

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

**STATE REVOLVING FUND LOAN
PROGRAM for
Point Source Water Pollution Control**

LOAN APPLICATION



Florida Department of Environmental Protection
State Revolving Fund Program
Marjory Stoneman Douglas Building
3900 Commonwealth Blvd., MS 3505
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, 3900 Commonwealth Blvd., Tallahassee, Florida 32399-3000. The application (and backup) 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 Clean 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 59-60000-41
- (2) AUTHORIZED REPRESENTATIVE (person authorized to sign or attest loan documents).
Name A. Randolph Brown Title Utilities Director
Telephone 954.545.7044 FAX 954.545.7046 Email randolph.brown@copbfl.com
Mailing Address 1205 Northeast 5th Avenue, Pompano Beach, FL 33060
- (3) PRIMARY CONTACT (person to answer questions regarding this application).
Name Tammy Good Title Capital Improvement Plan Manager
Telephone 954.786.5512 FAX N/A Email tammy.good@copbfl.com
Employer City of Pompano Beach
Mailing Address 1205 Northeast 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 Mondy Claude Title Utilities Business Operations Analyst
Telephone 954.545.7073 FAX 954.545.7046 Email Mondy.Claude@copbfl.com
Employer City of Pompano Beach
Mailing Address 1205 Northeast 5th Avenue, Pompano Beach, FL 33060
- (5) PROJECT NUMBER (listed on the Department's priority list). SW0624B
- (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, design, or SSES 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, DESIGN OR SSES 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 specialized studies 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 work | _____ |
| Certification of site availability | _____ |
| Permit | _____ |
- (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, design or SSES loan 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.

PRECONSTRUCTION LOAN APPLICANTS PROCEED TO PART III.

B. CONSTRUCTION OR I/I REHABILITATION PROJECT

- (1) **ACTIVITIES.**
- (a) Attach a brief description of construction or I/I rehabilitation 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, design, or SSES 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 interlocal agreement. (*Attachment #* _____)
Is the interlocal agreement 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. September 2024
(b) Anticipated completion of all construction contracts. July 2028
- (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 disbursement amount will be limited to the priority list amount.

PART III - FINANCIAL INFORMATION

Estimates of the capitalized interest, project useful life for financial hardship loans, financing 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 \$4,735,500.00
- Note that the disbursement 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 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 having a financial hardship. Loans to financial hardship communities may be amortized over the lesser of useful life of the project or 30 years. Loans to non-governmental project sponsors are amortized over the lesser of the useful of the project or 20 years. Finance 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 from stormwater 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? 150 % (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. Each increment shall have a separate financing rate as established in the agreement or amendment providing that increment.
- (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 #2*) 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 #3*) 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 Clean 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 Archaeological and Historic Preservation Act of 1974, PL 93-291, and the National Historic Preservation Act of 1966, PL 89-665, as amended, regarding identification and protection of historic properties.
 - 3. The Clean Air Act, 42 U.S.C. 7506(c), which requires conformance with State Air Quality Implementation Plans.
 - 4. The Coastal Zone Management Act of 1972, PL 92-583, as amended, which requires assurance of project consistency with the approved State management program developed under this Act.
 - 5. The Endangered Species Act, 16 U.S.C. 1531, et seq., which requires that projects avoid disrupting threatened or endangered species and their habitats.
 - 6. Executive Order 11593, Protection and Enhancement of the Cultural Environment, regarding preservation, restoration and maintenance of the historic and cultural environment.
 - 7. Executive Order 11988, Floodplain Management, related to avoiding, to the extent possible, adverse impacts associated with floodplain occupancy, modification and development whenever there is a practicable alternative.
 - 8. Executive Order 11990, Protection of Wetlands, related to avoiding, to the extent possible, adverse impacts associated with the destruction or modification of wetlands and avoiding support of construction in wetlands.
 - 9. The Fish and Wildlife Coordination Act, PL 85-624, as amended, which requires that actions to control natural streams or other water bodies be undertaken to protect fish and wildlife resources and their habitats.

