planning documents as scheduled in Subsection (1) below.

(1) Acceptance of the planning documents by the Department (Design Authorization) no later than June 15, 2010.

(2) Design of all Project facilities proposed for loan funding no later than June 15, 2011.

(3) Certification of availability of all sites for facilities proposed for loan funding no later than June 15, 2011.

(4) Evidence that permitting requirements have been satisfied for all Project facilities proposed for construction loan funding no later than December 15, 2011.

(5) Completion of all Preconstruction Activities for all Project facilities proposed for loan funding no later than January 15, 2012.

(6) Unless deferred by amendment, establish the Loan Debt Service Account and begin Monthly Loan Deposits no later than July 15, 2012.

(7) Unless deferred by amendment, provide certifications under Subsection 2.01(10) beginning October 15, 2012, and annually thereafter no later than September 30 of each year until the final Semiannual Loan Payment is made.

(8) Unless this Agreement is amended to provide construction financing, the first Semiannual Loan Payment in the amount of \$15,552 shall be due January 15, 2013.



**10.08. SPECIAL CONDITIONS.**

**(1) Prior to the release of any funds, the Local Government shall submit a certified copy of an authorizing Resolution which authorizes the application, establishes Pledged Revenues, and designates an Authorized Representative for signing the application and executing the agreement.**

**(2) Prior to the release of any funds, the Local Government shall submit a legal opinion which addresses the availability of Pledged Revenues, the right to increase rates and the subordination of the Pledged Revenues.**

**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**

ARTICLE XI - EXECUTION OF AGREEMENT

This Loan Agreement WW641090 shall be executed in three or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this Agreement to be executed on its behalf by the Deputy Director and the Local Government has caused this Agreement to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this Agreement shall be as set forth below by the Deputy Director.

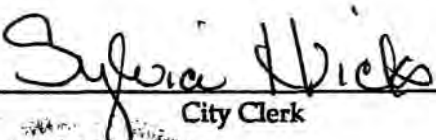
for

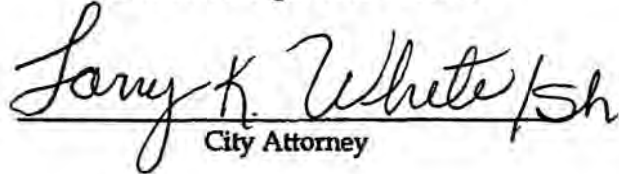
CITY OF QUINCY

  
\_\_\_\_\_  
City Manager

Attest

I attest to the opinion expressed in Section 2.02, entitled Legal Authorization.

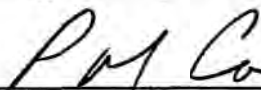
  
\_\_\_\_\_  
City Clerk

  
\_\_\_\_\_  
City Attorney



for

STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

  
\_\_\_\_\_  
Deputy Director  
Division of Water Resource Management

SEP 02 2009

\_\_\_\_\_  
Date

**STATE REVOLVING FUND  
AMENDMENT 3 TO LOAN AGREEMENT WW641090  
AMENDMENT 1 TO GRANT AGREEMENT SG641091  
CITY OF QUINCY**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF QUINCY, FLORIDA, existing as a local government agency (Local Government) under the laws of the State of Florida.

**WITNESSETH:**

WHEREAS, the Department and the Local Government entered into a Clean Water State Revolving Fund Loan Agreement, Number WW641090, as amended, and Grant Agreement, Number SG641091, authorizing a Loan amount of \$478,753, excluding Capitalized Interest, and a Grant amount of \$201,400; and

WHEREAS, Loan repayment activities need rescheduling to give the Local Government additional time to complete preconstruction activities; and

WHEREAS, certain provisions require clarification for accounting and audit requirements.

