

RESOLUTION NO. R-2018-235

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLYWOOD, FLORIDA, RELATING TO THE STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION FOR \$15,512,993.00 (INCLUDING CAPITALIZED INTEREST AND LOAN SERVICE FEE) FOR CONSTRUCTION FUNDS FOR THE 2018 SEPTIC TO SEWER EXPANSION PROGRAM PROJECT # 16-7077; AUTHORIZING THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS, SEVERABILITY, AND AN EFFECTIVE DATE; AND AMENDING THE APPROVED FISCAL YEAR 2018 OPERATING BUDGET FOR THE WATER AND SEWER ENTERPRISE FUND (42) (R-2017-288) AND AMENDING THE APPROVED FY2018 - FY2022 CAPITAL IMPROVEMENT PLAN (R-2017-289).

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

WHEREAS, Florida Administrative Code regulations 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 Loan Program with the Florida Department of Environmental Protection ("FDEP") will hold a hearing in August 2018 to approve funding for construction funds for the 2018 Septic to Sewer Expansion Program; and

WHEREAS, the City of Hollywood, Florida, intends to enter into a loan agreement with the FDEP under the State Revolving Fund Loan financing in the amount of \$15,512,993.00, including Capitalized Interest and Loan Service Fees of \$525,318.00; and

WHEREAS, on September 27, 2017, the City Commission approved Resolution Number R-2017-289, which adopted the FY2018 Capital Improvement Program and included funding in the amount of \$11,000,000.00 for the City Wide Sewer Expansion subject to accounts being created by the Department of Financial Services; and

WHEREAS, It is necessary to amend the approved Fiscal Year 2018 Water and Sewer Fund (42) operating budget and the approved FY2018 – FY2022 Capital Improvement Program, as detailed in the attached Exhibit "1", to allocate additional funding in the amount of \$4,512,993.00 for the Septic To Sewer Expansion program; and

WHEREAS, the Department of Public Utilities recommends that the City Commission authorize appropriate City officials to enter into a loan agreement with the FDEP under the State Revolving Fund for project financing in an amount of \$15,512,993.00, including Capitalized Interest and Loan Service Fees of \$525,318.00, for the 2018 Septic to Sewer Expansion Program.

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 are incorporated into this Resolution.

Section 2: That the City of Hollywood, Florida is authorized to apply for a loan to finance Sewer Expansion Project with the Florida Department of Environmental Protection.

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 and 2016 Water and Sewer Revenue Bonds and the State of Florida Revolving Fund Loans issued through 2018.

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, which 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 the Florida Statutes.

Section 7: That it approves, adopts and authorizes an amendment to the Fiscal Year 2018 Water and Sewer Fund (42) operating budget and the approved FY2018 – FY2022 Capital Improvement Plan, as more specifically set forth in the attached Exhibit "1".

Section 8: That it authorizes the Department of Financial Services to create and establish certain accounts to recognize the receipt of funds and appropriate said funds for expenditures as may be required

Section 9: That all resolutions or part of resolutions in conflict with any of the provisions of this Resolution are repealed.

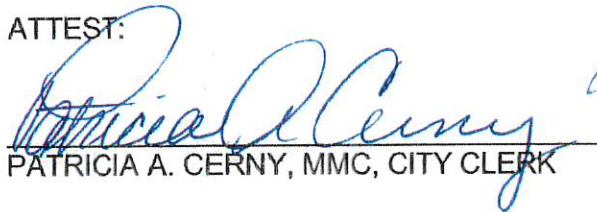
Section 10: That if any Section or portion of a Section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force or effect of any other Section or part of this Resolution.

Section 11: That this Resolution shall be in full force and effect immediately upon its passage and adoption.

PASSED AND ADOPTED this 3 day of July, 2018.

  
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JOSH LEVY, MAYOR

ATTEST:

  
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PATRICIA A. CERNY, MMC, CITY CLERK

APPROVED AS TO FORM AND LEGAL SUFFICIENCY for the use and reliance of the City of Hollywood, Florida only.

  
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DOUGLAS R. GONZALES, CITY ATTORNEY DR

**Exhibit 1: Budget Amendment  
Water and Sewer Enterprise Fund (42)**

Transfer of funding within the Capital Improvement Plan (CIP) to the Septic to Sewer project. Amending the FY 2018 Adopted Operating Budget for the Water and Sewer Enterprise Fund (42) and the Approved FY 2018 -FY 2022 Capital Improvement Plan (CIP) to provide additional funding for the 2018 City Wide Septic to Sewer Program (project 16-7077).

**Transfer From:**

<b>Description</b>	<b>Account Number</b>		<b>Amount</b>
Budgeted Capital Projects	42.1200.00000.500.015904	\$	11,000,000

**Transfer To:**

<b>Description</b>	<b>Account Number</b>		<b>Amount</b>
Septic to Sewer Program	TBD	\$	11,000,000

**Revenue:**

<b>Description</b>	<b>Account Number</b>		<b>Amount</b>
Revenue - Placeholder Borrowed Proceeds	42.1200.00000.300.0100	\$	4,512,993

**Expenses:**

<b>Description</b>	<b>Account Number</b>		<b>Amount</b>
Septic to Sewer Program	TBD	\$	3,987,675
Capitalized Interest & Loan Service Fee	TBD		525,318
<b>Total</b>		\$	<b>4,512,993</b>