10. The Safe Drinking Water Act, Section 1424(e), PL 93-523, as amended, regarding protection of underground sources of drinking water.
 11. The Wild and Scenic Rivers Act, PL 90-542, as amended, related to protecting components or potential components of the national wild and scenic rivers system.
 12. The federal statutes relating to nondiscrimination, including: The Civil rights Act of 1964, PL 88-352, which prohibits discrimination on the basis of race, color or national origin; the Age Discrimination Act, PL 94-135, which prohibits discrimination on the basis of age; Section 13 of the Federal Water Pollution Control Act, PL 92-500, which prohibits sex discrimination; the Rehabilitation Act of 1973, PL 93-112, as amended, which prohibits discrimination on the basis of handicaps.
 13. Executive Order 11246, Equal Employment Opportunity, which provides for equal opportunity for all qualified persons.
 14. Executive Orders 11625 and 12138, Women's and Minority Business Enterprise, which require that small, minority, and women's business and labor surplus areas are used when possible as sources of supplies, equipment, construction and services.
 15. The Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq., regarding protection and conservation of the coastal barrier resources.
 16. The Farmland Protection Policy Act, 7 U.S.C. 4201 et seq., regarding protection of agricultural lands from irreversible loss.
 17. The Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646, which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally assisted programs.
 18. The Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended, which requires that projects be carried out in accordance with area wide planning activities.
 19. Section 306 of the Clean Air Act, Section 508 of the Clean Water Act and Executive Order 11738, which prohibit manufacturers, firms, or other enterprises on the EPA's list of Violating Facilities from participating in the Project.
 20. Executive Order 12549, Debarment and Suspension, which prohibits any award to a party which is debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs.
 21. Minority and Women's Business Enterprise participation in project work using numerical goals, established by the U.S. Environmental Protection Agency, and to be set forth in the specifications for construction and materials contracts.
- (b) Assurances for other projects.
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.
- (c) Assurances for all projects. The loan recipient certifies that it is not listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), "Debarment and Suspension."

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 23

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 continuing at least three additional fiscal years. Use additional pages as necessary.

	#1	#2	#3
Identify Each Obligation	<u>Revenue Bonds</u>	<u></u>	<u></u>
Coverage	<u>150</u> %	<u></u> %	<u></u> %
Insured?	<u></u> Yes <u></u> No	<u></u> Yes <u></u> No	<u></u> Yes <u></u> No

Fiscal Year	Annual Debt Service (Principal Plus Interest)			Total Debt Service	Total Debt Service Incl. Coverage
	#1	#2	#3		
2023	\$604,244	\$	\$	\$604,244	\$906,366
2024	\$604,542	\$	\$	\$604,542	\$908,813
2025	\$604,584	\$	\$	\$604,584	\$906,875
2026	\$604,368	\$	\$	\$604,368	\$906,552
2027	\$603,895	\$	\$	\$603,895	\$905,843
2028	\$603,165	\$	\$	\$603,165	\$904,748
2029	\$602,243	\$	\$	\$602,243	\$903,364
2030	\$600,999	\$	\$	\$600,999	\$901,499
2031	\$604,434	\$	\$	\$604,434	\$906,651
2032	\$602,612	\$	\$	\$602,612	\$903,918
2033	\$600,405	\$	\$	\$600,405	\$900,607
2034	\$602,940	\$	\$	\$602,940	\$904,410
2035	\$600,219	\$	\$	\$600,219	\$900,328
2036	\$600,112	\$	\$	\$600,112	\$903,167
2037	\$603,619	\$	\$	\$603,619	\$905,429
2038	\$599,870	\$	\$	\$599,870	\$899,804
2039	\$600,735	\$	\$	\$600,735	\$901,102
2040	\$601,278	\$	\$	\$601,278	\$901,917
2041	\$601,372	\$	\$	\$601,372	\$902,058

