

STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
City of Venice  
Phase 4 & Phase 5 "Water Main Replacement Program"  
Replacement Well 7AW

**STATE REVOLVING FUND  
DRINKING WATER FACILITIES**

**LOAN APPLICATION**



Florida Department of Environmental Protection  
Bureau of Water Facilities Funding  
Twin Towers Office Building  
2600 Blair Stone Road  
Tallahassee, Florida 32399-2400

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**LOAN APPLICATION**

**(1) SUBMITTAL.** Submit the application and attachments to the Department of Environmental Protection, MS 3505, Bureau of Water Facilities Funding, 2600 Blair Stone Road, Tallahassee, Florida 32399-2400.

**(2) COMPLETING THE APPLICATION.**

(a) This application consists of four parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; and (IV) APPLICANT RESOLUTION, ASSURANCES, AND CERTIFICATION.

(b) All information provided on this application must be typed. Monetary amounts may be rounded to the nearest \$1,000.

(c) Attachments to be submitted are denoted with *italic print*. They are to be listed on Page 10.

**(3) ASSISTANCE.**

Bureau of Water Facilities Funding staff are available to provide assistance. Please call (850) 488-8163 or SUNCOM 278-8163.

**PART I - ADMINISTRATIVE INFORMATION**

(1) PROJECT SPONSOR APPLYING FOR LOAN. City of Venice

Federal Employer Identification Number. 59-6000443

(2) AUTHORIZED REPRESENTATIVE. [Person formally authorized by the project sponsor to sign or attest to loan documents, including this application. If more than one, attach the information (*Attachment # 11*.)

Name John Holic Telephone 941-882-7402

Title Mayor

Mailing Address 401 W. Venice Ave. Venice FL 34285

(3) PRIMARY CONTACT PERSON. (Person to answer questions about this application.)

Name Linda Senne Telephone 941-882-7300

Title Interim Finance Director Fax # \_\_\_\_\_

Employer City of Venice

Mailing Address 401 W. Venice Ave. Venice FL 34285

(4) ADDITIONAL PERSON(S) TO RECEIVE COPY OF DEPARTMENT CORRESPONDENCE. (If more than one, attach the information (*Attachment # 1*).

Name Tim Hochuli Telephone 941-882-7300

Title Utilities Director Employer City of Venice

Mailing Address 3510 E. Laurel Road, Venice FL

(5) PROJECT NUMBER (identified on the Department's priority list). DW 58043

(6) LOAN AGREEMENT DATE. When do you expect to sign the Loan Agreement? May 2016  
(Allow time for Department preparation of agreement, applicant review, and local commission meeting if applicable.)

(7) PREAWARD COMPLIANCE. Has an *EPA Preaward Compliance Review Report* been submitted for this project? \_\_\_ Yes. X No. If "yes", identify the date submitted to the Department \_\_\_\_\_ . If not, please complete and attach the EPA form. (*Attachment #2*)

(8) FEDERAL EQUIVALENCY REQUIREMENTS. As a result of the federal funding of the State Revolving Fund Program for Drinking Water Facilities, there are federal requirements that must be met to enable financial assistance for any project. These requirements are identified under PART IV of this application.

**PART II - PROJECT INFORMATION. Complete SUBPART A or SUBPART B as appropriate.**

**SUBPART (A): PRECONSTRUCTION LOAN INFORMATION.**

(1) PRECONSTRUCTION ACTIVITIES. Attach a brief description of the scope of planning and design activities to be financed by this loan.

(2) PRECONSTRUCTION LOAN SCHEDULE.

(a) Provide proposed completion dates for the items below. (Please call Department staff to discuss time frames needed to complete required tasks.)

Water facilities plan adoption by the Project Sponsor. 9/22/2015

Engineering design. 12/27/2015

Certification of site availability (for construction and operation). 11/12/2015

(b) Do you anticipate that a contractual agreement with another party will be necessary to implement the project? \_\_\_ Yes. \_\_\_ No. If "yes", list entities to be involved.

---

(3) PRECONSTRUCTION LOAN PROJECT COSTS. Is the cost information submitted for the priority list current? X Yes. \_\_\_ No. If "no", please explain and submit revised cost information (*Attachment #*\_\_\_) using the appropriate page of the Request for Inclusion on the Priority List for Drinking Water Facilities Form 62-552.900(1), F.A.C. Note that the disbursable amount (including the repayment reserve) will be limited to the priority list amount. Preconstruction loans are not available to finance the non-grant share of SRF preconstruction grants.

**SUBPART B: CONSTRUCTION LOAN INFORMATION.**

(1) CONSTRUCTION ACTIVITIES

(a) Attach a brief description of construction activities to be financed by this loan. Include a list of the construction contracts (by title) corresponding to the plans and specifications accepted by the Department

(*Attachment #3*). Also provide a proposed "start date" and "completion date" for each contract.

(b) Attach a copy of the Department letter(s) accepting the plans and specifications and all addenda (*Attachment #4*).

(c) Does this project involve a contractual service agreement with other entities? \_\_\_ Yes. X No. If "yes", attach a copy of the Department letter accepting the agreement. (*Attachment #* N/A) Is the agreement, as accepted by the Department, fully executed and enforceable? \_\_\_ Yes. \_\_\_ No. If "no", please explain (*Attachment #* N/A).

(d) Has the Department accepted a clear site title certification for the project?  Yes.  No. If "yes", provide evidence of such certification or its acceptance. (Attachment # \_\_\_\_\_) If "no", explain.

(Attachment # \_\_\_\_\_)

(e) Attach evidence that either a permit from the Department is not required to authorize project construction or that such authorization has been issued by the Department. (Attachment # \_\_\_\_\_)

**(2) CONSTRUCTION LOAN PROJECT COSTS.**

Is the cost information submitted for the priority list current?  Yes.  No. If "no", please explain and submit revised cost information (Attachment # \_\_\_\_\_) using the appropriate page of the Request for Inclusion on the Priority List for Drinking Water Facilities Form 62-552.900(1), F.A.C. Note that the disbursable amount (including the repayment reserve) will be limited to the priority list amount.

**PART III - FINANCIAL INFORMATION**

(1) **PRINCIPAL AMOUNT OF THE LOAN.** The requested amount of the loan, including capitalized interest (which is not disbursed), is \$ 4,035,444. The estimate of the capitalized interest is \$ 40,746. Note that the disbursable amount will be limited to the priority list amount and must be consistent with the information provided under **PART II** of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect disbursement timing.

**(2) LOAN TERMS AND REPAYMENT.**

(a) If a construction loan involves a financially disadvantaged community, loans are amortized over 30 years, or less, with interest and principal paid semiannually. If a construction loan is not for a project to serve such a community, loans are amortized over 20 years, or less, with interest and principal paid semiannually. Preconstruction loans are amortized over not more than 10 years, with interest and principal paid semiannually. Do you want to repay the loan in less than the maximum amortization period?

Yes.  No. If "yes", identify the number of years \_\_\_\_\_.

(b) Due to limitations on availability of State Revolving Fund revenues, a large (generally in excess of \$8 million unless the loan is to be made from the reserve for small communities in which case the amount generally would be in excess of \$1.5 million) loan amount may be provided in increments pursuant to the initial loan agreement and subsequent amendments as well Chapter 62-552, F.A.C. Each increment shall have a separate interest rate as established in the agreement or amendment providing that increment. If in doubt about whether the funding will be segmented, this matter should be discussed with Department staff.

(c) List all revenues that are to be pledged for repayment of this loan. (Note: Typically, water system or water and sewer system revenues are pledged, and the net revenues available for loan repayment must equal at least 1.15 times the annual debt service unless special reserves are locally funded. Rule 62-552.430, F.A.C., addresses pledged revenues and coverage requirements.

Water & Sewer Net Operating Revenues

(3) **LOAN REPAYMENT RESERVE.** The Applicant will be required to maintain a Loan Repayment Reserve Account to provide an interim remedy for any deficiency in pledged revenues. This reserve shall be no less than 0.03 times the total loan amount less the portion of the loan for capitalized interest and loan repayment reserve. Loan proceeds will be provided to establish the minimum (0.03) reserve.

(4) **ADDITIONAL LOAN SECURITIZATION.** If the project sponsor does not meet the requirements of Rule 62-552.430(4), F.A.C., for pledged revenue, loan repayment responsibility, default remedies, and debt service history, indicate which of the following securitization provisions the project sponsor is prepared to negotiate (describe each in Attachment # \_\_\_\_\_):

(a) Additional escrowed loan repayment reserve. No  Yes

- (b) Letter of credit. No \_\_\_\_\_ Yes \_\_\_\_\_
- (c) Lien on tangible assets. No \_\_\_\_\_ Yes \_\_\_\_\_
- (d) Personal or corporate obligation. No \_\_\_\_\_ Yes \_\_\_\_\_
- (e) Other equivalent securitization. No \_\_\_\_\_ Yes \_\_\_\_\_

**(5) INFORMATION ON LIENS.**

- (a) Describe all debt obligations having a prior or parity lien on the revenues pledged for this Loan (*Attachment # 5*); see the following example:

City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of \$10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.

- (b) Using the *Schedule of Prior and Parity Liens* (page 7), provide debt service information on each prior and parity obligation. For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating (*Attachment # 6*).

**(6) ACTUAL AND PROJECTED REVENUES.**

- (a) Complete the Schedule of Actual Revenues and Debt Coverage for Rate-Based System Pledged Revenues (page 8) for the past two fiscal years. Additional information may be required if deemed necessary by the Department to evaluate credit-worthiness of the applicant.
- (b) Complete the Schedule of Projected Revenues and Debt Coverage for Rate-Based System Pledged Revenue (page 9), demonstrating the availability of pledged revenues for loan repayment. All projects expected to be implemented in the next five years are to be reflected into the need for projected revenues.

**(7) LEGAL OPINION ON THE AVAILABILITY OF PLEDGED REVENUES.** All sources must be supported by a written legal opinion (*Attachment # 7*) addressing the:

- (a) Availability of the revenues to repay the loan;
- (b) Right to increase rates at which revenues shall be collected to repay the loan; and
- (c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.

**(8) RESOLUTION ESTABLISHING PLEDGED REVENUES.** Provide a certified resolution or other documentation (*Attachment # 8*) of the formal action taken by the applicant that establishes the pledged revenues.

**PART IV - APPLICANT RESOLUTION, ASSURANCES, AND CERTIFICATION**

**(1) RESOLUTION.** Provide a certified resolution or other documentation (*Attachment # H*) of the formal action taken by Applicant that:

- (a) Authorizes this application; and
- (b) Designates the Authorized Representative(s) to file the application, provide assurances, execute the loan agreement, and represent the Applicant in carrying out responsibilities (including that of requesting loan disbursements) under the loan agreement.

**(2) ASSURANCES AND CERTIFICATION.** The Applicant agrees to comply with the laws, rules, regulations, policies and conditions relating to the loan for this project. Specifically, the Applicant certifies that it has complied, as appropriate, and will comply with the following requirements in undertaking the project:

- (a) Complete all facilities recommended in the approved facilities plan.

