

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 Lee County
Federal Employer Identification Number 59-6000702
DUNS Number 112479071
(2) AUTHORIZED REPRESENTATIVE (person authorized to sign or attest loan documents).
Name Mike Greenwell Title Chairman, Lee County Board of County Commissioners
Telephone 239-533-2225 FAX Email Dist5@leegov.com
Mailing Address PO Box 398, Fort Myers, FL 33902-0398
(3) PRIMARY CONTACT (person to answer questions regarding this application).
Name Richard Kolk Title Business Operations Manager
Telephone 239-533-8147 FAX Email rkolk@leegov.com
Employer Lee County Board of County Commissioners
Mailing Address 1500 Monroe St. - 3rd Floor, Fort Myers, FL 33901
(4) ADDITIONAL CONTACTS. If more than one additional person is to receive copies of Department correspondence, attach the information (Attachment #1).
Name Pam Keyes, PE Title Utilities Director
Telephone 239-533-8181 FAX Email pkeyes@leegov.com
Employer Lee County Board of County Commissioners
Mailing Address 1500 Monroe St. - 3rd Floor, Fort Myers, FL 33901
(5) PROJECT NUMBER (listed on the Department's priority list). CW-3602C
(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 [x] 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? 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

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 #²____).

Are these contracts the same as those scheduled on the *Request for Inclusion Form*? Yes No
 If “No”, please explain. (Attachment #³____)

(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. July 2025
- (b) Anticipated completion of all construction contracts. Sept 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 # 3) Note that the disbursable 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 \$ 208,590,000

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 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? 40 (years)

Over how many years would you like to amortize the loan? 0 (years)

- (b) List all revenues that are to be pledged for repayment of this loan. Rate & Capacity Fee Revenues

- (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? 115 % (coverage percentage)

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

If "Yes", please list. (Attachment # 4)

- (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 # 5) 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 #6 (a-f)*).
 - (d) Describe any other notes and loans payable from the revenues pledged to repay this loan. (*Attachment #N/A*).
- (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 #7*) 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 #8*) 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 5th Day of April, 2024
 Authorized Representative *Mike Greenwell* Mike Greenwell
 (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	<small>Water & Sewer Refunding Revenue Bonds Series 2013A</small>		<small>Water & Sewer Refunding Revenue Bonds Series 2013B</small>		<small>Water & Sewer Refunding Revenue Bonds Series 2019</small>
Coverage	<u>120</u> %		<u>120</u> %		<u>120</u> %
Insured?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Fiscal Year	<u>Annual Debt Service (Principal Plus Interest)</u>			<u>Total Debt Service</u>	<u>Total Debt Service Incl. Coverage</u>
	<u>#1</u>	<u>#2</u>	<u>#3</u>		
2023	\$1,427,750	\$4,008,250	\$9,958,890	See Page 2	See Page 2
2024	\$1,428,000	\$4,011,250	\$9,949,771	\$	\$
2025	\$	\$4,011,250	\$11,382,739	\$	\$
2026	\$	\$4,013,000	\$11,377,372	\$	\$
2027	\$	\$ 4,011,000	\$10,622,129	\$	\$
2028	\$	\$	\$14,273,436	\$	\$
2029	\$	\$	\$14,277,812	\$	\$
2030	\$	\$	\$2,907,107	\$	\$
2031	\$	\$	\$2,908,225	\$	\$
2032	\$	\$	\$2,901,104	\$	\$
2033	\$	\$	\$2,905,784	\$	\$
2034	\$	\$	\$2,901,745	\$	\$
2035	\$	\$	2,900,071	\$	\$
2036	\$	\$	\$2,905,428	\$	\$
2037	\$	\$	\$2,903,383	\$	\$
2038	\$	\$	\$2,904,096	\$	\$
2039	\$	\$	\$2,897,408	\$	\$
2040	\$	\$	\$2,903,479	\$	\$
2041	\$	\$	\$2,899,278	\$	\$
2042	\$	\$	\$2,902,436	\$	\$
2043	\$	\$	\$2,897,621	\$	\$
2044	\$	\$	\$	\$	\$
2045	\$	\$	\$	\$	\$
2046	\$	\$	\$	\$	\$
2047	\$	\$	\$	\$	\$
2048	\$	\$	\$	\$	\$
2049	\$	\$	\$	\$	\$

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.

