

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, RELATING TO THE STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZING LOAN APPLICATIONS FOR \$12,050,000.00 (INCLUDING CAPITALIZED INTEREST AND LOAN SERVICE FEES) FOR FUNDING OF PROJECTS RELATED TO THE FOUR-LOG TREATMENT OF GROUNDWATER PROJECT; AUTHORIZING THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of water facilities; and

WHEREAS, Florida Administrative Code rules require 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 State Revolving Fund (“SRF”) Loan Program with the Florida Department of Environmental Protection (“FDEP”) held a hearing on August 12, 2025, to approve funding for the Four-Log Treatment of Ground Water Project (Four-Log); and

WHEREAS, The City of Hollywood owns and operates a potable water system to supply safe and reliable drinking water to its residents and portions of several other municipalities referred to as “Large Users”; and

WHEREAS, the City’s Water Treatment Plant (“WTP”) is the sole source of treated water to these customers; and

WHEREAS, according to the Ground Water Rule promulgated by the Environmental Protection Agency, Four-Log Virus Treatment certification is a higher standard and with this standard, public water systems such as City of Hollywood are not subject to a boil water order requirement in the event a fecal indicator is detected in the raw water if that treatment system has been demonstrated to reliably achieve Four-Log (99.99%) inactivation or removal of viruses; and

WHEREAS, the City approved Resolution No. R-2024-056 and entered into a loan agreement with the FDEP for SRF loan No. DW-0604F in the amount of

\$4,700,215.00 including Capitalized Interest and Loan Service Fees of \$182,515.08; and

WHEREAS, on August 12, 2025, FDEP designated Four-Log SRF and assigned it SRF loan No. DW-0604H and eligible for available funding and principal forgiveness; and

WHEREAS, the City intends to enter into a loan agreement with FDEP for SRF financing in the estimated amount of \$12,050,000.00 with principal forgiveness in the amount of \$2,360,000.00 including capitalized interest and loan service fees for Four-Log; and

WHEREAS, the Department of Public Utilities recommends that the City Commission authorize the appropriate City Officials to amend Resolution R-2024-056 to include project financing in the amount of \$12,186,138.00, including Capitalized Interest and Loan Service fees for Four-Log; and

WHEREAS, it is necessary to combine both SRF loan No. DW0604F and No. DW-0604H into one loan.

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

Section 1: That the foregoing “WHEREAS” clauses are incorporated herein by reference and made a part hereof.

Section 2: That the City is authorized to apply for a loan to finance in the Four-Log Treatment of Ground Water Project relating to the City’s Drinking Water at the Water Treatment Plant.

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 2020 and 2016 Water and Sewer Revenue Bonds and the SRF Loans issued through 2025.

Section 4: That the City Manager is hereby 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, as well as any other documents necessary to effectuate the loan pursuant to the terms of this Resolution, which will become a binding obligation in accordance with its terms when signed by both parties, together with such non-material changes as may subsequently be agreed to by the City Manager and approved as to form and legal sufficiency by the City Attorney. The City

Manager is also authorized to delegate responsibility to appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

Section 6: That Chapter 403 of the Florida Statutes grants the legal authority for borrowing monies for these projects.

Section 7: That all resolutions or part of resolutions in conflict with any of the provisions of this resolution are hereby repealed.

Section 8: That if any Section or portion of a Section of this resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other Section or part of this resolution.

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

PASSED AND ADOPTED this _____ day of _____, 2025.

JOSH LEVY, MAYOR

ATTEST:

PATRICIA A. CERNY, MMC
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

DAMARIS HENLON
CITY ATTORNEY