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>FY 2021 (audited)</u>	<u>FY 2022(audited)</u>
(a) Operating Revenues (Source)		
<u>Charges for services</u>	<u>\$ 4,169,059</u>	<u>\$4,368,925</u>
(b) Interest Income		
(c) Other Income or Revenue (Identify)		
(d) Total Revenues	<u>\$4,169,059</u>	<u>\$4,368,925</u>
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	<u>\$2,019,711</u>	<u>\$2,070,638</u>
(f) Net Revenues [(f) = (d) – (e)]	<u>\$2,149,348</u>	<u>\$2,298,287</u>
(g) Debt Service (including any required coverage)	<u>\$585,085</u>	<u>\$617,646</u>
(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 # <u>4 & 5</u></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 # <u>6</u></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 # <u> </u></i>)		

PART V – SUPPLEMENTARY INFORMATION

SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE

Begin with the fiscal year preceding first anticipated semiannual loan payment and continuing for at least three additional years. Attach a separate page for previous State Revolving Fund loans. (*Attachment # 6*)

	<u>FY 2024</u>	<u>FY 2025</u>	<u>FY 2026</u>	<u>FY 2027</u>	<u>FY 2028</u>
(a) Operating Revenue	<u>\$4,669,684</u>	<u>\$5,112,909</u>	<u>\$5,595,706</u>	<u>\$6,125,993</u>	<u>\$6,711,682</u>
(b) Interest Income	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
(c) Other Income or Revenue (identify)	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
	<u></u>	<u></u>	<u></u>	<u></u>	<u></u>
(d) Total Revenues	<u>\$4,669,684</u>	<u>\$5,112,909</u>	<u>\$5,595,706</u>	<u>\$6,125,993</u>	<u>\$6,711,682</u>
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	<u>\$2,561,824</u>	<u>\$2,631,413</u>	<u>\$2,702,909</u>	<u>\$2,776,363</u>	<u>\$2,851,830</u>
(f) Net Revenues (f = d - e)	<u>\$2,107,860</u>	<u>\$2,481,495</u>	<u>\$2,892,798</u>	<u>\$3,349,630</u>	<u>\$3,859,852</u>
(g) Revenue (including coverage) pledged to debt service, excluding SRF loans	<u>\$908,813</u>	<u>\$906,876</u>	<u>\$906,552</u>	<u>\$905,843</u>	<u>\$904,748</u>
(h) Revenue (including coverage) pledged to outstanding SRF loans	<u>\$1,080,867</u>	<u>\$1,080,867</u>	<u>\$1,080,867</u>	<u>\$1,080,867</u>	<u>\$1,080,867</u>
(i) Revenue Available for this SRF Loan [(i) = (f) – (g) – (h)]	<u>\$118,180</u>	<u>\$493,752</u>	<u>\$905,379</u>	<u>\$1,362,920</u>	<u>\$1,874,237</u>
(j) Identify the source of the above information and explain methods used to develop the projections (<i>Attachment # <u>7</u></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?				<input type="checkbox"/> Yes	<input type="checkbox"/> No

If “No”, please explain. (*Attachment #*)

PART V – SUPPLEMENTARY INFORMATION

LIST OF ATTACHMENTS

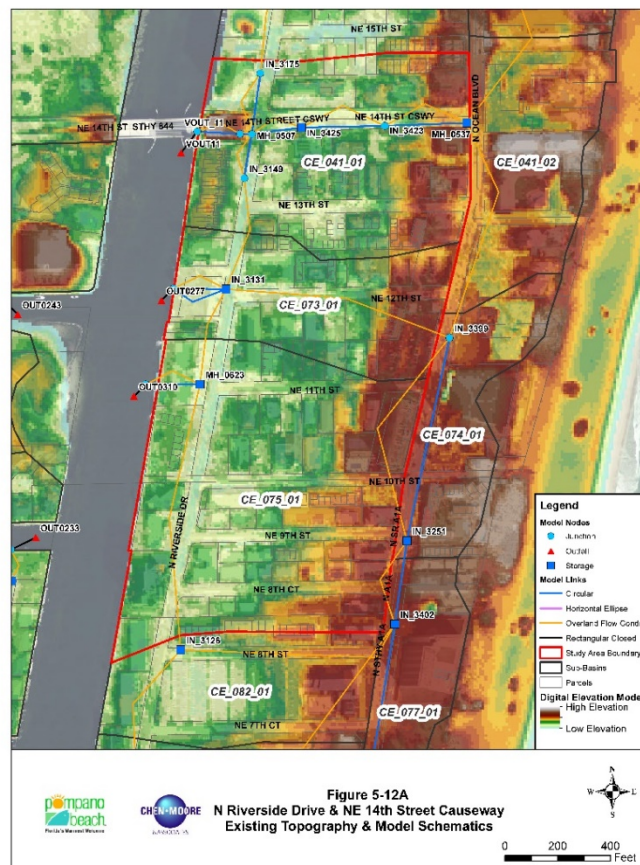
LIST OF ATTACHMENTS. This application requires the submittal of *Attachments* to provide supplemental information. The application is not complete without the completed *List of Attachments*. Please list all attachments that you are including with this application form.

