RESOLUTION NO. 12-09-82

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, RELATING TO THE STATE REVOLVING FUND LOAN PROGRAM PROJECT NUMBERS WW882021 AND WW882022; MAKING FINDINGS; AUTHORIZING THE CONSTRUCTION LOAN APPLICATION; APPROVING AN AMENDMENT TO THE LOAN AGREEMENT BETWEEN THE VILLAGE AND THE STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING FOR EXECUTION; PROVIDING AUTHORITY; PROVIDING FOR ISSUANCE FEES AND TRANSACTION COSTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Florida Statutes provide for loans to local government agencies to finance the construction of wastewater and water pollution control facilities (the “State Revolving Fund” or “SRF”); and

WHEREAS, State Revolving Fund loan funding requires priority listing and loan application approval by the Florida Department of Environmental Protection (the “Department”); and

WHEREAS, Islamorada, Village of Islands (the “Village”) submitted preconstruction and construction Requests for Inclusion on the FY 2013 Water Pollution Control SRF Priority List to the Department on January 20, 2012 and May 18, 2012, respectively; and

WHEREAS, the FY 2013 Water Pollution Control SRF Priority List (Exhibit “1”) designated the Islamorada Collection, Transmission, Treatment and Disposal Facilities eligible for preconstruction funding (Project No. WW88202) in the amount of $6,194,014 (excluding capitalized interest and loan issuance fees); and
WHEREAS, Florida Administrative Code Rule 62-503 requires authorization for a local government to apply for loans; to establish pledged revenues; to designate an authorized representative; to provide assurances of compliance with loan program requirements; and to enter into a Loan Agreement; and

WHEREAS, pursuant to Resolution No. 12-06-41 (Exhibit “2”), the Village submitted a preconstruction Loan Application for project financing to the Department on June 13, 2012, and now intends to enter into a Loan Agreement with the Department for preconstruction financing in the amount of $6,194,014; and

WHEREAS, the FY 2013 Water Pollution Control SRF Priority List also designates the Islamorada Collection, Transmission, Treatment and Disposal Facilities eligible for construction funding in FY 2013 up to the segment cap amount of $20,000,000.00 (Project No. WW882021); and

WHEREAS, the FY 2013 Water Pollution Control SRF Priority List adds construction funding in the amount of $70,037,758.00 to the contingency portion of the priority list for funding consideration in FY 2014 – 2016, as Project No. WW882022 for project costs in excess of the $20,000,000.00 segment cap; and

WHEREAS, the Village Council finds that it is in the best interest of the Village to amend the pending Loan Agreement to expand financed activities to include construction, and to increase the principal loan amount in FY 2013 from $6,194,014 to $26,194,014.

NOW THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA AS FOLLOWS:

Page 2 of 5
Section 1. Recitals. The above recitals are true and correct and are incorporated herein by reference.

Section 2. Loan Application Authorized. The filing of a construction loan application to secure the borrowing of funds from the SRF in the principal amount of $90,037,758 (excluding capitalized interest and loan issuance fees) for the Project is approved.

Section 3. Authorization and Approval to Amend Loan Agreement. Amendment of the Loan Agreement between the Village and the Lender (Clean Water State Revolving Fund Loan Agreement Number WW88202) to increase the principal amount of $6,194,014 to $26,194,014 (excluding capitalized interest and loan issuance fees) in FY 2013, and up to $90,037,758 through FY 2016, to provide construction financing to the Village for the Project, with such non-material changes as may be required by the Lender and are acceptable to the Village Manager and approved as to form and legality by the Village Attorney, is authorized and approved.

Section 4. Pledged Revenues. The revenues pledged for repayment of the loan are wastewater non-ad valorem assessments (adopted pursuant to Village Resolution Nos. 11-06-38 and 11-07-47) and the gross revenues derived yearly from the operation of the sewer system constructed by the Project after payment of the operation and maintenance expenses. To secure the payment of the Village's obligations to the Lender under the Loan Documents, the Village shall budget and appropriate from the wastewater non-ad valorem assessments and available gross revenues an amount sufficient to pay all amounts due to the Lender in the applicable budget year.
Section 5. Authorization of Village Officials. The Village Manager is hereby designated as the authorized representative to provide the assurances and commitments required by the State Revolving Fund, the Loan Agreement, and any Amendments to the Loan Agreement. The Village Manager and, if required by the Lender, the Mayor and other appropriate Village officials are authorized and directed to execute and deliver the necessary loan documents (the “Loan Documents”) to apply for and borrow the funds from the Lender. The Village Manager, the Mayor and the Village Attorney are each authorized and directed to execute any and all certifications and other agreements or any other documents required by the Lender as a prerequisite or precondition to making the loan in the Loan Documents and any such representation made therein shall be deemed to be made on behalf of the Village.

Section 6. Execution of Documents. The Mayor is hereby designated as the authorized representative to execute the Loan Documents, which will become a binding obligation in accordance with its terms when signed by both parties. The Village Manager is authorized to represent the Village in carrying out the Village’s responsibilities under the Loan Documents. The Village Manager is authorized to delegate responsibility to appropriate Village staff to carry out technical, financial, and administrative activities associated with the Loan Documents.

