City of Holly Hill, Florida
City Commission
Agenda | August 11, 2026

City Commission Chambers	Regular City Commission	6:00 PM

City Hall
1065 Ridgewood Avenue
Holly Hill, FL 32117

City Clerk's Office: (386) 248-9441 – Fax: (386) 248-9448

City Commission Chambers
City Hall
1065 Ridgewood Avenue
Holly Hill, FL 32117

CITY COMMISSION Members

Mayor
John Penny

District 1 - Commissioner
Debra Snow

District 3 - Commissioner
Jeffrey DeLanoy

District 2 - Commissioner
Penny Currie

District 4 - Commissioner
Vacant

City Manager
Joseph Forte

City Clerk
Jonathan Jacob

1. Call to Order

a. Roll Call
b. Invocation by City Commissioner Debra Snow
c. Pledge of Allegiance

2. Presentations

1. Team Volusia Economic Development Corporation — Presentation by Keith Norden

   (Requested by Becki Leggett, Economic Development Manager)

3. Public Comments

This is the time for the public to come forward with any comments they may have on any subject related to city business not listed on the Regular Agenda or under Public Hearings. Prior to commenting, individuals are asked to clearly state their name and city of residence for the record. Each individual shall be afforded no more than 3 minutes to speak unless such time is extended by a majority vote of the City Commission. The City Clerk’s Office is required to retain any documents, photographs, drawings, etc., that are shown to the City Commissioners. All comments shall be directed to the presiding officer.

4. Approval of Minutes

1. Minutes - July 28, 2026 - Regular Commission Meeting

   (Requested by Jonathan Jacob, City Clerk)

2. Minutes - July 28th, 2026 - Budget Workshop - General Fund

   (Requested by Jonathan Jacob, City Clerk)

5. Consent Agenda

The action proposed is stated for each item on the Consent Agenda. Unless a City Commissioner removes an item from the Consent Agenda, no discussion on individual items will occur and a single motion will approve all items. Is there anyone in the audience who wishes to speak on any item on the Consent Agenda?

1. 2026-2027 Holiday Calendar

   (Requested by Jonathan Jacob, City Clerk)

2. Restated Agreement to the property now owned by Valley National Bank located at 1451 North Nova Road

   (Requested by Joseph Forte, City Manager)

3. 2026-R-48 - Recognition of Insurance Claim Reimbursement Revenue

   (Requested by Michele Moore, Finance Director)

6. Regular Agenda

1. 2026-R-49 - Sewer Grant for the City's Supplemental Appropriation for Hurricanes Helene and Milton

   (Requested by Josef Grusauskas, Public Works Director)

2. 2026-R-50 - Water Grant for the City's Supplemental Appropriation for Hurricanes Helene and Milton

   (Requested by Josef Grusauskas, Public Works Director)

7. Public Hearings

Please silence any cell phone, pager or noise making device as not to interrupt the meeting. Staff will introduce each item for consideration, with comments and recommendations. The applicant or appellant will be heard first. Comments should be restricted to pertinent information regarding the agenda item under discussion. Out of courtesy to others, we ask that members of the public keep their comments brief and try to limit these comments to information not previously discussed. Members of the public who wish to speak, should state their name and city of residence clearly for the record. Each individual shall be afforded no more than 3 minutes to speak unless such time is extended by a majority vote of the City Commission. The City Clerk’s office is required to retain any documents, photographs, drawings, etc., that are shown to the City Commissioners. The City Commission may ask questions of speakers or of staff members. The Mayor will then ask the City Commission to make a recommendation or motion. Once a motion has been made and seconded, discussion will be closed to the floor. Following City Commission discussion, a vote will be taken. During voting, Commissioners who do not cast objecting votes are considered to have voted in support of the motion.

8. Communications

a. City Manager Comments
b. City Attorney Comments
c. Mayor Comments
d. City Commission Comments

1. Proclamation - Joseph Forte's - Retirement - 36 Years of Public Service to the City of Holly Hill

9. Adjournment

Website Address – www.hollyhillfl.org (City Clerk)

Notice – If any person decides to appeal any decision of the City Commission at this meeting, he/she will need a record of the proceedings and, for that purpose, he/she may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The City does not prepare or provide such a record.

For special accommodations, please notify the City Clerk's Office at least 72 hours in advance. (386) 248-9441.

Help for the hearing impaired is available through the Assistive Listening System. Receivers can be obtained from the City Clerk's office

In accordance with the Americans with Disabilities Act (ADA), persons needing a special accommodation to participate in the Commission proceedings should contact the City Clerk's Office no later than 3 days prior to the proceedings.

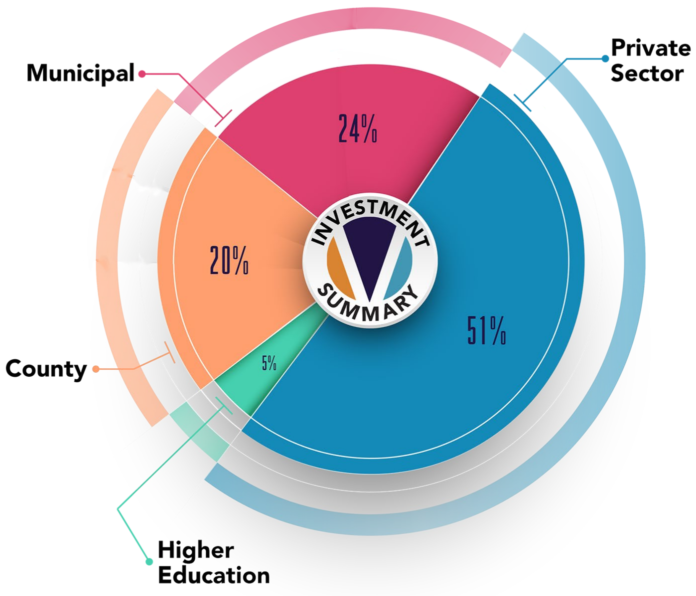
Team Volusia EDC Update

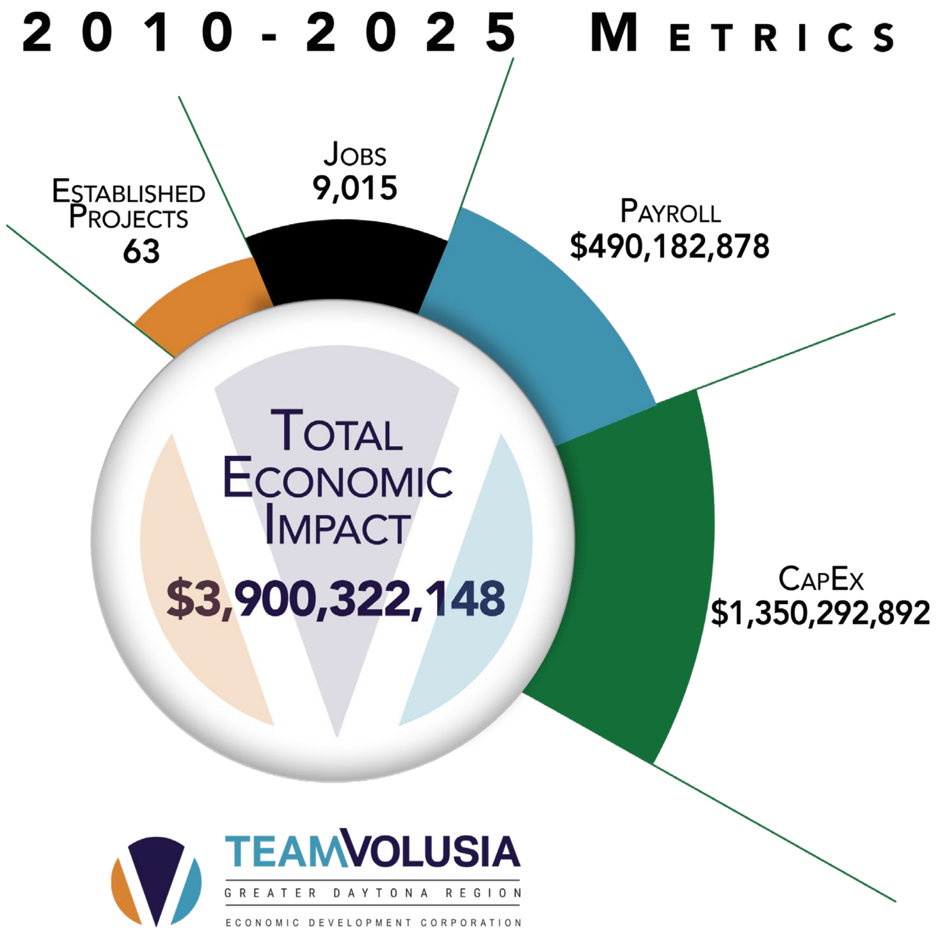
Holly Hill City Commission – August 11, 2026

TEAMVOLUSIA
GREATER DAYTONA REGION
ECONOMIC DEVELOPMENT CORPORATION

Who We Are

Team Volusia Economic Development Corporation (TVEDC), through tremendous commitment and **partnerships**, works on strategic Volusia County **economic development activities** and **business recruitment** initiatives.





2026 TVEDC Officers

Randy Dye
Chair

Dr. Tom LoBasso
First Vice Chair

M. Jayson Meyer
Second Vice Chair

Bob Ludlow
Secretary

Joyce Shanahan
Treasurer

Michael Pleus
Municipal Representative

John Ferguson
Legal Counsel

George Recktenwald
County Manager

Team Volusia Staff

Keith Norden, CEcD, MEDP
President & CEO

Frank Jones
Director, Business Development & Research

Monty Fletcher II
Manager, Business Development

Debbie Robbins
Executive Assistant/Office Coordinator

Tracy Marino
Director, Marketing & Communications

Jen Boggs
Bookkeeper

2026 Private & Educational Investors

Kingspan
TRUIST
ECS
Maserati Alfa Romeo Daytona
DAYTONA Dodge Chrysler Jeep RAM
Duke Energy
ICI Homes
Stetson University
Bethune-Cookman University
UCF
VisionH.R. The Human Resource Experts
Root
Seacoast Bank
Daytona State College
FPL
Spectrum A Charter Communications Brand
Cobb Cole since 1925
Intracoastal Bank
Bank of America
James Moore Certified Public Accountants and Consultants
Embry-Riddle Aeronautical University
Keiser University
Wholesale Lighting Inc.
DLR Group Architecture Engineering Planning Interiors
wire 3
COA A Non-Profit Serving Volusia Seniors
Daytona Beach Area Association of Realtors
Frank Bruno Keller Williams Realty Florida Partners
DeLand & Greater West Volusia Chamber of Commerce
Winter Construction
Olivari & Associates Certified Public Accountants & Consultants
Coldwell Banker Commercial AI Group
SEVMTC
Deering Park Center Edgewater, Florida
Daytona Regional Chamber of Commerce
Volusia County Chamber Alliance
Boulevard Tire Center Focused on Tomorrows Solutions Today
AVCON
zgraph design & marketing
APG Avalon Park Group
Halifax Health
LAMAR
The Daytona Autograph Collection Hotels
EM Pros emergency medicine professionals, p.a. Emergency Physicians for AdventHealth Central Florida Division - North Region
Hazen Construction
United Way Volusia-Flagler Counties
Rush Construction Since 1984
Rush Marine
Synergy Billing
SouthState
CareerSource Brevard Flagler Volusia
Foundation Risk Partners
West Volusia Realtors Association
Mainstreet Community Bank of Florida
Fairwinds Credit Union
Giles Electric Company
Teledyne Marine
TD Bank America's Most Convenient Bank
Coldwell Banker Commercial Benchmark
Security First Insurance Insuring Florida Homes
Universal Engineering Sciences
Valor Capital
Paradigm
Cohen & Associates Inc
VeeCor Property Management
Wharton-Smith, Inc. Construction Group
Ford Properties
DMC Dredging & Marine Consultants Engineers • Scientists
Vann Data Your IT Partner
Florida Health Care Plans An Independent Licensee of the Blue Cross and Blue Shield Association
AdventHealth
NASCAR
B. Braun
LTG Engineering & Planning
Lohman Enterprises

TVEDC Board of Directors

Randy Dye, Chair,
Daytona Dodge
Chrysler Jeep Ram
/Maserati Alfa
Romeo
of Daytona

Dr. Tom
LoBasso,
First Vice Chair,
Daytona State
College

M. Jayson
Meyer
Second Vice
Chair,
Synergy Billing

Joyce Shanahan,
Treasurer,
City of Ormond
Beach

Bob Ludlow
Secretary,
Truist Bank

Michael Pleus,
Municipal
Representative,
City of Deland

John Ferguson,
Legal Counsel,
Cobb Cole,
P.A.

George
Recktenwald,
County
Manager,
Volusia County

A Collaborative Environment

TVEDC represents 16 Municipalities in Volusia County

Volusia County FLORIDA

CEO BUSINESS ALLIANCE

CareerSource BREVARD FLAGLER VOLUSIA

Southeast Volusia Chamber of Commerce
Serving the Communities of New Smyrna Beach, Edgewater & Oak Hill

ORMOND BEACH CHAMBER OF COMMERCE

Daytona Regional CHAMBER OF COMMERCE

Volusia County FLORIDA ECONOMIC DEVELOPMENT

Volusia Innovation Hub
Powered by Volusia County Government

Volusia County CHAMBER ALLIANCE

PORT ORANGE SOUTH DAYTONA CHAMBER OF COMMERCE

HISPANIC Chamber of Commerce CENTRAL FLORIDA

DELAND & GREATER WEST VOLUSIA CHAMBER OF COMMERCE EST. 1890

EMBRY-RIDDLE AERONAUTICAL UNIVERSITY

Volusia Business Resources

BETHUNE - COOKMAN UNIVERSITY 1923 HEAD HEART HAND 1904 1872 2007

KEISER UNIVERSITY

DUKE ENERGY.

FPL

TECO PEOPLES GAS AN EMERA COMPANY

UCF

STETSON UNIVERSITY

PALMER College of Chiropractic

VMA

SEVMTC SOUTHEAST VOLUSIA MANUFACTURING & TECHNOLOGY COALITION VOLUSIA COUNTY, FLORIDA USA

DAYTONA STATE COLLEGE

Private Investors

TVEDC Target Sectors & Subsectors

Advanced Manufacturing	Aerospace / Aviation	Corporate / Regional HQ	Finance / Insurance	Information Technology	Life Sciences	Logistics
▪ Food & Beverage Manufacturing ▪ Semiconductor & Electronic Component Manufacturing ▪ Solar or Clean Energy Component Manufacturing	▪ Navigational & Control Instruments Manufacturing ▪ Spacecraft & Components Manufacturing	▪ Corporate HQ ▪ Regional HQ ▪ Professional Services	▪ Financial Operations ▪ Insurance Agencies	▪ Software Development	▪ Medical Device Manufacturing ▪ Pharmaceutical Manufacturing ▪ Life Sciences R&D	▪ Cold Storage ▪ Logistics Services

Marketing Highlights

Talent Recruitment
- Livability 2026 content in development
- LifeInVolusiaFL.com, the only solo county microsite developed in FPL's WonderFL campaign

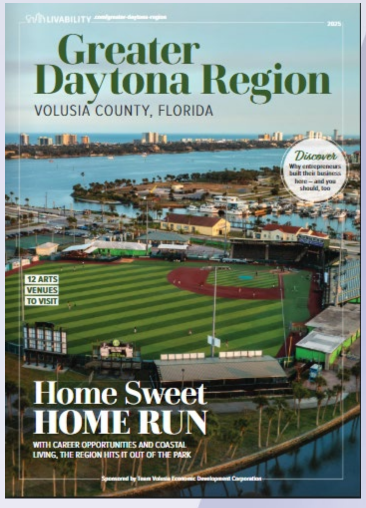
TVEDC Videos
- New Brand Videos launched in 2025
- 2026 Site Readiness Program videos featuring five sites
- All available at Team Volusia's YouTube Channel
- Videos sponsored in part by Duke Energy Foundation Grants

Florida Trend's Greater Daytona Region/Volusia County business insert, 2024-2027
- Once every 3 years, TVEDC partners with Florida Trend to develop a special business insert for our community.

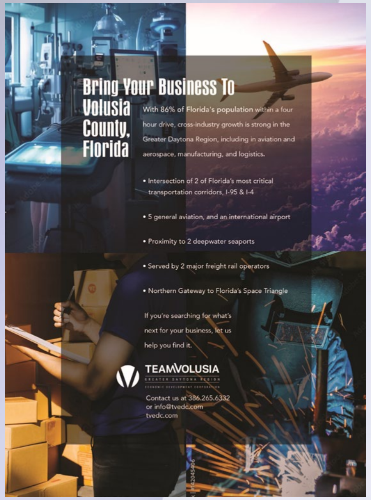
Regional Advertising
- EVOLVE print & E-News Volusia

Marketing Materials
- Industry outreach flyers

Social Media
- LinkedIn & Facebook



Livability 2025 cover



Livability 2026 print ad

Evolve Feb 2026 print ad

2025 Digital Metrics Summary

Unique Website Visits	16,972
Total Emails Sent	20,022
Social Media Impressions	63,880
VolusiaSites.com Engagements	8,917

Announced Jobs: 610

Annual Payroll: $35,250,000

Capital Investment: $175 Million

Total Economic Impact (YTD):

$423,719,687

2025 Announcements

TVEDC Success – AMAZON

Amazon Opens 2.43 million-square-foot Robotics Fulfillment Center in Daytona Beach *Bringing 1,000 New Jobs*

Sam Blatt, Amazon's vice president of development for Florida and the Carolinas, thanked the city, Volusia County and NASCAR (which sold the land) for helping to make the new robotics fulfillment center a reality.

He singled out Keith Norden, the CEO of Team Volusia Economic Development Corp., and his group for being "at the center of it all" in terms of bringing the various parties together.

Clayton Park, Daytona Beach News-Journal, 9-23-25

"**Amazon's decision to choose Daytona Beach as a hub to serve the greater Southeast United States is a powerful testament to our community**. It shows that we are a city ready to compete, a city with an exceptional quality of life and a city with a strong, willing workforce."

Derrick Henry, Mayor of Daytona Beach

"With the Daytona Beach International Airport, the Daytona International Speedway, and now Amazon, we have collaborated with key partners in our region **to create one of the most economically impactful 5-square-mile areas anywhere in Florida** - and we are proud to have it right here in the City of Daytona Beach and Volusia County."

Keith Norden, President & CEO, Team Volusia EDC

TVEDC Success – BOEING

Boeing research facility at Embry-Riddle hailed as a 'signal event' for Daytona Beach

BOEING
Defense, Space & Security

Boeing cut the ribbon Tuesday on its new engineering center at Embry-Riddle Aeronautical University's Research Park, a project leaders say will bring hundreds of high-paying jobs and a major economic boost to Volusia County.

The 65,000-square-foot facility, located inside the Cici and Hyatt Brown Center for Aerospace Technology, will support Boeing's Defense, Space and Security programs. Company officials announced about 400 new technical and engineering jobs are expected to come with the opening.

TVEDC Success – AURA AERO

2023

January 17 Initial Meeting

June 20
Project Bourget Announced Volusia County at the Paris Air Show: Aura Aero will occupy 10,000 square feet of space in the MicaPlex, the Research Park's cornerstone facility, and the adjacent Applied Engineering Research Hanger

November 8
Dinner with community partners to discuss a future U.S. manufacturing headquarters project

November 27
Met with company representatives via Zoom to discuss a new industrial plan for a U.S. facility

December 18
TVEDC introduces the project to Select Florida (Florida Commerce) to begin a state-wide site location search

2024

January 3
Met with company representatives via Zoom to discuss a potential Volusia County location

February 23
Volusia County sites submitted: Daytona Beach International Airport, Ormond Beach Municipal Airport, DeLand Municipal Airport

April 23 Site Visit I

July 8 – 9 Site Visit II

July 22
Florida is announced as the future home of Project Lautrec at the Farnborough Air Show

September 19 Site Visit III

October 17
Aura Aero selects Daytona Beach Int'l Airport

December 3
AURA AERO'S INTEGRAL E. maiden flight

2025

October 29
Ribbon Cutting for their 11,000 sq. ft facility at Embry-Riddle Aeronautical University's Research Park, that will serve as its U.S. headquarters and first production site. The campus will host the North American Delivery and Customer Support Center for the INTEGRAL program and lay the groundwork for the company's hybrid-electric ERA aircraft.

2026 Outreach Activity YTD

CES
January
Las Vegas, NV

SPACECOM
January
Orlando, FL

FPL PoweringFlorida Illumination
February
Daytona Beach, FL

MD&M West
February
Anaheim, CA

Next Move Group
February
Washington, DC

Florida Venture Forum
February
Coral Gables, FL

Volusia Days at the Capitol
February
Tallahassee, FL

IEDC 2026 Leadership Summit
March
Washington D.C.

Satellite x GovMilSpace
March
Washington D.C.