NOW, THEREFORE, the parties hereto agree as follows:

1. Unless repayment is further deferred by amendment of the Agreement, Semiannual Loan Payments as set forth in Section 10.05 shall be received by the Department beginning on May 15, 2017, and semiannually thereafter on September 15 and May 15 of each year until all amounts due under the Agreement have been fully paid.
2. Section 10.06 of the Agreement, as amended, is deleted and replaced as follows:

The Local Government and the Department acknowledge that actual Project costs and Preconstruction Activities allowance costs have not been determined as of the effective date of this Agreement. An adjustment to the Preconstruction Activities allowance may be made due to a reduction in the scope of work proposed for construction or based on construction contract bid prices. Failure to achieve Department acceptance of plans and specifications prior to the date specified in Section 10.07 may cause adjustment of the Preconstruction allowance. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. The final allowance amount, and Project costs if financed by this Loan, shall be established in the final amendment. The Grant amount is limited to the planning allowance until the Grant is rolled over. The final Grant amount shall be based on final Preconstruction activities. Changes in the Preconstruction Activities allowance or Project costs may also occur as a result of the Local Government's audit or the Department's audit.

The Local Government agrees to the following estimates of the Preconstruction Activities allowance and related costs:

**PROJECT COSTS**

CATEGORY	PROJECT COSTS (\$)	GRANT BASIS (\$)	LOAN COSTS (\$)
Planning & Engineering	256,705	203,753	203,753
Special Studies	275,000	275,000	275,000
<b>SUBTOTALS &amp; LOAN DISBURSABLE</b>	<b>531,705</b>	<b>478,753</b>	<b>478,753</b>
Capitalized Interest	21,500	21,500	21,500
<b>SUBTOTALS &amp; LOAN PRINCIPAL</b>	<b>553,205</b>	<b>500,253</b>	<b>500,253</b>
Estimated Service Fee	9,575	9,575	9,575
<b>TOTALS &amp; TOTAL LOAN AMOUNT OWED</b>	<b>562,780</b>	<b>509,828</b>	<b>509,828</b>
	Grant	163,170	
	Grant Eligible Finance Charges	38,230	
	<b>Total Grant</b>	<b>201,400</b>	

The estimated project cost allowance of \$256,705 is based on estimated construction costs of \$2,500,000, which excludes Capitalized Interest. The actual allowance will be calculated after all construction contracts are bid and will be adjusted in a subsequent amendment to this agreement. The total of the Grant portion of the Semiannual Loan Payment amortized over the 20-year life of the Loan which includes financing charges is \$201,400. The Special Studies for this project will be a Sanitary Sewer Evaluation Survey or Study (SSES). This SSES will include smoke testing, flow monitoring, manhole inspection, flow isolations, dye water testing, closed circuit TV (CCTV) and light cleaning along with data analysis. The results from this analysis or Special Studies will help to identify and correct the source of the excessive infiltration and inflow (I/I) in the sewer systems.

The total of the Grant Portion of the Semiannual Loan Payment amortized over the 20-year life of the Loan is \$201,400. The State of Florida's performance and obligation to pay the grant funds under this Agreement is contingent upon an annual appropriation by the Legislature. The Department and the Local Government understand that this Agreement is not a commitment of future appropriations.

3. The items scheduled under Section 10.07 of the Agreement are rescheduled as follows:
  - (1) Acceptance of the planning documents by the Department (including SSES) no later than October 15, 2014.
  - (2) Design of all Project facilities proposed for loan funding no later than April 15, 2015.
  - (3) Certification of availability of all sites for facilities proposed for loan funding no later than April 15, 2015.

(4) Evidence that permitting requirements have been satisfied for all Project facilities proposed for construction loan funding no later than October 15, 2015.

(5) Completion of all Preconstruction Activities for all Project facilities proposed for loan funding no later than November 15, 2015.

(6) Unless deferred by amendment, establish the Loan Debt Service Account and begin Monthly Loan Deposits no later than November 15, 2015.

(7) Unless deferred by amendment, provide certifications under Subsection 2.01(10) beginning February 15, 2016 and annually thereafter no later than September 30 of each year until the final Semiannual Loan Payment is made.

(8) Unless this Agreement is amended to provide construction financing, the first Semiannual Loan Payment in the amount of \$15,734 shall be due May 15, 2016.