Section 7. Legal Authority for Borrowing Funds. The Village’s legal authority for borrowing moneys, issuing bonds, notes or other obligations to finance the cost to construct this Project is pursuant to the Florida Constitution; the Village’s Home Rule Authority; Chapter 166, Florida Statutes; the Village’s Charter; the Village Code, Ordinances and Resolutions, and the applicable laws of the State of Florida.
Section 8. Issuance Fees and Transaction Costs. The Village authorizes the payment of issuance fees and transaction costs from legally available sources in connection with the execution and delivery of the Loan Agreement.

Section 9. Effective Date. This Resolution shall become effective immediately upon its passage and adoption.

Motion to adopt by Councilman Achenberg, second by Vice Mayor Philipson.

FINAL VOTE AT ADOPTION

VILLAGE COUNCIL OF ISLAMOADA, VILALGE OF ISLANDS, FLORIDA

Mayor Michael Reckwerdt YES
Vice Mayor Ken Philipson YES
Councilman Don Achenberg YES
Councilman Ted Blackburn YES
Councilman Dave Purdo YES

PASSED AND ADOPTED ON THIS 12th DAY OF September, 2012.

Ken Philipson, Vice-Mayor

ATTEST:

Kyrie Wagner, CMC, Deputy Village Clerk

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS ONLY

Village Attorney
July 22, 2012

Mr. Edward Koconis
Village Manager
Village of Islamorada
86800 Overseas Highway
Islamorada, Florida 33036

Re: WW88202 – Islamorada
    Collection, Transmission, Treatment and Disposal Facilities

Dear Mr. Koconis:

We are pleased to inform you that $20,000,000 in construction funding is now available for your project as a result of the July 11, 2012 public hearing held by the Department. An additional $70,037,758 was placed on the contingency list.

We would like to draw your attention to your schedule for submitting the loan application and executing a loan agreement. A completed loan application is due within 120 days from the public hearing date. Also, your loan agreement must be fully executed (signed by all parties) within 210 days from the public hearing date. This means that an application for your project is due by November 8, 2012 and a fully executed agreement is due by February 6, 2013. Your project will be subject to removal from the priority list for failure to meet these deadlines. It is recommended that you contact Mr. Tommy Williams of our Program Management Section, at (850) 245-8364, for assistance in fulfilling the loan application/agreement requirements. An application (Point Source Water Pollution Control) for your project may be obtained at our website at http://www.dep.state.fl.us/water/wff/wwmanual.htm or by calling Tommy Williams at the number given above.

If you have any questions or need further information, please call Tim Banks at 850-245-8360.

Sincerely,

Robert E. Holmden, P.E., Chief
Bureau of Water Facilities Funding

RH/mm

cc: Maria T. Aguilar - Village of Islamorada
    Ariana Lawson - Village of Islamorada
    Greg Tindale - Village of Islamorada
    Julie Santamaria - RBC Capital Markets, LLC
MEMORANDUM

TO: Interested and Affected Parties

FROM: Robert E. Holmden, P.E., Chief
       Bureau of Water Facilities Funding

DATE: July 20, 2012

SUBJECT: Notice of Availability – Record of Final Agency Action

This is to provide you with notice of availability of the Record of Final Agency Action pertaining to actions taken by the Department at its July 11, 2012 public hearing. The purpose of the hearing was to take final action on issues involving adoption of the FY 2013 Water Pollution Control State Revolving Fund (SRF) Priority List under Chapter 62-503, Florida Administrative Code (F.A.C.).

The Record of Final Agency Action, and the priority list, may be obtained from the Bureau’s web site at:

http://www.dep.state.fl.us/water/wff/cwsrf/plists.htm

If you have any questions about the status of a project on the FY 2013 Water Pollution Control SRF priority list, please contact Tim Banks or Angela Knecht at 850-245-8358, or by e-mail at:

timothy.banks@dep.state.fl.us
angela.knecht@dep.state.fl.us

RH/gpp
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

IN RE:
State Revolving Fund (SRF) Loan Program: ) Case No.: 120711/FDEP
Adoption of the Fiscal Year 2013 Water Pollution )
Control SRF Priority List )

RECORD OF FINAL AGENCY ACTION
On July 11, 2012 the Department of Environmental Protection (the Department) held a public
hearing in Room 538B of the Bob Martinez Center, 2600 Blair Stone Road, Tallahassee, Florida.
Bob Holmden, P.E., Chief, of the Bureau of Water Facilities Funding, served as Hearing Officer.
Tim Banks, P.E. Administrator in the Bureau of Water Facilities Funding, presented staff
recommendations on issues involving adoption of the Fiscal Year (FY) 2013 Water Pollution
Control SRF Priority List.

