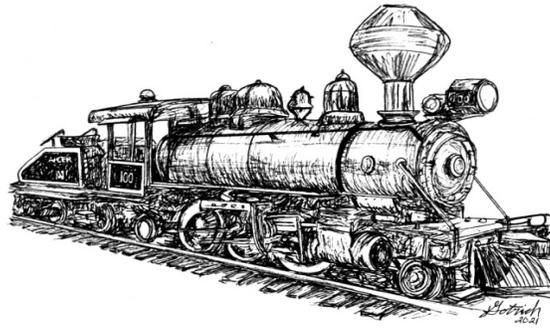


Town of Century
7995 N. Century Blvd.
Century, Florida 32535



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Council Meeting Agenda
7995 N Century Blvd.
May 16, 2023
7:00 p.m.

Confirm Advertisement of Bill List Review/Council Meeting

1. Open Meeting with Prayer
2. Pledge of Allegiance
3. Roll Call
4. Public Forum
5. Ministerial Acts
 - a. Approval of Minutes
 - May 02, 2023 Bill List Review Minutes
 - May 02, 2023 Council Meeting Minutes
 - May 11, 2023 Council Meeting Minutes
 - b. Approval of Bill List
 - May 16, 2023 Bill List
6. Dale Long Phase II Loan Agreement with SRF
7. Dale Long Grant Spreadsheet Update
8. Robin Phillips CDBG-CV Grant – Carver Community Center
9. Staff Report
10. Mayor's Report
11. Council Comments
12. Public Forum
13. Adjourn

§ In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons with disabilities needing special accommodation to participate in this proceeding should contact the Town Clerk no later than noon the day of the meeting to request assistance.

§ If HEARING impaired, please contact TDD (TDD-Telecommunications Device for the Deaf) at 1-800-955-8771.

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§ If a person decides to appeal any decision with respect to any matter considered at such meeting or hearing, he will need a record of the proceedings, and for that purpose, he may need to ensure that a "verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal to be based." Minutes of the Town Council meetings can be obtained from the Town Clerk's office. The cost of duplication and/or court reporter will be at the expense of the requesting party. Minutes are recorded, but are not transcribed verbatim.

**Bill List Review Minutes
Town Hall
May 2, 2023
6:45 p.m.**

Council Members
Present:

Luis Gomez
Dynette Lewis
Sandra McMurray Jackson
Shelisa McCall
Alicia Johnson

Others Present:

Benjamin Boutwell, Mayor
Leslie Howington, Town Clerk
Kevin Merchant, Superintendent
Dale Long
Robert Hudson

At 6:45 p.m. Council Member Sandra McMurray Jackson called the Bill List Review to order.

Council Member Alicia Johnson asked about the Cross Connection Control Plan bills and if there is a “not to exceed” amount. She completed a proposal for this project that included a “not to exceed amount” and believes that these charges are in excess and the project needs to come to an end.

At 6:46 p.m. Council Member Dynette Lewis arrived.

Council Member Dynette Lewis mentioned that the Building Maintenance for Town Hall overage has been brought up a couple of times. Leslie Howington will investigate.

Council Member Lewis noted that we used a different AC man. Ms. Howington noted that a man in the field called this vendor for Showalter Park. Preston Tate has been working on Century Business Center.

Council Member Lewis requested the lights be turned off at Showalter Park at night. Mayor Boutwell will remind the head coach.

Street lights are over in budget. Robert Hudson explained that we will receive our payback from the State later in the year. Electricity rates are up and we will probably go over.

At 6:52 p.m. Council President Luis Gomez arrived.

Park Fuel is over budget \$3,000 and we are almost to \$4,000. Why?

Council Member Dynette Lewis noted that Park Fuel is over budget \$3,000 and we are almost to \$4,000 and asked why?

Alicia Johnson recalled that Larry Joe Hammond from the Park Department was taking water and wastewater samples to the lab and suggested reallocating fuel to Water.

Council Member Sandra McMurray Jackson invited Council President Luis Gomez to speak. He asked about the bypass pump. Mayor Boutwell responded that the rental is used not only for emergencies, but also to transfer wastewater to the truck

Ms. Howington called Heath Burkett on the phone and Mr. Burkett listed reasons we need the additional pump rental. The only other one we have is at Pilgrim Lodge, but that one is dedicated and cannot be moved. The second one is used for water leaks, if another lift station goes down, or the prison goes down. We use it at the WWTP to fill up the sludge trucks.

Mayor Boutwell asked when the last time was that Mr. Burkett used it. He used it mid-month and stated that if Council wants to pull it, that's fine. We'll have to find one for a major water leak.

When will the next bypass pump come in? Mr. Burkett does not know. Mayor Boutwell recalled that the parts came in and they are assembling it and will deliver it when it is ready.

Council Member Johnson stated that we need to coordinate the sludge hauling, pumping down what needs to be pumped and rent it for a few days.

Council President Luis Gomez stated that \$1,300 per month is wasteful.

Leslie Howington called Kevin Merchant for an update on delivery of 2nd pump. Mr. Merchant advised he would be there in five minutes.

Council Member Johnson addressed Dale Long about when we can expect an end of the Cross Connection Control Plan. The engineering bill is at \$5,000.

Mr. Long addressed the Council and shared the meetings that had been held and expects to bring the Cross Connection Control to the Council at the next meeting for ratification.

At 7:01 p.m. Council Member Sandra McMurray Jackson adjourned the Bill List Review.

Respectfully submitted,

Leslie Howington, CMC
Town Clerk

Council Meeting Minutes
Town Hall
May 2, 2023
6:00 p.m.

Council Members
Present:

Luis Gomez
Dynette Lewis
Sandra McMurray Jackson
Shelisa McCall
Alicia Johnson

Others Present:

Benjamin Boutwell, Mayor
Leslie Howington, Town Clerk
Kevin Merchant, Superintendent
Heath Burkett, Water/Wastewater Superintendent

Council President Luis Gomez confirmed the advertisement of the Bill List Review and Council Meeting, and at 7:02 p.m. called the meeting to order.

1. Open Meeting with Prayer

Council President Gomez prayed.

2. Pledge of Allegiance

3. Roll Call

All Council Members were present.

4. Public Forum

Gary Bradley is back again on cleaning up Alger. Mayor Boutwell said he would put it on the schedule for once a month. It's only been done once. Mayor Boutwell explained that weather, scheduling, restructuring of the Street Department has hindered the work flow.

Gary Bradley asked if the Town is tearing down the Century Community Center. It is an historical landmark. It has good wood. Mayor Boutwell explained that the Town will not make the decision. Mr. Bradley has been talking to members of the community and asked the Town to not tear it down.

Dr. Jessica Griffen of The Urban Development Group stated that the First Century program finished tonight with 26 kids. There are so many students they will be splitting the 14 elementary students into a different group.

No one walks because safety is best. Students are picked up and dropped. Dr. Griffen offered kudos to Metro Rapid who has done a phenomenal job with transportation.

Dr. Griffen stated she had walked the Business Center with Kevin Merchant and 12 lights are needed. Mr. Merchant has the lights and just needs permission from the Council to install them.

Dr. Griffen requested a security system.

There have been two visits and Feeding the Gulf Coast is coming on Friday. Dr. Griffen noted that storage and a refrigerator are needed. Mayor Boutwell advised that the refrigerator is ordered.

Mr. Merchant stated that both the refrigerator and the ice maker are expected on Friday.

Also, Mr. Merchant reported that the bypass pump is expected to be ready by first part of June for us to pick up.

Sparkie Harrison of Pensacola State College Century Center is providing a filing cabinet that will lock. Town of Century will deliver a surplus desk.

On their website, they can track the number of participants, not names of the children who are coming, and she can give a report on activity.

Mary Lowery asked about Carver Community Center and the environmental decision. Mayor Boutwell stated that an inspector did a walk thru and found fire problems, termites, concerns over how sound the structure is. It is part of the grant and will be sent to the architect then presented to the community.

Mayor Boutwell is not saying anything until the reports come in.

Ms. Lowery asked about the money that was allocated and how it should be able to be spent on the building. Mayor Boutwell explained that is what the studies are finding right now – what needs to be done.

Council President Gomez stated that conversations were made Friday about the Community Center and asked about Mayor Boutwell's conversation with Marilyn Robinson.

Mayor Boutwell shared that we had to turn off electricity to the building due to open junction boxes, wiring that is not even used anymore. It is a safety issue. We were told that Code Enforcement with the County will be told about it and they will require it to be shut down. The inspecting engineer would not remain in the building with the electricity on.

Floor joists are rotating. Mayor Boutwell stated that it is a danger.

Council President Gomez asked if they went under the building. Mr. Merchant was with the inspector and reported a scope camera that was run under the building. They walked the attic from one end to the other and found insulation over junction boxes and no wire nuts on some of the wires.

The breaker panel was not labeled, so the engineer stated to kill the power to the whole building.