- (b) The Archaeological and Historic Preservation Act of 1974, PL 93-291, and the National Historic Preservation Act of 1966, PL 89-665, as amended, regarding identification and protection of historic properties.
- (c) The Clean Air Act, 42 U.S.C. 7506(c), which requires conformance with State Air Quality Implementation Plans.
- (d) The Coastal Zone Management Act of 1972, PL 92-583, as amended, which requires assurance of project consistency with the approved State management program developed under this Act.
- (e) The Endangered Species Act, 16 U.S.C. 1531, et seq., which requires that projects avoid disrupting threatened or endangered species and their habitats.
- (f) Executive Order 11593, Protection and Enhancement of the Cultural Environment, regarding preservation, restoration and maintenance of the historic and cultural environment.
- (g) Executive Order 11988, Floodplain Management, related to avoiding, to the extent possible, adverse impacts associated with floodplain occupancy, modification and development whenever there is a practicable alternative.
- (h) Executive Order 11990, Protection of Wetlands, related to avoiding, to the extent possible, adverse impacts associated with the destruction or modification of wetlands and avoiding support of construction in wetlands.
- (i) The Fish and Wildlife Coordination Act, PL 85-624, as amended, which requires that actions to control natural streams or other water bodies be undertaken to protect fish and wildlife resources and their habitats.
- (j) The Wild and Scenic Rivers Act, PL 90-542, as amended, related to protecting components or potential components of the national wild and scenic rivers system.
- (k) The federal statutes relating to nondiscrimination, including: The Civil rights Act of 1964, PL 88-352, which prohibits discrimination on the basis of race, color or national origin; the Age Discrimination Act, PL 94-135, which prohibits discrimination on the basis of age; Section 13 of the Federal Water Pollution Control Act, PL 92-500, which prohibits sex discrimination; the Rehabilitation Act of 1973, PL 93-112, as amended, which prohibits discrimination on the basis of handicaps.
- (l) Executive Order 11246, Equal Employment Opportunity, which provides for equal opportunity for all qualified persons.
- (m) Executive Orders 11625 and 12138, Women's and Minority Business Enterprise, which require that small, minority, and women's business and labor surplus areas are used when possible as sources of supplies, equipment, construction, and services.
- (n) The Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended, which requires that projects be reviewed in accordance with state clearinghouse procedures.
- (o) The Amended Safe Drinking Water Act, PL 104-182, which sets forth requirements for public water systems.
- (p) The Coastal Barrier Resources Act, 16 U.S.C. 3501 et seq., regarding protection and conservation of the coastal barrier resources.
- (q) The Farmland Protection Policy Act, 7 U.S.C. 4201 et seq., regarding protection of agricultural lands from irreversible loss.
- (r) The Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646, which provides for fair and equitable treatment of persons displaced or whose property is acquired as a result of federal or federally assisted programs.
- (s) Section 306 of the Clean Air Act, Section 508 of the Clean Water Act and Executive Order 11738, which prohibit manufacturers, firms, or other enterprises on the EPA's list of Violating Facilities from participating in the Project.

(t) Executive Order 12549, Debarment and Suspension, which prohibits any award to a party which is debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs.

(u) Minority and Women's Business Enterprise participation in project work using numerical goals, established by the U.S. Environmental Protection Agency, and to be set forth in the specifications for construction and materials contracts.

I, the undersigned Authorized Representative of the Applicant, hereby certify that all information contained herein and in the attached is true, correct, and complete to the best of my knowledge and belief. I further certify that I have been duly authorized to file the application and to provide these assurances.

Authorized Representative \_\_\_\_\_  
(signature) (name typed)

Signed this \_\_\_\_\_ Day of \_\_\_\_\_, 20\_\_\_\_\_

Attachments

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## SCHEDULE OF PRIOR AND PARITY LIENS

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least fifteen fiscal years. Use additional pages as necessary.

**Identify Each Obligation**

|                  | #1 Utility Refunding Note 2012<br>\$9,980,000 | #2 2013 PNC (SRF) Refunding Loan<br>\$4,157,000 | #3 2012 Revenue Bonds<br>\$20,770,000 |                  |    |    |    |                                       |                                   |
|------------------|---|---|---------------------------------------|------------------|----|----|----|---------------------------------------|-----------------------------------|
| Coverage %       | 115%  | Coverage %                                      | 115%                                  | Coverage %       |    |    |    |                                       |                                   |
| Insured (Yes/No) | No  | Insured (Yes/No)                                | No                                    | Insured (Yes/No) |    |    |    |                                       |                                   |
| #4 Series 2015   | \$15,355,000                                  |   |                                       |                  |    |    |    |                                       |                                   |
| Coverage %       | 115%  |   |                                       |                  |    |    |    |                                       |                                   |
| Insured (Yes/No) | No  |   |                                       |                  |    |    |    |                                       |                                   |
| Fiscal Year      | Annual Debt Service (Principal + Interest)    |   |                                       |                  |    |    |    | Total Non-SRF Debt Service w/coverage | Total SRF Debt Service w/coverage |
|                  | #1  | #2  | #3                                    | #4               | #5 | #6 | #7 |                                       |                                   |
| 2013             | 2,558,875                                     | 215,290   | 351,248                               |                  |    |    |    | 3,594,225                             |                                   |
| 2014             | 2,550,964                                     | 430,764   | 1,156,650                             |                  |    |    |    | 4,759,135                             | -                                 |
| 2015             | 2,552,771                                     | 430,684   | 1,157,125                             |                  |    |    |    | 4,761,667                             | -                                 |
| 2016             | 2,544,295                                     | 430,505   | 1,158,350                             | 759,519          |    |    |    | 5,626,569                             | -                                 |
| 2017             |   | 431,227   | 1,157,050                             | 1,099,175        |    |    |    | 3,090,570                             | -                                 |
| 2018             |   | 430,833   | 1,160,050                             | 1,099,050        |    |    |    | 3,093,423                             | -                                 |
| 2019             |   | 430,340   | 1,157,350                             | 1,100,375        |    |    |    | 3,091,275                             | -                                 |
| 2020             |   | 430,740   | 1,158,950                             | 1,100,450        |    |    |    | 3,093,661                             | -                                 |
| 2021             |   | 431,033   | 1,157,300                             | 1,096,575        |    |    |    | 3,087,644                             | -                                 |
| 2022             |   | 430,210   | 1,155,550                             | 1,096,325        |    |    |    | 3,084,398                             | -                                 |
| 2023             |   | 431,280   | 1,157,675                             | 1,099,375        |    |    |    | 3,091,580                             | -                                 |
| 2024             |   |   | 1,455,300                             | 1,096,300        |    |    |    | 2,934,340                             | -                                 |
| 2025             |   |   | 1,156,550                             | 1,097,175        |    |    |    | 2,591,784                             | -                                 |
| 2026             |   |   | 1,157,575                             | 1,101,175        |    |    |    | 2,597,563                             | -                                 |
| 2027             |   |   | 1,158,428                             | 1,098,300        |    |    |    | 2,595,237                             | -                                 |
| 2028             |   |   | 1,158,272                             | 1,096,850        |    |    |    | 2,593,390                             | -                                 |
| 2029             |   |   | 1,157,491                             | 1,098,775        |    |    |    | 2,594,706                             | -                                 |
| 2030             |   |   | 1,156,084                             | 1,100,650        |    |    |    | 2,595,244                             | -                                 |
| 2031             |   |   | 1,157,625                             | 1,099,725        |    |    |    | 2,595,953                             | -                                 |
| 2032             |   |   | 1,156,988                             | 1,096,159        |    |    |    | 2,591,119                             | -                                 |
| 2033             |   |   | 1,155,475                             | 1,100,469        |    |    |    | 2,594,336                             | -                                 |
| 2034             |   |   | 1,158,000                             | 1,098,131        |    |    |    | 2,594,551                             | -                                 |
| 2035             |   |   | 1,159,475                             | 1,099,084        |    |    |    | 2,597,343                             | -                                 |
| 2036             |   |   | 1,158,325                             | 1,098,225        |    |    |    | 2,595,033                             | -                                 |
| 2037             |   |   | 1,158,950                             |                  |    |    |    | 1,332,793                             | -                                 |
| 2038             |   |   | 1,158,981                             |                  |    |    |    | 1,332,828                             | -                                 |
| 2039             |   |   | 1,158,909                             |                  |    |    |    | 1,332,745                             | -                                 |
| 2040             |   |   | 1,157,569                             |                  |    |    |    | 1,331,204                             | -                                 |
| 2041             |   |   | 1,154,959                             |                  |    |    |    | 1,328,203                             | -                                 |
| 2042             |   |   | 1,155,991                             |                  |    |    |    | 1,329,390                             | -                                 |
| 2043             |   |   | 1,155,572                             |                  |    |    |    | 1,328,908                             | -                                 |

**SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Provide information for the two fiscal years preceding the anticipated date of the SRF loan agreement.)

|   | <u>FY2013</u>               | <u>FY2014</u>               |
|---|-----------------------------|-----------------------------|
| (a) Operating Revenues:   |                             |                             |
| Water/Sewer Service   | <u>20,256,649</u>           | <u>20,746,517</u>           |
| Other _____   |                             |                             |
| (b) Interest Income   | <u>(20,078)</u>             | <u>234,395.00</u>           |
| (c) Other Income or<br>Revenue (Identify)   | <u>                    </u> | <u>                    </u> |
| (d) Total Revenues  | <u>20,236,571</u>           | <u>20,980,912</u>           |
| <br>  |                             |                             |
| (e) Operating Expenses<br>(excluding interest on debt,<br>depreciation, and other<br>non-cash items)  | <u>8,967,225</u>            | <u>9,228,925</u>            |
| (f) Net Revenues<br>(f = d - e)   | <u>11,269,346</u>           | <u>11,751,987</u>           |
| <br>  |                             |                             |
| (g) Debt Service (including<br>required coverage; should<br>reflect last column of<br>preceding page) | <u>3,594,225</u>            | <u>4,759,135</u>            |

(h) Attach audited annual financial report(s), or pages thereof, and any other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF loan. (Attachment # 9)

(i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (Attachment # 9)

(j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment #     )

**SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**  
(Begin with the fiscal year preceding first anticipated semiannual loan payment.)