FINDINGS OF FACT AND CONCLUSIONS OF LAW
1. Notice of the public hearing and its purpose was published in the Florida Administrative
Weekly, Volume 38, Number 19, on May 11, 2011. The Notice was certified as correct.
2. The Water Pollution Control SRF Priority List schedules projects to be financed with
loans from the SRF. It is developed annually and adopted by the Department under the provisions
of Chapter 62-503 of the Florida Administrative Code (F.A.C.). The Rule also provides for certain
list management activities, including removal of projects which have failed to meet document
submittal deadlines, authorization of additional funds to projects already on the list, and adding new
projects to the list.
3. Mr. Banks submitted the following documents to be entered into the record of the
hearing:

FinalAction 1 07/13/12
- Exhibit A – FY 2013 CWSRF Water Pollution Control Priority List Adoption Issues and Recommendations
- Attachment 1 – Draft FY 2013 Water Pollution Control SRF Priority List

Reading from Exhibit A, Mr. Banks summarized the Department’s recommendations for adoption of the FY 2013 Water Pollution Control SRF Priority List by:

a) Having staff elaborate individually on each of seven projects being identified as subject to be removed from the list as a result of failure to submit documents as required, pursuant to Ch. 62-503.600(4), F.A.C. Based on staff testimony, it was determined that:

Chattahoochee Project 20020, Archer Project 891011 and Hollywood Project 06043 will remain on the fundable portion of the list with deadlines for submitting complete loan applications extended to 11/08/2012 and for execution of the binding loan agreements extended to 02/06/2013; Dania Beach Project 79104P/2, Wewahitchka Project 764050, Dunnellon Project 42080, and Greenville Project 40021 will be removed from the list; and by

b) Elevating projects currently listed on the contingency portion of the FY 2012 priority list to the fundable portion of the FY 2013 priority list for use of funds available or expected to be available in FY 2013, in rank order and subject to the $20 million segment cap. These projects are shown on the FY 2013 priority list, Attachment 1, ranked 1201 - 1205; and by

c) Adding the project increase request to the fundable portion of the FY 2013 priority list beneath those projects having been elevated from contingency to fundable status as described in b) above. This project is shown on the FY 2013 priority list, Attachment 1, ranked 1206; and by
d) Adding new project funding requests to the fundable portion of the FY 2013 priority list. These projects are shown on the FY 2013 priority list, Attachment 1, ranked 1207 – 1217; and by

e) Having the Hearing Officer consider whether six projects as shown in Exhibit A, Issue D), which were late in submitting Requests for Inclusion or other documents as required by the Rule, should be listed on the fundable portion of this priority list. After hearing testimony from staff regarding availability of funds, Mr. Holmden had no objection to placing these projects on the list, to be ranked and added at the bottom of the list after those projects which filed documents timely. These projects are shown on the FY 2013 priority list, Attachment 1, ranked 1219-1224; and by

f) Providing that new projects being added to the fundable portion of this list whose total project costs exceed the $20 million segment cap be added to the contingency portion of this list for the unfunded portion, for consideration of funding in the next fiscal year. These projects are shown on the FY 2013 priority list, Attachment 1, ranked 2003 and 2004.

There being no further comment, Mr. Holmden accepted these recommendations for adoption of the FY 2013 Water Pollution Control SRF Priority List and directed staff to prepare the written Record of Final Agency Action, including the priority list as adopted.

FINAL AGENCY ACTION

The recommendations presented in the Findings of Fact and Conclusions of Law are adopted. The FY 2013 Water Pollution Control SRF Priority List (Attachment 1) is hereby approved.
A person whose substantial interests are affected by the Department's proposed decision may petition for an administrative proceeding (hearing) under sections 120.569 and 120.57 of the Florida Statutes. The petition must contain the information set forth below and must be filed (received by the clerk) in the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida 32399-3000.

Petitions by the applicant or any of the parties listed below must be filed within twenty-one days of receipt of this written notice. Petitions filed by any persons other than those entitled to written notice under section 120.60(3) of the Florida Statutes must be filed within twenty-one days of publication of the notice or within twenty-one days of receipt of the written notice, whichever occurs first.

Under section 120.60(3) of the Florida Statutes, however, any person who has asked the Department for notice of final agency action may file a petition within twenty-one days of receipt of such notice, regardless of the date of publication.

The petitioner shall mail a copy of the petition to the applicant at the address indicated above at the time of filing. The failure of any person to file a petition within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 of the Florida Statutes. Any subsequent intervention (in a proceeding initiated by another party) will be only at the discretion of the presiding officer upon the filing of a motion in compliance with rule 28-106.205 of the Florida Administrative Code.

A petition that disputes the material facts on which the Department's action is based must contain the following information:

(a) The name, address, and telephone number of each petitioner; the Department case identification number and the county in which the subject matter or activity is located;

(b) A statement of how and when each petitioner received notice of the action;
(c) A statement of how each petitioner's substantial interests are affected by the Department action;

(d) A statement of the material facts disputed by the petitioner, if any;

(e) A statement of facts that the petitioner contends warrant reversal or modification of the Department action;

(f) A statement of which rules or statutes the petitioner contends require reversal or modification of the Department action; and

(g) A statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the Department to take.

A petition that does not dispute the material facts on which the Department's action is based shall state that no such facts are in dispute and otherwise shall contain the same information as set forth above, as required by rule 28-106.301, FAC.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice. Persons whose substantial interests will be affected by any such final decision of the Department have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Mediation under section 120.573 of the Florida Statutes is not available for this proceeding.

This action is final and effective on the date filed with the Bureau of Water Facilities Funding unless a petition is filed in accordance with the above. Upon the timely filing of a petition this action will not be effective until further action of the Department.

Any party to the order has the right to seek judicial review of this agency action under section 120.68 of the Florida Statutes, by the filing of a notice of appeal under rule 9.110 of the Florida Rules of Appellate Procedure with the Clerk of the Department in the Office of General
Counsel, Mail Station 35, 3900 Commonwealth Boulevard, Tallahassee, Florida, 32399-3000; and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate district court of appeal. The notice of appeal must be filed within 30 days from the date when the notice is filed with the Clerk of the Department.