	#4		#5		#6
Identify Each Obligation	<u>Water & Sewer Refunding Bank Loan Series 2021</u>		<u>Water & Sewer Refunding Bank Loan Series 2021</u>		<u>Water and Sewer Bank Loan, Series 2023</u>
Coverage	<u>120</u> %		<u>120</u> %		<u>120</u> %
Insured?	<u>X</u> Yes _____ No		<u>X</u> Yes _____ No		Yes _____ No

Fiscal Year	Annual Debt Service (Principal Plus Interest)			Total Debt Service	Total Debt Service Incl. Coverage
	#4	#5	#6		
2023	\$1,550,509	\$2,638,359	\$	\$ 19,583,758	\$ 23,500,510
2024	\$1,550,981	\$2,639,334	\$ 797,151	\$ 20,376,487	\$ 24,451,784
2025	\$1,551,304	\$2,639,049	\$ 3,907,665	\$ 23,492,006	\$ 28,190,408
2026	\$1,550,489	\$2,638,518	\$ 4,095,003	\$ 23,674,381	\$ 28,409,258
2027	\$1,550,525	\$2,638,726	\$ 4,094,209	\$ 22,916,589	\$ 27,499,907
2028	\$1,550,418	\$2,638,684	\$ 4,089,135	\$ 22,551,673	\$ 27,062,008
2029	\$	\$	\$ 4,089,567	\$ 18,367,379	\$ 22,040,855
2030	\$	\$	\$ 4,085,291	\$ 6,992,398	\$ 8,390,878
2031	\$	\$	\$ 4,081,200	\$ 6,989,425	\$ 8,387,310
2032	\$	\$	\$ 4,081,973	\$ 6,983,077	\$ 8,379,692
2033	\$	\$	\$ 4,077,396	\$ 6,983,180	\$ 8,379,816
2034	\$	\$	\$ 4,072,362	\$ 6,974,107	\$ 8,368,928
2035	\$	\$	\$ 4,071,550	\$ 6,971,621	\$ 8,365,945
2036	\$	\$	\$ 4,069,639	\$ 6,975,067	\$ 8,370,080
2037	\$	\$	\$ 4,066,415	\$ 6,969,798	\$ 8,363,758
2038	\$	\$	\$ 4,061,664	\$ 6,965,760	\$ 8,358,912
2039	\$	\$	\$ 4,060,065	\$ 6,957,473	\$ 8,348,968
2040	\$	\$	\$	\$ 2,903,479	\$ 3,484,175
2041	\$	\$	\$	\$ 2,899,278	\$ 3,479,134
2042	\$	\$	\$	\$ 2,902,436	\$ 3,482,923
2043	\$	\$	\$	\$ 2,897,621	\$ 3,477,145
2044	\$	\$	\$	\$	\$
2045	\$	\$	\$	\$	\$
2046	\$	\$	\$	\$	\$
2047	\$	\$	\$	\$	\$
2048	\$	\$	\$	\$	\$
2049	\$	\$	\$	\$	\$

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 2022 (ACFR)</u>	<u>FY 2023 (Unaudited)</u>
(a) Operating Revenues (Source)		
Water & Wastewater Rate Revenue	<u>\$115,921,000</u>	<u>\$114,543,944 (est)</u>
Other Operating Revenue	<u>\$1,990,000</u>	<u>\$2,252,559 (est.)</u>
(b) Interest Income	<u>\$2,153,000</u>	<u>\$1,000,000 (est.)</u>
(c) Other Income or Revenue (Identify)		
Capacity Fee Revenue	<u>\$20,211,000</u>	<u>\$20,867,759</u>
(d) Total Revenues	<u>\$140,275,000</u>	<u>\$138,664,262 (est.)</u>
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	<u>\$76,368,000</u>	<u>\$85,215,757 (est.)</u>
(f) Net Revenues [(f) = (d) – (e)]	<u>\$63,907,000</u>	<u>\$53,448,505 (est)</u>
(g) Debt Service (including any required coverage)	<u>\$26,781,541</u>	<u>\$26,778,915</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. (Attachment # ⁹ _____)		
(i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (Attachment # ¹⁰ _____)		
(j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment # ^{N/A} _____)		

