



# Florida Department of Environmental Protection

Bob Martinez Center  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

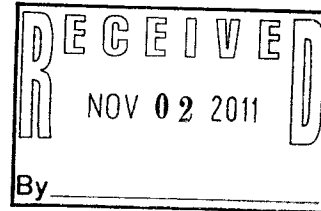
Rick Scott  
Governor

Jennifer Carroll  
Lt. Governor

Herschel T. Vinyard Jr.  
Secretary

October 28, 2011

Mr. Robert Baldwin, City Manager  
City of Dania Beach  
100 West Dania Beach Boulevard  
Dania Beach, Florida 33004



Re: DW060406 - Dania Beach  
Treatment Facilities

Dear Mr. Baldwin:

Enclosed are three original copies of proposed Amendment 1 to your State Revolving Fund loan agreement. The amendment provides an additional \$2,813,144 for this project.

Please sign and have the appropriate officials **sign and seal** the enclosed three copies and return them to us within three weeks at 2600 Blair Stone Road, Mail Station 3505, Tallahassee, Florida, 32399-2400. We will arrange for the Deputy Division Director to sign the document and mail a fully executed original to you. If the signed amendment is not received by us before January 1, 2012, this additional loan may be subject to a higher interest rate.

We appreciate your participation in the State Revolving Fund loan program. If you have any questions about the loan agreement, please call Tommy Williams at 850/245-8358.

Sincerely,

Robert E. Holmden, P.E., Chief  
Bureau of Water Facilities Funding

RH/tw

Enclosures

cc: Frederick Bloetscher - Public Utilities Management & Planning Services, Inc.  
Mark Bates - City of Dania Beach

**DRINKING WATER STATE REVOLVING FUND  
AMENDMENT 1 TO LOAN AGREEMENT DW060406  
CITY OF DANIA BEACH**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF DANIA BEACH, FLORIDA, (Project Sponsor) existing as a local government agency under the laws of the State of Florida.

WITNESSETH:

WHEREAS, the Department and the Project Sponsor entered into a Drinking Water State Revolving Fund Loan Agreement, Number DW060406, authorizing a Loan amount of \$5,000,000, excluding Capitalized Interest; and

WHEREAS, the Project Sponsor is entitled to additional financing of \$2,813,144, excluding Capitalized Interest; and

WHEREAS, an interest rate must be established for the additional financing amount awarded in this amendment; and

WHEREAS, a Loan Service Fee must be assessed for the additional financing; and

WHEREAS, the Semiannual Loan Payment amount needs revision to reflect adjustment in the Loan amount; and

WHEREAS, revised provisions for audit and monitoring are needed.

NOW, THEREFORE, the parties hereto agree as follows:

1. Subsections 2.03(1) and (3)(i) of the Agreement are deleted and replaced as follows:

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
FS98452211-0	EPA	66.468	Capitalization Grants for Drinking Water State Revolving Fund	\$7,813,144	140129

(3) Report Submission.

(i) The Department at the following address:

Valerie Peacock, Audit Director  
Office of the Inspector General  
Florida Department of Environmental Protection  
3900 Commonwealth Boulevard, MS 41  
Tallahassee, Florida 32399-3123

2. Subsections 8.10(1) and (2) of the Agreement are deleted and replaced as follows:

(1) The Local Government shall periodically interview a sufficient number of employees entitled to Davis-Bacon prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. As provided in 29 CFR 5.6(a)(5), 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 Project Sponsor shall establish and follow an interview 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, the Project Sponsor must conduct interviews with a representative group of covered employees within two weeks of each contractor or subcontractor's submission of its initial weekly payroll data and two weeks prior to the estimated completion date for the contract or subcontract. Project Sponsors must conduct more frequent interviews if the initial interviews or other information indicates that there is a risk that the contractor or subcontractor is not complying with Davis-Bacon. Project Sponsors shall immediately conduct necessary interviews in response to an alleged violation of the prevailing wage requirements. All interviews shall be conducted in confidence. As an alternative, a minimum of 25% of the work force shall be interviewed over the life of the Project and all classifications represented on the payroll must be included.