|   | <u>FY2015</u>     | <u>FY2016</u>     | <u>FY2017</u>     | <u>FY2018</u>     | <u>FY2019</u>     |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenues  |                   |                   |                   |                   |                   |
| (a) (Identify)  |                   |                   |                   |                   |                   |
| Water/Sewer   | <u>20,024,301</u> | <u>20,674,357</u> | <u>22,139,287</u> | <u>23,670,836</u> | <u>25,271,613</u> |
| (b) Interest Income   | <u>94,416</u>     | <u>108,438</u>    | <u>146,679</u>    | <u>265,185</u>    | <u>503,354</u>    |
| Other Incomes or  |                   |                   |                   |                   |                   |
| (c) Revenues (Identify)   |                   |                   |                   |                   |                   |
| Other Operating Income  | <u>416,016</u>    | <u>414,591</u>    | <u>427,968</u>    | <u>441,367</u>    | <u>454,790</u>    |
| Capacity  |                   |                   |                   |                   |                   |
| Charges/Infrastructure  |                   |                   |                   |                   |                   |
| Surtax only FY2015  | <u>1,536,924</u>  | <u>414,801</u>    | <u>2,356,440</u>  | <u>2,363,279</u>  | <u>2,370,322</u>  |
| (d) Total Revenues  | <u>22,071,657</u> | <u>21,612,187</u> | <u>25,070,374</u> | <u>26,740,667</u> | <u>28,600,079</u> |
| (e) Operating Expenses  | <u>12,756,081</u> | <u>13,170,359</u> | <u>13,602,918</u> | <u>14,054,653</u> | <u>14,526,502</u> |
| (f) Net Revenues (f = d - e)  | <u>9,315,576</u>  | <u>8,441,828</u>  | <u>11,467,456</u> | <u>12,686,014</u> | <u>14,073,577</u> |
| Existing Debt Service   |                   |                   |                   |                   |                   |
| on Non-SRF Projects   |                   |                   |                   |                   |                   |
| (g) (including coverage)  | <u>4,761,667</u>  | <u>5,626,569</u>  | <u>3,090,570</u>  | <u>3,093,423</u>  | <u>3,091,275</u>  |
| Existing SRF Loan Debt  |                   |                   |                   |                   |                   |
| (h) (including coverage)  | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          |
| Total Existing Debt   |                   |                   |                   |                   |                   |
| (i) Service (i = g + h)   | <u>4,761,667</u>  | <u>5,626,569</u>  | <u>3,090,570</u>  | <u>3,093,423</u>  | <u>3,091,275</u>  |
| Projected Debt Service  |                   |                   |                   |                   |                   |
| on Non-SRF Future   |                   |                   |                   |                   |                   |
| Projects (including   |                   |                   |                   |                   |                   |
| (j) coverage)   | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          |
| Projected SRF Loan  |                   |                   |                   |                   |                   |
| Debt Service (including   |                   |                   |                   |                   |                   |
| (k) coverage)   | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>251,413</u>    | <u>251,413</u>    |
| Total Debt Service  |                   |                   |                   |                   |                   |
| (Existing and   |                   |                   |                   |                   |                   |
| (l) Projected) (l = i + j + k)  | <u>4,761,667</u>  | <u>5,626,569</u>  | <u>3,090,570</u>  | <u>3,344,836</u>  | <u>3,342,688</u>  |
| Net Revenues After  |                   |                   |                   |                   |                   |
| (m) Debt (m = f - l)  | <u>4,553,909</u>  | <u>2,815,259</u>  | <u>8,376,886</u>  | <u>9,341,178</u>  | <u>10,730,889</u> |
| (n) Identify the source of the above information and explain methods used to develop the projections ( <i>Attachment # 9</i> ). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations. |                   |                   |                   |                   |                   |
| (o) Are the above projections consistent with the capital improvements financing information in the accepted water facilities plan? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No. If not, explain on <i>Attachment #</i> _____.  |                   |                   |                   |                   |                   |



# Attachment 1

Additional Contacts

Attachment 1 – Additional Contacts

## Additional Contacts

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Ed Lavallee, City Manager

401 W. Venice Ave

Venice FL 34285

941-882-7399

[elavallee@venicegov.com](mailto:elavallee@venicegov.com)

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Brenda Westlake, Grant/Loan Coordinator

401 W. Venice Ave

Venice FL 34285

941-882-7424

[bwestlake@venicegov.com](mailto:bwestlake@venicegov.com)

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Tony Wierzbicki

3501 E. Laurel Road

Venice FL 34285

941-882-7297

[twierzbicki@venicegov.com](mailto:twierzbicki@venicegov.com)

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# Attachment 2

EPA Preaward Compliance

Attachment 2 – EPA Preaward Compliance

|   |   |                |
|---|---|----------------|
| <p><b>U.S. ENVIRONMENTAL PROTECTION AGENCY</b><br/>Washington, DC 20460</p> <p><b>Preaward Compliance Review Report for</b><br/><b>All Applicants and Recipients Requesting EPA Financial Assistance</b><br/><i>Note: Read instructions on other side before completing form.</i></p>   |   |                |
| <p>I. Applicant/Recipient (Name, Address, State, Zip Code).<br/><b>City of Venice, 401 W. Venice Ave, Venice FL 34285</b></p>   | <p>DUNS No.<br/><b>093602191</b></p>  |                |
| <p>II. Is the applicant currently receiving EPA assistance?<br/><b>No</b></p>   |   |                |
| <p>III. List all civil rights lawsuits and administrative complaints pending against the applicant/recipient that allege discrimination based on race, color, national origin, sex, age, or disability. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side.)<br/><b>2 pending complaints being handled by legal council</b></p>   |   |                |
| <p>IV. List all civil rights lawsuits and administrative complaints decided against the applicant/recipient within the last year that allege discrimination based on race, color, national origin, sex, age, or disability and enclose a copy of all decisions. Please describe all corrective action taken. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7. See instructions on reverse side.)<br/><b>None</b></p>   |   |                |
| <p>V. List all civil rights compliance reviews of the applicant/recipient conducted by any agency within the last two years and enclose a copy of the review and any decisions, orders, or agreements based on the review. Please describe any corrective action taken. (40 C.F.R. § 7.80(c)(3))<br/><b>None</b></p>  |   |                |
| <p>VI. Is the applicant requesting EPA assistance for new construction? If no, proceed to VII; if yes, answer (a) and/or (b) below.<br/>                 Yes <input type="checkbox"/> No <input checked="" type="checkbox"/><br/>                 a. If the grant is for new construction, will all new facilities or alterations to existing facilities be designed and constructed to be readily accessible to and usable by persons with disabilities? If yes, proceed to VII; if no, proceed to VI(b). Yes <input type="checkbox"/> No <input type="checkbox"/><br/>                 b. If the grant is for new construction and the new facilities or alterations to existing facilities will not be readily accessible to and usable by persons with disabilities, explain how a regulatory exception (40 C.F.R. § 7.70) applies. Yes <input type="checkbox"/> No <input type="checkbox"/></p>  |   |                |
| <p>VII. Does the applicant/recipient provide initial and continuing notice that it does not discriminate on the basis of race, color, national origin, sex, age, or disability in its programs or activities? (40 C.F.R. § 5.140 and § 7.95) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br/>                 a. Do the methods of notice accommodate those with impaired vision or hearing? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br/>                 b. Is the notice posted in a prominent place in the applicant's offices or facilities or, for education programs and activities, in appropriate periodicals and other written communications? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No<br/>                 c. Does the notice identify a designated civil rights coordinator? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> |   |                |
| <p>VIII. Does the applicant/recipient maintain demographic data on the race, color, national origin, sex, age, or handicap of the population it serves? (40 C.F.R. § 7.85(a))<br/><b>No. Census data is used</b> <span style="float: right;">+</span></p>   |   |                |
| <p>IX. Does the applicant/recipient have a policy/procedure for providing access to services for persons with limited English proficiency? (40 C.F.R. Part 7, E.O. 13166)<br/><b>Yes, Title VI includes LEP</b> <span style="float: right;">+</span></p>  |   |                |
| <p>X. If the applicant/recipient is an education program or activity, or has 15 or more employees, has it designated an employee to coordinate its compliance with 40 C.F.R. Parts 5 and 7? Provide the name, title, position, mailing address, e-mail address, fax number, and telephone number of the designated coordinator.<br/><b>Alan Bullock, Admin Svc Director, abullock@venicegov.com</b> <span style="float: right;">+</span></p>  |   |                |
| <p>XI. If the applicant/recipient is an education program or activity, or has 15 or more employees, has it adopted grievance procedures that assure the prompt and fair resolution of complaints that allege a violation of 40 C.F.R. Parts 5 and 7? Provide a legal citation or Internet address for, or a copy of, the procedures.<br/><b>http://venicegov.com/Files/Employee_Corner/Employee_Corner</b> <span style="float: right;">+</span></p>   |   |                |
| <p><b>For the Applicant/Recipient</b></p>   |   |                |
| <p>I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law. I assure that I will fully comply with all applicable civil rights statutes and EPA regulations.</p>  |   |                |
| <p>A. Signature of Authorized Official</p>  | <p>B. Title of Authorized Official<br/><b>Ed Lavallee, City Manager</b></p> | <p>C. Date</p> |
| <p><b>For the U.S. Environmental Protection Agency</b></p>  |   |                |
| <p>I have reviewed the information provided by the applicant/recipient and hereby certify that the applicant/recipient has submitted all preaward compliance information required by 40 C.F.R. Parts 5 and 7; that based on the information submitted, this application satisfies the preaward provisions of 40 C.F.R. Parts 5 and 7; and that the applicant has given assurance that it will fully comply with all applicable civil rights statutes and EPA regulations.</p>   |   |                |
| <p>A. Signature of Authorized EPA Official</p>  | <p>B. Title of Authorized EPA Official</p>                                  | <p>C. Date</p> |
| <p>See * note on reverse side</p>   |   |                |

## Instructions for EPA FORM 4700-4 (Rev. 06/2014)

### General

Recipients of Federal financial assistance from the U.S. Environmental Protection Agency must comply with the following statutes and regulations.

Title VI of the Civil Rights Acts of 1964 provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. The Act goes on to explain that the statute shall not be construed to authorize action with respect to any employment practice of any employer, employment agency, or labor organization (except where the primary objective of the Federal financial assistance is to provide employment).

Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act provides that no person in the United States shall on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Federal Water Pollution Control Act, as amended. Employment discrimination on the basis of sex is prohibited in all such programs or activities.

Section 504 of the Rehabilitation Act of 1973 provides that no otherwise qualified individual with a disability in the United States shall solely by reason of disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Employment discrimination on the basis of disability is prohibited in all such programs or activities.

The Age Discrimination Act of 1975 provides that no person on the basis of age shall be excluded from participation under any program or activity receiving Federal financial assistance. Employment discrimination is not covered. Age discrimination in employment is prohibited by the Age Discrimination in Employment Act administered by the Equal Employment Opportunity Commission.

Title IX of the Education Amendments of 1972 provides that no person in the United States on the basis of sex shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. Employment discrimination on the basis of sex is prohibited in all such education programs or activities. Note: an education program or activity is not limited to only those conducted by a formal institution.

40 C.F.R. Part 5 implements Title IX of the Education Amendments of 1972.

40 C.F.R. Part 7 implements Title VI of the Civil Rights Act of 1964, Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act, and Section 504 of The Rehabilitation Act of 1973.

The Executive Order 13166 (E.O. 13166) entitled; "Improving Access to Services for Persons with Limited English Proficiency" requires Federal agencies work to ensure that recipients of Federal financial assistance provide meaningful access to their LEP applicants and beneficiaries.

### Items

"Applicant" means any entity that files an application or unsolicited proposal or otherwise requests EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Recipient" means any entity, other than applicant, which will actually receive EPA assistance. 40 C.F.R. §§ 5.105, 7.25.

"Civil rights lawsuits and administrative complaints" means any lawsuit or administrative complaint alleging discrimination on the basis of race, color, national origin, sex, age, or disability pending or decided against the applicant and/or entity which actually benefits from the grant, but excluding employment complaints not covered by 40 C.F.R. Parts 5 and 7. For example, if a city is the named applicant but the grant will actually benefit the Department of Sewage, civil rights lawsuits involving both the city and the Department of Sewage should be listed.

"Civil rights compliance review" means any review assessing the applicant's and/or recipient's compliance with laws prohibiting discrimination on the basis of race, color, national origin, sex, age, or disability.

Submit this form with the original and required copies of applications, requests for extensions, requests for increase of funds, etc. Updates of information are all that are required after the initial application submission.

If any item is not relevant to the project for which assistance is requested, write "NA" for "Not Applicable."

