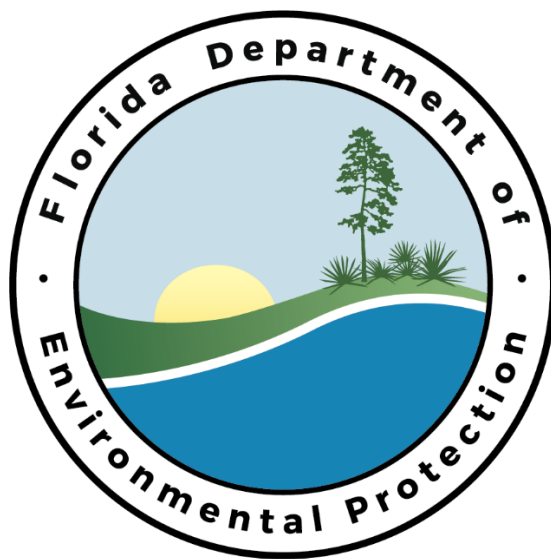


STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

**STATE REVOLVING LOAN PROGRAM
FOR
DRINKING WATER FACILITIES**

LOAN APPLICATION



Florida Department of Environmental Protection
State Revolving Fund Program
Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard
Tallahassee, FL 32399-3000

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LOAN APPLICATION

- (1) **SUBMITTAL.** Submit the application and attachments to the Department of Environmental Protection, MS 3505, State Revolving Fund Program, Marjorie Stoneman Douglas Building, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000. The application (and supporting documentation) may be submitted electronically to the Department's Project Manager.
- (2) **COMPLETING THE APPLICATION.**
 - (a) This application consists of five parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; (IV) AUTHORIZATION AND ASSURANCES; and (V) SUPPLEMENTARY INFORMATION.
 - (b) All information provided on this application must be printed. Monetary amounts may be rounded.
 - (c) Forms and attachments to be submitted are denoted with italic print.
- (3) **ASSISTANCE.** Completing this application may require information that can be obtained from the Drinking Water State Revolving Fund Program staff. Please email SRF_Reporting@dep.state.fl.us for assistance in completing this application.

PART I - ADMINISTRATIVE INFORMATION

- (1) **PROJECT SPONSOR** City of Pompano Beach
Federal Employer Identification Number 08-0181167
DUNS Number 59-6000-411
- (2) **AUTHORIZED REPRESENTATIVE** (person authorized to sign or attest loan documents).
Name A. Randolph Brown Title Utilities Department Director
Telephone 954-545-7044 Email randolph.brown@copbfl.com
Mailing Address 1205 NE 5th Avenue
Pompano Beach, FL 33060
- (3) **PRIMARY CONTACT** (person to answer questions regarding this application).
Name A. Randolph Brown Title Utilities Department Director
Telephone 954-545-7044 Email randolph.brown@copbfl.com
Employer City of Pompano Beach
Mailing Address 1205 NE 5th Avenue
Pompano Beach, FL 33060
- (4) **ADDITIONAL CONTACTS.** If more than one additional person is to receive copies of Department correspondence, attach the information (*Attachment #*_____).
Name Kerone Grant Title Business Operations Analyst
Telephone 954-545-7073 Email kerone.grant@copbfl.com
Employer City of Pompano Beach
Mailing Address 1205 NE 5th Avenue
Pompano Beach, FL 33060
- (5) **PROJECT NUMBER** (listed on the Department's priority list). DW06248
- (6) **INTERIM FINANCING.** A local government project sponsor that has interim financing may be subject to certain conditions regarding such financing.

Is the project currently being funded with interim financing? Yes No

PART II – PROJECT INFORMATION

If you are applying for a planning or design loan for a project that will involve construction, complete only Subpart A below. If you are applying for a loan to construct a project that is already planned and designed, complete only Subpart B below.

A. PLANNING OR DESIGN PROJECT

Information should be provided for each separate facility to be planned and designed as appropriate. For design/build projects (not eligible for design loans) or those where multiple facilities, segments, or phases are involved, please attach information for activities, schedule, and cost for each. (*Attachment #_____*)

- (1) **ACTIVITIES.** Attach a brief description of the scope of planning and design activities to be financed by this loan. Include a list of any engineering services to be performed. (*Attachment #_____*) Are these activities the same as those scheduled on the *Request for Inclusion Form*? Yes No. If “No”, please explain. (*Attachment #_____*)
- (2) **SCHEDULE.**
 - (a) Provide proposed completion dates for the items. (Please call Department staff to discuss time frames needed to complete required tasks.)

| | |
|------------------------------------|--|
| Planning documentation | |
| Engineering design | |
| Certification of site availability | |
| Permitting | |
 - (b) Do you anticipate that an interlocal agreement with another party will be necessary to implement the project? If “Yes”, please explain. (*Attachment #_____*) Yes No
 - (c) Is this a design/build project? Yes No
 - (3) **COST.** Is the cost information submitted for the planning or design loan priority list current? If “No”, please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (*Attachment #_____*) Note that the disburseable amount will be limited to the priority list amount. Yes No

PLANNING OR DESIGN APPLICANTS PROCEED TO PART III.

