

OKEECHOBEE UTILITY AUTHORITY

MEETING AGENDA

September 13, 2021

8:30 A.M.

1. Call the Meeting to Order

- Pledge of Allegiance
- Determination of Voting Members

2. Public Meeting – Southwest Service Area (SWSA) Septic to Sewer Project

3. Public Hearing – Resolution 21-04 – Schedule of Rates, Fees and Charges

4. Public Hearing – Resolution 21-05 – FY 22 Capital Connection Charges and Installation Fees
for

Water and Wastewater

5. Public Hearing – FY22 Preliminary Budget & Resolution 21-06

6. Meeting Minutes from August 9, 2021

7. Employee Recognition

8. Consent Agenda

9. Finance Report

10. Invoice from PRP Construction Group, LLC – Oak Lake Estates Pay Application No. 5

11. Invoice from Sumner Engineering & Consulting, Inc. – SW Wastewater Service Area
Project (AACE Invoice)

12. Invoice from Eckler Engineering, Inc. – Pine Ridge Park Utility Improvement

13. Invoices from Holtz Consulting Engineers, Inc. – Advance Metering Infrastructure

14. Invoices from Holtz Consulting Engineers, Inc. – FDOT Water Main Replacement
US441SE

15. Invoice from Holtz Consulting Engineers, Inc. – FDOT Water Main Replacement
US441SE (Hinterland Invoice)

16. Invoice from Holtz Consulting Engineers, Inc. – State Revolving Fund Request for
Inclusion for AMI Program

17. Invoice from OneWater, Inc. – Lakeview Estates WWTP

18. Invoice from Raftelis

19. Invoice from Thorn Run Partners

20. Invoice from MacVicar Consulting, Inc. – Lake Okeechobee System Operating Manual

21. USDA Loan Agreement

22. Beaty Easement Purchase

23. City Commerce Park Land Purchase
24. King's Bay Maintenance Agreement
25. Public Comments
26. Items from the Attorney
27. Items from the Executive Director
28. Items from the Board

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 1

SEPTEMBER 13, 2021

Call Meeting to Order

Pledge of Allegiance
Determine Voting Members

	<u>Absent</u>	<u>Present</u>
Melanie Anderson – Board Member	_____	_____
Tommy Clay – Board Member	_____	_____
John Creasman – Chairperson	_____	_____
Jeff Fadley - Alternate	_____	_____
Harry Moldenhauer - Alternate	_____	_____
Steve Nelson – 2 nd Vice Chairperson	_____	_____
Tabitha Trent –Vice Chairperson	_____	_____
Glenn Sneider - Alternate	_____	_____

FUTURE MEETING OF OUA BOARD

October 11, 2021 – 8:30 A.M.

November 8, 2021 – 8:30 A.M.

FUTURE HOLIDAYS FOR OUA STAFF

Thursday, November 11, 2021 – Veterans Day

Thursday, November 25, 2021 – Thanksgiving

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 2

SEPTEMBER 13, 2021

SOUTHWEST SERVICE AREA PUBLIC MEETING

The Okeechobee Utility Authority has advertised this meeting in the local paper. The meeting is open to the public so that can become informed about the Southwest Service Area (SWSA) project and to ask questions.

The presentation today will be conducted by Mr. Jeffrey M. Sumner, P.E. of Sumner Engineering & Consulting, Inc. There will be a PowerPoint slide presentation followed by a question and answer period. The slide presentation is attached for your review. Project 2 of the SWSA project includes two vacuum/pump stations, thousands of feet of vacuum collection main and hundreds of collection pits.

Anticipated Project 2 costs are as follows:

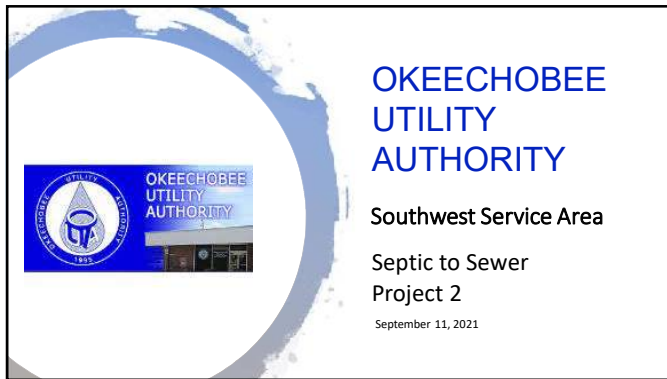
OUA - SW Service Area Septic to Sewer Project Costs

USDA Loan (No SRF Refinance)

PROJECT COST	DESCRIPTION	AMOUNT
Development	All costs of construction	\$8,671,818
Land & Rights	Property for southern vacuum station	\$0
Legal Services	Legal Fees	\$56,130
Arch, Eng, & Planning	Design, Survey/SUE, Geotech, Permit	\$730,832
Interest	Short-term Construction Loan Interest	\$168,000
Contingencies	10% of development costs	\$867,360
Refinancing	SRF Refinancing - Payoff	\$0
Eng - Inspection	RPR	\$410,951
Other	Field Geotech Testing Lab	\$150,000
Other	OUA Contributed Capital	(\$2,664,091)
Other	Connection Fees/Charges	\$0
TOTAL		\$ 8,391,000

As noted in the agenda for today's meeting, there will be an agenda item later concerning the USDA loan/grant process. Suffice it to say, to complete the expected project cost estimate, OUA staff considered a USDA loan package with the following terms: two annual payments of interest only followed by thirty-eight years of principal and interest payments and a 1.375% interest rate. Interest expense will add approximately \$2,669,212 to the expected project costs bringing the total project total to \$11,060,212.

Please note in the anticipated project costs above a contributed capital amount (\$2,664,091) which represents a portion of the FDEP appropriation (LPQ0008).



Southwest Service Area Project 2 (SWSA)

- Provide wastewater service to existing OUA customers in the southwest section
- Some residences experience localized flooding of the septic tank drain fields
- All septic tank drain fields add to the nutrient loadings of ground waters as well potentially to surface waters in close proximity

Southwest Service Area Project 2 (SWSA)

Project Alternatives

- Gravity Sewer
 - Advantages
 - Disadvantages
- Low Pressure Force Main
 - Advantages
 - Disadvantages

Southwest Service Area Project 2 (SWSA)

Project Alternatives (continued)

- Vacuum Sewer
 - Advantages
 - Disadvantages

Southwest Service Area Project 2 (SWSA)

Project Environmental Concerns

- Vacuum Sewer
 - Here we go
 - More

Southwest Service Area Project 2 (SWSA)

Project Economic Concerns

- Vacuum Sewer
 - Project related construction costs are covered by FDEP Appropriations and USDA Loan
 - Private property costs associated with the abandonment of the septic tank and the installation of piping connecting the house to the streetside collection point is by the property owner
 - Financial assistance will be provided by the OUA in terms of applying for TMDL Grant monies specifically setaside for this type of work
 - OUA Connections fees paid by the property owner can be paid in full or by 24 month payment plan offered by OUA

Southwest Service Area Project (SWSA)

- The SWSA project consist of three major projects

- Project 1

- Master Force Main: Connecting the Master Pump Station to an existing OUA Pump Station (NW-15)
 - Consists approximately xx,xxx LF of 12-inch force crossing both State Road 70, CSX railroad and US 98
- Master Pump Station: Providing a collection point for wastewater from various sources and pumping that wastewater northward through the MFM to NW-15
- SE-2 Diversion Force Main: Consisting of a force connecting the SE-2 force main to the MPS, diverting flow from SE-2 to the MPS

Southwest Service Area – Project 1

- Expected total cost including engineering & construction (no financing)
 - \$ 6,186,939
- Fully funded by FDEP Appropriation
- Expected bidding by October 2021 with bids accepted December 2021
- Expected construction to begin by January 2022

Southwest Service Area – Project 1



Southwest Service Area – Project 1



Southwest Service Area – Project 2

- SWSA – Project 2 consists of the following components

- 1) Master Vacuum Station No. 1 (MVS1)
This station will receive collected wastewater generated in the northern portion of the SWSA
- 2) Master Vacuum Station No. 2 (MVS2)
This station will receive collected wastewater generated in the southern portion of the SWSA
- 3) SWSA Collection System
This piping system will collect the wastewater from up to 700 residential connections

Southwest Service Area – Project 2

- Expected total cost including engineering & construction (no financing)
 - \$ 10,830,783 SWSA
 - \$ 612,756 Oak Lake Estates
- Partially funded by FDEP Appropriation with the remainder from a USDA loan
- Expected bidding by Spring 2022 with bids early Summer 2022
- Expected construction to begin by August 2022
- Service provided to approximately 700 connections
 - Removal of 6.7 tons of nitrogen per year
 - Removal of 1.6 tons of phosphorus per year

Southwest Service Area – Project 2



Southwest Service Area – Project 3

• SWSA – Project 3 consists of the following components

- 1) Okee-Tantie Force Main
This pump station and force main will serve the SR78 corridor from the Okee-Tantie to the SWSA MPS.
- 2) Service provided to approximately 600 connections
 - Removal of 5.7 tons of nitrogen per year
 - Removal of 1.4 tons of phosphorus per year

Southwest Service Area – Project 3

- Expected total cost including engineering & construction (no financing)
\$ 8,575,000
- Fully funded by FDEP Appropriation
- Expected bidding by Summer 2022 with bids early Fall 2022
- Expected construction to begin by December 2022

Southwest Service Area – Project 3



Southwest Service Area – Project 3



Southwest Service Area – Project 3



OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 3

SEPTEMBER 13, 2021

PUBLIC HEARING

RESOLUTION 21-04

FY22 SCHEDULE OF RATES, FEES AND CHARGES

Public Hearing Agenda

- Open Public Hearing - concerning the establishment of the FY22 Schedule of Rates, Fees and Charges for October 1, 2021 to September 30, 2022
- Presentation by OUA Staff
- Reading by title of Resolution 21-04
- Comments from the Public
- Comments from the OUA Board
- Close Public Hearing
- Motion to approve Resolution 21-04

Presentation

1. Rates, Fees and Charges

At the August 9, 2021 Board meeting OUA's Rate Consultant presented a financial forecast for FY21-FY26 based on user rates at that time. The forecast indicated that "existing rates are not adequate to fund projected capital expenditure needs," nor does it allow room for inflationary pressures, and that rate adjustments will be required. It further stated OUA "should consider implementing annual water and wastewater rate increases on each October 1st" through FY26. After the presentation there was discussion that in the near term the state of the U.S. economy is unpredictable. The consensus of the Board was that a 3% rate increase would be appropriate now and to reevaluate in the future.

With respect to revenue, attached is a FY22 Schedule of Rates, Fees and Charges which includes a 3% increase to various water and wastewater related fees and charges. The proposed 3% rate increase is anticipated to add \$324,000 of revenues in base and volumetric charges to the FY22 Budget. The FY22 Budget is based upon a 3% rate increase becoming effective October 1, 2021.

2. AGRC's

AGRC's were added to OUA's Schedule of Rates, Fees and Charges in FY2009 during a period of significant growth to help recover the interest expense associated with the debt incurred to expand the wastewater treatment plant. AGRC's are a charge that new customers pay to lessen the burden on existing customers to pay for debt incurred to build new capacity required by growth.

AGRC's are operating revenues and help meet the debt service coverage requirement. OUA's loan documents are silent as to the necessity to collect AGRC's to pledge them to repay the debt.

Actual year-to-date AGRC revenue of \$108,026 is 1.2% of total operating revenues.

A summary of budgeted revenue amounts is:

			FY20	FY21	FY22
	Water	AGRC	6,250	6,250	6,250
	Sewer	AGRC	6,000	6,000	6,000
	Total		12,250	12,250	12,250
Discounted 75%	Water	Installation fee	6,250	6,375	6,625
Discounted 75%	Sewer	Installation fee	6,000	6,120	6,360
Discounted 75%	Water	Capital connection charge	9,450	9,650	10,325
Discounted 75%	Sewer	Capital connection charge	8,808	9,000	9,624
	Total		30,508	31,145	32,934

A summary of actual revenue amounts is:

			FY20	FY21
			1 Year	10 months
	Water	AGRC	29,351	46,995
	Sewer	AGRC	32,130	61,031
	Total		61,481	108,026
Discounted 75%	Water	Installation fee	21,403	22,396
Discounted 75%	Sewer	Installation fee	7,970	5,218
Discounted 75%	Water	Capital connection charge	39,732	80,197

Discounted 75%	Sewer	Capital connection charge	139,993	144,423
	Total		209,098	252,234

If AGRC's were eliminated, OUA revenues would decrease. If the 75% discount was changed to 50%, OUA would regain revenue to make up for lost AGRC revenue.

Recently, staff spoke to OUA's rate consultant regarding AGRC's. He said that for the 40 public utilities that he actively serves, that 9 of them have AGRC's in their rate schedules. Fort Pierce Utility Authority (FPUA) recently eliminated AGRC's. FPUA found AGRC's difficult to explain to new customers and eliminating them would not adversely affect their financial position.

At the last Board meeting OUA's Rate Consultant indicated that OUA has flexibility regarding future rate increase and presented four rate scenarios. He also evaluated OUA's overall financial position and eliminating AGRC's would not negatively affect operations.

Periodically staff reviews the Schedule of Rates, Fees and Charges to see if the content is current with the ever-changing business environment.

Like FPUA, OUA staff has found it difficult to explain and justify AGRC's.

OUA is not experiencing growth comparable to the later half of the 2000 – 2009 decade.

OUA's dependence on AGRC revenues is limited.

Staff recommends to eliminate AGRC's from the rate schedule and to consider reducing the current discount for installation fees and capital connection charges to 50%.

OUA staff concurs with the Consultant's recommendation and requests the Board to approve Resolution 21-04 for a 3% rate increase effective 10-1-21.

After review, discussions, questions & answers, staff is requesting a motion to approve Resolution 21-04 as presented or as modified.

RESOLUTION 21-04

A RESOLUTION OF THE OKEECHOBEE UTILITY AUTHORITY, OKEECHOBEE, FLORIDA, ADOPTING THE SCHEDULE OF RATES, FEES AND CHARGES FOR FISCAL YEAR 2022 AND THEREAFTER; AND PROVIDING FOR FILING A COPY WITH THE AUTHORITY CLERK; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the OUA Board, in a duly advertised public hearing held September 13, 2021, reviewed, discussed and received comments from staff and the public on the schedule of rates, fees and charges, and

WHEREAS, the proposed schedule of fees, rates and charges for services provided by the Authority appear to be sufficient to generate revenues necessary to make all of the payments required by the terms of the bonds issued pursuant to Resolution No. 99-3 dated March 9, 1999, and to continue to provide for the operation and maintenance of the OUA System.

NOW, THEREFORE, BE IT RESOLVED BY THE OKEECHOBEE UTILITY AUTHORITY AS FOLLOWS:

1. The attached schedule of rates, fees and capital connection charges for services provided by the Okeechobee Utility Authority is hereby adopted.
2. A copy of the schedule of rates, fees and capital connection charges shall be filed with the Authority's Clerk and Executive Director and will be available for review during normal working hours at the offices of the Okeechobee Utility Authority, pursuant to provisions of Chapter 119, Florida Statutes.
3. Upon its adoption, this Resolution shall take effect October 1, 2021.

The passage and adoption of this Resolution was moved by _____ and seconded by _____ and upon being put to a vote, the vote was as follows:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The Chairman thereupon declared this Resolution duly passed and adopted the 13th day of September 2021.

(SEAL)

OKEECHOBEE UTILITY AUTHORITY

By: _____
John Creasman, Chairman

Attest:

John F. Hayford
Executive Director

The foregoing Resolution is hereby approved by me as to form, language and execution this 13th day of September 2021.

Tom W. Conely, III, Attorney

	A	B	C	D	E	J	K	L
2			OKEECHOBEE UTILITY AUTHORITY					
3			SCHEDULE OF RATES, FEES AND CHARGES			2.00%		3.00%
4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-04					
5			EFFECTIVE DATE: OCTOBER 1, 2021			FY 21		FY 22
6			RATE SCHEDULE 22-01			Actual		Actual
7								
8	A		WATER RATES, FEES & CHARGES					
9	1		Meter Installation Fees (service line installed by OUA)					
10	a		Residential Meter Size:					
11			(includes check value)	5/8" X 3/4"		\$1,040.40		\$1,027.96
12				1"		1,196.46		1,180.00
13	b		Non Residential Meter Size:					
14			(includes backflow prevention)	5/8" X 3/4"		1,456.56		1,457.37
15				1"		1,664.64		1,634.81
16				1-1/2"		4,513.26		4,354.11
17				2"		4,711.97		4,721.60
18				3"		9,571.68		9,695.47
19				4"		11,132.28		11,716.52
20			Larger than 4" - Cost determined by OUA Exec Dir or designee					
21								
22	c		Meter Size (service line, meter box and check valve installed by Developer or re-install fee)					
23				5/8" X 3/4"		166		171
24				1"		245		252
25			Larger than 1' - Cost determined by OUA Exec Dir or designee					
26								
27								
28	d		Inspection of Water Service			44		45
29								
30	2		Water System Capital Connection Charge (any meter size)					
31			Per Equivalent Residential Connection (ERC); minimum one (1) ERC (beginning 1/1/10)			1,618		1,667
32								
33	3		Accrued Guaranteed Revenue Charge (AGRC) capped at \$250 effective 10-1-18			250.00		250.00
34			Per Equivalent Residential Connection (ERC); minimum one (1) ERC					
35			The definition of an AGRC is below on page 7, #21.					
36	4		Water Base Facility Charge					
37	a		Residential Meter (single meter per family or detached dwelling unit)					
38			Minimum 0.33 ERC *	5/8" X 3/4"		20.30		20.91
39			Minimum 0.80 ERC *	5/8" X 3/4"		20.30		20.91
40			Minimum 1.00 ERC	5/8" X 3/4"		20.30		20.91
41			Minimum 2.50 ERC	1"		50.75		52.27
42			Minimum 5.00 ERC	1-1/2"		101.48		104.52
43			Minimum 8.00 ERC	2"		162.37		167.24
44			* These categories meet the requirements specified in the latest OUA Resolution for General Policies & Procedures for reduced ERC on residential meters					
45								
46								
47	b		Non Residential Meter (minimum per meter size includes hotels, motels & single unit)					
48			Minimum 1.00 ERC	5/8" X 3/4"		25.10		25.85
49			Minimum 2.50 ERC	1"		62.78		64.66
50			Minimum 5.00 ERC	1-1/2"		125.54		129.31
51			Minimum 8.00 ERC	2"		200.86		206.89
52			Minimum 16.00 ERC	3"		401.73		413.78
53			Minimum 25.00 ERC	4"		627.70		646.53
54			Minimum 50.00 ERC	6"		1,255.40		1,293.06
55			Minimum 80.00 ERC	8"		2,008.62		2,068.88
56								
57	c		Master Meter (any size; charge per unit connected to meter)		Equivalency Factor			
58			< 400 square feet		.33 ERC	6.70		6.90
59			≥ 400 and < 900 square feet		.80 ERC	16.24		16.73
60			>900 square feet		Minimum 1.00 ERC	20.30		20.91
61								
62	5		Gallage Rates (residential, non residential, master meter)			Block 1	4.39	4.52
63			(per 1,000 gallon)		Block 2	6.60		6.80
64								
65			Block Allowances					
66	a		All except master meter					
67			Meter Size	Monthly Gallons	Block 2			
68			5/8" X 3/4"	0 - 3,000	Above 3,000			
69			1"	0 - 8,000	Above 8,000			
70			1 1/2"	0 - 15,000	Above 15,000			
71			2"	0 - 24,000	Above 24,000			
72			3"	0 - 48,000	Above 48,000			
73			4"	0 - 75,000	Above 75,000			
74			6"	0 - 150,000	Above 150,000			
75			8"	0 - 240,000	Above 240,000			
76								
77	b		Master Meter (unit based per ERC)	0 - 3,000	Above 3,000			

	A	B	C	D	E	J	K	L
1								
2				OKEECHOBEE UTILITY AUTHORITY				
3				SCHEDULE OF RATES, FEES AND CHARGES		2.00%		3.00%
4				ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-04				
5				EFFECTIVE DATE: OCTOBER 1, 2021		FY 21		FY 22
6				RATE SCHEDULE 22-01		Actual		Actual
7								
78								
79								
80			6	Irrigation meter (water only; no sewer)				
81				Base & consumption billed at non residential rate per meter size				
82								
83								
84								
85			7	Fire Hydrant Fund Fee (\$.55 per residential meter per month)		0.55		0.55
86				Fire Hydrant Fund Fee (\$.55 per ERC per master meter per month)	(calculate)	0.55 per ERC		0.55 per ERC
87				Fire Hydrant Fund Fee (\$1.60 per nonresidential meter per month)		1.60		1.60
88								
89								
90			B	WASTEWATER RATES, FEES & CHARGES				
91			1	Wastewater Line Fees				
92				Service line installed by OUA (existing gravity service line at property line)				
93			a	Connection to an existing service lateral				
94					4"	2,080.80		2,143.22
95					6"	2,653.02		2,732.61
96				Larger than 6"	Cost determined by OUA Exec Dir or designee			
97								
98				Connection to Existing Gravity Main Line				
99			b	Installation of new service lateral	Cost determined by OUA Exec Dir or designee			
100								
101			c	Inspection of Service line	4" or 6"	44		45
102								
103			d	Installation of Valve Pit on Vacuum Sewer System:	Cost determined by OUA Exec Dir or			
104								
105			e	Service Line connected to Vacuum Sewer System				
106					4"	2,153.63		2,218.24
107					6"	2,727.93		2,809.77
108								
109								
110			f	Connection to Force Main	Cost determined by OUA Exec Dir or designee			
111								
112			2	Wastewater System Capital Connection Charge (any meter size)		3,145		3,240
113				Per Equivalent Residential Connection (ERC); minimum one (1) ERC				
114								
115			3	Accrued Guaranteed Revenue Charge (AGRC) capped at \$500 effective 10-1-18		500.00		500.00
116				Per Equivalent Residential Connection (ERC); minimum one (1) ERC				
117				The definition of an AGRC is below on page 7, #21.				
118			4	Wastewater Base Facility Charge				
119			a	Residential Meter (single meter per family or detached dwelling unit)				
120				Minimum 0.33 ERC *	5/8" X 3/4"	23.27		23.97
121				Minimum 0.80 ERC *	5/8" X 3/4"	23.27		23.97
122				Minimum 1.00 ERC	5/8" X 3/4"	23.27		23.97
123				Minimum 2.50 ERC	1"	58.16		59.90
124				Minimum 5.00 ERC	1-1/2"	116.32		119.81
125				Minimum 8.00 ERC	2"	186.12		191.70
126				* These categories must also meet the requirements specified in the latest OUA Resolution for General				
127				Policies & Procedures for reduced ERC on residential meters				
128								
129			b	Non Residential Meter (minimum per meter size includes hotels, motels & single unit)				
130				Minimum 1.00 ERC	5/8" X 3/4"	29.77		30.66
131				Minimum 2.50 ERC	1"	74.46		76.69
132				Minimum 5.00 ERC	1-1/2"	148.90		153.37
133				Minimum 8.00 ERC	2"	238.24		245.39
134				Minimum 16.00 ERC	3"	476.48		490.77
135				Minimum 25.00 ERC	4"	744.50		766.84
136				Minimum 50.00 ERC	6"	1,489.01		1,533.68
137				Minimum 80.00 ERC	8"	2,382.40		2,453.87
138								
139			c	Master Meter (any size; charge per unit connected to meter)	Equivalency Factor			
140				< 400 square feet	.33 ERC	7.68		7.91
141				≥ 400 and < 900 square feet	.80 ERC	18.62		19.18
142				>900 square feet	Minimum 1.00 ERC	23.27		23.97
143								
144			5	Gallage Rates (per 1,000 gallons)				
145			a	Residential		7.24		7.46
146			b	Non Residential		7.49		7.71
147			c	Master Meter		7.24		7.46

	A	B	C	D	E	J	K	L
2			OKEECHOBEE UTILITY AUTHORITY					
3			SCHEDULE OF RATES, FEES AND CHARGES			2.00%		3.00%
4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-04					
5			EFFECTIVE DATE: OCTOBER 1, 2021			FY 21		FY 22
6			RATE SCHEDULE 22-01			Actual		Actual
7								
148								
149			6 Reclaimed Water					
150								
151			Volumetric charges for reclaimed water based upon meter consumption per 1,000 gallons and billed monthly					
152			determined and approved by OUA Board					
153			7 Septage					
154			Septage charges per 1,000 gallons		Cost Determined by OUA Board	N/A		N/A
155								
156								
157			8 Industrial Wastewater					
158			To be determined and approved by OUA Board on an individual basis according to volume and characteristics					
159			of wastewater by special agreement.					
160								
161			9 High Strength Industrial Wastewater Surcharge					
162			To be determined and approved by OUA Board on an individual basis according to volume and characteristics					
163			of wastewater by special agreement.					
164								
165			C FIRE LINE CHARGES					
166			1 Sole Proprietary Fire Protection Systems (Sprinkler Systems); based on size of line					
167			Fire line charges are approximately 1/12 of the water meter charges.					
168					2"	16.73		17.23
169					3"	33.47		34.47
170					4"	52.02		53.58
171					6"	104.04		107.16
172					8"	167.33		172.35
173					10"	275.22		283.48
174								
175			2 Hydrant Meters (charges for temporary water service delivered via a fire hydrant)					
176			a Set-up Charge			81		83
177								
178			b Monthly Service Charge					
179					5/8 X 3/4" Meter	32.25		33.22
180					1" Meter	64.50		66.44
181					2" Meter	193.51		199.32
182					3" Meter	387.03		398.64
183								
184			c Consumption Rate per 1,000 gallons		Block 1	5.43		5.59
185			(see A 6 (a) for block allowances by meter size)		Block 2	8.16		8.40
186								
187			d Meter relocation (per move)			54		56
188								
189			e Removal of meter by other than OUA			166		171
190								
191			f Deposit required based on hydrant meter size and appropriate non					
192			residential meter rates referenced in D-3					
193								
194			g Fire Flow Test (per test)			91		94
195								
196			D DEPOSITS FOR SERVICE (MINIMUM)					
197			The required deposit listed below may be reduced by one half of the value shown if the customer elects to pay					
198			the monthly bill through the direct debit payment method.					
199			1 Residential (Property Owner as Occupant)					
200			a Water Service Only		3/4"	101		104
201			b Wastewater Service Only		3/4"	112		116
202			c Water & Wastewater Service		3/4"	213		220
203			d Water Service Only		1"	142		146
204			e Wastewater Service Only		1"	158		163
205			f Water & Wastewater Service		1"	300		309
206								
207			2 Residential (Non Owner)					
208			a Water Service Only		3/4"	158		163
209			b Wastewater Service Only		3/4"	158		163
210			c Water & Wastewater Service		3/4"	316		326
211			d Water Service Only		1"	223		230
212			e Wastewater Service Only		1"	242		249
213			f Water & Wastewater Service		1"	465		479