In the event applicant is uncertain about how to answer any questions, EPA program officials should be contacted for clarification.

\* Note: Signature appears in the Approval Section of the EPA Comprehensive Administrative Review For Grants/Cooperative Agreements & Continuation/Supplemental Awards form.

### "Burden Disclosure Statement"

EPA estimates public reporting burden for the preparation of this form to average 30 minutes per response. This estimate includes the time for reviewing instructions, gathering and maintaining the data needed and completing and reviewing the form. Send comments regarding the burden estimate, including suggestions for reducing this burden, to U.S. EPA, Attn: Collection Strategies Division (MC 2822T), Office of Information Collection, 1200 Pennsylvania Ave., NW, Washington, D.C. 20460; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, D.C. 20503.

The information on this form is required to enable the U.S. Environmental Protection Agency to determine whether applicants and prospective recipients are developing projects, programs and activities on a nondiscriminatory basis as required by the above statutes and regulations.

# Attachment 3

## Project Description

Attachment 3 – Project Description

# PROJECT DESCRIPTION

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## Water Distribution

The City water distribution system improvements includes replacing water mains using a phased approach in the Eastgate Subdivision and on Venice Island. Currently, the water mains in these areas are reaching the end of their service life, and the 1950's cast iron piping is becoming increasingly more tuberculated, thereby replacement is becoming necessary. The City is going to replace the existing water mains located in the rear lots easements and installing new water mains in the public right-of-way with fusible PVC or HDPE pipe via horizontal directional drill and open cut methods. Replacement of the ductile iron pipe will result in an energy savings due to reduced pumping as a result of lower head losses by improved friction factors and larger pipes. The Water Supply Well No. 7 W will be replaced with Water Supply Well No. 7 AW. The new well will be placed adjacent to the existing well. The existing well has collapsed and the cost associated with rehabilitating the well would exceed the cost of placing a new well.

---

## Water Main Replacement

- Phase 4

Design Complete: 12/16/2015 – Redesign – 6/1/2016

Bidding Complete: 4/2/2016 – Rebid – 9/1/2016

Start Construction: 10/1/2016 – Construction Completion: 10/1/2017 – Closeout Complete: 1/1/2018

- Phase 5

Design Complete: 12/16/2015 – Redesign – 8/1/2016

Bidding Complete: 4/2/2016 - Rebid – 11/1/2016

Start Construction: 1/1/2017 – Construction Completion: 2/1/2018 – Closeout Complete: 4/1/2018

- Replacement Well 7 AW

Design Complete: 3/31/2016

Bidding Complete: 6/31/2016

Start Construction: 7/15/2016 – Construction Completion: 7/15/2017 – Closeout Complete: 10/15/2017

# Attachment 4

Plans & Specifications Approval

Attachment 4 – Plans & Specifications Approval



## Florida Department of Environmental Protection

Marjory Stoneman Douglas Building  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399-3000

Rick Scott  
Governor

Carlos Lopez-Cantera  
Lt. Governor

Jonathan P. Steverson  
Secretary

January 11, 2016

Mr. Tim Hochuli, Utility Director  
City of Venice  
200 N. Warfield  
Venice, Florida 34285

Re: DW58043 – City of Venice  
Supply, Transmission, and Treatment

Dear Mr. Hochuli:

This letter is to provide you with documentation of the acceptance of the plans and specifications entitled "Water Main Replacement Program – Phase 4" and "Water Main Replacement Program – Phase 5" submitted by the City on December 10<sup>th</sup> and 17<sup>th</sup>, respectively. The plans and specifications are in conformance with the requirements set forth in Chapter 62-552, Florida Administrative Code. This acceptance is effective as of today's date.

Our review of the plans and specifications was performed only to verify conformance with the administrative requirements of the Drinking Water State Revolving Fund loan program. We did not review the technical aspects of your plans and specifications in order to avoid duplicating the review performed, or that may be performed, by the permitting agency or agencies. Accordingly, our review does not substitute for any required permitting review(s).

When you proceed with procurement and after bid opening and evaluation, please submit the bidding information to the State Revolving Fund (SRF) Program for review. Do not award any contract until the SRF Program concurs with your award recommendations. Please note that improper or unauthorized procurement may result in the disqualification of contract costs for funding. If it is necessary to make changes to the accepted plans and specifications after the bid opening, the changes are to be accomplished by change order. All change orders must be submitted to the SRF Program for review and acceptance in a timely manner.

If you have any questions or need further information, please contact Paul Brandl, SRF Project Manager, at 850-245-2986 or email at [paul.brandl@dep.state.fl.us](mailto:paul.brandl@dep.state.fl.us).

Sincerely,

A handwritten signature in blue ink, appearing to read "Shanin Speas-Frost", with a long horizontal line extending to the right.

Shanin Speas-Frost, P.E., MBA  
Program Administrator  
Drinking Water State Revolving Fund Program  
Division of Water Restoration Assistance

STS/pjb

cc: Brendalee Westake – City of Venice ([BWestlake@Venicegov.com](mailto:BWestlake@Venicegov.com))

[www.dep.state.fl.us](http://www.dep.state.fl.us)



## Florida Department of Environmental Protection

Marjory Stoneman Douglas Building  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399-3000

Rick Scott  
Governor

Carlos Lopez-Cantera  
Lt. Governor

Jonathan P. Steverson  
Secretary

March 25, 2016

Mr. Tim Hochuli, Utility Director  
City of Venice  
200 N. Warfield  
Venice, Florida 34285

Re: DW58043 – City of Venice  
Supply, Transmission, and Treatment

Dear Mr. Hochuli:

This letter is to provide you with documentation of the acceptance of the plans and specifications entitled "Replacement Well 7AW" submitted by the City on March 17. The plans and specifications are in conformance with the requirements set forth in Chapter 62-552, Florida Administrative Code. This acceptance is effective as of the date of this letter.

Our review of the plans and specifications was performed only to verify conformance with the administrative requirements of the Drinking Water State Revolving Fund loan program. We did not review the technical aspects of your plans and specifications in order to avoid duplicating the review performed, or that may be performed, by the permitting agency or agencies. Accordingly, our review does not substitute for any required permitting review(s).

When you proceed with procurement and after bid opening and evaluation, please submit the bidding information to the State Revolving Fund (SRF) Program for review. Do not award any contract until the SRF Program concurs with your award recommendations. Please note that improper or unauthorized procurement may result in the disqualification of contract costs for funding. If it is necessary to make changes to the accepted plans and specifications after the bid opening, the changes are to be accomplished by change order. All change orders must be submitted to the SRF Program for review and acceptance in a timely manner.

If you have any questions or need further information, please contact Paul Brandl, SRF Project Manager, at 850-245-2986 or email at [Paul.Brandl@dep.state.fl.us](mailto:Paul.Brandl@dep.state.fl.us).

Sincerely,

A handwritten signature in blue ink, appearing to read "Shanin Speas-Frost", with a long horizontal line extending to the right.

Shanin Speas-Frost, P.E., MBA  
Program Administrator  
Drinking Water State Revolving Fund Program  
Division of Water Restoration Assistance

STS/pjb

cc: Brendalee Westlake – City of Venice ([BWestlake@Venicegov.com](mailto:BWestlake@Venicegov.com))

[www.dep.state.fl.us](http://www.dep.state.fl.us)

# Attachment 5

## Debt Obligations List

Attachment 5 – Debt Obligations List

## Construction Loan DW58043 Debt Obligation



City of Venice , Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$9,980,000 - Resolution 2012-5<sup>1</sup> - 5/22/2012 (Balance as of FY14 \$5,040,000)



City of Venice, Florida, Utility System Refunding Revenue Note, Series 2013, issued in the amount of \$4,157,000 - Resolution 2013-09<sup>1</sup> - 5/14/2013 (Balance as of FY14 \$3,589,000)



City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$20,770,000 - Resolution 2012-17<sup>1</sup> - 12/11/2012 (Balance as of FY14 \$20,395,000)



City of Venice, Florida, Utility System Refunding Revenue Note, Series 2015, issued in the amount of \$15,355,000 - Resolution 2015-1<sup>1</sup> - 2/10/2015

<sup>1</sup> Resolution 2012-05 adopted on May 22, 2012, as amended and supplemented, patricually as amended by Resolution 2012-17 adopted on December 11, 2012 and Resolution 2015-01 adopted on February 10, 2015.

# Attachment 6

## Debt Obligation Documents

Debt Obligation Documents are 300+ pages and can be provided upon request.

*The Debt Obligation Documents consist of the Bond documentation outlined in Attachment 5.*

# Attachment 7

Legal Opinion

Attachment 7 – Legal Opinion

SAMPLE LEGAL OPINION

Date

Shanin Speas-Frost, Program Administrator  
Florida Dept of Environmental Protection  
Division of Water Restoration Assistance  
Drinking Water State Revolving Fund Management  
3900 Commonwealth Blvd., Mail Station 3505  
Tallahassee, Florida 32399-3000

Re: DW58043 – City of Venice  
Phase 4 & Phase 5 – Water Main Replacement Program  
Replacement Well 7AW Project

Dear Ms. Speas-Frost:

I am the duly appointed City Attorney for the City of Venice. The City of Venice proposes to borrow \$4,116,153 (including capitalized interest) from the State Revolving Fund for construction of the Phase 4 and Phase 5 Water Main Replacement Program and Replacement Well 7AW. The loan will be secured by the net operating revenues of the City's water and sewer systems and the pledged revenues are legally available to pledge. The City of Venice has the legal authority to increase rates to ensure repayment of the loan.

The pledge net operating revenues will be subject to a prior lien in connection with the following transactions:

- (1) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$9,980,000
- (2) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2012, issued in the amount of \$20,770,000
- (3) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2013, issued in the amount of \$4,157,000
- (4) City of Venice, Florida, Utility System Refunding Revenue Note, Series 2015, issued in the amount of \$15,355,000
- (5) Any additional Parity Obligations subsequently issued pursuant to Resolution 2015-05 adopted on May 22, 2012, as amended and supplemented.

Sincerely,

Name

# Attachment 8

Loan Resolution

Attachment 8 – Loan Resolution

Prepared by:

**RESOLUTION NO. 2016-xx**

**A RESOLUTION OF THE CITY OF VENICE, FLORIDA, RELATING TO THE STATE REVOLVING FUND LOAN PROGRAM; MAKING FINDINGS; AUTHORIZATING THE LOAN APPLICATION; AUTHORIZING THE LOAN AGREEMENT; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS; SEVERABILITY, AND EFFECTIVE DATE.**

**WHEREAS**, the State of Florida Department of Environmental Protection State Revolving Fund provides loans to local governments to finance the construction of wastewater treatment facilities; 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 State Revolving Fund loan priority list designates Project Number DW58043 as eligible for available funding; and

**WHEREAS**, the City of Venice, Florida, intends to enter into a loan agreement with the Department of Environmental Protection under the State Revolving Fund to obtain financing for the construction of Phase 4 and Phase 5 “Water Main Replacement Program” and Replacement Well 7AW project.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA, AS FOLLOWS:**

**SECTION 1.** The City of Venice, Florida, is authorized to apply for a loan from the State of Florida Department of Environmental Protection State Revolving Fund to finance the construction of Phase 4 and Phase 5 “Water Main Replacement Program” and Replacement of Well 7AW project.