[illegible]

Brief Project Description

Project Sponsor: City of Pompano Beach
Project Name: City of Pompano Beach Stormwater Drainage Improvement Project
(\$4,735,500.00)
Project Number: SW0624B

The project area extends along Riverside Drive from the intersection with Atlantic Boulevard on the northern limits to the intersection of SE 10th Street on the southern limits. The recommended stormwater improvements for this study area include the replacement of six existing outfall pipes with 24-inch or 30-inch diameter pipe, which will significantly reduce flooding within South Riverside Drive during low tide within the Intracoastal Waterway. Due to the extremely low ground surface elevations along South Riverside Drive, the upsized outfall pipes will not assist with the gravity discharge during high tide within the Intracoastal Waterway. The installation of the pumped drainage wells are intended to reduce flooding within North Riverside Drive during high tide periods within the Intracoastal Waterway. Due to the negative impacts of high tide on the performance of the stormwater system in this study area, the proposed improvements include the installation of backflow prevention devices at all six existing outfalls from South Riverside Drive. The swale areas should also be regraded throughout the study area to provide additional storage volume for stormwater runoff.



Source: Stormwater Master Plan, 2013



OFFICE OF THE CITY ATTORNEY

City Attorney | Mark E. Berman*

Deputy City Attorney | Tracy A. Lyons*

Assistant City Attorneys | Jill Ziluck, James E. Saunders III

**Board Certified City, County and Local Government Law*

City Attorney's Communication #2024-197

December 14, 2023

Ms. Angela Knecht
Program Administrator
State Revolving Fund Management
3900 Commonwealth Blvd., Mail Station 3505
Tallahassee, Florida 32399-3000

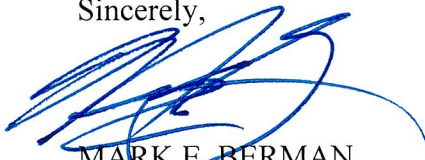
Re: SW0624B – City of Pompano Beach
South Riverside Stormwater Drainage Improvement Project

Dear Ms. Knecht:

I am the duly appointed City Attorney for the City of Pompano Beach. The City proposes to borrow \$4,735,500.00 from the State Revolving Fund for capacity allocation financing of the South Riverside Stormwater Drainage Improvement Project. The loan will be secured by the net revenues of the City's stormwater system, and the pledged revenues are legally available to pledge. The City of Pompano Beach has the legal authority to increase rates to ensure repayment of the loan.

The pledge on revenues is subject to a prior lien with the following issues: City of Pompano Beach, Florida, Stormwater Revenue Bonds, Series 2021.

Sincerely,



MARK E. BERMAN
City Attorney

MEB/mcm
L:cor/atty/2024-197

RESOLUTION NO. 2024-_____

**CITY OF POMPANO BEACH
Broward County, Florida**

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING AND AUTHORIZING THE PROPER CITY OFFICIALS TO APPLY FOR THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION; APPROVING AND AUTHORIZING THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE THE LOAN AGREEMENT; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS, PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

WHEREAS, Florida Statutes provides for loans to local government agencies to finance the construction of stormwater 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 loan priority list designates Project No. SW0624B as eligible for available funding; and

WHEREAS, the City of Pompano Beach, Florida, intends to enter into a loan agreement with the Department of Environmental Protection under the State Revolving Fund for project financing upon approval of the loan application; now, therefore,

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH FLORIDA:

SECTION 1. The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION 2. The City of Pompano Beach, Florida, is authorized to apply for a loan to finance the Project.