	A	B	C	D	E	J	K	L
2			OKEECHOBEE UTILITY AUTHORITY					
3			SCHEDULE OF RATES, FEES AND CHARGES			2.00%		3.00%
4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-04					
5			EFFECTIVE DATE: OCTOBER 1, 2021			FY 21		FY 22
6			RATE SCHEDULE 22-01			Actual		Actual
7								
214	D		DEPOSITS FOR SERVICE (MINIMUM) - (continued)					
215		3	Non-Residential and Master Meters					
216								
217			Deposit to equal three highest months in last 12 months Utility Bills for service with the following as minimum:					
218			Deposit to equal 3 times the average of last 12 months Utility Bills for service with the following as a minimum:					
219					Meter Size			
220					5/8" X 3/4"	158		163
221					1"	254		262
222					1-1/2"	478		493
223					2"	760		783
224					3"	1,514		1,559
225					4"	2,361		2,432
226					6"	4,724		4,865
227					8"	7,553		7,780
228								
229								
230								
231					Meter Size			
232					5/8" X 3/4"	158		163
233					1"	281		289
234					1-1/2"	541		557
235					2"	866		892
236					3"	1,732		1,784
237					4"	2,705		2,786
238					6"	5,395		5,557
239					8"	8,635		8,894
240								
241								
242					Meter Size			
243					5/8" X 3/4"	317		327
244					1"	536		552
245					1-1/2"	1,020		1,051
246					2"	1,623		1,672
247					3"	3,246		3,343
248					4"	5,066		5,218
249					6"	10,118		10,422
250					8"	16,188		16,674
251								
252	E		SPECIAL SERVICE CHARGES, PER OCCURRENCE					
253		1	Turn-on fee, except for new meter installations			15		16
254								
255		2	Performance of service after regular office hours.			58		60
256								
257		3	Reconnection Fee					
258			After a meter has been removed, a meter can be reinstalled to establish service if the meter is reinstalled within					
259			120 months of being pulled. For the first twelve months, Tier 1 base rates apply. For all remaining months,					
260			utilize Tier 2 base rates. Included in this calculation will be the type of utility service (water, wastewater or both),					
261			the classification (residential, non-residential or master meter), meter size, number of ERC's, the reinstallation					
262			fee and inspection fee. In the case of a master meter, the calculation will use the ERC equivalency factors.					
263			Regardless of the number of months that the meter was pulled, the current water and wastewater charges will					
264			apply for all months utilized in the calculation.					
265								
266								
267			Tier 1 - Inactive Account for months 1 through 12:					
268			Inactive Account Charges accrue at the monthly base facility charges on a per ERC basis as follows:					
269								
270					Water			
271					1 ERC	20.30		20.91
272					0.33 ERC	6.70		6.90
273					0.8 ERC	16.24		16.73
274								
275					Wastewater			
276					1 ERC	23.27		23.97
277					0.33 ERC	7.68		7.91

	A	B	C	D	E	J	K	L
1								
2								
3								
4								
5								
6								
7								
278					0.8 ERC	18.62		19.18
279								
280								
281								
282								
283								
284								
285								
286								
287								
288								
289								
290								
291								
292								
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333	4							
334								
335								
336								
337	5							
338	a							
339								
340	b							

	A	B	C	D	E	J	K	L
2			OKEECHOBEE UTILITY AUTHORITY					
3			SCHEDULE OF RATES, FEES AND CHARGES			2.00%		3.00%
4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-04					
5			EFFECTIVE DATE: OCTOBER 1, 2021			FY 21		FY 22
6			RATE SCHEDULE 22-01			Actual		Actual
7								
341				5/8" X 3/4"		40		41
342				1"		50		51
343				1-1/2"		75		78
344				2"		104		107
345				Above 2" Meter	Cost determined by OUA Exec Dir or			
346					designee			
347								
348			6 Damaging, tampering with OUA property or unauthorized procedure(s)					
349			a	Tampering 1 - See detailed description as shown in Resolution 15-01, or latest edition		26		26
350			b	Tampering 2 - See detailed description as shown in Resolution 15-01, or latest edition		102		105
351			c	Tampering 3 - See detailed description as shown in Resolution 15-01, or latest edition		138		142
352			d	Tampering 4 - See detailed description as shown in Resolution 15-01, or latest edition		601		619
353								
354			7 Developer/owner changing meter from one location to another without OUA's permission; per occurrence, per meter.			128		131
355								
356								
357			8 Destruction of meter and or related equipment					
358				Charge based upon actual replacement cost (labor, equipment and materials) plus a 15% administrative charge,				
359				per occurrence				
360								
361			9 Returned check					
362				Prevailing amount per Florida Statute Section 832.07 as follows:				
363				Amount of check up to \$50.00,		25.00		25.00
364				Amount of check over \$50.00 up to \$300.00,		30.00		30.00
365				Amount of check over \$300.00, OR		40.00		40.00
366								
367				An amount equal to 5% of the face value of the check, whichever is greater.				
368				Plus other applicable fees in the event service is discontinued.				
369								
370			10 Account record history, requested by customer					
371			a	Certified/Notarized Copy (per page)		2.35		2.42
372			b	One-sided copy (per page)		0.47		0.48
373			c	Two-sided copy (per page)		0.62		0.64
374			d	Research of Records (per 1/4 hr. or fraction thereof with a minimum of \$7.29 per request)		7.08		7.29
375								
376			11 Recording easements, annexation agreements, etc. (per page)			12.75		13.13
377								
378			12 Project plan review					
379				The Okeechobee Utility Authority will review all plans and specifications of all proposed water and/or sewer				
380				facilities and the owner or developer will pay a one-time fee of \$75.00 per page of drawing. Project plans will				
381				not be approved until full payment of fee is received.				
382								
383			13 Project inspection					
384				All projects must be inspected by OUA and the owner or developer shall pay fees at the rate of \$50.00 per hour				
385				during regular office hours and 1-1/2 times that rate after regular office hours billed monthly and paid before				
386				Certificate of Occupancy (C.O.) is approved.				
387								
388			14 Miscellaneous charges for services not included above.					
389				Charge based upon actual replacement cost (materials, labor and equipment hours used) required for the				
390				service plus an administrative charge of 15% to be determined by OUA personnel.				
391								
392			15 Fee on delinquent accounts					
393				10% per month on delinquent amount due to date account is closed, or meter removed.				
394								
395			16 Interest charged on closed accounts					
396				After the account is closed, simple interest is applied to the unpaid balance at the rate of 1-1/2% per month for				
397				a period not to exceed one (1) year.				
398								
399			17 Laboratory testing					
400				Laboratory testing for a developer or individual at the following prices:				
401					B.O.D.	17		18
402					Suspended Solids	10		11
403					Chlorine residual	13		13
404					Fecal Coliform	24		25
405					Total Coliform	24		25

	A	B	C	D	E	J	K	L
1								
2			OKEECHOBEE UTILITY AUTHORITY					
3			SCHEDULE OF RATES, FEES AND CHARGES			2.00%		3.00%
4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-04					
5			EFFECTIVE DATE: OCTOBER 1, 2021			FY 21		FY 22
6			RATE SCHEDULE 22-01			Actual		Actual
7								
406					Chloride	11		11
407					Fluoride	16		16
408					pH	13		13
409					Total dissolved solids	11		11
410					Dissolved oxygen	8		8
411					Turbidity	20		20
412								
413			The above testing may be done in OUA's laboratory. Any other testing will be sent to a certified lab and the developer or individual will be billed for the cost of the testing plus a 15% administrative charge. All samples must be delivered to the OUA laboratory in approved containers. If the OUA collects samples or performs testing in the field, then actual cost of labor plus a 15% administrative charge will be added to the above fees.					
414								
415								
416								
417								
418								
419			18 Adjustment(s) to customer accounts					
420			Credit or debit adjustments on customer accounts may occur when the customer or OUA, has knowingly or unknowingly, caused an account to be inaccurate. Credit or debit adjustments may be made up to three (3) months from the date of notice to the customer.					
421								
422								
423								
424			19 Guaranteed Revenue Charges (GRC)					
425			During the period that a residential, non-residential or master meter account is off for billing purposes (inactive status), it will still be accruing the monthly base facility charge usually billed prior to inactive status. The GRC fees due will be included in the Reconnection Fee calculation defined above.					
426								
427								
428								
429			20 Meter Treated As Removed (MTAR)					
430			When an account has been off and reached an inactive status, rather than actually pulling the meter, the meter may be turned off, left in place and treated as removed for billing purposes. Reconnection calculation will not include a cost for reinstall of the meter.					
431								
432								
433								
434			21 Accrued Guaranteed Revenue Charges (AGRC)					
435			In order to ensure that both current and future customers utilizing or reserving capacity are treated equally with respect to the cost of reserving capacity in the future, an Accrued Guaranteed Revenue Charge (AGRC) will be assessed to both new water and/or wastewater connections on a per equivalent residential connection (ERC) basis.					
436								
437								
438								
439								
440			22 Glades County Franchise Fee					
441			The above rates, fees and charges do not reflect the franchise fee (currently set at 6%) which is imposed on customers residing within Glades County.					
442								

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 4

SEPTEMBER 13, 2021

PUBLIC HEARING

RESOLUTION 21-05

FY22 CAPITAL CONNECTION CHARGES AND INSTALLATION FEES FOR WATER AND WASTEWATER

Please find Resolution 21-05 attached.

- Open Public Hearing: concerning a discount to Capital Connection Charges and the Meter Installation Fees
- Presentation by OUA Staff and the reading by title of Resolution 21-05
- Comments from the Public
- Comments from the OUA Board
- Close the Public Hearing
- Motion to approve Resolution 21-05

Presentation

For FY21 the OUA Board approved Resolution 20-06 to reduce the meter Installation Fee and the Capital Connection Charge for water and sewer by 75%. The Resolution 20-06 has a sunset clause of September 30, 2021. If no action is taken today, the current fees and charges will revert to the fees and charges approved in Resolution 21-04, which does not include a discount.

Attached is a summary comparison of the water and wastewater rates for FY22 as provided for in Resolution 21-05 with Capital Connection Charges and the Meter Installation Fees discounted by 75% (printed in red).

Staff cannot confirm if the 75% discount has brought OUA new customers from the discount. For the Board to consider continuing the 75% reduction for the next fiscal year ending September 30, 2022, actual experience for the 9-month period (10/1/20-6/30/21) was as follows:

- 1.) There were 53 new water connections versus a budget of 25,
- 2.) There were 22 new wastewater connections versus a budget of 12, and

The FY22 Final Budget is based on 25 new water connections, 12 new wastewater connections and a reduction of 75% to the meter installation fee and the Capital Connection Charges for both water and wastewater.

After review, discussions, questions & answers, staff is requesting a motion to approve Resolution 21-05, which provides for a 75% reduction in the Capital Connection Charges and the Meter Installation Fees for water and wastewater for FY22 (October 1, 2021 – September 30, 2022), as presented or as modified.

RESOLUTION 21-05

**A RESOLUTION OF THE OKEECHOBEE UTILITY
AUTHORITY, OKEECHOBEE, FLORIDA, ADOPTING THE
SCHEDULE OF DISCOUNTED CAPITAL CONNECTION
CHARGES AND DISCOUNTED METER INSTALLATION
FEES FOR FISCAL YEAR 2022; AND PROVIDING FOR
FILING A COPY WITH THE AUTHORITY CLERK; AND
PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the OUA Board, in a duly advertised public hearing held September 13, 2021, reviewed, discussed and received comments from staff and the public on the schedule of Capital Connection Charges and Meter Installation Fees, and

WHEREAS, the schedule of Capital Connection Charges and Meter Installation Fees for services provided by the Authority appear to be sufficient to generate revenues necessary to make all of the payments required by the terms of the bonds issued pursuant to Resolution No. 99-3 dated March 9, 1999, and to continue to provide for the operation and maintenance of the OUA System.

**NOW, THEREFORE, BE IT RESOLVED BY THE OKEECHOBEE UTILITY
AUTHORITY AS FOLLOWS:**

1. The attached schedule of Capital Connection Charges and Meter Installation Fees for services provided by the Okeechobee Utility Authority is hereby adopted and shall remain in effect from October 1, 2021 through September 30, 2022 and unless future OUA Board action directs otherwise, shall return to on October 1, 2021 to the rates, fees and charges approved in Resolution 21-04.

2. A copy of the schedule of rates, fees and capital connection charges shall be filed with the Authority's Clerk and Executive Director and will be available for review during normal working hours at the offices of the Okeechobee Utility Authority, pursuant to provisions of Chapter 119, Florida Statutes.

3. Upon its adoption, this Resolution shall take effect October 1, 2021.

The passage and adoption of this Resolution was moved by _____ and
seconded by _____ and upon being put to a vote, the vote was as follows:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The Chairman thereupon declared this Resolution duly passed and adopted the 13th day of September 2021.

(SEAL)

OKEECHOBEE UTILITY AUTHORITY

By: _____
John Creasman, Chairman

Attest:

John F. Hayford
Executive Director

The foregoing Resolution is hereby approved by me as to form, language and execution this 13th day of September 2021.

Tom W. Conely, III, Attorney

	A	B	C	D	E	F	L	M	N
2			OKEECHOBEE UTILITY AUTHORITY						
3			SCHEDULE OF RATES, FEES AND CHARGES				3.00%		
4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-05						
5			EFFECTIVE DATE: OCTOBER 1, 2021				FY 22	FY 22	
6			RATE SCHEDULE 22-02				Actual	75% Reduction	
7									
8	A		WATER RATES, FEES & CHARGES						
9	1		Meter Installation Fees (service line installed by OUA)						
10	a		Residential Meter Size:						
11			(includes check valve)	5/8" X 3/4"			\$1,027.96	257	
12				1"			1,180.00	295	
13	b		Non Residential Meter Size:						
14			(includes backflow prevention)	5/8" X 3/4"			1,457.37	364	
15				1"			1,634.81	409	
16				1-1/2"			4,354.11	1,089	
17				2"			4,721.60	1,180	
18				3"			9,695.47	2,424	
19				4"			11,716.52	2,929	
20			Larger than 4" - Cost determined by OUA Exec Dir or designee						
21									
22	c		Meter Size (service line, meter box and check valve installed by Developer or re-install fee)						
23				5/8" X 3/4"			171	171	
24				1"			252	252	
25			Larger than 1' - Cost determined by OUA Exec Dir or designee						
26									
27									
28	d		Inspection of Water Service				45	45	
29									
30	2		Water System Capital Connection Charge (any meter size)						
31			Per Equivalent Residential Connection (ERC); minimum one (1) ERC (beginning 1/1/10)				1,667	417	
32									
33	3		Accrued Guaranteed Revenue Charge (AGRC) capped at \$250 effective 10-1-18				250.00	250.00	
34			Per Equivalent Residential Connection (ERC); minimum one (1) ERC						
35			The definition of an AGRC is below on page 7, #21.						
36	4		Water Base Facility Charge						
37	a		Residential Meter (single meter per family or detached dwelling unit)						
38			Minimum 0.33 ERC *	5/8" X 3/4"			20.91	20.91	
39			Minimum 0.80 ERC *	5/8" X 3/4"			20.91	20.91	
40			Minimum 1.00 ERC	5/8" X 3/4"			20.91	20.91	
41			Minimum 2.50 ERC	1"			52.27	52.27	
42			Minimum 5.00 ERC	1-1/2"			104.52	104.52	
43			Minimum 8.00 ERC	2"			167.24	167.24	
44			* These categories meet the requirements specified in the latest OUA Resolution for General Policies & Procedures for reduced ERC on residential meters						
45									
46									
47	b		Non Residential Meter (minimum per meter size includes hotels, motels & single unit)						
48			Minimum 1.00 ERC	5/8" X 3/4"			25.85	25.85	
49			Minimum 2.50 ERC	1"			64.66	64.66	
50			Minimum 5.00 ERC	1-1/2"			129.31	129.31	
51			Minimum 8.00 ERC	2"			206.89	206.89	
52			Minimum 16.00 ERC	3"			413.78	413.78	
53			Minimum 25.00 ERC	4"			646.53	646.53	
54			Minimum 50.00 ERC	6"			1,293.06	1293.06	
55			Minimum 80.00 ERC	8"			2,068.88	2068.88	
56									
57	c		Master Meter (any size; charge per unit connected to meter)		Equivalency Factor				
58			< 400 square feet		.33 ERC		6.90	6.9	
59			≥ 400 and < 900 square feet		.80 ERC		16.73	16.73	
60			>900 square feet		Minimum 1.00 ERC		20.91	20.91	
61									
62	5		Gallage Rates (residential, non residential, master meter)		Block 1		4.52	4.52	
63			(per 1,000 gallon)		Block 2		6.80	6.80	
64									
65			Block Allowances						
66	a		All except master meter						
67			Meter Size	Block 1	Block 2				
68			5/8" X 3/4"	Monthly Gallons	Monthly Gallons				
69			1"	0 - 3,000	Above 3,000				
70			1 1/2"	0 - 8,000	Above 8,000				
71			2"	0 - 15,000	Above 15,000				
72			3"	0 - 24,000	Above 24,000				
73			4"	0 - 48,000	Above 48,000				
74			6"	0 - 75,000	Above 75,000				
75			8"	0 - 150,000	Above 150,000				
76				0 - 240,000	Above 240,000				
77	b		Master Meter (unit based per ERC)	0 - 3,000	Above 3,000				
78									
79									

	A	B	C	D	E	F	L	M	N
1			OKEECHOBEE UTILITY AUTHORITY						
2			SCHEDULE OF RATES, FEES AND CHARGES				3.00%		
3			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-05						
4			EFFECTIVE DATE: OCTOBER 1, 2021				FY 22	FY 22	
5			RATE SCHEDULE 22-02				Actual	75% Reduction	
6									
7									
80	6		Irrigation meter (water only; no sewer)						
81			Base & consumption billed at non residential rate per meter size						
82									
83									
84									
85	7		Fire Hydrant Fund Fee (\$.55 per residential meter per month)				0.55	0.55	
86			Fire Hydrant Fund Fee (\$.55 per ERC per master meter per month)			(calculate)	0.55 per ERC	0.55 per ERC	
87			Fire Hydrant Fund Fee (\$1.60 per nonresidential meter per month)				1.60	1.65	
88									
89									
90	B		WASTEWATER RATES, FEES & CHARGES						
91	1		Wastewater Line Fees						
92			Service line installed by OUA (existing gravity service line at property line)						
93	a		Connection to an existing service lateral						
94						4"	2,143.22	536	
95						6"	2,732.61	683	
96			Larger than 6"	Cost determined by OUA Exec Dir or designee					
97									
98			Connection to Existing Gravity Main Line						
99	b		Installation of new service lateral			Cost determined by OUA Exec Dir or designee			
100									
101	c		Inspection of Service line			4" or 6"	45	45	
102									
103	d		Installation of Valve Pit on Vacuum Sewer System:			Cost determined by OUA Exec Dir or designee			
104									
105	e		Service Line connected to Vacuum Sewer System						
106									
107						4"	2,218.24	555	
108						6"	2,809.77	702	
109									
110	f		Connection to Force Main			Cost determined by OUA Exec Dir or designee			
111									
112	2		Wastewater System Capital Connection Charge (any meter size)				3,240	810	
113			Per Equivalent Residential Connection (ERC); minimum one (1) ERC						
114									
115	3		Accrued Guaranteed Revenue Charge (AGRC) capped at \$500 effective 10-1-18				500.00	500.00	
116			Per Equivalent Residential Connection (ERC); minimum one (1) ERC						
117			The definition of an AGRC is below on page 7, #21.						
118	4		Wastewater Base Facility Charge						
119	a		Residential Meter (single meter per family or detached dwelling unit)						
120			Minimum 0.33 ERC *			5/8" X 3/4"	23.97	23.97	
121			Minimum 0.80 ERC *			5/8" X 3/4"	23.97	23.97	
122			Minimum 1.00 ERC			5/8" X 3/4"	23.97	23.97	
123			Minimum 2.50 ERC			1"	59.90	59.90	
124			Minimum 5.00 ERC			1-1/2"	119.81	119.81	
125			Minimum 8.00 ERC			2"	191.70	191.70	
126			* These categories must also meet the requirements specified in the latest OUA Resolution for General Policies						
127			& Procedures for reduced ERC on residential meters						
128									
129	b		Non Residential Meter (minimum per meter size includes hotels, motels & single unit)						
130			Minimum 1.00 ERC			5/8" X 3/4"	30.66	30.66	
131			Minimum 2.50 ERC			1"	76.69	76.69	
132			Minimum 5.00 ERC			1-1/2"	153.37	153.37	
133			Minimum 8.00 ERC			2"	245.39	245.39	
134			Minimum 16.00 ERC			3"	490.77	490.77	
135			Minimum 25.00 ERC			4"	766.84	766.84	
136			Minimum 50.00 ERC			6"	1,533.68	1,533.68	
137			Minimum 80.00 ERC			8"	2,453.87	2,453.87	
138									
139	c		Master Meter (any size; charge per unit connected to meter)			Equivalency Factor			
140			< 400 square feet			.33 ERC	7.91	7.91	
141			≥ 400 and < 900 square feet			.80 ERC	19.18	19.18	
142			>900 square feet			Minimum 1.00 ERC	23.97	23.97	
143									
144	5		Gallage Rates (per 1,000 gallons)						
145	a		Residential				7.46	7.46	
146	b		Non Residential				7.71	7.71	
147	c		Master Meter				7.46	7.46	
148									
149	6		Reclaimed Water						
150									
151			Volumetric charges for reclaimed water based upon meter consumption per 1,000 gallons and billed monthly						
152			determined and approved by OUA Board						

	A	B	C	D	E	F	L	M	N
2			OKEECHOBEE UTILITY AUTHORITY						
3			SCHEDULE OF RATES, FEES AND CHARGES				3.00%		
4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-05						
5			EFFECTIVE DATE: OCTOBER 1, 2021				FY 22		FY 22
6			RATE SCHEDULE 22-02				Actual		75% Reduction
7									
153			7 Septage						
154			Septage charges per 1,000 gallons		Cost Determined by OUA Board		N/A		N/A
155									
156									
157			8 Industrial Wastewater						
158			To be determined and approved by OUA Board on an individual basis according to volume and characteristics of						
159			wastewater by special agreement.						
160									
161			9 High Strength Industrial Wastewater Surcharge						
162			To be determined and approved by OUA Board on an individual basis according to volume and characteristics of						
163			wastewater by special agreement.						
164									
165			C FIRE LINE CHARGES						
166			1 Sole Proprietary Fire Protection Systems (Sprinkler Systems); based on size of line						
167			Fire line charges are approximately 1/12 of the water meter charges.						
168					2"		17.23		17.23
169					3"		34.47		34.47
170					4"		53.58		53.58
171					6"		107.16		107.16
172					8"		172.35		172.35
173					10"		283.48		283.48
174									
175			2 Hydrant Meters (charges for temporary water service delivered via a fire hydrant)						
176			a Set-up Charge				83		83
177									
178			b Monthly Service Charge						
179					5/8 X 3/4" Meter		33.22		33.22
180					1" Meter		66.44		66.44
181					2" Meter		199.32		199.32
182					3" Meter		398.64		398.64
183									
184			c Consumption Rate per 1,000 gallons		Block 1		5.59		5.59
185			(see A 6 (a) for block allowances by meter size)		Block 2		8.40		8.4
186									
187			d Meter relocation (per move)				56		56
188									
189			e Removal of meter by other than OUA				171		171
190									
191			f Deposit required based on hydrant meter size and appropriate non						
192			residential meter rates referenced in D-3						
193									
194			g Fire Flow Test (per test)				94		94
195									
196			D DEPOSITS FOR SERVICE (MINIMUM)						
197			The required deposit listed below may be reduced by one half of the value shown if the customer elects to pay						
198			the monthly bill through the direct debit payment method.						
199			1 Residential (Property Owner as Occupant)						
200			a Water Service Only		3/4"		104		104
201			b Wastewater Service Only		3/4"		116		116
202			c Water & Wastewater Service		3/4"		220		220
203			d Water Service Only		1"		146		146
204			e Wastewater Service Only		1"		163		163
205			f Water & Wastewater Service		1"		309		309
206									
207			2 Residential (Non Owner)						
208			a Water Service Only		3/4"		163		163
209			b Wastewater Service Only		3/4"		163		163
210			c Water & Wastewater Service		3/4"		326		326
211			d Water Service Only		1"		230		230
212			e Wastewater Service Only		1"		249		249
213			f Water & Wastewater Service		1"		479		479
214									
215			3 Non-Residential and Master Meters						
216									
217			Deposit to equal three highest months in last 12 months Utility Bills for service with the following as minimum:						
218			Deposit to equal 3 times the average of last 12 months Utility Bills for service with the following as a						
219			minimum:						
220					Meter Size				
221					5/8" X 3/4"		163		163
222					1"		262		262
223					1-1/2"		493		493