**SECTION 2.** The revenues pledged for the repayment of the loan are the net operating revenues of the City’s water and wastewater utility system, subject to all prior the pledge and lien created pursuant to Resolution 2012-05 adopted on May 22, 2012, as amended and supplemented.

**SECTION 3.** The Mayor is hereby designated as the authorized representative to provide the assurance and commitments required by the loan application.

**SECTION 4.** The Mayor is hereby designated at the authorized representative to execute the loan agreement which will be binding obligation in accordance with its terms when signed by both parties. The Mayor is the authorized to represent the City in carrying out the City’s responsibilities under the loan agreement. The Mayor is authorized to delegate the responsibility to appropriate City staff to carry out technical, financial, and administrative activities associated with the loan agreement.

**SECTION 5.** This Resolution shall take effect upon adoption, as provided by law.

**ADOPTED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA, AT A MEETING HELD ON THE 26<sup>TH</sup> DAY OF APRIL.**

---

John W. Holic, Mayor, City of Venice

ATTEST:

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Lori Stelzer, MMC, City Clerk

I, Lori Stelzer, MMC, City Clerk of the City Venice, Florida, a municipal corporation in Sarasota County, Florida, do hereby certify that the foregoing is a full and complete, true and correct copy of a Resolution duly adopted by the City Council of the City of Venice, Florida, at a meeting thereof duly convened and held on the 26<sup>th</sup> day of April 2016, a quorum being present.

WITNESS my hand and official seal of said City this 8<sup>th</sup> day of March 2016.

---

Lori Stelzer, MMC, City Clerk

(SEAL)

Approved as to form:

---

David Persson, City Attorney

# Attachment 9

Financial Back-Up Documents

Attachment 9 – Financial Back-Up Documents

## SCHEDULE OF PRIOR AND PARITY LIENS

List annual debt service beginning two years before the anticipated loan agreement date and continuing at least fifteen fiscal years. Use additional pages as necessary.

### Identify Each Obligation

|   |   |   |  |
|---|---|---|--|
| #1 Utility Refunding Note 2012<br>\$9,980,000<br>Coverage % 115%<br>Insured (Yes/No) No | #2 2013 PNC (SRF) Refunding Loan<br>\$4,157,000<br>Coverage % 115%<br>Insured (Yes/No) No | #3 2012 Revenue Bonds<br>\$20,770,000<br>Coverage % 115%<br>Insured (Yes/No) No |  |
| #4 Series 2015<br>\$15,355,000<br>Coverage % 115%<br>Insured (Yes/No) No                |   |   |  |

| Fiscal Year | Annual Debt Service (Principal + Interest) |         |           |           |    |    |    | Total Non-SRF Debt Service w/coverage | Total SRF Debt Service w/coverage |
|-------------|--|---------|-----------|-----------|----|----|----|---------------------------------------|-----------------------------------|
|             | #1   | #2      | #3        | #4        | #5 | #6 | #7 |                                       |                                   |
| 2013        | 2,558,875                                  | 215,290 | 351,248   |           |    |    |    | 3,594,225                             |                                   |
| 2014        | 2,550,964                                  | 430,764 | 1,156,650 |           |    |    |    | 4,759,135                             | -                                 |
| 2015        | 2,552,771                                  | 430,684 | 1,157,125 |           |    |    |    | 4,761,667                             | -                                 |
| 2016        | 2,544,295                                  | 430,505 | 1,158,350 | 759,519   |    |    |    | 5,626,569                             | -                                 |
| 2017        |  | 431,227 | 1,157,050 | 1,099,175 |    |    |    | 3,090,570                             | -                                 |
| 2018        |  | 430,833 | 1,160,050 | 1,099,050 |    |    |    | 3,093,423                             | -                                 |
| 2019        |  | 430,340 | 1,157,350 | 1,100,375 |    |    |    | 3,091,275                             | -                                 |
| 2020        |  | 430,740 | 1,158,950 | 1,100,450 |    |    |    | 3,093,661                             | -                                 |
| 2021        |  | 431,033 | 1,157,300 | 1,096,575 |    |    |    | 3,087,644                             | -                                 |
| 2022        |  | 430,210 | 1,155,550 | 1,096,325 |    |    |    | 3,084,398                             | -                                 |
| 2023        |  | 431,280 | 1,157,675 | 1,099,375 |    |    |    | 3,091,580                             | -                                 |
| 2024        |  |         | 1,455,300 | 1,096,300 |    |    |    | 2,934,340                             | -                                 |
| 2025        |  |         | 1,156,550 | 1,097,175 |    |    |    | 2,591,784                             | -                                 |
| 2026        |  |         | 1,157,575 | 1,101,175 |    |    |    | 2,597,563                             | -                                 |
| 2027        |  |         | 1,158,428 | 1,098,300 |    |    |    | 2,595,237                             | -                                 |
| 2028        |  |         | 1,158,272 | 1,096,850 |    |    |    | 2,593,390                             | -                                 |
| 2029        |  |         | 1,157,491 | 1,098,775 |    |    |    | 2,594,706                             | -                                 |
| 2030        |  |         | 1,156,084 | 1,100,650 |    |    |    | 2,595,244                             | -                                 |
| 2031        |  |         | 1,157,625 | 1,099,725 |    |    |    | 2,595,953                             | -                                 |
| 2032        |  |         | 1,156,988 | 1,096,159 |    |    |    | 2,591,119                             | -                                 |
| 2033        |  |         | 1,155,475 | 1,100,469 |    |    |    | 2,594,336                             | -                                 |
| 2034        |  |         | 1,158,000 | 1,098,131 |    |    |    | 2,594,551                             | -                                 |
| 2035        |  |         | 1,159,475 | 1,099,084 |    |    |    | 2,597,343                             | -                                 |
| 2036        |  |         | 1,158,325 | 1,098,225 |    |    |    | 2,595,033                             | -                                 |
| 2037        |  |         | 1,158,950 |           |    |    |    | 1,332,793                             | -                                 |
| 2038        |  |         | 1,158,981 |           |    |    |    | 1,332,828                             | -                                 |
| 2039        |  |         | 1,158,909 |           |    |    |    | 1,332,745                             | -                                 |
| 2040        |  |         | 1,157,569 |           |    |    |    | 1,331,204                             | -                                 |
| 2041        |  |         | 1,154,959 |           |    |    |    | 1,328,203                             | -                                 |
| 2042        |  |         | 1,155,991 |           |    |    |    | 1,329,390                             | -                                 |
| 2043        |  |         | 1,155,572 |           |    |    |    | 1,328,908                             | -                                 |

City of Venice, Florida  
Notes to Financial Statements

| Description of Debt  | Governmental        | Business-Type        |
|--|---------------------|----------------------|
| \$6,458,000 Recreation Capital Improvement General Obligation Refunding Bond, Series 2014, due in annual installments of \$387,000 - \$545,000 beginning February 1, 2015 through February 1, 2028; interest at 2.66%; payable from the full faith, credit and taxing authority of the City. Purpose: construct a park, beach renourishment, community center improvements, and fishing pier.  | \$ 6,458,000        | \$ -                 |
| \$20,770,000 Utility System Revenue Bonds, Series 2012, due in annual installments of \$375,000 - \$1,135,000 beginning December 1, 2013 through December 1, 2042; interest at 2.00% - 5.00%; secured by water and sewer revenues. The Series 2012 Bonds are issued in parity with the City's Utility System Refunding Note, Series 2012. Purpose: finance cost of design, permitting, acquisition, construction and reconstruction of water and sewer capital projects, fund reserve account, and pay costs of issuance of the Series 2012 bonds. | -                   | 20,395,000           |
| \$4,157,000 Utility System Refunding Revenue Note, Series 2013, due in semi-annual installments of \$183,000 - \$214,000 through August 15, 2023; interest at 1.65%; secured by future water and sewer revenues. Purpose: Project A wastewater re-use, utility upgrades and improvements.  | -                   | 3,589,000            |
| \$9,980,000 Utility System Refunding Revenue Note, Series 2012, due in installments of \$2,460,000 - \$2,530,000 through December 1, 2015; interest at 1.130%; secured by future water and sewer revenues. Purpose: Relocation of waste water plant.   | -                   | 5,040,000            |
| \$944,000 Storm Water and Drainage promissory note, due in annual installments of \$138,000 - \$165,000 beginning May 1, 2011 through May 1, 2016; interest at 2.15%; payable solely from and secured by future revenues of the City's storm water management utility system. Purpose: Refund Storm Water and Drainage Revenue Bonds (originally issued for various drainage projects) to take advantage of favorable interest rates.  | -                   | 329,000              |
| <b>Total bonds and notes</b>   | <b>\$ 6,458,000</b> | <b>\$ 29,353,000</b> |
|  |                     |                      |

**SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Begin with the fiscal year preceding first anticipated semiannual loan payment.)

|                              | <u>FY2015</u>     | <u>FY2016</u>     | <u>FY2017</u>     | <u>FY2018</u>     | <u>FY2019</u>     |
|------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Operating Revenues           |                   |                   |                   |                   |                   |
| (a) (Identify)               |                   |                   |                   |                   |                   |
| Water/Sewer                  | <u>20,024,301</u> | <u>20,674,357</u> | <u>22,139,287</u> | <u>23,670,836</u> | <u>25,271,613</u> |
| (b) Interest Income          | <u>94,416</u>     | <u>108,438</u>    | <u>146,679</u>    | <u>265,185</u>    | <u>503,354</u>    |
| Other Incomes or             |                   |                   |                   |                   |                   |
| (c) Revenues (Identify)      |                   |                   |                   |                   |                   |
| Other Operating Income       | <u>416,016</u>    | <u>414,591</u>    | <u>427,968</u>    | <u>441,367</u>    | <u>454,790</u>    |
| Capacity                     |                   |                   |                   |                   |                   |
| Charges/Infrastructure       |                   |                   |                   |                   |                   |
| Surtax only FY2015           | <u>1,536,924</u>  | <u>414,801</u>    | <u>2,356,440</u>  | <u>2,363,279</u>  | <u>2,370,322</u>  |
| (d) Total Revenues           | <u>22,071,657</u> | <u>21,612,187</u> | <u>25,070,374</u> | <u>26,740,667</u> | <u>28,600,079</u> |
| (e) Operating Expenses       | <u>12,756,081</u> | <u>13,170,359</u> | <u>13,602,918</u> | <u>14,054,653</u> | <u>14,526,502</u> |
| (f) Net Revenues (f = d - e) | <u>9,315,576</u>  | <u>8,441,828</u>  | <u>11,467,456</u> | <u>12,686,014</u> | <u>14,073,577</u> |
| Existing Debt Service on     |                   |                   |                   |                   |                   |
| Non-SRF Projects             |                   |                   |                   |                   |                   |
| (g) (including coverage)     | <u>4,761,667</u>  | <u>5,626,569</u>  | <u>3,090,570</u>  | <u>3,093,423</u>  | <u>3,091,275</u>  |
| Existing SRF Loan Debt       |                   |                   |                   |                   |                   |
| (h) (including coverage)     | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          |
| Total Existing Debt          |                   |                   |                   |                   |                   |
| (i) Service (l = g + h)      | <u>4,761,667</u>  | <u>5,626,569</u>  | <u>3,090,570</u>  | <u>3,093,423</u>  | <u>3,091,275</u>  |
| Projected Debt Service       |                   |                   |                   |                   |                   |
| on Non-SRF Future            |                   |                   |                   |                   |                   |
| Projects (including          |                   |                   |                   |                   |                   |
| (j) coverage)                | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          | <u>0</u>          |
| Projected SRF Loan Debt      |                   |                   |                   |                   |                   |
| Service (including           |                   |                   |                   |                   |                   |
| (k) coverage)                | <u>0</u>          | <u>0</u>          | <u>218,568</u>    | <u>218,568</u>    | <u>218,568</u>    |
| Total Debt Service           |                   |                   |                   |                   |                   |
| (Existing and Projected)     |                   |                   |                   |                   |                   |
| (l) (l = i + j + k)          | <u>4,761,667</u>  | <u>5,626,569</u>  | <u>3,309,137</u>  | <u>3,311,991</u>  | <u>3,309,842</u>  |
| Net Revenues After           |                   |                   |                   |                   |                   |
| (m) Debt (m = f - l)         | <u>4,553,909</u>  | <u>2,815,259</u>  | <u>8,158,319</u>  | <u>9,374,023</u>  | <u>10,763,735</u> |

- (n) Identify the source of the above information and explain methods used to develop the projections (*Attachment # 9*). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.
- (o) Are the above projections consistent with the capital improvements financing information in the accepted water facilities plan?  
 Yes  No. If not, explain on *Attachment #* \_\_\_\_\_.

