

Resolution No. 3008

A Resolution of the City of Sanford, Florida, amending the City's annual operating budget for the fiscal year beginning October 1, 2021 and ending September 30, 2022; providing for implementing administrative actions; providing for a savings provision; providing for conflicts; providing for severability and providing for an effective date.

Whereas, the Commission of the City of Sanford, Florida has adopted an annual operating budget for the fiscal year beginning October 1, 2021 and terminating on September 30, 2022 specifying certain projected revenues and expenditures for the operations of Sanford municipal government; and

Whereas, the City's budget presumes that each department generally will, to the best of their ability, maintain its expenditures within its allocated budgeted level and exercise prudence in expending funds during the course of the City's fiscal year; and

Whereas, from time-to-time circumstances and events may require that the original City budget may need revision; and

Whereas, the City Commission, in its judgment and discretion, has the authority to adjust the budget to more closely coincide with actual and expected events.

Now, therefore, be it adopted and resolved by the City Commission of the City of Sanford, Florida as follows:

Section 1. Adoption of Budget Amendment.

The annual operating budget of the City of Sanford for the fiscal year beginning October 1, 2019 and terminating on September 30, 2020 is hereby revised and amended by Attachment "A". The Attachment is hereby incorporated into this Resolution as if fully set forth herein verbatim. Except as amended herein, the annual operating budget for the City of Sanford for fiscal year beginning October 1, 2021 and

terminating on September 30, 2022 shall remain in full force and effect.

Section 2. Implementing administrative actions.

The City Manager, or designee, is hereby authorized and directed to implement the provisions of this Resolution by means of such administrative actions as may be deemed necessary and appropriate.

Section 3. Savings.

The prior actions of the City of Sanford relating to the adoption of the City budget and related activities are hereby ratified and affirmed.

Section 4. Conflicts.

All resolutions or parts of resolutions in conflict with this Resolution are hereby repealed.

Section 5. Severability.

If any section, sentence, phrase, word, or portion of this Resolution is determined to be invalid, unlawful or unconstitutional, said determination shall not be held to invalidate or impair the validity, force or effect of any other section, sentence, phrase, word, or portion of this Resolution not otherwise determined to be invalid, unlawful, or unconstitutional.

Section 6. Effective Date.

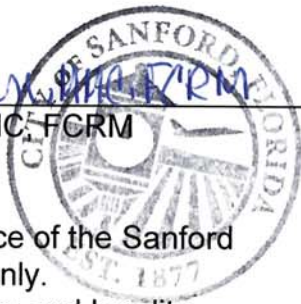
This Resolution shall become effective immediately upon enactment.

Passed and adopted this 10th day of January, 2022.

Attest:


City Commission of the City of
Sanford


Traci Houchin, MMC, FCRM
City Clerk




Art Woodruff
Mayor

For use and reliance of the Sanford
City Commission only.
Approved as to form and legality.


William L. Colbert, City Attorney
LONNIE N. GROOT
ACA

Resolution No. 2022-3007

A Resolution of the City of Sanford, Florida relating to the State Revolving Fund loan program and Loan Agreement DW590192 relating to additional funding of improvements to the City's main water treatment plant, the replacement of water meters and associated improvements in the amount of \$6,457,000.00; making legislative and administrative findings; providing for legal authority; approving and authorizing the execution of documents, applications and agreements with and implementation of a loan application and loan agreement with the Florida Department of Environmental Protection as may be deemed necessary; providing for the availability and establishment of pledged revenues arising from City water, wastewater, and reclaimed water utility services; providing for powers of the City Mayor, City Manager, City Clerk and City Attorney; providing for conflicts; providing for a savings provision; providing for severability and providing an effective date.

Whereas, provisions of the *Florida Statutes* provide for loans to local government agencies to finance the construction of various utility facilities using the State Revolving Fund loan program for the benefit of the public; and

Whereas, the administrative rules set forth in the *Florida Administrative Code* require specific authorization for municipalities 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 loan priority list designates Project Number DW590192 as eligible for available funding (hereinafter the "Project"); and

Whereas, the City of Sanford, Florida, intends to enter into a loan agreement with the Department of Environmental Protection under the State Revolving Fund for financing of the Project which Project relates the funding of improvements to the City's main water treatment plant, the replacement of water meters and associated improvements; and

Whereas, the City of Sanford has enjoyed a consistently positive relationship with the Florida Department of Environmental Protection and that Department has, in conjunction with the loan funding set forth herein, has offered to provide the City with significant grant funding for the Project; and

Whereas, the City Commission of the City of Sanford has complied with all procedural and substantive requirements of controlling law in adopting this Resolution.