	A	B	C	D	E	F	L	M	N
2				OKEECHOBEE UTILITY AUTHORITY					
3				SCHEDULE OF RATES, FEES AND CHARGES			3.00%		
4				ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-05					
5				EFFECTIVE DATE: OCTOBER 1, 2021			FY 22		FY 22
6				RATE SCHEDULE 22-02			Actual		75% Reduction
7									
223	D		DEPOSITS FOR SERVICE (MINIMUM) - (continued)		2"		783		783
224					3"		1,559		1,559
225					4"		2,432		2,432
226					6"		4,865		4,865
227					8"		7,780		7,780
228									
229									
230									
231					Meter Size				
232					5/8" X 3/4"		163		163
233					1"		289		289
234					1-1/2"		557		557
235					2"		892		892
236					3"		1,784		1,784
237					4"		2,786		2,786
238					6"		5,557		5,557
239					8"		8,894		8,894
240									
241									
242					Meter Size				
243					5/8" X 3/4"		327		327
244					1"		552		552
245					1-1/2"		1,051		1,051
246					2"		1,672		1,672
247					3"		3,343		3,343
248					4"		5,218		5,218
249					6"		10,422		10,422
250					8"		16,674		16,674
251									
252	E		SPECIAL SERVICE CHARGES, PER OCCURRENCE						
253	1		Turn-on fee, except for new meter installations				16		16
254									
255	2		Performance of service after regular office hours.				60		60
256									
257	3		Reconnection Fee						
258			After a meter has been removed, a meter can be reinstalled to establish service if the meter is reinstalled within						
259			120 months of being pulled. For the first twelve months, Tier 1 base rates apply. For all remaining months,						
260			utilize Tier 2 base rates. Included in this calculation will be the type of utility service (water, wastewater or both),						
261			the classification (residential, non-residential or master meter), meter size, number of ERC's, the reinstallation						
262			fee and inspection fee. In the case of a master meter, the calculation will use the ERC equivalency factors.						
263			Regardless of the number of months that the meter was pulled, the current water and wastewater charges will						
264			apply for all months utilized in the calculation.						
265									
266									
267			Tier 1 - Inactive Account for months 1 through 12:						
268			Inactive Account Charges accrue at the monthly base facility charges on a per ERC basis as follows:						
269									
270					Water				
271					1 ERC		20.91		20.91
272					0.33 ERC		6.90		6.90
273					0.8 ERC		16.73		16.73
274									
275					Wastewater				
276					1 ERC		23.97		23.97
277					0.33 ERC		7.91		7.91
278					0.8 ERC		19.18		19.18
279									
280			Tier 2 - Inactive Account for months 13 through 120:						
281			Inactive Account Charges accrue at the monthly base facility charges on a per ERC basis as follows:						
282									
283			33.4% per Water ERC		Water				
284					1 ERC		6.98		6.98
285					0.33 ERC		2.30		2.30
286					0.8 ERC		5.58		5.58
287									
288			46.6% per Wastewater ERC		Wastewater				
289					1 ERC		11.17		11.17
290			The 33.4% & 46.6% values were provided in a Raftelis, formerly PRMG		0.33 ERC		3.69		3.69
291			Study from September 9, 2014.		0.8 ERC		8.94		8.94
292									

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4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-05						
5			EFFECTIVE DATE: OCTOBER 1, 2021				FY 22		FY 22
6			RATE SCHEDULE 22-02				Actual		75% Reduction
7									
293			If a meter is not reinstalled within 120 months (10 years) from the date of being pulled, the capacity reservation						
294			along with any fees or charges paid will be forfeited, all accrued charges will be waived and any liens will be						
295			released. Any future application for service will be treated as a new connection and subject to all fees and						
296			applicable charges.						
297									
298			The following example of a calculation to determine the reconnection fee for a typical 5/8" x 3/4" Residential						
299			Meter is shown for illustrative purposes only:						
300									
301			Example: Assume 14 months disconnected: Calculation based upon: number of months, appropriate						
302			reconnection fee (both Tier 1 & 2), fire hydrant fund fee, reinstall fee and water inspection fee.						
303									
304			Residential & Non-Residential						
305			Water (only) : $12 * (\$20.91 + \$0.55) + 2 * (\$6.98 + \$0.55) + \$171 + \$45 =$				488.58		488.58
306									
307			Calculation based upon: number of months, appropriate reconnection fee, fire hydrant fund fee and wastewater inspection						
308			fee.						
309									
310			Wastewater (only) : $(12 * \$23.97) + (2 * \$11.17) + \$45 =$				355.38		355.38
311									
312			Calculation based upon: number of months, combined reconnection fees, fire hydrant fund fee, water re-install						
313			fee, water inspection fee and wastewater inspection fee.						
314									
315			Combined (Water & Wastewater) : $12 * (\$20.91 + \$0.55 + \$23.97) + 2 * (\$6.98 + \$0.55 + \$11.17) + \$171 + \$45 + \$45 =$				843.96		843.96
316									
317			Residential Master Meter (Example uses 10 units & 14 months)						
318			Water (only) :						
319			0.33 ERC : $10 * (12 * (\$6.90 + \$0.55) + 2 * (\$2.30 + \$0.55)) + \$171 + \$45 =$				1167.00		1167.00
320			0.80 ERC : $10 * (12 * (\$16.73 + \$0.55) + 2 * (\$5.58 + \$0.55)) + \$171 + \$45 =$				2412.20		2412.20
321			1.00 ERC : $10 * (12 * (\$20.91 + \$0.55) + 2 * (\$6.98 + \$0.55)) + \$171 + \$45 =$				2941.80		2941.80
322									
323			Wastewater (only) :						
324			0.33 ERC : $10 * (12 * (\$7.91 + \$0.55) + 2 * (\$3.69 + \$0.55)) + \$45 =$				1145.00		1145.00
325			0.80 ERC : $10 * (12 * (\$19.18 + \$0.55) + 2 * (\$8.94 + \$0.55)) + \$45 =$				2602.40		2602.40
326			1.00 ERC : $10 * (12 * (\$23.97 + \$0.55) + 2 * (\$11.17 + \$0.55)) + \$45 =$				3221.80		3221.80
327									
328			Combined (Water & Wastewater) :						
329			0.33 ERC : $10 * (12 * (\$6.90 + \$7.91 + \$0.55) + 2 * (\$2.30 + \$3.69 + \$0.55)) + \$171 + \$45 + \$45 =$				2235.00		2235.00
330			0.80 ERC : $10 * (12 * (\$16.73 + \$19.18 + \$0.55) + 2 * (\$5.58 + \$8.94 + \$0.55)) + \$167 + \$45 + \$45 =$				4937.60		4937.60
331			1.00 ERC : $10 * (12 * (\$20.91 + \$23.97 + \$0.55) + 2 * (\$6.98 + \$11.17 + \$0.55)) + \$171 + \$45 + \$45 =$				6086.60		6086.60
332									
333	4		At the customer's request, the maximum reconnection charge will be based on the lower of the amount as						
334			computed in Section E 3 Reconnection Fee immediately above or the total cost of a new water and/or wastewater						
335			service installation as computed in Sections A & B.						
336									
337			5 Testing Meter at Customer's Request						
338		a	Test result showing meter reads high				No Charge		No Charge
339									
340		b	Test result showing meter reads correctly or reads slow.						
341			5/8" X 3/4"				41		41
342			1"				51		51
343			1-1/2"				78		78
344			2"				107		107
345			Above 2" Meter			Cost determined by OUA Exec Dir or			
346						designee			
347									
348			6 Damaging, tampering with OUA property or unauthorized procedure(s)						
349		a	Tampering 1 - See detailed description as shown in Resolution 15-01, or latest edition				26		26
350		b	Tampering 2 - See detailed description as shown in Resolution 15-01, or latest edition				105		105
351		c	Tampering 3 - See detailed description as shown in Resolution 15-01, or latest edition				142		142
352		d	Tampering 4 - See detailed description as shown in Resolution 15-01, or latest edition				619		619
353									
354			7 Developer/owner changing meter from one location to another without OUA's permission; per occurrence,				131		131
355			per meter.						
356									
357			8 Destruction of meter and or related equipment						
358			Charge based upon actual replacement cost (labor, equipment and materials) plus a 15% administrative charge,						
359			per occurrence						
360									

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4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-05						
5			EFFECTIVE DATE: OCTOBER 1, 2021				FY 22		FY 22
6			RATE SCHEDULE 22-02				Actual		75% Reduction
7									
361			9 Returned check						
362			Prevailing amount per Florida Statute Section 832.07 as follows:						
363			Amount of check up to \$50.00,				25.00		25.00
364			Amount of check over \$50.00 up to \$300.00,				30.00		30.00
365			Amount of check over \$300.00, OR				40.00		40.00
366									
367			An amount equal to 5% of the face value of the check, whichever is greater.						
368			Plus other applicable fees in the event service is discontinued.						
369									
370			10 Account record history, requested by customer						
371			a Certified/Notarized Copy (per page)				2.42		2.42
372			b One-sided copy (per page)				0.48		0.48
373			c Two-sided copy (per page)				0.64		0.64
374			d Research of Records (per 1/4 hr. or fraction thereof with a minimum of \$7.29 per request)				Min 7.29		7.29
375									
376			11 Recording easements, annexation agreements, etc. (per page)				13.13		13.13
377									
378			12 Project plan review						
379			The Okeechobee Utility Authority will review all plans and specifications of all proposed water and/or sewer						
380			facilities and the owner or developer will pay a one-time fee of \$75.00 per page of drawing. Project plans will not						
381			be approved until full payment of fee is received.						
382									
383			13 Project inspection						
384			All projects must be inspected by OUA and the owner or developer shall pay fees at the rate of \$50.00 per hour						
385			during regular office hours and 1-1/2 times that rate after regular office hours billed monthly and paid before						
386			Certificate of Occupancy (C.O.) is approved.						
387									
388			14 Miscellaneous charges for services not included above.						
389			Charge based upon actual replacement cost (materials, labor and equipment hours used) required for the						
390			service plus an administrative charge of 15% to be determined by OUA personnel.						
391									
392			15 Fee on delinquent accounts						
393			10% per month on delinquent amount due to date account is closed, or meter removed.						
394									
395			16 Interest charged on closed accounts						
396			After the account is closed, simple interest is applied to the unpaid balance at the rate of 1-1/2% per month for a						
397			period not to exceed one (1) year.						
398									
399			17 Laboratory testing						
400			Laboratory testing for a developer or individual at the following prices:						
401							B.O.D.	18	18
402							Suspended Solids	11	11
403							Chlorine residual	13	13
404							Fecal Coliform	25	25
405							Total Coliform	25	25
406							Chloride	11	11
407							Fluoride	16	16
408							pH	13	13
409							Total dissolved solids	11	11
410							Dissolved oxygen	8	8
411							Turbidity	20	20
412									
413			The above testing may be done in OUA's laboratory. Any other testing will be sent to a certified lab and the						
414			developer or individual will be billed for the cost of the testing plus a 15% administrative charge. All samples						
415			must be delivered to the OUA laboratory in approved containers. If the OUA collects samples or performs testing						
416			in the field, then actual cost of labor plus a 15% administrative charge will be added to the above fees.						
417									
418									
419			18 Adjustment(s) to customer accounts						
420			Credit or debit adjustments on customer accounts may occur when the customer or OUA, has knowingly or						
421			unknowingly, caused an account to be inaccurate. Credit or debit adjustments may be made up to three (3)						
422			months from the date of notice to the customer.						
423									
424			19 Guaranteed Revenue Charges (GRC)						
425			During the period that a residential, non-residential or master meter account is off for billing purposes (inactive						
426			status), it will still be accruing the monthly base facility charge usually billed prior to inactive status. The GRC						
427			fees due will be included in the Reconnection Fee calculation defined above.						
428									
429			20 Meter Treated As Removed (MTAR)						
430			When an account has been off and reached an inactive status, rather than actually pulling the meter, the meter						
431			may be turned off, left in place and treated as removed for billing purposes. Reconnection calculation will not						
432			include a cost for reinstall of the meter.						
433									

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4			ADOPTED BY THE BOARD ON 9/13/21, RESOLUTION 21-05						
5			EFFECTIVE DATE: OCTOBER 1, 2021				FY 22		FY 22
6			RATE SCHEDULE 22-02				Actual		75% Reduction
7									
434			21 Accrued Guaranteed Revenue Charges (AGRC)						
435			In order to ensure that both current and future customers utilizing or reserving capacity are treated equally with respect to the cost of reserving capacity in the future, an Accrued Guaranteed Revenue Charge (AGRC) will be assessed to both new water and/or wastewater connections on a per equivalent residential connection (ERC) basis.						
436									
437									
438									
439									
440			22 Glades County Franchise Fee						
441			The above rates, fees and charges do not reflect the franchise fee (currently set at 6%) which is imposed on customers residing within Glades County.						
442									

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 5

SEPTEMBER 13, 2021

PUBLIC HEARING

FY22 FINAL BUDGET & RESOLUTION 21 - 06

Please find Resolution 21-06 attached. All proposed changes have been marked accordingly.

- a. Open the Public Hearing
- b. Presentation of Final FY22 Budget
- c. Comments from the Public
- d. Comments from the Board
- e. Close the Public Hearing
- f. Motion to approve Resolution 21 – 06

Presentation:

Operating Revenues and Expenses

At the August Board meeting, staff received direction from the Board to provide for a 3% rate increase in the FY22 Final Budget, versus the 2% rate increase in the FY22 Preliminary Budget. This revision increases projected Operating Revenues \$108k to \$11,216k.

O&M Expenses

At the August Board meeting, staff recommended an increase in budgeted operating expenses to the FY22 Preliminary Budget of \$52k from \$7,933k to \$7,985k. There have not been any other changes to the FY22 preliminary budget for operating expenses.

Capital Expenditures

Last month, we received a USDA letter of Notification of Eligibility and Funding Priority Funding for a loan and grant of \$7,508,000 and \$883,000 respectively.

Schedule D-1 has been increased \$178k to \$1,229k providing for a new forklift, inflationary pressures on the cost of vehicles, and paving the entrance road to the wastewater treatment plant.

FY22 Budgeted Capital Expenditures have been revised accordingly.

After review, discussions, questions & answers of staff by the Board, staff is requesting a motion to approve Resolution 21-06 as presented or as modified.

RESOLUTION 21-06

**A RESOLUTION OF THE OKEECHOBEE UTILITY
AUTHORITY, OKEECHOBEE, FLORIDA, ADOPTING
THE BUDGET FOR FISCAL YEAR 2022; PROVIDING FOR
FILING A COPY WITH THE AUTHORITY CLERK; AND
PROVIDING AN EFFECTIVE DATE.**

WHEREAS, the OUA Board, in duly advertised public hearings held June 15, 2021 and September 13, 2021, reviewed, discussed and received comments from staff and the public on the appropriations and estimated revenues for the budget for Fiscal Year 2022, and

WHEREAS, the budget for the Fiscal Year 2022 makes adequate provision for the fees, rates and charges for services provided by the Authority to be sufficient to make all the payments required by the terms of the bonds issued pursuant to Resolution No. 99-3 dated March 9, 1999, and to continue to provide for the operation and maintenance of the OUA System.

**NOW, THEREFORE, BE IT RESOLVED BY THE OKEECHOBEE
UTILITY AUTHORITY AS FOLLOWS:**

1. The attached budget for the Okeechobee Utility Authority for the FY22 (October 1, 2021 to September 30, 2022) is hereby adopted.
2. A copy of the budget for the FY22 shall be filed with the Authority's Clerk and Executive Director, and available for review during normal working hours at the offices of the Okeechobee Utility Authority, pursuant to provisions of Chapter 119, Florida Statutes.
3. This Resolution shall take effect on October 1, 2021, upon its adoption.

The passage and adoption of this Resolution was moved by _____ and
seconded by _____ and upon being put to a vote, the vote was as follows:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

The Chairman thereupon declared this Resolution duly passed and adopted the 13th day of September 2021.

(SEAL)

OKEECHOBEE UTILITY AUTHORITY

By: _____
John Creasman, Chairman

Attest:

John F. Hayford
Executive Director

The foregoing Resolution is hereby approved by me as to form, language and execution the 13th day of September 2021.

Tom W. Conely, III, Attorney

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 6

SEPTEMBER 13, 2021

MEETING MINUTES

Attached are copies of the minutes of the meetings held on August 9, 2021.

Unless the Board determines a correction is required to the minutes, Staff recommends the approval of the meeting minutes from August 9, 2021 as presented.

**OKEECHOBEE UTILITY AUTHORITY
MEETING MINUTES**

Monday, August 9, 2021 8:30 A.M.
Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, Florida

Chairperson Creasman called the meeting to order at 8:30 A.M.

Chairperson Creasman addressed Agenda Item No. 1, the following Okeechobee Utility Authority Board Members were present:

Board Members:

Tommy Clay*
John Creasman*
Steve Nelson*

Alternates:

Harry Moldenhauer**

Absent:

Melanie Anderson*
Jeff Fadley
Glenn Sneider*
Tabitha Trent*

*Voting Board Members

**Voting Melanie Anderson's Absence

OUA Members:

John Hayford
George Gall

Deborah Hooker
Michelle Willoughby

Chairperson Creasman determined the voting members and led all participating attendees and visitors in the Pledge of Allegiance

Chairperson Creasman addressed Agenda Item No. 2 'Meeting Minutes from July 12, 2021.

John Creasman advised that Glenn Sneider should be noted as voting in Tabitha Trent's absence. Creasman also advised that the minutes should read as "Unanimous (5-0)" not "Unanimous (4-0)"

Motion by Tommy Clay to approve the Meeting Minutes from July 12, 2021 as amended.

Second by Steve Nelson. Vote unanimous (4-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 3 'Consent Agenda' Motion by Steve Nelson to approve the Consent Agenda as follows:

Consent Agenda Item No. 4 'Finance Report for the period ending July 31, 2021

Consent Agenda Item No. 5 'Invoice from PRP Pay Application No. 4 in the amount of \$128,605.75'

Consent Agenda Item No. 6 'Invoices from OneWater, Inc. – Lakeview Estates WWTP in the amounts of \$16,159.50'

Consent Agenda Item No. 7 'Invoice from Sumner Engineering & Consulting, Inc. – SW Wastewater Service Area Project (D) in the amount of \$4,325.75'

Consent Agenda Item No. 8 'Invoice from Sumner Engineering & Consulting, Inc. – SW

Wastewater Service Area Project (E) in the amount of \$17,585.76'

Consent Agenda Item No. 9 'Invoice from Sumner Engineering & Consulting, Inc. – SW Wastewater Service Area Project (AACE Invoice) in the amount of \$5,009.00'

Consent Agenda Item No. 10 'Invoice from Eckler Engineering - Pine Ridge Park Utility Improvement in the amounts \$9,005.43'

Consent Agenda Item No. 11 'Invoice from Eckler Engineering –General Consulting Services in the amounts \$408.00'

Consent Agenda Item No. 12 'Invoice from Raftelis in the amount of \$3,440.00'

Consent Agenda Item No. 13 'Invoice from Thorn Run Partners in the amount of \$3,500.00'

Consent Agenda Item No. 14 'Invoice from MacVicar in the amount of \$250.00'

Consent Agenda Item No. 15 'Surplus Equipment August 2021'

Second by Tommy Clay. Vote unanimous (4-0), motion carried.

Chairperson Creasman addressed Agenda Item No. 16 'FY 22-FY 26 Financial Forecast'

Executive Director Hayford advises that Raftelis was engaged to complete a Financial Forecast for FY22-26 to evaluate OUA's current user rates and to develop scenarios on how to fund OUA's Advanced Metering Infrastructure project and wastewater expansion projects. Executive Director Hayford introduces Mr. Hamilton from Raftelis to discuss the FY22-26 Financial Forecast. No action taken.

Chairperson Creasman addressed Agenda Item No. 17 'Preliminary FY22 Budget Finance

Director George Gall presents the Preliminary FY22 Budget. After a brief discussion the Board recommends keeping the 75% discount for capital connection and installation charges for FY22. The Board also recommends a rate increase of 3% for FY22 and to re-evaluate each year thereafter. The Board directed Executive Director Hayford to contact absent Board members regarding proposed rate increase for FY22.

Chairperson Creasman addressed Agenda Item No. 18 'Training Incentive Program

Reimbursement' Executive Director Hayford discussed that the OUA has a Safety Committee that meets on a regular basis. The charter of this committee is to prevent accidents by eliminating or reducing potential risks in the work place. This is accomplished by creating a safety manual, implementing safety procedures, training and the use of personal protective equipment. The insurance company utilized by the OUA recognizes successful companywide safety programs through a matching training incentive program. Based upon the OUA's expenses towards safety training, PPE and other safety purchases that apply towards safety, the insurance company (PGIT) will reimburse or provide as an employees' incentive up to \$5,000 per year. For FY21, the OUA has received this maximum amount. This payment reflects the positive participation of each employee in doing their respective part in the safety program. The recommendation of the Safety Committee is to take the reimbursement and divide it equally among all employees as recognition of their efforts towards the overall goal of a safe work place. The suggested award is to give each employee a gift card. **Motion by Steve Nelson to accept as proposal as recommended by staff issuing a gift card in the amount of \$100.00 to each employee. Second by Tommy Clay. Vote unanimous (4-0), motion carried.**

Jeff Fadley in at 9:50am

Chairperson Creasman addressed Agenda Item No. 19 ‘Advanced Metering Information’

Executive Director Hayford discussed a project underway to replace all manual read water meters with advanced metering information (AMI). Holtz Consulting Engineers, Inc. has filed the Request for Inclusion (RFI), Facility Plan and SRF application with the Florida Department of Environmental Protection. As another step in this process, the SRF program requires the OUA Board to review and discuss the facility plan and to adopt a resolution accepting the facility plan. As noted in the project documentation, the anticipated total project costs including engineering, materials and installation is approximately \$2,320,000. The project will include the replacement of up to 9,330 meters and installation of various transmitters, receivers and software. The proposed water facility plan, RFI and Resolution 21-03 was provided for the board to review. **Motion by Tommy Clay to approve the adoption of Resolution 21-03 to accept the water facility plan for implementation of the advanced metering information project. Second by Steve Nelson. Vote unanimous (4-0), motion carried.**

Chairperson Creasman addressed Agenda Item No. 20 ‘Administrative Vehicle Executive Director Hayford presented three direct quotes from local dealers and supplied two FSA contract bids. After a brief discussion it was recommended that the Executive Director review vehicles and determine which vehicle would fit the needs and to order the vehicle.

Chairperson Creasman addressed Agenda Item No. 21 ‘Public Comments’ There were none

Chairperson Creasman addressed Agenda Item No. 22 ‘Items from the Attorney’ There were none. *Glenn Sneider in at 10:05am.*

Chairperson Creasman addressed Agenda Item No. 23 ‘Items from the Executive Director’ Executive Director Hayford gave an update on current projects.

Chairperson Creasman addressed Agenda Item No. 24 ‘Items from the Board’ There were none

There being no other business, meeting adjourned at 10:16 A.M.

PLEASE TAKE NOTICE AND BE ADVISED that if a person decided to appeal any decision made by the Okeechobee Utility Authority with respect to any matter considered at this meeting, he/she may need to ensure that verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. A CD recording of this meeting is on file in the Executive Director’s office.

Chairperson

Executive Director (Secretary)

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 7

MAY 10, 2021

EMPLOYEE RECOGNITION

This month the Board will recognize one employee for their years of service for the OUA.

Rodney Arnold

25 Years

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 8

SEPTEMBER 13, 2021

CONSENT AGENDA

1. Pull items for discussion from Consent Agenda.
2. Items pulled from Consent Agenda will be discussed at the end of Agenda.
3. Unless noted all Consent Agenda items are recommended for approval.
4. Motion to approve items on Consent Agenda as follows:
 9. Finance Report
 10. Invoice from PRP Construction Group, LLC – Oak Lake Estates Pay Application
 11. Invoice from Sumner Engineering & Consulting, Inc. – SW Wastewater Service Project (AACE Invoice)
 12. Invoice from Eckler Engineering, Inc. – Pine Ridge Park Utility Improvement
 13. Invoices from Holtz Consulting Engineers, Inc – Advance Metering Infrastructure
 14. Invoices from Holtz Consulting Engineers, Inc. – FDOT Water Main Replacement US441SE
 15. Invoice from Holtz Consulting Engineers, Inc. – FDOT Water Main Replacement US441SE (Hinterland Invoice)
 16. Invoice from Holtz Consulting Engineers, Inc. – State Revolving Fund Request for Inclusion for AMI Program
 17. Invoice from OneWater, Inc. – Lakeview Estates WWTP
 18. Invoice from Raftelis
 19. Invoice from Thorn Run Partners
 20. Invoice from MacVicar Consulting, Inc. – Lake Okeechobee System Operating

No. 5

Area

Manual

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 9

SEPTEMBER 13, 2021

CONSENT AGENDA

FINANCE REPORT

Attached for your review is a copy of the Finance Report for the period ending August 31, 2021.

Okeechobee Utility Authority

Finance Report

Fiscal Year 2021

As of The Period Ending August 31, 2021

OKEECHOBEE UTILITY AUTHORITY
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Okeechobee Utility Authority
Executive Summary
Prepared by Finance Director

The accompanying Finance Report for the eleven months ending August 31, 2021 is presented for your review and information. There may be invoices received at a later date that when paid, may change these results.

For the first 11 months of fiscal year 2021, actual YTD operating revenues are \$10,311,448 which is \$434,619 greater than the budgeted operating revenues. YTD actual operating expenses are \$5,833,098 which is \$1,369,125 lower than budgeted operating expenses. Restricted revenues are \$216,315 greater than budget. Based on this preliminary data, OUA has a favorable operating budget variance.

**OKEECHOBEE UTILITY AUTHORITY
BUDGET SUMMARY COMPARISON**

	Operating Revenues			Operating Expenses			Cumulative YTD Operating Budget Variance	Restricted Revenues			Cumulative YTD Restricted Budget Variance
	Actual YTD	Budget YTD	% Variance	Actual YTD	Budget YTD	% Variance		Actual YTD	Budget YTD	% Variance	
Oct-20	897,718	897,894	0.0%	487,324	659,293	26.1%	171,793	31,412	10,165	209.0%	21,247
Nov-20	1,897,055	1,795,787	5.6%	924,651	1,318,586	29.9%	495,203	53,629	20,330	163.8%	33,300
Dec-20	2,801,786	2,693,681	4.0%	1,654,365	1,977,879	16.4%	431,619	124,582	30,495	308.5%	94,087
Jan-21	3,676,802	3,591,574	2.4%	2,158,028	2,637,172	18.2%	564,172	176,235	40,659	333.4%	135,576
Feb-21	4,641,896	4,489,468	3.4%	2,633,720	3,296,465	20.1%	815,173	194,229	50,824	282.2%	143,405
Mar-21	5,582,966	5,387,362	3.6%	3,195,558	3,955,758	19.2%	955,806	209,176	60,989	243.0%	148,187
Apr-21	6,515,992	6,285,255	3.7%	3,670,008	4,615,051	20.5%	1,175,780	271,990	71,154	282.3%	200,636
May-21	7,474,716	7,183,149	4.1%	4,184,275	5,274,344	20.7%	1,381,636	286,433	81,319	252.2%	205,114
Jun-21	8,487,171	8,081,042	5.0%	4,697,893	5,933,637	20.8%	1,641,873	303,973	91,484	232.3%	212,489
Jul-21	9,335,726	8,978,936	4.0%	5,358,620	6,592,930	18.7%	1,591,100	315,284	101,648	210.2%	213,636
Aug-21	10,311,448	9,876,829	4.4%	5,883,098	7,252,223	18.9%	1,803,744	328,129	111,813	193.5%	216,315
Sep-21											

Utility billing accounts receivable over 90 days past due increased \$10,136 to \$122,973 from August 31, 2020 to August 31, 2021.