B. CONSTRUCTION PROJECT

- (1) **ACTIVITIES.**
 - (a) Attach a brief description of construction activities to be financed by this loan. Include a list of the contracts (by title) corresponding to the plans and specifications accepted by the Department (*Attachment #1*).

Are these contracts the same as those scheduled on the *Request for Inclusion Form*? Yes No

If “No”, please explain. (*Attachment #_____*)
 - (b) Have any of the contracts been bid? Yes No

If “Yes”, indicate which contracts have been bid. (*Attachment #_____*)
 - (c) Was planning or design for this project financed in another SRF loan? Yes No

If “Yes”, give the SRF loan number. _____
 - (d) Does this project involve an interlocal agreement with other local governments or other entities? Yes No

If “Yes”, attach a copy of the Department letter accepting the interlocal agreement. (*Attachment #2*)

Is the interlocal agreement, as accepted by the Department, fully executed and enforceable? Yes No

If "No", please explain (*Attachment #*_____).

- (2) SCHEDULE. (month and year)
 - (a) Anticipated notice to proceed for first construction contract. N/A
 - (b) Anticipated completion of all construction contracts. N/A

- (3) COST. Is the cost information submitted for the priority list current? Yes No

If "No", please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (*Attachment #*_____). Note that the disbursable amount will be limited to the priority list amount.

PART III - FINANCIAL INFORMATION

Estimates of the capitalized interest, interest rate, pledged revenue coverage, limitations on annual loan amounts for large projects, applicability and amount of repayment reserves, amount of the loan service fee and any other information may be obtained by contacting staff in the State Revolving Fund Management Section.

- (1) PRINCIPAL. The requested amount of the loan which does not include capitalized interest is \$9,200,000.00

Note that the disbursable amount will be limited to the priority list amount and must be consistent with the project information provided under **PART II** of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect actual disbursement timing. The principal amount of the loan does not include the loan service fee.

- (2) TERMS AND REPAYMENT.
 - (a) Loans for planning and design shall be amortized over 10 years. Construction loans to local government project sponsors are amortized over the lesser of useful life of the project or 20 years unless the project is to serve a small community qualifying as financially disadvantaged. Construction loans to financially disadvantaged small communities may be amortized over the lesser of useful life of the project or 30 years. Construction loans to non-governmental project sponsors are amortized over the lesser of the useful life of the project or 20 years. Interest charges and principal are paid semiannually.

What is the useful life of the project? 50 (years)
Over how many years would you like to amortize the loan? 20 (years)

- (b) List all revenues that are to be pledged for repayment of this loan. Revenues rates and charges_
- (c) Pledged revenue receipts or collections by the project sponsor must exceed the amount of the repayments due to the Department unless there are other collateral provisions. The excess revenue, or coverage, generally is 15% of each repayment.

What coverage is proposed for the loan? 50% (coverage percentage)

- (d) Is any other financial assistance being applied to this project? Yes No

If "Yes", please list. (*Attachment #*_____)

- (3) ANNUAL FUNDING LIMIT. Large project funding (generally, loans in excess of \$10 million) may be provided in increments pursuant to the initial loan agreement and subsequent amendments.

- (4) INFORMATION ON LIENS.
 - (a) Describe, if applicable, all debt obligations having a prior or parity lien on the revenues pledged to repay this loan. (*Attachment #*_____). For example: City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of \$10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.
 - (b) Using the Part V, *Schedule of Prior and Parity Liens*, provide debt service information, if applicable, on each prior and parity obligation.

- (c) For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating. (*Attachment #_____*).
 - (d) Describe any other notes and loans payable from the revenues pledged to repay this loan. (*Attachment #_____*).
- (5) ACTUAL AND PROJECTED REVENUES.
- (a) Complete the Part V, *Schedule of Actual Revenues and Debt Coverage* for the past two fiscal years.
 - (b) Complete the Part V, *Schedule of Projected Revenues and Debt Coverage*, demonstrating the availability of pledged revenues for loan repayment.
- (6) AVAILABILITY OF PLEDGED REVENUES. All sources must be supported by a written legal opinion. (*Attachment #3*) The opinion must address the following:
- (a) Availability of the revenues to repay the loan.
 - (b) Right to increase rates at which revenues shall be collected to repay the loan.
 - (c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.
- (7) LOAN SERVICE FEE. A loan service fee is assessed on each loan. The fee is not part of the loan. The fee along with interest thereon will be deducted from the first available repayments after the final amendment to the loan agreement.