## Projected Revenues and Debt Coverage Worksheet

Projections based on Burton & Associates 2/25/2015 (Utility System Revenue Bonds, Series 2015)

|  | FY2015            | FY2016            | FY2017            | FY2018            | FY2019            |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|
| Water Rate Revenues  | 8,790,293         | 9,087,646         | 9,875,304         | 10,700,517        | 11,564,791        |
| Sewer Rate Revenues  | 8,644,853         | 8,917,105         | 9,462,137         | 10,031,028        | 10,624,700        |
| Reclaimed Water Rate Revenues  | 655,454           | 677,895           | 750,384           | 826,283           | 905,724           |
| Sarasota County Wholesale Sewer Demand & Consumption Charges   | 1,933,701         | 1,991,712         | 2,051,463         | 2,113,007         | 2,176,397         |
| Interest Income  | 94,416            | 108,438           | 146,679           | 265,185           | 503,354           |
|  | <b>20,118,718</b> | <b>20,782,795</b> | <b>22,285,966</b> | <b>23,936,021</b> | <b>25,774,967</b> |
| Other Operating Income: Electric Franchise Fees/Sar Co Swr Billing Charge/Penalty-Water/Fire Svc Standby Charge/Fire Svc Hydrant Rental/Tap Fees-Water/Penalties-Resuse/Reuse Tap Fee/Penalty-Sewer /Tap Fees Sewer/Miscellaneous Income/Ad Valorem Tax Reimburse/Wtr Tank Lease-Gte/Alltel/Wtr Tank Lease-Cng/Bell So/Other Miscellaneous Rev | 416,016           | 414,591           | 427,968           | 441,367           | 454,790           |
| Water/Sewer Plant Capacity Charges/Infrastructure Surtax   | 1,536,923         | 414,801           | 2,356,440         | 2,363,279         | 2,370,322         |
| <b>Total Revenues</b>  | <b>22,071,657</b> | <b>21,612,187</b> | <b>25,070,374</b> | <b>26,740,667</b> | <b>28,600,079</b> |
| Operating Expenses   |                   |                   |                   |                   |                   |
| Personal Services  | 5,059,834         | 5,250,559         | 5,449,730         | 5,657,792         | 5,875,217         |
| Operation Expenses   | 7,696,247         | 7,919,800         | 8,153,188         | 8,396,861         | 8,561,285         |
| <b>Total Expenses</b>  | <b>12,756,081</b> | <b>13,170,359</b> | <b>13,602,918</b> | <b>14,054,653</b> | <b>14,436,502</b> |

# City of Venice, Florida

## Utility System Revenue Bonds, Series 2015

Projection of Cash Inflows

Schedule 2

### FIVE YEAR PROJECTION OF CASH INFLOWS

|   | For the Fiscal Year Ended September 30 |                      |                      |                      |                      |
|---|--|----------------------|----------------------|----------------------|----------------------|
|   | 2015                                   | 2016                 | 2017                 | 2018                 | 2019                 |
| <b>Charges for Service</b>                            |  |                      |                      |                      |                      |
| Water Rate Revenues                                   | \$ 8,790,293                           | \$ 9,087,646         | \$ 9,875,304         | \$ 10,700,517        | \$ 11,564,791        |
| Sewer Rate Revenues                                   | 8,644,853                              | 8,917,105            | 9,462,137            | 10,031,028           | 10,624,700           |
| Redeemed Water Rate Revenues                          | 655,454                                | 677,895              | 750,384              | 826,283              | 905,724              |
| Sar. Co. Wholesale Sewer Demand & Consumption Charges | 1,933,701                              | 1,991,712            | 2,051,463            | 2,113,007            | 2,176,397            |
| <b>Total Charges for Service</b>                      | <b>\$ 20,024,301</b>                   | <b>\$ 20,674,357</b> | <b>\$ 22,139,287</b> | <b>\$ 23,670,836</b> | <b>\$ 25,271,613</b> |
| <b>Other Operating Income</b>                         |  |                      |                      |                      |                      |
| 313.10-00 Electric Franchise Fees                     | \$ -                                   | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| 343.51-11 Sar Co Swr Billing Charge                   | 23,749                                 | 24,461               | 25,195               | 25,951               | 26,729               |
| 343.31-20 Penalty- Water                              | 87,779                                 | 88,233               | 93,222               | 98,211               | 103,200              |
| 343.31-21 Fire Svc Standby Charge                     | 52,755                                 | 52,755               | 52,755               | 52,755               | 52,755               |
| 343.31-22 Fire Svc Hydrant Rental                     | 3,000                                  | 3,000                | 3,000                | 3,000                | 3,000                |
| 343.31-23 Tap Fees-Water                              | 86,501                                 | 86,948               | 91,864               | 96,781               | 101,697              |
| 343.51-05 Penalties-Reuse                             | 1,553                                  | 1,564                | 1,686                | 1,808                | 1,930                |
| 343.51-06 Reuse Tap Fee                               | 16,149                                 | 16,264               | 17,531               | 18,799               | 20,066               |
| 343.51-21 Penalty- Sewer                              | 41,436                                 | 41,556               | 42,873               | 44,190               | 45,507               |
| 343.51-23 Tap Fees-Sewer                              | 992                                    | 995                  | 1,026                | 1,058                | 1,089                |
| 343.61-20 Miscellaneous Income                        | 1,000                                  | 1,000                | 1,000                | 1,000                | 1,000                |
| 343.61-21 Ad Valorem Tax Reimburse                    | 3,287                                  | -                    | -                    | -                    | -                    |
| 362.10-01 Wtr Tank Lease-Gte/Alltel                   | 48,761                                 | 48,761               | 48,761               | 48,761               | 48,761               |
| 362.10-02 Wtr Tnk Lease-Cng/Bell So                   | 44,054                                 | 44,054               | 44,054               | 44,054               | 44,054               |
| 369.00-00 Other Miscellaneous Rev                     | 5,000                                  | 5,000                | 5,000                | 5,000                | 5,000                |
| <b>Total Other Operating Income</b>                   | <b>\$ 416,016</b>                      | <b>\$ 414,591</b>    | <b>\$ 427,968</b>    | <b>\$ 441,357</b>    | <b>\$ 454,790</b>    |
| <b>Non Operating Revenues</b>                         |  |                      |                      |                      |                      |
| Interest Earnings (loss)                              | \$ 94,416                              | \$ 108,438           | \$ 146,679           | \$ 265,185           | \$ 503,354           |
| Federal and State Grants                              | -                                      | -                    | -                    | -                    | -                    |
| Disposition of Assets                                 | -                                      | -                    | -                    | -                    | -                    |
| <b>Total Non Operating Revenues</b>                   | <b>\$ 94,416</b>                       | <b>\$ 108,438</b>    | <b>\$ 146,679</b>    | <b>\$ 265,185</b>    | <b>\$ 503,354</b>    |
| <b>CIP Funding Sources</b>                            |  |                      |                      |                      |                      |
| Water Plant Capacity Charges                          | \$ 139,635                             | \$ 121,000           | \$ 1,331,000         | \$ 1,331,000         | \$ 1,331,000         |
| Sewer Plant Capacity Charges                          | 82,433                                 | 72,500               | 797,500              | 797,500              | 797,500              |
| 343.51-07 Sar Co Swr Treat Cons Chg (10% Surcharge)   | 214,856                                | 221,301              | 227,940              | 234,779              | 241,822              |
| Infrastructure Surtax                                 | 1,100,000                              | <del>1,057,833</del> | <del>1,057,833</del> | <del>1,057,833</del> | <del>1,057,833</del> |
| <b>Total CIP Funding Sources</b>                      | <b>\$ 1,536,923</b>                    | <b>\$ 1,472,634</b>  | <b>\$ 3,414,273</b>  | <b>\$ 3,421,112</b>  | <b>\$ 3,428,155</b>  |
| <b>Total Annual Cash Inflows</b>                      | <b>\$ 22,071,655</b>                   | <b>\$ 22,670,020</b> | <b>\$ 26,128,208</b> | <b>\$ 27,798,500</b> | <b>\$ 29,657,912</b> |