Site Selectors Guild
March
Atlanta, GA

Sun 'n Fun Aerospace Expo
April
Lakeland, FL

Hannover Messe
April
Germany

MRO Americas
April
Orlando, FL

SEDC Meet the Consultants
April
Arlington, TX

SelectUSA Investment Summit
May
National Harbor, MD

Consultants Forum
Area Development
June
New Orleans, LA

Space Tech Expo USA
June
Anaheim, CA

IAMC
June
London, England

ILA Berlin Air Show
June
Berlin, Germany

2026 Ignite
May
Orlando, FL

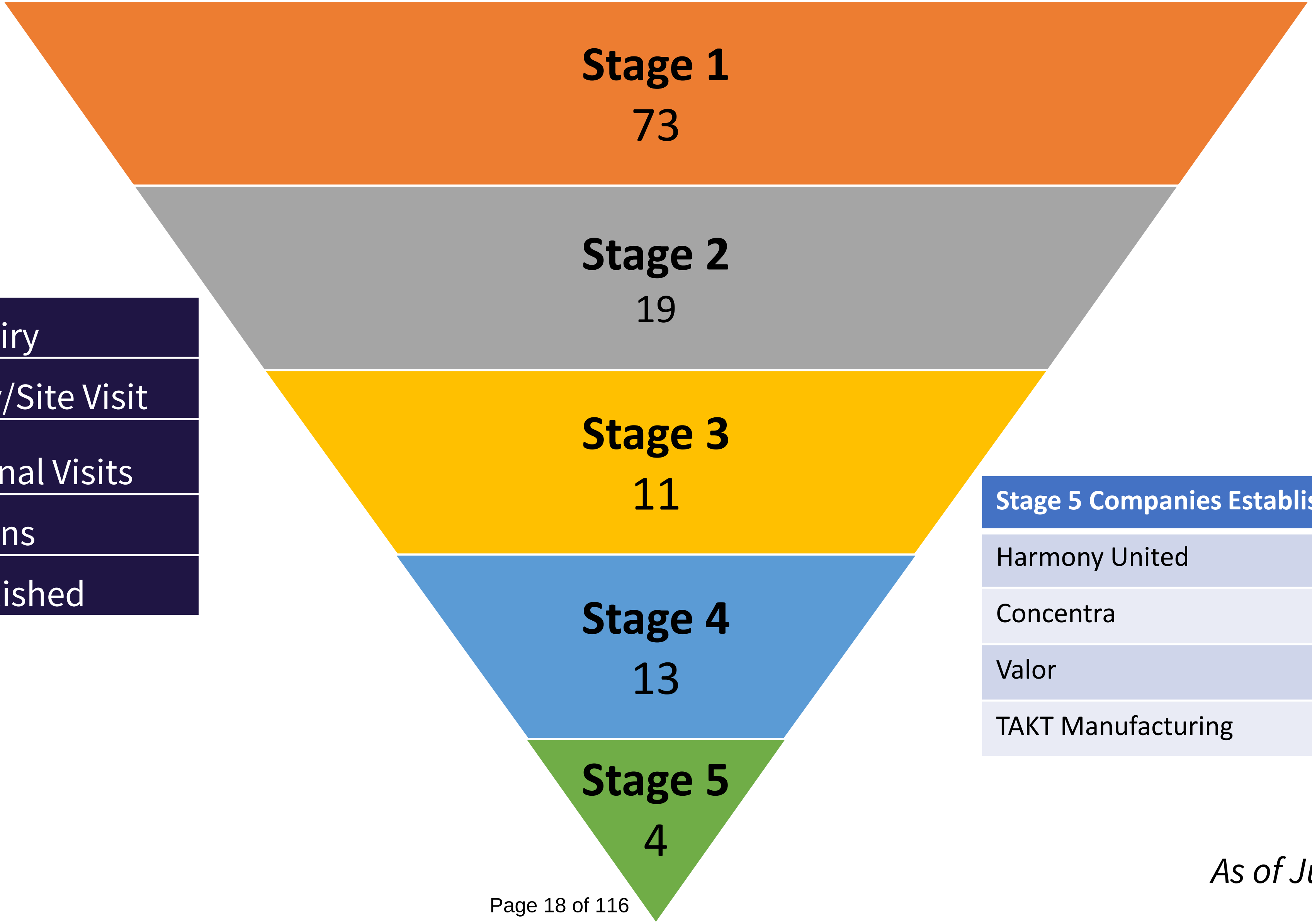
Farnborough International Airshow
July
Farnborough, England

EAA AirVenture Oshkosh 2026
July
Oshkosh, WI

Logistics Development Forum
July
Vail, CO

2026 Project Sales Funnel

- 1 - Initial Inquiry
- 2 - Additional Inquiry/Site Visit
- 3 - Site Visit/Additional Visits
- 4 - Negotiations
- 5 - Project Established



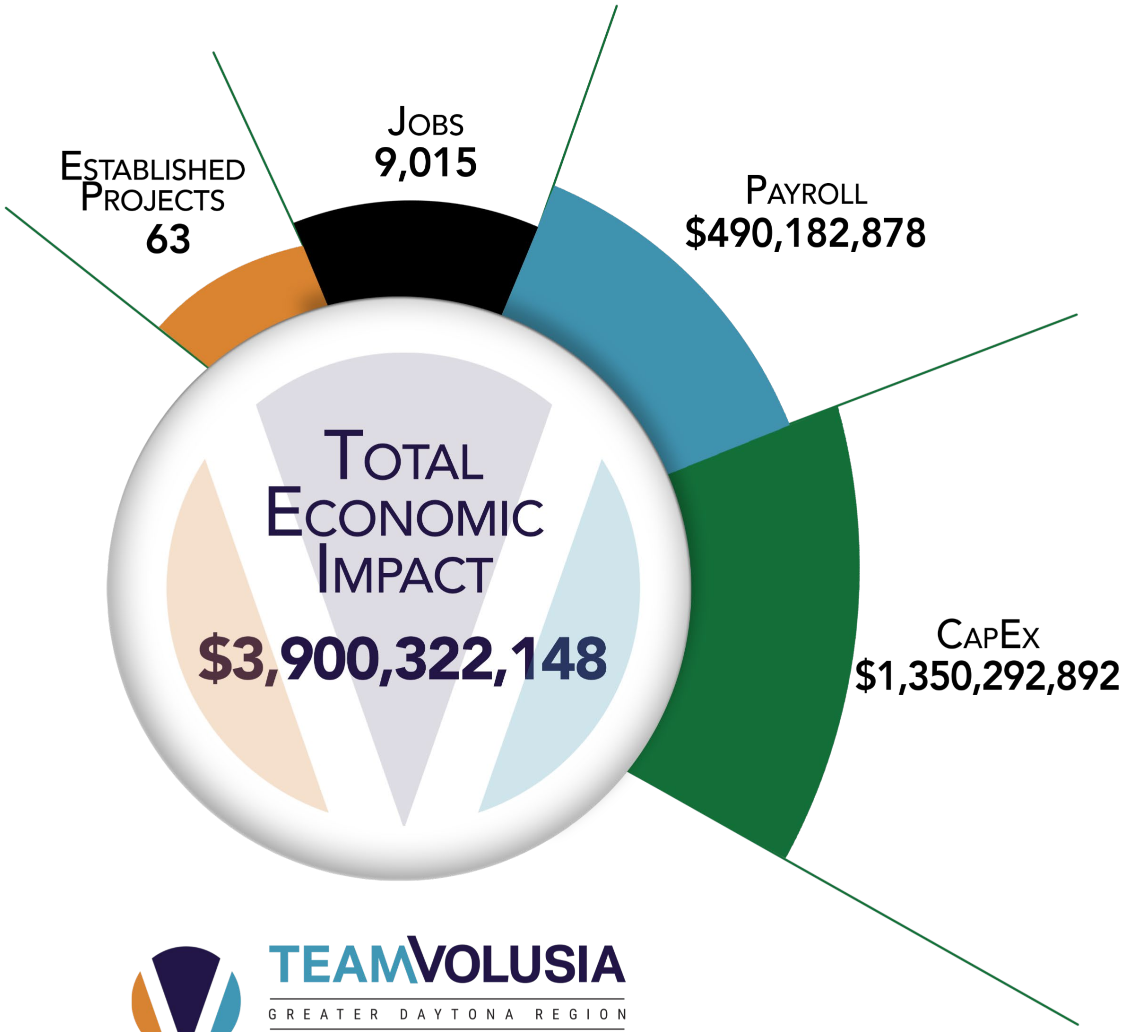
Stage 5 Companies Established This Year
Harmony United
Concentra
Valor
TAKT Manufacturing

As of July 31, 2026

Vision 2026

- Continue to Advance Outreach and Marketing/Communications to Domestic, International Markets and Community Stakeholders
- Continue to Focus on Lead Generation Efforts as Identified in our seven (7) Target Industries while remaining Open to Opportunities Across All Industries
- Enhance Initiatives to Capitalize on Emerging Assets in Volusia County
- Continue to Encourage Collaborative Efforts Statewide by Hosting Informational Visits with FloridaCommerce, SelectFlorida and Space Florida
- Encourage Site Readiness and Amplify the Promotion of Available Sites to include TVEDC Featured Site Videos
- Continue to Present Case Studies to Investors and Community Partners on Select TVEDC Projects
- Perform Annual Review of Project Pipeline and (Re) Engage with Historic Projects to Determine their Potential
- Retain and Increase Private Sector Investment
- Explore Long Term Funding Options for the Organization

2010-2025 Metrics



TEAMVOLUSIA
GREATER DAYTONA REGION
ECONOMIC DEVELOPMENT CORPORATION

Thank You & Questions

Team Volusia EDC, through tremendous commitment and partnership, works on strategic economic development activities and business recruitment initiatives to Volusia County, Florida. The organization is a valuable part of the economic development delivery system and works in partnership with state and county agencies, municipalities, chambers and other resource partners to achieve county-wide economic development goals for Volusia County. The EDC’s program and services are partially funded through contracts with Volusia County and many of the municipalities located within the county. Additional funds are raised from private sector companies and organizations. Today, the organizations continues to grow and help strengthen the economic prosperity for the region.

Team Volusia EDC
International Motorsports Center
One Daytona Blvd, Ste. 240
Daytona Beach, FL 32114

LifeInVolusiaFL.com

TVEDC.com

Keith Norden, CEcD, MEDP
President & CEO
knorden@tvedc.com
386 265-6332 (Office)
386-506-9542 (Cell)

City Commission
Minutes • July 28, 2026

City Commission Chamber	Regular City Commission	6:00 PM

City Hall
1065 Ridgewood Avenue
Holly Hill, FL 32117
City Clerk's Office: (386) 248-9441 – Fax: (386) 248-9448

1. Call to Order

Present:
Mayor John Penny
City Commissioner Debra Snow
City Commissioner Jeffrey DeLanoy
Absent:
City Commissioner Penny Currie, Vice-Mayor

Invocation was led by Mayor John Penny
Pledge of Allegiance was led by Mayor John Penny

2. Presentations

1. Elected Officials Roundtable Stormwater Mitigation and Flooding Subcommittee

   (Requested by Joe Forte, City Manager)

   A video was presented by the Subcommittee. Following the video, a PowerPoint presentation was presented by Josef Grusauskus, Public Works Director. Mr. Grusauskas explained plans and projects the City has and will do to help mitigate the effects and problems related to stormwater.

3. Public Comments

The following individuals came forward to speak to the Mayor and City Commission:

Kimberly Dibble, Holly Hill.
Sharon Miller, Holly Hill.
Twila Wilson, Holly Hill.
Jill Bodine, Holly Hill.
Mike Cerbo, Holly Hill.

Mayor Penny addressed the comments after everyone spoke.

4. Approval of Minutes

1. Minutes - July 14, 2026 Regular City Commission Meeting

(Requested by Jonathan Jacob, City Clerk)

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Debra Snow
Seconder:	City Commissioner Jeffrey DeLanoy
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

2. Minutes - July 14, 2026 - Budget Worshop

(Requested by Jonathan Jacob, City Clerk)

Mayor Penny mentioned that there was discussion after the budget meeting that was not included in the original minutes posted. Copies were given to the Commission with the updated minutes. This was rectified the afternoon before the Commission meeting with the discussion added to the minutes and posted to the City website.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Debra Snow
Seconder:	City Commissioner Jeffrey DeLanoy
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

5. Consent Agenda

Mayor Penny asked if there was any member of the audience who wished to speak on the item on the Consent Agenda or if any member of the City Commission wished to pull the item for further discussion. There was no one.

1. 2026-R-45 - Budget Amendment - Capital Purchases

(Requested by Michele Moore, Finance Director)

RESOLUTION 2026-R-45
A Resolution of the City Commission of the City of Holly Hill, Florida, Approving A BUDGET AMENDMENT to reallocate $366,681.47 in funding from the water and sewer enterprise fund to the stormwater fund AND Authorizing the City Manager to Execute the Same; and Providing for Severability; and Providing for an Effective Date.
WHEREAS, the City Commission approved the purchase of a used tractor through resolution 2026-R-28, the purchase of a loader/trailer through resolution 2026-R-33 and an excavator through resolution 2026-R-35; and
WHEREAS, these purchases were budgeted within the Water & Sewer Enterprise Fund capital equipment account; and
WHEREAS, it has been determined that this equipment will primarily support the City's stormwater operations; and
WHEREAS, a budget amendment is required to reallocate funds accordingly.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, Florida:
SECTION 1. That the Commission of the City of Holly Hill approve a budget amendment reallocating existing budget authority by transferring the carryforward appropriation from Water & Sewer account 407-0000-389-1000 to Stormwater account 460-0000-389-1000, and the capital equipment appropriation from account 407-8110-580-6400 to account 460-8110-580-6400 for the purchase of this

equipment.
SECTION 2. Severability. 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 3. EFFECTIVE DATE. This Resolution shall take effect immediately upon its adoption.

APPROVED AND AUTHENTICATED on this 28th day of JULY, 2026.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Jeffrey DeLanoy
Seconder:	City Commissioner Debra Snow
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

6. Regular Agenda

1. 2026-R-46 - FEC Crossing Maintenance 10th Street and 2nd Street

   (Requested by Michele Moore, Finance Director)

RESOLUTION 2026-R-46
A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA, APPROVING A BUDGET AMENDMENT IN THE AMOUNT OF $396,707.26 FROM GENERAL FUND CARRYFORWARD RESERVES TO GENERAL LEDGER ACCOUNT 001-4141-541-4910 FOR RAILROAD GRADE CROSSING MAINTENANCE AT 10TH STREET AND 2ND STREET; AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.
WHEREAS, the City has active agreements with Florida East Coast Railway, LLC (FEC) that require the City to fund the maintenance of railroad grade crossings associated with public road crossings; and
WHEREAS, FEC notified the City that grade crossing maintenance at Walker Street and 8th Street, originally anticipated for Fiscal Year 2024/2025, was delayed and ultimately completed and paid during Fiscal Year 2025/2026; and
WHEREAS, FEC has scheduled additional grade crossing maintenance at 10th Street and 2nd Street to begin in July 2026 during Fiscal Year 2025/2026, and declined the City's request to postpone the work until the following fiscal year; and
WHEREAS, as a result, the City is required to fund four railroad grade crossing maintenance projects during Fiscal Year 2025/2026, although only two projects had been anticipated when the current fiscal year budget was adopted; and
WHEREAS, the City Commission finds it necessary and appropriate to amend the Fiscal Year 2025/2026 budget by appropriating $396,707.26 from General Fund carryforward reserves to General Ledger Account 001-4141-541-4910 to fund the required grade crossing maintenance at 10th Street and 2nd Street.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:
SECTION 1. The City Commission hereby approves a budget amendment in the amount of $396,707.26 from General Fund carryforward reserves to General Ledger Account 001-4141-541-4910 to fund railroad grade crossing maintenance at 10th Street and 2nd Street and authorizes the City Manager to execute all documents necessary to implement this Resolution.
SECTION 2. SEVERABILITY. If any section or portion of this Resolution is determined to be invalid, unlawful, or unconstitutional, such determination shall not

affect the validity or enforceability of the remaining provisions of this Resolution.
SECTION 3. EFFECTIVE DATE. This Resolution shall become effective immediately upon its adoption.
APPROVED AND AUTHENTICATED on this 28th day of JULY, 2026.

Mayor Penny opened public participation. No one spoke.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Jeffrey DeLanoy
Seconder:	City Commissioner Debra Snow
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

2. 2026-R-47 - Adopt a Maximum Proposed Millage Rate for the Fiscal Year Beginning 10/01/2026

(Requested by Michele Moore, Finance Director)

RESOLUTION 2026-R-47
A RESOLUTION OF THE CITY OF HOLLY HILL, FLORIDA, ADOPTING A MAXIMUM PROPOSED MILLAGE RATE FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2026; PROVIDING FOR PUBLIC HEARINGS ON THE MILLAGE RATE AND BUDGET; PROVIDING FOR CONFLICTING RESOLUTIONS; AND PROVIDING AN EFFECTIVE DATE.
WHEREAS, the City Commission of the City of Holly Hill, Florida is required by Section 200.011, Florida Statutes to certify to the County Property Appraiser the general municipal millage rate proposed by the City Commission for the tax year beginning October 1, 2026; and
WHEREAS, pursuant to Florida's Truth in Millage requirements, the City Commission must hold public hearings concerning the proposed millage rate and budget.
NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:
SECTION 1. The maximum proposed millage rate for the City of Holly Hill for the fiscal year beginning October 1, 2026, is hereby established at 5.8000 mills, or $5.8000 per $1,000 of taxable value. The proposed millage rate is 2.48% greater than the rolled-back rate of 5.6599 mills.
SECTION 2. The City Commission hereby sets the first public hearing on the proposed millage rate and tentative budget for 6:00 p.m. on Wednesday, September 9, 2026, in the Commission Chambers, 1065 Ridgewood Avenue, Holly Hill, Florida.
SECTION 3. The City Commission hereby sets the final public hearing on the millage rate and budget for 6:00 p.m. on Monday, September 21, 2026, in the Commission Chambers, 1065 Ridgewood Avenue, Holly Hill, Florida.
SECTION 4. All resolutions or parts of resolutions in conflict with this Resolution are hereby repealed.
SECTION 5. This Resolution shall become effective immediately upon its adoption.
APPROVED AND AUTHENTICATED on this 28th of July, 2026.

Joseph Forte, City Manager, showed a PowerPoint slide with recent history of the Millage rate.

Mayor Penny opened public participation. No one spoke.

City Commissioner Debra Snow made a motion to approve and stated the Millage Rate of 5.8000.

Mayor Penny commented that the City of Holly Hill would be unfairly punished for being fiscally responsible if amendment 3 passes because all cities are viewed equally under the amendment. Mayor Penny stated the City of Holly Hill would lose 900,000 next year and 1.3 million the following year if the amendment passes. Mayor Penny further stated that current Ad Valorem taxes do not cover the combined Police and Fire budget.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Debra Snow
Seconder:	City Commissioner Jeffrey DeLanoy
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

3. Agreement For Services Between Halifax Humane Society, Inc. And City Of Holly Hill

(Requested by Brian Walker, City Planner)

Joseph Forte, City Manager, explained that this was a contract renewal with Halifax Humane Society to continue their services with the City.

Mayor Penny opened public participation. No one spoke.

Commissioner DeLanoy inquired how much we currently pay for the services. Joseph Forte stated the City has budgeted 70,000 for the fiscal year.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Debra Snow
Seconder:	City Commissioner Jeffrey DeLanoy
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

4. Proposed Second Amendment To Interlocal Agreement For Supplemental Operational Assistance And Voluntary Cooperation For Animal Control Services

(Requested by Brian Walker, City Planner)

Brian Walker, Assistant City Manager, explained the Second Amendment agreement for animal control services. Brian Walker stated this allows Volusia County to charge for animal services when the City is unavailable to do so, and vice versa.

Mayor Penny opened public participation.

Kimberly Dibble, Holly Hill

Mayor Penny closed public participation.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Debra Snow

Seconder:	City Commissioner Jeffrey DeLanoy
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

5. 403 Ridgewood Ave (Happy Time Motel) Nuisance Hearing

(Requested by Brian Walker, City Planner)

Brian Walker, Assistant City Manager, explained the history of the blighted property. Mr. Walker stated the owner has not addressed the issues in a timely manner. Mr. Walker said the City should demolish the buildings if no progress is made with the owner in a short time.

Mayor Penny opened public participation.

Matt Tomasello, Holly Hill.

Mayor Penny closed public participation.

Jeffrey DeLanoy made a motion to approve the demolition to begin the date of August 11th.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Jeffrey DeLanoy
Seconder:	City Commissioner Debra Snow
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

7. Public Hearings

1. SECOND READING - Ordinance 3092 - Proposed Large-Scale Evaluation and Appraisal Report (EAR) - Based 2050 Comprehensive Plan Amendment

(Requested by Brian Walker, City Planner)

ORDINANCE 3092
AN ORDINANCE OF THE CITY OF HOLLY HILL, FLORIDA, ADOPTING THE 2050 COMPREHENSIVE PLAN UPDATE; AMENDING THE CITY OF HOLLY HILL COMPREHENSIVE PLAN PURSUANT TO CHAPTER 163, PART II, FLORIDA STATUTES; ADOPTING AMENDMENTS TO ELEMENTS OF THE CITY OF HOLLY HILL COMPREHENSIVE PLAN, INCLUDING ASSOCIATED GOALS, OBJECTIVES, POLICIES, MAPS, FIGURES, AND RELATED SUPPORTING MATERIALS; PROVIDING FOR TRANSMITTAL OF THE ADOPTED PLAN TO THE FLORIDA DEPARTMENT OF COMMERCE AND OTHER REVIEWING AGENCIES; PROVIDING FOR CONFLICTS, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.
WHEREAS, Sections 163.3161 through 163.3217, Florida Statutes, known as the Community Planning Act, require each local government to adopt and maintain a Comprehensive Plan to guide future growth, redevelopment, and conservation within its jurisdiction; and
WHEREAS, the City of Holly Hill has completed a comprehensive evaluation of its Comprehensive Plan to ensure that it continues to meet the needs of the community

and remains consistent with applicable provisions of Chapter 163, Part II, Florida Statutes, and other applicable state laws; and

WHEREAS, the Comprehensive Plan Update provides revised goals, objectives, policies, maps, and supporting data intended to guide the City's future growth through the planning horizon year 2050 while promoting orderly development, economic vitality, environmental stewardship, fiscal responsibility, and the protection of the public health, safety, and welfare; and

WHEREAS, the City prepared the Comprehensive Plan Update in accordance with the requirements of Chapter 163, Part II, Florida Statutes; and

WHEREAS, the City's Board of Planning and Appeals, serving as the Local Planning Agency, conducted a duly noticed public hearing on April 6, 2026, and unanimously recommended approval of the proposed Comprehensive Plan Update; and

WHEREAS, on April 14, 2026, the City Commission conducted a public hearing and approved transmittal of the proposed Comprehensive Plan Update to the Florida Department of Commerce and all applicable reviewing agencies for review pursuant to Section 163.3184, Florida Statutes; and

WHEREAS, the Florida Department of Commerce issued its Notice of Intent identifying no objections, recommendations, or comments requiring amendment, and the City has incorporated any revisions deemed appropriate; and

WHEREAS, the City Commission has conducted duly noticed public hearings in accordance with the requirements of Chapter 163, Florida Statutes, and has determined that adoption of the Comprehensive Plan Update is in the best interests of the citizens of the City of Holly Hill.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:

SECTION 1. RECITALS.

The foregoing recitals are true and correct and are incorporated herein by this reference as legislative findings of the City Commission.

SECTION 2. ADOPTION OF THE 2050 COMPREHENSIVE PLAN UPDATE.

The City Commission hereby adopts the 2050 Comprehensive Plan Update, including all revised elements, maps, figures, data and analysis, and all documents incorporated therein by reference.

The Comprehensive Plan, as amended hereby, shall constitute the official Comprehensive Plan of the City of Holly Hill and shall govern future growth and development in accordance with Chapter 163, Part II, Florida Statutes.

SECTION 3. FINDINGS OF CONSISTENCY.

The City Commission hereby finds that the adopted Comprehensive Plan:

A. Is internally consistent;

B. Is consistent with Chapter 163, Part II, Florida Statutes;

C. Furthers the purposes of the Community Planning Act;

D. Promotes the public health, safety, welfare, and quality of life of the residents of the City of Holly Hill.

SECTION 4. TRANSMITTAL.

The City Manager, or designee, is authorized to submit the adopted Comprehensive Plan amendment package and all documents required by Section 163.3184, Florida Statutes.

SECTION 5. CONFLICTS.

All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 6. SEVERABILITY.

If any section, subsection, sentence, clause, phrase, or provision of this Ordinance is held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions of this Ordinance.

SECTION 7. CODIFICATION.

The amendments adopted by this Ordinance shall become part of the City of Holly Hill Comprehensive Plan. The City Manager, or designee, is authorized to make such editorial and formatting changes as are necessary to properly incorporate the amendments into the Comprehensive Plan, provided that no substantive changes are made.

SECTION 8. EFFECTIVE DATE.

This Ordinance shall become effective thirty-one (31) days after adoption, unless timely challenged pursuant to Section 163.3184, Florida Statutes.

APPROVED AND AUTHENTICATED on this 28th of JULY 2026 for second and final reading.

Mayor Penny opened public participation. No one spoke.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Debra Snow
Seconder:	City Commissioner Jeffrey Delanoy
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

2. SECOND READING - Ordinance 3100 - First Major Amendment RPUD - Fox Pointe

(Requested Joshua Steele, Senior Planner)

Ordinance 3100

AN ORDINANCE OF THE CITY OF HOLLY HILL, FLORIDA, APPROVING THE FIRST AMENDMENT TO FOX POINT (AKA FOX POINTE) MULTIFAMILY PLANNED UNIT DEVELOPMENT AGREEMENT TO ADD A DWELLING UNIT AND AN ACCESSORY STRUCTURE; PROVIDING FOR CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Commission of the City of Holly Hill, Volusia County, Florida, has adopted a comprehensive plan pursuant to, and in compliance with 163.3161 et. Seq., Florida Statutes; and

WHEREAS, the City Commission, as authorized by 163.3202, Florida Statutes, has enacted and does enforce the Land Development Regulations, based on, related to, and as a means to implement its adopted comprehensive plan; and

WHEREAS, the City Commission has determined that it is necessary to administratively amend its Land Development Regulations as herein provided in order to more effectively implement its adopted comprehensive plan; and

WHEREAS, the Owner of Fox Pointe Multifamily Planned Unit Development (PUD) has proposed a First Amendment to add one dwelling unit and an accessory utility structure.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:

SECTION 1. The City Commission of the City of Holly Hill hereby approves the First Amendment to Fox Pointe Multifamily Planned Unit Development (PUD) a true and correct copy attached hereto as Attachment A, and the attached associated preliminary plan.