Now, Therefore Be It Resolved By The City Commission Of The City Of Sanford, Florida, As Follows:

Section 1. Findings.

The foregoing recitals (whereas clauses) are incorporated herein by reference and adopted as legislative and administrative findings in support of the matters set forth in this Resolution and made a part hereof.

Section 2. Legal Authority.

The City of Sanford, Florida is authorized to apply for a loan to finance the Project under applicable and controlling law to include, but not be limited to, Article VIII, Section 2 of the *Constitution of the State of Florida* and the provisions of Chapters 166 and 403, *Florida Statutes*, the *City Charter of the City of Sanford* and other applicable law.

Section 3. Available Revenues/Florida Department of Environmental Protection Assurances; Loan Agreement DW590192; Improvements To The City's Main Water Treatment Plant, The Replacement Of Water Meters And Associated Improvements.

(a). The revenues pledged for the repayment of the loan are net City of Sanford water, wastewater, and reclaimed water revenues, after payment of debt service on the following bonds to which this loan shall be subordinate: City of Sanford, Florida, Water Utility System Revenue Refunding Note, Series 2010.

(b). The water, wastewater, and reclaimed water revenues are from such utilities and systems being owned and operated by the City of Sanford in accordance with the provisions of controlling Florida law and such fees being under the regulatory control of the City Commission of the City of Sanford. The City and the City Commission have the legal authority to increase the rates to ensure the repayment of the loan.

Section 4. Authorized Representative Relative To Implementation Of Documents, Applications And Agreements.

(a). The City Manager, or written designee, is hereby designated as the authorized representative to provide the assurances and commitments required by the loan application, the funding of the Project and relative to the implementation of the Project pertaining to improvements to the City's main water treatment plant, the replacement of water meters and associated improvements as well as authority to execute any and all documents, applications and agreements relating to the Project within any limitations as may be established by the City Commission or to cause the Mayor to execute said documents.

(b). The City Manager is authorized to delegate responsibility to appropriate City staff to carry out technical, financial, and administrative activities associated with

the Project consistent with any limitations as may be established by the City Commission.

Section 5. Authorized Representative To Execute Documents, Applications And Agreements With The Florida Department of Environmental Protection /Additional Delegations/Approval Of Documents, Applications And Agreements.

(a). The Mayor, or written designee, is hereby designated as the authorized officer to execute documents and agreements for and with the Florida Department, of Environmental Protection which agreements will become a binding obligation in accordance with its terms when fully executed by both parties and which is hereby approved by the City Commission.

(b). The City Manager, or written designee, is hereby granted plenary authority, to implement the documents, applications and agreements referenced in this Resolution and to take any and all associated actions, as needed including, but not limited to, accomplishing budget amendments in an administrative manner.

(c). The City Clerk, or written designee, is hereby granted plenary authority to attest to the documents, applications and agreements referenced in this Resolution and to take any and all associated actions, as needed.

(d). The City Attorney is hereby granted plenary authority to issue such legal opinions to the City and the Florida Department of Environmental Protection, as may be needed, to implement the matters set forth herein.

(e). All documents, applications and agreements referenced in this Resolution and any and all associated documents, shall be subject to legal review and approval by the City Attorney.

(f). The City Clerk, in conjunction with guidance from the City Attorney, is granted authority to correct Scriveners errors that may occur in processing and publication.

Section 6. Conflicts.

All resolutions or parts of resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

Section 7. Savings.

The City Commission hereby ratifies and affirms all actions taken by the City relative to the State Revolving Fund, and related activities and programs, in the past including, but not limited to, all matters pertaining to Loan Agreement DW590192.

Section 8. Severability.

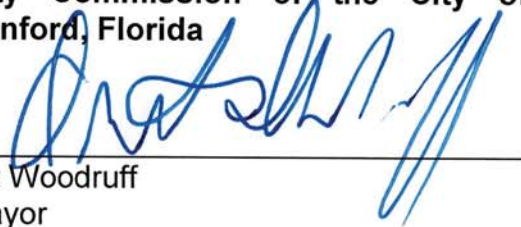
If any Section or portions of a Section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other Section or part of this Resolution.

Section 9. Effective Date.

This Resolution shall become effective immediately upon its passage and adoption.

Passed and Adopted this 10th day of January, 2022.