If you have any questions, please contact me.

Respectfully,


George Gall

Okeechobee Utility Authority
FY 2021 Finance Report for August 31, 2021
The Period Ending

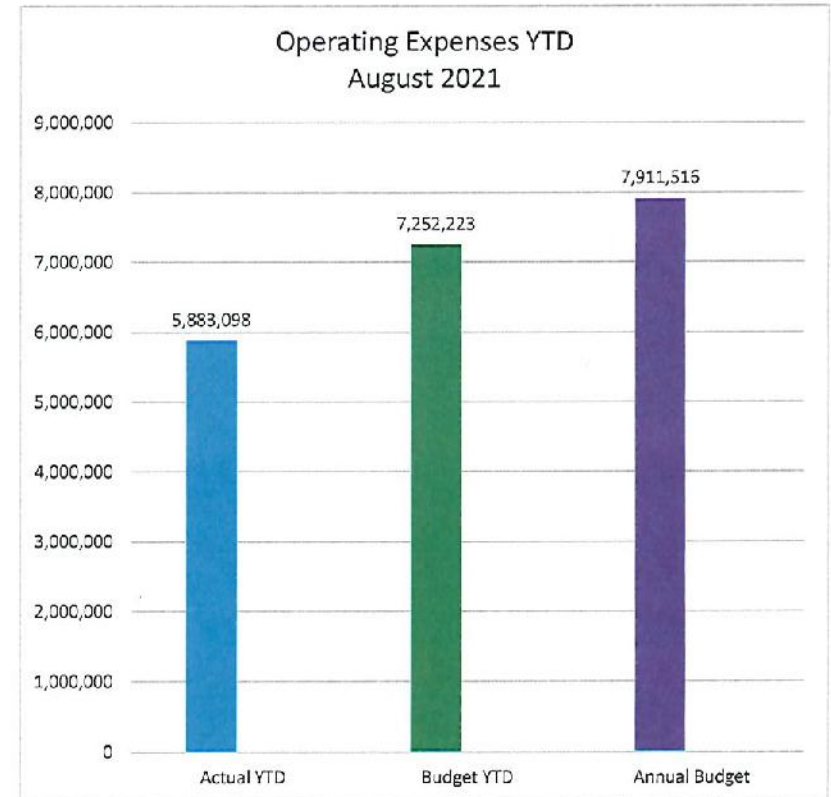
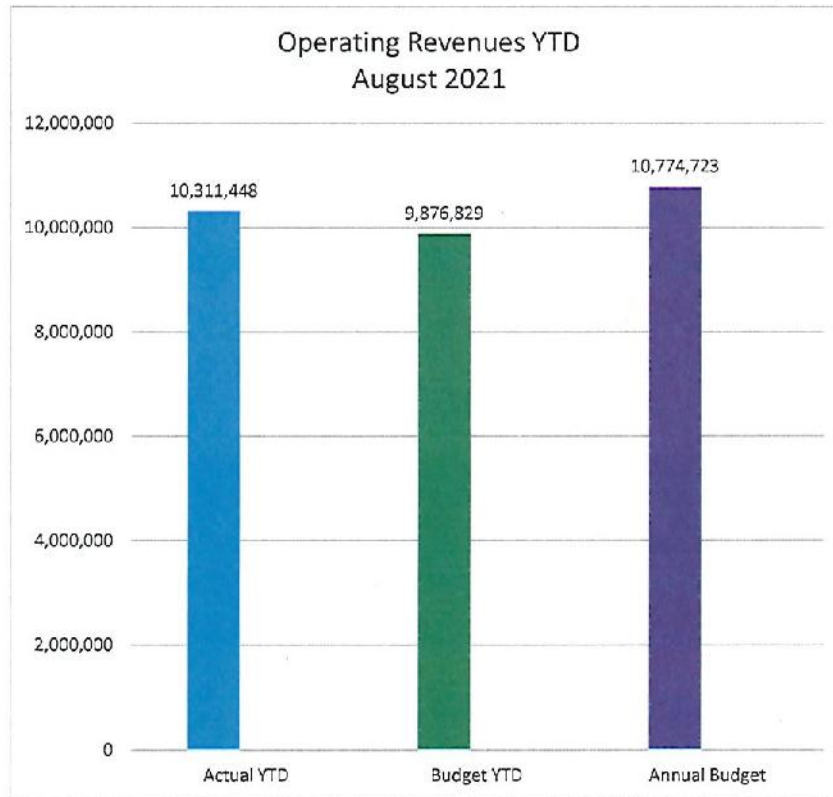
OPERATING REVENUE FUND

	Actual YTD	Budget YTD	\$ Variance	% Variance
OPERATING REVENUE RECEIVED:				
Water	\$ 6,146,570	\$ 5,883,904	\$ 262,667	4.5%
Sewer	\$ 3,770,280	3,680,260	90,020	2.4%
Other Operating Revenue (see detail on page 16)	\$ 370,050	288,837	81,212	28.1%
Interest Income-non restricted	\$ 24,548	23,829	719	3.0%
Total Operating Revenue Received	<u>\$ 10,311,448</u>	<u>\$ 9,876,829</u>	<u>\$ 434,619</u>	<u>4.4%</u>
OPERATING EXPENSES				
Water	\$ 1,285,691	\$ 1,506,849	\$ 221,158	14.7%
Wastewater	\$ 897,860	1,210,162	312,302	25.8%
Meter Readers	\$ 216,105	236,813	20,708	8.7%
Maintenance	\$ 1,873,167	2,239,035	365,868	16.3%
Administration Operating	\$ 1,047,263	1,147,420	100,157	8.7%
General & Admin.	\$ 563,012	838,611	275,598	32.9%
Contingency Expense	\$ -	73,333	73,333	0.0%
Total Operating Expenses Paid (3) (4) (5) (6)	<u>\$ 5,883,098</u>	<u>\$ 7,252,223</u>	<u>\$ 1,369,125</u>	<u>18.9%</u>
Net Operating Income	<u>\$ 4,428,350</u>	<u>\$ 2,624,606</u>	<u>\$ 1,803,744</u>	<u>68.7%</u>

RESTRICTED REVENUE FUNDS

RESTRICTED REVENUE FUNDS RECEIVED:				
Fire Hydrant Fund Fee	\$ 80,453	\$ 78,040	\$ 2,414	3.1%
Water CC Fees (infill)	\$ 82,222	8,846	73,376	829.5%
WW CC Fees (infill)	\$ 145,995	8,250	137,745	1669.6%
Water CC Fees 10/20 Plan	\$ -	-	-	0.0%
WW CC Fees 10/20 Plan10/20	\$ -	-	-	0.0%
Interest Income-restricted	\$ 19,458	16,678	2,780	16.7%
TOTAL RESTRICTED REVENUE (1) (2)	<u>\$ 328,129</u>	<u>\$ 111,813</u>	<u>\$ 216,315</u>	<u>193.5%</u>
NET OPERATING INCOME & RESTRICTED REVENUE	<u>\$ 4,756,479</u>	<u>\$ 2,736,420</u>	<u>\$ 2,020,059</u>	<u>73.8%</u>

NOTES:	Actual YTD	Budgeted	Variance
(1) Not including grant funds & state appropriations of:	\$423,077		423,077
(2) Not including contributed capital of:	\$78,020	\$0	78,020
(3) Not including debt service interest expense of:	\$353,257	\$361,320	8,063
(4) Not including debt service principal payments of:	\$1,009,715	\$1,014,072	4,357
(5) Not including non-cash depreciation/amortization of:	\$2,317,799	\$2,458,683	140,884
(6) Not including net Construction In Progress (CIP) Expenditures of:	\$1,778,939		

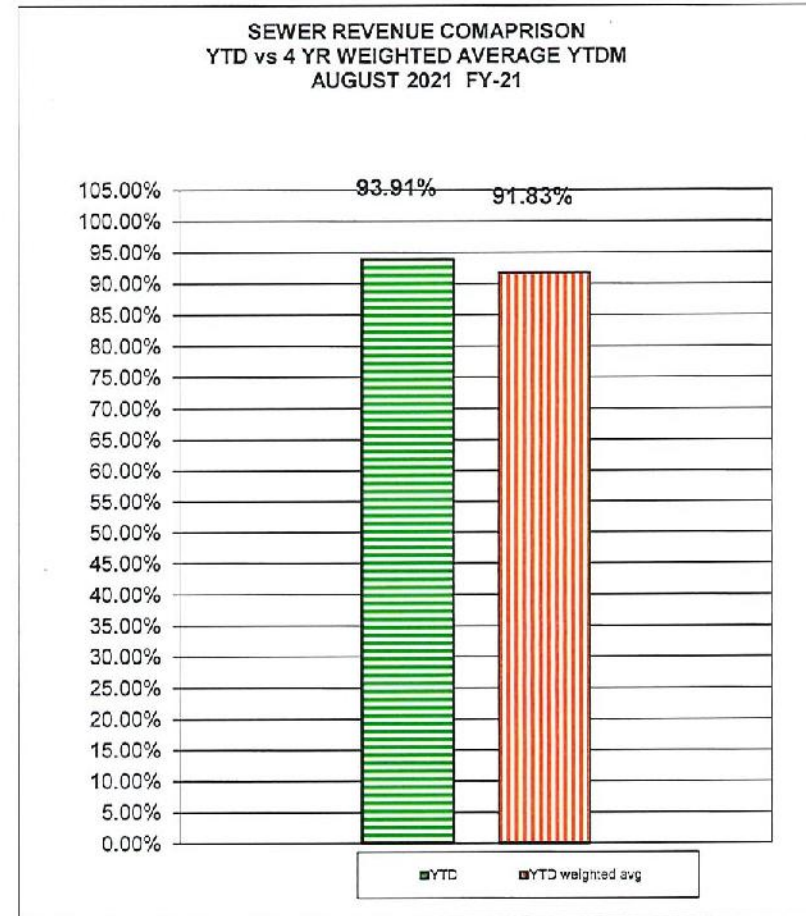
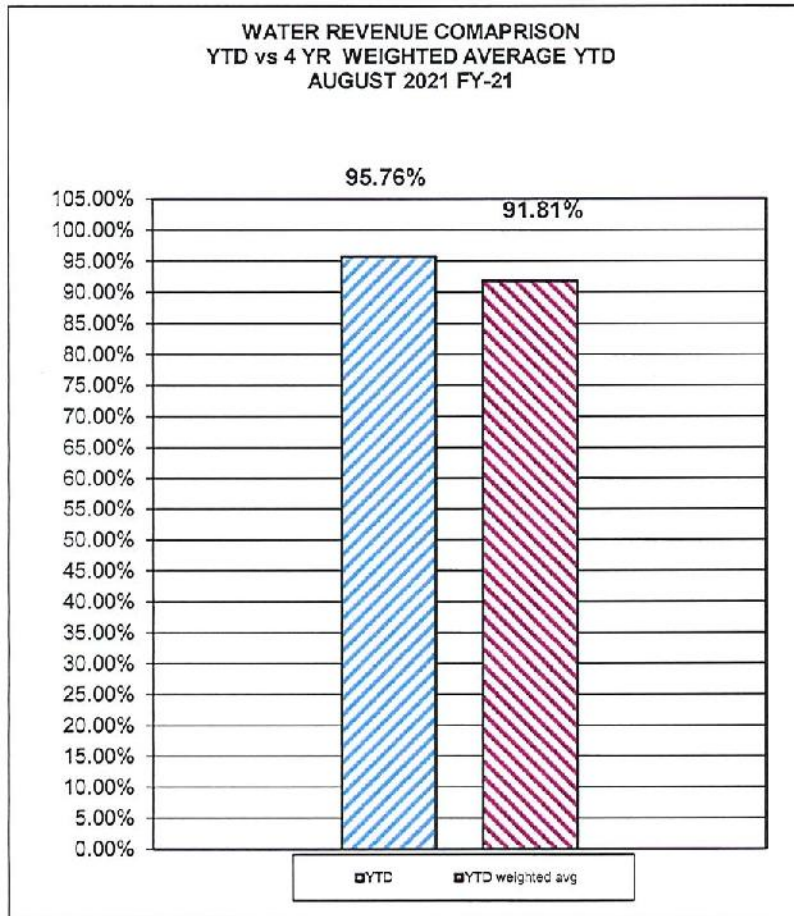


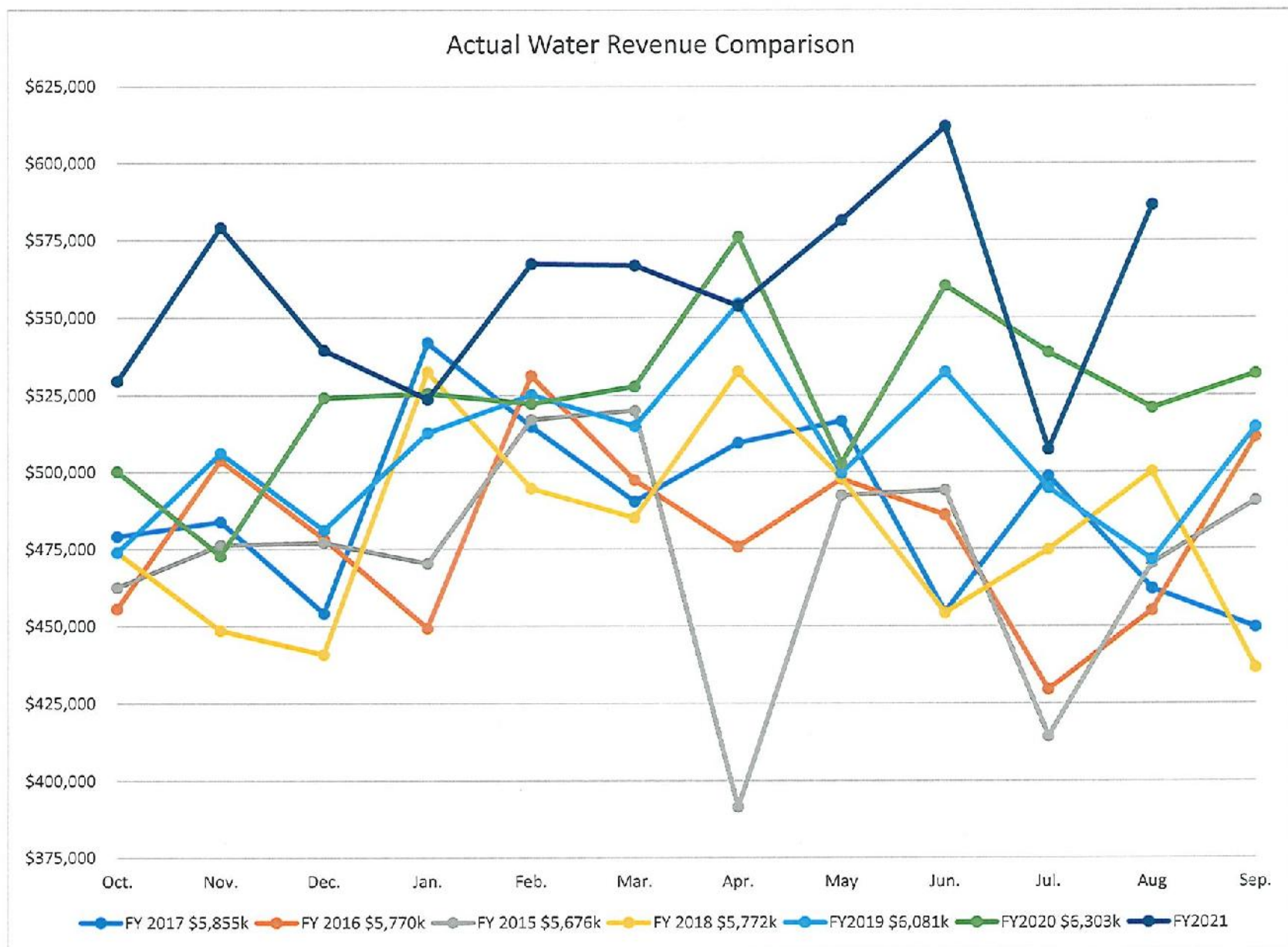
Current FY-21 Water and Sewer Utility Revenue
Monthly & YTD Revenue and Difference from 4Yr Weighted Average (in \$)

WATER UTILITY REVENUE:			Monthly \$ Difference From 4 Year Weighted Average of	% Current YTD To Budget Water Revenue	4 Yr Weighted Average %
Period		YTD	\$ 6,085,229	\$6,418,804	
Oct.	529,526	529,526	\$ 44,634	8.25%	7.97%
Nov.	\$ 579,094	1,108,620	\$ 100,045	17.27%	15.85%
Dec.	\$ 539,571	1,648,191	\$ 51,945	25.68%	23.85%
Jan.	\$ 523,717	2,171,908	\$ (1,017)	33.84%	32.49%
Feb.	\$ 567,333	2,739,241	\$ 50,493	42.68%	40.99%
Mar.	\$ 566,857	3,306,098	\$ 55,205	51.51%	49.40%
Apr.	\$ 553,676	3,859,774	\$ (562)	60.13%	58.50%
May	\$ 581,416	4,441,190	\$ 79,215	69.19%	66.77%
Jun.	\$ 611,846	5,053,036	\$ 91,717	78.72%	75.30%
Jul.	\$ 507,201	5,560,237	\$ (1,480)	86.62%	83.66%
Aug.	\$ 586,333	6,146,570	\$ 90,429	95.76%	91.81%
Sep.					100.00%

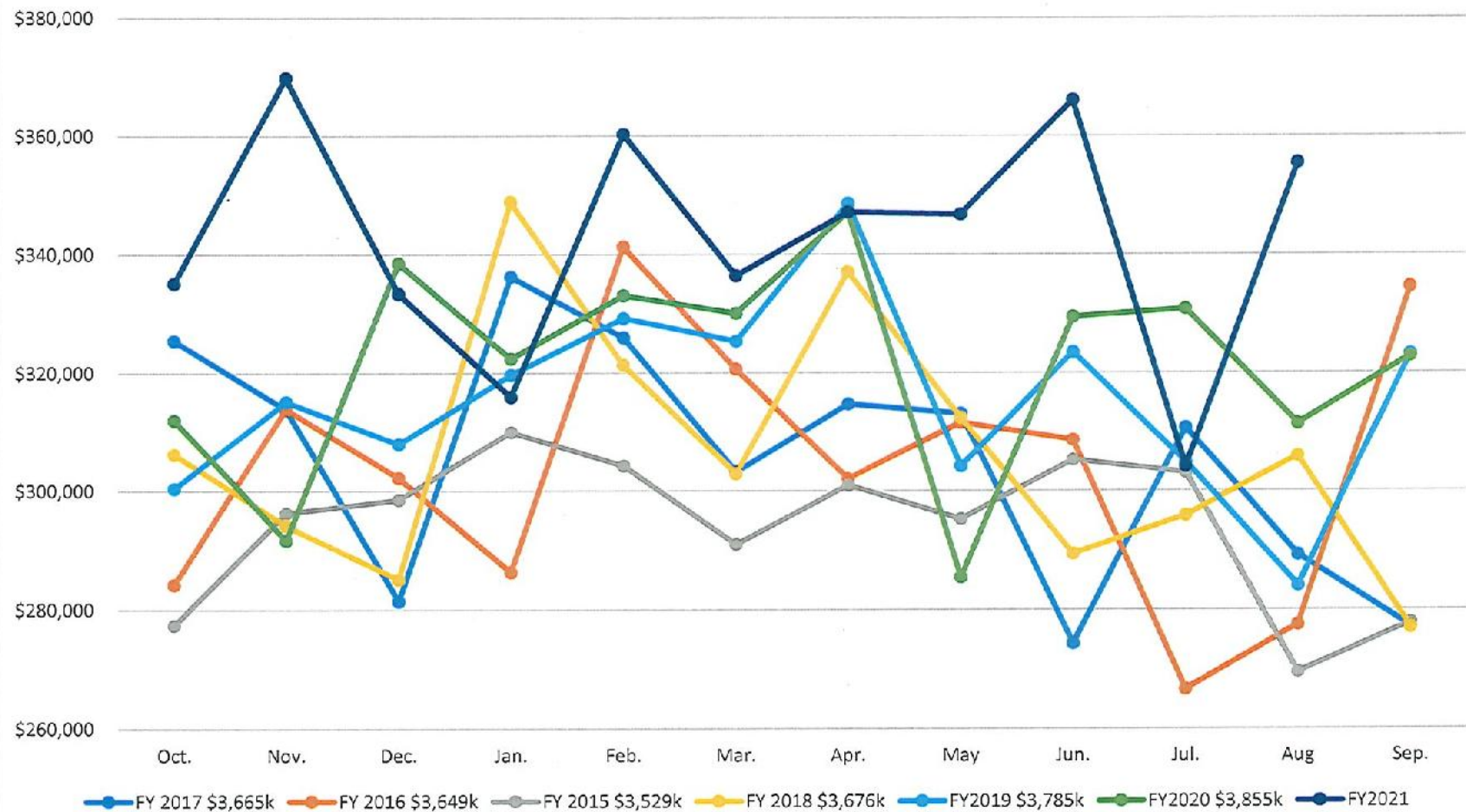
SEWER UTILITY REVENUE:			Monthly \$ Difference From 4 Year Weighted Average of	% Current YTD To Budgeted Sewer Revenue	
			\$ 3,779,411	\$4,014,829	
Oct.	\$ 335,081	\$ 335,081	\$ 26,358	8.35%	8.17%
Nov.	\$ 369,771	\$ 704,852	\$ 68,312	17.56%	16.15%
Dec.	\$ 333,389	\$ 1,038,241	\$ 20,440	25.86%	24.43%
Jan.	\$ 315,961	\$ 1,354,202	\$ (12,302)	33.73%	33.12%
Feb.	\$ 360,293	\$ 1,714,495	\$ 31,410	42.70%	41.82%
Mar.	\$ 336,400	\$ 2,050,895	\$ 15,853	51.08%	50.30%
Apr.	\$ 347,112	\$ 2,398,007	\$ 4,790	59.73%	59.36%
May	\$ 346,743	\$ 2,744,750	\$ 47,547	68.37%	67.28%
Jun.	\$ 366,029	\$ 3,110,779	\$ 51,898	77.48%	75.59%
Jul.	\$ 304,090	\$ 3,414,869	\$ (9,908)	85.06%	83.89%
Aug.	\$ 355,411	\$ 3,770,280	\$ 55,590	93.91%	91.83%
Sep.					100.00%

WATER AND SEWER REVENUE COMPARISON **YEAR TO DATE vs 4 YEAR WEIGHTED AVERAGE YEAR TO DATE**





Actual Wastewater Revenue Comparison



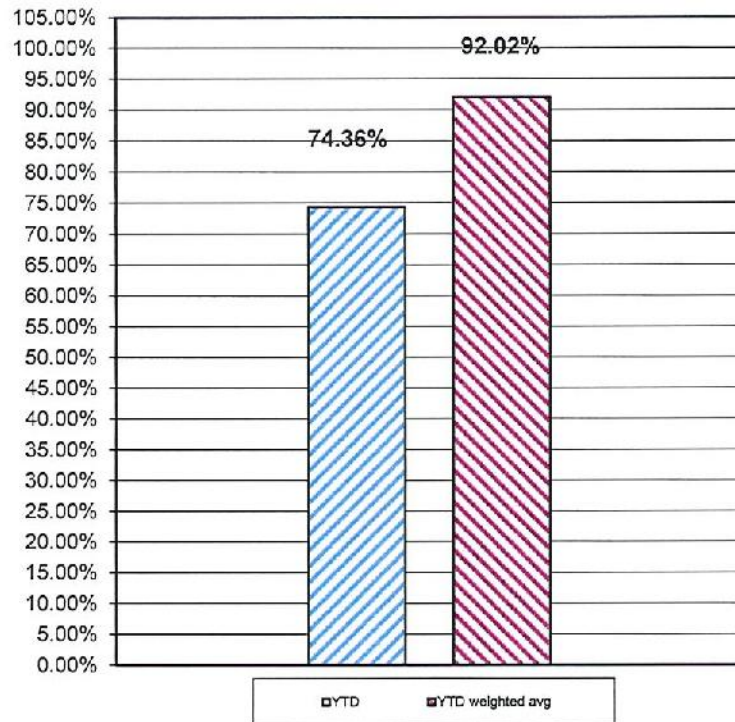
**Current FY-21 Operating & Non-Operating Expenses,
Monthly & YTD Expense and Difference from 4Yr Weighted Average (in \$)**

				\$ Difference For the Month	% Current YTD To Budgeted	4 Yr Weighted
OPERATING EXPENSES:				From 4 Year Weighted Avg of	Operating Exp.	Average
Period		YTD		\$ 6,455,933	\$7,911,516	
Oct.	\$ 487,324	\$ 487,324	\$ 75,719	6.16%	6.78%	
Nov.	\$ 437,327	\$ 924,651	\$ (53,417)	11.69%	14.34%	
Dec.	\$ 729,714	\$ 1,654,365	\$ 199,501	20.91%	22.82%	
Jan.	\$ 503,663	\$ 2,158,028	\$ (98,359)	27.28%	31.94%	
Feb.	\$ 475,692	\$ 2,633,720	\$ (49,998)	33.29%	40.05%	
Mar.	\$ 561,836	\$ 3,195,556	\$ (31,284)	40.39%	50.00%	
Apr.	\$ 474,452	\$ 3,670,008	\$ (47,616)	46.39%	57.12%	
May	\$ 514,267	\$ 4,184,275	\$ (15,731)	52.89%	66.16%	
Jun.	\$ 513,618	\$ 4,697,893	\$ 21,898	59.38%	73.46%	
Jul.	\$ 660,727	\$ 5,358,620	\$ 96,491	67.73%	82.17%	
Aug.	\$ 524,478	\$ 5,883,098	\$ (90,561)	74.36%	92.02%	
Sep.					100.00%	