SECTION 2. If any section, subsection, sentence, clause, phrase, or portion of this Ordinance, or application hereof, is for any reason held invalid or unconstitutional by any Court, such portion or application shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions or application hereof.

SECTION 3. That all ordinances made in conflict with this Ordinance are hereby repealed.

SECTION 4. That this Ordinance shall become effective immediately upon its adoption.

SECTION 5. That this Ordinance shall be posted at City Hall as required by law.
APPROVED AND AUTHENTICATED on this 28th day of JULY, 2026 for second and final reading.

Mayor Penny opened public participation. No one spoke.

Motion to Approve	
Result:	**Passed [UNANIMOUS]**
Mover:	City Commissioner Jeffrey DeLanoy
Seconder:	City Commissioner Debra Snow
Ayes:	John Penny, Debra Snow, Jeffrey DeLanoy
Nays:	None

8. Communications

A. Joseph Forte, City Manager, mentioned that the next meeting would be the last one he would be sitting up there as City Manager.

B. Mayor Penny mentioned the new stop sign on Alabama Ave and the different opinions on the matter. Discussion was had between Joseph Forte and the Commission on potential options to address the complaints and feedback with the stop sign. Mayor Penny mentioned a comment he received, stating that the citizen was thankful that a camera had been added to State Avenue, making it safe to walk again. Byron Williams, Chief of Police, mentioned this was due to an ongoing investigation. If it is deemed that there is a need in the area for the cameras, he would look into a more permanent solution for cameras in the area. Mayor Penny requested that if an event happens, the Commission be notified via email so they can be informed, and not surprised when citizens inquire into these breaking news matters.

9. Adjournment

There being no further discussion, the meeting was adjourned at approximately 7:28 PM.

City Commission
Minutes • July 28, 2026

Large Conference Room | City Hall	Budget Workshop	5:00 PM

City Hall
1065 Ridgewood Avenue
Holly Hill, FL 32117
City Clerk's Office: (386) 248-9441 – Fax: (386) 248-9448

1. Call to Order

2. Roll Call

Present:
Mayor John Penny
City Commissioner Debra Snow
City Commissioner Jeffrey DeLanoy
Absent:
City Commissioner Penny Currie, Vice-Mayor

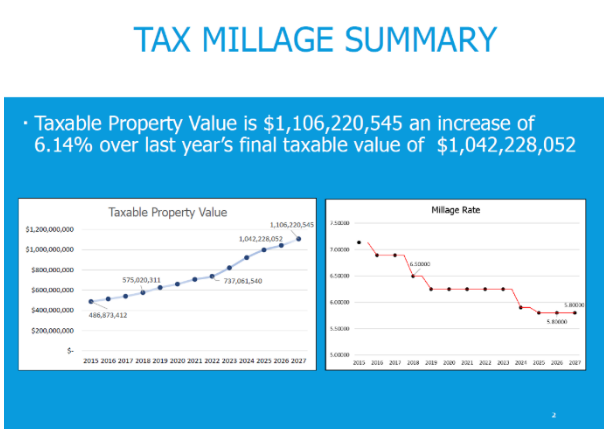
3. Agenda Item(s)

1. Governmental Funds Budget Workshop FY2026/2027

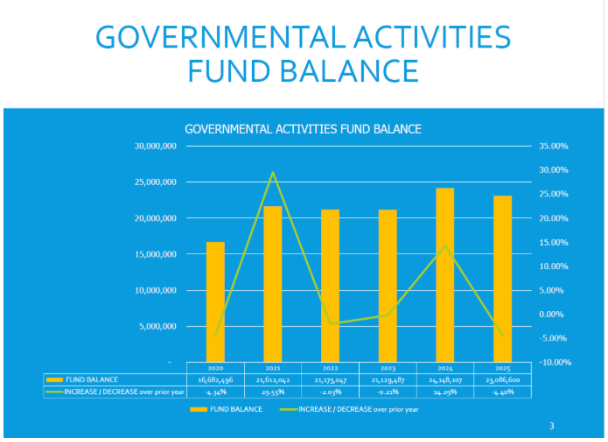
(Requested by Michele Moore, Finance Director)

Michele Moore, Finance Director, shared a PowerPoint presentation pertaining to the FY2027 Budget for Governamental Funds, (General Fund). Below are the slides that were presented and discussed. **(You can listen to the workshop in its entirety on the City's website and the City's YouTube channel.)**

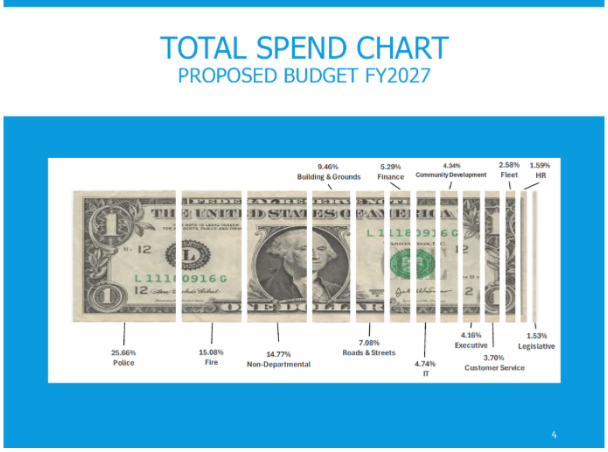
Tax Millage Summary



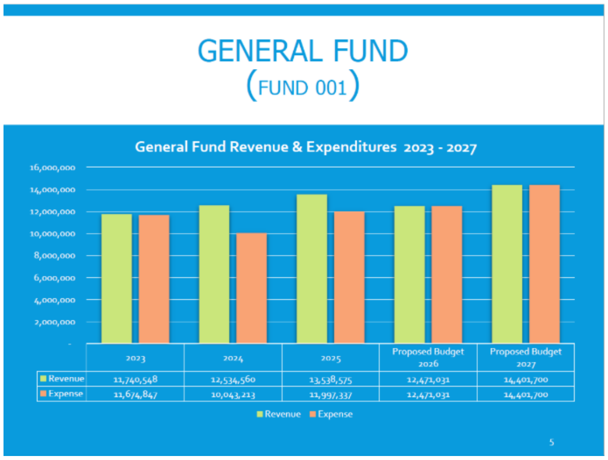
Governmental Activities Fund Balance



Total Spend Chart



General Fund



FY 2027 Proposed General Fund Revenue Budget

FY 2027 PROPOSED GENERAL FUND REVENUE BUDGET

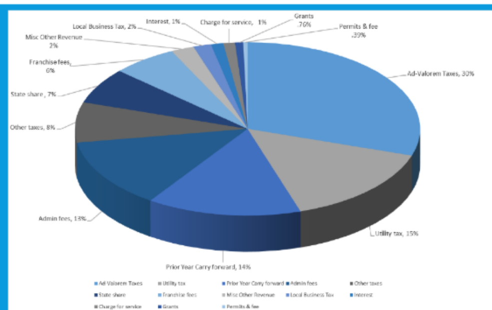
	FY 2025 Actual	FY 2026 Original Budget	FY 2027 Proposed Budget
Revenue			
Ad Valorem	$3,962,499	$4,116,749	$4,319,993
Other Taxes	$1,037,698	$1,040,210	$1,081,818
Utility Tax	$2,209,918	$2,055,896	$2,166,813
State Share	$942,559	$938,566	$962,881
Local Business	$203,356	$201,000	$241,090
Franchise Fees	$991,084	$870,000	$877,000
Grants	$1,127,288	$107,019	$110,061
Permits & Fees	$50,374	$54,150	$57,250
Admin Fees	$1,831,508	$1,892,937	$1,864,636
Misc & Interest	$1,029,061	$443,072	$478,490
Charges for Services	$153,229	$139,034	$158,333
Prior Year Carry Forward	$0	$612,398	$2,083,335
Total	$13,538,575	$12,471,031	$14,401,700

6

Mayor Penny mentioned the Ad Valorem taxes are not enough to cover the Police and Fire departments combined.

General Fund Revenue

GENERAL FUND REVENUE



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FY 2027 Proposed General Fund Expenditures Budget

FY 2027 PROPOSED GENERAL FUND EXPENDITURES BUDGET

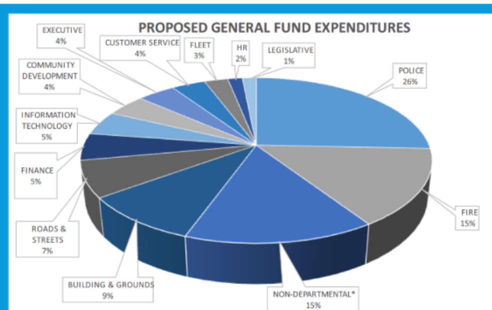
Expenditure by Activity	FY 2024 Actual	FY 2025 Actual	FY 2026 Original Budget	FY 2027 Proposed Budget
LEGISLATIVE	143,133	153,674	213,590	220,565
EXECUTIVE	541,288	637,164	724,458	599,709
FINANCE	542,799	628,840	840,324	762,343
CUSTOMER SERVICE	545,788	586,304	526,128	532,759
INFORMATION TECHNOLOGY	538,090	462,851	534,731	683,218
HR	222,934	207,756	239,459	229,528
POLICE	2,995,696	3,146,374	3,563,863	3,694,950
FIRE	1,693,477	1,775,430	1,937,495	2,171,592
COMMUNITY DEVELOPMENT	392,493	436,696	638,494	625,437
ROADS & STREETS	459,928	467,805	1,021,420	1,020,282
FLEET	288,062	289,336	345,759	372,121
BUILDING & GROUNDS	1,324,415	1,299,771	1,295,629	1,362,312
NON-DEPARTMENTAL	355,109	1,905,336	589,681	2,126,884
TOTAL EXPENDITURES	**10,043,213**	**11,997,337**	**12,471,031**	**14,401,700**

Non-Departmental includes machinery & equipment, and transfers to Capital Projects.

8

General Fund Expenditures

GENERAL FUND EXPENDITURES



Year over Year General Fund Expenditures by Activity

YEAR OVER YEAR
GENERAL FUND EXPENDITURES BY ACTIVITY

Expenditure by Activity	FY 2026 Original Budget	FY 2027 Proposed Budget	$ Change 2026 vs 2027	% Change
LEGISLATIVE	213,590	220,565	6,975	3.27%
EXECUTIVE	724,458	599,709	(124,749)	-17.22%
FINANCE	840,324	762,343	(77,981)	-9.28%
CUSTOMER SERVICE	526,128	532,759	6,631	1.26%
INFORMATION TECHNOLOGY	534,731	683,218	148,487	27.77%
HR	239,459	229,528	(9,931)	-4.15%
POLICE	3,563,863	3,694,950	131,087	3.68%
FIRE	1,937,495	2,171,592	234,097	12.08%
COMMUNITY DEVELOPMENT	638,494	625,437	(13,057)	-2.04%
ROADS & STREETS	1,021,420	1,020,282	(1,138)	-0.11%
FLEET	345,759	372,121	26,362	7.62%
BUILDING & GROUNDS	1,295,629	1,362,312	66,683	5.15%
NON-DEPARTMENTAL	589,681	2,126,884	1,537,203	260.68%
TOTAL EXPENDITURES	**12,471,031**	**14,401,700**	**1,930,669**	**15.48%**

10

Joseph Forte, City Manager, and Michele Moore, Finance Director, discussed the addition of a new IT position for the upcoming fiscal year and the Deputy Finance position which has been budgeted, but not filled in the past few years. Mr. Forte mentioned they are proposing an Admin position be added to share duties between Public Works and the Fire department.

FY 2027 Fuel Tax Fund

FY 2027 FUEL TAX FUND
(FUND 002)

	FY 2025 Actual	FY 2026 Original Budget	FY 2027 Proposed Budget
REVENUE			
Taxes	$148,489	$156,000	$156,000
Mobility Fee	$200,000	$200,000	$200,000
Misc/Other	$132,805	$4,000	$4,000
Transfers	$83,500	$0	$0
Total	$564,794	$360,000	$360,000
EXPENDITURES			
Operating Expenditures*	$212,938	$360,000	$360,000
Total	$212,938	$360,000	$360,000

* ANNUAL PAVING $260,000
CROSSWALKS AND STOP BAR REFURBISHMENT $100,000

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FY 2027 Proposed Permitting Fund

FY 2027 PROPOSED PERMITTING FUND
(FUND 004)

	FY 2025 Actual	FY 2026 Original Budget	FY 2027 Proposed Budget
REVENUE			
Building Permits	$411,999	$376,092	$369,108
Misc Revenues	$10,799	$7,690	$250
Transfers	$0	$24,229	$0
Total	$422,798	$408,011	$369,358
EXPENDITURES			
Salary & Benefits	$384,273	$368,036	$309,503
Operating Expenses	$37,971	$39,975	$59,855
Total	$422,244	$408,011	$369,358

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FY 2027 Proposed CRA Fund

FY 2027 PROPOSED CRA FUND
(FUND 130)

	FY 2025 Actual	FY 2026 Original Budget	FY 2027 Proposed Budget
Revenue			
Ad Valorem	$3,410,554	$3,359,274	$2,762,721
Interest	$225,948	$55,000	$12,500
Other	$51,051	$2,500	$5,250
Prior Year Carryover	$0	$128,923	$0
Total	**$3,687,552**	**$3,545,697**	**$2,780,471**
Expenditures			
Police	$132,561	$345,345	$246,155
Code Enforcement	$55,670	$55,473	$57,265
Pictona	$248,432	$243,437	$251,957
CRA Admin	$448,097	$551,524	$730,927
Non-Departmental*	$2,248,057	$2,349,918	$1,494,167
Total	**$3,132,817**	**$3,545,697**	**$2,780,471**

PROJECTS & TRANSFERS $1,494,167

13

Mr. Forte stated that the CRA is only operating from the City's tax dollars and not the County, which are restricted to Stormwater Projects on LPGA Blvd. They are going to wait until the study is done and formulate the projects after that.
Mr. Forte showed proposed designs for murals that will be painted on storm drains on US1. This would help beautify the area and to remind people nothing goes into storm drains but water.
Mr. Forte mentioned one of the things they would like to do is add additional parking in front of Marina Grande for commercial businesses.

FY 2027 Capital Projects Fund

FY 2027 CAPITAL PROJECTS FUND
(FUND 301)

	FY 2025 Actual	FY 2026 Original Budget	FY 2027 Proposed Budget
Revenue			
Intergovernmental	$350,825	$0	$0
Interest & Investments	$99,824	$25,000	$0
Transfers	$788,934	$288,000	$1,585,850
Carryforward	$0	$0	$0
Total	**$1,239,583**	**$313,000**	**$1,585,850**
Expenditures			
Buildings	$915,645	$60,000	$155,000
Infrastructure	$1,108,237	$143,000	$1,180,850
Machinery & Equip.	$49,962	$110,000	$250,000
Total	**$2,073,844**	**$313,000**	**$1,585,850**

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FY 2027 Capital Projects

FY2027 CAPITAL PROJECTS

Ross Point Park Pier Replacement (ECHO Grant Match)	$ 998,850.00
Annual General HVAC Replacement Program	$ 60,000.00
YMCA Air Conditioner Replacements	$ 20,000.00
YMCA Exterior Renovation	$ 75,000.00
Quonset Hut Modifications	$ 22,000.00
PD Pole Barn	$ 100,000.00
Bridge Repair - Riverside Drive	$ 60,000.00
Fire Engine - Initial Appropriation	$ 250,000.00
FUND 301 TOTAL	$ 1,585,850.00

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Byron Williams, Chief of Police, explained the use and need for the PD Pole Barn. This is used to hold vehicles needed for evidence which could be stored for years.
Mr. Forte explained the Fire Assessment process and its effect depending on the proposed property tax change in November.
Mayor Penny mentioned that the legislature is treating all cities the same in regard to the upcoming tax assessment on the ballot, where small cities like Holly Hill will be penalized for being frugal.

4. Adjournment

There being no further discussion, the meeting was adjourned at approximately 5:47 PM.

DISCUSSION:

Each year the City Commission authorizes the annual holiday calendar, which includes the staff recommended floating holiday.

STAFF RECOMMENDATION:

Approve the 2026-2027 City Holiday Calendar as submitted by staff.

MOTION:

APPROVE THE ATTACHED 2026-2027 CITY HOLIDAY CALENDAR.

- Payroll Calendar with Holidays FY 2026-2027 (PDF)

HOLLY HILL
FLORIDA

2026-2027 EMPLOYEE PAYROLL CALENDAR

PAY PERIOD #	PAY PERIOD BEGINS	PAY PERIOD ENDS		PAYDAY
21	21-Sep-26	04-Oct-26		08-Oct-26
22	05-Oct-26	18-Oct-26		22-Oct-26
23	19-Oct-26	01-Nov-26		05-Nov-26
24	02-Nov-26	15-Nov-26		19-Nov-26
25	16-Nov-26	29-Nov-26		03-Dec-26
26	30-Nov-26	13-Dec-26		17-Dec-26
27	14-Dec-26	27-Dec-26	*	31-Dec-26
1	28-Dec-26	10-Jan-27		14-Jan-27
2	11-Jan-27	24-Jan-27		28-Jan-27
3	25-Jan-27	07-Feb-27		11-Feb-27
4	08-Feb-27	21-Feb-27		25-Feb-27
5	22-Feb-27	07-Mar-27		11-Mar-27
6	08-Mar-27	21-Mar-27		25-Mar-27
7	22-Mar-27	04-Apr-27		08-Apr-27
8	05-Apr-27	18-Apr-27		22-Apr-27
9	19-Apr-27	02-May-27		06-May-27
10	03-May-27	16-May-27		20-May-27
11	17-May-27	30-May-27		03-Jun-27
12	31-May-27	13-Jun-27		17-Jun-27
13	14-Jun-27	27-Jun-27		01-Jul-27
14	28-Jun-27	11-Jul-27		15-Jul-27
15	12-Jul-27	25-Jul-27	*	29-Jul-27
16	26-Jul-27	08-Aug-27		12-Aug-27
17	09-Aug-27	22-Aug-27		26-Aug-27
18	23-Aug-27	05-Sep-27		09-Sep-27
19	06-Sep-27	19-Sep-27		23-Sep-27

* = No insurance deductions

2026-2027 CITY HOLIDAYS

1	Thursday	26-Nov-26	Thanksgiving
2	Friday	27-Nov-26	Day after Thanksgiving
3	Thursday	24-Dec-26	Floating Holiday
4	Friday	25-Dec-26	Christmas Holiday
5	Friday	1-Jan-27	New Years Day
6	Monday	18-Jan-27	Martin Luther King Day
7	Friday	26-Mar-27	Good Friday
8	Monday	31-May-27	Memorial Day
9	Monday	5-Jul-27	Independence Day
10	Monday	6-Sep-27	Labor Day

This instrument prepared by,
and after recording return to:

Scott H. Silver, Esq.
Shutts & Bowen LLP
200 South Biscayne Blvd., Ste. 4100
Miami, FL 33131

AMENDED AND RESTATED AGREEMENT

THIS AMENDMENT AND RESTATED AGREEMENT (this "**Agreement**") is made as of this ___ day August, 2026 (the "**Effective Date**"), by and between the City of Holly Hill, Florida ("**Grantor**"), whose address is 1065 Ridgewood Ave., Holly Hill, Florida 32117, and Valley National Bank ("**Grantee**"), whose address is 70 Speedwell Ave., Morristown, New Jersey 07960.

WHEREAS, Grantor and JM Pitstop, Inc. ("**JMP**") entered into that certain Agreement recorded on February 8, 2007, in Official Records Book 6004, Page 115 of the Public Records of Volusia County, Florida (the "**Original Agreement**");

WHEREAS, pursuant to the Original Agreement, Grantor granted certain rights for ingress and egress and the installation and maintenance of a monument sign over a portion of property owned by Grantor legally described on **Exhibit "A"** (the "**Burdened Property**"), subject to the terms and conditions contained therein;

WHEREAS, Grantee, as successor in title to JMP, is now the owner of the real property located at 1451 North Nova Road, Holly Hill, Florida 32117, having a Parcel ID of 523719010050, and legally described on **Exhibit "B"** attached hereto (the "**Benefitted Property**"), which is adjacent to the Burdened Property;

WHEREAS, Grantor acquired the Burdened Property from the Florida Department of Transportation ("**FDOT**") pursuant to that certain Quit Claim Deed recorded on December 10, 2003, in Official Records Book 5222, Page 3785 of the Public Records of Volusia County, Florida (the "**FDOT Deed**"), which contains a reverter provision that if the Burdened Property is not continuously used for retention pond purposes, the Burdened Property would revert back to FDOT;

WHEREAS, in connection with the Original Agreement, Grantor contacted FDOT and FDOT did not object to Grantor granting JMP the easement rights set forth therein;

WHEREAS, the current use of the Burdened Property by Grantee is consistent with the use contemplated by the Original Agreement; and

WHEREAS, the parties desire to amend, restate and replace the Original Agreement in its entirety as set forth herein.

NOW, THEREFORE, for and in consideration of the mutual benefits to be derived and other good and valuable consideration, the receipt of which is acknowledged, Grantor and Grantee hereby agree that the Original Agreement is amended, restated, and replaced in its entirety as follows:

1. Recitals. The foregoing Recitals are true and correct, are incorporated herein by this reference.

2. Easement. Subject to the terms and conditions of this Agreement, Grantor hereby grants to Grantee, for the benefit of the Benefitted Property, a non-exclusive perpetual easement over the Burdened Property for purposes of: (i) ingress and egress for Grantor and its tenants, occupants, invitees, licensees, employees, and agents; and (ii) operation, maintenance, repair, replacement and use of the existing monument sign and associated improvements located on the Burdened Property substantially as depicted on **Exhibit "C"**.

3. Maintenance. Grantee shall, at its sole cost and expense, maintain the monument sign, landscaping, pavement, irrigation, lighting and all other improvements located within the easement area (but specifically excluding the fence and the retention area generally located below the top of bank as depicted on **Exhibit "C"**) in a neat, safe and attractive condition and in compliance with all applicable laws, ordinances and governmental requirements. Should Grantee fail to properly maintain the easement area, Grantor shall provide written notice specifying the default. Grantee shall have thirty (30) days following receipt of such notice to cure the default, or such longer period as may be reasonably necessary provided Grantee commences the cure within such thirty-day period and diligently pursues completion thereof. If Grantee fails to timely cure, Grantor may perform such maintenance and recover its reasonable costs from Grantee or exercise any other remedies available under this Agreement or applicable law.

4. Landscaping. Grantee shall install and continuously maintain the landscaping located within the easement area substantially as shown on **Exhibit "C"**. Failure to maintain the landscaping in a commercially reasonable manner shall constitute a default under this Agreement.

5. Termination. Grantor retains the right to terminate this Agreement in the event that FDOT determines or asserts that Grantor has violated the covenants and restrictions as set forth in the FDOT Deed.

6. Assignment. Grantee may assign its rights and delegate its rights and obligations under this Agreement in connection with the sale, conveyance, or other transfer of all or any portion of the Benefitted Property, provided Grantee provides Grantor with prior written notice of such assignment.

7. Covenants; Binding. The easements, covenants, conditions, rights and obligations contained in this Agreement are appurtenant and shall run with the land. This Agreement shall be binding upon and shall inure to the benefit of the parties and their respective successors, successors in interest, heirs, personal representatives, and permitted assigns.

8. Notices. Any and all notices required or permitted to be served pursuant to the terms of this Agreement shall be in writing, effective upon receipt and shall be (a) mailed by registered or certified mail, with return receipt requested and postage prepaid, (b) sent by Federal Express or other commercially recognized overnight mail service, postage prepaid, (c) hand delivered, or (d) delivered by facsimile transmission or email as follows

If to Grantor:

City of Holly Hill
1065 Ridgewood Ave.
Holly Hill, Florida 32117
Attn: City Manager

If to Grantee:

Valley National Bank
70 Speedwell Ave.
Morristown, New Jersey 07960
Attn: Michael McDonough

9. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the remaining provisions shall remain in full force and effect, and the invalid provision shall be deemed modified to the minimum extent necessary to render it enforceable.

