

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA AUTHORIZING THE STATE REVOLVING FUND DRINKING WATER PROGRAM LOAN APPLICATION FOR \$18,395,671.00 INCLUDING CAPITALIZED INTEREST AND LOAN SERVICE FEES FOR FUNDING OF THE OCEAN OUTFALL REGULATORY COMPLIANCE PHASE II - DEEP INJECTION WELLS NOS. 3 AND 4 PUMP STATION PROJECT; AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE A LOAN AGREEMENT FOR THE FUNDING; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES; AMENDING THE FISCAL YEAR 2023 CAPITAL IMPROVEMENT PLAN.

WHEREAS, on July 1, 2008, the Florida Legislature approved, and the Governor signed into law, House Bill No. 7139 and Senate Bill No. 1302 to what is now called the 2008 Ocean Outfall Legislation ("OOL"), which was later amended in 2013; and

WHEREAS, the OOL requires the elimination of effluent disposal through the Southern Regional Wastewater Treatment Plant ("SRWWTP") ocean outfall by the year 2025; and

WHEREAS, the City chose to comply with this legislation by disposing of SRWWTP effluent via a new deep injection well ("IW") system that required drilling two injection wells (Nos. 3 and 4) and constructing a pump station to convey effluent into these IWs; and

WHEREAS, the Ocean Outfall Regulatory Compliance Deep Injection Wells Nos. 3 and 4 Pump Station Project was to be constructed in two phases, Phase I included IWs No. 3 and 4 ("OO Phase I"), which was completed in March 24, 2022, and Phase II is for the design and construction of a pump station for those IWs ("OO Phase II"); and

WHEREAS, the Florida Department of Environmental Protection ("FDEP") held a hearing on May 12, 2021, approving Drinking Water State Revolving funding and placed OO Phase II project funding on the Priority List designated as DEP Project No. DW0604D for construction funds; and

WHEREAS, FDEP held a hearing on May 12, 2021, and approved Clean Water State Revolving funding and placed OO Phase II project funding on the Priority List designated as DEP Project No. CW0604C for construction funds; and

WHEREAS, the City entered into two loan agreements with FDEP under the Clean Water and Drinking Water SRF Programs; and

WHEREAS, the City's loan agreement with FDEP under the DWSRF Program in the amount of \$59,943,579.00, including Capitalized Interest and Loan Service Fees of \$1,604,329.00, was approved through Resolution R-2021-161 on June 16, 2021; and

WHEREAS, the City's loan agreement with FDEP under the CWSRF Program in the amount of \$36,882,000.00, including Capitalized Interest and Loan Service Fees of \$882,000.00, was approved through Resolution R-2021-159 on June 16, 2021; and

WHEREAS, the total loan amount for OO Phase II had been estimated in the amount of \$96,825,579.00, including Capitalized Interest and Loan Service Fees of \$2,486,329.40; and

WHEREAS, the actual bid awarded to Cardinal Contractors was approved through Resolution R-2022-069 on March 3, 2022, in the amount of \$112,299,970.00; and

WHEREAS, a proposal to provide construction administration services in an amount not to exceed \$5,179,402.00 was also approved through Resolution R-2022-069 on March 3, 2022 to Brown and Caldwell, as itemized in Exhibit "1"; and

WHEREAS, additional funding through the FDEP under the DWSRF Program in the amount of \$18,395.671.00 has been approved; and

WHEREAS, additional funding through the FDEP under the CWSRF Program in the amount of \$12,393.719.00 has been approved; and

WHEREAS, the FY 2023 Capital Improvement Plan was adopted and approved by the City Commission pursuant to Resolution R-2022-284 at the second Public Budget Hearing on September 22, 2022; and

WHEREAS, it is necessary to amend the approved Capital Improvement Plan to allocate additional funding in the amount of \$5,864,146.46 for the OO Phase II Project No. DW0604D0 as detailed in the attached Exhibit "2"; and

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

WHEREAS, the Department of Public Utilities recommends that the City Commission authorize the appropriate City officials to enter into a loan agreement with FDEP under the DWSRF Program for project financing in an amount of \$18,395,671.00, including Capitalized Interest and Loan Service Fees, for the OO Phase II Pump Station Project; and

WHEREAS, upon passage of this Resolution, the Department of Public Utilities will have entered into a loan agreement with the FDEP for DWSRF Program financing in a total amount of \$78,339,250.00, including Capitalized Interest and Loan Service Fees, for the OO Phase II Pump Station Project.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA:

Section 1: That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and incorporated in this Resolution.

Section 2: That the City is authorized to apply for a loan to finance the OO Phase II Pump Station Project No. DW0604D0 (19-9119A) with FDEP.

Section 3: That the revenues pledged for the repayment of the loan are net water and sewer utility system revenues after payment of debt service on the City's Series 2010, 2014, 2016, and 2020 Water and Sewer Revenue Bonds and the State of Florida Revolving Fund Loans issued through 2023.

Section 4: That the City Manager is designated as the authorized representative to provide the assurances and commitments required by the loan application.

Section 5: That the City Manager is designated as the authorized representative to execute the loan agreement that will become a binding obligation in accordance with its terms when signed by both parties, and the City Manager is authorized to delegate responsibility to appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

Section 6: That the legal authority for borrowing monies to construct this project is pursuant to Florida Statutes.

Section 7: That these Amendments to the FY 2023 Capital Improvement Plan for the Fiscal Year beginning October 1, 2022 and set forth in detail in the attached Exhibit "2" are adopted as Amendments and/or Adjustments to the Capital Improvement Plan of the Water and Sewer Enterprise Fund of the City of Hollywood, Florida, for the Fiscal Year 2023.

Section 8: That the Department of Financial Services is authorized to establish such line-item accounts as may be necessary to properly monitor and track appropriations.

Section 9: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

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PASSED AND ADOPTED this _____ day of _____, 2023.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM:

DOUGLAS R. GONZALES
CITY ATTORNEY