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 #11*)

	<u>FY 28</u>	<u>FY 29</u>	<u>FY 30</u>	<u>FY 31</u>	<u>FY 32</u>
(a) Operating Revenue	\$182,806,510	\$184,545,321	\$186,243,322	\$187,896,865	\$189,505,518
(b) Interest Income	1,576,747	1,689,669	1,853,410	2,051,472	2,275,845
(c) Other Income or Revenue (identify)					
<u>Debt Service Contributions</u>	<u>\$172,335</u>	<u>\$172,335</u>	<u>\$172,335</u>	<u>\$172,335</u>	<u>\$172,335</u>
<u>Capacity Fees</u>	<u>\$9,689,350</u>	<u>\$9,521,012</u>	<u>\$9,265,302</u>	<u>\$8,990,994</u>	<u>\$8,808,429</u>
(d) Total Revenues	\$194,244,942	\$195,928,337	\$197,534,369	\$199,111,666	\$200,762,127
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	\$102,102,000	\$107,207,100	\$112,567,455	\$118,195,828	\$124,105,619
(f) Net Revenues (f = d - e)	\$92,142,942	\$88,721,237	\$84,966,914	\$80,915,838	\$76,656,508
(g) Revenue (including coverage) pledged to debt service, excluding SRF loans	\$27,062,008	\$22,040,855	\$8,390,878	\$8,387,310	\$8,379,692
(h) Revenue (including coverage pledged to outstanding SRF loans)	\$3,278,405	\$3,278,405	\$3,278,405	\$3,278,405	\$3,278,405
(i) Revenue Available for this SRF Loan [(i) = (f) - (g) - (h)]	\$61,802,529	\$63,401,977	\$73,297,631	\$69,250,123	\$64,998,411
(j) Identify the source of the above information and explain methods used to develop the projections (<i>Attachment #12</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 checked="" 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.

Attachment	Number
Additional Contacts	1
Project Description	2
FMB WRF OPC	3
Other Financial Applications	4
List of Debt Obligations	5
Back-up for Debt Obligations	6 (a-f)
Availability of Pledged Revenues	7
Resolution / Assurances (BoCC 12/5/23)	8
FY22 ACFR LCU Version	9
FY23 FBS	10
Previous SRF Loans	11
Table #9 & Rate Study	12
FMB Facility Plan	13
Capital Financing Plan	14

AGENDA ITEM REPORT

DATE: April 2, 2024
DEPARTMENT: Utilities
REQUESTER: Pamela Keyes
TITLE: Adopt Resolution Approving Application for a Clean Water State Revolving Fund Loan

I. MOTION REQUESTED

- A) Authorize Lee County Utilities to submit a State Revolving Fund (SRF) Loan Application under the Supplemental Appropriations for Hurricane Fiona and Ian (SAHFI) program to the Department of Environmental Protection (DEP) for the Fort Myers Beach (FMB) Water Reclamation Facility (WRF) Restoration and Capacity Enhancement Project CW-3602C for a total of \$208,590,000.00.
B) Approve Lee County Resolution authorizing the application, and other actions associated with the SRF SAHFI process.
C) Authorize the Chair to sign as the authorized representative for the SRF Loan Application and related documents, on behalf of the Board.

II. ITEM SUMMARY

Adopts a resolution authorizing Lee County Utilities to submit an application for the Clean Water State Revolving Fund Loan under the Supplemental Appropriations for Hurricane Fiona and Ian (SAHFI) program. Funding from this loan will be used for the Fort Myers Beach Water Reclamation Facility Restoration and Capacity Enhancement project.

SAHFI funding is a 100% principal loan forgiveness program, and the loan application is the second step to enable the County to obtain the loan. The estimated total cost and application amount of the project is \$208,590,000. The SAHFI program awarded the County for Fiscal Year 2024/2025 a 100% principal forgiveness loan for \$19,823,000. Project construction is anticipated to begin in Fiscal Year 2024/2025.

III. BACKGROUND AND IMPLICATIONS OF ACTION**A) Board Action and Other History**

The Fort Myers Beach Water Reclamation Facility (FMB WRF) began operation in 1978 with a permitted capacity of 2.7 million gallons per day (MGD). In 1989 the plant was expanded to its current permitted capacity of 6 MGD.