PART IV – AUTHORIZATION AND ASSURANCES

- (1) AUTHORIZATION. Provide an authorizing resolution of the Applicant's governing body or other evidence of authorization (*Attachment #4*) for the following:
 - (a) Pledging revenues to repay the loan.
 - (b) Designation of the Authorized Representative(s) to file this application, provide assurances, execute the loan agreement, and represent the Applicant in carrying out responsibilities (including that of requesting loan disbursements) under the loan agreement.
- (2) ASSURANCES. The Applicant agrees to comply with the laws, rules, regulations, policies and conditions relating to the loan for this project. Applicants should seek further information from the Drinking Water State Revolving Fund Program staff as to the applicability of the requirements if the necessity for the assurances is of concern. Specifically, the Applicant certifies that it has complied, as appropriate, and will comply with the following requirements, as appropriate, in undertaking the Project:
 - (a) Assurances for capitalization grant projects.
 - 1. Complete all facilities for which funding has been provided.
 - 2. The Applicant is advised, pursuant to 40 CFR 35 Section 35.3575, that a number of Federal law, executive orders, and government-wide policies can apply to your project or activity that is receiving Federal financial assistance. The Applicant agrees to read those provisions regarding the application of Federal cross-cutting authorities (cross-cutters) to determine their applicability to your specific project or activity.
 - (b) Assurances for other projects. Please note that Florida Statutes are available at <http://www.leg.state.fl.us>. They are also available at the following physical address: Florida Department of State Division of Library and Information Services R.A. Gray Building 500 South Bronough Street Tallahassee, Florida 32399-0250.
 - 1. Chapter 161, Part I, F.S., "Beach and Shore Preservation Act" and Part III, "Coastal Zone Protection Act of 1985" which regulate coastal zone construction and all activities likely to affect the condition of the beaches or shore.
 - 2. Chapter 163, Part II, F.S., the "Local Government Comprehensive Planning and Land Development Regulation Act" which requires units of local government to establish and implement comprehensive planning programs to control future development.
 - 3. Chapter 186, F.S., State and Regional Planning, which requires conformance of projects with Regional Plans and the State Comprehensive Plan.
 - 4. Chapter 253, F.S., "Emergency Archaeological Property Acquisition Act of 1988" which requires protection of archaeological properties of major statewide significance discovered during construction activities.

5. Chapter 258, Part III, F.S., which requires protection of components or potential components of the national wild and scenic rivers system.
6. Chapter 267, F.S., the "Florida Historical Resources Act" which requires identification, protection, and preservation of historic properties, archaeological and anthropological sites.
7. Chapter 287, Part I, F.S., which prohibits parties convicted of public entity crimes or discrimination from participating in State-assisted projects and which requires consideration of the utilization of Minority Business Enterprises in State-assisted projects.
8. Chapter 372, F.S., the Florida Endangered and Threatened Species Act which prohibits the killing or wounding of an endangered, threatened, or special concern species or intentionally destroying their eggs or nest.
9. Chapter 373, Part IV, F.S., Florida Water Resources Act of 1972, which requires that activities on surface waters or wetlands avoid adversely affecting: public health, safety, welfare, or property; conservation of fish and wildlife, including endangered or threatened species or their habitats; navigation or the flow of water; the fishing or recreational values or marine productivity; and significant historical and archaeological resources.
10. Chapter 380, Part I, F.S., Florida Environmental Land and Water Management Act of 1972 as it pertains to regulation of developments and implementation of land and water management policies.
11. Chapter 381, F.S., Public Health, as it pertains to regulation of onsite wastewater systems.
12. Chapter 403, Part I, F.S., Florida Air and Water Pollution Control which requires protection of all waters of the state.
13. Chapter 582, F.S., Soil and Water Conservation Act which requires conformance with Water Management District's regulations governing the use of land and water resources.
14. Governor's Executive Order 95-359, which requires State Clearinghouse review of project planning documentation and intergovernmental coordination.

I, the undersigned Authorized Representative of the Applicant, hereby certify that all information contained herein and in the attached is true, correct, and complete to the best of my knowledge and belief. I further certify that I have been duly authorized to file the application and to provide these assurances.