SECTION 3. The revenues pledged for the repayment of the loan are net stormwater system revenues.

SECTION 4. The City's Utilities Director or designee is hereby designated as the authorized representative to provide the assurances and commitments required by the loan application.

SECTION 5. The Mayor is hereby 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. The Mayor is authorized to represent the City in carrying out the City's responsibilities under the loan agreement. The Mayor is authorized to delegate responsibility to the appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

SECTION 6. All resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 7. 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 8. This Resolution shall become effective upon passage.

PASSED AND ADOPTED this _____ day of _____, 2024.

REX HARDIN, MAYOR

ATTEST:

KERVIN ALFRED, CITY CLERK

MEB/jrm/mcm
12/11/23
l:reso/2024-54

Attachment #4: 2022 Audited Information from City's 2023 Comprehensive Annual Financial Report

CITY OF POMPANO BEACH, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022

	Business-type Activities - Enterprise Funds					Governmental Activities
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 54,346,034	\$ 5,140,979	\$ 4,368,925	\$ 10,692,599	\$ 74,548,537	\$ 26,944,928
Fines and forfeitures	-	419,527	-	-	419,527	-
Miscellaneous	-	710,840	-	2,223,122	2,933,962	354,946
Total operating revenues	<u>54,346,034</u>	<u>6,271,346</u>	<u>4,368,925</u>	<u>12,915,721</u>	<u>77,902,026</u>	<u>27,299,874</u>
OPERATING EXPENSES						
Personnel services	12,162,190	157,836	811,865	2,535,200	15,667,091	4,000,842
Other current expenses	28,774,974	2,242,922	1,258,773	8,462,518	40,739,187	25,015,616
Depreciation and amortization	8,460,366	747,638	911,676	1,678,657	11,798,337	478,084
Amortization expense	-	27,185	-	6,686	33,871	-
Total operating expenses	<u>49,397,530</u>	<u>3,175,581</u>	<u>2,982,314</u>	<u>12,683,061</u>	<u>68,238,486</u>	<u>29,494,542</u>
Operating income (loss)	<u>4,948,504</u>	<u>3,095,765</u>	<u>1,386,611</u>	<u>232,660</u>	<u>9,663,540</u>	<u>(2,194,668)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment earnings (loss)	(1,474,280)	(141,473)	(281,537)	(211,920)	(2,109,210)	(901,704)
Interest expense and fiscal agent fees	(323,320)	(649,903)	(235,312)	(11,569)	(1,220,104)	-
Gain or (loss) from disposition of capital assets	16,054	-	-	(751)	15,303	19,056
Total nonoperating revenues (expenses)	<u>(1,781,546)</u>	<u>(791,376)</u>	<u>(516,849)</u>	<u>(224,240)</u>	<u>(3,314,011)</u>	<u>(882,648)</u>
Income (loss) before contributions and transfers	3,166,958	2,304,389	869,762	8,420	6,349,529	(3,077,316)
Capital grants and contributions	1,062,128	-	-	523,511	1,585,639	-
Transfers in	-	650,000	-	450,000	1,100,000	-
Transfers out	-	-	(243,048)	-	(243,048)	-
Change in net position	<u>4,229,086</u>	<u>2,954,389</u>	<u>626,714</u>	<u>981,931</u>	<u>8,792,120</u>	<u>(3,077,316)</u>
Total net position (deficit) - beginning	137,154,643	(556,961)	27,363,038	16,356,270	180,316,990	8,249,956
Total net position (deficit) - ending	<u>\$ 141,383,729</u>	<u>\$ 2,397,428</u>	<u>\$ 27,989,752</u>	<u>\$ 17,338,201</u>	<u>\$ 189,109,110</u>	<u>\$ 5,172,640</u>

The accompanying notes are an integral part of the financial statements.