Council President Gomez received word that Ms. Robinson had a phone call with Mayor Boutwell who told her to get her stuff out asap because the inspector said he will not report this.

Council President Gomez stated that the matter should have come to the Council before it came to Ms. Robinson. Mayor Boutwell was worried about safety.

Council Member Lewis stated without an inspection report it should not be reported. Mayor Boutwell stated that Town of Century owns that building and has the liability.

Council Member Lewis stated we should be careful with our words due to the sensitivity. Either it is going to be condemned or not; don't say probably.

Robin Phillips and the architect do not have a report from the inspector, yet. Regarding Council President Gomez saying "We got the grant two years ago and haven't done anything," Ms. Phillips clarified that we got this grant last year and didn't have an architect.

An architect doesn't just design a building. Many inspections are performed. Termite inspection led to the need for a structural inspection. Lead is throughout the building. Bureaucracy is involved. We can't just do what we want.

The inspector removed walls and looked for termites and for the shape it is in. She has not received the report and was told there is a lot of damage.

Ms. Phillips will invite the architect to the next meeting to find out if it can be renovated.

Council President Gomez understood that an architect went in pro bono and came up with \$2 million. Ms. Phillips stated that was an estimate prior to inspections. Ms. Phillips noted that there has been almost \$50,000 in inspections. An architect would not put that out of pocket on the chance that he may get the work.

Council President Gomez asked if the building is not fixable, what's next? Ms. Phillips stated that the architect says we would have to demolish and report. If it can't be fixed, it can't be fixed.

Mayor Boutwell clarified that money is allocated, not received.

Ms. Phillips is putting a best face effort and wants to renovate. If it cannot be fixed, it cannot be fixed.

Council President Gomez announced that he does not want to drive around the block and find the building demolished. Ms. Phillips stated that the Council will decide what is to be done with the building.

Ms. Phillips stated that the inspector was here last week and we don't have his report, yet.

Helen Mincy of 111 Mincy Court, Century stated she has pictures of deterioration on the building. Yes, there is damage, but it is fixable. Ms. Mincy stated that she is telling everyone that there will be problems if the building is torn down.

Council President Gomez stated that rotten boards can be replaced with \$2 million.

Elmer Lowe stated that all the churches pulled together when this started and spent \$1,500 on the building. Leola Robinson got the money for the Century Community Center. Mr. Lowe stated that the Mayor at the time spent the money on the other building

Council Member Shelisa McCall noted that we got the grant in 2022. The architect was approved by DEO. Ms. McCall requested a copy of the progress report.

Ms. Phillips noted that the financial information is not reflected in the report, just the activities that have been performed.

Expiration date was discussed. DEO sat on the contract for over a year and they are due in September. DEO has requested Ms. Phillips write for an extension. She plans to do that.

Council Member Sandra McMurray Jackson requested the total amount of the grant, Ms. Phillips advised that it is \$3,255,000. The cost estimate for construction of both community centers is \$2,835,000. It is worthy to note that money can be moved around.

Council Member McMurray Jackson asked if Carver on Jefferson has to be torn down, can all the money can go into Carver. Ms. Phillips stated that the Council will decide which building the money is spent on.

Mayor Boutwell stated that if only one building is performed, then everyone agrees that it would be Carver.

Ms. Phillips stated that we cannot tear down the building and not put one up. Another one will be built just like it or bigger. Mayor Boutwell stated that we want to honor the history of the building.

Council President Gomez has a problem that nothing is being done on the structure but bills are being paid. Council Member Johnson acknowledged that these tests were budgeted.

Council Member Sandra McMurray Jackson thanked Ms. Phillips.

Marilyn Robinson was on the conference call and stated that the lights had been off for a while because she did not pay the bill. There had been a contract with PSC

and Dr. Robinson paid \$1,000 for supplies, but PSC did not complete the job. That is why there were exposed wires.

Monthly payments are being made on light bill. The power is off. Water was turned off.

A County employee told Dr. Robinson that the deed should have been corrected to give to Carver Community Center. She would like the grant to help accomplish what they have been trying to do for years.

Ms. Howington asked what year the County told Ms. Robinson that there was a mistake on the deed. Dr. Robinson clarified that there was not a mistake on the deed. She spoke with the County because they were under the impression that the county was to write up a deed for the Carver Community Center to belong to the communities.

Council President Gomez stated he is sorry for any miscommunication that took place and asked if she had her questions answered.

Dr. Robinson clarified that they were not in a building with dangerous wiring. PSC left the wires. She would not have left children at the building where electrical was exposed.

Council President Gomez asked if someone could meet with Ms. Robinson. Kevin clarified that when he said they turned the power off, they turned the breaker off because the engineer told him to. He was there to inspect foundation and did not know that there was no electricity. They saw dangerous wires.

Mr. Merchant had Dr. Robinson called to come back and lock the building when the inspection was complete.

Council President Gomez invited Dr. Robinson to come to Town Hall regarding compensation of the money she has paid.

Council President Gomez announced there will be another Public Forum at the end of the meeting.

Dale Long stated he was asked to come tonight to respond to questions by Council Member Johnson.

Mr. Burkett noted there had been issues at Pond and Jefferson and they were repaired with no more issues since then. The Industrial Park was happening every other week, so when the list was made, Pond and Jefferson was repaired.

Council Member Johnson stated that in her capacity as Superintendent, she had begun work on those two lift stations and bought the panels that are at the Shop. She understands from Mr. Burkett that the plan is to dismantle the panels and asked Mr. Long if he is removing the Allen Bradley component.

Mr. Long stated that four panels and four pumps are stored both at the Shop and the WWTP. He is not the electrical engineer who decided what could and could not be used. They are not being completely dismantled, but have been adjusted to add mixers. Council Member Johnson stated mixers do not work in a lift station and will be addressed down the road.

Council Member Johnson's biggest concern is that the panels were delivered for the WWLS. Her vision is that they all look the same, but on the plans it does not look like that's the case. The two spare panels from HydroServices came as a panel and they were put to the side.

Mr. Long stated that they would be used on the WWLS at Pilgrim Lodge and Industrial Park. Then Pond and Jefferson are in Phase II and the panels bought for them will be used at that time.

Council Member Johnson stated that puts the standardization out the door. In Phase I Mr. Long stated that they tried to mix and match them as close as they could, but the remainder will be the same.

Council Member Johnson noted that a SCADA-based system is being replaced by cell phones which rarely work. Mr. Burkett stated he received a call on Sunday from a WWLS. \$500 a year charges for 22 lift stations adds up.

Dale Long and Heath Burkett plan to look for different options.

Council Member Johnson asked why not consult with Phil Bowers about the liability to continue to use those panels. Mr. Long stated that the equipment is being used, just taken out of it. The project has to be permitted by an Electrical engineer and that is who made the decision.

ACS, the electrical engineer, used photos of the drawings that were provided from the panels from CSI and there was cost involved with this and it is duplicate work.

Council Member Lewis stated this is a complex issue that should be held in a one on one conversation.

Council Member Johnson asked Mr. Bowers who created and designed the four panels -- one for Jefferson and Pond WWLS and Pilgrim Lodge WWLS. The other two are for the wells. They provided the panels and then expected another contract

to do the work. There were challenges with getting vendors in to help with the wet work. The cellphones can break just like our personal cellphones do.

The most important time communication is needed is during and after a storm. That's when cell phones do not work. They have a licensed unique frequency that only the Town of Century would operate on. The fee is paid in 10 year intervals with license renewal every 10 years.

Mr. Bowers believes his panels will meet current and future needs of the Town. Small staff can seamlessly reverse the pump to remove sheets. He invited a Workshop. The panels will do what they are designed to do.

Council Member Johnson asked Mr. Long about the components he intends to take out. She would rather use the Allen Bradley panels as intend. How do we go about adjusting things.

Dale Long shared that the plans were done in 2020. Staff and Mr. Long held meetings and from that his proposal was created. It was never his intention or objective to cost the Town additional money. He was told by staff to move from SCADA to OmniSite. Heath Burkett explained that he was taught that with all of our obstructions we would need antennas.

Mr. Bowers stated that the goal was to use the elevated tanks to our advantage. The lift stations could transmit via the water towers to the WWTP. It has better functionality rather than just an alarm from a cellphone. This is a downgrade at a higher cost.

Mr. Long explained that it would be more difficult to change Pilgrim Lodge and Industrial Park, but if that's what the Council wants to do, he can make a call.

The well is a different project.

Mr. Bowers offered to do something to the panels and Mr. Long can use his drawings and be standardized going forward.

Kevin Merchant asked Dale Long about the engineer wanting to change the panels to make it operator friendly. Mr. Merchant asked if Mr. Burkett can work on it. Mr. Bowers replied yes until a certain skill set is needed. Mr. Merchant asked about accessibility. Mr. Bowers has five employees in the field.

Mr. Burkett asked about the cost associated with the antennas being installed and maintained versus radio and cellphones.