# City of Venice, Florida

## Utility System Revenue Bonds, Series 2015

Projection of Cash Outflows

Schedule 3

### FIVE YEAR PROJECTION OF CASH OUTFLOWS

|  | For the Fiscal Year Ended September 30 |                     |                     |                     |                     |
|--|--|---------------------|---------------------|---------------------|---------------------|
|  | 2015                                   | 2016                | 2017                | 2018                | 2019                |
| <b><u>Personal Services</u></b>        |  |                     |                     |                     |                     |
| 12-00 Regular Salaries & Wages         | \$ 3,236,623                           | \$ 3,333,722        | \$ 3,433,733        | \$ 3,536,745        | \$ 3,642,848        |
| 12-01 Compensation Adjustment          | \$ -                                   | \$ -                | \$ -                | \$ -                | \$ -                |
| 12-80 Capitalized Labor                | \$ -                                   | \$ -                | \$ -                | \$ -                | \$ -                |
| 14-00 Overtime                         | \$ 111,996                             | \$ 115,356          | \$ 118,817          | \$ 122,381          | \$ 126,052          |
| 15-00 Special Pay                      | \$ 94,267                              | \$ 97,095           | \$ 100,008          | \$ 103,008          | \$ 106,098          |
| 15-01 Efficiency Savings               | \$ -                                   | \$ -                | \$ -                | \$ -                | \$ -                |
| 21-00 FICA                             | \$ 256,654                             | \$ 264,354          | \$ 272,284          | \$ 280,453          | \$ 288,866          |
| 22-00 Retirement Contributions         | \$ 264,697                             | \$ 272,638          | \$ 280,817          | \$ 289,242          | \$ 297,919          |
| 23-00 Life And Health Insurance        | \$ 973,240                             | \$ 1,041,367        | \$ 1,114,262        | \$ 1,192,261        | \$ 1,275,719        |
| 24-00 Workers' Compensation            | \$ 80,565                              | \$ 82,982           | \$ 85,471           | \$ 88,036           | \$ 90,677           |
| 26-00 Other Post Empl Benefit          | \$ 41,792                              | \$ 43,046           | \$ 44,337           | \$ 45,667           | \$ 47,037           |
| <b>Total Personal Services</b>         | <b>\$ 5,059,834</b>                    | <b>\$ 5,250,559</b> | <b>\$ 5,449,730</b> | <b>\$ 5,657,792</b> | <b>\$ 5,875,217</b> |
| Execution Percentage (1)               | 95%                                    | 95%                 | 95%                 | 95%                 | 95%                 |
| Executed Personal Services             | \$ 4,806,842                           | \$ 4,988,031        | \$ 5,177,244        | \$ 5,374,903        | \$ 5,581,456        |
| <b><u>Other Operating Expenses</u></b> |  |                     |                     |                     |                     |
| 31-00 Professional Services            | \$ 2,331,918                           | \$ 2,331,918        | \$ 2,331,918        | \$ 2,331,918        | \$ 2,331,918        |
| 31-03 Legal                            | \$ 30,000                              | \$ 30,000           | \$ 30,000           | \$ 30,000           | \$ 30,000           |
| 31-05 Advertising                      | \$ 1,500                               | \$ 1,500            | \$ 1,500            | \$ 1,500            | \$ 1,500            |
| 31-40 Prof Svcs - Info Sys             | \$ -                                   | \$ -                | \$ -                | \$ -                | \$ -                |
| 32-00 Accounting And Auditing          | \$ 20,214                              | \$ 20,719           | \$ 21,237           | \$ 21,768           | \$ 22,312           |
| 34-00 Other Contractual Service        | \$ 313,350                             | \$ 321,184          | \$ 329,213          | \$ 337,444          | \$ 345,880          |
| 34-03 Contract Management              | \$ -                                   | \$ -                | \$ -                | \$ -                | \$ -                |
| 40-00 Travel And Training              | \$ 20,600                              | \$ 21,115           | \$ 21,643           | \$ 22,184           | \$ 22,739           |
| 41-00 Communication Services           | \$ 9,700                               | \$ 9,943            | \$ 10,191           | \$ 10,446           | \$ 10,707           |
| 41-40 Communication Svcs - is          | \$ 29,460                              | \$ 30,197           | \$ 30,951           | \$ 31,725           | \$ 32,518           |
| 42-00 Transportation                   | \$ 49,600                              | \$ 50,840           | \$ 52,111           | \$ 53,414           | \$ 54,749           |
| 43-00 Utility Services                 | \$ 1,109,200                           | \$ 1,164,660        | \$ 1,222,893        | \$ 1,284,038        | \$ 1,348,240        |
| 43-02 Lift Stations                    | \$ 118,000                             | \$ 123,900          | \$ 130,095          | \$ 136,600          | \$ 143,430          |
| 44-00 Rentals And Leases               | \$ 84,660                              | \$ 86,777           | \$ 88,946           | \$ 91,170           | \$ 93,449           |
| 44-08 Documatch System Lease           | \$ 15,896                              | \$ 16,293           | \$ 16,701           | \$ 17,118           | \$ 17,546           |
| 45-00 Insurance                        | \$ 437,684                             | \$ 459,568          | \$ 482,547          | \$ 506,674          | \$ 532,008          |
| 46-00 Repair & Maintenance Svcs        | \$ 1,495,545                           | \$ 1,555,367        | \$ 1,617,581        | \$ 1,682,285        | \$ 1,749,576        |
| 46-02 Computer Devices                 | \$ 8,800                               | \$ 9,020            | \$ 9,246            | \$ 9,477            | \$ 9,714            |
| 46-37 Fleet Maint - Labor              | \$ 44,800                              | \$ 45,920           | \$ 47,068           | \$ 48,245           | \$ 49,451           |
| 46-38 Fleet Maint - Parts              | \$ 33,300                              | \$ 34,133           | \$ 34,986           | \$ 35,860           | \$ 36,757           |
| 46-39 Fleet Maint - Other              | \$ 21,300                              | \$ 21,833           | \$ 22,378           | \$ 22,938           | \$ 23,511           |

**City of Venice, Florida**  
**Utility System Revenue Bonds, Series 2015**

**FIVE YEAR PROJECTION OF CASH OUTFLOWS**

|  | For the Fiscal Year Ended September 30 |                      |                      |                      |                      |
|--|--|----------------------|----------------------|----------------------|----------------------|
|  | 2015                                   | 2016                 | 2017                 | 2018                 | 2019                 |
| 46-40 Repairs/Maint- Info Sys                  | \$ 73,700                              | \$ 75,543            | \$ 77,431            | \$ 79,367            | \$ 81,351            |
| 47-00 Printing And Binding                     | \$ 21,900                              | \$ 22,448            | \$ 23,009            | \$ 23,584            | \$ 24,174            |
| 48-00 Promotional Activities                   | \$ 2,700                               | \$ 2,768             | \$ 2,837             | \$ 2,908             | \$ 2,980             |
| 49-00 Other Charges-Obligations                | \$ 404,111                             | \$ 416,234           | \$ 428,721           | \$ 441,583           | \$ 454,830           |
| 51-00 Office Supplies                          | \$ 21,300                              | \$ 21,833            | \$ 22,378            | \$ 22,938            | \$ 23,511            |
| 52-00 Operating Supplies                       | \$ 548,250                             | \$ 575,663           | \$ 604,446           | \$ 634,668           | \$ 666,401           |
| 52-02 Odor/Corrosion Control                   | \$ 330,000                             | \$ 346,500           | \$ 363,825           | \$ 382,016           | \$ 401,117           |
| 52-04 Trees, Shrubs, & Sod                     | \$ 4,000                               | \$ 4,100             | \$ 4,203             | \$ 4,308             | \$ 4,415             |
| 52-25 Safety Shoes Reimbursemnt                | \$ 8,550                               | \$ 8,764             | \$ 8,983             | \$ 9,207             | \$ 9,438             |
| 52-35 Gasoline                                 | \$ 88,000                              | \$ 92,400            | \$ 97,020            | \$ 101,871           | \$ 106,965           |
| 53-00 Road Materials & Supplies                | \$ 5,500                               | \$ 5,638             | \$ 5,778             | \$ 5,923             | \$ 6,071             |
| 54-00 Books, Pubs, Subs, Member                | \$ 12,709                              | \$ 13,027            | \$ 13,352            | \$ 13,686            | \$ 14,028            |
| <b>Total Other Operating Expenses</b>          | <b>\$ 7,696,247</b>                    | <b>\$ 7,919,800</b>  | <b>\$ 8,153,188</b>  | <b>\$ 8,396,861</b>  | <b>\$ 8,651,285</b>  |
| Execution Percentage (2)                       | 95%                                    | 75%                  | 75%                  | 75%                  | 75%                  |
| Executed Other Operating Expenses              | \$ 7,311,435                           | \$ 5,939,850         | \$ 6,114,891         | \$ 6,297,645         | \$ 6,488,464         |
| <b><u>Bond Service Requirement</u></b>         |  |                      |                      |                      |                      |
| Series 2012 Revenue Bonds                      | \$ 1,157,125                           | \$ 1,158,350         | \$ 1,157,050         | \$ 1,160,050         | \$ 1,157,350         |
| Utility Refunding Note 2012 (TD)               | \$ 2,552,771                           | \$ 2,544,295         | \$ -                 | \$ -                 | \$ -                 |
| 2013 PNC (SRF) Refunding Loan                  | \$ 430,684                             | \$ 430,505           | \$ 431,227           | \$ 430,833           | \$ 430,340           |
| Series 2015 Revenue Bonds                      | \$ -                                   | \$ 759,519           | \$ 1,099,175         | \$ 1,099,050         | \$ 1,100,375         |
| <b>Total Bond Service Requirements</b>         | <b>\$ 4,140,580</b>                    | <b>\$ 4,892,669</b>  | <b>\$ 2,687,452</b>  | <b>\$ 2,689,933</b>  | <b>\$ 2,688,065</b>  |
| <b><u>Non Operating Expenses</u></b>           |  |                      |                      |                      |                      |
| Cumulative New SRF Debt Service <sup>(1)</sup> | \$ -                                   | \$ -                 | \$ 92,500            | \$ 131,972           | \$ 787,411           |
| Repayment of Advance from General Fund         | \$ 264,027                             | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| Administrative Charges Transfer                | \$ 1,421,166                           | \$ 1,456,695         | \$ 1,493,113         | \$ 1,530,440         | \$ 1,568,701         |
| Transfers To Fleet Services                    | \$ 155,000                             | \$ 155,000           | \$ 155,000           | \$ 155,000           | \$ 155,000           |
| <b>Total Non Operating Expenses</b>            | <b>\$ 1,840,193</b>                    | <b>\$ 1,611,695</b>  | <b>\$ 1,740,613</b>  | <b>\$ 1,817,412</b>  | <b>\$ 2,511,112</b>  |
| <b>Total Annual Cash Outflows</b>              | <b>\$ 18,099,050</b>                   | <b>\$ 17,432,244</b> | <b>\$ 15,720,199</b> | <b>\$ 16,179,893</b> | <b>\$ 17,269,097</b> |

(1) Personal Services are projected at an assumed execution rate of 95%, based on historical trends

(2) Other Operating Expenses are projected at an assumed execution rate of 95%, based on historical trends. In FY 2016 the execution rate has been reduced to 75% to account for one time items in the FY 2015 budget that are not reoccurring in nature.

(3) Additional future borrowing for designated SRF eligible projects.

**SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE  
FOR RATE-BASED SYSTEM PLEDGED REVENUE**

(Provide information for the two fiscal years preceding the anticipated date of the SRF loan agreement.)

|   | <u>FY2013</u>     | <u>FY2014</u>     |
|---|-------------------|-------------------|
| (a) Operating Revenues:   |                   |                   |
| Water/Sewer Service   | <u>20,256,649</u> | <u>20,746,517</u> |
| Other _____   |                   |                   |
| (b) Interest Income   | <u>(20,078)</u>   | <u>234,395.00</u> |
| (c) Other Income or<br>Revenue (Identify)   |                   |                   |
| (d) Total Revenues  | <u>20,236,571</u> | <u>20,980,912</u> |
| <br>(e) Operating Expenses<br>(excluding interest on debt,<br>depreciation, and other<br>non-cash items)  | <u>8,967,225</u>  | <u>9,228,925</u>  |
| (f) Net Revenues<br>(f = d - e)   | <u>11,269,346</u> | <u>11,751,987</u> |
| <br>(g) Debt Service (including<br>required coverage; should<br>reflect last column of<br>preceding page) | <u>3,594,225</u>  | <u>4,759,135</u>  |

- (h) Attach audited annual financial report(s), or pages thereof, and any other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF loan. (Attachment # 9)
- (i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (Attachment # 9)
- (j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment #     )