**City Commission of the City of
Sanford, Florida**



Art Woodruff
Mayor

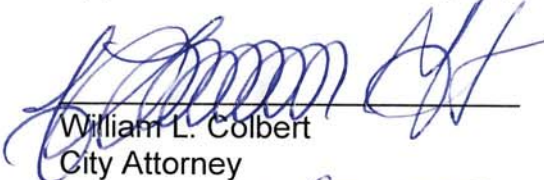
Attest:



Traci Houchin, MMC, FCRM
City Clerk



For use and reliance of the
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Approved as to form and legality.



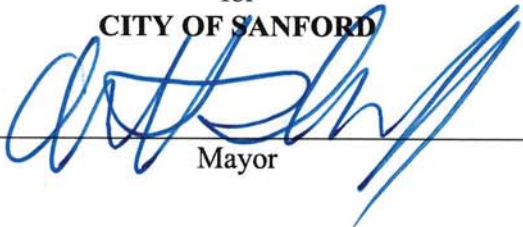
William L. Colbert
City Attorney

Lonnie N. Groves
ACA

This Amendment 1 to Loan Agreement DW590192 may 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 Project Sponsor 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 SANFORD




Mayor

Attest:



City Clerk
Deputy City Clerk

Approved as to form and legal sufficiency:



City Attorney
LENNIE ENOCH
ACA



for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Secretary or Designee

Date

**STATE REVOLVING FUND
AMENDMENT 1 TO LOAN AGREEMENT DW590192
CITY OF SANFORD**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF SANFORD, FLORIDA, (Project Sponsor) existing as a local governmental entity under the laws of the State of Florida. Collectively, the Department and the Project Sponsor shall be referred to as “Parties” or individually as “Party”.

The Department and the Project Sponsor entered into a Drinking Water State Revolving Fund Loan Agreement, Number DW590192, authorizing a Loan amount of \$14,964,000, excluding Capitalized Interest; and including a Principal Forgiveness amount of \$2,815,200; and

The Project Sponsor is entitled to additional financing in the amount of \$6,457,000, excluding Capitalized Interest; and

Certain provisions of the Agreement need revision.

The Parties hereto agree as follows:

1. Subsection 2.03(1) of the Agreement is deleted and replaced as follows:

(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
FS98452219-0	EPA	66.468	Capitalization Grants for Drinking Water State Revolving Fund	\$21,421,000	140129

2. Additional financing in the amount of \$6,457,000, excluding Capitalized Interest, is hereby awarded to the Project Sponsor.

3. An interest rate of 0.05 percent per annum is established for the additional financing amount awarded in this amendment; however, if this amendment is not executed by the Project Sponsor and returned to the Department before January 1, 2022, the interest rate may be adjusted.

4. The estimated principal amount of the Loan is hereby revised to \$18,619,600, which consists of \$18,605,800 authorized for disbursement to the Project Sponsor and \$13,800 of Capitalized Interest. This total consists of the following:

(a) Original Agreement in the amount of \$12,159,300, including \$12,148,800 authorized for disbursement to the Project Sponsor and \$10,500 of Capitalized Interest, at an interest rate of 0.05 percent per annum; and

(b) Amendment 1 in the amount of \$6,460,300, including \$6,457,000 authorized for disbursement to the Project Sponsor and \$3,300 of Capitalized Interest, at an interest rate of 0.05 percent per annum.

5. An additional Loan Service Fee in the amount of \$129,140, for a total of \$372,116, is hereby estimated. The fee represents two percent of the Loan amount excluding Capitalized Interest; that is, two percent of \$18,605,800.

6. The Semiannual Loan Payment amount is hereby revised and shall be in the amount of \$477,231. Such payments shall be received by the Department on August 15, 2024 and semiannually thereafter on February 15 and August 15 of each year until all amounts due hereunder have been fully paid. Until this Agreement is further amended, each Semiannual Loan Payment will be proportionally applied, after deduction of the Loan Service Fee is complete, toward repayment of the amounts owed on each incremental Loan amount at the date such payment is due.

The Semiannual Loan Payment amount is based on the total amount owed of \$18,991,716, which consists of the Loan principal plus the estimated Loan Service Fee.

7. The Project Sponsor and the Department acknowledge that the actual cost of the Project has not been determined. Project cost adjustments may be made as a result of construction bidding or mutually agreed upon Project changes. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. If the Project Sponsor receives other governmental financial assistance for this Project, the costs funded by such other governmental assistance will not be financed by this Loan. The Department shall establish the final Project costs after its final inspection of the Project records. Changes in Project costs may also occur as a result of an audit.