The Council will set a workshop to discuss and finalize a plan.

5. Ministerial Acts

At 8:20 p.m. the Ministerial Acts were brought forward.

a. Approval of Minutes

- 1) January 10, 2023 Cross Connection Plan Workshop Minutes
- 2) January 17, 2023 Bill List Review Minutes
- 3) January 17, 2023 Council Meeting Minutes
- 4) April 25, 2023 Charter Review Minutes

b. Approval of Bill List -- May 02, 2023 Bill List

Council Member Sandra McMurray Jackson made a motion to approval all of the Ministerial Acts. Council Member Alicia Johnson seconded the motion. The motion passed unanimously.

6. Robert Hudson Financials

Robert Hudson explained that in June a big reimbursement from State of Florida will be received toward the street lighting. Last year it was \$14,000. There are several things that are way under budget. Total Expenses YTD, 6 months over budget by \$83,000. That was the tractor and it was reimbursed by L.O.S.T. Ms. Howington verified that L.O.S.T. funds were transferred. The income reflects that.

Special Revenue is consistent every month with \$20,000+ in there and bank it until the Council decides how to use it.

Gas Fund was discussed. Special Revenue paid the bond payment. The monthly expense was higher because March had five pay periods in it. Everything else is close to budget. Did not budget the \$37,000 truck, but it was paid out of L.O.S.T. funds.

Water/Sewer revenues are in line with budget. Total expenses are within \$22,000 of budget. When looking at in and out for money, we are right on budget.

Garbage fund with the increase in rates our income is over budget. Expenses are what we budgeted, even with the operating transfer out. Council President Gomez noticed net income zero in the Garbage.

At the next meeting we will decide on Budget Workshops in July and August.

There were no further questions for Mr. Hudson.

7. Danita Andrews Update on Project Thumbtack

Danita Andrews noted that a lot of behind the scenes work has been accomplished. Their electrical engineer came and met with FPL and noted that a transformer is burned out. FPL will repair that.

The company will be in Town next week and Ms. Andrews would like to advertise to have a ceremonial welcome and a project announcement at 9:30 a.m next Tuesday. That day did not work for Council Member Lewis. They will be in town Tuesday through Friday at noon.

Ms. Andrews has many meetings set up with them including Workforce Escarosa, electrical engineer for upgrades for the office to meet building inspection and receive a Certificate of Occupancy, and scheduling a phase-in of their equipment. The only change expected in the lease would be the commencement date. It will be presented to the Council on May 16th. Ms. Howington announced she will be out Friday – Wednesday and would like to be here, but has an incredible team in place who can put the meeting together.

Ms. Andrews offered to bring a celebratory sheet cake.

Ms. Andrews thanked the Mayor and Staff for being accessible last week opening and closing the building.

**8. Robin Phillips Update on CBDG-CV Grant
Carver Community Center and Century Community Center**

An update was presented during discussion in the Public Forum.

9. Mayor Boutwell Legislative Appropriations for Water Meters

Mayor Boutwell read from the Agenda Summary Sheet:

PROJECT BACKGROUND: The Town of Century is presently metering approximately 825 water customers. The existing meters used to meter the customers' water use are nearly 20 years old. The meters were installed as a radio read system, but the system has long since failed and the meters are read manually each month. In addition to the meters failing, the Town's existing service line is in need of a replacement. There are numerous leaks in the service lines feeding to the customers meters. The new water meters will be automated, which will allow the Town to read them in batches while driving through the water system franchise area. The Project will also include the new software, hardware and staff training to read the new meters.

PROJECT DESCRIPTION: The Project will include replacement of all commercial and residential water service lines from the main to the customer connection. This includes connection to the water main, new service lines under the road (if required), and replacement of the meter box and all its contents including a new water meter.

These funds were awarded to Escambia County (Grantee); the Town of Century will work in conjunction with the Grantee on this project.

LEGISLATIVE APPROPRIATION: State of Florida, Department of Environmental Protection

AGREEMENT NUMBER: LPA0284

Recommended action:

1. Approve Interlocal Agreement between Escambia County, Florida and Town of Century, Florida Relating to Water Meter Replacement Project; and,

2. Authorize Mayor Boutwell to Execute The Interlocal Agreement

Council President Gomez opened the floor for questions. Mr. Gomez asked if this is the same group they looked at in Baker. Mayor Boutwell explained this is regarding the County taking over the administration. Council President Gomez confirmed that we still get a choice of what we want for the Town. Mr. Burkett stated that we have not narrowed down which brand. Mayor Boutwell confirmed it will be a ride-around that pings.

Mr. Burkett noted that system does not integrate with gas meters. The gas meters are compatible with the Census brand.

Mr. Long pointed out that the bids will be publicly noticed. When this went to the State for approval, the County was listed as administrator of the Grant.

Council President Gomez noted that this is \$1.3 million and asked if it would be thrown in the pot with the other \$14 million. Mr. Long noted that it is its own separate grant with a separate contract. All meters are taking a long time to come in after being ordered. That is why there is a long term on the grant.

Also included in the project is service replacement from customer property to the mainline. Council President Gomez asked if \$1.3 is enough to cover it. Dale Long stated he is not sure given the economy. It is worth noting that much work has already been performed on several areas.

Council President Gomez asked if there is more money out there. Mr. Long has applied thru the Water Management District. This grant allows the Town to go out of Town limits because it covers the franchise area.

Mr. Burkett noted that there is a list of which ones do not need to be handled within the grant.

Council President Gomez asked for an update on people getting free water. Ms. Howington shared that if a meter reading comes in with no account, Tonya Creel turns off their services and they show up to at Town Hall to open an account.

Council Member Alicia Johnson explained that the software will tell if there is no usage, when usage occurred, if there is a leak.

Council Member Johnson asked about residences getting water from our system without a meter. Mr. Burkett stated that we have been finding a few. If Meter Reader Dave Morgan sees an occupied house not on his route book he has Mr. Burkett meet him there.

Mr. Long suggested painting the meter boxes and adding a tag that shows when it was installed.

Council Member McCall asked about reimbursement agreement versus the project end date. Dale Long stated there could be an extension. He does not have a schedule yet, but will early next year. When it is filed with the County Clerk's office, Ms. Howington will forward the copy she receives to the Council

Council President Gomez read the Recommended Action and requested a motion. Council Member Johnson made a motion to approve the Interlocal Agreement between Escambia County, Florida and Town of Century, Florida relating to water meter replacement and authorize Mayor Boutwell to execute the Interlocal Agreement. Council Member Sandra McMurray Jackson seconded the motion. There were no questions. The motion passed unanimously.

10. Staff Report

Town Clerk Leslie Howington had nothing to report.

Heath Burkett shared that Smith & Loveless is requesting a price to see what can be done for the parts that he is unable to locate. This is the only vendor he can find. Mr. Burkett asked if the Council is okay with a tech coming down to get a list of parts we need. It takes longer for staff to troubleshoot. Ms. Howington will get with Mr. Burkett to find the money in the budget. Mr. Burkett requested permission to request a quote. Council consensus was to have Smith & Loveless come out to prepare a quote.

Kevin Merchant advised that the TAW contract is not for them to make repairs. It is for generator maintenance. The generator at the WWTP cannot run the WWTP. It's the transfer switch that is bad. At our water wells, the generator cranks and runs perfectly, but there was an electrical issue with the transfer switch.

Mr. Merchant stated, if we lose power tonight we'll not be able to operate with the generators we have.

Council Member Johnson stated that if the generators do not run under load, they have to be repaired. It is required by DEP.

Council President Gomez asked for the difference between the contract. Mr. Merchant explained the generator runs, it's the transfer switches that run power between the generator and the wells that is not working.

Council Member Johnson advised that the rule quotes manufactures instruction: Crank once a week and run under load once a month.

Council President Gomez asked if we can hire someone to do that. Mr. Burkett explained that the transfer switch is bad at the WWTP. TAW is not there to repair it, just to perform maintenance.

Council President Gomez stated we can remedy this tonight. Mayor Boutwell asked where we can get money. Mr. Long thinks the transfer switch is included in the grant. Concern over hurricane season was discussed.

We need a WWTP generator and two water well generators and some lift stations need a generator.

Mr. Merchant advised that we do not have a generator at the Prison.

Council President Gomez asked if we can hire someone. Mr. Burkett recommended TAW to repair.

Mr. Long recommended making a list of what needs to be repaired and then start repairing.

Council Member Johnson would like to see TAW repair what they find wrong when they come out for inspections. Council President Gomez noted that if he is the inspector, he would find something.

Ms. Howington asked if TAW can repair the switches. Staff will find out.

Mr. Burkett stated that he thinks he knows what the problem is at Water Well 1.

Mr. Merchant suggested the Council put a cap "not to exceed" amount to come back to the Council, like \$4,000 each. Ms. Howington explained that L.O.S.T. funds cannot be used on repairs. ARPA was considered. Ms. Howington will ask Meredith Reeves.