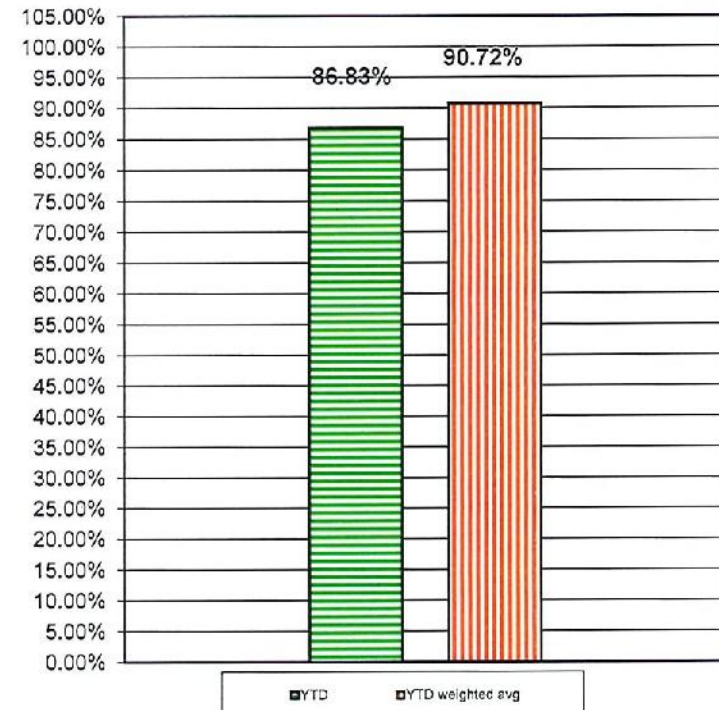
				\$ Difference For the Month	% Current YTD To Budgeted	
NON-OPERATING EXPENSES:				From 4 Year Weighted Avg of	Non-Oper. Exp.	
				\$ 3,257,678	\$3,076,367	
Oct.	\$ 248,131	\$ 248,131	\$ (17,733)	8.07%	8.20%	
Nov.	\$ 241,668	\$ 489,799	\$ (24,456)	15.92%	16.40%	
Dec.	\$ 241,668	\$ 731,467	\$ (26,292)	23.78%	24.70%	
Jan.	\$ 241,356	\$ 972,823	\$ (26,745)	31.62%	32.99%	
Feb.	\$ 243,756	\$ 1,216,579	\$ (22,650)	39.55%	41.20%	
Mar.	\$ 243,756	\$ 1,460,335	\$ (24,370)	47.47%	49.42%	
Apr.	\$ 243,756	\$ 1,704,091	\$ (18,667)	55.39%	57.60%	
May	\$ 243,456	\$ 1,947,547	\$ (17,999)	63.31%	65.74%	
Jun.	\$ 244,057	\$ 2,191,604	\$ (21,818)	71.24%	74.08%	
Jul.	\$ 243,756	\$ 2,435,360	\$ (22,036)	79.16%	82.41%	
Aug.	\$ 235,696	\$ 2,671,056	\$ (29,581)	86.83%	90.72%	
Sep.					100.00%	

OPERATING AND NON-OPERATING EXPENSE COMPARISON **YEAR TO DATE vs 4 YEAR WEIGHTED AVERAGE YEAR TO DATE**

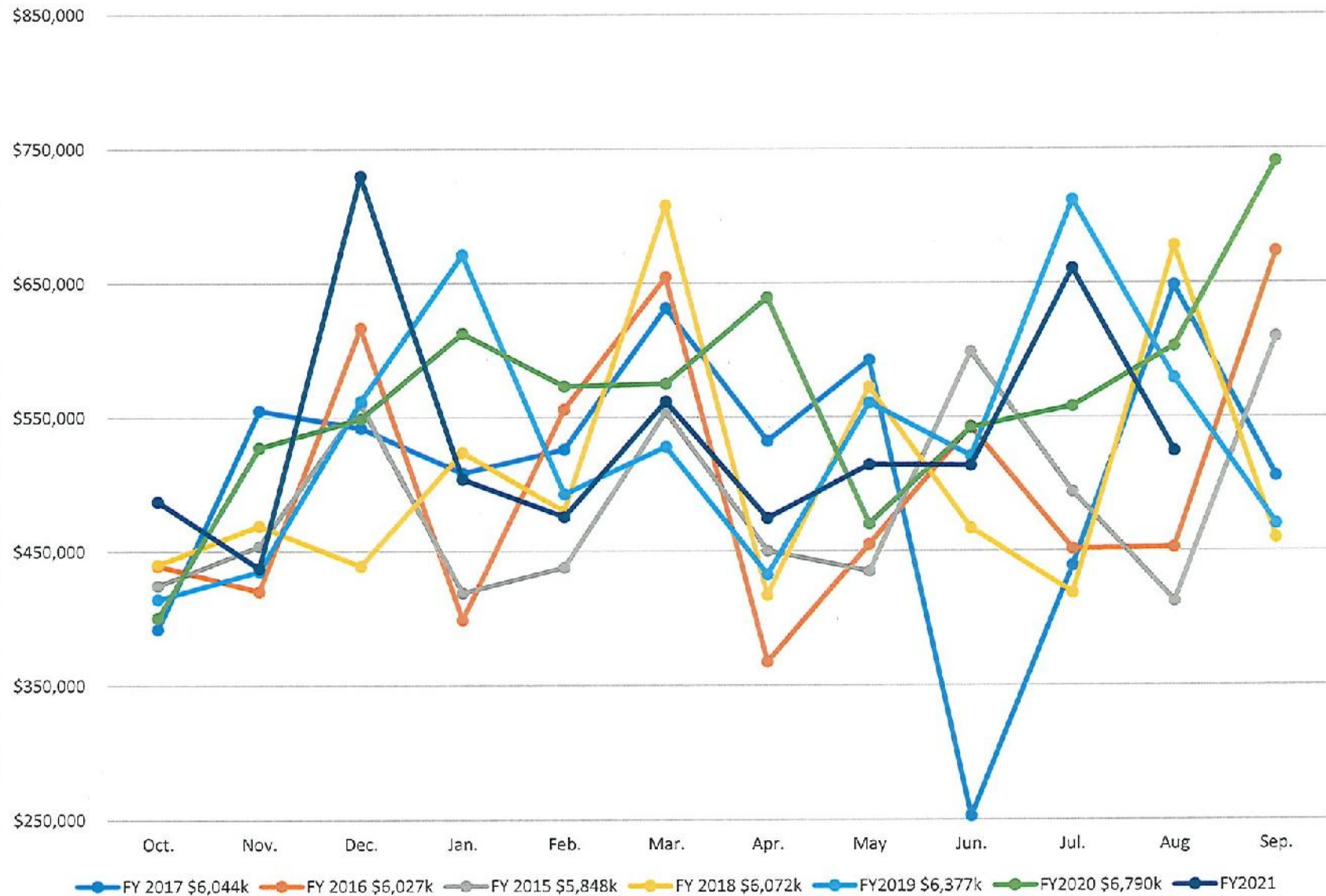
OPERATING EXPENSES COMAPRISON
YTD vs 4 YR WEIGHTED AVERAGE YTD
AUGUST 2021 FY-21



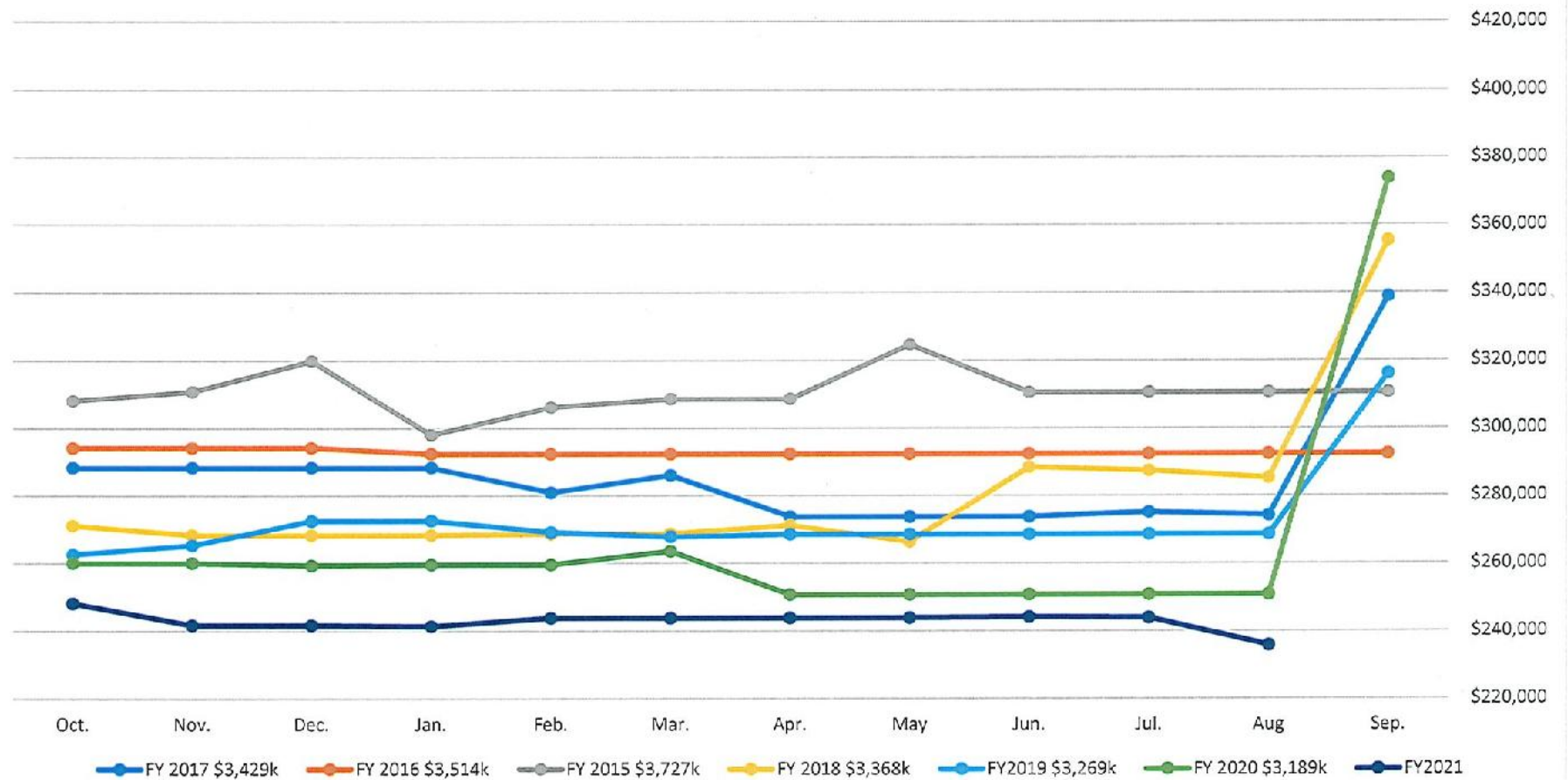
NON-OPERATING EXPENSES COMAPRISON
YTD vs 4 YR WEIGHTED AVERAGE YTD
AUGUST 2021 FY-21



Actual Operating Expense Comparison



Actual Non Operating Expense Comparison



	B	T	W	X	Y	Z	AA
91	Okeechobee Utility Authority		OUA prepared / Audit		OUA prepared		OUA prepared
92	Statement of Cash Flows						
93	Basis of Accounting		Accrual Basis for Revenues		Accrual Basis for Revenues		Accrual Basis for Revenues
94			Accrual for Basis Expenses		Cash Basis for Expenses		Cash Basis for Expenses
95							
96			Sept 30, 2019		Sept 30, 2020		7-31-21
97			12 Months		12 Months		10 Months
98							
99	Cash Flows from Operations						
100	Operating Income		1,192,903		1,137,636		1,816,479
101	Depreciation & Amortization		2,804,190		2,746,474		2,106,890
102	Increase (decrease) in cash from changes in accounts receivable		(4,715)		(416,787)		641,205
103	Increase (decrease) in cash from changes in accounts payable		508,329		(394,791)		(464,874)
104	Increase in cash from changes in other assets & liabilities		83,081		372,929		198,536
105	Decrease in cash from changes in other assets & liabilities		(80,543)		(388,909)		(52,091)
106	Cash provided (used) by operations		4,503,245		3,056,552		4,246,145
107							
108	Cash Flows from Nonoperating Revenues/Expenses						
109	Capital connection fees		191,424		97,282		297,617
110	Interest revenue		197,248		157,694		39,775
111	Debt issuance costs		0		(55,500)		0
112	Interest expense		(598,589)		(613,093)		(328,470)
113	Cash provided (used) by nonoperating activities		(209,917)		(413,617)		8,922
114							
115	Cash Flows from Capital and Financing Activities						
116	Purchase of equipment, computer hardware, completed construction projects & contributed capital assets		(481,812)		(342,552)		(328,112)
117	Construction in progress		(2,499,599)		(4,913,908)		(1,601,384)
118	Acquisition of land, easements and related costs		0		(252,195)		(29,509)
119	Sale of land and equipment		32,431		8,610		23,824
120	Gain (Loss) on sale of land and equipment		6,432		2,310		31,629
121	Bond principal payments		(4,802,237)		(1,287,391)		(1,009,715)
122	Grant revenue & FEMA reimbursement		394,358		1,154,965		423,077
123	Capital contributions from developers		8,772		224,430		78,020
124	Cash provided (used) by capital / financing activities		(7,341,655)		(5,405,731)		(2,412,169)
125							
126	Net increase (decrease) in cash and investments		(3,048,327)		(2,762,796)		1,842,898
127	The unaudited financial statements, including cash flow statement, are subject to adjustments.						
128	This interim cash flow statement for 6/30/21 does not include accruals for operating expenses.						
129	Revenues, however, are reported on an accrual basis.						

OKEECHOBEE UTILITY AUTHORITY
Statement of Net Assets
August 31, 2021

ASSETS

CURRENT ASSETS

Cash and cash equivalents	\$ 2,036,887.23
Unrestricted assets:	
Investments	0.00
Interest receivable	0.00
Grants receivable	
Restricted assets:	
Cash and cash equivalents	9,262,261.52
Investments	0.00
Interest receivable	0.00
Receivables:	
Accounts receivable	1,446,711.47
less allowance for uncollectible accounts	-178,613.00
Inventories	552,600.33
Prepaid Expenses	89,612.70
Total current assets	<u>13,209,460.25</u>

NONCURRENT ASSETS

Capital assets:

Land	2,773,832.32
Utility plants, buildings and equipment	<u>99,778,207.14</u>
	102,552,039.46
Less accumulated depreciation	<u>-48,808,892.68</u>
	53,743,146.78
Construction in progress	<u>8,937,944.78</u>
Total capital assets	<u>62,681,091.56</u>

Other Assets:

Net Pension Asset	286,195.00
Unamortized organizational cost, net	0.00

Deferred Charges:

Deferred Pension Outflows - Actuarial and Prepaid	206,267.00
Deferred loss on bond refunding, net	<u>683,187.00</u>
Total Deferred charges:	889,454.00

Total noncurrent assets	<u>63,856,740.56</u>
-------------------------	----------------------

TOTAL ASSETS	<u><u>\$ 77,066,200.81</u></u>
---------------------	--------------------------------

LIABILITIES AND NET ASSETS

CURRENT LIABILITIES

Accounts payable	\$	86,657.91
Accrued expenses		104,541.48
Due to other governments		29,270.66
Bonds payable (current)		1,018,427.87
Accrued compensated absences (current)		257,512.38
Payable from restricted assets		
Accrued interest		155,698.33
Customer Deposits		639,713.56
Total current liabilities		<u>2,291,822.19</u>

NONCURRENT LIABILITIES

Long-term portion of bonds payable, net		18,995,699.46
Accrued OPEB payable		50,665.00
Net Pension Liability and Deferred Pension Inflow		571,809.00
Unearned revenues:		
Land Lease Deferral		-
Developer agreements		464,635.36
Total noncurrent liabilities		<u>20,082,808.82</u>

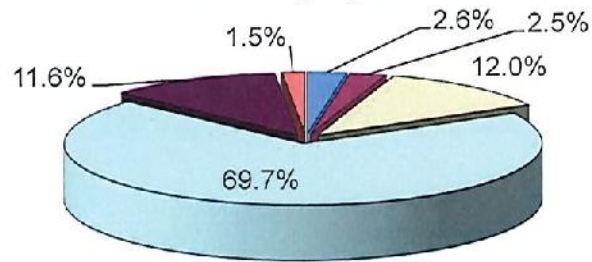
TOTAL LIABILITIES		<u>22,374,631.01</u>
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NET POSITION

Invested in capital assets, net of related debt		42,498,667.00
Restricted for capital projects		2,168,736.00
Restricted for debt service		99,091.00
Restricted for Rate Stabilization		1,890,225.00
Restricted for Pension Benefits		286,195.00
Unrestricted		5,162,136.02
YTD Surplus of Revenue over Expenses		2,586,519.78
Total net position		<u>54,691,569.80</u>

TOTAL LIABILITIES AND NET POSITION	\$	<u>77,066,200.81</u>
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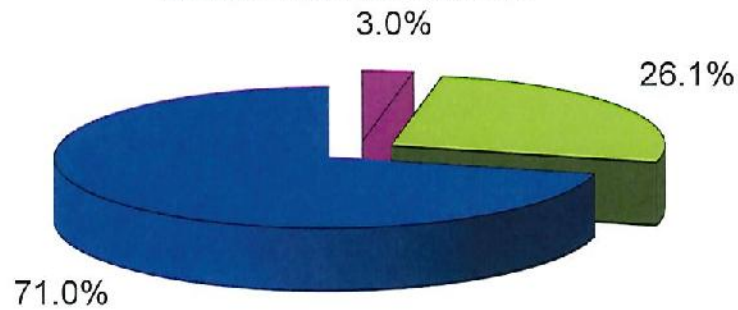
Assets - August, 2021



■ Cash
■ AR, Inventory & Prepaid
■ Restricted Cash
■ Fixed Assets
■ Construction in Progress
■ Other Assets (Deferred Charges)

Cash	2,036,887	2.6%
AR, Inventory & Prepaid	1,910,312	2.5%
Restricted Cash	9,262,262	12.0%
Fixed Assets	53,743,147	69.7%
Construction in Progress	8,937,945	11.6%
Other Assets (Deferred Charges)	1,175,649	1.5%
Total Assets	77,066,201	

Liabilities & Equity August, 2021



■ Current Liabilities
■ Noncurrent Liabilities
■ Equity - Net Assets

Current Liabilities	2,291,822	3.0%
Noncurrent Liabilities	20,082,809	26.1%
Equity - Net Assets	54,691,570	71.0%
Total Liab & Equity	77,066,201	

Okeechobee Utility Authority
Detail of August 31, 2021 Other Operating Revenue
Data Per General Ledger Account Balances For Finance Report

		Actual Amount YTD	Amount Per Budget YTD	\$ Variance From Budget YTD
Accounts included in Other Operating Revenue:				
Install Fees-Water		\$ 23,696	\$ 5,844	\$ 17,853
Private Fire Protection		\$ 73,799	64,795	9,004
Turn on/off Fees		\$ 56,725	43,639	13,086
Other Revenue-Water	A	\$ 13,714	13,324	390
Install Fees-Sewer		\$ 5,738	5,610	128
Kings Bay Sewer Maint. Fees		\$ 9,686	10,104	(417)
Other Revenue-Sewer	B	\$ 2,244	1,846	398
Penalties & Late Charges		\$ 110,753	107,624	3,129
Gain/Loss Sale of Assets	C	\$ 31,872	0	31,872
Ag Land Lease		\$ 2,508	0	2,508
Miscellaneous Revenue	D	\$ 39,315	36,053	3,262
Totals		<u>\$ 370,050</u>	<u>\$ 288,837</u>	<u>\$ 81,212</u>

A Other Revenue-Water includes:

Water service inspection fees
Backflow prevention fees
After hours charges
Meter relocation charges
Bench test charges

B Other Revenue-Sewer includes:

Wastewater service line inspection fees

C Gain/Loss on Sale of Assets

There was \$18,000 of insurance proceeds, \$6,961 from sale of 3 surplus trucks and \$7,259 from sale of surplus equipment and parts.

D Miscellaneous Revenue includes:

Administration charges
Charges for damage and repair to system:
Parts and labor used
Equipment charges

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 10

SEPTEMBER 13, 2021

CONSENT AGENDA

INVOICES FROM SUMNER ENGINEERING & CONSULTING, INC. – SW WATERWATER SERVICE AREA PROJECT (PRP PAY APPLICATION NO. 5)

Please find attached the invoice in the amount of \$153,936.68 submitted by Sumner Engineering & Consulting, Inc. Staff is aware of the work currently being done by Sumner Engineering & Consulting, Inc. and is in agreement with this request.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$1,295,903.80
May-21	1	May-21		\$197,223.71	\$1,098,680.09
Jun-21	2	Jun-21		\$209,335.63	\$889,344.46
Jul-21	3	Jul-21		\$78,375.15	\$810,969.31
Aug-21	4	Aug-21		\$128,605.75	\$760,738.71
Sep-21	5		\$153,936.68		\$657,032.63

Staff recommends approval of this invoice in the amount of \$153,936.68 to Sumner Engineering & Consulting, Inc.



Sumner Engineering & Consulting, Inc.
Agriculture, Civil, Land & Water Resources

410 NW 2nd Street
Okeechobee, FL 34972
863.763.9474

September 9, 2021

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974

RE: Oak Lake Estates Wastewater and Stormwater Improvements Project
PRP Construction Group LLC – Pay Application No. 5

Mr. Hayford:

Please find attached Pay Application No. 5 for the above-referenced project, recommended for payment in the amount of \$153,936.68, which covers work confirmed to have been completed for the period from 7/26/2021 to 8/27/2021, less the required 10% retainage.

Of the amount certified, **\$120,167.39** is attributable to the wastewater portion of the project. The remaining **\$33,769.29** is attributable to the stormwater portion of the project, per the agreement between OUA and Okeechobee County.

If you have any questions, please do not hesitate to contact us.

Sincerely,
Sumner Engineering & Consulting, Inc.

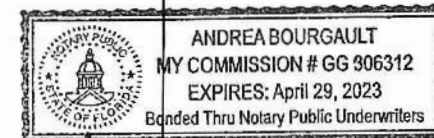
Jeffrey M. Sumner, PE
President

cc: Stefan K. Matthes, PE

TO (OWNER/REP):	OKEECHOBEE UTILITY AUTHORITY	APPLICATION NO.:	5.0	OAKLE-005
ADDRESS:	100 SW 5th Ave, Okeechobee, FL 34974	PERIOD FROM:	8/1/2021	REVISED
FROM (CONTRACTOR):	PRP CONSTRUCTION GROUP, LLC	TO:	8/27/2021	
ADDRESS:	8300 SW SPRINGHAVEN AVE, INDIANTOWN, FL 34956	OUA PO #	10805	
CONTRACT FOR:	OAK LAKE ESTATES WASTEWATER & DRAINAGE IMPROVEMENTS	CONTRACT DATE:	3/2/2021	

CHANGE ORDER SUMMARY				Application is made for payment, as shown below, according to the CONTRACT DOCUMENTS and Continuation Sheet (s) attached.	
CHANGE ORDERS APPROVED BY OWNER		ADDITIONS	DELETIONS		
NO.	DESCRIPTION				
1		\$ -	\$ -	1. ORIGINAL CONTRACT SUM	***** \$ 1,295,903.80
2		\$ -	\$ -	2. Net change by Change Orders	***** \$ -
3		\$ -	\$ -	3. CONTRACT SUM TO DATE	***** \$ 1,295,903.80
4		\$ -	\$ -	4. TOTAL COMPLETED AND STORED TO DATE	***** \$ 852,752.13
5		\$ -	\$ -	(Column L on Continuation Sheet (s))	
6		\$ -	\$ -	5. RETAINAGE (10%)	***** \$ 85,275.21
7		\$ -	\$ -	6. TOTAL EARNED LESS RETAINAGE	***** \$ 767,476.92
8		\$ -	\$ -	(Line 4 less line 5)	
9		\$ -	\$ -	7. LESS PREVIOUS PAYMENTS	***** \$ 613,540.24
		\$ -	\$ -	(Line 6 from prior Certificate)	
		\$ -	\$ -	8. CURRENT PAYMENT DUE	***** \$ 153,936.68
		\$ -	\$ -	9. BALANCE TO FINISH PLUS RETAINAGE	***** \$ 528,426.88
		\$ -	\$ -	(Line 3 less line 6)	
TOTALS		\$ -	\$ -		
NET CHANGE BY CHANGE ORDERS		\$ -	\$ -		

CONTRACTOR'S CERTIFICATION I hereby certify that the labor and materials listed on this request for payment have been used in the construction of this Work and payment received from the last request for payment has been used to make payment to all Subcontractors, laborers, materialmen and suppliers except as listed below and The undersigned Contractor certifies that Work covered by this Application for Payment has been completed according to the Contract Documents, that all amounts have been paid by the Contractor for Work done by any Subcontractor for Work for which previous Certifications of Payments were issued and payments received from Owner, and that current Payment is now due in accordance with the Contract Documents and all Federal, State and Local Laws.		State of: <u>FLORIDA</u> COUNTY OF: <u>MARTIN</u> Subscribed and sworn to before me this <u>8</u> day of <u>September</u> , 2021. Notary Public: <u>Andrea Bourgault</u> My Commission expires: <u>4/29/2023</u>	
CONTRACTOR: BY: <u>Peggy Shettra</u> DATE: <u>9/8/2021</u> Peggy Shettra, President		ENGINEER: _____ BY: <u>Jeffrey M Sumner</u> DATE: <u>09/09/21</u> Sumner Engineering & Consulting, Inc. THE AMOUNT CERTIFIED PAYABLE ONLY TO CONTRACTOR NAMED HEREIN	



AMOUNT CERTIFIED: \$ 153,936.68

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 11

SEPTEMBER 13, 2021

CONSENT AGENDA

**INVOICES FROM SUMNER ENGINEERING & CONSULTING, INC. – SW
WATERWATER SERVICE AREA PROJECT
(ANDERSON ANDRE CONSULTING ENGINEERS INOVICE)**

Please find attached the invoice in the amount of \$6,333.50 submitted by Sumner Engineering & Consulting, Inc. Staff is aware of the work currently being done by Sumner Engineering & Consulting, Inc. and is in agreement with this request.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$41,929.00
May-21	1	May-21		\$9,064.00	\$32,865.00
Jul-21	2	Jul-21		\$5,423.00	\$32,865.00
Aug-21	3	Aug-21		\$5,009.00	\$27,856.00
Sep-21	4		\$6,333.50		\$21,522.50

Staff recommends approval of this invoice in the amount of \$6,333.50 to Sumner Engineering & Consulting, Inc.