DONE AND RECORDED on this 16th day of July, 2012, in Tallahassee, Florida.

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

[Signature]

Phil Coram, P.E.
Deputy Director
Division of Water Resource Management
2600 Blair Stone Road
Tallahassee, Florida 32399-2400
Phone 850-245-8336
EXHIBIT A: For the 07/11/2012 FY 2013 Priority List Adoption Hearing

FY 2013 CWSRF WATER POLLUTION CONTROL PRIORITY LIST ADOPTION
ISSUES AND RECOMMENDATIONS
Ch. 62-503, Florida Administrative Code

A) Pursuant to Ch. 62-503.600(4), F.A.C., the Department may remove a project from the list if it is determined that documents have not been submitted as required.

Projects scheduled to receive FY 2011/12 funds which have failed to submit a complete loan application and/or execute a binding agreement by the date of their deadlines as approved at a list adoption or list management hearing previously held by the Department are subject to removal from the list.

Projects subject to being removed at this hearing are:

<table>
<thead>
<tr>
<th>Project Sponsor</th>
<th>SRF Project Number</th>
<th>Loan Type</th>
<th>Hearing Date</th>
<th>Application Deadline</th>
<th>Agreement Deadline</th>
<th>Loan Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dania Beach</td>
<td>79104P/2</td>
<td>Preconstruction – Increase</td>
<td>09/15/2010</td>
<td>01/13/2011</td>
<td>04/13/2011</td>
<td>$130,000</td>
</tr>
<tr>
<td>Wewahitchka</td>
<td>764050</td>
<td>Construction – New</td>
<td>09/15/2010</td>
<td>01/13/2011</td>
<td>04/13/2011</td>
<td>$1,901,000</td>
</tr>
<tr>
<td>Chattahoochee</td>
<td>20020</td>
<td>Preconstruction – New</td>
<td>08/03/2011</td>
<td>12/01/2011</td>
<td>02/29/2012</td>
<td>$663,564</td>
</tr>
<tr>
<td>Dunnellon</td>
<td>42080</td>
<td>Preconstruction – New</td>
<td>08/03/2011</td>
<td>12/01/2011</td>
<td>02/29/2012</td>
<td>$59,388</td>
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<tr>
<td>Archer</td>
<td>891011</td>
<td>Construction – New</td>
<td>02/22/2012</td>
<td>06/21/2012</td>
<td>09/19/2012</td>
<td>$7,894,925</td>
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<tr>
<td>Greenville</td>
<td>40021</td>
<td>Preconstruction – New</td>
<td>02/22/2012</td>
<td>06/21/2012</td>
<td>09/19/2012</td>
<td>$230,922</td>
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<tr>
<td>Hollywood</td>
<td>06043</td>
<td>Construction – New</td>
<td>02/22/2012</td>
<td>06/21/2012</td>
<td>09/19/2012</td>
<td>$17,168,875</td>
</tr>
</tbody>
</table>

TOTAL PROJECTS SUBJECT TO REMOVAL FROM LIST $28,048,675

Staff will make specific recommendations for each of these projects.

Funds allocated to any projects which are removed will be de-obligated and returned to the SRF for use by projects on the fundable portion of the FY 2013 priority list.

B) The Department has determined that sufficient funds will be available in FY 2013 to allow a segment cap amount up to $20 million. Projects eligible for additional segment cap funding are:

<table>
<thead>
<tr>
<th>PROJECT SPONSOR</th>
<th>PRIORITY SCORE</th>
<th>SRF PROJECT NUMBER</th>
<th>LOAN TYPE</th>
<th>FUNDABLE LISTING AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Key Largo</td>
<td>528.00</td>
<td>46401P/8</td>
<td>Construction – Segment</td>
<td>$5,129,024</td>
</tr>
<tr>
<td>Marathon</td>
<td>528.00</td>
<td>63702P/7</td>
<td>Construction – Segment</td>
<td>$14,376,308</td>
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<tr>
<td>Miami-Dade</td>
<td>428.00</td>
<td>377906</td>
<td>Construction – Segment</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Emerald Coast UA</td>
<td>518.40</td>
<td>816095</td>
<td>Construction – Segment</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Hernando County</td>
<td>327.00</td>
<td>270152</td>
<td>Construction – Segment</td>
<td>$20,000,000</td>
</tr>
</tbody>
</table>

TOTAL SEGMENT INCREASES $79,505,332

Staff recommends elevating these segment increases from the contingency portion of the FY 2012 list to the fundable portion of the FY 2013 list, in the order and for the amounts as shown.

C) FY 2012 Fundable Portion New Projects: Funds are available for adding project increases or new projects to the fundable portion of the FY 2013 priority list.

Project increase requests and new projects which have filed documents timely and have been certified by staff as ready-to-proceed are eligible for listing on the fundable portion of the priority list beneath those projects already listed, and subject to the $20 million segment cap.
Increase requests will be ranked and added first, and then new projects will be ranked and added, also subject to the $20 million segment cap.