**City of Venice, Florida**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For Fiscal Year Ended September 30, 2013**

|  | <b>Business Type Activities</b>      |                     |                      |
|--|--------------------------------------|---------------------|----------------------|
|  | <b>Water and Sewer<br/>Utilities</b> | <b>Solid Waste</b>  | <b>Airport</b>       |
| <b>OPERATING REVENUES</b>                        |                                      |                     |                      |
| Charges for services (net)                       | \$ 19,658,637                        | \$ 4,854,369        | \$ -                 |
| Rentals  | -                                    | -                   | 1,957,171            |
| Miscellaneous                                    | 598,012                              | 91,878              | 273,956              |
| Total operating revenues                         | <u>20,256,649</u>                    | <u>4,946,247</u>    | <u>2,231,127</u>     |
| <b>OPERATING EXPENSES</b>                        |                                      |                     |                      |
| Personal services                                | 3,851,823                            | 1,354,722           | 419,260              |
| Insurance  | 392,844                              | 231,432             | 89,484               |
| Supplies and materials                           | -                                    | 1,416,307           | -                    |
| Professional services                            | 907,485                              | 46,251              | 224,674              |
| Maintenance                                      | 1,817,890                            | 619,996             | 389,773              |
| Utilities  | 911,531                              | 7,589               | 80,389               |
| Other services and charges                       | 1,085,652                            | 13,850              | 120,555              |
| Depreciation and amortization                    | 5,643,581                            | 413,754             | 917,935              |
| Total operating expenses                         | <u>14,610,806</u>                    | <u>4,103,901</u>    | <u>2,242,070</u>     |
| Operating income (loss)                          | <u>5,645,843</u>                     | <u>842,346</u>      | <u>(10,943)</u>      |
| <b>NON OPERATING REVENUES (EXPENSES)</b>         |                                      |                     |                      |
| Interest earnings                                | (20,078)                             | 8,084               | 4,303                |
| Federal and state grants                         | 33,934                               | -                   | -                    |
| Disposition of assets                            | (248,593)                            | -                   | -                    |
| Interest expense                                 | (1,048,917)                          | -                   | -                    |
| Net non-operating revenues (expenses)            | <u>(1,283,654)</u>                   | <u>8,084</u>        | <u>4,303</u>         |
| Income (loss) before contributions and transfers | 4,362,189                            | 850,430             | (6,640)              |
| Capital contributions: capital grants            | 7,518                                | -                   | 6,533,447            |
| Transfers out                                    | (986,608)                            | (845,663)           | (276,082)            |
| Change in net position                           | <u>3,383,099</u>                     | <u>4,767</u>        | <u>6,250,725</u>     |
| Total net position - beginning                   | <u>67,215,530</u>                    | <u>5,875,374</u>    | <u>12,951,002</u>    |
| Total net position - ending                      | <u>\$ 70,598,629</u>                 | <u>\$ 5,880,141</u> | <u>\$ 19,201,727</u> |

See accompanying Notes to Basic Financial Statements.

**City of Venice, Florida**  
**Statement of Revenues, Expenses and Changes in Net Position**  
**Proprietary Funds**  
**For Fiscal Year Ended September 30, 2014**

|  | <b>Business Type Activities</b>      |                     |                      |
|--|--------------------------------------|---------------------|----------------------|
|  | <b>Water and Sewer<br/>Utilities</b> | <b>Solid Waste</b>  | <b>Airport</b>       |
| <b>OPERATING REVENUES</b>                        |                                      |                     |                      |
| Charges for services (net)                       | \$ 19,949,419                        | \$ 5,163,716        | \$ -                 |
| Rentals  | -                                    | -                   | 1,941,709            |
| Miscellaneous                                    | 797,098                              | 106,701             | 122,829              |
| Total operating revenues                         | <u>20,746,517</u>                    | <u>5,270,417</u>    | <u>2,064,538</u>     |
| <b>OPERATING EXPENSES</b>                        |                                      |                     |                      |
| Personal services                                | 4,433,457                            | 1,521,703           | 508,751              |
| Insurance  | 436,308                              | 256,584             | 99,204               |
| Supplies and materials                           | -                                    | 1,430,554           | -                    |
| Professional services                            | 700,822                              | 31,452              | 350,526              |
| Maintenance                                      | 1,118,557                            | 611,576             | 233,444              |
| Utilities  | 933,084                              | 9,439               | 86,523               |
| Other services and charges                       | 1,606,697                            | 15,526              | 141,767              |
| Depreciation and amortization                    | 4,629,512                            | 553,918             | 893,216              |
| Total operating expenses                         | <u>13,858,437</u>                    | <u>4,430,752</u>    | <u>2,313,431</u>     |
| Operating income (loss)                          | <u>6,888,080</u>                     | <u>839,665</u>      | <u>(248,893)</u>     |
| <b>NON OPERATING REVENUES (EXPENSES)</b>         |                                      |                     |                      |
| Interest earnings                                | 234,395                              | 38,557              | 45,968               |
| Federal and state grants                         | 1,467,572                            | -                   | 977,960              |
| Disposition of assets                            | 18,977                               | -                   | 2,675,000            |
| Interest expense                                 | (1,053,275)                          | -                   | -                    |
| Net non-operating revenues (expenses)            | <u>667,669</u>                       | <u>38,557</u>       | <u>3,698,928</u>     |
| Income (loss) before contributions and transfers | 7,555,749                            | 878,222             | 3,450,035            |
| Transfers in                                     | -                                    | -                   | 195,210              |
| Transfers out                                    | (1,610,885)                          | (751,567)           | (301,242)            |
| Change in net position                           | 5,944,864                            | 126,655             | 3,344,003            |
| Total net position - beginning                   | <u>70,598,629</u>                    | <u>5,880,141</u>    | <u>19,201,727</u>    |
| Total net position- ending                       | <u>\$ 76,543,493</u>                 | <u>\$ 6,006,796</u> | <u>\$ 22,545,730</u> |

See accompanying Notes to Basic Financial Statements.

**Schedule of Actual Revenues and Debt Coverage - Worksheet**

|                                 | 2013              | 2014              |
|---------------------------------|-------------------|-------------------|
| <b>Operating Revenues</b>       |                   |                   |
| Charges for Services            | 19,658,637        | 19,949,419        |
| Miscellaneous                   | 598,012           | 797,098           |
| <b>Total Revenues</b>           | <b>20,256,649</b> | <b>20,746,517</b> |
| <b>Operating Expenses</b>       |                   |                   |
| Personal Services               | 3,851,823         | 4,433,457         |
| Insurance                       | 392,844           | 436,308           |
| Supplies and materials          | -                 | -                 |
| Professional services           | 907,485           | 700,822           |
| Maintenance                     | 1,817,890         | 1,118,557         |
| Utilities                       | 911,531           | 933,084           |
| Other services and changes      | 1,085,652         | 1,606,697         |
| Depreciation and amortization   | -                 | -                 |
| <b>Total Operating Expenses</b> | <b>8,967,225</b>  | <b>9,228,925</b>  |

## Draft Interest Amortization

|                               |             |
|-------------------------------|-------------|
| Loan Amount (pv) <sup>1</sup> | \$4,116,153 |
| Interest Rate (rate)          | 1.02%       |
| Total # of Periods (Nper)     | 20          |

|                     |               |
|---------------------|---------------|
| Payment per Period  | \$228,557.50  |
| Total Interest Paid | \$ 454,997.22 |

| Period | Payment Amount | Interest  | Cumulative Interest | Principal  | Principal Paid | Balance      |
|--------|----------------|-----------|---------------------|------------|----------------|--------------|
|        |                |           |                     |            | \$             | 4,116,152.80 |
| 1      | 228,557.50     | 41,984.76 | 41,984.76           | 186,572.74 | 186,572.74     | 3,929,580.06 |
| 2      | 228,557.50     | 40,081.72 | 82,066.48           | 188,475.78 | 375,048.53     | 3,741,104.27 |
| 3      | 228,557.50     | 38,159.26 | 120,225.74          | 190,398.24 | 565,446.76     | 3,550,706.03 |
| 4      | 228,557.50     | 36,217.20 | 156,442.94          | 192,340.30 | 757,787.06     | 3,358,365.73 |
| 5      | 228,557.50     | 34,255.33 | 190,698.27          | 194,302.17 | 952,089.23     | 3,164,063.56 |
| 6      | 228,557.50     | 32,273.45 | 222,971.72          | 196,284.05 | 1,148,373.29   | 2,967,779.51 |
| 7      | 228,557.50     | 30,271.35 | 253,243.07          | 198,286.15 | 1,346,659.44   | 2,769,493.36 |
| 8      | 228,557.50     | 28,248.83 | 281,491.90          | 200,308.67 | 1,546,968.11   | 2,569,184.69 |
| 9      | 228,557.50     | 26,205.68 | 307,697.59          | 202,351.82 | 1,749,319.92   | 2,366,832.87 |
| 10     | 228,557.50     | 24,141.70 | 331,839.28          | 204,415.81 | 1,953,735.73   | 2,162,417.07 |
| 11     | 228,557.50     | 22,056.65 | 353,895.94          | 206,500.85 | 2,160,236.58   | 1,955,916.22 |
| 12     | 228,557.50     | 19,950.35 | 373,846.28          | 208,607.16 | 2,368,843.73   | 1,747,309.07 |
| 13     | 228,557.50     | 17,822.55 | 391,668.83          | 210,734.95 | 2,579,578.68   | 1,536,574.12 |
| 14     | 228,557.50     | 15,673.06 | 407,341.89          | 212,884.45 | 2,792,463.13   | 1,323,689.67 |
| 15     | 228,557.50     | 13,501.63 | 420,843.52          | 215,055.87 | 3,007,518.99   | 1,108,633.81 |
| 16     | 228,557.50     | 11,308.06 | 432,151.59          | 217,249.44 | 3,224,768.43   | 891,384.37   |
| 17     | 228,557.50     | 9,092.12  | 441,243.71          | 219,465.38 | 3,444,233.81   | 671,918.99   |
| 18     | 228,557.50     | 6,853.57  | 448,097.28          | 221,703.93 | 3,665,937.74   | 450,215.06   |
| 19     | 228,557.50     | 4,592.19  | 452,689.48          | 223,965.31 | 3,889,903.04   | 226,249.75   |
| 20     | 228,557.50     | 2,307.75  | 454,997.22          | 226,249.75 | 4,116,152.80   | 0.00         |

# Project Cost Worksheet

## City of Venice

### Construction Loan DW58043

Phase 4 & Phase 5 - Water Main Replacement Program / Replacement Well 7AW

| Item                             | %   | Amount           |
|----------------------------------|-----|------------------|
| Construction                     |     | 3,328,915        |
| Eligible Land                    |     | 0                |
| Other (Contingency Eligible)     |     | 0                |
| Contingency Percentage/Amount    | 10% | 332,892          |
| Technical Services               | 10% | 332,892          |
| Special Studies                  |     | 0                |
| <b>Total</b>                     |     | <b>3,994,698</b> |
|                                  |     |                  |
| Years to Construct               |     | 2.0              |
| Anticipated Interest Rate        |     | 1.02%            |
| Anticipated Capitalized Interest |     | 40,746           |
| <b>TOTAL</b>                     |     | <b>4,035,444</b> |
| Fees                             | 2%  | 80,709           |
| <b>Total for Amortization</b>    |     | <b>4,116,153</b> |

|   |             |
|---|-------------|
| <b>Interest Rate:</b>                                   | 2.02        |
| <i>Fair Labor Standards- Davis Bacon Rate Reduction</i> | -0.75       |
| <i>American-Iron-Steel Rate Reduction</i>               | -0.25       |
| <i>"Green" rate reduction</i>                           | 0           |
|   | <b>1.02</b> |