The estimated Project costs are revised as follows:

<u>CATEGORY</u>	<u>PROJECT COSTS (\$)</u>
Construction and Demolition	19,015,500
Contingencies	905,500
AMP	150,000
Technical Services After Bid Opening	1,350,000
SUBTOTAL (Disbursable Amount)	21,421,000
Less Principal Forgiveness	(2,815,200)
SUBTOTAL (Loan Amount)	18,605,800
Capitalized Interest	13,800
TOTAL (Loan Principal Amount)	18,619,600

8. The items scheduled under Section 10.07 of the Agreement are revised as follows:

(2) Completion of Project construction is scheduled for February 15, 2024.

(3) The Loan Debt Service Account shall be established and Monthly Loan Deposits shall begin no later than February 15, 2024.

(4) The first Semiannual Loan Payment in the amount of \$477,231 shall be due August 15, 2024.

9. Section 10.08 is added to the Agreement as follows:

10.08. SPECIAL CONDITION.

Prior to execution of this Agreement, the Project Sponsor shall submit a Legal Opinion addressing the availability of Pledged Revenues, the right to increase rates, and subordination of the pledge.

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

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CITY OF
SANFORD
FLORIDA



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WS	RM	X
Item No.	8.C	

**CITY COMMISSION MEMORANDUM 22-023
JANUARY 10, 2022 AGENDA**

TO: Honorable Mayor and Members of the City Commission
PREPARED BY: Mack McKinley, Water Resources Engineer
SUBMITTED BY: Norton N. Bonaparte, Jr., ICMA-CM, City Manager
SUBJECT: Florida Department of Environmental Protection (FDEP) State Revolving Fund (SRF) Amendment 1 to Loan Agreement DW590192; Resolution No. 2022-3007 and Budget Amendment Resolution No. 2022-3008

STRATEGIC PRIORITIES:

- Unify Downtown & the Waterfront
- Promote the City's Distinct Culture
- Update Regulatory Framework
- Redevelop and Revitalize Disadvantaged Communities

SYNOPSIS:

Approval of Resolution No. 2022-3007, pertaining to the SRF Loan Agreement 1 between the City and the FDEP relating to Loan Agreement DW590192, and of Resolution No. 2022-3008 to amend the budget in the amount of, \$6,457,000 for funding of the replacement of water meters and the main water plant projects is requested.

FISCAL/STAFFING STATEMENT:

The City had the opportunity to obtain financial assistance for two necessary projects relating to the water meter replacement project and the main water treatment plant improvements. The level of assistance originally provided was \$14,964,000 toward the total estimated cost of both projects. This is the first amendment to Loan Agreement DW590192 which was approved by the City Commission April 27, 2020. This amendment will provide for additional funding in the amount of, \$6,457,000 for the final phase of the meter project, with the total funding amount under the Loan Agreement being increased to \$21,421,000.

Funding will be made available in the Utility Revenue account; funds will then be made available in the Utilities Water Division Improvement Other Than Building account. A budget amendment and resolution is required.

BACKGROUND:

City staff has engaged in a continuing effort to obtain funding assistance from the FDEP to reduce the financial burden upon the City to upgrade and enhance the City's infrastructure to better serve its residents and customers. The funding from the loan will assist the City in that regard and provide necessary funding toward attainment of the work involved in the projects. This additional funding is a result of the ongoing positive relationship between the City and the FDEP relative to the efforts of the City to enhance the provisions of utility services to the public in a sound and modern manner. The City has obtained the funding from FDEP's SRF program in the amount of, \$14,964,000 for

the construction of the City's main water treatment plant and the replacement of the City's water meters as has been recently discussed with the City Commission.

By adopting Resolution No. 2022-3007, the City Commission will authorize the implementation of the Amendment to the SRF Loan Agreement with the FDEP.

LEGAL REVIEW:

The Assistant City Attorney has assisted City staff with regard to this matter.

RECOMMENDATION:

City staff recommends that the City Commission adopt Resolution No. 2022-3007, approving the Amendment to Loan Agreement DW590192, and Resolution No. 2022-3008, to amend the budget in the amount of, \$6,457,000 for funding of the replacement of water meters and the main water plant projects.

SUGGESTED MOTION:

"I move to adopt Resolution No. 2022-3007, approving the Amendment to Loan Agreement DW590192, and Resolution No. 2022-3008, to amend the budget in the amount of, \$6,457,000 for funding of the replacement of water meters and the main water plant projects."

- Attachments: (1). Resolution No. 2022-3007.
(2). Amendment 1 to Loan Agreement DW590192
(3). Loan Agreement DW590192
(4). Budget Amendment Resolution No. 2022-3008