The increases and new projects are:

<table>
<thead>
<tr>
<th>PROJECT SPONSOR</th>
<th>PRIORITY SCORE</th>
<th>SRF PROJECT NUMBER</th>
<th>LOAN TYPE</th>
<th>FUNDABLE LISTING AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newberry</td>
<td>113.00</td>
<td>34002P/2</td>
<td>Wastewater - Construction (Increase)</td>
<td>$698,109</td>
</tr>
<tr>
<td>Sanford</td>
<td>542.40</td>
<td>590132</td>
<td>Wastewater - Construction (New Rollover)</td>
<td>$11,871,743</td>
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<tr>
<td>Islamorada</td>
<td>518.40</td>
<td>882021</td>
<td>Wastewater - Design/Build (New)</td>
<td>$20,000,000</td>
</tr>
<tr>
<td>Cape Canaveral</td>
<td>410.40</td>
<td>05050</td>
<td>WW/SW - Preconstruction (New)</td>
<td>$551,265</td>
</tr>
<tr>
<td>Charlotte County</td>
<td>410.40</td>
<td>08021</td>
<td>Wastewater - Preconstruction (New)</td>
<td>$413,847</td>
</tr>
<tr>
<td>Wewahitchka</td>
<td>286.00</td>
<td>230200</td>
<td>Wastewater - Construction (New)</td>
<td>$2,115,000</td>
</tr>
<tr>
<td>Charlotte County</td>
<td>266.40</td>
<td>08020</td>
<td>Wastewater - Preconstruction (New)</td>
<td>$941,092</td>
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<tr>
<td>Bunnell</td>
<td>226.00</td>
<td>18050</td>
<td>Wastewater - Preconstruction (New)</td>
<td>$383,999</td>
</tr>
<tr>
<td>Madison</td>
<td>121.00</td>
<td>40040</td>
<td>Wastewater - Preconstruction (New)</td>
<td>$206,316</td>
</tr>
<tr>
<td>Bradenton</td>
<td>114.00</td>
<td>41033</td>
<td>Stormwater - Construction (New)</td>
<td>$1,309,370</td>
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<tr>
<td>Orlando</td>
<td>113.00</td>
<td>48042</td>
<td>Wastewater - Construction (New)</td>
<td>$2,633,566</td>
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<tr>
<td>Daytona Beach</td>
<td>109.00</td>
<td>64090</td>
<td>Wastewater - Preconstruction (New)</td>
<td>$1,307,607</td>
</tr>
<tr>
<td>Daytona Beach</td>
<td>109.00</td>
<td>64091</td>
<td>Stormwater - Preconstruction (New)</td>
<td>$1,352,754</td>
</tr>
</tbody>
</table>

TOTAL INCREASES AND NEW PROJECTS ADDED TO FUNDABLE LIST $43,784,668

Staff recommends adding these projects in the order as shown to the FY 2013 fundable portion of the priority list, beneath those projects being elevated from contingency to fundable as shown in Issue B above.

D) Pursuant to Ch. 62-503.300(1)(b), F.A.C., all documents must be postmarked or delivered on or before June 1 preceding the priority list adoption hearing for the upcoming Fiscal Year. Some project sponsors submitted Requests for Inclusion or other documents after this date, including:

<table>
<thead>
<tr>
<th>PROJECT SPONSOR</th>
<th>PRIORITY SCORE</th>
<th>SRF PROJECT NUMBER</th>
<th>LOAN TYPE</th>
<th>LATE SUBMITTAL AMOUNT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Melbourne</td>
<td>403.20</td>
<td>05090</td>
<td>Wastewater - Preconstruction (New)</td>
<td>$1,032,715</td>
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<tr>
<td>Deltona</td>
<td>399.60</td>
<td>641801</td>
<td>Wastewater - Construction (New Segment)</td>
<td>$20,000,000</td>
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<tr>
<td>Fort Walton Beach</td>
<td>333.00</td>
<td>28410</td>
<td>Wastewater - Construction (New)</td>
<td>$19,054,447</td>
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<tr>
<td>Sneads</td>
<td>127.00</td>
<td>38406</td>
<td>Stormwater - Preconstruction</td>
<td>$41,175</td>
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<tr>
<td>Sebring</td>
<td>117.00</td>
<td>28034</td>
<td>Wastewater - Preconstruction (New)</td>
<td>$44,726</td>
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<tr>
<td>Dade City</td>
<td>112.00</td>
<td>67006</td>
<td>Wastewater - Construction (New Rollover)</td>
<td>$3,035,970</td>
</tr>
</tbody>
</table>

TOTAL LATE SUBMITTALS $43,209,033

The Hearing Officer will hear comments from staff and other interested parties regarding whether these projects should be included on the FY 2013 priority list as adopted at this hearing. After hearing comments, the hearing officer will make specific recommendations regarding each of these projects.
E) New projects being added to the list in Issue C) or D) above whose total costs exceed the $20 million segment cap will be added to the contingency portion of the priority list for the unfunded segment beneath those unfunded segments already listed. They are:

<table>
<thead>
<tr>
<th>PROJECT SPONSOR</th>
<th>PRIORITY SCORE</th>
<th>SRF PROJECT NUMBER</th>
<th>LOAN TYPE</th>
<th>CONTINGENCY LISTING AMOUNT</th>
</tr>
</thead>
<tbody>
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<td>Islamorada</td>
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TOTAL SEGMENTS ADDED TO CONTINGENCY LIST $77,973,399

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* Small community <= 20,000 (based on the 2000 Census for projects listed before 7/1/2011 and on the 2010 Census for projects listed after 6/30/2011).