10. Authority. Grantor and Grantee represent and warrant to the other that such party has the full right, power, and lawful authority to enter into, execute, and perform under this Agreement and that such actions do not violate any other agreement, covenant, or restriction placed upon such party.

11. Governing Law. This Agreement shall be governed by Florida law. Any action or proceeding by either of the parties to enforce this Agreement shall be brought in any state court located in Volusia County, Florida.

12. Binding Effect. This Agreement shall be binding upon, and shall inure to the benefit of Grantor, Grantee, and their respective successors or assigns.

13. Headings. The headings contained in this Agreement are for convenience of reference only and shall not be construed as limiting or defining in any way the provisions of this Agreement.

14. Recording the Agreement. The parties agree that this Agreement may be recorded by either party in the public records of Volusia County, Florida.

15. Counterparts. This Agreement may be executed in counterparts, each of which shall be an original, and all of which shall constitute one and the same instrument. Any signature delivered by facsimile or other forms of electronic transmission, such as a PDF, shall be considered an original signature by the sending party.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto hereby execute this Agreement as of the Effective Date.

Signed and sealed in the presence of two witnesses:

Witness:________________________
Print Name:_____________________
Address:________________________

Witness:________________________
Print Name:_____________________
Address:________________________

CITY OF HOLLY HILL, FLORIDA

By: __________________________________
Name: ________________________________
Title: ________________________________

STATE OF FLORIDA)
)
COUNTY OF ____________)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ___ day of _______________, 2026, by _________________________, as ____________________ of CITY OF HOLLY HILL, FLORIDA. He/she is ☐ personally known to me or ☐ has produced _____________ as identification.

(NOTARY SEAL)

____
Notary Public, State of Florida
Print Name: __________________________________
Commission No.: ______________________________
My Commission Expires: _____________________

MIADOCS 31909123 5

Signed and sealed in the presence of two witnesses:

Witness:________________________
Print Name:_____________________
Address:________________________

Witness:________________________
Print Name:_____________________
Address:________________________

VALLEY NATIONAL BANK

By: ______________________________
Name: ____________________________
Title: ____________________________

STATE OF FLORIDA)
)
COUNTY OF _____________)

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this ___ day of _______________, 2026, by __________________________, as ____________________ of Valley National Bank. He/she is ☐ personally known to me or ☐ has produced _____________ as identification.

(NOTARY SEAL)

____
Notary Public, State of Florida
Print Name: ______________________________
Commission No.: __________________________
My Commission Expires: ______________________

<u>EXHIBIT "A"</u>

BURDENED PROPERTY

POND NO. 3-A

PARCEL NO. 129-PART, 130-PART, 131-PART, 132-PART AND 185-PART	SECTION 79190-2509 F.P. NO. 240693 1

A portion of those lands as described in Official Records Book 3723, Page 4553, Official Records Book 3725, Page 0122, Official Records Book 3697, Page 0962, Official Records Book 3735, Page 4753, Official Records Book 3702, Page 3458, Public Records of Volusia County, Florida, lying in Section 37, Township 15 South, Range 32 East, being a part of Lots 1 through 5, Block 1, Berkley Homes, recorded in Map Book 9, Page 135, Public Records of Volusia County, Florida:

A parcel of land in Holly Hill, Volusia County, Florida, being described as follows: Lots 1 and 2 and a portion of Lots 3, 4, and 5, all lying in Block 1 and a portion of Packard Street a 40 foot right of way of record, according to the plat of Berkley Homes, as recorded in Map Book 9, Page 135, Public Records of Volusia County, Florida and being more particularly described as follows: Commencing at a ;*" Rod and Cap stamped Myer LB 6877 being the point of intersection of the Southerly right of way of 10th Street, a 50 foot right of way of record (Delaware Street, plat of Berkley Homes) and Catherine Street, a 40 foot right of way also being the Northeasterly corner of Lot 1, Block 1, plat of Berkley Homes, aforesaid; thence S 25°08'22" E (S 25°08'36" E, per the Florida Department of Transportation Right of Way Map), 25.23 feet to a ;1" Rod and Cap stamped Myer LB 6877 and the POINT OF BEGINNING; thence continue S 25°08'22" E, 253.24 feet along the Westerly right of way of said Catherine Street to a 5/8" Rod and Cap stamped FL. D.O.T.; thence departing said Westerly right of way, S 04°29'53" W, 396.29 feet to a Rod and Cap stamped Myer LB 6877 and the Easterly right of way line of State Road 5A (Nova Road) said intersection being at a point on a curve, said curve concave Southwesterly, having a radius of 2923.79 feet, chord distance of 199.40 feet, chord bearing N 36°25'15" W, and a central angle of 03°54'30"; thence Northwesterly along the arc of said curve 199.44 feet to a 1/2" Rod and Cap stamped Myer LB 6877 and the point of reverse curvature of a curve, said curve concave Northeasterly having a radius of 2805.79 feet, chord distance of 402.78 feet, chord bearing of N 34°15'32" W, and a central angle of 08°13'56"; thence Northwesterly along the arc of said curve 403.13 feet to a '-.1" Rod and Cap stamped Myer LB 6877 and the point of a compound curvature, said curve concave Southeasterly having a radius of 25.00 feet, chord distance 36.71 feet, chord bearing N 17°05'53" E, and a central angle of 94°28'54"; thence Northeasterly along the arc of said curve 41.22 feet to a ;e Rod and Cap stamped Myer LB 6877 and the point of tangency, said point of tangency being on the Southerly right of way of 10th Street, a 50 foot right of way (Delaware Street, plat of Berkley Homes); thence N 64°20'20" E, 248.92 feet along said Southerly right of way of 10th Street (Delaware Street, plat of Berkley Homes) to a ;1" Road and Cap stamped Myer LB 6877 and the point of curvature of a curve, said curve concave Southwesterly having a radius of 25.00 feet, chord distance 35.52 feet, chord bearing S 70'24'01" E and having a central angle of 90°31'18"; thence Southeasterly along the arc of said curve 39.50 feet to the Point of Beginning.

Containing 2.857 acres, more or less.

EXHIBIT "B"

BENEFITED PROPERTY

Lot 5, except the West 119.02 feet on the North line and the West 53.33 feet on the South line, Block 1, Berkley Homes, according to the plat thereof, as recorded in Map Book 9, Page 135, Public Records of Volusia County, Florida.

<u>**EXHIBIT “C”**</u>

IMPROVEMENTS

[See attached]

1 TITLE COMMITMENT

THE TITLE DESCRIPTION AND SCHEDULE B ITEMS HEREON ARE BASED ON FIRST AMERICAN TITLE INSURANCE COMPANY COMMITMENT #24835-1, DATED FEBRUARY 21, 2018 AT 08:00 A.M.

2 LEGAL DESCRIPTION

THE LAND REFERRED TO IN THE COMMITMENT IS DESCRIBED AS FOLLOWS:

LOT 5, EXCEPT THE WEST 119.02 FEET ON THE NORTH LINE AND THE WEST 53.33 FEET ON THE SOUTH LINE, BLOCK 1, BERKLEY HOMES, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN MAP BOOK 9, PAGE 135, PUBLIC RECORDS OF VOLUSIA COUNTY, FLORIDA.

THE PROPERTY SHOWN ON THIS SURVEY IS THE SAME AS THAT REFERENCED IN FIRST AMERICAN TITLE INSURANCE COMPANY COMMITMENT #24835-1, DATED FEBRUARY 21, 2018 AT 08:00 A.M.

3 SCHEDULE 'B-II' ITEMS

(2) EASEMENT AGREEMENT IN FAVOR OF THE CITY OF HOLLY HILL AS SET FORTH IN INSTRUMENT RECORDED DECEMBER 10, 2003, IN BOOK 5222, PAGE 3785. PLOTTED HEREON

(3) AGREEMENT AS SET FORTH IN INSTRUMENT RECORDED FEBRUARY 8, 2007, IN BOOK 6004, PAGE 115. PLOTTED HEREON

6 FLOOD ZONE INFORMATION

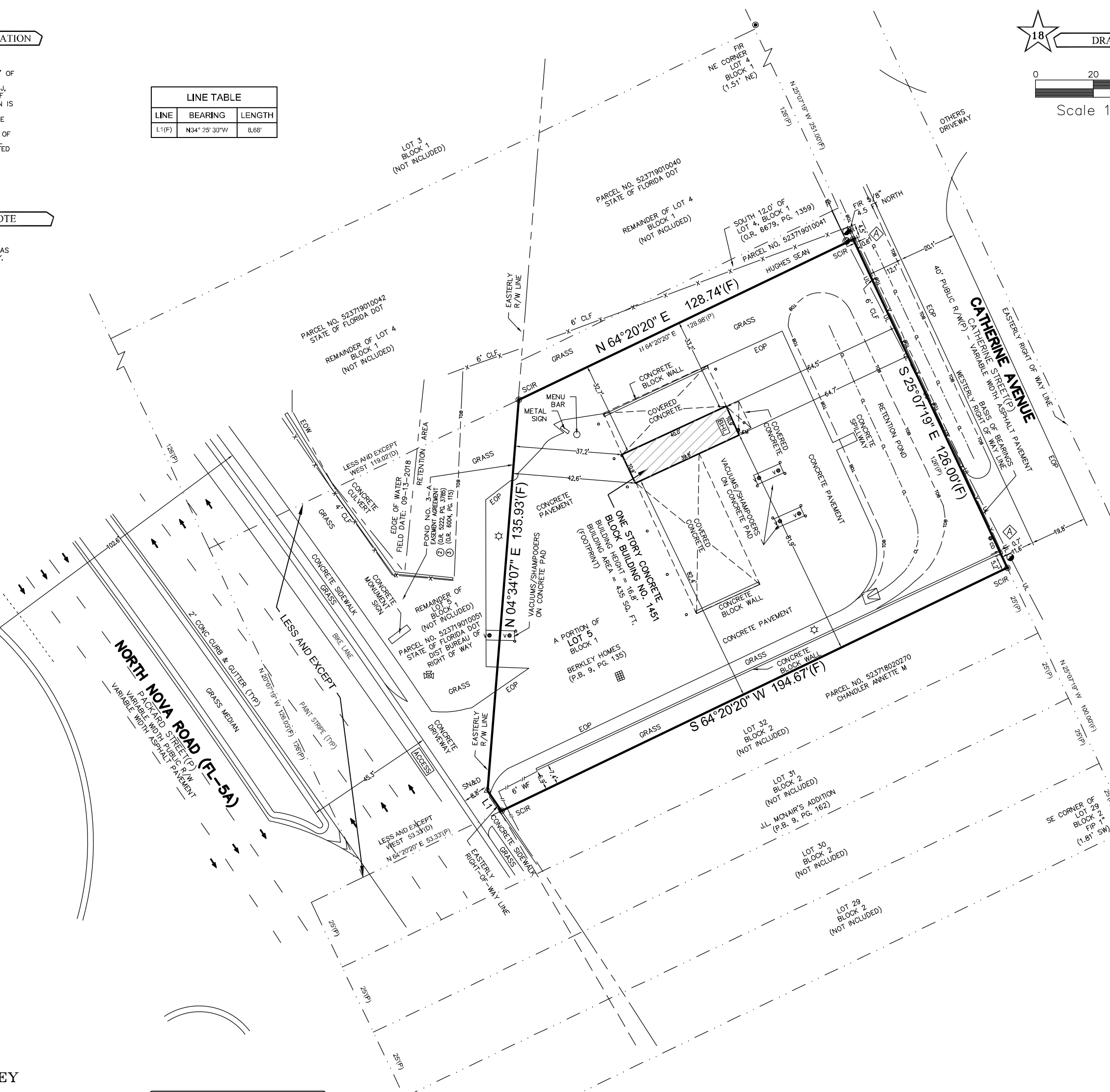
BY GRAPHIC PLOTTING ONLY, THIS PROPERTY IS LOCATED IN ZONE "AE" OF THE FLOOD INSURANCE RATE MAP, COMMUNITY PANEL NO. 12127C 0356J, WHICH BEARS AN EFFECTIVE DATE OF 09/29/2017, BASE FLOOD ELEVATION IS 7.0'. NO FIELD SURVEYING WAS PERFORMED TO DETERMINE THIS ZONE AND THIS SURVEYOR MAKES NO GUARANTEES AS TO THE ACCURACY OF THE ABOVE INFORMATION. THE LOCAL F.E.M.A. AGENT SHOULD BE CONTACTED FOR VERIFICATION.

7 CEMETERY NOTE

NO VISIBLE EVIDENCE OF HUMAN CEMETERIES OR BURIAL GROUNDS WAS FOUND ON SITE AT TIME OF SURVEY.

LINE TABLE

LINE	BEARING	LENGTH
L1(F)	N34° 25' 30"W	8.68'



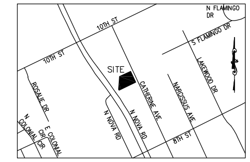
18 DRAWING SCALE

0 20 40 60

Scale 1" = 20 ft

NORTH

17 VICINITY MAP



NOT TO SCALE

16 LEGEND

- = GRATE TOP INLET
- = UTILITY POLE
- = GUY WIRE
- = LIGHT POLE
- = FIRE HYDRANT
- CO = SEWER CLEAN OUT
- EM = ELECTRIC METER
- V = VACUUM
- = BOLLARD
- = MITERED END SECTION
- = ENCROACHMENT NOTE
- = B-II EXCEPTION ITEM NUMBER
- SCIR = SET 5/8" IRON ROD LB 7168
- SN&D = SET NAIL AND DISK LB 7168
- FIR = FOUND IRON ROD
- (TYP) = TYPICAL
- (P) = PLAT DIMENSION
- (F) = FIELD MEASUREMENT
- R/W = RIGHT OF WAY
- CONC = CONCRETE
- EOW = EDGE OF WATER
- EOP = EDGE OF PAVEMENT
- TOB = TOP OF BANK
- WF = WOOD FENCE
- CLF = CHAIN LINK FENCE
- BHL = BUILDING HEIGHT LOCATION
- = CORNER, AS DESCRIBED
- = NAIL, AS DESCRIBED
- CL = CENTERLINE SWALE/DITCH
- X = CHAIN LINK FENCE LINE
- UL = OVERHEAD UTILITY LINE
- = WOOD FENCE LINE
- TOB = TOP OF BANK

15 PROPERTY AREA

LAND AREA = 20,750 ± SQUARE FEET
OR
0.4763 ± ACRES

14 BUILDING HEIGHT

BUILDING HEIGHT = 16.8'

13 BUILDING AREA

BUILDING AREA = 435 SQ. FT.(FOOTPRINT)

12 BEARING BASIS

BEARINGS ARE BASED ON THE WESTERLY RIGHT OF WAY LINE OF CATHERINE AVENUE, WHICH BEARS S 25°07'19" E, (ASSUMED).

11 SURVEYORS CERTIFICATION

CERTIFIED TO:

DAFISH77 INC.;
VALLEY NATIONAL BANK, ISAOA/ATIMA;
FIRST AMERICAN TITLE INSURANCE COMPANY;

THIS IS TO CERTIFY THAT THIS MAP OR PLAT AND THE SURVEY ON WHICH IT IS BASED WERE MADE IN ACCORDANCE WITH THE 2016 MINIMUM STANDARD DETAIL REQUIREMENTS FOR ALTA/NSPS LAND TITLE SURVEYS, JOINTLY ESTABLISHED AND ADOPTED BY ALTA AND NSPS, AND INCLUDES ITEMS 1, 2, 3, 4, 7(A)(B1)(C), 8, 9, 13, 16, AND 17 OF TABLE A THEREOF. THE FIELD WORK WAS COMPLETED ON 09-13-2018.

DATE OF PLAT OR MAP: 10-02-2018

ROBERT J. BREEDLOVE
PROFESSIONAL SURVEYOR AND MAPPER
FLORIDA REGISTRATION # 7040
RBREEDLOVE@AMERICANSURVEYING.COM
NOT VALID WITHOUT THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR & MAPPER OR ITS ELECTRONIC EQUIVALENT

4 SURVEYOR'S NOTES

1. UNDERGROUND UTILITIES, INSTALLATIONS OR IMPROVEMENTS, LOCATED AS A PART OF THIS SURVEY, ARE SHOWN ONLY BY OBSERVED EVIDENCE AND NO REQUEST WAS SUBMITTED TO ANY UTILITY COMPANY, 811 UTILITY LOCATION, OR SIMILAR AUTHORITY.

2. OWNERSHIP OF THIS PROPERTY IS SUBJECT TO OPINION OF TITLE AND IS NOT EXPRESSED OR IMPLIED BY THIS SURVEY.

3. THIS SURVEY SHOWS ONLY DEDICATIONS, RESTRICTIONS AND EASEMENTS CONTAINED IN THE ABOVE-MENTIONED TITLE COMMITMENT AND PROVIDED TO THE SURVEYOR. IT IS POSSIBLE THERE ARE OTHER RECORDED INSTRUMENTS, WHICH MAY AFFECT THIS PROPERTY.

4. BEARINGS AND DISTANCES ARE RECORD AND MEASURED UNLESS OTHERWISE NOTED.

5. THIS SURVEY WAS PREPARED EXPRESSLY FOR THE ENTITIES NAMED, NO OTHER PERSON OR ENTITY IS ENTITLED TO RELY UPON THIS SURVEY FOR ANY PURPOSE WHATSOEVER WITHOUT THE EXPRESS WRITTEN CONSENT OF AMERICAN SURVEYING, INC.

6. ALL STATEMENTS WITHIN THE CERTIFICATION, AND OTHER REFERENCES LOCATED ELSEWHERE HEREON, RELATED TO: UTILITIES, IMPROVEMENTS, STRUCTURES, BUILDINGS, PARTY WALLS, PARKING, EASEMENTS, SERVITUDES, AND ENCROACHMENTS; ARE BASED SOLELY ON ABOVEGROUND, VISIBLE EVIDENCE, UNLESS ANOTHER SOURCE OF INFORMATION IS SPECIFICALLY REFERENCED HEREON.

7. NO ZONING INFORMATION WAS SUPPLIED TO THIS SURVEYOR BY THE INSURER AS REQUIRED UNDER TABLE "A" ITEMS 6(A) AND 6(B), NO REPRESENTATION IS MADE FOR THE ACCURACY OR COMPLETENESS OF SAID THIRD PARTY INFORMATION. THIS FIRM IS NOT AN EXPERT IN THE INTERPRETATION OF COMPLEX ZONING ORDINANCES; COMPLIANCE IS BEYOND THE SCOPE OF THIS SURVEY, ANY USER OF SAID INFORMATION IS URGED TO CONTACT THE LOCAL AGENCY DIRECTLY.

8. THE WORD "ENCROACHMENT" SHOWN ON THE FACE OF THE SURVEY OR NOTED IN THE SURVEYOR'S CERTIFICATION DOES NOT IMPLY THAT THIS SURVEYOR IS EXPRESSING A LEGAL OPINION, BUT MERELY NOTING THAT THE CONDITIONS EXIST THAT COULD BE CONSIDERED A POSSIBLE ENCROACHMENT BY THOSE AUTHORIZED TO MAKE SAID LEGAL OPINION.

9. NO OBSERVABLE EVIDENCE OF EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADDITIONS WITHIN RECENT MONTHS.

10. NO OBSERVABLE EVIDENCE OF CHANGES IN STREET RIGHT OF WAY LINES COMPLETED, AND AVAILABLE FROM THE CONTROLLING JURISDICTION AND NO OBSERVABLE EVIDENCE OF RECENT STREET OR SIDEWALK CONSTRUCTION OR REPAIRS.

11. THE PROPERTY HAS DIRECT ACCESS TO NORTH NOVA ROAD, A DEDICATED PUBLIC STREET OR HIGHWAY.

5 INFORMATION BOX

ALTA/NSPS LAND TITLE SURVEY

AMERICAN SURVEYING INC.
L.B. #7168
4847 NORTH FLORIDA AVENUE
TAMPA, FLORIDA 33603
TELEPHONE (813)234-0103 · FAX (813)234-0108

Section	Township	Range	County, State
37	15S	32E	VOLUSIA COUNTY, FLORIDA

FIELD DATE	09-13-18
CREW CHIEF	MJ
DWN. BY	GS
APRVD. BY	RJB
DWG. NO.	08004018
SCALE	1"=20'
DATE	REVISIONS

Prepared For: DAFISH77 INC.

Project Name: PERSONAL TOUCH CAR WASH

Project Address: 1451 NORTH NOVA ROAD

Job Order Number: 08004018

Project Location: HOLLY HILL, FLORIDA

ALTA SURVEY KEY

1 TITLE COMMITMENT	10 PARKING NOTES
2 LEGAL DESCRIPTION	11 SURVEYORS CERTIFICATION
3 SCHEDULE 'B-II' ITEMS	12 BEARING BASIS
4 SURVEYORS NOTES	13 BUILDING AREA
5 INFORMATION BOX	14 BUILDING HEIGHT
6 FLOOD ZONE INFORMATION	15 PROPERTY AREA
7 CEMETERY NOTE	16 LEGEND
8 ZONING INFORMATION	17 VICINITY MAP
9 POSSIBLE ENCROACHMENT	18 DRAWING SCALE

8 ZONING INFORMATION

"SEE SURVEYOR'S NOTE #7"

NO ZONING INFORMATION WAS SUPPLIED TO THIS SURVEYOR BY THE INSURER AS REQUIRED UNDER TABLE "A" ITEMS 6(A) AND 6(B).

9 POSSIBLE ENCROACHMENTS

(A) CHAIN LINK FENCE ENCROACHES 0.6' AND 0.7' EAST OF EAST PROPERTY LINE, AS SHOWN.

10 PARKING NOTES

PARKING COUNT (STRIPED)
0 REGULAR SPACES
0 HANDICAP SPACES

0 TOTAL SPACES

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Sheet 1 of 1

DISCUSSION:

The attached budget amendment recognizes $50,533.22 in insurance claim reimbursements received by the City during Fiscal Year 2025-2026 and appropriates those funds to the appropriate Fleet Department and Operating Supply expenditure accounts. Attachment A is the Budget Amendment Request, and Attachment B provides the detailed listing supporting the requested budget amendment.

Insurance claim proceeds are recorded as revenue when received. Because these reimbursements were not anticipated in the adopted budget, a budget amendment is necessary to recognize the additional revenue and establish corresponding expenditure appropriations. This action ensures the City's budget accurately reflects the receipt of the insurance proceeds and provides the necessary budget authority for the related expenditures.

FISCAL ANALYSIS:

- Increase Insurance Settlement Revenue by $50,533.22.
- Establish expenditure appropriations for:
    - Fleet Repairs – $11,875.89
    - Fleet Repairs – $4,766.33
    - Operating Supplies – $33,891.00

This budget amendment has no impact on available fund balance, as it appropriates revenue already received by the City.

STAFF RECOMMENDATION:

Staff recommends approval of the budget amendment as presented in Attachments A and B to recognize the insurance reimbursement revenue and establish the necessary expenditure budget for the reimbursed costs.

RESOLUTION 2026-R-48

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA, AMENDING THE FISCAL YEAR 2025-2026 BUDGET TO RECOGNIZE INSURANCE CLAIM REIMBURSEMENT REVENUE AND APPROPRIATE SUCH REVENUE TO THE APPROPRIATE FLEET DEPARTMENT EXPENDITURE ACCOUNTS FOR FLEET REPAIRS AND OPERATING SUPPLY; PROVIDING FOR IMPLEMENTATION; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City has received insurance claim reimbursements totaling $50,533.22 during Fiscal Year 2025-2026 that were not included in the adopted budget;

WHEREAS, it is necessary to amend the Fiscal Year 2025-2026 Budget to recognize the receipt of the insurance reimbursement revenue and establish the corresponding expenditure appropriations within the Fleet Department budget; and

WHEREAS, approval of this budget amendment will ensure the City's budget accurately reflects the receipt of insurance reimbursement revenue and the related expenditure authority.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:

SECTION 1. Budget Amendment Approved. The City Commission hereby approves the budget amendment as set forth in Attachment A, with the supporting detail contained in Attachment B, recognizing insurance claim reimbursement revenue in the amount of $50,533.22 and appropriating those funds to the applicable Fleet and Operating expenditure accounts.