On September 28, 2022, Hurricane Ian made landfall on Cayo Costa, causing widespread devastation. The FMB WRF experienced an estimated five (5) to six (6) feet of storm surge and extensive electrical damage, creating the need to expedite this project.

On June 6, 2023, the Board approved LCU to submit a Request for Inclusion (RFI) to the Department of Environmental Protection (DEP) to be considered for a low-interest emergency State Revolving Fund (SRF) due to Hurricane Ian.

On December 5, 2023, the Board approved LCU to apply for a low-interest SRF loan through the FDEP for the project for \$208,590,000.00.

On December 5, 2023, the Board approved an RFI for a principal forgiveness SRF Supplemental Appropriations for Hurricane Fiona and Ian (SAHFI) Loan to include the FMB WRF Project for the total project cost of \$208,590,000. An RFI is the initial step for the County to apply for SRF SAHFI funds.

On February 14, 2024, the DEP held a public meeting to present staff recommendations for the Fiscal Year 2024/2025 Project Priority List under the SAHFI program. The Project Priority List included the FMB WRF Project Number CW-3602C for a maximum annual approved amount of \$19,823,000 for Fiscal Year 2024/2025. The SRF SAHFI Loan process, similar to regular SRF loans, requires applicants to submit subsequent requests for funding each fiscal year.

B) Policy Issues**C) BoCC Goals****D) Analysis**

After Hurricane Ian, the Governor appropriated funds for emergency SRF Loans with 100% principal forgiveness to support utility infrastructure recovery. The Board approved a Request for Inclusion for the FMB WRF Project in the SRF SAHFI program for Fiscal Year 2024/2025 on December 5, 2023, which was approved to be included into DEP's Project Priority List on February 14, 2024.

Lee County is now eligible to apply for construction funds from the SRF SAHFI program and estimates the current project cost and requested loan amount to be \$208,590,000. The Project Priority List included the FMB WRF Project Number CW-3602C for a total approved amount of \$19,823,000 for Fiscal Year 2024/2025. With a DEP SRF SAHFI loan annual

maximum award of \$19,823,000, LCU may be eligible for additional future principal loan forgiveness funds. The SRF SAHFI Loan process, similar to regular SRF loans, requires applicants to submit subsequent requests for funding each fiscal year.

The purpose of this project is to rehabilitate the FMB WRF due to loss of treatment capacity, aging infrastructure, and damages sustained during Hurricane Ian (Sept. 2022), and will include hazard mitigation and flood-proofing elements to provide a climate-stable facility for uninterrupted treatment of domestic wastewater to a coastal community.

This item seeks approval to submit the Loan Application and relevant documents, including a resolution that authorizes the completion of the Loan Application and execution of the Loan Agreement, establishes pledged revenues, designates authorized representatives, and provides assurances and certifications.

E) Options

IV. **FINANCIAL INFORMATION**

A)	Current year dollar amount of item:	No funding required.
B)	Is this item approved in the current budget?	Yes
C)	Is this a revenue or expense item?	Expense
D)	Is this Discretionary or Mandatory?	Discretionary
E)	Will this item impact future budgets? If yes, please include reasons in III(D) above.	Yes
F)	Fund: Utilities Capital Improvements Program: Utilities Project: Fort Myers Beach (FMB) Water Reclamation Facility (WRF) Restoration & Capacity Enhancement Project Account Strings: 20061948730	
G)	Fund Type?	Enterprise
H)	Comments:	

V. **RECOMMENDATION**

Approve

VI. **TIMING/IMPLEMENTATION**

VII. **FOLLOW UP**

ATTACHMENTS:

Description	Upload Date	Type
Final SAHFI Program Loan Application	3/11/2024	Backup Material

REVIEWERS:

Department	Reviewer	Action	Date
Utilities	Keyes, Pamela	Approved	3/20/2024 - 12:22 PM
Budget Services	Guttery, Angela	Approved	3/22/2024 - 12:37 PM
Budget Services	Winton, Peter	Approved	3/22/2024 - 12:59 PM
County Attorney	Swindle, Amanda	Approved	3/22/2024 - 2:11 PM
County Manager	Mora, Marc	Approved	3/26/2024 - 1:32 PM