

**CITY OF MARIANNA
COMMISSION AGENDA MEMO
REGULAR MEETING
January 5, 2021**

ADMINISTRATIVE STAFF REPORT

Subject: Florida Department of Environmental Protection (FDEP)
State Revolving Fund (SRF)
SG320251 / WW320250 – Amendment #1
Grant / Loan Agreement (Design)

Subject Background: The City received a grant and loan to fund design for upgrades to the City’s Waste Water Treatment Plant. The services described under the terms of the grant have not been completed, specifically the bidding and award services. The Agreement referenced above needs to be extended to change the maturity and first payment due date.

Recommendation: Staff is recommending approval of Amendment #1 to change the maturity and first payment due dates under the current Agreement.

Potential Motion: I move to approve the recommendation.

Approved for agenda by:

**STATE REVOLVING FUND
AMENDMENT 1 TO LOAN AGREEMENT WW320250
& GRANT AGREEMENT SG320251
CITY OF MARIANNA**

This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and the CITY OF MARIANNA, 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”.

The Department and the Local Government entered into a State Revolving Fund Loan Agreement, Number WW320250 & Grant Agreement SG320251; and

Loan repayment activities need rescheduling to give the Local Government additional time to complete design activities.

Certain provisions of the Agreement need revision and provisions need to be added to the Agreement.

The Parties hereto agree as follows:

1. Section 1.01 of the Agreement is amended to include the following definition:

“Final Unilateral Amendment” shall mean the Loan Agreement unilaterally finalized by the Department after Loan Agreement and Project abandonment under Section 8.06 that establishes the final amortization schedule for the Loan.

2. Section 8.06 of the Agreement is deleted and replaced as follows:

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 Loan proceeds within eighteen months after the effective date of this Agreement, or by the date set in Section 10.07 to establish the Loan Debt Service Account, 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 4.02) 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.

3. Unless repayment is further deferred by amendment of the Agreement, Semiannual Loan Payments as set forth in Section 10.05 shall be received by the Department beginning on October 15, 2021, and semiannually thereafter on April 15 and October 15 of each year until all amounts due under the Agreement have been fully paid.

4. The items scheduled under Section 10.07 of the Agreement are rescheduled as follows:

(2) Completion of all Design Activities for all Project facilities proposed for loan funding no later than April 15, 2021.

(3) Establish the Loan Debt Service Account and begin Monthly Loan Deposits no later than April 15, 2021.

(4) The first Semiannual Loan Payment in the amount of \$2,065 shall be due October 15, 2021.

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

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This Amendment 1 to Loan Agreement WW320250 & Grant Agreement SG320251 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 amendment to the Loan Agreement to be executed on its behalf by the Secretary or Designee and the Local Government 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 Department.

for
CITY OF MARIANNA

Mayor

Attest:

Approved as to form and legal sufficiency:

City Clerk

SEAL

City Attorney

for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Secretary or Designee

Date