Sumner Engineering & Consulting, Inc.
Agriculture, Civil, Land & Water Resources

410 NW 2nd Street
Okeechobee, FL 34972
863.763.9474

September 7, 2021

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974

**RE: Oak Lake Estates Wastewater and Stormwater Improvements Project
AACE Invoice A21-3532**

Mr. Hayford:

Please find attached Andersen Andre Consulting Engineers (AACE) Invoice A21-3532, recommended for payment in the amount of **\$6,333.50**, which covers geotechnical testing on the Oak Lake Estates Project from 07/24/21 through 09/03/21. I have also attached the associated testing report for your records.

Of the amount certified, \$0.00 is attributable to the stormwater portion of the project, and the remaining \$6,333.50 is attributable to the wastewater portion of the project, per the agreement between OUA and Okeechobee County.

If you have any questions, please do not hesitate to contact us.

Sincerely,
Sumner Engineering & Consulting, Inc.

Jeffrey M. Sumner, PE
President

cc: Stefan K. Matthes, PE

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 12

SEPTEMBER 13, 2021

CONSENT AGENDA

ECKLER ENGINEERING, INC. – PINE RIDGE PARK UTILITY IMPROVEMENT

Please find attached the invoice in the amount of \$30,018.10 submitted by Eckler Engineering, Inc. Staff is aware of the work currently being done by Eckler Engineering, Inc.. and is in agreement with this request.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$145,600.00
May-20	1	May-20		\$2,912.00	\$142,688.00
Jun-20	2	Jun-20		\$11,648.00	\$131,040.00
Jul-20	3	Jul-20		\$32,032.00	\$99,008.00
Aug-20	4	Aug-20		\$14,560.00	\$84,448.00
Aug-20	Change Order #1		\$21,000.00		\$105,448.00
Sep-20	5	Sep-20		\$22,148.00	\$83,300.00
Oct-20	6	Oct-20		\$24,990.00	\$58,310.00
Nov-20	7	Nov-20		\$19,992.00	\$38,318.00
Dec-20	8	Dec-20		\$4,998.00	\$33,320.00
Dec-20	Change Order #2		\$22,000.00		\$55,320.00
Jan-21	9	Jan-21		\$8,170.00	\$47,150.00
Feb-21	10	Feb-21		\$18,860.00	\$28,290.00
Mar-21	11	Mar-21		\$9,430.00	\$18,860.00
Apr-21	12	Apr-21		\$3,772.00	\$15,088.00
May-21	13			\$1,886.00	\$13,202.00
	Change Order #3		\$111,581.00		\$124,783.00
Jun-21	14	Jun-21		\$7,712.41	\$117,070.59
Jul-21	15	Jul-21		\$12,007.24	\$105,063.35
Aug-21	16			\$9,005.43	\$96,057.92
Sep-21	17		\$30,018.10		\$66,039.82

Staff recommends approval of this invoice in the amount of \$30,018.10 to Eckler Engineering, Inc.

Mr. John Hayford, P.E.
Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974

August 31, 2021
No: 235-006.01
Invoice No: 21170

Project: Pine Ridge Park Utility Improvements

Professional engineering services for the design of the Pine Ridge Park Utility Improvements as authorized on May 17, 2021 under P.O. No. 10380 (Change Order No. 3), Engineering Scope Revision No. 1 dated 7/20/2020 and Engineering Scope Revision No. 2 dated 12/3/2020 and Engineering Scope Revision No. 3 dated 5/17/2021.

Professional Services from July 26, 2021 to August 25, 2021

Phase 0001 Design Phase

Fee

Total Fee 300,181.00

Percent Complete	78.00	Total Earned	234,141.18
		Previous Fee Billing	204,123.08
		Current Fee Billing	30,018.10

Total Fee 30,018.10

Billing Limits

	Current	Prior	To-Date
Total Billings	30,018.10	204,123.08	234,141.18
Limit			300,181.00
Remaining			66,039.82

Total this Phase \$30,018.10

Total this Invoice \$30,018.10

Fee (Design Phase) History Summary:

2020-04-14	Original PO #10380 =	\$145,600.00
2020-09-22	Change Order #1 =	\$ 21,000.00
2020-12-22	Change Order #2 =	\$ 22,000.00
2021-05-17	Change Order #3 =	\$111,581.00

Fee Total \$300,181.00

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 13

SEPTEMBER 13, 2021

CONSENT AGENDA

**INVOICES FROM HOLTZ CONSULTING ENGINEERS, INC. – ADVANCED METER
INFRASTRUCTURE**

Please find attached the invoice in the amount of \$5307.60 and \$1,769.20 submitted by Holtz Consulting Engineers, Inc. Staff is aware of the work currently being done by Holtz Consulting Engineers, Inc. and is in agreement with these requests.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$17,692.00
Apr-21	1			\$4,423.00	\$13,269.00
May-21	2			\$1,769.20	\$13,269.00
Jun-21	3			\$4,423.00	\$13,269.00
Aug-21	4		\$5,307.60		\$7,961.40
Sep-21	5		\$1,769.20		\$6,192.20

Staff recommends approval of this invoice in the amount of \$5,307.60 and \$1,769.20 to Eckler Engineering, Inc.

Holtz Consulting Engineers, Inc.

INVOICE

270 South Central Boulevard, Suite 207
Jupiter, FL 33458
Phone: (561) 575-2005 Fax: (561) 575-2009

INVOICE DATE: July 9, 2021
INVOICE #: **SRF AMI-4**
CLIENT: OUA
PROJECT: State Revolving Fund Water
Facilities Plan for AMI
Program
P.O. Number: 0000010754

Bill To:

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974-4221

Lump Sum Contract Amount:	\$	17,692.00
Prior Invoices to Date:	\$	10,615.20
This Invoice Amount:	\$	5,307.60
Remaining Balance:	\$	1,769.20

THIS INVOICE AMOUNT: \$ **5,307.60**

Please make checks payable to: **Holtz Consulting Engineers, Inc.**
270 South Central Boulevard, Suite 207
Jupiter, FL 33458

If you have any questions concerning this invoice, please contact Christine Miranda at (863) 824-7200

HCE will never communicate changes to invoicing, payment procedures, and/or account number information in an email. All financial communications will be in writing via certified mail.

Holtz Consulting Engineers, Inc.

INVOICE

270 South Central Boulevard, Suite 207
Jupiter, FL 33458
Phone: (561) 575-2005 Fax: (561) 575-2009

INVOICE DATE: September 9, 2021
INVOICE #: **SRF AMI-5**
CLIENT: OUA
PROJECT: State Revolving Fund Water
Facilities Plan for AMI
Program
P.O. Number: 0000010754

Bill To:

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974-4221

Lump Sum Contract Amount:	\$	17,692.00
Prior Invoices to Date:	\$	15,922.80
This Invoice Amount:	\$	1,769.20
Remaining Balance:	\$	-

THIS INVOICE AMOUNT: \$ 1,769.20

Please make checks payable to: **Holtz Consulting Engineers, Inc.**
270 South Central Boulevard, Suite 207
Jupiter, FL 33458

If you have any questions concerning this invoice, please contact Christine Miranda at (863) 824-7200

HCE will never communicate changes to invoicing, payment procedures, and/or account number information in an email. All financial communications will be in writing via certified mail.

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 14

SEPTEMBER 13, 2021

CONSENT AGENDA

**INVOICES FROM HOLTZ CONSULTING ENGINEERS, INC. – FDOT WATER
MAIN REPLACEMENT US441SE**

Please find attached the invoices in the amount of \$8,012.10, \$3,927.50 and \$1,571.00 submitted by Holtz Consulting Engineers, Inc. Staff is aware of the work currently being done by Holtz Consulting Engineers, Inc. and is in agreement with these requests.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$34,900.00
Apr-21	1			\$16,355.00	\$18,545.00
May-21	2			\$2,835.00	\$15,710.00
Jun-21	3			\$1,413.90	\$14,296.10
Jul-21	4		\$8,012.10		\$6,284.00
Aug-21	5		\$3,927.50		\$2,356.50
Sep-21	6		\$1,571.00		\$785.50

Staff recommends approval of these invoices in the amount of \$8,012.10, \$3,927.50 and \$1,571.00 to Holtz Consulting Engineers, Inc.

Holtz Consulting Engineers, Inc.

INVOICE

270 South Central Boulevard, Suite 207
Jupiter, FL 33458
Phone: (561) 575-2005 Fax: (561) 575-2009

INVOICE DATE: July 9, 2021
INVOICE #: 441 - 4
CLIENT: OUA
PROJECT: Relocation of approx 605
linear ft of 6" WM-US Hwy
441 (FDOT)
P.O. Number: 0000010755

Bill To:

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974-4221

Lump Sum Contract Amount:	\$	34,900.00
Prior Invoices to Date:	\$	20,603.90
This Invoice Amount:	\$	8,012.10
Remaining Balance:	\$	6,284.00

THIS INVOICE AMOUNT: \$ 8,012.10

Please make checks payable to: **Holtz Consulting Engineers, Inc.**
270 South Central Boulevard, Suite 207
Jupiter, FL 33458

If you have any questions concerning this invoice, please contact Christine Miranda at (863) 824-7200

HCE will never communicate changes to invoicing, payment procedures, and/or account number information in an email. All financial communications will be in writing via certified mail.

Holtz Consulting Engineers, Inc.

INVOICE

270 South Central Boulevard, Suite 207
Jupiter, FL 33458
Phone: (561) 575-2005 Fax: (561) 575-2009

INVOICE DATE: August 10, 2021
INVOICE #: 441 - 5
CLIENT: OUA
PROJECT: Relocation of approx 605
linear ft of 6" WM-US Hwy
441 (FDOT)
P.O. Number: 0000010755

Bill To:

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974-4221

Lump Sum Contract Amount:	\$	34,900.00
Prior Invoices to Date:	\$	28,616.00
This Invoice Amount:	\$	3,927.50
Remaining Balance:	\$	2,356.50

THIS INVOICE AMOUNT: \$ 3,927.50

Please make checks payable to: **Holtz Consulting Engineers, Inc.**
270 South Central Boulevard, Suite 207
Jupiter, FL 33458

If you have any questions concerning this invoice, please contact Christine Miranda at (863) 824-7200

HCE will never communicate changes to invoicing, payment procedures, and/or account number information in an email. All financial communications will be in writing via certified mail.

Holtz Consulting Engineers, Inc.

INVOICE

270 South Central Boulevard, Suite 207
Jupiter, FL 33458
Phone: (561) 575-2005 Fax: (561) 575-2009

INVOICE DATE: September 9, 2021
INVOICE #: 441 - 6
CLIENT: OUA
PROJECT: Relocation of approx 605
linear ft of 6" WM-US Hwy
441 (FDOT)
P.O. Number: 0000010755

Bill To:

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974-4221

Lump Sum Contract Amount:	\$	34,900.00
Prior Invoices to Date:	\$	32,543.50
This Invoice Amount:	\$	1,571.00
Remaining Balance:	\$	785.50

THIS INVOICE AMOUNT: \$ 1,571.00

Please make checks payable to: **Holtz Consulting Engineers, Inc.**
270 South Central Boulevard, Suite 207
Jupiter, FL 33458

If you have any questions concerning this invoice, please contact Christine Miranda at (863) 824-7200

HCE will never communicate changes to invoicing, payment procedures, and/or account number information in an email. All financial communications will be in writing via certified mail.

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 15

SEPTEMBER 13, 2021

CONSENT AGENDA

**INVOICE FROM HOLTZ CONSULTING ENGINEERS, INC. – FDOT WATER
MAIN REPLACEMENT US441SE (HINTERLAND INVOICE)**

Please find attached the invoice in the amount of \$79,201.50 submitted by Holtz Consulting Engineers, Inc. Staff is aware of the work currently being done by Holtz Consulting Engineers, Inc. and is in agreement with these requests.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$119,995.00
Sep-21	1		\$79,201.50		\$40,793.50

Staff recommends approval of this invoice in the amount of \$79,201.50 to Holtz Consulting Engineers, Inc.



HOLTZ CONSULTING ENGINEERS, INC

August 4, 2021

Mr. John Hayford, PE
Executive Director
Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974

Subject: **Okeechobee Utility Authority
US Highway 441 Water Main Adjustments for FDOT Project 443172-1-52-01
Hinterland Group, Inc.
Application for Payment No. 1**

Dear Mr. Hayford,

Attached is Application for Payment No. 1 and supporting documents for the above referenced project, as submitted by Hinterland Group, Inc. This requisition is for payment, less 5 percent retainage, for approximately 70% of the work associated with this project.

The amount of payment requested after deducting the required retainage and for work completed is **\$79,201.50.**

To the best of our knowledge, the work included in this pay request has been satisfactorily completed in accordance with the Contract Documents and the amounts requested are as outlined in the approved Schedule of Values. Holtz Consulting Engineers therefore recommends payment to be made in the amount requested.

If you should have any questions, please contact our office.

Sincerely,

HOLTZ CONSULTING ENGINEERS, INC.

A handwritten signature in blue ink, appearing to read 'Christine Miranda', is written over the printed name.

Christine Miranda, PE
Principal Engineer

Attachments – Signed copy of Application for Payment No. 1

cc: Stephanie Sackett, Hinterland Group, Inc.
File

APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

PAGE 1 OF 2 PAGES

TO OWNER: **City of Okeechobee**
100 SW 5th Ave.
Okeechobee, FL 34974

CONTRACT: US HWY 441 Water Main Adjustments for FDOT Project 443172-1-52-01

APPLICATION NO:

1

PERIOD TO: 7/31/2021

FROM CONTRACTOR:

DATE: 8/4/2021

Hinterland Group, Inc.
2051 W Blue Heron Blvd
Riveria Beach Beach, FL 33404

PO NO.: 443172-1-52-01

CONTRACT NO.:

HG JOB NO.: 21-0095-00

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
Continuation Sheet, AIA Document G703, is attached.

1. ORIGINAL CONTRACT SUM	\$	119,995.00
2a. Net change by Change Orders (Change Order 1)	\$	0.00
3. CONTRACT SUM TO DATE (Line 1 + 2)	\$	119,995.00
4. TOTAL COMPLETED & STORED TO DATE (Column M on G703)	\$	83,370.00
5. RETAINAGE:		
a. 5 % of Completed Work (Column H + J + L on G703)	\$	0.00
b. 5 % of Stored Material (Column I on G703)	\$	0.00
Total Retainage (Lines 5a + 5b or Total in Column P of G703)	\$	4,168.50
6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total)	\$	79,201.50
7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate)	\$	0.00
8. CURRENT PAYMENT DUE	\$	79,201.50
9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6)	\$	40,793.50

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner	\$0.00	\$0.00
Total approved this Month	\$0.00	\$0.00
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order	\$0.00	\$0.00

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR:

By: [Signature] Date: 8/4/2021
Project Manager
State of: Florida County of: Palm Beach
Subscribed and sworn to before me this 4 day of August 2021
Notary Public: [Signature]
My Commission expires: 4/29/2023

ENGINEER'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the the Engineer certifies to the Owner that to the best of the Engineer's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 79,201.50

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)
Engineer

By: [Signature] Date: 8/4/21

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.



STEPHANIE SACKETT
Commission # CC 328788
Expires April 29, 2023
Bonded Thru Budget Notary Services

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 16

SEPTEMBER 13, 2021

CONSENT AGENDA

**INVOICE FROM HOLTZ CONSULTING ENGINEERS, INC. – STATE REVOLVING
FUND REQUEST FOR INCLUSION FOR AMI PROGRAM**

Please see attached the Holtz Consulting Engineers, Inc. invoice for the State Revolving Fund Request for Inclusion for AMI Program.

Staff recommends approval of the invoice Holtz Engineering Consulting, Inc. in the amount of \$2,380.00.

Holtz Consulting Engineers, Inc.

INVOICE

270 South Central Boulevard, Suite 207
Jupiter, FL 33458
Phone: (561) 575-2005 Fax: (561) 575-2009

INVOICE DATE: July 12, 2021
INVOICE #: **SRF RFI-1**
CLIENT: OUA
PROJECT: State Revolving Fund
Request for Inclusion for AMI
Program
P.O. Number: 0000010381

Bill To:

Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974-4221

Lump Sum Contract Amount:	\$	2,380.00
Prior Invoices to Date:	\$	-
This Invoice Amount:	\$	2,380.00
Remaining Balance:	\$	-

THIS INVOICE AMOUNT: \$ 2,380.00

Please make checks payable to: **Holtz Consulting Engineers, Inc.**
270 South Central Boulevard, Suite 207
Jupiter, FL 33458

If you have any questions concerning this invoice, please contact Christine Miranda at (863) 824-7200

HCE will never communicate changes to invoicing, payment procedures, and/or account number information in an email. All financial communications will be in writing via certified mail.

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 17

SEPTEMBER 13, 2021

CONSENT AGENDA

INVOICES FROM ONEWATER, INC. – LAKEVIEW ESTATES WWTP

Please find attached the invoice in the amount of \$112,915.00 submitted by OneWater, Inc. Staff is aware of the work currently being done by OneWater, Inc. and is in agreement with these requests.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$977,950.00
May-20	1	May-20		\$45,572.00	\$932,378.00
Jun-20	2	Jun-20		\$136,314.31	\$796,063.69
Jul-20	3	Jul-20		\$52,969.00	\$743,094.69
Aug-20	4	Aug-20		\$50,509.00	\$692,585.69
Sep-20	5	Sep-20		\$36,500.00	\$656,085.69
Oct-20	6	Nov-20		\$32,725.00	\$623,360.69
Nov-20	7	Nov-20		\$36,765.00	\$586,595.69
Dec-20	8	Dec-20		\$38,257.50	\$548,338.19
Jan-21	9	Jan-21		\$63,900.00	\$484,438.19
Feb-21	10	Feb-21		\$3,887.00	\$480,551.19
Mar-21	11	Mar-21		\$24,900.25	\$455,650.94
Apr-21	12	Apr-21		\$29,112.75	\$426,538.19
May-21	13	May-21		\$59,240.00	\$367,298.19
Jun-21	14	Jun-21		\$89,104.75	\$278,193.44
Jul-21	15	Jul-21		\$8,533.59	\$269,659.85
Aug-21	16	Aug-21		\$16,159.50	\$253,500.35
Sep-21	17		\$112,195.00		\$141,305.35

Staff recommends approval of this invoice in the amount of \$112,915.00 to OneWater, Inc.



31 August 2021

John Hayford
Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974

Re: Invoice #1381
OneWater Inc. – Two Pilot Projects
FLDEP Grant Agreement No: LP47012
OUA, OWI, Cain Enterprises Joint Agreement Executed 3/13/2020
Lake View Estates WWTP – Pilot Plant

Dear John:

Attached please find the 17th invoice for the referenced project, invoice #1381. The invoice includes 5% plant equipment progress drawdown for OneWater, and a progress payment for ESI. Supporting invoice for ESI is attached.

OneWater Equipment ~5% of \$441,950 = \$22,195.00.
OneWater PM/Testing/Monitoring 0% of \$18,000 = \$0.00
Kimley Horn – Design 0% of \$123,000 = \$0.00.
ESI - Plant Construction ~25.9% of \$385,000 less retainage = \$90,000.00.
ESI – Septic laterals and lift stations ~0% of \$60,000 less retainage = \$0.00.

Please let us know if you have any questions.

Sincerely,

Stephen J. Kingsland
OneWater Inc.
C: (508) 344-4333
steve.kingsland@algaewheel.com

cc: Mark Bauer

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 18

SEPTEMBER 13, 2021

CONSENT AGENDA

INVOICE FROM RAFTELIS

Please find attached the invoice in the amount of \$6,230.00 submitted by Raftelis. Staff is aware of the work currently being done by Raftelis and is in agreement with these requests.

Invoice Date	Pay Request No.	Date Paid	Amt. Requested	Amount Paid	Remaining Balance
					\$57,850.00
Apr-21	1	Apr-21		\$6,468.75	\$51,381.25
Jun-21	2	Jun-21		\$4,783.07	\$46,598.18
Jul-21	3	Jul-21		\$1,631.25	\$44,966.93
Aug-21	4	Aug-21		\$3,440.00	\$41,526.93
Sep-21	5		\$6,230.00		\$35,296.93

Staff recommends approval of this invoice in the amount of \$6,230.00 to Raftelis.

RAFTELIS

227 W. Trade St
Suite 1400
Charlotte, NC 28202



August 10, 2021

Okeechobee Utility Authority
100 S.W. 5th Avenue
Okeechobee, FL 34974

Invoice No: 20203

Project R-0451FL21.01 Okeechobee Utility Authority - Water and Wastewater Revenue Sufficiency and Capital Connection Charge Study

PO #0000010759

Professional Services from July 1, 2021 to July 31, 2021**Professional Personnel**

	Hours	Rate	Amount	
Associate				
Mercas, Diana	4.25	100.00	425.00	
Sr. Manager				
Hamilton, Murray	27.00	215.00	5,805.00	
Totals	31.25		6,230.00	
Total Professional Fees				6,230.00

Contract	Current	Prior Billings		
Total Billings	6,230.00	16,323.07	22,553.07	
Contract Ceiling			57,850.00	
Remaining			35,296.93	
		Total this Invoice		\$6,230.00

Outstanding Invoices

Number	Date	Balance
19962	7/12/2021	3,440.00
Total		3,440.00

	Billed	Balance	Total	Received	A/R Balance
Billings to Date	6,230.00	16,323.07	22,553.07	12,883.07	9,670.00

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 19

SEPTEMBER 13, 2021

CONSENT AGENDA

INVOICE FROM THORN RUN PARTNERS

Please see attached the Thorn Run Partners monthly invoice.

Staff recommends approval of the monthly invoice from Thorn Run Partners in the amount of \$3,500.00.

THORN RUN PARTNERS



INVOICE

September 1, 2021

Invoice No: 9121

TO:

Okeechobee Utility Authority

100 SW 5th Avenue
Okeechobee, FL 34974

DESCRIPTION	AMOUNT
Government Relations Services performed September 2021 Fee as agreed to and amount owed: PO 10802	\$3,500.00
TOTAL AMOUNT DUE:	\$3,500.00

Please make all checks payable to Thorn Run Partners, LLC:

By Mail:

Thorn Run Partners, LLC
100 M Street, SE Suite 750
Washington, DC 20003

By Wire:

PNC BANK
ABA: 054000030
Account #5313630938
Account: Thorn Run Partners, LLC

FEIN: 27-1541515

If you have any questions concerning this invoice, contact Chris Lamond at
clamond@thornrun.com or 202-688-0222

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 20

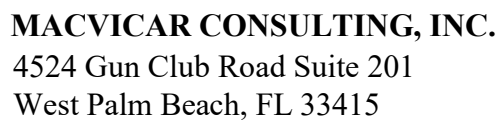
SEPTEMBER 13, 2021

CONSENT AGENDA

INVOICE FROM MACVICAR CONSULTING, INC.

Please see attached the Macvicar Consulting Inc. invoice.

Staff recommends approval of the monthly invoice from Macvicar Consulting Inc. in the amount of \$250.00.



Invoice

Okeechobee Utility Authority
Attn: John Hayford, Exec Director
100 SW 5th Avenue
Okeechobee, FL 34974

DATE	INVOICE #
8/30/2021	202109014

PROJECT
540.01-LOSOM Support

DESCRIPTION		AMOUNT
Support for the month of August 2021		250.00
Total		\$250.00

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 21

SEPTEMBER 13, 2021

USDA LOAN AGREEMENT

The USDA sent out a letter (Notification of Initial Application Review) on August 26, 2021, a copy of which was e-mailed to you on that date and is included in this agenda item for review. The August 26th notification provided the eligibility and funding levels provided by the USDA towards the Southwest Service Area Septic to Sewer Project. The USDA agreed to a funding level of \$8,391,000 comprised of a loan (\$7,508,000) and grant (\$883,000). The anticipated project costs are:

OUA - SW Service Area Septic to Sewer Project Costs

USDA Loan (No SRF Refinance)

PROJECT COST	DESCRIPTION	AMOUNT
Development	All costs of construction	\$8,671,818
Land & Rights	Property for southern vacuum station	\$0
Legal Services	Legal Fees	\$56,130
Arch, Eng, & Planning	Design, Survey/SUE, Geotech, Permit	\$730,832
Interest	Short-term Construction Loan Interest	\$168,000
Contingencies	10% of development costs	\$867,360
Refinancing	SRF Refinancing - Payoff	\$0
Eng - Inspection	RPR	\$410,951
Other	Field Geotech Testing Lab	\$150,000
Other	OUA Contributed Capital	(\$2,664,091)
Other	Connection Fees/Charges	\$0
TOTAL		\$ 8,391,000

Projected Interest Expense	\$2,669,212
Projected Principal	<u>\$8,391,000</u>
TOTAL Cost of Interest & Principal	\$11,060,212

Loan Amount	\$8,391,000
Annual Interest Rate	1.375%
No. of Interest Only Payments	2
No. of Interest/Principal Payments	38
Loan Origination Year	2024
Loan Maturity	2063

Annual Debt Service	\$284,986
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The USDA has sent to the OUA numerous load relate documents, all of which have been reviewed by OUA staff including the Executive Director, Finance Director and OUA Board Attorney as well as outside Bond Counsel.

Please find attached documents required by USDA.

Okeechobee Utility Authority

SW Service Area Septic-to-Sewer Project ADDITIONAL FULL APPLICATION ITEMS

Originals of the Items below must be completed, executed and submitted to our office along with the executed **Letter of Intent to Meet Conditions** and **Form RD 1940-1, Request for Obligation of funds**.