SECTION 2. Implementation. The City Manager, Finance Director, and other appropriate City officials are authorized to take all actions necessary to implement the provisions of this Resolution.

SECTION 3. Conflicts. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4. Severability. If any section, subsection, sentence, clause, phrase, or provision of this Resolution is held invalid or unconstitutional by a court of competent jurisdiction, such invalidity shall not affect the remaining provisions of this Resolution.

SECTION 5. EFFECTIVE DATE. This Resolution shall take effect August 11, 2026.

APPROVED AND AUTHENTICATED on this 11th day of AUGUST 2026.

CITY OF HOLLY HILL
Budget Amendment Request
Fiscal Year 2025-2026

Requesting Department	Date
Finance	8/11/2026

ADD FUNDS TO ACCOUNT NUMBER:	PROJECT NUMBER:	ACCOUNT DESCRIPTION:	AMOUNT:
001-0000-369-3030		Settlements	50,533.22
		Total	50,533.22

ADD FUNDS TO ACCOUNT NUMBER:	PROJECT NUMBER:	ACCOUNT DESCRIPTION:	AMOUNT:
001-2110-521-4650		Fleet	11,875.89
001-4141-541-4650		Fleet	4,766.33
001-2110-521-5201		Operating Supply	33,891.00
		Total	50,533.22

Purpose of Transfer: (include as much detail as possible)

Recognizes insurance claim reimbursement revenue received by the City and establishes the corresponding expenditure appropriations within the General Fund budget.

0

Note: Funds can only be transferred within the same fund and same department without requiring further commission action. In addition funds can only be expended after amendment is completed.

------------------- Management Approvals-------------------

Department Head Signature Date

City Manager Signature Date

------------------ For Finance Use Only ------------------

Finance Review

Finance Director Signature Date Resolution #

Packet	Description	Amount	Expense GL
GLPKT15342	PD VEH #207 INSURANCE CLAIM #450755 Generic Cash Receipt PD VEH #207 INSURANCE CLAIM #450755 507307	(1,306.46)	001-2110-521-4650
GLPKT15342	PD VEH #261 INSURANCE CLAIM #450237 Generic Cash Receipt PD VEH #261 INSURANCE CLAIM #450237 507306	(500.00)	001-2110-521-4650
GLPKT15264	pd insurance claim #450237 Generic Cash Receipt pd insurance claim #450237 507191	(852.93)	001-2110-521-4650
GLPKT14768	PD INSURANCE CLAIM #445867 Generic Cash Receipt PD INSURANCE CLAIM #445867 445867	(1,109.72)	001-2110-521-4650
GLPKT14550	PD INSURANCE CLAIM #449117 Generic Cash Receipt PD INSURANCE CLAIM #449117 503983	(2,856.55)	001-2110-521-4650
GLPKT14408	PD INSURANCE CLAIM #445765 Generic Cash Receipt PD INSURANCE CLAIM #445765 503224	(33,891.00)	001-8110-580-6400
GLPKT14270	PW INSURANCE CLAIM Generic Cash Receipt PW INSURANCE CLAIM 502672	(4,766.33)	001-4141-541-4650
GLPKT13870	pd vehicle insurance claim #441082 Generic Cash Receipt pd vehicle insurance claim #441082 500676	(560.87)	001-2110-521-4650
GLPKT13803	PD VEHICLE INSURANCE CLAIM Generic Cash Receipt PD VEHICLE INSURANCE CLAIM 63-466	(3,055.61)	001-2110-521-4650
GLPKT13661	TAKENA ATKINS - FIRE TRUCK INS CLAIM Generic Cash Receipt TAKENA ATKINS - FIRE TRUCK INS CLAIM 499604	(593.75)	001-2110-521-4650
GLPKT13512	PD VEHICHLE INSURANCE CLAIM Generic Cash Receipt PD VEHICHLE INSURANCE CLAIM 499134	(1,040.00)	001-2110-521-4650
		(50,533.22)	

Totals	
001-2110-521-4650	11,875.89
001-4141-541-4650	4,766.33
001-8110-580-6400	33,891.00
001-0000-369-3030	(50,533.22)

DISCUSSION:

City staff, with the assistance of Mead and Hunt, Inc., successfully obtained a request for inclusion to fund resilient Wastewater improvements that are anticipated to mitigate concerns that were documented to be a direct result from Hurricane Milton. The City qualifies for up to $19,166,503.00 for wastewater improvements to refurbish the existing treatment plant that was damaged during the hurricane and to limit infiltration in the sewer collection system that caused excess sewer flows. The funding was sponsored by Environmental Protection Agency (EPA) as Hawaii Wildfire and Hurricane Milton Supplemental Appropriation Grants. Locally, the Florida Department of Environmental Protection (**FDEP**) is administering the program for the EPA as a Supplemental Appropriation for Hurricanes Helene and Milton and Hawaii Wildfires (**SA-HMW**) loans. SA-HMW loans functions as grants as there is no pay-back obligation. The City Commission approved the loan application on February 24, 2026 through Resolution 2026-R-13, included as "Exhibit A".
The city has received the SA-HMW agreement entitled, "Clean Water State Revolving Fund Planning, Design and Construction Loan Agreement WW6410D0" from FDEP. Agreement WW6410D0 is included as "Exhibit B".

The loan agreement is a typical State Revolving Loan agreement; however, it has been awarded as a grant, meaning all the qualifying capital improvements require no payback of the loan. Mead and Hunt is the City's engineer for this project. The City will have full design, bidding, award, and construction oversight of the Wastewater main improvements. The City Commission is not obligated to award the Wastewater improvements, if it is not in the city's best interest. After loan approval, the next step is for Mead and Hunt to create a facility plan for the improvements based on the loan application previously approved. The Facility Plans design engineering & permitting, improvement bid and construction contract will all be brought back to the Commission for approval.

FISCAL ANALYSIS:

The SA-HMW loan is a no pay-back loan for approved Wastewater main improvements. There is no capital commitment in signing the loan agreement. All engineering tasks and construction service bids will be brought back to the city Commission for approval. All qualifying improvements will be reimbursed up to $19,166,503.00 under the SA-HMW loan agreements. The City is not obligated to perform any tasks or make award for construction not approved by the city according to its bidding policies.

STAFF RECOMMENDATION:

That the City Commission approve the Supplemental Appropriation for Wildfire and Hurricane Milton (**SA-HMW**) loan agreement, authorize the mayor to sign the agreement and the City Manager to work with the Florida Department of Environmental Protection to facilitate the improvements.

COMMISSION GOALS:

<u>Goal #1</u>: Develop and maintain a sound and sustainable financial plan for the city that establishes sufficient reserves for all funds, ensures (whenever possible) that user fees pay for services rendered, provides a realistic capital improvement program, and encourages public/private sector partnerships and intergovernmental partnerships.

<u>Goal #4</u>: Provide proficient public health and safety services in terms of police and fire protection, Wastewater, storm Wastewater, waste Wastewater and solid waste management and disaster preparedness with a focus on intergovernmental collaboration, private sector partnerships, and utilization of technologies and proven innovations.

RESOLUTION 2026-R-49

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA, APPROVING THE LOAN AGREEMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME; PROVIDING FOR CONFLICTS, PROVIDING FOR SEVERABILITY, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of wastewater treatment facilities and wastewater conveyance systems; 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 Clean Water State Revolving Fund (CWSRF) loan priority list designates Project No. 641OD (Holly Hill I&I and BTU Resilience) as eligible for available funding from the Supplemental Appropriation for Hurricanes Helene and Milton and the Hawaii's Wildfires (SA-HMW); and

WHEREAS, the City of Holly Hill, Florida intends to enter into a loan agreement with the Department of Environmental Protection under the Clean Water State Revolving Fund for project financing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:

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

SECTION 2. The City Commission approves loan agreement WW6410D0 from the FDEP's CWSRF SA-HMW in the amount of $19,166,503 to finance the Holly Hill Infiltration & Inflow (I&I) and Biological Treatment Unit (BTU) Resilience project.

SECTION 3. This loan will be one hundred percent principal forgiveness. There will be no revenues pledged for the repayment of this loan.

SECTION 4. The City Manager 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 appropriate City staff to cany out technical, financial, and administrative activities associated with the loan agreement.

SECTION 6. The legal authority for borrowings to construct this Project is Section 166.111, Florida Statutes and Section 403.8532, Florida Statutes.

SECTION 7. All Resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 8. 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 9. This Resolution shall become effective immediately upon its adoption.

APPROVED AND AUTHENTICATED on this 11th day of AUGUST 2026.

RESOLUTION 2026-R-13

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA, RELATING TO THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION CLEAN WATER STATE REVOLVING FUND LOAN PROGRAM, SPECIAL APPROPRIATION FOR HURRICANES HELENE AND MILTON AND THE HAWAI'I WILDFIRES; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION; AUTHORIZING THE LOAN AGREEMENT; DESIGNATING AN AUTHORIZED REPRESENTATIVE; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS, SEVERABILITY, AND AN EFFECTIVE DATE.

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of wastewater treatment facilities and wastewater conveyance systems; 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 Clean Water State Revolving Fund (CWSRF) loan priority list designates Project No. 6410D (Holly Hill I&I and BTU Resilience) as eligible for available funding from the Supplemental Appropriation for Hurricanes Helene and Milton and the Hawaii's Wildfires (SA-HMW); and

WHEREAS, the City of Holly Hill, Florida intends to enter into a loan agreement with the Department of Environmental Protection under the Clean Water State Revolving Fund for project financing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:

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

SECTION 2. The City of Holly Hill, Florida is authorized to apply for a loan from the FDEP's CWSRF SA-HMW in the amount of $19,166,503 to finance the Holly Hill I&I and BTU Resilience project.

SECTION 3. This loan will be one hundred percent principal forgiveness. There will be no revenues pledged for the repayment of this loan.

SECTION 4. The City Manager 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 appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

SECTION 6. The legal authority for borrowing s to construct this Project is Section 166.111, Florida Statutes and Section 403.8532, Florida Statutes.

SECTION 7. All Resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 8. 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 9. This Resolution shall become effective immediately upon its adoption.

APPROVED AND AUTHENTICATED on this 24th day of FEBRUARY 2026.

John Penny, Mayor

Valerie Manning

Valerie Manning, City Clerk

Motion to Approve.

Result: Passed [UNANIMOUS]

Mover: Vice Mayor/City Commissioner Roy Johnson

Seconder: City Commissioner Penny Currie

Ayes: John Penny, Debra Snow, Penny Currie, Jeffrey DeLanoy, Roy Johnson

Nays: None

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

AND

CITY OF HOLLY HILL, FLORIDA

CLEAN WATER STATE REVOLVING FUND
PLANNING, DESIGN AND CONSTRUCTION LOAN AGREEMENT
WW6410D0

Florida Department of Environmental Protection
State Revolving Fund Program
Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard, MS 3505
Tallahassee, Florida 32399-3000

CLEAN WATER STATE REVOLVING FUND PLANNING, DESIGN AND CONSTRUCTION LOAN AGREEMENT

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CLEAN WATER STATE REVOLVING FUND

PLANNING, DESIGN, AND CONSTRUCTION LOAN AGREEMENT

WW6410D0

THIS AGREEMENT is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF HOLLY HILL, FLORIDA, (Local Government) existing as a local governmental entity under the laws of the State of Florida. Collectively, the Department and the Local Government shall be referred to as "Parties" or individually as "Party".

RECITALS

Pursuant to Section 403.1835, Florida Statutes and Chapter 62-503, Florida Administrative Code, the Department is authorized to make loans to finance the planning, design and construction of wastewater pollution control facilities; and

Executive Order No. 24-208, amended by Executive Order No. 24-209, and Executive Order No. 24-214, amended by Executive Order No. 24-215, declared a state of emergency in Florida due to Hurricane Helene which made landfall on September 26, 2024, and Hurricane Milton which made landfall October 9, 2024. The Department adopted Emergency Final Order OGC No. 24-2534 and OGC No. 24-2580 to address such emergency conditions; and

The Local Government applied for the financing of the Project, and the Department has determined that such Project meets requirements for a Loan and Principal Forgiveness to address immediate health and safety needs attributed to Hurricanes Helene and Milton.

AGREEMENT

In consideration of the Department loaning money to the Local Government, in the principal amount and pursuant to the covenants set forth below, it is agreed as follows:

ARTICLE I - DEFINITIONS

1.01. WORDS AND TERMS.

Words and terms used herein shall have the meanings set forth below:

(1) "Agreement" or "Loan Agreement" shall mean this planning, design and construction loan agreement.

(2) "Asset Management Plan" shall mean a systematic management technique for utility systems that focuses on the long-term life cycle of the assets and their sustained performance, rather than on short-term, day-to-day aspects of the assets. This plan includes the identification of and costs for rehabilitating, repairing, or replacing all assets as well as the schedule to do so. The requirements for asset management plans are in Subsection 62-503.700(7), Florida Administrative Code.

(3) “Authorized Representative” shall mean the official of the Local Government authorized by ordinance or resolution to sign documents associated with the Loan.

(4) “Depository” shall mean a bank or trust company, having a combined capital and unimpaired surplus of not less than $50 million, authorized to transact commercial banking or savings and loan business in the State of Florida and insured by the Federal Deposit Insurance Corporation.

(5) “Design Activities” shall mean the design of work defined in the approved planning document that will result in plans and specifications, ready for permitting and bidding for an eligible construction project.

(6) “Final Amendment” shall mean the final agreement executed between the parties that establishes the final terms for the Loan such as the final Loan amount.

(7) “Final Unilateral Amendment” shall mean the Loan Agreement unilaterally finalized by the Department after Loan Agreement and Project abandonment under Section 8.06.

(8) “Financing Rate” shall mean the charges, expressed as a percent per annum, imposed on the unpaid principal of the Loan.

(9) “Gross Revenues” shall mean all income or earnings received by the Local Government from the ownership or operation of its Utility System, including investment income, all as calculated in accordance with generally accepted accounting principles. Gross Revenues shall not include proceeds from the sale or other disposition of any part of the Utility System, condemnation awards or proceeds of insurance, except use and occupancy or business interruption insurance, received with respect to the Utility System.

(10) “Loan” shall mean the amount of money to be loaned pursuant to this Agreement and subsequent amendments.

(11) “Loan Application” shall mean the completed form which provides all information required to support obtaining planning, design and construction loan financial assistance.

(12) “Local Governmental Entity” means a county, municipality, or special district.

(13) “Operation and Maintenance Expense” shall mean the costs of operating and maintaining the Utility System determined pursuant to generally accepted accounting principles, exclusive of interest on any debt payable from Gross Revenues, depreciation, and any other items not requiring the expenditure of cash.

(14) “Planning Activities” shall mean the planning or administrative work necessary for the Local Government to qualify for Clean Water State Revolving Fund financing for construction of wastewater transmission, collection, reuse, and treatment facilities.

(15) “Principal Forgiveness” shall mean the amount of money awarded pursuant to this Agreement and subsequent amendments that is not to be repaid.

(16) “Project” shall mean the works financed by this Loan and shall consist of furnishing all labor, materials, and equipment to plan, design, and construct the Supplemental Appropriation for Hurricanes Helene and Milton to improve lift stations and reduce inflow and infiltration.

(17) “Sewer System” shall mean all facilities owned by the Local Government for collection, transmission, treatment and reuse of wastewater and its residuals.

(18) “Utility System” shall mean all devices and facilities of the Sewer System owned by the Local Government.

1.02. CORRELATIVE WORDS.

Words of the masculine gender shall be understood to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the singular shall include the plural and the word “person” shall include corporations and associations, including public entities, as well as natural persons.

ARTICLE II - WARRANTIES, REPRESENTATIONS AND COVENANTS

2.01. WARRANTIES, REPRESENTATIONS AND COVENANTS.

The Local Government warrants, represents and covenants that:

(1) The Local Government has full power and authority to enter into this Agreement and to comply with the provisions hereof.

(2) The Local Government currently is not the subject of bankruptcy, insolvency, or reorganization proceedings and is not in default of, or otherwise subject to, any agreement or any law, administrative regulation, judgment, decree, note, resolution, charter or ordinance which would currently restrain or enjoin it from entering into, or complying with, this Agreement.

(3) There is no material action, suit, proceeding, inquiry or investigation, at law or in equity, before any court or public body, pending or, to the best of the Local Government's knowledge, threatened, which seeks to restrain or enjoin the Local Government from entering into or complying with this Agreement.

(4) The Local Government knows of no reason why any future required permits or approvals associated with the Project are not obtainable.

(5) The Local Government shall undertake the Project on its own responsibility, to the extent permitted by law.

(6) To the extent permitted by law, the Local Government shall release and hold harmless the State, its officers, members, and employees from any claim arising in connection with the Local Government's actions or omissions in its planning, design, and construction activities financed by this Loan or its operation of the Project.

(7) All Local Government representations to the Department, pursuant to the Loan Application and Agreement, were true and accurate as of the date such representations were made. The financial information delivered by the Local Government to the Department was current and correct as of the date such information was delivered. The Local Government shall comply with Chapter 62-503, Florida Administrative Code, and all applicable State and Federal laws, rules, and regulations which are identified in the Loan Application or Agreement. To the extent that any assurance, representation, or covenant requires a future action, the Local Government shall take such action to comply with this agreement.

(8) The Local Government shall maintain records using generally accepted accounting principles established by the Governmental Accounting Standards Board. As part of its bookkeeping system, the Local Government shall keep accounts of the Utility System separate from all other accounts and it shall keep accurate records of all revenues, expenses, and expenditures relating to the Utility System, and of the Loan disbursement receipts.

(9) RESERVED.

(10) Pursuant to Section 216.347 of the Florida Statutes, the Local Government shall not use this Loan for the purpose of lobbying the Florida Legislature, the Judicial Branch, or a State agency.

(11) The Local Government agrees to complete the Project in accordance with the schedule set forth in Section 10.07. Delays incident to strikes, riots, acts of God, and other events beyond the reasonable control of the Local Government are excepted.

(12) The Local Government covenants that this Agreement is entered into for the purpose of completing the Project which will in all events serve a public purpose. The Local Government covenants that it will, under all conditions, complete and operate the Project to fulfill the public need.

(13) The Local Government shall update the revenue generation system annually to assure that sufficient revenues are generated for operation and maintenance; replacement of equipment, accessories, and appurtenances necessary to maintain the system design capacity and performance during its design life; and to make the system financially self-sufficient.

2.02. LEGAL AUTHORIZATION.

Upon signing this Agreement, the Local Government's legal counsel hereby expresses the opinion, subject to laws affecting the rights of creditors generally, that this Agreement has been duly authorized by the Local Government and shall constitute a valid and legal obligation of the Local Government enforceable in accordance with its terms upon execution by both parties.

2.03. AUDIT AND MONITORING REQUIREMENTS.

The Local Government agrees to the following audit and monitoring requirements.

(1) The financial assistance authorized pursuant to this Loan Agreement consists of the following:

Federal Resources, Including State Match, Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program Number	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
SL-06D01826-0	EPA	66.458	Clean Water State Revolving Funds	$200,000	140131

(2) Audits.

(a) In the event that the Local Government expends $1,000,000 or more in Federal awards in its fiscal year, the Local Government must have a Federal single audit or program specific audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F. In determining the Federal awards expended in its fiscal year, the Local Government shall consider all sources of Federal awards, including Federal resources received from the Department. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by 2 CFR 200.502-503. An audit of the Local Government conducted by the Auditor General in accordance with the provisions of 2 CFR 200.514 will meet the requirements of this part.

(b) In connection with the audit requirements addressed in the preceding paragraph (a), the Local Government shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200.508-512

(c) If the Local Government expends less than $1,000,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F, is not required. The Local Government shall inform the Department of findings and recommendations pertaining to the State Revolving Fund in audits conducted by the Local Government. In the event that the Local Government expends less than $1,000,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F, the cost of the audit must be paid from non-Federal resources (i.e., the cost of such an audit must be paid from Local Government resources obtained from other than Federal entities).

(d) The Local Government may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at https://sam.gov/.

(3) Report Submission.

(a) Copies of reporting packages for audits conducted in accordance with 2 CFR Part 200, Subpart F, and required by Subsection 2.03(2) of this Agreement shall be submitted, when required by 2 CFR Part 200, Subpart F, by or on behalf of the Local Government directly to each of the following:

(i) The Department at one of the following addresses:

By Mail:
Audit Director
Florida Department of Environmental Protection
Office of the Inspector General, MS40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-30000

or

Electronically:
FDEPSingleAudit@dep.state.fl.us

(ii) The Federal Audit Clearinghouse designated in 2 CFR Section 200.501(a) at the following address:

https://harvester.census.gov/facweb/

(iii) Other Federal agencies and pass-through entities in accordance with 2 CFR Section 200.512.

(b) Pursuant to 2 CFR Part 200, Subpart F, the Local Government shall submit a copy of the reporting package described in 2 CFR Part 200, Subpart F, and any management letters issued by the auditor, to the Department at the address listed under Subsection 2.03(3)(a)(i) of this Agreement.

(c) Any reports, management letters, or other information required to be submitted to the Department pursuant to this Agreement shall be submitted timely in accordance with 2 CFR Part 200, Subpart F, Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

(d) Local Governments, when submitting financial reporting packages to the Department for audits done in accordance with 2 CFR Part 200, Subpart F, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the Local Government in correspondence accompanying the reporting package.

(4) Record Retention.

The Local Government shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date of the Final Amendment, and shall allow the Department, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The Local Government shall ensure that working papers are made available to the Department, or its designee, Chief Financial Officer, or Auditor General upon request for a period of five years from the date of the Final Amendment, unless extended in writing by the Department.

(5) Monitoring.

In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F, as revised (see audit requirements above), monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits as defined by 2 CFR Part 200, Subpart F., and/or other procedures. By entering into this Agreement, the Local Government agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department. In the event the Department determines that a limited scope audit of the Local Government is appropriate, the Local Government agrees to comply with any additional instructions provided by the Department to the Local Government regarding such audit. The Local Government understands its duty, pursuant to Section 20.055(5), F.S., to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. The Local Government will comply with this duty and ensure that any subcontracts issued under this Agreement will impose this requirement, in writing, on its subcontractors.

ARTICLE III – RESERVED.

ARTICLE IV - PROJECT INFORMATION

4.01. PROJECT CHANGES.

After the Department's environmental review has been completed, the Local Government shall promptly notify the Department, in writing, of any Project change that would require a modification to the environmental information document.

Project changes prior to bid opening shall be made by addendum to plans and specifications. Changes after bid opening shall be made by change order. The Local Government shall submit all addenda and all change orders to the Department for an eligibility determination. After execution of all construction, equipment and materials contracts, the Project contingency may be reduced.

4.02. TITLE TO PROJECT SITE.

The Local Government shall have an interest in real property or necessary approvals sufficient for the construction and location of the Project free and clear of liens and encumbrances which would impair the usefulness of such sites for the intended use.

4.03. PERMITS AND APPROVALS.

The Local Government shall have obtained, prior to the Department's authorization to award construction contracts, all permits and approvals required for construction of the Project or portion of the Project funded under this Agreement.

4.04. ENGINEERING SERVICES.

A professional engineer, registered in the State of Florida, shall be employed by, or under contract with, the Local Government to oversee construction.

4.05. PROHIBITION AGAINST ENCUMBRANCES.

The Local Government is prohibited from selling, leasing, or disposing of any part of the Utility System which would materially reduce operational integrity or Gross Revenues so long as this Agreement, including any amendment thereto, is in effect unless the written consent of the Department is first secured. The Local Government may be required to reimburse the Department for the Principal Forgiveness funded cost of any such part, taking into consideration any increase or decrease in value.