Council Member Alicia Johnson advised that not repairing this is not an option. These must be repaired. Mr. Burkett and Mr. Merchant will speak with TAW.

Council Member Johnson suggested the motion so that when TAW comes out to find out what is needed they can repair it. A new generator large enough to run the WWTP would be around \$150,000; others around \$50,000.

The two water wells and WWTP must be repaired regardless of the cost. Council Member Dynette Lewis asked why we would entertain a motion if we don't have a cost. Council Member Johnson explained that we have to have those working. It is not optional.

Ms. Howington called Robert Hudson on the phone. Mr. Hudson reiterated that we cannot use L.O.S.T. funds because it is a repair. ARPA was voted to be used at large. He advised using ARPA funds for the repair.

A \$4,000 cap on generators on four WWLS was discussed.

A motion to repair the generators at Water Well 1 and Water Well 2 and at the WWTP, and pay from ARPA using TAW for the work was discussed. An "amount not to exceed" was discussed. Calling a special meeting was discussed.

The Council decided to request a motion to repair the generators at Water Well 1 and Water Well 2 and the Wastewater Treatment Plant, with a total amount not to exceed \$15,000, to be paid out of ARPA funds. If the work exceeds that amount, a Special Council Meeting will be called. Council Member Alicia Johnson made that motion. Council Member Sandra McMurray Jackson seconded the motion. There were no questions. The motion passed unanimously.

William Reynolds asked how long the generators have been down. Mr. Burkett replied that the generators were fine. We had trouble with the transfer switch when Vernon Prather was here.

11. Mayor's Report

Mayor Boutwell reported that Heath Burkett went to Life Options and Mayor Boutwell received an atta boy. Mayor Boutwell read an email from Nurse Peggy Morgan, Office Manager of Life Options Clinic in Century.

"I want to let you know that we appreciate the prompt service received this morning from the Town of Century Maintenance Dept.

"Heath Burkett responded quickly to our request of having someone come by to look at a potential water leak here at the Life Options Clinic on Church St. Heath was accompanied by a very polite assistant & together they discovered that the growing hole in the driveway area is not a water leak but may potentially be a damaged sewer line.

"I do thank you for your assistance with this matter. We appreciate you & your team!"

Sawmill Day is Saturday, May 6 in the Historic District by the Museum.

The ARPA financial report was filed timely and Mayor Boutwell provided the report that was filed by Meredith Reeves.

12. Council Comments

Council Member Sandra McMurray Jackson brought up lights for Century Business Center. Kevin Merchant clarified that there was a misunderstanding with Dr. Griffen. He does not have the light bulbs, but told her with the Council's approval, he could get them. Council Member Dynette Lewis reminded the Council to think long term and to make repairs and such the right way. Council President Gomez asked Mr. Merchant for a cost estimate.

Council Member Dynette Lewis brought up Christmas decorations stating that it is early to be discussing it. Ms. Howington reported that she is working on the ARPA budget and Christmas decorations are included in it. Mr. Merchant advised that it is not too early, it is too late. Our Santa Claus garland would cost about \$1,500 and our men can thread it.

Council Member Lewis asked Mr. Merchant to add Christmas decorations along with his light proposal.

Mr. Merchant asked what Council would like. Council President Gomez wants wire lights.

Mr. Merchant asked if they want a mixture of shapes and styles. Council Member McMurray Jackson said just make sure they're bright. Gulf Power designated which poles the Town uses. Mayor Boutwell will find out from FPL if we can add more.

Council Member Lewis asked if we are getting any applications. Ms. Howington reported that the applications we have received only have names and phone numbers on them. Council Member Johnson asked if we can we increase pay in order to hire a certified wastewater operator. Council Member Johnsons' son makes \$27 as just WW operator. Cottage Hill is hiring water operators at \$30. Central Water Works just hired someone for \$18 as a trainee with no license.

Council Member Shelisa McCall had nothing to report

Council Member Alicia Johnson had nothing to report.

Council President Luis Gomez verified that we have requested youth workers for the Town. Mayor Boutwell advised that we requested two for the office and five for outside work.

Council President Gomez shared that coming in to Town on Hwy 4 West, there are bright red fire hydrants and bright blue markers to show where the fire hydrants are. He asked how we can get that in the Town Limits.

Mr. Burkett shared that he repainted a couple of fire hydrants on Century Blvd. The County installs blue divots. They are currently stored at the fire house now.

It was noted that Central Water Works has more men, and they are who painted the fire hydrants in the county. The fire hydrants belong to the Town.

We have a list of fire hydrants. It's a safety issue to find the hydrants. Advertising for a wastewater operator, and a maintenance company to inspect leaks and paint fire hydrants was discussed.

13. Public Forum

There were no Speaker Requests.

14. Adjourn

Council Meeting Minutes
Town Hall
May 11, 2023
9:30 a.m.

Council Members
Present:

Dynette Lewis
Sandra McMurray Jackson via Conference Call
Shelisa McCall
Alicia Johnson

Others Present:

Benjamin Boutwell, Mayor
Leslie Howington, Town Clerk
Kristina Wood, Deputy Town Clerk
Tonya Creel, Billing Clerk
Danita Andrews, Florida West

Council Vice President Dynette Lewis called the meeting to order at 9:41 a.m. Mayor Boutwell welcomed everyone and shared that we are excited to have this industry come to Century, and we are all looking forward to the next 50 years.

Leslie Howington opened the meeting with prayer.

The Pledge of Allegiance to the America Flag was recited.

Council Vice President Dynette Lewis verified this meeting was properly advertised.

Danita Andrews thanked the Town for working closely with Florida West in bringing industry to Century. Ms. Andrews advised that no changes had been made to the contract with the exception of adding dates and the company name, Algaplast Corp.

Ms. Andrews invited the Council to approve the lease agreement. Council Member Alicia Johnson made a motion to approve the lease agreement for 6081 Industrial Blvd. Council Member Shelisa McCall seconded the motion.

William Reynolds asked who the lessee is and when the contract effective date is. Mayor Boutwell advised that Algaplast Corp. is a part of the family of companies of Grupo GA230, which has been in business in Brazil for more than 50 years. The lease takes effect on June 1, 2023.

There were no further questions and the motion passed unanimously.

Photos of the signing were taken, and a group photo with elected officials and officials from Algaplast were taken.

There being no further business, Council Member Shelisa McCall made a motion to dismiss. Council Member Alicia Johnson seconded the motion. There were no questions. The meeting adjourned at 9:52 a.m.

Respectfully submitted,

Leslie Howington, CMC
Town Clerk

Town of Century, Florida

Agenda Item

Agenda Date: May 16, 2023

Department	Water/Wastewater	Amount	\$886,534
Presenter	Dale Long	Account	Water/ Wastewater with possible L.O.S.T. Funds Reimbursement

Subject: PHASE II PROJECT SRF AGREEMENT

Background:

Clean Water State Revolving Fund - Construction Loan Agreement - WW170301
Excerpt from page 22

ARTICLE X - DETAILS OF FINANCING

10.01. PRINCIPAL AMOUNT OF LOAN.

The total amount awarded is \$8,865,336. Of that, the estimated amount of Principal Forgiveness is \$7,978,802. The estimated principal amount of the Loan to be repaid is \$888,134, which consists of \$886,534 to be disbursed to the Local Government and \$1,600 of Capitalized Interest.

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

Federal Program Number	4C-02D38022-0
Federal Agency	EPA
CFDA Number	66.458
CFDA Title	Capitalization Grants for State Revolving Funds
Funding Amount	\$8,865,336
State Appropriation Category	140131

This item is for infrastructure operations.

Recommended Action:

AUTHORIZE MAYOR BOUTWELL TO SIGN THE SRF AGREEMENT WITH STATE OF FLORIDA, PENDING ATTORNEY APPROVAL

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

AND

TOWN OF CENTURY, FLORIDA

**CLEAN WATER STATE REVOLVING FUND
CONSTRUCTION LOAN AGREEMENT
WW170301**

Florida Department of Environmental Protection
State Revolving Fund Program
Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard, MS 3505
Tallahassee, Florida 32399-3000

CLEAN WATER STATE REVOLVING FUND CONSTRUCTION LOAN AGREEMENT

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CLEAN WATER STATE REVOLVING FUND
CONSTRUCTION LOAN AGREEMENT
WW170301

THIS AGREEMENT is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the TOWN OF CENTURY, FLORIDA, (Local Government) existing as a local governmental entity under the laws of the State of Florida. Collectively, the Department and the Local Government shall be referred to as “Parties” or individually as “Party”.

RECITALS

Pursuant to Section 403.1835, Florida Statutes and Chapter 62-503, Florida Administrative Code, the Department is authorized to make loans to finance or refinance the construction of wastewater pollution control facilities, the planning and design of which have been reviewed by the Department; and

The Department is authorized to allow Principal Forgiveness on Loans funded by the Federal Clean Water Act; and

The Local Government applied for the financing of the Project, and the Department has determined that such Project meets all requirements for a loan and Principal Forgiveness.