** FRP = Financing Rate Factor
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FY2013 UNCOMMITTED CONTINGENCY PORTION TOTAL: $160,666,974

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<td>SW/RECON</td>
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<td>STORMWATER MANAGEMENT FACILITIES (BEST MANAGEMENT PRACTICES)</td>
<td>$ 444,288</td>
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<tr>
<td>HOLLY HILL</td>
<td>WW/CONSTR</td>
<td>64100</td>
<td>MAJOR SEWER REHABILITATION (I/I CORRECTION)</td>
<td>$ 6,325,000</td>
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<tr>
<td>HOLLYWOOD</td>
<td>SW/CONSTR</td>
<td>06041</td>
<td>STORMWATER MANAGEMENT FACILITIES (SOUTH SOUTH LAKES DRAINAGE)</td>
<td>$ 2,822,484</td>
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<td>MONROE COUNTY</td>
<td>WW/CONSTR</td>
<td>44071</td>
<td>COLLECTION, TRANSMISSION &amp; TREATMENT FACILITIES (NEW CURVE KEY ART)</td>
<td>$ 50,000,000</td>
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<tr>
<td>ORANGE COUNTY</td>
<td>WW/CONSTR</td>
<td>48037</td>
<td>COLL. TRANS &amp; TREATMENT FACILITIES (DEMOlITION OF PARK MANOR WWTP)</td>
<td>$ 4,116,000</td>
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<tr>
<td>PALM COAST</td>
<td>SW/CONSTR</td>
<td>18049</td>
<td>STORMWATER MANAGEMENT FACILITIES (UPGRADE THREE SISTERS COMPLEX)</td>
<td>$ 1,261,848</td>
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<td>ST. LUCIE COUNTY</td>
<td>WW/CONSTR</td>
<td>56020</td>
<td>TRANSMISSION &amp; TREATMENT FACILITIES (EXPAND WWTP &amp; TRANS MAIS/PUMP STATIONS)</td>
<td>$ 11,767,000</td>
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<tr>
<td>TONO WATER AUTHORITY</td>
<td>WW/CONSTR</td>
<td>49030</td>
<td>MAJOR SEWER REHABILITATION (HENRY STREET CANAL CROSSING)</td>
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<td>TONO WATER AUTHORITY</td>
<td>WW/CONSTR</td>
<td>49032</td>
<td>TRANSMISSION FACILITIES (REPAIR/REPLACE LS #60 &amp; #97)</td>
<td>$ 603,000</td>
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**FY 2013 PLANNING PORTION TOTAL:** $ 117,034,248

* Small community <= 20,000 (based on the 2000 Census for projects listed before 7/1/2011 and on the 2010 Census for projects listed after 6/30/2011).
RESOLUTION NO. 12-06-41

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, RELATING TO THE STATE REVOLVING FUND LOAN PROGRAM PROJECT NUMBER WW88202; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION; APPROVING THE LOAN AGREEMENT BETWEEN THE VILLAGE AND THE STATE OF FLORIDA, DEPARTMENT OF ENVIRONMENTAL PROTECTION; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING FOR EXECUTION; PROVIDING AUTHORITY; PROVIDING FOR ISSUANCE FEES AND TRANSACTION COSTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of wastewater and water pollution control facilities (the “State Revolving Fund”); and

WHEREAS, Florida Administrative Code Rule 62-503 requires authorization for a local government to apply for loans; to establish pledged revenues; to designate an authorized representative; to provide assurances of compliance with loan program requirements; and to enter into a loan agreement; and

WHEREAS, the State Revolving Fund program loan priority list designates Project No. WW88202 – Islamorada (the “Project”) as eligible for preconstruction funding in the amount of $6,194,014.00 (excluding capitalized interest and loan issuance fees); and

WHEREAS, the Village intends to enter into a loan agreement with the Department of Environmental Protection (the “Department”) under the State Revolving Fund loan program (the “Lender”) for project financing.
NOW THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL
OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and are
incorporated herein by reference.

Section 2. Loan Application Authorized. The filing of a loan application to
secure the borrowing of funds from the SRF in the principal amount of $6,194,014.00
(excluding capitalized interest and loan issuance fees) for the Project is approved.

Section 3. Authorization and Approval of Loan Agreement. The Loan
Agreement between the Village and the Lender (Clean Water State Revolving Fund Loan
Agreement Number WW88202) in the principal amount of $6,194,014.00 (excluding
capitalized interest and loan issuance fees) to provide financing to the Village for the
Project, in substantially the form as attached as Exhibit “A”, together with such non-
material changes as may be required by the Lender and are acceptable to the Village
Manager and approved as to form and legality by the Village Attorney, is authorized and
approved.