4.06. COMPLETION MONEYS.

In addition to the proceeds of this Loan, the Local Government covenants that it has obtained, or will obtain, sufficient moneys from other sources to complete the Project and place the Project in operation on, or prior to, the date specified in Article X. Failure of the Department to approve additional financing shall not constitute a waiver of the Local Government's covenants to complete and place the Project in operation.

4.07. CLOSE-OUT.

The Department shall conduct a final inspection of the Project and Project records. Following the inspection, deadlines for submitting additional disbursement requests, if any, shall be established, along with deadlines for uncompleted Loan or Principal Forgiveness requirements, if any. Deadlines shall be incorporated into the Loan Agreement by amendment. The Loan principal shall be reduced by any excess over the amount required to pay all approved costs.

4.08. DISBURSEMENTS.

This Agreement allows for funds to be advanced to the Local Government for allowable invoiced costs, under the provisions of 216.181, Florida Statutes. Disbursements shall be made directly to the Local Government only by the State Chief Financial Officer and only when the requests for such disbursements are accompanied by a Department certification that such withdrawals are proper expenditures. In addition to the invoices for costs incurred, proof of payment will be required with the following disbursement request.

Disbursements shall be made directly to the Local Government for reimbursement of the incurred planning, design, and construction costs and related services. Disbursements for materials, labor, or services shall be made upon receipt of the following:

(1) A completed disbursement request form signed by the Authorized Representative. Such requests must be accompanied by sufficiently itemized summaries of the materials, labor, or services to identify the nature of the work performed; the cost or charges for such work; and the person providing the service or performing the work.

(2) A certification signed by the Authorized Representative as to the current estimated costs of the Project; that the materials, labor, or services represented by the invoice have been satisfactorily purchased, performed, or received and applied to the project; that all funds received

to date have been applied toward completing the Project; and that under the terms and provisions of the contracts, the Local Government is required to make such payments.

(3) A certification by the engineer responsible for overseeing construction stating that equipment, materials, labor and services represented by the construction invoices have been satisfactorily purchased, or received, and applied to the Project in accordance with construction contract documents; stating that payment is in accordance with construction contract provisions; stating that construction, up to the point of the requisition, is in compliance with the contract documents; and identifying all additions or deletions to the Project which have altered the Project's performance standards, scope, or purpose since the issue of the Department construction permit.

(4) Such other certificates or documents by engineers, attorneys, accountants, contractors, or suppliers as may reasonably be required by the Department.

4.09. ADVANCE PAYMENT.

The Department may provide an advance to the Local Government, in accordance with Section 216.181(16)(b), Florida Statutes. Such advance will require written request from the Local Government, the Advance Payment Justification Form and approval from the State's Chief Financial Officer. The Local Government must temporarily invest the advanced funds, and return any interest income to the Department, within thirty (30) days of each calendar quarter. Interest earned must be returned to the Department within the timeframe identified above or invoices must be received within the same timeframe that shows the offset of the interest earned.

Unused funds, and interest accrued on any unused portion of advanced funds that have not been remitted to the Department, shall be returned to the Department within sixty (60) days of Agreement completion.

The parties hereto acknowledge that the State's Chief Financial Officer may identify additional requirements, which must be met in order for advance payment to be authorized. If the State's Chief Financial Officer imposes additional requirements, the Local Government shall be notified, in writing, by the Department regarding the additional requirements. Prior to releasing any advanced funds, the Local Government shall be required to provide a written acknowledgement to the Department of the Local Government's acceptance of the terms imposed by the State's Chief Financial Officer for release of the funds.

If advance payment is authorized, the Local Government shall be responsible for submitting the information requested in the Interest Earned Memorandum to the Department quarterly.

ARTICLE V - RATES AND USE OF THE UTILITY SYSTEM

5.01. RESERVED.

5.02. NO FREE SERVICE.

The Local Government shall not permit connections to, or furnish any services afforded by, the Utility System without making a charge therefore based on the Local Government's uniform schedule of rates, fees, and charges.

5.03. RESERVED.

5.04. NO COMPETING SERVICE.

The Local Government shall not allow any person to provide any services which would compete with the Utility System so as to adversely affect Gross Revenues.

5.05. MAINTENANCE OF THE UTILITY SYSTEM.

The Local Government shall operate and maintain the Utility System in a proper, sound and economical manner and shall make all necessary repairs, renewals and replacements.

5.06. ADDITIONS AND MODIFICATIONS.

The Local Government may make any additions, modifications or improvements to the Utility System which it deems desirable and which do not materially reduce the operational integrity of any part of the Utility System. All such renewals, replacements, additions, modifications and improvements shall become part of the Utility System.

5.07. COLLECTION OF REVENUES.

The Local Government shall use its best efforts to collect all rates, fees and other charges due to it. The Local Government shall establish liens on premises served by the Utility System for the amount of all delinquent rates, fees and other charges where such action is permitted by law. The Local Government shall, to the full extent permitted by law, cause to discontinue the services of the Utility System and use its best efforts to shut off water service furnished to persons who are delinquent beyond customary grace periods in the payment of Utility System rates, fees and other charges.

ARTICLE VI - DEFAULTS AND REMEDIES

6.01. EVENTS OF DEFAULT.

Upon the occurrence of any of the following events (the Events of Default) all obligations on the part of Department to make any further disbursements hereunder shall, if Department elects, terminate. The Department may, at its option, exercise any of its remedies set forth in this Agreement, but Department may make any disbursements or parts of disbursements after the happening of any Event of Default without thereby waiving the right to exercise such remedies and without becoming liable to make any further disbursement:

(1) RESERVED.

(2) Except as provided in Subsection 6.01(1), failure to comply with the provisions of this Agreement, failure in the performance or observance of any of the covenants or actions required by this Agreement or the Suspension of this Agreement by the Department pursuant to Section 8.15 below, and such failure shall continue for a period of 30 days after written notice thereof to the Local Government by the Department.

(3) Any warranty, representation or other statement by, or on behalf of, the Local Government contained in this Agreement or in any information furnished in compliance with, or in reference to, this Agreement, which is false or misleading, or if the Local Government shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in this Agreement, the Note, or any other document given in connection with the Loan (provided, that with respect to non-monetary defaults, Department shall give written notice to the Local Government, which shall have 30 days to cure any such default), or is unable or unwilling to meet its obligations thereunder.

(4) An order or decree entered, with the acquiescence of the Local Government, appointing a receiver of any part of the Utility System or Gross Revenues thereof; or if such order or decree, having been entered without the consent or acquiescence of the Local Government, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof.

(5) Any proceeding instituted, with the acquiescence of the Local Government, for the purpose of effecting a composition between the Local Government and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are payable from Gross Revenues of the Utility System.

(6) Any bankruptcy, insolvency or other similar proceeding instituted by, or against, the Local Government under federal or state bankruptcy or insolvency law now or hereafter in effect and, if instituted against the Local Government, is not dismissed within 60 days after filing.

(7) Any charge is brought alleging violations of any criminal law in the implementation of the Project or the administration of the proceeds from this Loan against one or more officials of the Local Government by a State or Federal law enforcement authority, which charges are not withdrawn or dismissed within 60 days following the filing thereof.

(8) Failure of the Local Government to give immediate written notice of its knowledge of a potential default or an event of default, hereunder, to the Department and such failure shall continue for a period of 30 days.

6.02. REMEDIES.

All rights, remedies, and powers conferred in this Agreement and the transaction documents are cumulative and are not exclusive of any other rights or remedies, and they shall be in addition to every other right, power, and remedy that Department may have, whether specifically granted in this Agreement or any other transaction document, or existing at law, in equity, or by statute. Any and all such rights and remedies may be exercised from time to time and as often and in such order as Department may deem expedient. Upon any of the Events of Default, the Department may enforce its rights by, *inter alia*, any of the following remedies:

(1) By mandamus or other proceeding at law or in equity, to fulfill this Agreement.

(2) By action or suit in equity, require the Local Government to account for all moneys received from the Department.

(3) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Department.

(4) By applying to a court of competent jurisdiction, cause to appoint a receiver to manage the Utility System, establish and collect fees and charges.

6.03. DELAY AND WAIVER.

No course of dealing between Department and Local Government, or any failure or delay on the part of Department in exercising any rights or remedies hereunder, shall operate as a waiver of any rights or remedies of Department, and no single or partial exercise of any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder. No delay or omission by the Department to exercise any right or power accruing upon Events of Default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient. No waiver or any default under this Agreement shall extend to or affect any subsequent Events of Default, whether of the same or different provision of this Agreement, or shall impair consequent rights or remedies.

ARTICLE VII – RESERVED.

ARTICLE VIII - GENERAL PROVISIONS

8.01. RESERVED.

8.02. PROJECT RECORDS AND STATEMENTS.

Books, records, reports, engineering documents, contract documents, and papers shall be available to the authorized representatives of the Department for inspection at any reasonable time after the Local Government has received a disbursement and until five years after the Final Amendment date.

8.03. ACCESS TO PROJECT SITE.

The Local Government shall provide access to Project sites and administrative offices to authorized representatives of the Department at any reasonable time. The Local Government shall cause its engineers and contractors to provide copies of relevant records and statements for inspection and cooperate during Project inspections, including making available working copies of plans and specifications and supplementary materials

8.04. ASSIGNMENT OF RIGHTS UNDER AGREEMENT.

The Department may assign any part of its rights under this Agreement after notification to the Local Government. The Local Government shall not assign rights created by this Agreement without the written consent of the Department.

8.05. AMENDMENT OF AGREEMENT.

This Agreement may be amended in writing, except that no amendment shall be permitted which is inconsistent with statutes, rules, regulations, executive orders, or written agreements between the Department and the U.S. Environmental Protection Agency (EPA). This Agreement may be amended after all construction contracts are executed to re-establish the Project cost and Project schedule. A Final Amendment establishing the final Project costs shall be completed after the Department's final inspection of the Project records.

8.06. ABANDONMENT, TERMINATION OR VOLUNTARY CANCELLATION.

Failure of the Local Government to actively prosecute or avail itself of this Loan (including e.g. described in para 1 and 2 below) shall constitute its abrogation and abandonment of the rights hereunder, and the Department may then, upon written notification to the Local Government, suspend or terminate this Agreement.

(1) Failure of the Local Government to draw on the Loan proceeds within eighteen months after the effective date of this Agreement, or by the dates set in Section 10.07 for submittal and approval of Planning and/or Design Activities, whichever date occurs first.

(2) Failure of the Local Government, after the initial Loan draw, to draw any funds under the Loan Agreement for twenty-four months, without approved justification or demonstrable progress on the Project.

Upon a determination of abandonment by the Department, the Loan will be suspended, and the Department will implement administrative close out procedures (in lieu of those in Section 4.07) and provide written notification of Final Unilateral Amendment to the Local Government.

In the event that following the execution of this Agreement, the Local Government decides not to proceed with this Loan, this Agreement can be cancelled by the Local Government, without penalty, if no funds have been disbursed.

8.07. SEVERABILITY CLAUSE.

If any provision of this Agreement shall be held invalid or unenforceable, the remaining provisions shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

8.08. SIGNAGE.

The Local Government agrees to comply with signage guidance in order to enhance public awareness of EPA assistance agreements nationwide. A copy of this guidance is listed on the Department's webpage at https://floridadep.gov/wra/srf/content/state-revolving-fund-resources-and-documents as "Guidance for Meeting EPA's Signage Requirements".

8.09. DAVIS-BACON AND RELATED ACTS REQUIREMENTS.

(1) The Local Government shall periodically interview 10% of the work force entitled to Davis-Bacon prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. Local Governments shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. As provided in 29 CFR 5.6(a)(3) all interviews must be conducted in confidence. The Local Government must use Standard Form 1445 or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(2) The Local Government shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The Local Government shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with Davis-Bacon posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date of the contract or subcontract. Local Governments must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with Davis-Bacon. In addition, during the examinations the Local Government shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(3) The Local Government shall periodically review contractors' and subcontractors' use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor (DOL) or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of laborers, trainees, and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in items (1) and (2) above.

(4) Local Governments must immediately report potential violations of the Davis-Bacon prevailing wage requirements to the appropriate DOL Wage and Hour District Office listed at http://www.dol.gov/whd/america2.htm and to the EPA Region 4 Water Division/Grants and Infrastructure Section by calling 404-562-9345. Additional information on Davis-Bacon

guidance is located on the EPA website at: https://www.epa.gov/grants/davis-bacon-and-related-acts-dbra.

8.10. AMERICAN IRON AND STEEL REQUIREMENT.

The Local Government's subcontracts must contain requirements that all of the iron and steel products used in the Project are in compliance with the American Iron and Steel requirement as described in Section 608 of the Federal Water Pollution Control Act unless the Local Government has obtained a waiver pertaining to the Project or the Department has advised the Local Government that the requirement is not applicable to the Project.

8.11. RESERVED.

8.12. ASSET MANAGEMENT PLAN.

Subsection 62-503.700(7), Florida Administrative Code encourages Loan recipients to implement an Asset Management Plan to promote long term sustainability of the system.

The plan must include each of the following elements: i) identification of all assets within the Local Government's system; ii) an evaluation of the current age, condition, and anticipated useful life of each asset; iii) the current value of the assets; iv) the cost to operate and maintain all assets; v) a capital improvement plan based on a survey of industry standards, life expectancy, life cycle analysis, and remaining useful life; vi) an analysis of funding needs; vii) an analysis of population growth and wastewater or stormwater flow projections, as applicable, for the Local Government's planning area, and a model, if applicable, for impact fees; commercial, industrial and residential rate structures; and industrial pretreatment fees and parameters; viii) the establishment of an adequate funding rate structure; ix) a threshold rate set to ensure the proper operation of the utility, if the Local Government transfers any of the utility proceeds to other funds, the rates must be set higher than the threshold rate to facilitate the transfer and proper operation of the utility; and x) a plan to preserve the assets, as well as the renewal, replacement, and repair of the assets as necessary, and a risk-benefit analysis to determine the optimum renewal or replacement time.

8.13. PUBLIC RECORDS ACCESS.

(1) The Local Government shall comply with Florida Public Records law under Chapter 119, F.S. Records made or received in conjunction with this Agreement are public records under Florida law, as defined in Section 119.011(12), F.S. The Local Government shall keep and maintain public records required by the Department to perform the services under this Agreement.

(2) This Agreement may be unilaterally canceled by the Department for refusal by the Local Government to either provide to the Department upon request, or to allow inspection and copying of all public records made or received by the Local Government in conjunction with this Agreement and subject to disclosure under Chapter 119, F.S., and Section 24(a), Article I, Florida Constitution.

(3) IF THE LOCAL GOVERNMENT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE LOCAL GOVERNMENT'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE DEPARTMENT'S CUSTODIAN OF PUBLIC RECORDS AT (850)245-2118, by email at public.services@dep.state.fl.us, **or at the mailing address below**:

Department of Environmental Protection
ATTN: Office of Ombudsman and Public Services
Public Records Request
3900 Commonwealth Blvd, MS 49
Tallahassee, FL 32399

8.14. SCRUTINIZED COMPANIES.

(1) The Local Government certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Local Government or its subcontractors are found to have submitted a false certification; or if the Local Government, or its subcontractors are placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.

(2) If this Agreement is for more than one million dollars, the Local Government certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria as identified in Section 287.135, F.S. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Local Government, its affiliates, or its subcontractors are found to have submitted a false certification; or if the Local Government, its affiliates, or its subcontractors that are placed on the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.

(3) The Local Government agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.

(4) As provided in Subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions then they shall become inoperative.

8.15. SUSPENSION.

The Department may suspend any or all of its obligations to Loan or provide financial accommodation to the Local Government under this Agreement in the following events, as determined by the Department:

(1) The Local Government abandons or discontinues the Project before its completion,

(2) The commencement, prosecution, or timely completion of the Project by the Local Government is rendered improbable or the Department has reasonable grounds to be insecure in Local Government's ability to perform, or

(3) The implementation of the Project is determined to be illegal, or one or more officials of the Local Government in responsible charge of, or influence over, the Project is charged with violating any criminal law in the implementation of the Project or the administration of the proceeds from this Loan.

The Department shall notify the Local Government of any suspension by the Department of its obligations under this Agreement, which suspension shall continue until such time as the event or condition causing such suspension has ceased or been corrected, or the Department has re-instated the Agreement.

Local Government shall have no more than 30 days following notice of suspension hereunder to remove or correct the condition causing suspension. Failure to do so shall constitute a default under this Agreement.

Following suspension of disbursements under this Agreement, the Department may require reasonable assurance of future performance from Local Government prior to re-instating the Loan. Such reasonable assurance may include, but not be limited to, a payment mechanism using two party checks, escrow or obtaining a Performance Bond for the work remaining.

Following suspension, upon failure to cure, correct or provide reasonable assurance of future performance by Local Government, the Department may exercise any remedy available to it by this Agreement or otherwise and shall have no obligation to fund any remaining Loan balance under this Agreement.

8.16. CIVIL RIGHTS.

The Local Government shall comply with all Title VI requirements of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Age Discrimination Act of 1975 and Section 13 of the Federal Water Pollution Control Act Amendments of 1972 which prohibit activities that are intentionally discriminatory and/or have a discriminatory effect based on race, color, national origin (including limited English proficiency), age, disability, or sex.

8.17. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.

The Local Government and any contractors/subcontractors are prohibited from obligating or expending any Loan or Principal Forgiveness funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. See Section 889 of Public Law 115-232 (National Defense Authorization Act 2019). Also, see 2 CFR 200.216 and 200.471.

ARTICLE IX - CONTRACTS AND INSURANCE

9.01. CONTRACTS.

(1) The following documentation is required to receive the Department's authorization to award construction contracts:

(a) Proof of advertising.

(b) Award recommendation, bid proposal, and bid tabulation (certified by the responsible engineer).

(c) Certification of compliance with the conditions of the Department's approval of competitively or non-competitively negotiated procurement, if applicable.

(d) Certification Regarding Disbarment, Suspension, Ineligibility and Voluntary Exclusion.

(e) Certification by the Authorized Representative that affirmative steps were taken to encourage Disadvantaged Business Enterprises participation in Project construction.

(f) Current certifications for Disadvantaged Business Enterprises participating in the contract. If the goals as stated in the plans and specifications are not met, documentation of actions taken shall be submitted.

(g) Certification that the Local Government and contractors are in compliance with labor standards, including prevailing wage rates established for its locality by the DOL under the Davis-Bacon Act for Project construction.

(h) Certification that all procurement is in compliance with Section 8.10 which states that all iron and steel products used in the Project must be produced in the United States unless (a) a waiver is provided to the Local Government by the EPA or (b) compliance would be inconsistent with United States obligations under international agreements.

(2) The following must be provided to the Department for professional services contract(s):

(a) Certification by the Authorized Representative that affirmative steps were taken to encourage Disadvantaged Business Enterprises participation.

(b) Current certifications for Disadvantaged Business Enterprises participating in the contract.

9.02. SUBMITTAL OF CONTRACT DOCUMENTS.

(1) After the Department's authorization to award construction contracts has been received, the Local Government shall submit the following documents:

(a) Contractor insurance certifications.

(b) Executed Contract(s).

(c) Notices to proceed with construction.

(2) After the Local Government has awarded the professional services contract(s), the Local Government shall submit the following documents:

(a) Executed Contract(s).

(b) Professional Services Procurement Certification.

9.03. INSURANCE REQUIRED.

The Local Government shall cause the Project, as each part thereof is certified by the engineer responsible for overseeing construction as completed, and the Utility System (hereafter referred to as "Revenue Producing Facilities") to be insured by an insurance company or companies licensed to do business in the State of Florida against such damage and destruction risks as are customary for the operation of utility systems of like size, type and location to the extent such insurance is obtainable from time to time against any one or more of such risks.

The proceeds of insurance policies received as a result of damage to, or destruction of, the Project or the other Revenue Producing Facilities, shall be used to restore or replace damaged portions of the facilities. If such proceeds are insufficient, the Local Government shall provide additional funds to restore or replace the damaged portions of the facilities. Repair, construction or replacement shall be promptly completed.

ARTICLE X - DETAILS OF FINANCING

10.01. PRINCIPAL AMOUNT OF LOAN.

The total amount awarded is $200,000. Of that, the estimated amount of Principal Forgiveness is $200,000.

10.02. RESERVED.

10.03. RESERVED.

10.04. RESERVED.

10.05. RESERVED.

10.06. PROJECT COSTS.

The Local Government and the Department acknowledge that the actual Project costs have not been determined as of the effective date of this Agreement. Project cost adjustments may be made as a result of construction bidding or mutually agreed upon Project changes. If the Local Government receives other governmental financial assistance for this Project, the costs funded by such other governmental assistance will not be financed by this Loan. The Department shall establish the final Project costs after its final inspection of the Project records. Changes in Project costs may also occur as the result of an audit.

The Local Government agrees to the following estimates of Project costs:

CATEGORY	APPROVED PROJECT COSTS ($)	CONTINGENT PROJECT COSTS
Planning Activities	200,000	0
Design Activities	0	886,100
Construction and Demolition	0	15,474,003
Contingencies	0	1,547,400
Technical Services After Bid Opening	0	1,059,000
SUBTOTAL (Disbursable Amount)	200,000	18,966,503
Less Principal Forgiveness	(200,000)	(18,966,503)
TOTAL (Loan Principal Amount)	0	0

10.07. SCHEDULE.

The Local Government agrees by execution hereof:

(1) This Agreement shall be effective on November 12, 2025. Invoices submitted for work conducted on or after this date shall be eligible for reimbursement.

(2) Initial submittal of Planning Activities is scheduled for no later than November 15, 2026.

(3) Completion of Planning Activities is scheduled for May 15, 2027. Planning Activities must be approved by the Department before funding for Design Activities is available.

10.08. SPECIAL CONDITIONS.

(1) Prior to execution of this Agreement, a signed CCNA certification and a signed contract between the engineering consulting firm and the Local Government with specific details of the planning work to be completed must be submitted.

(2) The Local Government will need advance payment approval or submit invoices dated on or after the effective date and specified in 10.07(1), along with proof of payment, for reimbursement of allowable invoiced costs.

(3) The Local Government understands and agrees by execution of this Agreement that funding for Design and Construction is contingent upon acceptance of the Planning Documentation, as defined by subsection 62-503.700(2) F.A.C., as well as acceptance of project eligibility under the American Relief Act, 2025 (P.L. 118-158) and documentation of hurricane impact directly related to the wastewater system.

(4) The Local Government agrees by execution of this Agreement to the terms and conditions as required by the American Relief Act, 2025, and will ensure contracts whether directly entered into with the Local Government or through subcontracts, incorporate the required provisions of the law into the Project.

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ARTICLE XI - EXECUTION OF AGREEMENT

This Loan Agreement WW6410D0 may be executed in two or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this Agreement to be executed on its behalf by the Secretary or Designee and the Local Government has caused this Agreement to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this Agreement shall be as set forth below by the Department.

for
CITY OF HOLLY HILL

____
Mayor

Attest:

I attest to the opinion expressed in Section 2.02, entitled Legal Authorization.

____
City Clerk

____
City Attorney

SEAL

for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

____
Secretary or Designee

____
Date

DISCUSSION:

City staff, with the assistance of Mead and Hunt, Inc., successfully obtained a request for inclusion to fund resilient water improvements that are anticipated to mitigate concerns that were documented to be a direct result from Hurricane Milton. The city qualifies for up to $2,856,873 for water improvements to replace the State Street water main that failed as a result of flood water effects on Carswell Avenue. The funding was sponsored by Environmental Protection Agency (EPA) as Hawaii Wildfire and Hurricane Milton Supplemental Appropriation Grants. Locally, the Florida Department of Environmental Protection (**FDEP**) is administering the program for the EPA as a Supplemental Appropriation for Hurricanes Helene and Milton and Hawaii Wildfires (**SA-HMW**) loans. SA-HMW loans function as grants as there is no pay-back obligation. The City Commission approved the loan application on February 24, 2026 through Resolution 2026-R-14, included as "Exhibit A".