1. Executed **Form RD 1780-27, Loan Resolution**. The loan resolution will be executed for the not to exceed loan amount at this time.
2. Executed **Form RD 400-1, Equal Opportunity Agreement**. Should be dated on or after the date of Form RD 1780-27, Loan Resolution
3. Executed **Form RD 400-4, Assurance Agreement**. should be dated on or after the date of Form RD 1780-27, Loan Resolution.
4. Executed **Form AD 1047, Certification Regarding Debarment**
5. Executed **Form AD 1049, Certification Regarding Drug-Free Workplace**.
6. Executed **Form 1940-Q, Certification for Contracts, Grants and Loans**.
7. Execute **Form RD 1910-11, Applicant Certification Federal Debt Collection**
8. Completed enclosed **form RD 442-7, Operating Budget**. This is a proposed Operating Budget to reflect the projected income, expenses, debt service and reserves during the first full year of operations after the project is completed.
9. Provide Certificate of Public Meeting to document a public meeting has been held to discuss the proposed project. The meeting must be advertised in a local publication of general circulation within the area at least 10 days prior to the date of the meeting. Affidavit of publication, a copy of the published notice, and certified meeting minutes must be submitted to Rural Development.

Item 8 will be completed by OUA staff.

Item 9 will also be provided by OUA staff.

OUA staff is requesting OUA Board authorization to allow OUA Board Chairman and OUA staff to execute and submit USDA documents pertaining to this USDA loan application process for the SWSA, Project 2,



United States Department of Agriculture

Rural Development

Royal Palm Beach
Area Office

420 S State Road 7,
Suite 166
Royal Palm Beach, FL
33414

Voice 561.792.2727x5
Fax 855.475.4827

August 26, 2021

Notification of Initial Application Review

Okeechobee Utility Authority
ATTN: Mr. John Hayford, Executive Director
100 SW 5th Avenue
Okeechobee, FL 34974

RE: Okeechobee Utility Authority
SW Service Area Septic to Sewer Project
Water and Waste Disposal Loan and Grant Program
Notification of Eligibility and Funding Priority

We have reviewed your initial application for Federal assistance under the Water and Waste Loan and/or Grant Program and have determined that your proposal is eligible for funding by the Rural Utilities Service (RUS) and can compete with similar applications from other applicants under this program.

Therefore, we suggest you file the remaining items for a full application with us by September 9th, 2021, or sooner. This will ensure availability of funds from FY2021 allocation.

You requested \$8,391,000 of Federal funding in your initial application. We are agreeable to a full application being completed to request RUS loan assistance in the amount of \$7,508,000.00 and RUS grant assistance in the amount of \$883,000. These amounts are subject to final concurrence by the National Office.

The enclosed **Attachment A** lists the remaining documentation needed to continue processing your application. We are enclosing the necessary forms and instructions for your use.

"This institution is an equal opportunity provider and employer."

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

Please do not hesitate to contact us if you have any questions. You may contact Ada Rivera, Acting Area Director or Kristine Roy, Area Specialist at (561) 792-2727 Ext.5.

Thank you,

Ada E. Rivera
Acting Area Director

Enclosures

Email Copy: George Gall, Finance Director



United States Department of Agriculture

Rural Development

September 3, 2021

Royal Palm Beach
Area Office

420 S State Road 7,
Suite 166
Royal Palm Beach, FL
33414

Mr. John Creasman, Chairman
Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974

Voice 561.792.2727x5
Fax 855.475.4827

SUBJECT: Recipient Name: Okeechobee Utility Authority
Project Name: Southwest WW Service Area Septic System to Sewer
Wastewater Application
CFDA NUMBER - 10.760

Loan:	\$7,508,000.00
Grant:	\$ 883,000.00
FL DEP Grant	\$2,664,091.00

Dear Chairman Creasman:

This letter establishes conditions which must be understood and agreed to by you before further consideration may be given to your application. The loan and grant will be administered on behalf of the Rural Utilities Service (RUS) by the State and Area staff of USDA Rural Development, both of which are referred to throughout this letter as the Agency. Any changes in project cost, source of funds, scope of project, or any other significant changes in the project or applicant must be reported to and concurred with by the Agency by written amendment to this letter. If significant changes are made without obtaining such concurrence, the Agency may discontinue processing of the application.

All conditions set forth under Section III – Requirements Prior to Advertising for Bids must be met within 120 days of the date of this letter. If you have not met these conditions, the Agency reserves the right to discontinue the processing of your application.

If you agree to meet the conditions set forth in this letter and desire further consideration be given to your application, please review, complete and return the following forms referenced under items 1, 2, and 4 within 10 days:

1. Form RD 1942-46, "Letter of Intent to Meet Conditions"
2. Form RD 1940-1, "Request for Obligation of Funds"
3. Draft RUS Bulletin 1780-12, "Water and Waste System Grant Agreement"

"This institution is an equal opportunity provider and employer."

If you wish to file a Civil Rights program complaint of discrimination, complete the USDA Program Discrimination Complaint Form, found online at http://www.ascr.usda.gov/complaint_filing_cust.html, or at any USDA office, or call (866) 632-9992 to request the form. You may also write a letter containing all of the information requested in the form. Send your completed complaint form or letter to us by mail at U.S. Department of Agriculture, Director, Office of Adjudication, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, by fax (202) 690-7442 or email at program.intake@usda.gov.

4. All forms identified on enclosed List of Full Application items.

The loan/grant will be considered approved on the date Form RD 1940-1, "Request for Obligation of Funds," is signed by the approving official. Thus, this letter in itself does not constitute loan and/or grant approval, nor does it ensure that funds are or will be available for the project. When funds are available, the Form 1940-1 will be provided to you for your signature. After you sign and return the form to the Agency, the request will be processed, and loan/grant funds will be approved and obligated.

Extra copies of this letter are being provided for use by your engineer, attorney, bond counsel and accountant. All parties may access information and regulations referenced in this letter at our website located at www.rd.usda.gov.

The conditions are as follows:

SECTION I - PROJECT DETAIL

1. **Project Description** – Funds will be used to construct a sewer collection system to serve the high priority area identified as the Southwest Section Wastewater Service Area (SWSA).

Facilities will be designed and constructed in accordance with sound engineering practices and must meet the requirements of Federal, State, and local agencies. The proposed facility design must be based on the Preliminary Engineering Report (PER) as concurred with by the Agency.

2. **Project Funding** – The Agency is offering the following funding for your project:

Agency Loan -	\$7,508,000.00
Agency Grant -	<u>\$ 883,000.00</u>

This offer is based upon the following additional funding being obtained.

FL DEP Grant -	\$2,664,091.00
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TOTAL PROJECT COST -	\$11,055,091.00
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Funding is offered based on the amounts stated above. Prior to loan closing, any increase in non-Agency funding will be applied first as a reduction to Agency grant funds, up to the total amount of the grant, and then as a reduction to Agency loan funds.

Any changes in funding sources following obligation of Agency funds must be reported to the processing official. Project feasibility and funding will be reassessed if there is a significant change in project costs after bids are received. If actual project costs exceed the project cost estimates, an additional contribution by the Owner may be necessary. Prior to advertisement for

construction bids, you must provide evidence of applicant contributions and other funding sources. This evidence should include a copy of the commitment letter. Agency funds will not be used to pre-finance funds committed to the project from other sources.

3. Project Budget – Funding from all sources has been budgeted for the estimated expenditures as follows:

<u>Project Costs:</u>	<u>Total Budgeted:</u>
Construction	\$ 8,671,818.00
Contingency	867,360.00
Engineering Fees	730,832.00
Includes:	
Preliminary Engineering Report	
Environmental Report	
Design	
Construction Administration	
Resident Project Representation (Inspection)	410,951.00
Additional Services: <i>Field Geotech Testing Lab</i>	150,000.00
Interest - Interim	168,000.00
Legal Fees - Local Attorney	9,000.00
Legal Fees - Bond Counsel	47,130.00
<hr/>	
TOTAL	\$11,055,091.00

Obligated loan or grant funds not needed to complete the proposed project will be deobligated prior to start of construction. Any reduction will be applied to grant funds first. An amended letter of conditions will be issued for any changes to the total project budget or scope.

SECTION II – LOAN AND GRANT TERMS

Repayment – The interest rate will be the lower of the rate in effect at the time of loan approval or the time of loan closing, unless you request otherwise. Should the interest rate be reduced, the payment will be recalculated to the lower amount.

Your loan will be scheduled for repayment over a period of 40 years. Interest-only payments will be due the first 2 year(s) on an annual basis. Payments for the remaining 38 years will be equal annual amortized installments, beginning one (1) year after final interest-only installment. For planning purposes, use a 1.375% interest rate and an amortization factor of 33.97, which provides for an annual payment of **\$255,047.00**. The precise payment amount will be based on the interest rate at which the loan is closed and may be different than the one above.

The payment due date will be established as the day that the loan closes. Due dates falling on the 29th, 30th, and 31st day of the month will be avoided.

Security – The loan will be secured by a Revenue bond with parity lien position in the amount of **\$7,508,000**. The bond will be fully registered as to both principal and interest in the name of the United States of America, Acting through the United States Department of Agriculture.

The bond must specify that, in the event of default, each lender will be affected on a proportionate basis.

The bond and any ordinance or resolution relating thereto must not contain any provision in conflict with the Agency Loan Resolution, applicable regulations, or its authorizing law. In particular, there must be no defeasance or refinancing clause in conflict with the graduation requirements of 7 U.S.C. 1983.

Additional security requirements are contained in RUS Bulletin 1780-12, “Water and Waste System Grant Agreement,” and RUS Bulletin 1780-27, “Loan Resolution (Public Bodies).” A draft of all security instruments, including draft bond resolution, must be reviewed and concurred in by the Agency prior to advertising for bids. The bond resolution and Loan Resolution must be duly adopted and executed prior to loan closing. The Grant Agreement must be fully executed prior to the first disbursement of grant funds.

6. Electronic Payments – Payments will be made on the day your payment is due through an electronic preauthorized debit system. You will be required to complete Form RD 3550-28, “Authorization Agreement for Preauthorized Payments,” for all new and existing indebtedness to the Agency prior to loan closing.

7. Construction Completion Timeframe - All projects must be completed and all funds disbursed within five years of obligation. If funds are not disbursed within five years of obligation, you must submit to the Agency a written request for extension of time with adequate justification of circumstances beyond your control. Requests for waivers beyond the initial extension will be submitted to the Assistant Administrator for concurrence decision.

8. Disbursement of Agency Funds - Agency funds will be disbursed into the borrower’s depository account through an electronic transfer system. SF 3881, “ACH Vendor/Miscellaneous Payment Enrollment Form,” must be completed and submitted to the Agency prior to advertising for bids.

Any applicant contribution will be the first funds expended, followed by other funding sources. Interim financing or Agency loan funds will be expended after all other funding sources unless a written agreement is reached with all other funding sources on how funds are to be disbursed prior to start of construction or loan closing, whichever occurs first. Interim financing funds or Agency loan funds must be used prior to the use of Agency grant funds. The Grant Agreement must not be executed and funds must not be disbursed prior to loan funds except as specified in RUS Instruction 1780.45(d). In the unlikely event the Agency mistakenly disburses funds, the funds will be remitted back to the Agency electronically.

Grant funds are to be deposited in an interest-bearing account (exception provided below) in accordance with 2 CFR Part 200 and interest in excess of \$500 per year remitted to the Agency. The funds should be disbursed by the recipient immediately upon receipt and there should be little interest accrual on the Federal funds. Recipients shall maintain advances of Federal funds in interest-bearing accounts, unless:

- a. The recipient receives less than \$120,000 in Federal awards per year.
- b. The best reasonably available interest-bearing account would not be expected to earn interest in excess of \$500 per year on Federal cash balances.
- c. The depository would require an average or minimum balance so high that it would not be feasible within the expected Federal and non-Federal cash resources.
- d. A foreign government or banking system prohibits or precludes interest-bearing accounts.]

9. Reserves – Reserves must be properly budgeted to maintain the financial viability and sustainability of any operation. Reserves are important to fund unanticipated emergency maintenance and repairs, and assist with debt service should the need arise. The following reserves are required to be established as a condition of this loan:

- a. **Debt Service Reserve** – As a part of this Agency loan proposal, you must establish a debt service reserve fund equal to at least one annual loan installment that accumulates at the rate of 10% of one annual payment per year for ten years or until the balance is equal to one annual loan payment. Ten percent of the proposed loan installment would equal \$2,125.39 per month; this amount should be deposited monthly until a total of \$255,047.00 has accumulated. Prior written concurrence from the Agency must be obtained before funds may be withdrawn from this account during the life of the loan. When funds are withdrawn during the life of the loan, deposits will continue as designated above until the fully-funded amount is reached.
- b. **Short-Lived Asset Reserve** – In addition to the debt service reserve fund, you must establish a short-lived asset reserve fund. Based on the preliminary engineering report, you must deposit at least \$62,666.00 into the short-lived asset reserve fund annually for the life of the loan to pay for repairs and/or replacement of major system assets. It is your responsibility to assess your facility's short-lived asset needs on a regular basis and adjust the amount deposited to meet those needs.

Current assets can also be used to establish and maintain reserves for expected expenses, including but not limited to operation and maintenance, deferred interest during the construction period, and an asset management program.

SECTION III – REQUIREMENTS PRIOR TO ADVERTISING FOR BIDS

10. Environmental Requirements – At the conclusion of the proposal’s environmental review process, specific action(s) were determined necessary to avoid or minimize adverse environmental impacts. As outlined in the Environmental Report dated May 2021, the following action is required for successful completion of the project and must be adhered to during project design and construction:

If prehistoric or historic artifacts, such as pottery or ceramics, projectile points, dugout canoes, metal implements, historic building materials, or any other physical remains that could be associated with Native American, early European, or American settlement are encountered at any time within the project site area, the permitted project shall cease all activities involving subsurface disturbance in the vicinity of the discovery. The applicant shall contact the Florida Department of State, Division of Historical Resources, Compliance Review Section at (850)-245-6333. Project activities shall not resume without verbal and/or written authorization. In the event that unmarked human remains are encountered during permitted activities, all work shall stop immediately and the proper authorities notified in accordance with Section 872.05, Florida Statutes.

The project as proposed has been evaluated to be consistent with the National Environmental Policy Act. Other Federal, State, tribal, and local laws, regulations and/or permits may apply or be required. If the project or any project element deviates from or is modified from the originally-approved project, additional environmental review may be required.

11. Engineering Services – You have been required to complete an Agreement for Engineering Services, which should consist of the Engineers Joint Contract Documents Committee (EJCDC) documents as indicated in RUS Bulletin 1780-26, “Guidance for the Use of EJCDC Documents on Water and Waste Projects with RUS Financial Assistance,” or other approved form of agreement. The Agency will provide concurrence prior to advertising for bids, and must approve any modifications to this agreement.

12. Contract Documents, Final Plans, and Specifications

- a. The contract documents must consist of the EJCDC construction contract documents as indicated in RUS Bulletin 1780-26 or other Agency-approved forms of agreement.
- b. The contract documents, final plans, and specifications must comply with RUS Instruction 1780, Subpart C – Planning, Designing, Bidding, Contracting, Constructing and Inspections, and must be submitted to the Agency for concurrence prior to advertising for bids along with an updated cost estimate. The Agency may require another updated cost estimate if a significant amount of time elapses between the original submission and advertising for bids.

- c. The use of any procurement method other than competitive sealed bids must be requested in writing and approved by the Agency.
- d. **American Iron and Steel Requirements.** Section 746 of Title VII of the Consolidated Appropriations Act of 2017 (Division A - Agriculture, Rural Development, Food and Drug Administration, and Related Agencies Appropriations Act, 2017) and subsequent statutes mandating domestic preference applies a new American Iron and Steel (AIS) requirement to obligations made after May 5, 2017:
 - (1) No Federal funds made available for this fiscal year for the rural water, wastewater, waste disposal, and solid waste management programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1926 et seq.) shall be used for a project for the construction, alteration, maintenance, or repair of a public water or wastewater system unless all of the iron and steel products used in the project are produced in the United States.
 - (2) The term “iron and steel products” means the following products made primarily of iron or steel: lined or unlined pipes and fittings, manhole covers and other municipal castings, hydrants, tanks, flanges, pipe clamps and restraints, valves, structural steel, reinforced precast concrete, and construction materials.
 - (3) The requirement shall not apply in any case or category of cases in which the Secretary of Agriculture (in this section referred to as the “Secretary”) or the designee of the Secretary finds that—
 - (a) applying the requirement would be inconsistent with the public interest;
 - (b) iron and steel products are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or
 - (c) inclusion of iron and steel products produced in the United States will increase the cost of the overall project by more than 25 percent.
 - (4) Owners are ultimately responsible for compliance with AIS requirements and will be responsible for the following:
 - (a) **Signing** loan resolutions, grant agreements and letters of intent to meet conditions which include AIS language, accepting AIS requirements in those documents and in the letter of conditions.
 - (b) **Signing** change orders (i.e. C-941 of EJCDC) and partial payment estimates (i.e. C-620 of EJCDC) and thereby **acknowledging** responsibility for compliance with American and Iron Steel requirements.
 - (c) **Obtaining** the certification letters from the consulting engineer upon substantial completion of the project and **maintaining** this documentation for the life of the loan.
 - (d) Where the owner provides their own engineering and/or construction services, **providing** copies of engineers’, contractors’, and manufacturers’ certification letters (*as applicable*) to the Agency to insert into the Agency file. All certification letters must be kept in the engineer’s project file and on-site during construction. For Owner Construction (Force Account), all clauses from Section 17 must be included in the Agreement for Engineering Services.

- (e) Where the owner directly procures AIS products, ***including*** AIS clauses in the procurement contracts and ***obtaining*** manufacturers' certification letters and ***providing*** copies to consulting engineers and contractors.

13. Legal Services – You have been required to execute a legal services agreement with your attorney and bond counsel, if applicable, for any legal work needed in connection with this project. The agreement should stipulate an hourly rate for the work, with a “not to exceed” amount for the services, including reimbursable expenses. RUS Bulletin 1780-7, “Legal Services Agreement,” or similar format may be used. The Agency will provide concurrence prior to advertising for bids. Any changes to the fees or services spelled out in the original agreement must be reflected in an amendment to the agreement and have prior Agency concurrence.

14. Property Rights - Prior to advertising for bids, you and your legal counsel must furnish satisfactory evidence that you have or can obtain adequate continuous and valid control over the lands and rights-of-way needed for the project. Acquisitions of necessary land and rights must be accomplished in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act. Such control over the lands and rights will be evidenced by the following:

- a. **Right-of-Way Map** – Your engineer will provide a map clearly showing the location of all lands and rights-of-way needed for the project. The map must designate public and private lands and rights and the appropriate legal ownership thereof.
- b. **Form RD 442-20, “Right-of-Way Easement”** – This form, or similar format, may be used to obtain any necessary easements for the proposed project.
- c. **Form RD 442-21, “Right-of-Way Certificate”** – You will provide a certification on this form that all right-of-way requirements have been obtained for the proposed project.
- d. **Form RD 442-22, “Opinion of Counsel Relative to Rights-of-Way”** – Your attorney will provide a certification and legal opinion on this form addressing rights-of-way, easements, and title.
- e. **Preliminary Title Work (Title Opinion)** – When applicable, your attorney will provide a preliminary title opinion for any property related to the facility, currently owned and to be acquired, along with copies of deeds, contracts or options for purchasing said property. Form RD 1927-9, “Preliminary Title Opinion,” may be used.

The approving official may waive title defects or restrictions, such as utility easements, that do not adversely affect the suitability, successful operation, security value, or transferability of the facility. Any such waivers must be provided by the approving official in writing prior to closing or the start of construction, whichever occurs first.

You are responsible for the acquisition of all property rights necessary for the project and for determining that prices paid are reasonable and fair. The Agency may require an appraisal by an independent appraiser or Agency employee in order to validate the price to be paid.

15. System Policies, Procedures, Contracts, and Agreements – The facility must be operated on a sound business plan which involves adopting policies, procedures, and/or ordinances

outlining the conditions of service and use of the proposed system. Mandatory connection policies should be used where enforceable. The policies, procedures, and/or ordinances must contain an effective collection policy for accounts not paid in full within a specified number of days after the date of billing. They should include appropriate late fees, specified timeframes for disconnection of service, and reconnection fees. A draft of these policies, procedures, and/or ordinances must be submitted for Agency review and concurrence, along with the documents below, before closing instructions may be issued unless otherwise stated.

- a. **Conflict of Interest Policy** – Prior to obligation of funds, you must certify in writing that your organization has in place an up-to-date written policy on conflict of interest. The policy will include, at a minimum: (1) a requirement for those with a conflict or potential conflict to disclose the conflict/potential conflict; (2) a clause that prohibits interested members of the applicant’s governing body from voting on any matter in which there is a conflict, and (3) a description of the specific process by which the governing body will manage identified or potential conflicts.

You must also submit a disclosure of planned or potential transactions related to the use of Federal funds that may constitute or present the appearance of personal or organizational conflict of interest. Disclosure must be in the form of a written letter signed and dated by the applicant’s official. A negative disclosure in the same format is required if no conflicts are anticipated.

Sample conflict of interest policies may be found at the National Council of Nonprofits website, <https://www.councilofnonprofits.org/tools-resources/conflict-of-interest>, or in Internal Revenue Service Form 1023, Appendix A, “Sample Conflict of Interest Policy,” at <http://www.irs.gov/pub/irs-pdf/i1023.pdf>. Though these examples reference non-profit corporations, the requirement applies to all types of Agency borrowers.

Assistance in developing a conflict of interest policy is available through Agency-contracted technical assistance providers if desired.

- a. **Parity/Intercreditor Agreement** – Projects with parity liens must have in place a written agreement between the parity lenders. The draft agreement must receive Agency concurrence prior to advertising for bids.
- b. **Other agreements** with governments or other entities regarding joint operation of facilities, granting authority to Agency borrower for providing service within another entity’s service area, etc.

Fully executed copies of any policies, procedures, ordinances, contracts, or agreements must be submitted prior to loan closing, with the exception of the conflict of interest policy, which must be in place prior to obligation of funds.

16. Closing Instructions – The Agency will prepare closing instructions as soon as the requirements of the previous paragraphs are complete, as well as a draft of the security instrument(s). Closing instructions must be obtained prior to advertising for bids.

17. Interim Financing – For all loans exceeding \$500,000, where loan funds can be borrowed at reasonable interest rates on an interim basis from commercial sources for the construction period, such interim financing will be used to preclude the necessity for multiple advances of Agency loan funds. You must provide the Agency with a copy of the interim loan financing agreement for review prior to advertising for bids. The Agency approving official may make an exception when interim financing is cost prohibitive or unavailable. Grant funds from the Agency will be disbursed by multiple advances through electronic transfer of funds after interim financing or Agency loan funds are expended, in accordance with RUS Instruction 1780.45.

18. Construction Account – You must establish a construction account for all funds related to the project. Construction funds will be deposited with an acceptable financial institution or depository that meets the requirements of 31 CFR Part 202. A separate account will not be required for Federal funds and other funds; however, the recipient must be able to separately identify, report, and account for all Federal funds, including the receipt, obligation and expenditure of funds. Financial institutions or depositories accepting deposits of public funds and providing other financial agency services to the Federal Government are required to pledge adequate, acceptable securities as collateral, in accordance with 31 CFR Part 202. All funds in the account will be secured by a collateral pledge equaling at least 100% of the highest amount of funds expected to be deposited in the construction account at any one time. Your financial institution can provide additional guidance on collateral pledge requirements.

Agency funds will be disbursed into the borrower's depository account through an electronic transfer system. SF 3881, "ACH Vendor/Miscellaneous Payment Enrollment Form," must be completed and submitted to the Agency prior to advertising for bids.

19. System Users – This letter of conditions is based upon your indication at application that there will be at least **4004** residential users and 656 non-residential users, on the existing and proposed system when construction is completed.

Before the Agency can agree to the project being advertised for construction bids, you must certify that the number of users indicated at application are currently using the system or signed up to use the system once it is operational.

If the actual number of existing and/or proposed users that have signed up for service is less than the number indicated at the time of application, you must provide the Agency with a written plan on how you will obtain the necessary revenue to adequately cash flow the expected operation, maintenance, debt service, and reserve requirements of the proposed project (e.g., increase user rates, sign up an adequate number of other users, reduce project scope, etc.). Similar action is required if there is cause to modify the anticipated flows or volumes presented following approval.

If you are relying on mandatory connection requirements, you must provide evidence of the authorizing ordinance or statute along with your user certification.

20. Other Funding – Prior to advertising for bids, you must provide evidence of applicant contributions and other funding sources. This evidence should include a copy of the commitment letter from each source.

21. Proposed Operating Budget – You must establish and/or maintain a rate schedule that provides adequate income to meet the minimum requirements for operation and maintenance (O&M), debt service, and reserves. Prior to advertising for bids, you must submit a proposed annual operating budget to the Agency which supports the operation, maintenance, debt service, and reserves, as well as your proposed rate schedule. The operating budget should be based on a typical year cash flow after completion of the construction phase and should be signed by the appropriate official of your organization. Form RD 442-7, “Operating Budget,” or similar format may be utilized for this purpose. It is expected that O&M will change over each successive year and user rates will need to be adjusted on a regular basis.

Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system. This assistance is available free to your organization. If you are interested please contact our office for information.

22. Permits – The owner or responsible party will be required to obtain all applicable permits for the project, prior to advertising for bids. The consulting engineer must submit written evidence that all applicable permits required prior to construction have been obtained with submission to the Agency of the final plans, specifications, and bid documents.

23. Vulnerability Assessment/Emergency Response Plan (VA/ERP) – The Agency requires all financed water and wastewater systems to have a VA/ERP in place. Borrowers with existing systems must provide a certification that a VA/ERP has been completed prior to advertising for bids. The VA/ERP documents themselves are not submitted to the Agency. The VA/ERP must address potential impacts from natural disasters and other emergency events. In particular, it should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every three years at a minimum.

For new systems, see Section V of this letter of conditions. For VA/ERP requirements throughout the life of the loan, see Section VII. Technical assistance at no cost is available in preparing these documents.

24. Bid Authorization - Once all the conditions outlined in Section III of this letter have been met, the Agency will authorize you to advertise the project for construction bids. Such advertisement must be in accordance with applicable State statutes.