4. All other terms and provisions of the Loan Agreement shall remain in effect.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

This Amendment 3 to Loan Agreement WW641090 shall be executed in three or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this amendment to the Loan Agreement to be executed on its behalf by the Program Administrator and the Local Government has caused this amendment to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this amendment shall be as set forth below by the Program Administrator.

for  
**CITY OF QUINCY**

\_\_\_\_\_  
City Manager

Attest:

Approved as to form and legal sufficiency:

\_\_\_\_\_  
City Clerk  
SEAL

\_\_\_\_\_  
City Attorney

for  
**STATE OF FLORIDA**  
**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

\_\_\_\_\_  
Program Administrator  
State Revolving Fund

\_\_\_\_\_  
Date

**CITY OF QUINCY**

**CITY COMMISSION AGENDA REQUEST**

MEETING DATE: October 13, 2015

DATE OF REQUEST: October 8, 2015

TO: Honorable Mayor and Members of the City Commission

FROM: Mike Wade, City Manager

SUBJECT: City of Quincy Application to EPA for Funds in Conjunction with our Current Clean Water State Revolving Fund Loan Agreement #WW641090

---

**Statement of Issue:**

The information provided herein is in reference to an application to the Environmental Protection Agency for funds that have been set aside for Quincy in conjunction with improvements to the wastewater collection system and a consent order issued by the Florida Department of Environmental Protection agency to the City for mandated improvements to our sanitary sewer system as it pertains to inflow and infiltration into the sewer system.

**Background :**

Several years ago the City applied to EPA for a grant for repairs and upgrades to the sanitary sewer collection system. Funds were set aside federally for our use through EPA for the purpose of subsidizing these repairs and upgrades. The City has not utilized any of these federal funds as of yet and the EPA has preliminarily approved some of these funds to be used for smoke testing. Based on monies previously expended through the FDEP State Revolving Fund agreement, these EPA funds will be a 100% grant. This was verified with conversations with Mike Murphy of Hatch Mott McDonald and EPA.

**Staff Recommendation:**

A copy of the grant application to EPA for the smoke testing of our entire sewer system is attached. This was a staff decision based on the fact that the system needs to be tested every three years or so and repairs made to any deficiencies. Through all of our previous studies that have included flow monitoring, smoke testing, closed circuit

television inspections, and system analysis, no definitive construction project has come to light. Staff and the consulting engineer determined that another smoke testing effort is the City's most prudent project. FDEP and EPA have agreed in conversations. The grant application is in the amount of \$100,000.

**Options:**

1. Move to authorize the City Manager to sign the grant application and have it submitted to EPA.
2. Move to direct the City Manager to follow an alternative direction as decided by the City Commission.

**Recommended Option**

**Option 1**

**Attachments:**

Grant Application



# Grant Application Package

Opportunity Title:	EPA Mandatory Grant Programs
Offering Agency:	Environmental Protection Agency
CFDA Number:	66.202
CFDA Description:	Congressionally Mandated Projects
Opportunity Number:	EPA-CEP-01
Competition ID:	
Opportunity Open Date:	
Opportunity Close Date:	10/04/2020
Agency Contact:	Please consult your regional office.

This opportunity is only open to organizations, applicants who are submitting grant applications on behalf of a company, state, local or tribal government, academia, or other type of organization.

Application Filing Name:

## Select Forms to Complete

### Mandatory

[Application for Federal Assistance \(SF-424\)](#)

### Optional

- [Disclosure of Lobbying Activities \(SF-LLL\)](#)
- [Project Narrative Attachment Form](#)
- [Grants.gov Lobbying Form](#)
- [EPA KEY CONTACTS FORM](#)
- [EPA Form 4700-4](#)
- [Budget Information for Non-Construction Programs \(SF-424A\)](#)
- [Assurances for Non-Construction Programs \(SF-424B\)](#)
- [Budget Narrative Attachment Form](#)

## Instructions

[Show Instructions >>](#)

This electronic grants application is intended to be used to apply for the specific Federal funding opportunity referenced here. If the Federal funding opportunity listed is not the opportunity for which you want to apply, close this application package by clicking on the "Cancel" button at the top of this screen. You will then need to locate the correct Federal funding opportunity, download its application and then apply.