AGREEMENT

In consideration of the Department loaning money to the Local Government, in the principal amount and pursuant to the covenants set forth below, 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 construction loan agreement.

(2) “Asset Management Plan” shall mean a systematic management technique for utility systems that focuses on the long-term life cycle of the assets and their sustained performance, rather than on short-term, day-to-day aspects of the assets. This plan includes the identification of and costs for rehabilitating, repairing, or replacing all assets as well as the schedule to do so. The requirements for asset management plans are in Subsection 62-503.700(7), Florida Administrative Code.

(3) “Authorized Representative” shall mean the official of the Local Government authorized by ordinance or resolution to sign documents associated with the Loan.

(4) “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.

(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) “Final Amendment” shall mean the final agreement executed between the parties that establishes the final terms for the Loan such as the final Loan amount, the interest rate, Loan Service Fee, amortization schedule and Semiannual Loan Payment amount.

(7) “Final Unilateral Amendment” shall mean the Loan Agreement unilaterally finalized by the Department after Loan Agreement and Project abandonment under Section 8.06 that establishes the final amortization schedule for the Loan.

(8) “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.

(9) “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.

(10) “Gross Revenues” shall mean all income or earnings received by the Local Government from the ownership or operation of its Utility System, 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 Utility System, condemnation awards or proceeds of insurance, except use and occupancy or business interruption insurance, received with respect to the Utility System.

(11) “Loan” shall mean the amount of money to be loaned pursuant to this Agreement and subsequent amendments.

(12) “Loan Application” shall mean the completed form which provides all information required to support obtaining construction loan financial assistance.

(13) “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.

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

(15) “Local Governmental Entity” means a county, municipality, or special district.

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

(17) “Operation and Maintenance Expense” shall mean the costs of operating and maintaining the Utility System 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.

(18) “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 Utility System after payment of the Operation and Maintenance Expense and the satisfaction of all yearly payment obligations on account of any senior or parity obligations issued pursuant to Section 7.02 of this Agreement.

(19) “Principal Forgiveness” shall mean the amount of money awarded pursuant to this Agreement and subsequent amendments that is not to be repaid.

(20) “Project” shall mean the works financed by this Loan and shall consist of furnishing all labor, materials, and equipment to construct wastewater system improvements in accordance with the plans and specifications accepted by the Department for the following contracts:

(a) “Phase I Sludge Press and Lift Station Rehabilitation”; and

(b) “Miscellaneous Wastewater System Improvements - Phase II WWTP and Lift Station Rehabilitation”.

The Project is in agreement with the planning documentation accepted by the Department effective April 30, 2020. A Florida Categorical Exclusion Notification was published on April 29, 2020 and no adverse comments were received.

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

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

(23) “Utility System” shall mean all devices and facilities of the Water System and Sewer System owned by the Local Government.

(24) “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 entities, 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) All permits, real property interests, and approvals required as of the date of this Agreement have been obtained for construction and use of the Project. The Local Government knows of no reason why any future required permits or approvals are not obtainable.

(5) The Local Government shall undertake 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 its operation of the Project.

(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 to comply with this agreement.

(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 Utility System separate from all other accounts and it shall keep accurate records of all revenues, expenses, and

expenditures relating to the Utility System, and of the Pledged Revenues, Loan disbursement receipts, and Loan Debt Service Account.

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

(10) 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.

(11) The Local Government agrees to construct the Project in accordance with the Project schedule. Delays incident to strikes, riots, acts of God, and other events beyond the reasonable control of the Local Government are excepted. If for any reason construction is not completed as scheduled, there shall be no resulting diminution or delay in the Semiannual Loan Payment or the Monthly Loan Deposit.

(12) The Local Government covenants that this Agreement is entered into for the purpose of constructing, refunding, or refinancing the Project which will in all events serve a public purpose. The Local Government covenants that it will, under all conditions, complete and operate the Project to fulfill the public need.

(13) The Local Government shall update the revenue generation system annually to assure that sufficient revenues are generated for debt service; operation and maintenance; replacement of equipment, accessories, and appurtenances necessary to maintain the system design capacity and performance during its design life; and to make the system financially self-sufficient.

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 identifies 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:

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
4C-02D38022-0	EPA	66.458	Capitalization Grants for State Revolving Funds	\$8,865,336	140131

(2) Audits.

(a) In the event that the Local Government expends \$750,000 or more in Federal awards in its fiscal year, the Local Government must have a Federal single audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F. 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 2 CFR Part 200, Subpart F. An audit of the Local Government conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200, Subpart F, 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 2 CFR Part 200, Subpart F.

(c) If the Local Government expends less than \$750,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F, is not required. The Local Government shall inform the Department of findings and recommendations pertaining to the State Revolving Fund in audits conducted by the Local Government. In the event that the Local Government expends less than \$750,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F, 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 <https://beta.sam.gov/>.

(3) Report Submission.

(a) Copies of reporting packages for audits conducted in accordance with 2 CFR Part 200, Subpart F, and required by Subsection 2.03(2) of this Agreement shall be submitted, when required by 2 CFR Part 200, Subpart F, by or on behalf of the Local Government directly to each of the following:

(i) The Department at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-30000

or

Electronically:

FDEPSingleAudit@dep.state.fl.us

(ii) The Federal Audit Clearinghouse designated in 2 CFR Section 200.501(a) at the following address:

<https://harvester.census.gov/facweb/>

(iii) Other Federal agencies and pass-through entities in accordance with 2 CFR Section 200.512.

(b) Pursuant to 2 CFR Part 200, Subpart F, the Local Government shall submit a copy of the reporting package described in 2 CFR Part 200, Subpart F, and any management letters issued by the auditor, to the Department at the address listed under Subsection 2.03(3)(a)(i) 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 2 CFR Part 200, Subpart F, 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 2 CFR Part 200, Subpart F, 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) Record Retention.

The Local Government shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date of the Final Amendment, and shall allow the Department, or its designee, Chief Financial Officer, or Auditor General access to

such records upon request. The Local Government shall ensure that working papers are made available to the Department, or its designee, Chief Financial Officer, or Auditor General upon request for a period of five years from the date of the Final Amendment, unless extended in writing by the Department.

(5) Monitoring.

In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F, 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 2 CFR Part 200, Subpart F., 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 understands its duty, pursuant to Section 20.055(5), F.S., to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. The Local Government will comply with this duty and ensure that any subcontracts issued under this Agreement will impose this requirement, in writing, on its subcontractors.

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 for such action in Section 10.07 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 - PROJECT INFORMATION

4.01. PROJECT CHANGES.

Project changes prior to bid opening shall be made by addendum to plans and specifications. Changes after bid opening shall be made by change order. The Local Government shall submit all addenda and all change orders to the Department for an eligibility determination. After execution of all construction, equipment and materials contracts, the Project contingency may be reduced.

4.02. TITLE TO PROJECT SITE.

The Local Government shall have an interest in real property sufficient for the construction and location of the Project free and clear of liens and encumbrances which would impair the usefulness of such sites for the intended use.

4.03. PERMITS AND APPROVALS.

The Local Government shall have obtained, prior to the Department's authorization to award construction contracts, all permits and approvals required for construction of the Project or portion of the Project funded under this Agreement.

4.04. ENGINEERING SERVICES.

A professional engineer, registered in the State of Florida, shall be employed by, or under contract with, the Local Government to oversee construction.

4.05. PROHIBITION AGAINST ENCUMBRANCES.

The Local Government is prohibited from selling, leasing, or disposing of any part of the Utility 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. The Local Government may be required to reimburse the Department for the Principal Forgiveness funded cost of any such part, taking into consideration any increase or decrease in value.

4.06. COMPLETION MONEYS.

In addition to the proceeds of this Loan, the Local Government covenants that it has obtained, or will obtain, sufficient moneys from other sources to complete construction and place the Project in operation on, or prior to, the date specified in Article X. Failure of the Department to approve additional financing shall not constitute a waiver of the Local Government's covenants to complete and place the Project in operation.

4.07. CLOSE-OUT.

The Department shall conduct a final inspection of the Project and Project records. Following the inspection, deadlines for submitting additional disbursement requests, if any, shall be established, along with deadlines for uncompleted Loan or Principal Forgiveness requirements, if any. Deadlines shall be incorporated into the Loan Agreement by amendment. The Loan principal shall be reduced by any excess over the amount required to pay all approved 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.

This Agreement allows for funds to be advanced to the Local Government for allowable invoiced costs, under the provisions of 216.181, Florida Statutes. Disbursements shall be made directly to the Local Government 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. In addition to the invoices for costs incurred, proof of payment will be required with the following disbursement request.

