



City of Hollywood

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

Legislation Text

File #: R-2024-056, **Version:** 1

A Resolution Of The City Commission Of The City Of Hollywood, Florida, Authorizing The State Revolving Fund Loan Program Application In the Estimated Amount of \$4,700,215.08 Including Capitalized Interest And Loan Service Fees For Funding Of Projects Related To Emerging Contaminants Compliance; Authorizing The Appropriate City Officials To Execute A Loan Agreement For Said Funding; Establishing Pledged Revenues; Designating Authorized Representatives; Providing Assurances; Providing For Conflicts And Severability.

Financial Management & Administration

Staff Recommends: Approval of the attached Resolution.

Explanation:

During routine Department of Public Utilities ("Department") sampling, emerging contaminants that are listed on the United States Environmental Protection Agency's ("USEPA") Fifth Unregulated Contaminant Monitoring Rule ("USMR5") PFAS were identified in the raw water that supplies the water treatment plant.

The USEPA set guidelines that all public water systems must comply with proposed maximum contaminant levels established for per- and polyfluoroalkyl substances (collectively known as "PFAS" contaminants) and meet the compliance deadline of December 2026.

In order to meet the aforementioned requirements, the Department sought funding from the Florida Department of Environmental Protection ("FDEP") through the State Revolving Fund loan ("SRF") program. This funding will allow the City to comply with USEPA'S USMR5 PFAS guidelines.

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

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 order for entities to qualify for funding.

On August 1, 2023, the Department submitted a Request For Inclusion to be included on the

SRF fundable portion of the Priority List.

The Department wishes to enter into a loan agreement with FDEP. The loan agreement under the Drinking Water State Revolving Fund Loan is for planning financing in the estimated amount of \$4,700,215.08 including Capitalized Interest and Loan Service Fees of \$182,515.08.

The Director of the Department recommends that the City Commission authorize the appropriate City Officials to enter into loan agreements with FDEP under the SRF Loan Program to finance drinking water compliance with Emerging Contaminants of Concern-related rules and regulations.

The Department will hire consultants to manage this project. The determination of whether to hire 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 Emerging Contaminants 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