Section 4. Pledged Revenues. The revenues pledged for repayment of the
loan are wastewater non-ad valorem assessments (adopted pursuant to Village Resolution
Nos. 11-06-38 and 11-07-47) and the gross revenues derived yearly from the operation of
the sewer system constructed by the Project after payment of the operation and
maintenance expenses. To secure the payment of the Village’s obligations to the Lender
under the Loan Documents, the Village shall budget and appropriate from the wastewater
non-ad valorem assessments and available gross revenues an amount sufficient to pay all
amounts due to the Lender in the applicable budget year.
Section 5. Authorization of Village Officials. The Village Manager is hereby designated as the authorized representative to provide the assurances and commitments required by the State Revolving Fund and the Loan Agreement. The Village Manager and, if required by the Lender, the Mayor and other appropriate Village officials are authorized and directed to execute and deliver the necessary loan documents (the “Loan Documents”) to apply for and borrow the funds from the Lender. The Village Manager, the Mayor and the Village Attorney are each authorized and directed to execute any and all certifications and other agreements or any other documents required by the Lender as a prerequisite or precondition to making the loan in the Loan Documents and any such representation made therein shall be deemed to be made on behalf of the Village.

Section 6. Execution of Documents. The Mayor is hereby designated as the authorized representative to execute the Loan Documents, which will become a binding obligation in accordance with its terms when signed by both parties. The Village Manager is authorized to represent the Village in carrying out the Village's responsibilities under the Loan Documents. The Village Manager is authorized to delegate responsibility to appropriate Village staff to carry out technical, financial, and administrative activities associated with the Loan Documents.

Section 7. Legal Authority for Borrowing Funds. The Village’s legal authority for borrowing moneys, issuing bonds, notes or other obligations to finance the cost to construct this Project is pursuant to the Florida Constitution; the Village's Home Rule Authority; Chapter 166, Florida Statutes; the Village’s Charter; the Village Code, Ordinances and Resolutions, and the applicable laws of the State of Florida.
Section 8. Issuance Fees and Transaction Costs. The Village authorizes the payment of issuance fees and transaction costs from legally available sources in connection with the execution and delivery of the Loan Agreement.

Section 9. Effective Date. This Resolution shall become effective immediately upon its passage and adoption.

Motion to adopt by Councilman Achenberg, second by Vice Mayor Philipson.

FINAL VOTE AT ADOPTION

VILLAGE COUNCIL OF ISLAMOADA, VILLAGE OF ISLANDS, FLORIDA

Mayor Michael Reckwerdt Yes
Vice Mayor Ken Philipson Yes
Councilman Don Achenberg Yes
Councilman Ted Blackburn Yes
Councilman Dave Purdo Yes

PASSED AND ADOPTED ON THIS 5th DAY OF June, 2012.

K

ATTEST:

Debra Eastman, MMC, Village Clerk

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS ONLY

VILLAGE ATTORNEY

Page 4 of 4
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

AND

(*1), FLORIDA

CLEAN WATER STATE REVOLVING FUND
LOAN AGREEMENT
WW(*2)

Florida Department of Environmental Protection
Bureau of Water Facilities Funding
Bob Martinez Center
2600 Blair Stone Road, MS 3505
Tallahassee, Florida 32399-2400
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# CLEAN WATER STATE REVOLVING FUND LOAN AGREEMENT

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**ARTICLE XI - EXECUTION OF AGREEMENT**

18
CLEAN WATER STATE REVOLVING FUND LOAN AGREEMENT

WW(*2)

THIS AGREEMENT is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the (*1), 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 [If applicable] 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. [If applicable.] This Project is a Capitalization Grant Project as defined in Chapter 62-503, Florida Administrative Code.

(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) [* Include if applicable] “Senior Revenue Obligations” shall mean the following debt obligations:

(a) (* Name), Florida, Water and Sewer System Revenue Refunding Bonds, Series 19 _____, issued in the amount of $_____, pursuant to Ordinance Resolution No. _____; and

(b) (* Name), Florida, Water and Sewer System Revenue Bonds, Series 19 _____, issued in the amount of $_____, pursuant to Ordinance Resolution No. _____; and

(c) (*) Additional bonds issued on a parity with the bonds identified above pursuant to Section _____ of Ordinance Resolution No. _____; and

(d) (*) 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 Semiannua 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, is in effect for the facilities generating the Pledged Revenues, and 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 Semianual 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.

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:

<p>| Federal Resources, Including State Match, Awarded to the Recipient Pursuant to this Agreement Consist of the Following: |
|-------------------------------------------------|-----------------|----------------|-----------------|-----------------|</p>
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<th>Federal Program Number</th>
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<th>CFDA Number</th>
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<td>CS120001-050</td>
<td>EPA</td>
<td>66.458</td>
<td>Capitalization Grants for State Revolving Funds</td>
<td>S</td>
<td>140131</td>
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(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. [If applicable - CAP Grant projects] 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://aspe.os.dhhs.gov/cfda.

(3) Report Submission.

(a) Copies of reporting packages for audits conducted in accordance with OMB Circular A-133, as revised, and required by Subsection 2.03(2) of this Agreement shall be submitted, when required by Section .320 (d), OMB Circular A-133, as revised, by or on behalf of the Local Government directly to each of the following:

(i) The Department at each of the following addresses:
   Robert E. Holmden, P.E., Chief
   Bureau of Water Facilities Funding
   Florida Department of Environmental Protection
   2600 Blair Stone Road, MS 3505
   Tallahassee, Florida 32399-2400

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

(ii) The Federal Audit Clearinghouse designated in OMB Circular A-133, as revised (the number of copies required by Sections .320 (d)(1) and (2), OMB Circular A-133, as revised, should be submitted to the Federal Audit Clearinghouse), at the following address:

   Federal Audit Clearinghouse
   Bureau of the Census
   1201 East 10th Street
   Jeffersonville, IN 47132

(iii) Other Federal agencies and pass-through entities in accordance with Sections .320(e) and (f), OMB Circular A-133, as revised.
(b) Pursuant to Section .320(f), OMB Circular A-133, as revised, the Local Government shall submit a copy of the reporting package described in Section .320(c), OMB Circular A-133, as revised, and any management letters issued by the auditor, to the Department at the two addresses listed under Subsection 2.03(3)(a) of this Agreement.