Disbursements shall be made directly to the Local Government for reimbursement of the incurred construction costs and related services. Disbursements for materials, labor, or services shall be made upon receipt of the following:

(1) A completed disbursement request form signed by the Authorized Representative. Such requests must be accompanied by sufficiently itemized summaries of the materials, labor, or services to identify the nature of the work performed; the cost or charges for such work; and the person providing the service or performing the work.

(2) A certification signed by the Authorized Representative as to the current estimated costs of the Project; that the materials, labor, or services represented by the invoice have been satisfactorily purchased, performed, or received and applied to the project; that all funds received to date have been applied toward completing the Project; and that under the terms and provisions of the contracts, the Local Government is required to make such payments.

(3) A certification by the engineer responsible for overseeing construction stating that equipment, materials, labor and services represented by the construction invoices have been

satisfactorily purchased, or received, and applied to the Project in accordance with construction contract documents; stating that payment is in accordance with construction contract provisions; stating that construction, up to the point of the requisition, is in compliance with the contract documents; and identifying all additions or deletions to the Project which have altered the Project's performance standards, scope, or purpose since the issue of the Department construction permit.

(4) Such other certificates or documents by engineers, attorneys, accountants, contractors, or suppliers as may reasonably be required by the Department.

4.09. ADVANCE PAYMENT.

The Department may provide an advance to the Local Government, in accordance with Section 216.181(16)(b), Florida Statutes. Such advance will require written request from the Local Government, the Advance Payment Justification Form and approval from the State's Chief Financial Officer. The Local Government must temporarily invest the advanced funds, and return any interest income to the Department, within thirty (30) days of each calendar quarter. Interest earned must be returned to the Department within the timeframe identified above or invoices must be received within the same timeframe that shows the offset of the interest earned.

Unused funds, and interest accrued on any unused portion of advanced funds that have not been remitted to the Department, shall be returned to the Department within sixty (60) days of Agreement completion.

The parties hereto acknowledge that the State's Chief Financial Officer may identify additional requirements, which must be met in order for advance payment to be authorized. If the State's Chief Financial Officer imposes additional requirements, the Local Government shall be notified, in writing, by the Department regarding the additional requirements. Prior to releasing any advanced funds, the Local Government shall be required to provide a written acknowledgement to the Department of the Local Government's acceptance of the terms imposed by the State's Chief Financial Officer for release of the funds.

If advance payment is authorized, the Local Government shall be responsible for submitting the information requested in the Interest Earned Memorandum to the Department quarterly.

ARTICLE V - RATES AND USE OF THE UTILITY SYSTEM

5.01. RATE COVERAGE.

The Local Government shall maintain rates and charges for the services furnished by the Utility System which will be sufficient to provide, in each Fiscal Year, Pledged Revenues equal to or exceeding 1.15 times the sum of the Semiannual Loan Payments due in such Fiscal Year.

5.02. NO FREE SERVICE.

The Local Government shall not permit connections to, or furnish any services afforded by, the Utility 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 Utility System so as to adversely affect Gross Revenues.

5.05. MAINTENANCE OF THE UTILITY SYSTEM.

The Local Government shall operate and maintain the Utility System 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 Utility System which it deems desirable and which do not materially reduce the operational integrity of any part of the Utility System. All such renewals, replacements, additions, modifications and improvements shall become part of the Utility System.

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 Utility 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 Utility System and use its best efforts to shut off water service furnished to persons who are delinquent beyond customary grace periods in the payment of Utility System rates, fees and other charges.

ARTICLE VI - DEFAULTS AND REMEDIES

6.01. EVENTS OF DEFAULT.

Upon the occurrence of any of the following events (the Events of Default) all obligations on the part of Department to make any further disbursements hereunder shall, if Department elects, terminate. The Department may, at its option, exercise any of its remedies set forth in this Agreement, but Department may make any disbursements or parts of disbursements after the

happening of any Event of Default without thereby waiving the right to exercise such remedies and without becoming liable to make any further disbursement:

(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 15 days.

(2) Except as provided in Subsection 6.01(1), failure to comply with the provisions of this Agreement, failure in the performance or observance of any of the covenants or actions required by this Agreement or the Suspension of this Agreement by the Department pursuant to Section 8.14 below, and such failure shall continue for a period of 30 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, or if Local Government shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in this Agreement, the Note, or any other document given in connection with the Loan (provided, that with respect to non-monetary defaults, Department shall give written notice to Local Government, which shall have 30 days to cure any such default), or is unable or unwilling to meet its obligations thereunder.

(4) An order or decree entered, with the acquiescence of the Local Government, appointing a receiver of any part of the Utility 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 Utility 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) Any charge is brought alleging violations of any criminal law in the implementation of the Project or the administration of the proceeds from this Loan against one or more officials of the Local Government by a State or Federal law enforcement authority, which charges are not withdrawn or dismissed within 60 days following the filing thereof.

(8) Failure of the Local Government to give immediate written notice of its knowledge of a potential default or an event of default, hereunder, to the Department and such failure shall continue for a period of 30 days.

6.02. REMEDIES.

All rights, remedies, and powers conferred in this Agreement and the transaction documents are cumulative and are not exclusive of any other rights or remedies, and they shall be in addition to every other right, power, and remedy that Department may have, whether specifically granted in this Agreement or any other transaction document, or existing at law, in equity, or by statute. Any and all such rights and remedies may be exercised from time to time and as often and in such order as Department may deem expedient. Upon any of the Events of Default and subject to the rights of others having prior liens on the Pledged Revenues, the Department may enforce its rights by, *inter alia*, 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 Utility System, 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 Utility System 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 Utility System, 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.

6.03. DELAY AND WAIVER.

No course of dealing between Department and Local Government, or any failure or delay on the part of Department in exercising any rights or remedies hereunder, shall operate as a waiver of any rights or remedies of Department, and no single or partial exercise of any rights or

remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder. No delay or omission by the Department to exercise any right or power accruing upon Events 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 Events 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, of equal priority, 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 any additional senior obligations issued with the Department's consent pursuant to Section 7.02. The Department may release its lien on such Pledged Revenues in favor of the Department if the Department makes a determination in its sole discretion, 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 may 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 Utility System 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.

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. PROJECT RECORDS AND STATEMENTS.

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

8.03. ACCESS TO PROJECT SITE.

The Local Government shall provide access to Project sites and administrative offices to authorized representatives of the Department at any reasonable time. The Local Government shall cause its engineers and contractors to cooperate during Project inspections, including making available working copies of plans and specifications and supplementary materials.

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 in writing, 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 (EPA). This Agreement may be amended after all construction contracts are executed to re-establish the Project cost, Loan amount, Project schedule, and Semiannual Loan Payment amount. A Final Amendment establishing the final Project costs and the Loan Service Fee based on actual Project costs shall be completed after the Department's final inspection of the Project records.

8.06. ABANDONMENT, TERMINATION OR VOLUNTARY CANCELLATION.

Failure of the Local Government to actively prosecute or avail itself of this Loan (including e.g. described in para 1 and 2 below) shall constitute its abrogation and abandonment of the rights hereunder, and the Department may then, upon written notification to the Local Government, suspend or terminate this Agreement.

(1) Failure of the Local Government to draw Loan proceeds within eighteen months after the effective date of this Agreement, or by the date set in Section 10.07 to establish the Loan Debt Service Account, whichever date occurs first.

(2) Failure of the Local Government, after the initial Loan draw, to draw any funds under the Loan Agreement for twenty-four months, without approved justification or demonstrable progress on the Project.

Upon a determination of abandonment by the Department, the Loan will be suspended, and the Department will implement administrative close out procedures (in lieu of those in Section 4.07) and provide written notification of Final Unilateral Amendment to the Local Government.

In the event that following the execution of this Agreement, the Local Government decides not to proceed with this Loan, this Agreement can be cancelled by the Local Government, without penalty, if no funds have been disbursed.

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.

8.08. SIGNAGE.

The Local Government agrees to comply with signage requirements of the Infrastructure Investment and Jobs Act (IIJA) in order to enhance public awareness of EPA assistance agreements nationwide. A copy of signage requirements as well as EPA logo requirements can be found at <https://floridadep.gov/wra/srf/content/state-revolving-fund-resources-and-documents> as “IIJA/BIL Projects Only - A copy of signage requirements as well as EPA logo requirements”.

8.09. DAVIS-BACON ACT REQUIREMENT.

(1) The Local Government shall periodically interview 10% of the work force entitled to Davis-Bacon prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. Local Governments shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. As provided in 29 CFR 5.6(a)(5) all interviews must be conducted in confidence. The Local Government must use Standard Form 1445 or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(2) The Local Government shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The Local Government shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with Davis-Bacon posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor’s submission of its initial payroll data and two weeks prior to the completion date of the contract or subcontract. Local Governments must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with Davis-Bacon. In addition, during the examinations the Local

Government shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(3) The Local Government shall periodically review contractors' and subcontractors' use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor (DOL) or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of laborers, trainees, and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in items (1) and (2) above.

