

LEE COUNTY RESOLUTION NO. 24-04-05

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, PERTAINING TO THE STATE REVOLVING FUND PROGRAM AND THE SUPPLEMENTAL APPROPRIATIONS FOR HURRICANE FIONA AND IAN (SAHFI); MAKING FINDINGS; AUTHORIZING LOAN APPLICATION; AUTHORIZING THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES AND CERTIFICATIONS; PROVIDING FOR CONFLICTS, SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners (BOCC) is the governing body in and for Lee County, a political subdivision and Charter County of the State of Florida ("County"); and,

WHEREAS, the Florida Clean Water State Revolving Fund provides low-interest loans for the construction of wastewater collection, transmission, and treatment system improvements under Chapter 62-503 of the Florida Administrative Code; and,

WHEREAS, the Florida Clean Water State Revolving Fund received supplemental funding for disaster relief for areas impacted by Hurricanes Ian and Fiona (SAHFI) in the form of a loan with one hundred percent forgiveness; and,

WHEREAS, Florida Statutes provide for financial assistance to local government agencies to finance the construction of wastewater treatment facilities; and

WHEREAS, Florida Administrative Code rules require authorization to apply for financial assistance, establish pledged revenues, designate an authorized representative; provide assurances of compliance with program requirements; enter into an agreement; and,

WHEREAS, the State Revolving Fund priority lists designates Project Number CW-3602C as eligible for available funding; and

WHEREAS, Project Sponsor, Lee County, Florida, intends to enter into an agreement with the Department of Environmental Protection under the State Revolving fund for project financing.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, that

1. The above preamble is hereby accepted and approved as being true, accurate, and is adopted and incorporated herein as if set out further at length.

2. Lee County, Florida is authorized to apply for financial assistance to finance the project.

3. The revenues pledged for the repayment of the loan are net revenues for the Lee County Utilities water and sewer revenues; including connection fee revenues [after payment of debt service on list outstanding bond debt by series].
4. The Chair of the Board of County Commissioners is hereby designated as the authorized representative to provide the assurances and commitments required by the application.
5. The Chair of the Board of County Commissioners is hereby designated as the authorized representative to execute the loan application and execute the loan agreement which will become a binding obligation in accordance with the terms when signed by both parties. The Chair of the Board of County Commissioners is authorized to represent Lee County in carrying out the County's responsibility under the loan agreement. The Chair of the Board of County Commissioners is authorized to delegate responsibility to appropriate County Staff to carry out technical, financial, and administrative activities associated with the agreement.
6. The legal authority for borrowing money to construct this project is in Florida Statutes.
7. Conflicts. All Resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.
8. Severability. If any section or portion 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.
9. Effective Date. This resolution shall become effective immediately upon its adoption.

Commissioner Pendergrass made a motion to adopt the foregoing resolution, seconded by Commissioner Sandelli The vote was as follows:

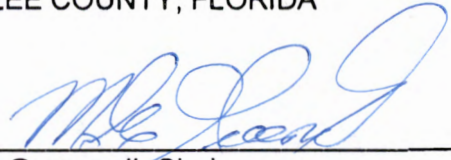
Kevin Ruane	<u>Aye</u>
Cecil L Pendergrass	<u>Aye</u>
Raymond Sandelli	<u>Aye</u>
Brian Hamman	<u>Aye</u>
Mike Greenwell	<u>Aye</u>

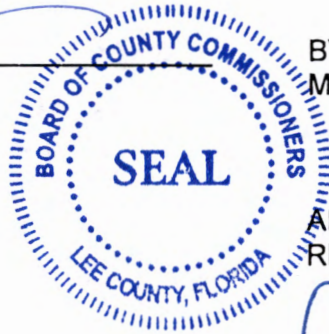
DULY PASSED AND ADOPTED this 2nd day of April 2024.

ATTEST:
KEVIN C. KARNES
CLERK OF CIRCUIT COURT

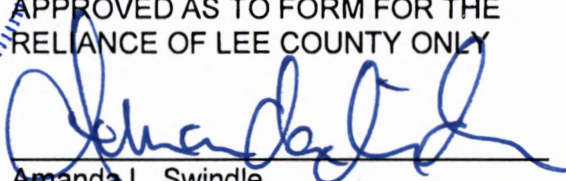
BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

BY: 
Deputy Clerk

BY: 
Mike Greenwell, Chair



APPROVED AS TO FORM FOR THE
RELIANCE OF LEE COUNTY ONLY


Amanda L. Swindle
Assistant County Attorney, Senior
County Attorney's Office

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