Attachment #5: 2021 Audited Information from City's 2022 Comprehensive Annual Financial Report

CITY OF POMPANO BEACH, FLORIDA

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION

PROPRIETARY FUNDS

FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2021

	Business-type Activities - Enterprise Funds					Governmental Activities
	Utility	Parking	Stormwater	Nonmajor Enterprise Funds	Total	Internal Service Funds
OPERATING REVENUES						
Charges for services	\$ 49,692,572	\$ 3,958,609	\$ 4,169,059	\$ 10,317,637	\$ 68,137,877	\$ 27,043,124
Fines and forfeitures	-	290,921	-	-	290,921	-
Miscellaneous	-	367,524	-	1,824,729	2,192,253	235,022
Total operating revenues	<u>49,692,572</u>	<u>4,617,054</u>	<u>4,169,059</u>	<u>12,142,366</u>	<u>70,621,051</u>	<u>27,278,146</u>
OPERATING EXPENSES						
Personnel services	12,972,087	146,346	810,567	2,701,608	16,630,608	4,299,490
Other current expenses	26,684,137	1,807,917	1,209,145	8,162,021	37,863,220	24,554,288
Depreciation and amortization	8,112,537	748,654	921,052	1,674,019	11,456,262	464,573
Total operating expenses	<u>47,768,761</u>	<u>2,702,917</u>	<u>2,940,764</u>	<u>12,537,648</u>	<u>65,950,090</u>	<u>29,318,351</u>
Operating income (loss)	<u>1,923,811</u>	<u>1,914,137</u>	<u>1,228,295</u>	<u>(395,282)</u>	<u>4,670,961</u>	<u>(2,040,205)</u>
NONOPERATING REVENUES (EXPENSES)						
Investment earnings (loss)	(65,185)	(19,136)	9,079	8,176	(67,066)	(6,568)
Miscellaneous revenue	2,400,000	-	-	-	2,400,000	-
Interest expense and fiscal agent fees	(158,643)	(1,234,591)	(67,598)	(15,188)	(1,476,020)	-
Operating grants and contributions	-	-	-	14,418	14,418	-
Gain or (loss) from disposition of capital assets	12,339	-	6,300	24	18,663	5,100
Total nonoperating revenues (expenses)	<u>2,188,511</u>	<u>(1,253,727)</u>	<u>(52,219)</u>	<u>7,430</u>	<u>889,995</u>	<u>(1,468)</u>
Income (loss) before contributions and transfers	4,112,322	660,410	1,176,076	(387,852)	5,560,956	(2,041,673)
Capital grants and contributions	339,098	-	-	841,885	1,180,983	-
Transfers in	-	650,000	14,222,608	1,164,710	16,037,318	345,863
Transfers out	-	-	(14,458,577)	-	(14,458,577)	-
Change in net position	<u>4,451,420</u>	<u>1,310,410</u>	<u>940,107</u>	<u>1,618,743</u>	<u>8,320,680</u>	<u>(1,695,810)</u>
Total net position (deficit) - beginning	<u>132,703,223</u>	<u>(1,867,371)</u>	<u>26,422,931</u>	<u>14,737,527</u>	<u>171,996,310</u>	<u>9,945,766</u>
Total net position (deficit) - ending	<u>\$ 137,154,643</u>	<u>\$ (556,961)</u>	<u>\$ 27,363,038</u>	<u>\$ 16,356,270</u>	<u>\$ 180,316,990</u>	<u>\$ 8,249,956</u>

The accompanying notes are an integral part of the financial statements.

Attachment #6: Information on Previous State Revolving Fund Loans

ATTACHMENT 6

		Audited FY 2021	Audited FY 2022
A)	Operating Revenues		
	Charges for Services	\$4,169,059	\$4,368,925
B)	Interest Income		
C)	Other Incomes or Revenues		
D)	Total Revenues	\$4,169,059	\$4,368,925
E)	Operating Expenses (with	\$2,940,763	\$2,982,314
	depreciation and amortization)		
	Less: Depreciation & Amortization	(921,052)	(911,676)
		\$2,019,711	\$2,070,638
F)	Net Revenues	\$2,149,348	\$2,298,287
	<i>Debt Service Calculation:</i>		
	Actual Debt Service	\$390,057	\$411,764
G)	Debt Service (including coverage)	\$585,085	\$617,646