3. Additional financing in the amount of \$2,813,144, excluding Capitalized Interest, is hereby awarded to the Project Sponsor.

4. An interest rate of 2.5 percent per annum is established for the additional financing amount awarded in this amendment; however, if this amendment is not executed by the Project Sponsor and returned to the Department before January 1, 2012, the interest rate may be adjusted.

5. The estimated principal amount of the Loan is hereby revised to \$7,894,944, which consists of \$7,813,144 authorized for disbursement to the Project Sponsor and \$81,800 of Capitalized Interest. This total consists of the following:

(a) Original Agreement of \$5,078,100, including \$5,000,000 authorized for disbursement to the Project Sponsor and \$78,100 of Capitalized Interest, at an interest rate of 2.61 percent per annum; and

(b) Amendment 1 of \$2,816,844, including \$2,813,144 authorized for disbursement to the Project Sponsor and \$3,700 of Capitalized Interest, at an interest rate of 2.5 percent per annum.

6. An additional Loan Service Fee in the amount of \$56,263, for a total of \$156,263, is hereby assessed. The fee represents two percent of the Loan amount excluding Capitalized Interest; that is, two percent of \$7,813,144. Estimated Loan Service Fee capitalized interest for the fee amount assessed to date is \$3,290.

7. The Semiannual Loan Payment amount is hereby revised and shall be in the amount of \$258,809. Such payments shall be received by the Department on June 15, 2012 and semiannually thereafter on December 15 and June 15 of each year until all amounts due hereunder have been fully paid. Until this Agreement is further amended, each Semiannual Loan Payment will be proportionally applied, after deduction of the Loan Service Fee is complete, toward repayment of the amounts owed on each incremental Loan amount at the date such payment is due.

8. The Project Sponsor and the Department acknowledge that the actual cost of the Project has not been determined. Project cost adjustments may be made as a result of mutually agreed upon Project changes. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. 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 a result of the Project Sponsor's Project audit or a Department audit.

Funds disbursed in accordance with Section 4.08 of this Agreement shall be disbursed in the order in which they have been obligated without respect to budgetary line item estimates. All disbursements shall be made from the original Loan amount until that amount has been disbursed; the interest rate established for the original Loan amount shall apply to such disbursements for the purpose of determining the associated Capitalized Interest and repayment amount. The interest rate established for any additional increment of Loan financing shall be used to determine the Capitalized Interest and repayment amount associated with the funds disbursed from that increment.

#### PROJECT COSTS

		ARRA Loan	Direct Loan
LINE ITEM	TOTAL COSTS	Authorized DW060405	Authorized DW060406
Admin Allowance	60,675	0	60,675
Engineering Allowance	640,000	0	640,000
Construction	9,630,923	3,000,000	6,630,923
Contingency	481,546	0	481,546
Subtotal (Disbursable Amount)	10,813,144	3,000,000	7,813,144
Estimated Principal Forgiveness	(2,550,000)	(2,550,000)	0
Subtotal (Loan Amount)	8,263,144	450,000	7,813,144
Estimated Capitalized Interest	89,300	7,500	81,800
Total (Loan Principal Amount)	8,352,444	457,500	7,894,944

9. Subsection 10.07(4) of the Agreement is deleted and replaced as follows:

(4) The first Semiannual Loan Payment in the amount of \$258,809 shall be due June 15, 2012.

10. All other terms and provisions of the Loan Agreement shall remain in effect.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

This Amendment 1 to Loan Agreement DW060406 shall be executed in three 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 amendment to the Loan Agreement to be executed on its behalf by the Deputy Director and the Project Sponsor has caused this amendment to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this amendment shall be as set forth below by the Deputy Director.

for  
**CITY OF DANIA BEACH**

\_\_\_\_\_  
City Manager

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

Attest

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

SEAL

for  
**STATE OF FLORIDA**  
**DEPARTMENT OF ENVIRONMENTAL PROTECTION**

\_\_\_\_\_  
Deputy Director  
Division of Water Resource Management

\_\_\_\_\_  
Date