Signed this _____ Day of _____, 20 _____

Authorized Representative _____ A. Randolph Brown
(signature) *(name typed or printed)*

Attachments

PART V – SUPPLEMENTARY INFORMATION

**SCHEDULE OF PRIOR AND PARITY LIENS
(EXCLUDING SRF LOANS)**

List annual debt service beginning two years before the anticipated loan agreement date and continue at least three additional fiscal years. Use additional pages as necessary.

| | | | |
|---------------------------------|---|-------------------------|--------------------|
| | #1 | #2 | #3 |
| Identify Each Obligation | Capital Lease (Chase Lease Payabale) | Bank Loan Wastewater | |
| Coverage | _____ % | _____ % | _____ % |
| Insured? | _____ Yes _____ No | _____ Yes _____ No | _____ Yes _____ No |

| Fiscal Year | <u>Annual Debt Service (Principal Plus Interest)</u> | | | Total Debt Service | Total Debt Service Incl. Coverage |
|--------------------|---|-----------|-----------|---------------------------|--|
| | #1 | #2 | #3 | | |
| 2022 | \$1,057,505 | \$360,000 | \$ | \$1,417,505 | \$2,126,258 |
| 2023 | \$1,057,505 | \$425,000 | \$ | \$1,482,505 | \$2,223,758 |
| 2024 | \$ | \$440,000 | \$ | \$440,000 | \$660,000 |
| 2025 | \$ | \$455,000 | \$ | \$455,000 | \$682,500 |
| 2026 | \$ | \$465,000 | \$ | \$465,000 | \$697,500 |
| 2027 | \$ | \$475,000 | \$ | \$475,000 | \$712,500 |
| 2028 | \$ | \$490,000 | \$ | \$490,000 | \$735,000 |
| 2029 | \$ | \$495,000 | \$ | \$495,000 | \$742,500 |
| 2030 | \$ | \$510,000 | \$ | \$510,000 | \$765,000 |
| 2031 | \$ | \$535,000 | \$ | \$535,000 | \$802,500 |
| 2032 | \$ | \$535,000 | \$ | \$535,000 | \$802,500 |
| 2033 | \$ | \$555,000 | \$ | \$555,000 | \$832,500 |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
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| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |
| 20 | \$ | \$ | \$ | \$ | \$ |

PART V – SUPPLEMENTARY INFORMATION

SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE

(Provide information for the two fiscal years preceding the anticipated date of the SRF loan agreement.)

| | <u>Year 2020 audited (FY)</u> | <u>Year 2021 unaudited (FY)</u> |
|--|-------------------------------|---------------------------------|
| (a) Operating Revenues (Source) | | |
| | \$48,026,838 | \$49,692,572 |
| (b) Interest Income | | |
| (c) Other Income or Revenue (Identify) | | |
| (d) Total Revenues | \$48,026,838 | \$49,692,572 |
| (e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items) | \$39,069,701 | \$39,656,225 |
| (f) Net Revenues [(f) = (d) – (e)] | \$8,957,137 | \$10,036,347 |
| (g) Debt Service (including any required coverage) | \$4,560,348 | \$2,057,942 |
| (h) Attach audited annual financial report(s), or pages thereof, or other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF Loan. (<i>Attachment #5</i>) | | |
| (i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (<i>Attachment #6</i>) | | |
| (j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (<i>Attachment # _____</i>) | | |

PART V – SUPPLEMENTARY INFORMATION

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

Begin with the fiscal year preceding first anticipated semiannual loan payment and continue for at least three additional years. Attach a separate page for previous State Revolving Fund loans.

| | <u>Year 2022</u> | <u>Year 2023</u> | <u>Year 2024</u> | <u>Year 2025</u> | <u>Year 2026</u> |
|---|----------------------|------------------|------------------|------------------------------|-----------------------------|
| (a) Operating Revenue | \$ 52,219,3 09 | \$ 55,226,223 | \$ 55,228,343 | \$ 55,230,307 | \$ 55,232,396 |
| (b) Interest Income | | | | | |
| (c) Other Income or Revenue (identify) | | | | | |
| | | | | | |
| (d) Total Revenues | \$52,219, 309 | \$55,226,22 3 | \$55,228,34 3 | \$55,230,30 7 | \$55,232,39 6 |
| (e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items) | \$ 40,961,8 20 | \$ 44,164,230 | \$ 45,351,095 | \$ 46,575,642 | \$ 47,839,152 |
| (f) Net Revenues (f = d - e) | \$11,257, 489 | \$11,061,99 3 | \$9,877,248 | \$8,654,665 | \$7,393,244 |
| (g) Revenue (including coverage) pledged to debt service, excluding SRF loans | \$1,417,5 05 | \$1,482,505 | \$440,000 | \$455,000 | \$465,000 |
| (h) Revenue (including coverage) pledged to outstanding SRF loans | \$0 | \$19,634 | \$19,634 | \$19,634 | \$19,634 |
| (i) Revenue Available for this SRF Loan [(i) = (f) – (g) – (h)] | \$9,839,9 84 | \$9,559,854 | \$9,417,614 | \$8,180,031 | \$6,908,610 |
| (j) Identify the source of the above information and explain methods used to develop the projections (<i>Attachment #7</i>). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations. | | | | | |
| (k) For construction loans, are the above projections consistent with the accepted financial feasibility information in the planning documents? | | | | <input type="checkbox"/> Yes | <input type="checkbox"/> No |

If "No", please explain. (*Attachment #*_____)

