



City of Hollywood

Hollywood City Hall
2600 Hollywood Blvd
Hollywood, FL 33020
<http://www.hollywoodfl.org>

Legislation Text

File #: R-2024-042, **Version:** 1

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 In The Estimated Amount Of \$3,776,652.00 With Principal Forgiveness In The Amount Of \$1,470,000.00 (Including Capitalized Interest And Loan Service Fees) For The Lead And Copper Rule Compliance Project; Authorizing The Loan Agreement; Establishing Pledged Revenues; Designating Authorized Representatives; Providing Assurances; Providing For Conflicts And Severability.

Financial Management & Administration

Staff Recommends: Approval of the attached Resolution.

Explanation:

In October 2021, the Environmental Protection Agency (“EPA”) revised the existing Lead and Copper Rule (“LCCR”) to enhance implementation in the areas of monitoring, treatment, customer awareness, and lead service line replacement.

The EPA set guidelines that all public water systems must develop a service line inventory (“SLI”) that documents the service line materials for public utility and customer-owned lines and submit related documentation to the State on or before October 16, 2024.

In order to meet the aforementioned requirements, the Department of Public Utilities (“Department”) sought funding from the Florida Department of Environmental Protection (“FDEP”) through the State Revolving Fund loan (“SRF”) program. The funding will allow public utilities to comply with the LCCR.

Florida Statutes provide for loans to local government agencies to finance the construction of water, wastewater, and stormwater facilities through the FDEP SRF Loan Program.

The 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.

In June 27, 2023, the Department submitted a Request For Inclusion to be included on the SRF fundable portion of the Priority List for the LCCR.

The Department wishes to enter into a loan agreement with FDEP. The loan agreement under the Drinking Water SRF Loan will be for planning financing in the estimated amount of \$3,776,652, including Capitalized Interest and Loan Service Fees of \$146,652.

The Department Director recommends that the City Commission authorize the appropriate City Officials to enter into loan agreements with FDEP under the SRF Loan Program to finance the regulatorily required update for the LCCR project.

The Department will hire consultants to manage this project. The determination of the need for additional staff will be ascertained at a future date once the full project is completed.

Fiscal Impact

This item authorizes the appropriate City officials to enter into a loan agreement through the Drinking Water State Revolving Fund Loan Program for the Lead and Copper Rule Compliance Project.

Debt service funding for this loan will be budgeted in subsequent fiscal years' operating budgets subject to approval and adoption by the City Commission.

Recommended for inclusion on the agenda by:

Phyllis Shaw, Deputy Director-Finance, Department of Public Utilities

Vincent Morello, P.E., Director, Department of Public Utilities

Gus Zambrano, Assistant City Manager/Sustainable Development

Attachments:

Resolution - SRF Loan Application for Lead and Copper DWSRF

July 2023 DWSRF Lead Service Line Final Agency Action

LCRR Inventory Schedule - 062623

Project Scope 111423

COH SLI SRF Request for Inclusion