Attachment #7: Information Used to Prepare Projections of Revenues and Expenses

Stormwater Cash Flow				2024	2025	2026	2027	2028
Revenues								
Stormwater Rate Revenue								
Total Stormwater				\$4,669,684	\$5,112,909	\$5,595,706	\$6,125,993	\$6,711,682
Total Rate Revenue				\$4,669,684	\$5,112,909	\$5,595,706	\$6,125,993	\$6,711,682
Non-Rate Revenue				\$0	\$0	\$0	\$0	\$0
O&M Expenses								
Stormwater Utility Fund								
Personal Services				1,108,743	1,142,005	1,176,265	1,211,553	1,247,900
Operating Expenses				1,453,081	1,489,408	1,526,643	1,564,809	1,603,930
Capital Outlay				630,000	277,653	285,982	294,562	303,399
Total - O&M Expenses				3,191,824	2,909,066	2,988,891	3,070,924	3,155,228
Debt and Capital Expenses								
Debt Service								
Existing Stormwater Debt Service				1,325,173	1,325,086	1,324,742	1,324,140	1,318,282
Proposed Stormwater Debt Service				216,681	433,362	611,690	790,017	790,017
Subtotal - Debt Service				1,541,854	1,758,448	1,936,431	2,114,157	2,108,299
Rate Funded Capital Expenses								
Stormwater CIP				1,388,771	466,000	466,000	816,000	466,000
Subtotal - Capital Expenses				1,388,771	466,000	466,000	816,000	466,000
Transfers to the GF				274,000	276,740	279,507	282,302	285,125
Total - Debt, Capital, and Transfer Out Expenses				3,204,625	2,501,188	2,681,939	3,212,459	2,859,424
Net Cash Flow				(\$1,726,765)	(\$297,345)	(\$75,123)	(\$157,391)	\$697,029
Net Revenue for Total Debt Service Calculation				\$2,107,860	\$2,481,495	\$2,892,798	\$3,349,630	\$3,859,852
Debt Coverage								
Calculated				1.37	1.41	1.49	1.58	1.83
Required				1.50	1.50	1.50	1.50	1.50

					FY 2024	FY 2025	FY 2026	FY 2027	FY 2028
EXISTING									
Revenue bond - 2021					\$ 604,542	\$ 604,584	\$ 604,368	\$ 603,895	\$ 603,165
	Plus 1.5 coverage				\$ 906,813	\$ 906,876	\$ 906,552	\$ 905,843	\$ 904,748
SRF Loans									
SW062400 (Avondale)					\$ 134,890	\$ 134,890	\$ 134,890	\$ 134,890	\$ 134,890
SW062420 (Esquire Lake)					\$ 143,382	\$ 143,382	\$ 143,382	\$ 143,382	\$ 143,382
SW062440 (Total - Gateway, Kendall, 2nd Street)					\$ 442,306	\$ 442,306	\$ 442,306	\$ 442,306	\$ 442,306
					\$ 720,578	\$ 720,578	\$ 720,578	\$ 720,578	\$ 720,578
	Plus 1.5 coverage				\$ 1,080,867	\$ 1,080,867	\$ 1,080,867	\$ 1,080,867	\$ 1,080,867
Total Existing Debt Service					\$ 1,325,120	\$ 1,325,162	\$ 1,324,946	\$ 1,324,473	\$ 1,323,743
Total Debt Service including coverage					\$ 1,987,680	\$ 1,987,743	\$ 1,987,419	\$ 1,986,709	\$ 1,985,614
PROPOSED									
Proposed SRF for this application					\$ 216,681	\$ 433,362	\$ 433,362	\$ 433,362	\$ 433,362
Future Debt					\$ -	\$ -	\$ 178,327	\$ 356,655	\$ 356,655
					\$ 216,681	\$ 433,362	\$ 611,690	\$ 790,017	\$ 790,017
Total Existing, Proposed SRF, and Future Debt					\$ 1,541,801	\$ 1,758,524	\$ 1,936,635	\$ 2,114,490	\$ 2,113,760

- 1) Revenues in FY 2025 through FY 2028 reflect stormwater rate increases of 9.5% per year approved by the Commission in November of 2023.
- 2) Operating expenses are projected based on the FY 2024 budget and applying an escalation factor of 2.7% per year.
- 3) Existing debt service includes a bank loan and three SRF loans previously obtained by the City.
- 4) Proposed debt service includes the SRF loan (\$8.36 million) described in this application that is anticipated to begin in FY 2024.
- 5) Future debt service for stormwater projects in the amount of \$5.2 million is anticipated in the future, though the amount and timing of this debt may vary based on actual capital project needs.