(c) 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 OMB Circular A-133, Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

(d) Local Governments, when submitting financial reporting packages to the Department for audits done in accordance with OMB Circular A-133, or 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) 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 allowable 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.

Beginning six months prior to each Semiannual Loan Payment, the Local Government shall make six Monthly Loan Deposits. The first five deposits each shall be at least equal to one-sixth of the Semiannual Loan Payment. The sixth Monthly Loan Deposit shall be at least equal to the amount required to make the total on deposit in the Loan Debt Service Account equal to the Semiannual Loan Payment amount, taking into consideration investment earnings credited to the account pursuant to Section 3.02.

Any month in which the Local Government fails to make a required Monthly Loan Deposit, the Local Government’s chief financial officer shall notify the Department of such failure. In addition, the Local Government agrees to budget, by amendment if necessary, payment to the Department from other legally available non-ad valorem funds all sums becoming due before the same become delinquent. This requirement shall not be construed to give superiority to the Department’s claim on any revenues over prior claims of general creditors of the Local Government, nor shall it be construed to give the Department the power to require the Local Government to levy and collect any revenues other than Pledged Revenues.

3.02. INVESTMENT OF LOAN DEBT SERVICE ACCOUNT MONEYS.

Moneys on deposit in the Loan Debt Service Account shall be invested pursuant to the laws of the State of Florida. Such moneys may be pooled for investment purposes. The maturity or redemption date of investments shall be not later than the date upon which such moneys may be needed to make Semiannual Loan Payments. The investment earnings shall be credited to the Loan Debt Service Account and applied toward the Monthly Loan Deposit requirements.

3.03. LOAN DEBT SERVICE ACCOUNT WITHDRAWALS.

The withdrawal of moneys from the Loan Debt Service Account shall be for the sole purpose of making the Semiannual Loan Payment or for discharging the Local Government’s obligations pursuant to Section 8.01.

3.04. ASSETS HELD IN TRUST.

The assets in all accounts created under this Loan Agreement shall be held in trust for the purposes provided herein and used only for the purposes and in the manner prescribed in this Agreement; and, pending such use, said assets shall be subject to a lien and charge in favor of the Department.
ARTICLE IV - PROGRAM INFORMATION

4.01. PROJECT CHANGES.

After the Department's environmental review has been completed, the Local Government shall promptly notify the Department, in writing, of any Project change that would require a modification to the environmental information document.

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:

<table>
<thead>
<tr>
<th>Milestone Event</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loan Agreement executed</td>
<td>$  0</td>
</tr>
<tr>
<td>Department acceptance of planning documents</td>
<td>0</td>
</tr>
<tr>
<td>Department acceptance of executed procurement contracts</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$  0</strong></td>
</tr>
</tbody>
</table>

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 [* If applicable] together with impact fees, special assessments, etc., 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 [If applicable] 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. [Include if applicable.] 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

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ARTICLE X - DETAILS OF FINANCING

10.01. PRINCIPAL AMOUNT OF LOAN.

The principal amount of the Loan is $_____, which includes $_____ to be disbursed to the Local Government and $_____ 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 $____ for the Loan amount authorized to date. The fee represents two percent of the Loan amount excluding Capitalized Interest; that is, two percent of $_____. 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 _____ percent per annum. The Financing Rate equals the sum of the interest rate and the Grant Allocation Assessment Rate. The interest rate is _____ percent per annum and the Grant Allocation Assessment rate is _____ percent per annum. However, if this Agreement is not executed by the Local Government and returned to the Department before _____ 1, 2006, 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 $_____. 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 ____ and semiannually thereafter on ___ 15 and ___ 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 $_____, 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:

<table>
<thead>
<tr>
<th>Allowance (Disbursable Amount)</th>
<th>$ 0</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capitalized Interest</td>
<td>$ 0</td>
</tr>
<tr>
<td>TOTAL (Loan Principal Amount)</td>
<td>$ 0</td>
</tr>
</tbody>
</table>

The listed allowance is based on estimated construction costs of $_____, 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 _____.

(2) Design of all Project facilities proposed for loan funding no later than _____.

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(3) Certification of availability of all sites for facilities proposed for loan funding no later than ____.

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

(5) Completion of all Preconstruction Activities for all Project facilities proposed for loan funding no later than ____.

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

(7) Unless deferred by amendment, provide certifications under Subsection 2.01(10) beginning ____ 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 $_____ shall be due ____.

[* If applicable.] 10.08. SPECIAL CONDITIONS.

(1)

(2)

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK
ARTICLE XI - EXECUTION OF AGREEMENT

This Loan Agreement WW(*) 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

(*1)

Mayor

Attest

I attest to the opinion expressed in Section 2.02, entitled Legal Authorization, and as to form and correctness.

City Clerk

City Attorney

SEAL

for

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Deputy Director
Division of Water Resource Management

Date