(4) Local Governments must immediately report potential violations of the Davis-Bacon prevailing wage requirements to the appropriate DOL Wage and Hour District Office listed at <http://www.dol.gov/whd/america2.htm> and to the EPA Region 4 Water Division/Grants and Infrastructure Section by calling 404-562-9345. Additional information on Davis-Bacon guidance is located on the EPA website at: <https://www.epa.gov/grants/interim-davis-bacon-act-guidance>.

8.10. BUILD AMERICA, BUY AMERICA ACT ASSISTANCE REQUIREMENT.

The Local Government's subcontracts must contain the following requirements: that all of the iron and steel, manufactured products, and construction materials used in the Project are to be produced in the United States ("Build America, Buy America Requirements") unless (i) the Local Government has requested and obtained a waiver from the Department pertaining to the Project or the Project is otherwise covered by a general applicability waiver; or (ii) all of the contributing Agencies have otherwise advised the Local Government in writing that the Build America, Buy America Requirements are not applicable to the Project.

8.11. AMERICAN IRON AND STEEL REQUIREMENT.

The Local Government's subcontracts must contain requirements that all of the iron and steel products used in the Project are in compliance with the American Iron and Steel requirement as described in Section 608 of the Federal Water Pollution Control Act unless the Local Government has obtained a waiver pertaining to the Project or the Department has advised the Local Government that the requirement is not applicable to the Project.

8.12. ASSET MANAGEMENT PLAN.

Subsection 62-503.700(7), Florida Administrative Code encourages Loan recipients to implement an Asset Management Plan to promote long term sustainability of the system. To be eligible for a 0.10% Financing Rate reduction, an Asset Management Plan must be adopted by ordinance or resolution and written procedures must be in place to implement the plan.

The plan must include each of the following elements: i) identification of all assets within the Local Government's system; ii) an evaluation of the current age, condition, and anticipated useful life of each asset; iii) the current value of the assets; iv) the cost to operate and maintain all assets; v) a capital improvement plan based on a survey of industry standards, life expectancy,

life cycle analysis, and remaining useful life; vi) an analysis of funding needs; vii) an analysis of population growth and wastewater or stormwater flow projections, as applicable, for the Local Government's planning area, and a model, if applicable, for impact fees; commercial, industrial and residential rate structures; and industrial pretreatment fees and parameters; viii) the establishment of an adequate funding rate structure; ix) a threshold rate set to ensure the proper operation of the utility, if the Local Government transfers any of the utility proceeds to other funds, the rates must be set higher than the threshold rate to facilitate the transfer and proper operation of the utility; and x) a plan to preserve the assets, as well as the renewal, replacement, and repair of the assets as necessary, and a risk-benefit analysis to determine the optimum renewal or replacement time.

In order to retain the rate reduction included in this Loan, the implementation of the plan must be verified at least three months prior to the date of the first loan repayment scheduled in Article X.

8.13. PUBLIC RECORDS ACCESS.

(1) The Local Government shall comply with Florida Public Records law under Chapter 119, F.S. Records made or received in conjunction with this Agreement are public records under Florida law, as defined in Section 119.011(12), F.S. The Local Government shall keep and maintain public records required by the Department to perform the services under this Agreement.

(2) This Agreement may be unilaterally canceled by the Department for refusal by the Local Government to either provide to the Department upon request, or to allow inspection and copying of all public records made or received by the Local Government in conjunction with this Agreement and subject to disclosure under Chapter 119, F.S., and Section 24(a), Article I, Florida Constitution.

(3) IF THE LOCAL GOVERNMENT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE LOCAL GOVERNMENT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE DEPARTMENT'S CUSTODIAN OF PUBLIC RECORDS AT (850)245-2118, by email at public.services@dep.state.fl.us, or at the mailing address below:

**Department of Environmental Protection
ATTN: Office of Ombudsman and Public Services
Public Records Request
3900 Commonwealth Blvd, MS 49
Tallahassee, FL 32399**

8.14. SCRUTINIZED COMPANIES.

(1) The Local Government certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Local Government or its subcontractors are found to have submitted a false certification; or if the Local Government, or its subcontractors are placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.

(2) If this Agreement is for more than one million dollars, the Local Government certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria as identified in Section 287.135, F.S. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Local Government, its affiliates, or its subcontractors are found to have submitted a false certification; or if the Local Government, its affiliates, or its subcontractors are placed on the Scrutinized Companies that Boycott the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.

(3) The Local Government agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.

(4) As provided in Subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions then they shall become inoperative.

8.15. SUSPENSION.

The Department may suspend any or all of its obligations to Loan or provide financial accommodation to the Local Government under this Agreement in the following events, as determined by the Department:

- (1) The Local Government abandons or discontinues the Project before its completion,
- (2) The commencement, prosecution, or timely completion of the Project by the Local Government is rendered improbable or the Department has reasonable grounds to be insecure in Local Government's ability to perform, or
- (3) The implementation of the Project is determined to be illegal, or one or more officials of the Local Government in responsible charge of, or influence over, the Project is charged with violating any criminal law in the implementation of the Project or the administration of the proceeds from this Loan.

The Department shall notify the Local Government of any suspension by the Department of its obligations under this Agreement, which suspension shall continue until such time as the event or condition causing such suspension has ceased or been corrected, or the Department has re-instated the Agreement.

Local Government shall have no more than 30 days following notice of suspension hereunder to remove or correct the condition causing suspension. Failure to do so shall constitute a default under this Agreement.

Following suspension of disbursements under this Agreement, the Department may require reasonable assurance of future performance from Local Government prior to re-instating the Loan. Such reasonable assurance may include, but not be limited to, a payment mechanism using two party checks, escrow or obtaining a Performance Bond for the work remaining.

Following suspension, upon failure to cure, correct or provide reasonable assurance of future performance by Local Government, the Department may exercise any remedy available to it by this Agreement or otherwise and shall have no obligation to fund any remaining Loan balance under this Agreement.

8.16. CIVIL RIGHTS.

The Local Government shall comply with all Title VI requirements of the Civils Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and the Equal Employment Opportunity requirements (Executive Order 11246, as amended) which prohibit activities that are intentionally discriminatory and/or have a discriminatory effect based on race, color, national origin (including limited English proficiency), age, disability, or sex.

ARTICLE IX - CONSTRUCTION CONTRACTS AND INSURANCE

9.01. AUTHORIZATION TO AWARD CONSTRUCTION CONTRACTS.

The following documentation is required to receive the Department's authorization to award construction contracts:

- (1) Proof of advertising.
- (2) Award recommendation, bid proposal, and bid tabulation (certified by the responsible engineer).
- (3) Certification of compliance with the conditions of the Department's approval of competitively or non-competitively negotiated procurement, if applicable.
- (4) Certification Regarding Disbarment, Suspension, Ineligibility and Voluntary Exclusion.
- (5) Certification by the Authorized Representative that affirmative steps were taken to encourage Minority and Women's Business Enterprises participation in Project construction.
- (6) Current certifications for Minority and Women's Business Enterprises participating in the contract. If the goals as stated in the plans and specifications are not met, documentation of actions taken shall be submitted.

(7) Certification that the Local Government and contractors are in compliance with labor standards, including prevailing wage rates established for its locality by the DOL under the Davis-Bacon Act for Project construction.

(8) Certification that all procurement is in compliance with Section 8.10 which states that all iron and steel products used in the Project must be produced in the United States unless (a) a waiver is provided to the Local Government by the EPA or (b) compliance would be inconsistent with United States obligations under international agreements.

9.02. SUBMITTAL OF CONSTRUCTION CONTRACT DOCUMENTS.

After the Department's authorization to award construction contracts has been received, the Local Government shall submit:

- (1) Contractor insurance certifications.
- (2) Executed Contract(s).
- (3) Notices to proceed with construction.

9.03. INSURANCE REQUIRED.

The Local Government shall cause the Project, as each part thereof is certified by the engineer responsible for overseeing construction as completed, and the Utility System (hereafter referred to as "Revenue Producing Facilities") to be insured by an insurance company or companies licensed to do business in the State of Florida against such damage and destruction risks as are customary for the operation of utility systems of like size, type and location to the extent such insurance is obtainable from time to time against any one or more of such risks.

The proceeds of insurance policies received as a result of damage to, or destruction of, the Project or the other Revenue Producing Facilities, shall be used to restore or replace damaged portions of the facilities. If such proceeds are insufficient, the Local Government shall provide additional funds to restore or replace the damaged portions of the facilities. Repair, construction or replacement shall be promptly completed.

ARTICLE X - DETAILS OF FINANCING

10.01. PRINCIPAL AMOUNT OF LOAN.

The total amount awarded is \$8,865,336. Of that, the estimated amount of Principal Forgiveness is \$7,978,802. The estimated principal amount of the Loan to be repaid is \$888,134, which consists of \$886,534 to be disbursed to the Local Government and \$1,600 of Capitalized Interest.