The city has received the SA-HMW agreement entitled "Drinking Water State Revolving Fund Planning, Design and Construction Loan Agreement DW6410C0" from FDEP. Agreement DW6410C0 is included as "Exhibit B".

The city loan agreement is a typical State Revolving Loan agreement, however has been awarded as a grant, meaning all the qualifying capital improvements are 100% reimbursable. Mead and Hunt is the city's engineer for this project. The city will have full design, bidding, award, and construction oversight of the water main improvements. The City Commission is not obligated to award the water improvements, if it is not in the city's best interest. After loan approval, the next step is for Mead and Hunt to create a facility plan for the improvements based on the loan application previously approved. The Facility Plans design engineering & permitting, improvement bid and construction contract will all be brought back to the Commission for approval.

FISCAL ANALYSIS:

The SA-HMW loan is a no pay-back loan for approved water main improvements. There is no capital commitment in signing the loan agreement. All engineering tasks and construction service bids will be brought back to the city Commission for approval. All qualifying improvements will be reimbursed up to $2,856,873.00 under the SA-HMW loan agreements. The city is not obligated to perform any tasks or make award any construction not approved by the city according to its bidding policies.

STAFF RECOMMENDATION:

That the City Commission approves the Supplemental Appropriation for Wildfire and Hurricane Milton (**SA-HMW**) loan agreement, authorize the mayor to sign the agreement and the City Manager to work with the Florida Department of Environmental Protection to facilitate the improvements.

COMMISSION GOALS:

Goal #1: Develop and maintain a sound and sustainable financial plan for the city that establishes sufficient reserves for all funds, ensures (whenever possible) that user fees pay for services rendered, provides a realistic capital improvement program, and encourages public/private sector partnerships and intergovernmental partnerships.

Goal #4: Provide proficient public health and safety services in terms of police and fire protection, water, storm water, waste water and solid waste management and disaster preparedness with a focus on intergovernmental collaboration, private sector partnerships, and utilization of technologies and proven innovations.

RESOLUTION 2026-R-50

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA, APPROVING THE LOAN AGREEMENT AND AUTHORIZING THE CITY MANAGER TO EXECUTE THE SAME; PROVIDING FOR CONFLICTS, PROVIDING FOR SEVERABILITY, AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of wastewater treatment facilities and wastewater conveyance systems; 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 Clean Water State Revolving Fund (CWSRF) loan priority list designates Project No. 641OD (Holly Hill water main improvements) as eligible for available funding from the Supplemental Appropriation for Hurricanes Helene and Milton and the Hawaii's Wildfires (SA-HMW); and

WHEREAS, the City of Holly Hill, Florida has received the no pay-back loan agreement with the Department of Environmental Protection under the Clean Water State Revolving Fund for project financing DW6410C0.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:

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

SECTION 2. The City Commission approves loan agreement DW6410C0 from the FDEP's CWSRF SA-HMW in the amount of $2,856,873 to finance the Holly Hill State Street Water Main replacement project.

SECTION 3. This loan will be one hundred percent principal forgiveness. There will be no revenues pledged for the repayment of this loan.

SECTION 4. The City Manager is hereby designated as the authorized representative to provide the assurances and commitments required by the loan agreement.

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 appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

SECTION 6. The legal authority for borrowings to construct this Project is Section 166.111, Florida Statutes and Section 403.8532, Florida Statutes.

SECTION 7. All resolutions or part of resolutions in conflict with any of the provisions of this resolution are hereby repealed.

SECTION 8. 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 9. This Resolution shall become effective immediately upon its adoption.

APPROVED AND AUTHENTICATED on this 11th day of AUGUST 2026.

RESOLUTION 2026-R-14

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA, RELATING TO THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION DRINKING WATER STATE REVOLVING FUND LOAN PROGRAM, SPECIAL APPROPRIATION FOR HURRICANES HELENE AND MILTON AND THE HAWAI'I WILDFIRES; MAKING FINDINGS; AUTHORIZING THE LOAN APPLICATION; AUTHORIZING THE LOAN AGREEMENT; DESIGNATING AN AUTHORIZED REPRESENTATIVE; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND AN EFFECTIVE DATE.

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of water supply infrastructure; 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 Drinking Water State Revolving Fund (DWSRF) loan priority list designates Project No. 6410C (State Avenue Water Main Replacement) as eligible for available funding from the Supplemental Appropriation for Hurricanes Helene and Milton and the Hawaii's Wildfires (SA-HMW); and

WHEREAS, the City of Holly Hill, Florida, intends to enter into a loan agreement with the Department of Environmental Protection under the Drinking Water State Revolving Fund for project financing.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF HOLLY HILL, FLORIDA:

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

SECTION 2. The City of Holly Hill, Florida is authorized to apply for a loan from the FDEP's DWSRF SA-HMW in the amount of $2,856,823 to finance the State Avenue Water Main Replacement project.

SECTION 3. This loan will be one hundred percent principal forgiveness. There will be no revenues pledged for the repayment of this loan.

SECTION 4. The City Manager 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 appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

SECTION 6. The legal authority for borrowing s to construct this Project is Section 166.111, Florida Statutes and Section 403.8532, Florida Statutes.

SECTION 7. All Resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

SECTION 8. 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 9. This Resolution shall become effective immediately upon its adoption.

APPROVED AND AUTHENTICATED on this 24th day of FEBRUARY 2026.

John Penny, Mayor

Valerie Manning

Valerie Manning, City Clerk

Motion to Approve.
Result: Passed [UNANIMOUS]
Mover: Vice Mayor/City Commissioner Roy Johnson
Seconder: City Commissioner Debra Snow
Ayes: John Penny, Debra Snow, Penny Currie, Roy Johnson
Nays: Jeffrey DeLanoy

STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

AND

CITY OF HOLLY HILL, FLORIDA

DRINKING WATER STATE REVOLVING FUND
PLANNING, DESIGN AND CONSTRUCTION LOAN AGREEMENT
DW6410C0

Florida Department of Environmental Protection
State Revolving Fund Program
Marjory Stoneman Douglas Building
3900 Commonwealth Boulevard, MS 3505
Tallahassee, Florida 32399-3000

DRINKING WATER STATE REVOLVING FUND PLANNING, DESIGN AND CONSTRUCTION LOAN AGREEMENT

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CONTENTS PAGE

DRINKING WATER STATE REVOLVING FUND

PLANNING, DESIGN AND CONSTRUCTION LOAN AGREEMENT

DW6410C0

THIS AGREEMENT is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF HOLLY HILL, FLORIDA, (Project Sponsor) existing as a local governmental entity under the laws of the State of Florida. Collectively, the Department and the Project Sponsor shall be referred to as "Parties" or individually as "Party".

RECITALS

Pursuant to Section 403.8532, Florida Statutes and Chapter 62-552, Florida Administrative Code, the Department is authorized to make loans to finance the planning, design and construction of public water systems; and

Executive Order No. 24-208, amended by Executive Order No. 24-209, and Executive Order No. 24-214, amended by Executive Order No. 24-215, declared a state of emergency in Florida due to Hurricane Helene which made landfall on September 26, 2024, and Hurricane Milton which made landfall October 9, 2024. The Department adopted Emergency Final Order OGC No. 24-2534 and OGC No. 24-2580 to address such emergency conditions; and

The Project Sponsor applied for the financing of the Project, and the Department has determined that such Project meets requirements for a Loan and Principal Forgiveness to address immediate public health and safety needs attributed to Hurricanes Helene and Milton.

AGREEMENT

In consideration of the Department loaning money to the Project Sponsor, in the principal amount and pursuant to the covenants set forth below, it is agreed as follows:

ARTICLE I - DEFINITIONS

1.01. WORDS AND TERMS.

Words and terms used herein shall have the meanings set forth below:

(1) "Agreement" or "Loan Agreement" shall mean this planning, design, and construction loan agreement.

(2) "Asset Management Plan" means a systematic management technique for utility systems that focuses on the long-term life cycle of the assets and their sustained performance, rather than on short-term, day-to-day aspects of the assets. This plan includes the identification of and costs for rehabilitating, repairing, or replacing all assets as well as the schedule to do so. The requirements for asset management plans are in Subsection 62-552.700(7), Florida Administrative Code.

(3) "Authorized Representative" shall mean the official of the Project Sponsor authorized by ordinance or resolution to sign documents associated with the Loan.

(4) "Depository" shall mean a bank or trust company, having a combined capital and unimpaired surplus of not less than $50 million, authorized to transact commercial banking or savings and loan business in the State of Florida and insured by the Federal Deposit Insurance Corporation.

(5) "Design Activities" shall mean the design of work defined in the approved planning document that will result in plans and specifications, ready for permitting and bidding, for an eligible construction project.

(6) "Final Amendment" shall mean the final agreement executed between the parties that establishes the final terms for the Loan such as the final Loan amount.

(7) "Final Unilateral Amendment" shall mean the Loan Agreement unilaterally finalized by the Department after Loan Agreement and Project abandonment under Section 8.06.

(8) "Financial Assistance" shall mean Principal Forgiveness funds or Loan funds.

(9) "Gross Revenues" shall mean all income or earnings received by the Project Sponsor from the ownership or operation of its Utility System, including investment income, all as calculated in accordance with generally accepted accounting principles. Gross Revenues shall not include proceeds from the sale or other disposition of any part of the Utility System, condemnation awards or proceeds of insurance, except use and occupancy or business interruption insurance, received with respect to the Utility System.

(10) "Loan" shall mean the amount of money to be loaned pursuant to this Agreement and subsequent amendments.

(11) "Loan Application" shall mean the completed form which provides all information required to support obtaining planning, design, and construction loan financial assistance.

(12) "Local Governmental Entity" means a county, municipality, or special district.

(13) "Operation and Maintenance Expense" shall mean the costs of operating and maintaining the Utility System determined pursuant to generally accepted accounting principles, exclusive of interest on any debt payable from Gross Revenues, depreciation, and any other items not requiring the expenditure of cash.

(14) "Planning Activities" shall mean the planning or administrative work necessary for the Project Sponsor to qualify for Drinking Water State Revolving Fund financing for construction of drinking water facilities.

(15) "Principal Forgiveness" shall mean the amount of money awarded pursuant to this Agreement and subsequent amendments that is not to be repaid.

(16) "Project" shall mean the works financed by this Loan and shall consist of furnishing all labor, materials, and equipment to plan, design, and construct the Supplemental Appropriation

for Hurricanes Helene and Milton State Avenue Water Main Replacement. This Project is a Capitalization Grant Project as defined in Chapter 62-552, Florida Administrative Code.

(17) “Utility System” shall mean all devices and facilities of the Water System owned by the Project Sponsor.

(18) “Water System” shall mean all facilities owned by the Project Sponsor for supplying and distributing water for residential, commercial, industrial, and governmental use.

1.02. CORRELATIVE WORDS.

Words of the masculine gender shall be understood to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the singular shall include the plural and the word “person” shall include corporations and associations, including public entities, as well as natural persons.

ARTICLE II - WARRANTIES, REPRESENTATIONS AND COVENANTS

2.01. WARRANTIES, REPRESENTATIONS AND COVENANTS.

The Project Sponsor warrants, represents and covenants that:

(1) The Project Sponsor has full power and authority to enter into this Agreement and to comply with the provisions hereof.

(2) The Project Sponsor currently is not the subject of bankruptcy, insolvency, or reorganization proceedings and is not in default of, or otherwise subject to, any agreement or any law, administrative regulation, judgment, decree, note, resolution, charter or ordinance which would currently restrain or enjoin it from entering into, or complying with, this Agreement.

(3) There is no material action, suit, proceeding, inquiry or investigation, at law or in equity, before any court or public body, pending or, to the best of the Project Sponsor's knowledge, threatened, which seeks to restrain or enjoin the Project Sponsor from entering into or complying with this Agreement.

(4) The Project Sponsor knows of no reason why any future required permits or approvals associated with the Project are not obtainable.

(5) The Project Sponsor shall undertake the Project on its own responsibility, to the extent permitted by law.

(6) To the extent permitted by law, the Project Sponsor shall release and hold harmless the State, its officers, members, and employees from any claim arising in connection with the Project Sponsor's actions or omissions in its planning, design, and construction activities financed by this Loan or its operation of the Project.

(7) All Project Sponsor representations to the Department, pursuant to the Loan Application and Agreement, were true and accurate as of the date such representations were made. The financial information delivered by the Project Sponsor to the Department was current

and correct as of the date such information was delivered. The Project Sponsor shall comply with Chapter 62-552, Florida Administrative Code, and all applicable State and Federal laws, rules, and regulations which are identified in the Loan Application or Agreement. To the extent that any assurance, representation, or covenant requires a future action, the Project Sponsor shall take such action to comply with this agreement.

(8) The Project Sponsor shall maintain records using Generally Accepted Accounting principles established by the Financial Accounting Standards Board. As part of its bookkeeping system, the Project Sponsor shall keep accounts of the Utility System separate from all other accounts and it shall keep accurate records of all revenues, expenses, and expenditures relating to the Utility System, and of the Loan disbursement receipts.

(9) RESERVED.

(10) Pursuant to Section 216.347 of the Florida Statutes, the Project Sponsor shall not use this Loan for the purpose of lobbying the Florida Legislature, the Judicial Branch, or a State agency.

(11) The Project Sponsor agrees to complete the Project in accordance with the schedule set forth in Section 10.07. Delays incident to strikes, riots, acts of God, and other events beyond the reasonable control of the Project Sponsor are excepted.

(12) The Project Sponsor covenants that this Agreement is entered into for the purpose of completing the Project which will in all events serve a public purpose. The Project Sponsor covenants that it will, under all conditions, complete and operate the Project to fulfill the public need.

(13) The Project Sponsor shall update the revenue generation system annually to assure that sufficient revenues are generated for operation and maintenance; replacement of equipment, accessories, and appurtenances necessary to maintain the system design capacity and performance during its design life; and to make the system financially self-sufficient.

2.02. LEGAL AUTHORIZATION.

Upon signing this Agreement, the Project Sponsor's legal counsel hereby expresses the opinion, subject to laws affecting the rights of creditors generally, that this Agreement has been duly authorized by the Project Sponsor and shall constitute a valid and legal obligation of the Project Sponsor enforceable in accordance with its terms upon execution by both parties.

2.03. AUDIT AND MONITORING REQUIREMENTS.

The Project Sponsor agrees to the following audit and monitoring requirements.

(1) The financial assistance authorized pursuant to this Loan Agreement consists of the following:

Federal Resources, including State Match, Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program Number	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
SK-06D01725-0	EPA	66.468	Drinking Water State Revolving Fund	$293,000	140129

(2) Audits.

(a) In the event that the Project Sponsor expends $1,000,000 or more in Federal awards in its fiscal year, the Project Sponsor must have a Federal single audit or program specific audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F. In determining the Federal awards expended in its fiscal year, the Project Sponsor shall consider all sources of Federal awards, including Federal resources received from the Department. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by 2 CFR 200.502-503. An audit of the Project Sponsor conducted by the Auditor General in accordance with the provisions of 2 CFR 200.514 will meet the requirements of this part.

(b) In connection with the audit requirements addressed in the preceding paragraph (a), the Project Sponsor shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200.508-512.

(c) If the Project Sponsor expends less than $1,000,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F, is not required. The Project Sponsor shall inform the Department of findings and recommendations pertaining to the State Revolving Fund in audits conducted by the Project Sponsor. In the event that the Project Sponsor expends less than $1,000,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F, the cost of the audit must be paid from non-Federal resources (i.e., the cost of such an audit must be paid from Project Sponsor resources obtained from other than Federal entities).

(d) The Project Sponsor may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at https://sam.gov/.

(3) Report Submission.

(a) Copies of reporting packages for audits conducted in accordance with 2 CFR Part 200, Subpart F, and required by Subsection 2.03(2) of this Agreement shall be submitted, when required by 2 CFR Part 200, Subpart F, by or on behalf of the Project Sponsor directly to each of the following:

(i) The Department at one of the following addresses:

By Mail:
Audit Director
Florida Department of Environmental Protection
Office of the Inspector General, MS40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-30000

or

Electronically:
FDEPSingleAudit@dep.state.fl.us

(ii) The Federal Audit Clearinghouse designated in 2 CFR Section 200.501(a) at the following address:

https://harvester.census.gov/facweb/

(iii) Other Federal agencies and pass-through entities in accordance with 2 CFR Section 200.512.

(b) Pursuant to 2 CFR Part 200, Subpart F, the Project Sponsor shall submit a copy of the reporting package described in 2 CFR Part 200, Subpart F, and any management letters issued by the auditor, to the Department at the address listed under Subsection 2.03(3)(a)(i) of this Agreement.

(c) Any reports, management letters, or other information required to be submitted to the Department pursuant to this Agreement shall be submitted timely in accordance with 2 CFR Part 200, Subpart F, Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

(d) Project Sponsors, when submitting financial reporting packages to the Department for audits done in accordance with 2 CFR Part 200, Subpart F, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the Project Sponsor in correspondence accompanying the reporting package.

(4) Record Retention.

The Project Sponsor shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date of the Final Amendment, and shall allow the Department, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The Project Sponsor shall ensure that working papers are made available to the Department, or its designee, Chief Financial Officer, or Auditor General upon request for a period of five years from the date of the Final Amendment, unless extended in writing by the Department.

(5) Monitoring.

In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F, as revised (see audit requirements above), monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits as defined by 2 CFR Part 200, Subpart F., and/or other procedures. By entering into this Agreement, the Project Sponsor agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department. In the event the Department determines that a limited scope audit of the Project Sponsor is appropriate, the Project Sponsor agrees to comply with any additional instructions provided by the Department to the Project Sponsor regarding such audit. The Project Sponsor understands its duty, pursuant to Section 20.055(5), F.S., to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. The Project Sponsor will comply with this duty and ensure that any subcontracts issued under this Agreement will impose this requirement, in writing, on its subcontractors.

ARTICLE III – RESERVED.

ARTICLE IV - PROJECT INFORMATION

4.01. PROJECT CHANGES.

After the Department's environmental review has been completed, the Project Sponsor shall promptly notify the Department, in writing, of any Project change that would require a modification to the environmental information document.

Project changes prior to bid opening shall be made by addendum to plans and specifications. Changes after bid opening shall be made by change order. The Project Sponsor shall submit all addenda and all change orders to the Department for an eligibility determination. After execution of all construction, equipment and materials contracts, the Project contingency may be reduced.

4.02. TITLE TO PROJECT SITE.

The Project Sponsor shall have an interest in real property or necessary approvals sufficient for the construction and location of the Project free and clear of liens and encumbrances which would impair the usefulness of such sites for the intended use.

4.03. PERMITS AND APPROVALS.

The Project Sponsor shall have obtained, prior to the Department's authorization to award construction contracts, all permits and approvals required for construction of the Project or portion of the Project funded under this Agreement.

4.04. ENGINEERING SERVICES.

A professional engineer, registered in the State of Florida, shall be employed by, or under contract with, the Project Sponsor to oversee construction.

4.05. PROHIBITION AGAINST ENCUMBRANCES.

The Project Sponsor is prohibited from selling, leasing, or disposing of any part of the Utility System which would materially reduce operational integrity or Gross Revenues so long as this Agreement, including any amendments thereto, is in effect unless the written consent of the Department is first secured. The Project Sponsor may be required to reimburse the Department for the Principal Forgiveness funded cost of any such part, taking into consideration any increase or decrease in value.

4.06. COMPLETION MONEYS.

In addition to the proceeds of this Loan, the Project Sponsor covenants that it has obtained, or will obtain, sufficient moneys from other sources to complete the Project and place the Project in operation on, or prior to, the date specified in Article X. Failure of the Department to approve additional financing shall not constitute a waiver of the Project Sponsor's covenants to complete and place the Project in operation.

4.07. CLOSE-OUT.

The Department shall conduct a final inspection of the Project and Project records. Following the inspection, deadlines for submitting additional disbursement requests, if any, shall be established, along with deadlines for uncompleted Loan or Principal Forgiveness requirements, if any. Deadlines shall be incorporated into the Loan Agreement by amendment. The Loan principal shall be reduced by any excess over the amount required to pay all approved costs.

4.08. DISBURSEMENTS.

This Agreement allows for funds to be advanced to the Project Sponsor for allowable invoiced costs, under the provisions of 216.181, Florida Statutes. Disbursements shall be made directly to the Project Sponsor only by the State Chief Financial Officer and only when the requests for such disbursements are accompanied by a Department certification that such withdrawals are proper expenditures. In addition to the invoices for costs incurred, proof of payment will be required with the following disbursement request.

Disbursements for materials, labor, or services shall be made upon receipt of the following:

(1) A completed disbursement request form signed by the Authorized Representative. Such requests must be accompanied by sufficiently itemized summaries of the materials, labor, or services to identify the nature of the work performed; the cost or charges for such work; and the person providing the service or performing the work.

(2) A certification signed by the Authorized Representative as to the current estimated costs of the Project; that the materials, labor, or services represented by the invoice have been satisfactorily purchased, performed, or received and applied to the project; that all funds received to date have been applied toward completing the Project; and that under the terms and provisions of the contracts, the Project Sponsor is required to make such payments.

(3) A certification by the engineer responsible for overseeing construction stating that equipment, materials, labor and services represented by the construction invoices have been satisfactorily purchased, or received, and applied to the Project in accordance with construction contract documents; stating that payment is in accordance with construction contract provisions; stating that construction, up to the point of the requisition, is in compliance with the contract documents; and identifying all additions or deletions to the Project which have altered the Project’s performance standards, scope, or purpose since the issue of the Department construction permit.

(4) Such other certificates or documents by engineers, attorneys, accountants, contractors, or suppliers as may reasonably be required by the Department.

4.09. ADVANCE PAYMENT.

The Department may provide an advance to the Project Sponsor, in accordance with Section 216.181(16)(b), Florida Statutes. Such advance will require written request from the Project Sponsor, the Advance Payment Justification Form and approval from the State’s Chief Financial Officer. The Project Sponsor must temporarily invest the advanced funds, and return any interest income to the Department, within thirty (30) days of each calendar quarter. Interest earned must be returned to the Department within the timeframe identified above or invoices must be received within the same timeframe that shows the offset of the interest earned.

Unused funds, and interest accrued on any unused portion of advanced funds that have not been remitted to the Department, shall be returned to the Department within sixty (60) days of Agreement completion.

The parties hereto acknowledge that the State’s Chief Financial Officer may identify additional requirements, which must be met in order for advance payment to be authorized. If the State’s Chief Financial Officer imposes additional requirements, the Project Sponsor shall be notified, in writing, by the Department regarding the additional requirements. Prior to releasing any advanced funds, the Project Sponsor shall be required to provide a written acknowledgement to the Department of the Project Sponsor’s acceptance of the terms imposed by the State’s Chief Financial Officer for release of the funds.

If advance payment is authorized, the Project Sponsor shall be responsible for submitting the information requested in the Interest Earned Memorandum to the Department quarterly.

ARTICLE V - RATES AND USE OF THE UTILITY SYSTEM

5.01. RESERVED.

5.02. NO FREE SERVICE.

The Project Sponsor shall not permit connections to, or furnish any services afforded by, the Utility System without making a charge therefore based on the Project Sponsor's uniform schedule of rates, fees, and charges.

5.03. RESERVED.

5.04. NO COMPETING SERVICE.

The Project Sponsor shall not allow any person to provide any services which would compete with the Utility System so as to adversely affect Gross Revenues.

5.05. MAINTENANCE OF THE UTILITY SYSTEM.

The Project Sponsor shall operate and maintain the Utility System in a proper, sound and economical manner and shall make all necessary repairs, renewals and replacements.