Application for Federal Assistance SF-424	
<b>* 1. Type of Submission:</b> <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	
<b>* 2. Type of Application:</b> <input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision	
<b>* If Revision, select appropriate letter(s):</b> _____ <b>* Other (Specify):</b> _____	
<b>* 3. Date Received:</b> Completed by Grants.gov upon submission.	<b>4. Applicant Identifier:</b> _____
<b>5a. Federal Entity Identifier:</b> 85-8012621675C-7	<b>5b. Federal Award Identifier:</b> _____
<b>State Use Only:</b>	
<b>6. Date Received by State:</b> _____	<b>7. State Application Identifier:</b> _____
<b>8. APPLICANT INFORMATION:</b>	
<b>* a. Legal Name:</b> City of Quincy	
<b>* b. Employer/Taxpayer Identification Number (EIN/TIN):</b> 85-8012621675C-7	<b>* c. Organizational DUNS:</b> 0935960700000
<b>d. Address:</b>	
<b>* Street1:</b> 404 West Jefferson Street	_____
<b>Street2:</b>	_____
<b>* City:</b> Quincy	_____
<b>County/Parish:</b> Gadsden County	_____
<b>* State:</b> _____	FL: Florida
<b>Province:</b>	_____
<b>* Country:</b> _____	USA: UNITED STATES
<b>* Zip / Postal Code:</b> 32351	_____
<b>e. Organizational Unit:</b>	
<b>Department Name:</b> Utilities Department	<b>Division Name:</b> Sewer
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>	
<b>Prefix:</b> Mr.	<b>* First Name:</b> Mike
<b>Middle Name:</b>	_____
<b>* Last Name:</b> Wade	_____
<b>Suffix:</b>	_____
<b>Title:</b> City Manager	_____
<b>Organizational Affiliation:</b> Municipal Government	
<b>* Telephone Number:</b> 850.618.0030	<b>Fax Number:</b> 850.875.3355
<b>* Email:</b> mwade@myquincy.net	

**Application for Federal Assistance SF-424**

**\* 9. Type of Applicant 1: Select Applicant Type:**

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

\* Other (specify):

**\* 10. Name of Federal Agency:**

**11. Catalog of Federal Domestic Assistance Number:**

CFDA Title:

**\* 12. Funding Opportunity Number:**

\* Title:

**13. Competition Identification Number:**

Title:

**14. Areas Affected by Project (Cities, Counties, States, etc.):**

Add Attachment

Delete Attachment

View Attachment

**\* 15. Descriptive Title of Applicant's Project:**

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

**Application for Federal Assistance SF-424**

**16. Congressional Districts Of:**

\* a. Applicant

\* b. Program/Project

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

**17. Proposed Project:**

\* a. Start Date:

\* b. End Date:

**18. Estimated Funding (\$):**

* a. Federal	<input type="text" value="100,000.00"/>
* b. Applicant	<input type="text"/>
* c. State	<input type="text"/>
* d. Local	<input type="text"/>
* e. Other	<input type="text"/>
* f. Program Income	<input type="text"/>
* g. TOTAL	<input type="text" value="100,000.00"/>

**\* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on .
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E.O. 12372.

**\* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**

Yes  No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. \*By signing this application, I certify (1) to the statements contained in the list of certifications\*\* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances\*\* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)

\*\* I AGREE

\*\* The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

**Authorized Representative:**

Prefix:  \* First Name:

Middle Name:

\* Last Name:

Suffix:

\* Title:

\* Telephone Number:  Fax Number:

\* Email:

\* Signature of Authorized Representative:  \* Date Signed:

**City of Quincy  
City Commission  
Agenda Request**

Date of Meeting: October 13, 2015  
Date Submitted: October 9, 2015  
To: Honorable Mayor and Commissioners  
From: Mike Wade, City Manager  
Ted Beason, Finance Director  
Subject: Information Item – Canceling Honeywell Instant Alert Contract

---

The City has had a contract with Honeywell to provide access to a website that allows the City staff to send out instant telephone, text, and email messages to our citizens. While the system was used extensively in the past, it has not been used in the last year and half. At a cost of \$19,500 a year, the staff feels that this is a luxury that can wait until the City's financial position strengthens considerably. Staff intends to cancel the service at this time.