Attachment #8: Amortization Schedule**BOND DEBT SERVICE**

City of Pompano Beach, Florida Stormwater Utility Revenue Bond, Series 2

Final Numbers

Bank Lender: CenterState Bank, N.A.

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2021	125,000	2.570%	44,315.01	169,315.01	
03/01/2022	125,000	2.570%	117,449.00	242,449.00	411,764.01
09/01/2022	190,000	2.570%	115,842.75	305,842.75	
03/01/2023	185,000	2.570%	113,401.25	298,401.25	604,244.00
09/01/2023	195,000	2.570%	111,024.00	306,024.00	
03/01/2024	190,000	2.570%	108,518.25	298,518.25	604,542.25
09/01/2024	200,000	2.570%	106,076.75	306,076.75	
03/01/2025	195,000	2.570%	103,506.75	298,506.75	604,583.50
09/01/2025	205,000	2.570%	101,001.00	306,001.00	
03/01/2026	200,000	2.570%	98,366.75	298,366.75	604,367.75
09/01/2026	210,000	2.570%	95,796.75	305,796.75	
03/01/2027	205,000	2.570%	93,098.25	298,098.25	603,895.00
09/01/2027	215,000	2.570%	90,464.00	305,464.00	
03/01/2028	210,000	2.570%	87,701.25	297,701.25	603,165.25
09/01/2028	215,000	2.570%	85,002.75	300,002.75	
03/01/2029	220,000	2.570%	82,240.00	302,240.00	602,242.75
09/01/2029	220,000	2.570%	79,413.00	299,413.00	
03/01/2030	225,000	2.570%	76,586.00	301,586.00	600,999.00
09/01/2030	230,000	2.570%	73,694.75	303,694.75	
03/01/2031	230,000	2.570%	70,739.25	300,739.25	604,434.00
09/01/2031	230,000	2.570%	67,783.75	297,783.75	
03/01/2032	240,000	2.570%	64,828.25	304,828.25	602,612.00
09/01/2032	240,000	2.570%	61,744.25	301,744.25	
03/01/2033	240,000	2.570%	58,660.25	298,660.25	600,404.50
09/01/2033	250,000	2.570%	55,576.25	305,576.25	
03/01/2034	245,000	2.570%	52,363.75	297,363.75	602,940.00
09/01/2034	250,000	2.570%	49,215.50	299,215.50	
03/01/2035	255,000	2.570%	46,003.00	301,003.00	600,218.50
09/01/2035	260,000	2.570%	42,726.25	302,726.25	
03/01/2036	260,000	2.570%	39,385.25	299,385.25	602,111.50
09/01/2036	270,000	2.570%	36,044.25	306,044.25	
03/01/2037	265,000	2.570%	32,574.75	297,574.75	603,619.00
09/01/2037	270,000	2.570%	29,169.50	299,169.50	
03/01/2038	275,000	2.570%	25,700.00	300,700.00	599,869.50
09/01/2038	280,000	2.570%	22,166.25	302,166.25	
03/01/2039	280,000	2.570%	18,568.25	298,568.25	600,734.50
09/01/2039	285,000	2.570%	14,970.25	299,970.25	
03/01/2040	290,000	2.570%	11,308.00	301,308.00	601,278.25

09/01/2040	295,000	2.570%	7,581.50	302,581.50	
03/01/2041	295,000	2.570%	3,790.75	298,790.75	601,372.25
9,265,000			2,594,397.51	11,859,397.51	11,859,397.51

May 5, 2021 9:12 am Prepared by PFM Financial Advisors LLC