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

Semiannual Loan Payment is due. Capitalized Interest is estimated prior to establishing the schedule of actual disbursements.

10.02. LOAN SERVICE FEE.

The Loan Service Fee is estimated as \$177,307 for the Loan amount authorized to date. The fee represents two percent of the Loan amount excluding Capitalized Interest amount; that is, two percent of \$8,865,336. The Loan Service Fee is estimated at the time of execution of the loan agreement and shall be revised with any increase or decrease amendment. The Loan Service Fee is based on actual Project costs and assessed in the final loan amendment. The Local Government shall pay the Loan Service Fee from the first available repayment(s) following the Final Amendment.

10.03. FINANCING RATE.

The Financing Rate on the unpaid principal of the Loan amount specified in Section 10.01 is 0.2 percent per annum. The Financing Rate equals the sum of the interest rate and the Grant Allocation Assessment Rate. The interest rate is 0.2 percent per annum and the Grant Allocation Assessment rate is 0 percent per annum. However, if this Agreement is not executed by the Local Government and returned to the Department before July 1, 2023 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 term shall be 20 years.

10.05. REPAYMENT SCHEDULE.

Repayments shall be made semiannually (twice per year). The Semiannual Loan Payment shall be computed based upon the principal amount of the Loan less the Principal Forgiveness plus the estimated Loan Service Fee and the principle of level debt service. The Semiannual Loan Payment amount may be adjusted, by amendment of this Agreement, based upon revised information. After the final disbursement of Loan proceeds, the Semiannual Loan Payment shall be based upon the actual Project costs, the actual Loan Service Fee and Loan Service Fee capitalized interest, if any, and actual dates and amounts of disbursements, taking into consideration any previous payments. Actual Project costs shall be established after the Department's inspection of the completed Project and associated records. The Department will deduct the Loan Service Fee and any associated interest from the first available repayments following the Final Amendment.

Each Semiannual Loan Payment shall be in the amount of \$27,186 until the payment amount is adjusted by amendment. 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 includes Capitalized Interest. Interest (at the Financing Rate) also shall be computed on 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.

Semiannual Loan Payments shall be received by the Department beginning on August 15, 2025 and semiannually thereafter on February 15 and August 15 of each year until all amounts due hereunder 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 \$1,065,441, which consists of the Loan principal and the estimated Loan Service Fee.

10.06. PROJECT COSTS.

The Local Government and the Department acknowledge that the actual Project costs have not been determined as of the effective date of this Agreement. 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 Local Government 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 the result of an audit.

The Local Government agrees to the following estimates of Project costs:

<u>CATEGORY</u>	<u>PROJECT COSTS (\$)</u>
Construction and Demolition	7,722,410
Contingencies	772,241
Technical Services After Bid Opening	370,685
SUBTOTAL (Disbursable Amount)	8,865,336
Less Principal Forgiveness	(7,978,802)
SUBTOTAL (Loan Amount)	886,534
Capitalized Interest	1,600
TOTAL (Loan Principal Amount)	888,134

10.07. SCHEDULE.

The Local Government agrees by execution hereof:

(1) This Agreement shall be effective on August 31, 2022. Invoices submitted for work conducted on or after this date shall be eligible for reimbursement.

(2) Completion of Project construction is scheduled for February 15, 2025.

(3) The Loan Debt Service Account shall be established and Monthly Loan Deposits shall begin no later than February 15, 2025.

(4) The first Semiannual Loan Payment in the amount of \$27,186 shall be due August 15, 2025.

ARTICLE XI - EXECUTION OF AGREEMENT

This Loan Agreement WW170301 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 Agreement to be executed on its behalf by the Secretary or Designee 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 Department.

for
TOWN OF CENTURY

Mayor

Attest:

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

Town Clerk

Town Attorney

SEAL

for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Secretary or Designee

Date

**Town of Century
Grant Summary Sheet
4/17/2023**

No.	Grant Name	Scope of Work	Phase of Work	Primary Funding Source	Grant Amount	Town of Century Amount	Escambia County Contribution	Total Project Cost	Status
AWARDED FUNDING									
1	Miscellaneous Wastewater Improvements - Phase I	Pilgrim Lodge and Industrial Park LS Rehab	Construction	CDBG-NR - Florida DEO and Escambia County	\$651,864.00	\$0.00	\$298,000.00	\$943,900.99	Material Submittals have been approved and materials have been ordered. Start Date - 3-6-2023, completion date 1-30-2024.
2	Miscellaneous Wastewater Improvements - Phase II	8 LS Rehabs, 2 LS Replacements, Prison LS Rehab Including Bar Screen and By-Pass Pump, and Misc. WWTP Improvements to Include Sludge Screw Press	Final Funding Approval	FDEP - SRF (90% PF, 10% Loan)	\$7,976,102.40	\$0.00	\$0.00	\$8,862,336.00	Approved by SRF, Loan Agreement Approved, awaiting receipt of completed loan agreement to be signed by Mayor. Anticipate bidding project in summer 2023.
3	Well Rehabilitation (Well No. 1, 2, & 3)	Well Rehabilitation	Design & Construction	State Legislature via FDEP	\$468,453.00	\$0.00	\$0.00	\$468,453.00	Design is nearing completion. Anticipate completion of Design and permitting in the 2nd quarter of 2023. Bidding and construction summer 2023.
4	Front Street Drainage Improvements	Re-Route stormwater off of private property onto public right-of-way	Construction	FEMA/Escambia County	\$0.00	\$0.00	\$993,312.98	\$993,312.98	Pre-Con May 1, 2023. Construction to begin May 2023.
5	Water Meter and Service Replacement	Replacement of water service lines and meters throughout the system	Final Funding Approval	State Legislature via FDEP	\$1,301,892.00	\$0.00	\$0.00	\$1,301,892.00	Approved by the Legislature, County is managing the agreement and they are awaiting final signatures on the Agreement. Expect authorization to begin design in the next month or two.
6	Carver Community Center	Renovate the Carver Community Center	Design	CDBG-CV - Florida DEO ¹	\$3,255,000.00	\$0.00	\$0.00	\$3,255,000.00	Survey, Geotechnical Engineering, Termite inspection, and Hazardous Materials investigation complete.
7	Century Community Center (Ag Bldg.)	Renovate the Century Community Center (Ag Bldg.)	Design						Survey, Geotechnical Engineering, Termite inspection, and Hazardous Materials investigation complete.
TOTALS =					\$13,653,311.40	\$0.00	\$1,291,312.98	\$15,824,894.97	
FUNDING APPLIED FOR									
1	Freedom Road Bridge	Replacement of Freedom Road Bridge	Applied - Design and Construction	State Legislature via FDOT	\$1,297,000.00	\$0.00		\$1,297,000.00	Should know if the project is funded by summer 2023.
2	Freedom Road Bridge	Replacement of Freedom Road Bridge - Design Only	Applied - Design	RAISE Grant	\$121,548.00	\$0.00		\$121,548.00	application submitted 2/24/2023
3	Freedom Road Bridge, Jefferson Avenue Culvert, & Alger Road Bridge	Replacement of Freedom Road and Alger Road Bridges and Repairs to Jefferson Ave Culvert	Applied - Design and Construction	CDBG-DR - Hurricane Sally	\$2,862,137.00	\$7,500.00		\$2,869,637.00	application submitted 4/14/2023
4	Gym/Hurricane Shelter	Repairs to Century High Gym or Construct New Shelter	Applied - Design and Construction	CDBG-DR - Hurricane Sally	\$10,015,000.00	\$7,500.00		\$10,022,500.00	application submitted 4/14/2023
5	Well #3 Replacement	Construction of New Well and lean-to at prison	Applied - Design and Construction	State Legislature via FDEP	\$1,252,000.00	\$0.00		\$1,252,000.00	Should know if the project is funded by summer 2023.
6	Well #3 Replacement	Construction of New Well and lean-to at prison	Applied - Design and Construction	USDA ECWAG	\$1,000,000.00	\$0.00		\$1,000,000.00	Under Review by USDA right now.
7	Water Meter and Service Replacement	Replacement of water service lines and meters throughout the system	Applied - Design and Construction	NWFWMD	\$1,653,746.00	\$1,301,892.00		\$2,955,638.00	Leveraged the Legislative Appropriation as a match for this Grant. Should know if the project is funded by summer 2023.
TOTALS =					\$18,201,431.00	\$1,316,892.00	\$0.00	\$19,518,323.00	

Definitions
CDBG - Community Development Block Grant
DEO - Department of Economic Opportunity
FDEP - Florida Department of Environmental Protection
WWTP - Wastewater Treatment Plant
LS - Lift Station
FEMA - Federal Emergency Management Agency
SRF - State Revolving Fund
NWFWMD - Northwest Florida Water Management District

Notes:
1 The two community centers are included as a single grant. The budget is for construction, grant admin and design. The financial split between the two projects will be dependent on the final bid prices.