5.06. ADDITIONS AND MODIFICATIONS.

The Project Sponsor may make any additions, modifications or improvements to the Utility System which it deems desirable and which do not materially reduce the operational integrity of any part of the Utility System. All such renewals, replacements, additions, modifications and improvements shall become part of the Utility System.

5.07. COLLECTION OF REVENUES.

The Project Sponsor shall use its best efforts to collect all rates, fees and other charges due to it. The Project Sponsor shall establish liens on premises served by the Utility System for the amount of all delinquent rates, fees and other charges where such action is permitted by law. The Project Sponsor shall, to the full extent permitted by law, cause to discontinue the services of the Utility System and use its best efforts to shut off water service furnished to persons who are delinquent beyond customary grace periods in the payment of Utility System rates, fees and other charges.

ARTICLE VI - DEFAULTS AND REMEDIES

6.01. EVENTS OF DEFAULT.

Upon the occurrence of any of the following events (the Events of Default) all obligations on the part of Department to make any further disbursements hereunder shall, if Department elects, terminate. The Department may, at its option, exercise any of its remedies set forth in this Agreement, but Department may make any disbursements or parts of disbursements after the happening of any Event of Default without thereby waiving the right to exercise such remedies and without becoming liable to make any further disbursement:

(1) RESERVED.

(2) Except as provided in Subsection 6.01(1), failure to comply with the provisions of this Agreement, failure in the performance or observance of any of the covenants or actions required by this Agreement or the Suspension of this Agreement by the Department pursuant to Section 8.15, below, and such failure shall continue for a period of 30 days after written notice thereof to the Project Sponsor by the Department.

(3) Any warranty, representation or other statement by, or on behalf of, the Project Sponsor contained in this Agreement or in any information furnished in compliance with, or in reference to, this Agreement, which is false or misleading, or if Project Sponsor shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in this Agreement, the Note, or any other document given in connection with the Loan (provided, that with respect to non-monetary defaults, Department shall give written notice to Project Sponsor, which shall have 30 days to cure any such default), or is unable or unwilling to meet its obligations thereunder.

(4) An order or decree entered, with the acquiescence of the Project Sponsor, appointing a receiver of any part of the Utility System or Gross Revenues thereof; or if such order or decree, having been entered without the consent or acquiescence of the Project Sponsor, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof.

(5) Any proceeding instituted, with the acquiescence of the Project Sponsor, for the purpose of effecting a composition between the Project Sponsor and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are payable from Gross Revenues of the Utility System.

(6) Any bankruptcy, insolvency or other similar proceeding instituted by, or against, the Project Sponsor under federal or state bankruptcy or insolvency law now or hereafter in effect and, if instituted against the Project Sponsor, is not dismissed within 60 days after filing.

(7) Any charge is brought alleging violations of any criminal law in the implementation of the Project or the administration of the proceeds from this Loan against one or more officials of the Project Sponsor by a State or Federal law enforcement authority, which charges are not withdrawn or dismissed within 60 days following the filing thereof.

(8) Failure of the Project Sponsor to give immediate written notice of its knowledge of a potential default or an event of default, hereunder, to the Department and such failure shall continue for a period of 30 days.

6.02. REMEDIES.

All rights, remedies, and powers conferred in this Agreement and the transaction documents are cumulative and are not exclusive of any other rights or remedies, and they shall be in addition to every other right, power, and remedy that Department may have, whether specifically granted in this Agreement or any other transaction document, or existing at law, in equity, or by statute. Any and all such rights and remedies may be exercised from time to time and as often and in such order as Department may deem expedient. Upon any of the Events of Default, the Department may enforce its rights by, *inter alia*, any of the following remedies:

(1) By mandamus or other proceeding at law or in equity, to fulfill this Agreement.

(2) By action or suit in equity, require the Project Sponsor to account for all moneys received from the Department.

(3) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Department.

(4) By applying to a court of competent jurisdiction, cause to appoint a receiver to manage the Utility System, establish and collect fees and charges.

6.03. DELAY AND WAIVER.

No course of dealing between Department and Project Sponsor, or any failure or delay on the part of Department in exercising any rights or remedies hereunder, shall operate as a waiver of any rights or remedies of Department, and no single or partial exercise of any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder. No delay or omission by the Department to exercise any right or power accruing upon Events of Default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient. No waiver or any default under this Agreement shall extend to or affect any subsequent Events of Default, whether of the same or different provision of this Agreement, or shall impair consequent rights or remedies.

ARTICLE VII - RESERVED

ARTICLE VIII - GENERAL PROVISIONS

8.01. RESERVED.

8.02. PROJECT RECORDS AND STATEMENTS.

Books, records, reports, engineering documents, contract documents, and papers shall be available to the authorized representatives of the Department for inspection at any reasonable time after the Project Sponsor has received a disbursement and until five years after the Final Amendment date.

8.03. ACCESS TO PROJECT SITE.

The Project Sponsor shall provide access to Project sites and administrative offices to authorized representatives of the Department at any reasonable time. The Project Sponsor shall cause its engineers and contractors to provide copies of relevant records and statements for inspection and cooperate during Project inspections, including making available working copies of plans and specifications and supplementary materials.

8.04. ASSIGNMENT OF RIGHTS UNDER AGREEMENT.

The Department may assign any part of its rights under this Agreement after notification to the Project Sponsor. The Project Sponsor shall not assign rights created by this Agreement without the written consent of the Department.

8.05. AMENDMENT OF AGREEMENT.

This Agreement may be amended, in writing, except that no amendment shall be permitted which is inconsistent with statutes, rules, regulations, executive orders, or written agreements between the Department and the U.S. Environmental Protection Agency (EPA). This Agreement may be amended after all construction contracts are executed to re-establish the Project cost and Project schedule. A Final Amendment establishing the final Project costs shall be completed after the Department's final inspection of the Project records.

8.06. ABANDONMENT, TERMINATION OR VOLUNTARY CANCELLATION.

Failure of the Project Sponsor to actively prosecute or avail itself of this Loan (including e.g. described in para 1 and 2 below) shall constitute its abrogation and abandonment of the rights hereunder, and the Department may then, upon written notification to the Project Sponsor, suspend or terminate this Agreement.

(1) Failure of the Project Sponsor to draw on the Loan proceeds within eighteen months after the effective date of this Agreement, or by the dates set in Section 10.07 for submittal and approval of Planning and/or Design Activities, whichever date occurs first.

(2) Failure of the Project Sponsor, after the initial Loan draw, to draw any funds under the Loan Agreement for twenty-four months, without approved justification or demonstrable progress on the Project.

Upon a determination of abandonment by the Department, the Loan will be suspended, and the Department will implement administrative close out procedures (in lieu of those in Section 4.07) and provide written notification of Final Unilateral Amendment to the Project Sponsor.

In the event that following the execution of this Agreement, the Project Sponsor decides not to proceed with this Loan, this Agreement can be cancelled by the Project Sponsor, without penalty, if no funds have been disbursed.

8.07. SEVERABILITY CLAUSE.

If any provision of this Agreement shall be held invalid or unenforceable, the remaining provisions shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

8.08. SIGNAGE.

The Project Sponsor agrees to comply with signage guidance in order to enhance public awareness of EPA assistance agreements nationwide. A copy of this guidance is listed on the Department's webpage at https://floridadep.gov/wra/srf/content/state-revolving-fund-resources-and-documents as "EPA Signage Guidelines".

8.09. DAVIS-BACON AND RELATED ACTS REQUIREMENTS.

(1) The Project Sponsor shall periodically interview 10% of the work force entitled to Davis-Bacon prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. Project Sponsors shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. As provided in 29 CFR 5.6(a)(3) all interviews must be conducted in confidence. The Project Sponsor must use Standard Form 1445 or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(2) The Project Sponsor shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The Project Sponsor shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with Davis-Bacon posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor's submission of its initial payroll data and two weeks prior to the completion date of the contract or subcontract. Project Sponsors must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with Davis-Bacon. In addition, during the examinations the Project Sponsor shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

(3) The Project Sponsor shall periodically review contractors' and subcontractors' use of apprentices and trainees to verify registration and certification with respect to apprenticeship and training programs approved by either the U.S Department of Labor (DOL) or a state, as appropriate, and that contractors and subcontractors are not using disproportionate numbers of laborers, trainees, and apprentices. These reviews shall be conducted in accordance with the schedules for spot checks and interviews described in items (1) and (2) above.

(4) Project Sponsors must immediately report potential violations of the Davis-Bacon prevailing wage requirements to the appropriate DOL Wage and Hour District Office listed at http://www.dol.gov/whd/america2.htm and to the EPA Region 4 Water Division/Grants and Infrastructure Section by calling 404-562-9345. Additional information on Davis-Bacon guidance is located on the EPA website at: https://www.epa.gov/grants/davis-bacon-and-related-acts-dbra.

8.10. AMERICAN IRON AND STEEL REQUIREMENT.

The Project Sponsor's subcontracts must contain requirements that all of the iron and steel products used in the Project are in compliance with the American Iron and Steel requirement as described in Section 608 of the Federal Water Pollution Control Act unless the Project Sponsor has obtained a waiver pertaining to the Project or the Department has advised the Project Sponsor that the requirement is not applicable to the Project.

8.11. RESERVED.

8.12. ASSET MANAGEMENT PLAN.

Subsection 62-552.700(7), Florida Administrative Code encourages Project Sponsors to implement an Asset Management Plan to promote long term sustainability of the Water System.

The plan must include each of the following elements: i) identification of all assets within the Project Sponsor's system; ii) an evaluation of the current age, condition, and anticipated useful life of each asset; iii) the current value of the assets; iv) the cost to operate and maintain all assets; v) a capital improvement plan based on a survey of industry standards, life expectancy, life cycle analysis, and remaining useful life; vi) an analysis of funding needs; vii) an analysis of population growth and drinking water use projections, as applicable, for the sponsor's planning area, and a model, if applicable, for impact fees; commercial, industrial and residential rate structures; viii) the establishment of an adequate funding rate structure; ix) a threshold rate set to ensure the proper operation of the utility (if the sponsor transfers any of the utility proceeds to other funds, the rates must be set higher than the threshold rate to facilitate the transfer and proper operation of the utility); and x) a plan to preserve the assets, renewal, replacement, and repair of the assets as necessary and a risk-benefit analysis to determine the optimum renewal or replacement time.

8.13. PUBLIC RECORDS ACCESS.

(1) The Project Sponsor shall comply with Florida Public Records law under Chapter 119, F.S. Records made or received in conjunction with this Agreement are public records under Florida law, as defined in Section 119.011(12), F.S. The Project Sponsor shall keep and maintain public records required by the Department to perform the services under this Agreement.

(2) This Agreement may be unilaterally canceled by the Department for refusal by the Project Sponsor to either provide to the Department upon request, or to allow inspection and copying of all public records made or received by the Project Sponsor in conjunction with this Agreement and subject to disclosure under Chapter 119, F.S., and Section 24(a), Article I, Florida Constitution.

(3) IF THE PROJECT SPONSOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE PROJECT SPONSOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE DEPARTMENT'S CUSTODIAN OF PUBLIC RECORDS AT (850)245-2118, by email at public.services@dep.state.fl.us, **or at the mailing address below:**

Department of Environmental Protection
ATTN: Office of Ombudsman and Public Services
Public Records Request
3900 Commonwealth Blvd, MS 49
Tallahassee, FL 32399

8.14. SCRUTINIZED COMPANIES.

(1) The Project Sponsor certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Project Sponsor or its subcontractors are found to have submitted a false certification; or if the Project Sponsor, or its subcontractors are placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.

(2) If this Agreement is for more than one million dollars, the Project Sponsor certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria as identified in Section 287.135, F.S. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Project Sponsor, its affiliates, or its subcontractors are found to have submitted a false certification; or if the Project Sponsor, its affiliates, or its subcontractors are placed on the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.

(3) The Project Sponsor agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.

(4) As provided in Subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions then they shall become inoperative.

8.15**.** SUSPENSION.

The Department may suspend any or all of its obligations to Loan or provide financial accommodation to the Project Sponsor under this Agreement in the following events, as determined by the Department:

(1) The Project Sponsor abandons or discontinues the Project before its completion,

(2) The commencement, prosecution, or timely completion of the Project by the Project Sponsor is rendered improbable or the Department has reasonable grounds to be insecure in Project Sponsor's ability to perform, or

(3) The implementation of the Project is determined to be illegal, or one or more officials of the Project Sponsor in responsible charge of, or influence over, the Project is charged with violating any criminal law in the implementation of the Project or the administration of the proceeds from this Loan.

The Department shall notify the Project Sponsor of any suspension by the Department of its obligations under this Agreement, which suspension shall continue until such time as the event or condition causing such suspension has ceased or been corrected, or the Department has re-instated the Agreement.

Project Sponsor shall have no more than 30 days following notice of suspension hereunder to remove or correct the condition causing suspension. Failure to do so shall constitute a default under this Agreement.

Following suspension of disbursements under this Agreement, the Department may require reasonable assurance of future performance from Project Sponsor prior to re-instating the Loan. Such reasonable assurance may include, but not be limited to, a payment mechanism using two party checks, escrow or obtaining a Performance Bond for the work remaining.

Following suspension, upon failure to cure, correct or provide reasonable assurance of future performance by Project Sponsor, the Department may exercise any remedy available to it by this Agreement or otherwise and shall have no obligation to fund any remaining Loan balance under this Agreement.

8.16. CIVIL RIGHTS.

The Project Sponsor shall comply with all Title VI requirements of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973 and the Age Discrimination Act of 1975, which prohibit activities that are intentionally discriminatory and/or have a discriminatory effect based on race, color, national origin (including limited English proficiency), age, disability, or sex.

8.17. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPMENT.

The Project Sponsor and any contractors/subcontractors are prohibited from obligating or expending any Loan or Principal Forgiveness funds to procure or obtain; extend or renew a contract to procure or obtain; or enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. See Section 889 of Public Law 115-232 (National Defense Authorization Act 2019). Also, see 2 CFR 200.216 and 200.471.

ARTICLE IX - CONTRACTS AND INSURANCE

9.01. CONTRACTS.

(1) The following documentation is required to receive the Department's authorization to award construction contracts:

(a) Proof of advertising.

(b) Award recommendation, bid proposal, and bid tabulation (certified by the responsible engineer).

(c) Certification of compliance with the conditions of the Department's approval of competitively or non-competitively negotiated procurement, if applicable.

(d) Certification Regarding Disbarment, Suspension, Ineligibility and Voluntary Exclusion.

(e) Certification by the Authorized Representative that affirmative steps were taken to encourage Disadvantaged Business Enterprises participation in Project construction.

(f) Current certifications for Disadvantaged Business Enterprises participating in the contract. If the goals as stated in the plans and specifications are not met, documentation of actions taken shall be submitted.

(g) Certification that the Project Sponsor and contractors are in compliance with labor standards, including E-Verify and prevailing wage rates established for its locality by the DOL under the Davis-Bacon Act for Project construction.

(h) Certification that all procurement is in compliance with Section 8.10 which states that all iron and steel products used in the Project must be produced in the United States unless (a) a waiver is provided to the Project Sponsor by the EPA or (b) compliance would be inconsistent with United States obligations under international agreements.

(2) The following must be provided to the Department for professional services contract(s):

(a) Certification by the Authorized Representative that affirmative steps were taken to encourage Disadvantaged Business Enterprises participation.

(b) Current certifications for Disadvantaged Business Enterprises participating in the contract.

9.02. SUBMITTAL OF CONTRACT DOCUMENTS.

(1) After the Department's authorization to award construction contracts has been received, the Project Sponsor shall submit the following documents:

(a) Contractor insurance certifications.

(b) Executed Contract(s).

(c) Notices to proceed with construction.

(2) After the Project Sponsor has awarded the professional services contract(s), the Project Sponsor shall submit the following documents:

(a) Executed Contract(s).

(b) Professional Services Procurement Certification.

9.03. INSURANCE REQUIRED.

The Project Sponsor shall cause the Project, as each part thereof is certified by the engineer responsible for overseeing construction as completed, and the Utility System (hereafter referred to as "Revenue Producing Facilities") to be insured by an insurance company or companies licensed to do business in the State of Florida against such damage and destruction risks as are customary for the operation of utility systems of like size, type and location to the extent such insurance is obtainable from time to time against any one or more of such risks.

The proceeds of insurance policies received as a result of damage to, or destruction of, the Project or the other Revenue Producing Facilities, shall be used to restore or replace damaged portions of the facilities. If such proceeds are insufficient, the Project Sponsor shall provide additional funds to restore or replace the damaged portions of the facilities. Repair, construction or replacement shall be promptly completed.

ARTICLE X - DETAILS OF FINANCING

10.01. PRINCIPAL AMOUNT OF LOAN.

The total amount awarded is $493,000. Of that, the estimated amount of Principal Forgiveness is $493,000.

10.02. RESERVED.

10.03. RESERVED.

10.04. RESERVED.

10.05. RESERVED.

10.06. PROJECT COSTS.

The Project Sponsor and the Department acknowledge that the actual Project costs have not been determined as of the effective date of this Agreement. Project cost adjustments may be made as a result of construction bidding or mutually agreed upon Project changes. If the Project Sponsor receives other governmental financial assistance for this Project, the costs funded by such other governmental assistance will not be financed by this Loan. The Department shall establish the final Project costs after its final inspection of the Project records. Changes in Project costs may also occur as the result of an audit.

The Project Sponsor agrees to the following estimates of Project costs:

CATEGORY	APPROVED PROJECT COSTS ($)	CONTINGENT PROJECT COSTS
Planning Activities	293,000	0
Design Activities	0	200,000
Construction and Demolition	0	1,893,980
Contingencies	0	189,398
Technical Services After Bid Opening	0	280,495
SUBTOTAL (Disbursable Amount)	293,000	2,563,873
Less Principal Forgiveness	(293,000)	(2,563,873)
TOTAL (Loan Principal Amount)	0	0

10.07. SCHEDULE.

The Project Sponsor agrees by execution hereof:

(1) This Agreement shall be effective on November 12, 2025. Invoices submitted for work conducted on or after this date shall be eligible for reimbursement.

(2) Initial submittal of Planning Activities is scheduled for no later than November 15, 2026.

(3) Completion of Planning Activities is scheduled for May 15, 2027. Planning Activities must be approved by the Department before funding for Design Activities is available.

10.08. SPECIAL CONDITIONS.

(1) Prior to execution of this Agreement, a signed CCNA certification and a signed contract between the engineering consulting firm and the Project Sponsor with specific details of the planning work to be completed must be submitted.

(2) The Project Sponsor will need advance payment approval or submit invoices dated on or after the effective date and specified in 10.07(1), along with proof of payment, for reimbursement of allowable invoiced costs.

(3) The Project Sponsor understands and agrees by execution of this Agreement that funding for Design and Construction is contingent upon acceptance of the Planning Documentation, as defined by subsection 62-503.700(2) F.A.C., as well as acceptance of project eligibility under the American Relief Act, 2025 (P.L. 118-158) and documentation of hurricane impact directly related to the wastewater system.

(4) The Project Sponsor agrees by execution of this Agreement to the terms and conditions as required by the American Relief Act, 2025, and will ensure contracts whether directly entered into with the Project Sponsor or through subcontracts, incorporate the required provisions of the law into the Project.

ARTICLE XI - EXECUTION OF AGREEMENT

This Loan Agreement DW6410C0 may be executed in two or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this Agreement to be executed on its behalf by the Secretary or Designee and the Project Sponsor has caused this Agreement to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this Agreement shall be as set forth below by the Department.

for
CITY OF HOLLY HILL

____
Mayor

Attest:	I attest to the opinion expressed in Section 2.02, entitled Legal Authorization.
____________________	____________________
City Clerk	City Attorney

SEAL

for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

____________________	____________________
Secretary or Designee	Date

PROCLAMATION
HONORING JOSEPH "JOE" FORTE FOR 36 YEARS
OF EXTRAORDINARY PUBLIC SERVICE
IN THE CITY OF HOLLY HILL, FLORIDA

WHEREAS, there are those who choose a profession, and there are those who choose a calling. For thirty-six years, Joseph "Joe" Forte answered the call to public service with humility, courage, integrity, and an unwavering commitment to improving the lives of others; and

WHEREAS, believing that great leaders never stop learning, Joe earned a degree in Fire Science from Daytona State College and graduated **Magna Cum Laude** with a Bachelor of Science in Organizational Management from Warner Christian College, preparing himself to better serve the communities that placed their trust in him; and

WHEREAS, Joe began his career with the Holly Hill Fire Department in 1990, where his dedication, work ethic, and natural leadership quickly earned the confidence of his peers, leading to his promotion as Fire Chief in 1995; and

WHEREAS, never satisfied with doing only what was expected, Joe expanded his commitment to public safety by completing Florida law enforcement training in 1998 and being sworn in as a Holly Hill police officer, becoming one of the rare public servants qualified to serve his community as both firefighter and police officer; and

WHEREAS, when the city needed a leader to guide its future, Joe answered yet another call. In 1999, he accepted the responsibility of serving as City Manager, placing his law enforcement certification in abeyance with the State of Florida, so he could devote himself entirely to leading the City of Holly Hill with honesty, fairness, and vision; and

WHEREAS, throughout his career, Joe stood at the forefront of many of Florida's most challenging emergencies, serving during the devastating wildfires of 1998 and in command positions through numerous hurricanes that threatened the community, always providing calm leadership when it mattered most; and

WHEREAS, Joe's leadership has never been measured solely by projects completed or budgets balanced, but by the trust he earned from employees, elected officials, and citizens through his character, humility, accessibility, and unwavering belief that public office is a public trust. He became known as a leader who listened first, acted with fairness, and carefully safeguarded every taxpayer dollar as though it were his own; and

WHEREAS, after faithfully serving Holly Hill, Joe accepted the opportunity to broaden his impact as Deputy County Manager for Seminole County, where he served with distinction for seven years. Yet, despite his success, Holly Hill remained his home city, and in 2014 he returned to the community where his career had begun, bringing with him even greater experience, wisdom, and a renewed commitment to serve; and

WHEREAS, during his years as City Manager, Joe helped guide Holly Hill through meaningful growth and progress, strengthening its financial foundation, improving infrastructure, supporting responsible redevelopment, mentoring future leaders, and building an organization founded on professionalism, accountability, and service to its citizens; and

WHEREAS, while Joe's professional accomplishments are many, he has always understood that his greatest success has been his family. He began his career to provide for his beloved wife and their three children. Today, after thirty-six years of committed service to others, he retires to enjoy life's greatest blessings—time with his wife, three children, eight grandchildren, and one great-grandchild, whose love and support made his remarkable career possible; and

WHEREAS, Joe's journey has come full circle—from firefighter to Fire Chief to City Manager, then from Deputy County Manager back to the City Manager where he always considered home. His career stands as a testament to the belief that true leadership is not about titles or recognition, but about serving others with honor, compassion, and an unwavering commitment to leave every community better than you found it.

NOW, THEREFORE, BE IT PROCLAIMED, that I John Penny, Mayor and the City Commission of the City of Holly Hill, Florida, do hereby express their deepest gratitude and highest appreciation to

JOSEPH "JOE" FORTE

for thirty-six years of extraordinary public service and recognize him as a leader whose integrity, compassion, wisdom, and steadfast dedication have left a lasting legacy upon the City of Holly Hill, the profession of public administration, and the countless lives he has touched throughout his distinguished career.

The Mayor and City Commission extend their heartfelt congratulations on his well-earned retirement and offer their sincere appreciation for a lifetime devoted to serving others. They wish Joe and his family continued health, happiness, and God's richest blessings as he begins this well-deserved new chapter, confident that while his career in public service has come to a close, the legacy he leaves behind will continue to inspire generations of public servants to come.

IN WITNESS WHEREOF, the Mayor and City Commission of the City of Holly Hill, Florida, have hereunto set their hands and caused the Seal of the City of Holly Hill to be affixed 11th day of August 2026.

City of Holly Hill, Florida

____

John Penny, Mayor