SECTION IV - REQUIREMENTS PRIOR TO START OF CONSTRUCTION

25. Bid Tabulation – Immediately after bid opening, you must provide the Agency with the bid tabulation and your engineer’s evaluation of bids and recommendations for contract awards. If the Agency agrees that the construction bids received are acceptable, adequate funds are

available to cover the total project costs, and all the requirements of Section III of this letter have been satisfied, the Agency will authorize you to issue the Notice of Award.

- a. Cost Overruns. If bids are higher than expected, or if unexpected construction problems are encountered, you must utilize all options to reduce cost overruns. Negotiations, redesign, use of bidding alternatives, rebidding or other means will be considered prior to commitment of subsequent funding by the Agency. Any requests for subsequent funding to cover cost overruns will be contingent on the availability of funds. Cost overruns exceeding 20% of the development cost at time of loan or grant approval or where the scope of the original purpose has changed will compete for funds with all other applications on hand as of that date.
- b. Excess Funds. If bids are lower than anticipated at time of obligation, excess funds must be deobligated prior to start of construction except in the cases addressed in this paragraph. In cases where the original PER for the project included items that were not bid, or were bid as an alternate, the State Office official may modify the project to fully utilize obligated funds for those items. Amendments to the PER, ER, and letter of conditions may be needed for any work not included in the original project scope. In all cases, prior to start of construction, excess funds will be deobligated, with grant funds being deobligated first. Excess funds do not include contingency funds as described in this letter.

26. Contract Review – Your attorney will certify that the executed contract documents, including performance and payment, if required, are adequate and that the persons executing these documents have been properly authorized to do so in accordance with RUS Instruction 1780.61(b).

Once your attorney has certified that they are acceptable, the contract documents will be submitted to the Agency for its concurrence. The Notice to Proceed cannot be issued until the Agency has concurred with the construction contracts.

27. Final Rights-of-Way – If any of the rights-of-way forms listed previously in this letter contain exceptions that do not adversely affect the suitability, successful operation, security value, or transferability of the facility, the approving official must provide a written waiver prior to the issuance of the Notice to Proceed. For projects involving the acquisition of land, you must provide evidence that you have clear title to the land prior to the issuance of the Notice to Proceed.

Final Title Work - Your attorney must furnish a separate final title opinion on all existing real property related to the facility, now owned and to be acquired for this project, as of the day of loan closing or start of construction, whichever occurs first. Form RD 1927-10, "Final Title Opinion" may be used.

28. Insurance and Bonding Requirements - Prior to the start of construction or loan closing, whichever occurs first, you must acquire and submit to the Agency proof of the types of

insurance and bond coverage for the borrower shown below. The use of deductibles may be allowed, providing you have the financial resources to cover potential claims requiring payment of the deductible. The Agency strongly recommends that you have your engineer, attorney, and insurance provider(s) review proposed types and amounts of coverage, including any exclusions and deductible provisions. It is your responsibility and not that of the Agency to assure that adequate insurance and fidelity or employee dishonesty bond coverage is maintained.

- a. **General Liability Insurance** – Include vehicular coverage.
- b. **Workers' Compensation** – In accordance with appropriate State laws.
- c. **Fidelity or Employee Dishonesty Bonds** – Include coverage for all persons who have access to funds, including persons working under a contract or management agreement. Coverage may be provided either for all individual positions or persons, or through blanket coverage providing protection for all appropriate workers. During construction, each position should be bonded in an amount equal to the maximum amount of funds to be under the control of that position at any one time. The coverage may be increased during construction based on the anticipated monthly advances. After construction and throughout the life of the loan, the amount of coverage must be for at least the total annual debt service of all outstanding Agency loans. The Agency will be identified in the fidelity bond for receipt of notices. Form RD 440-24, "Position Fidelity Schedule Bond," or similar format may be used.
- d. **National Flood Insurance** - If the project involves acquisition or construction in designated special flood or mudslide prone areas, you must purchase a flood insurance policy at the time of loan closing.
- e. **Real Property Insurance** – Fire and extended coverage will normally be maintained on all structures except reservoirs, pipelines and other structures if such structures are not normally insured, and subsurface lift stations except for the value of electrical and pumping equipment. The Agency will be listed as mortgagee on the policy when the Agency has a lien on the property. Prior to the acceptance of the facility from the contractor(s), you must obtain real property insurance (fire and extended coverage) on all facilities identified above.

Insurance types described above are required to be continued throughout the life of the loan. See Section VII.

29. Initial Compliance Review – The Agency will conduct an initial compliance review of the borrower prior to loan closing or start of construction, whichever occurs first, in accordance with 7 CFR 1901, Subpart E.

SECTION V – REQUIREMENTS PRIOR TO LOAN CLOSING

Interim financing is being used. Loan closing will occur near the end of construction when interim funds are about to be completely disbursed. Documents detailed above from Sections II and III regarding security, electronic payments (Form 3550-28), and system policies, procedures, contracts, and agreements must be adopted and/or executed and submitted to the Agency prior to loan closing. In addition, the following items are required prior to closing:

31. Vulnerability Assessment/Emergency Response Plan (VA/ERP) – The Agency requires all financed water and wastewater systems to have a VA/ERP in place. New water or wastewater systems must provide a certification that an ERP is complete prior to the start of operation, and a certification that a VA is complete must be submitted within one year of the start of operation. Borrowers with existing systems must provide a certification that a VA and ERP are completed prior to authorization to advertise for bids. The VA/ERP documents are not submitted to the Agency. Technical assistance is available in preparing these documents at no cost to you. The VA/ERP must address potential impacts from natural disasters and other emergency events. In particular, it should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every three years at a minimum.

32. Other Requirements – All requirements contained in the Agency’s closing instructions, as well as any requirements of your bond counsel and/or attorney, must be met prior to loan closing.

- a. **System for Award Management**. You will be required to maintain a Dun and Bradstreet Data Universal Numbering System (DUNS) number and maintain an active registration in the System for Award Management (SAM) database. Renewal can be done on-line at: <http://sam.gov>. This registration must be renewed and revalidated every twelve (12) months for as long as there are Agency funds to be expended. See Appendix A.

To ensure the information is current, accurate and complete, and to prevent the SAM account expiration, the review and updates must be performed within 365 days of the activation date, commonly referred to as the expiration date. The registration process may take up to 10 business days. (See 2 CFR Part 25 and the “Help” section at <http://sam.gov>).

- b. **Litigation**. You are required to notify the Agency within 30 days of receiving notification of being involved in any type of litigation prior to loan closing or start of construction, whichever occurs first. Additional documentation regarding the situation and litigation may be requested by the Agency.
- c. **Certified Operator**. Evidence must be provided that your system has or will have, as defined by applicable State or Federal requirements, a certified operator available prior to the system becoming operational, or that a suitable supervisory agreement with a certified operator is in effect.

SECTION VI – REQUIREMENTS DURING CONSTRUCTION AND POST CONSTRUCTION

33. Resident Inspector(s) – Full-time inspection is required unless you request an exception. Such requests must be made in writing and the Agency must concur with the request. Inspection services are to be provided by the consulting engineer unless other arrangements are requested in writing and concurred with by the Agency. A resume of qualifications of any resident

inspector(s) will be submitted to the owner and Agency for review and concurrence prior to the pre-construction conference. The resident inspector(s) must attend the pre-construction conference.

34. Preconstruction Conference – A preconstruction conference will be held prior to the issuance of the Notice to Proceed. The consulting engineer will review the planned development with the Agency, owner, resident inspector, attorney, contractor, other funders, and other interested parties, and will provide minutes of this meeting to the owner and Agency.

35. Inspections - The Agency requires a pre-construction conference, pre-final and final inspections, and a warranty inspection. Your engineer will schedule a warranty inspection with the contractor and the Agency before the end of the one-year warranty period to address and/or resolve any warranty issues. The Agency will conduct an inspection with you of your records management system at the same time, and will continue to inspect the facility and your records system every three years for the life of the loan. See Section VII of this letter.

36. Change Orders – Prior Agency concurrence is required for all Change Orders.

37. Payments – Prior Agency concurrence is required for all invoices and requests for payment before Agency funds will be released. Requests for payment related to a contract or service agreement will be signed by the owner, project engineer, and contractor or service provider prior to Agency concurrence. Invoices not related to a construction contract or service agreement will include the owner's written concurrence.

38. Use of Remaining Funds – Applicant contribution and connection or tap fees will be the first funds expended in the project, followed by non-Agency sources of funds. Remaining funds may be considered in direct proportion to the amounts obtained from each source and handled as follows:

- a. Remaining funds may be used for eligible loan and grant purposes, provided the use will not result in major changes to the original scope of work and the purpose of the loan and grant remains the same.
- b. Grant funds not expended for authorized purposes will be cancelled (de-obligated) within 90 days of final completion of project. Prior to actual cancellation, you and your attorney and engineer will be notified of the Agency's intent to cancel the remaining funds and given appropriate appeal rights.
- c. Loan funds that are not needed will be cancelled (de-obligated) prior to loan closing.

39. Technical, Managerial and Financial Capacity - It is required that members of the Board of Directors, City Council members, trustees, commissioners and other governing members possess the necessary technical, managerial, and financial capacity skills to consistently comply with pertinent Federal and State laws and requirements. It is recommended members receive training within one year of appointment or election to the governing board, and a refresher training for all governing members on a routine basis. The content and amount of training should be tailored to the needs of the particular individual and the utility system. Technical

assistance providers are available to provide this training for your organization, often at no cost. Contact the Agency for information.

40. Reporting Requirements Related to Expenditure of Funds

- a. **Financial Audit**– An annual audit under the Single Audit Act is required if you expend \$750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from the Agency. The audit must be prepared by an independent licensed Certified Public Accountant, or a State or Federal auditor if allowed by State law, and must be submitted within 9 months of your fiscal year end.

If an audit is required, you must enter into a written agreement with the auditor and submit a copy to the Agency prior to the advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit to be completed, the time frame in which the audit will be completed, and how irregularities will be reported.

- b. **Reporting Subawards and Executive Compensation** – You as a recipient of Federal funds and your first-tier contractors are required by 2 CFR Part 170 to report disbursements to subrecipients in accordance with Appendix B of this letter and www.fsr.gov. Your Agency processing office can provide more information.

SECTION VII – SERVICING REQUIREMENTS DURING THE TERM OF THE LOAN

- 41. Prepayment and Extra Payments** - Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower, with no penalty.

Security instruments, including bonding documents, must contain the following language regarding extra payments, unless prohibited by State statute:

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of borrower. Refunds, extra payments and loan proceeds obtained from outside sources for the purpose of paying down the Agency debt, shall, after payment of interest, be applied to the installments last to become due under this note and shall not affect the obligation of borrower to pay the remaining installments as scheduled in your security instruments.

- 42. Graduation** - By accepting this loan, you are also agreeing to refinance (graduate) the unpaid loan balance in whole, or in part, upon request of the Government. If at any time the Agency determines you are able to obtain a loan for such purposes from responsible cooperative

or private sources at reasonable rates and terms, you will be requested to refinance. Your ability to refinance will be assessed every other year for those loans that are five years old or older.

43. Security/Operational Inspections – The Agency will inspect the facility and conduct a review of your operations and records management system and conflict of interest policy every three years for the life of the loan. You must participate in these inspections and provide the required information.

44. Annual Financial Reporting/Audit Requirements – You are required to submit an annual financial report at the end of each of your fiscal years. The annual report will be certified by the appropriate organization official, and will consist of financial information, and a current rate schedule and listing of board members and their terms. Financial statements must be prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP), and must include at a minimum a balance sheet and income and expense statement. The annual report will include separate reporting for each water and waste disposal facility, and itemize cash accounts by type (debt service, short-lived assets, etc.) under each facility. All records, books and supporting material are to be retained for three years after the issuance of the annual report. Technical assistance is available at no cost with preparing financial reports.

The type of financial information that must be submitted is specified below:

- a. **Audits** – An annual audit under the Single Audit Act is required if you expend \$750,000 or more in Federal financial assistance per fiscal year. The total Federal funds expended from all sources shall be used to determine Federal financial assistance expended. Expenditures of interim financing are considered Federal expenditures.

All audits are to be performed in accordance with 2 CFR Part 200, as adopted by USDA through 2 CFR Part 400. Further guidance on preparing an acceptable audit can be obtained from the Agency. It is not intended that audits required by this part be separate and apart from audits performed in accordance with State and local laws. To the extent feasible, the audit work should be done in conjunction with those audits. The audit must be prepared by an independent auditor meeting the requirements of generally accepted government auditing standards (GAGAS) and must be submitted within 9 months of your fiscal year end. With the submission of the audit report, you will be required to provide a current rate schedule and listing of board members and their terms.

If an audit is required, you must enter into a written agreement with the auditor and submit a copy to the Agency prior to the advertisement of bids. The audit agreement may include terms and conditions that the borrower and auditor deem appropriate; however, the agreement should include the type of audit or financial statements to be completed, the time frame in which the audit or financial statements will be completed, what type of reports will be generated from the services provided, and how irregularities will be reported.

- b. **Financial Statements** – If you expend less than \$750,000 in Federal financial assistance per fiscal year, you may submit financial statements in lieu of an audit which include at a minimum a balance sheet and an income and expense statement. You may use Form RD 442-2, “Statement of Budget, Income and Equity,” and 442-3, “Balance Sheet,” or similar format to provide the financial information. The financial statements must be signed by the appropriate borrower official and submitted within 60 days of your fiscal year end. With the submission of the year-end report, you will be required to provide a current rate schedule and listing of board members and their terms.
- c. **Quarterly Reports** – Quarterly Income and Expense Statements will be required until the processing office waives this requirement. You may use Form RD 442-2 or similar format to provide this information, and the reports are to be signed by the appropriate borrower official and submitted within 30 days of each quarter’s end. The Agency will notify you in writing when the quarterly reports are no longer required.

45. Annual Budget and Projected Cash Flow - Thirty days prior to the beginning of each fiscal year, you will be required to submit an annual budget and projected cash flow to this office. The budget must be signed by the appropriate borrower official. Form RD 442-2 or similar format may be used.

Technical assistance is available at no cost to help you evaluate and complete a rate analysis on your system, as well as completing the annual budget. If you are interested, please contact our office for information.

46. Vulnerability Assessment/Emergency Response Plan (VA/ERP) – You will be required to submit a certification to the servicing office every three years that the VA/ERP is current and covers all sites related to the facility. The documents themselves are not submitted to the Agency. The VA/ERP must address potential impacts from natural disasters and other emergency events. In particular, it should include plans to address impacts of flash flooding in areas where severe drought or wildfires occur. The documents should be reviewed and updated every three years at a minimum.

47. Insurance. You will be required to maintain insurance on the facility and employees as previously described in this letter for the life of the loan.

48. Statutory and National Policy Requirements – As a recipient of Federal funding, you are required to comply with U.S. statutory and public policy requirements, including but not limited to:

- a. **Section 504 of the Rehabilitation Act of 1973** – Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual in the United States shall, solely by reason of their handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Agency financial assistance.
- b. **Civil Rights Act of 1964** – All borrowers are subject to, and facilities must be operated in accordance with, Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.)

and 7 CFR 1901, Subpart E, particularly as it relates to conducting and reporting of compliance reviews. Instruments of conveyance for loans and/or grants subject to the Act must contain the covenant required by Paragraph 1901.202(e) of this Title.

- c. **The Americans with Disabilities Act (ADA) of 1990** – This Act (42 U.S.C. 12101 et seq.) prohibits discrimination on the basis of disability in employment, State and local government services, public transportation, public accommodations, facilities, and telecommunications.
- d. **Age Discrimination Act of 1975** – This Act (42 U.S.C. 6101 et seq.) provides that no person in the United States shall on the basis of age, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
- e. **Limited English Proficiency (LEP) under Executive Order 13166** - LEP statutes and authorities prohibit exclusion from participation in, denial of benefits of, and discrimination under Federally-assisted and/or conducted programs on the ground of race, color, or national origin. Title VI of the Civil Rights Act of 1964 covers program access for LEP persons. LEP persons are individuals who do not speak English as their primary language and who have a limited ability to read, speak, write, or understand English. These individuals may be entitled to language assistance, free of charge. You must take reasonable steps to ensure that LEP persons receive the language assistance necessary to have meaningful access to USDA programs, services, and information your organization provides. These protections are pursuant to Executive Order 13166 entitled, “Improving Access to Services by Persons with Limited English Proficiency” and further affirmed in the USDA Departmental Regulation 4330-005, “Prohibition Against National Origin Discrimination Affecting Persons with Limited English Proficiency in Programs and Activities Conducted by USDA.”

Agency financial programs must be extended without regard to race, color, religion, sex, national origin, marital status, age, or physical or mental handicap. You must display posters (provided by the Agency) informing users of these requirements, and the Agency will monitor your compliance with these requirements during regular compliance reviews.

49. Compliance Reviews and Data Collection – The Agency will conduct regular compliance reviews of the borrower and its operation in accordance with 7 CFR Part 1901, Subpart E, and 36 CFR 1191, Americans with Disabilities Act (ADA) Accessibility Guidelines for Buildings and Facilities; Architectural Barriers Act (ABA) Accessibility Guidelines. Compliance reviews will typically be conducted in conjunction with the security inspections described in this letter. If beneficiaries (users) are required to complete an application or screening for the use of the facility or service that you provide, you must request and collect data by race (American Indian or Alaska Native, Asian, Black or African American, White); ethnicity (Hispanic or Latino, Not Hispanic or Latino); and by sex. The Agency will utilize this data as part of the required compliance review.

SECTION VIII – REMEDIES FOR NON-COMPLIANCE

Non-compliance with the conditions in this letter or requirements of your security documents will be addressed under the provisions of 7 CFR 1782 and other applicable regulations, statutes, and policies.

We look forward to working with you to complete this project. If you have any questions, please contact Ada Rivera, Area Specialist and/or Kristine Roy, Area Specialist at (561) 792-2727, Ext. 5 or by e-mail at Ada.Rivera@usda.gov and/or Kristine.Roy@usda.gov.

Sincerely,

ADA E. RIVERA
ACTING AREA DIRECTOR

Attachments

cc: Community Programs Director
Executive Director
Finance Director
Accountant
Attorney
Bond Counsel
Engineer

ACRONYMS:

ABA - Architectural Barriers Act
 ACH – Automated Clearing House
 AD – Agriculture Department
 ADA – Age Discrimination Act
 AIS – American Iron and Steel
 CFDA – Catalog of Federal Domestic Assistance
 CFR – Code of Federal Regulations
 CPAP – Commercial Programs Application Processing
 DUNS – Dun and Bradstreet Data Universal Numbering System
 EJCDC – Engineers Joint Contract Documents Committee
 ERP – Emergency Response Plan
 GAAP – Generally Accepted Accounting Principles
 GAGAS – Generally Accepted Government Auditing Standards
 LEP – Limited English Proficiency
 NPA – Nationwide Programmatic Agreement
 OC – Owner Construction
 OPS – Owner-Performed Services
 O&M – Operation and Maintenance
 PER – Preliminary Engineering Report
 RD – Rural Development
 RUS – Rural Utilities Service
 SAM – System for Award Management
 SF – Standard Form
 UCC – Uniform Commercial Code
 USC – United States Code
 USDA – United States Department of Agriculture
 VA – Vulnerability Assessment

FORMS and BULLETINS:

Form AD-3031 “Assurance Regarding Felony Convictions or Tax Delinquent Status for Corporate Applicants” – Item 29
 Internal Revenue Service Form 1023, Appendix A, “Sample Conflict of Interest Policy” - Item 15
 Form RD 440-22, “Promissory Note” – Item 5
 Form RD 440-24, “Position Fidelity Schedule Bond” – Item 28

Form RD 442-2, "Statement of Budget, Income and Equity" – Items 44 and 45
 Form RD 442-3, "Balance Sheet" – Item 44
 Form RD 442-7, "Operating Budget" – Item 21
 Form RD 442-20, "Right-of-Way Easement" – Item 14
 Form RD 442-21, "Right-of-Way Certificate" – Item 14
 Form RD 442-22, "Opinion of Counsel Relative to Rights-of-Way" – Item 14
 Form RD 1927-9, "Preliminary Title Opinion" – Item 14
 Form RD 1927-10, "Final Title Opinion" – Item 27
 Form RD 1940-1, "Request for Obligation of Funds" – Pages 1 and 2
 Form RD 1942-8, "Resolution of Members or Stockholders" – Item 5
 Form RD 1942-46, "Letter of Intent to Meet Conditions" – Page 1
 Form RD 3550-28, "Authorization Agreement for Preauthorized Payments" – Items 6 and 30
 Form UCC-1, "Financing Statement" – Item 5
 Form UCC-1Ad, "UCC Financing Statement Addendum" – Item 5
 SF 3881, "ACH Vendor/Miscellaneous Payment Enrollment Form" – Items 8 and 18
 RUS Bulletin 1780-7, "Legal Services Agreement" – Item 13
 RUS Bulletin 1780-9, "Water Users Agreement" - Items 15 and 19
 RUS Bulletin 1780-12, "Water and Waste System Grant Agreement" – Page 1 and Item 5
 RUS Bulletin 1780-26, "Guidance for the Use of EJCDC Documents on Water and Waste
 Projects with RUS Financial Assistance" – Items 11 and 12
 RUS Bulletin 1780-27, "Loan Resolution (Public Bodies)" – Item 5
 RUS Bulletin 1780-28, "Loan Resolution Security Agreement" – Item 5

Appendix A
2 CFR Part 25

**SYSTEM FOR AWARD MANAGEMENT AND UNIVERSAL IDENTIFIER
REQUIREMENTS**

A. Requirement for System for Award Management

Unless you are exempted from this requirement under 2 CFR 25.110, you as the recipient must maintain the currency of your information in the SAM until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that you review and update the information at least annually after the initial registration, and more frequently if required by changes in your information or another appendix.

B. Requirement for unique entity identifier

If you are authorized to make subawards under this award, you:

1. Must notify potential subrecipients that no entity (*see* definition in paragraph C of this appendix) may receive a subaward from you unless the entity has provided its unique entity identifier to you.
2. May not make a subaward to an entity unless the entity has provided its unique entity identifier to you.

C. Definitions

For purposes of this appendix:

1. System for Award Management (SAM) means the Federal repository into which an entity must provide information required for the conduct of business as a recipient. Additional information about registration procedures may be found at the SAM Internet site (currently at <http://www.sam.gov>).
2. Unique entity identifier means the identifier required for SAM registration to uniquely identify business entities.
3. Entity, as it is used in this appendix, means all of the following, as defined at 2 CFR part 25, subpart C:
 - a. A Governmental organization, which is a State, local government, or Indian Tribe;
 - b. A foreign public entity;
 - c. A domestic or foreign nonprofit organization;

- d. A domestic or foreign for-profit organization; and
 - e. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
4. Subaward:
- a. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - b. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see 2 CFR 200.330).
 - c. A subaward may be provided through any legal agreement, including an agreement that you consider a contract.
5. Subrecipient means an entity that:
- a. Receives a subaward from you under this award; and
 - b. Is accountable to you for the use of the Federal funds provided by the subaward.

Appendix B
2 CFR Part 170

Reporting Subawards and Executive Compensation

a. Reporting of first-tier subawards.

1. Applicability. Unless you are exempt as provided in paragraph d. of this appendix, you must report each action that obligates \$25,000 or more in Federal funds that does not include Recovery funds (as defined in section 1512(a)(2) of the American Recovery and Reinvestment Act of 2009, Pub. L. 111-5) for a subaward to an entity (see definitions in paragraph e. of this appendix).
2. Where and when to report.
 - i. You must report each obligating action described in paragraph a.1. of this appendix to <http://www.fsrs.gov>.
 - ii. For subaward information, report no later than the end of the month following the month in which the obligation was made. (For example, if the obligation was made on November 7, 2010, the obligation must be reported by no later than December 31, 2010.)
3. What to report. You must report the information about each obligating action listed in the submission instructions posted at <http://www.fsrs.gov>.

b. Reporting Total Compensation of Recipient Executives.

1. Applicability and what to report. You must report total compensation for each of your five most highly compensated executives for the preceding completed fiscal year, if—
 - i. the total Federal funding authorized to date under this award is \$25,000 or more;
 - ii. in the preceding fiscal year, you received—
 - (A) 80 percent or more of your annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and

- iii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report executive total compensation described in paragraph b.1. of this appendix:

- i. As part of your registration profile at <https://www.sam.gov>.
- ii. By the end of the month following the month in which this award is made, and annually thereafter.

c. Reporting of Total Compensation of Subrecipient Executives.

1. Applicability and what to report. Unless you are exempt as provided in paragraph d. of this appendix, for each first-tier subrecipient under this award, you shall report the names and total compensation of each of the subrecipient's five most highly compensated executives for the subrecipient's preceding completed fiscal year, if—

- i. in the subrecipient's preceding fiscal year, the subrecipient received—
 - (A) 80 percent or more of its annual gross revenues from Federal procurement contracts (and subcontracts) and Federal financial assistance subject to the Transparency Act, as defined at 2 CFR 170.320 (and subawards); and
 - (B) \$25,000,000 or more in annual gross revenues from Federal procurement contracts (and subcontracts), and Federal financial assistance subject to the Transparency Act (and subawards); and
- ii. The public does not have access to information about the compensation of the executives through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986. (To determine if the public has access to the compensation information, see the U.S. Security and Exchange Commission total compensation filings at <http://www.sec.gov/answers/execomp.htm>.)

2. Where and when to report. You must report subrecipient executive total compensation described in paragraph c.1. of this appendix:

- i. To the recipient.
- ii. By the end of the month following the month during which you make the subaward. For example, if a subaward is obligated on any date during the month

of October of a given year (i.e., between October 1 and 31), you must report any required compensation information of the subrecipient by November 30 of that year.

d. Exemptions

If, in the previous tax year, you had gross income, from all sources, under \$300,000, you are exempt from the requirements to report:

- i. Subawards, and
- ii. The total compensation of the five most highly compensated executives of any subrecipient.

e. Definitions. For purposes of this appendix:

1. Entity means all of the following, as defined in 2 CFR part 25:
 - i. A Governmental organization, which is a State, local government, or Indian tribe;
 - ii. A foreign public entity;
 - iii. A domestic or foreign nonprofit organization;
 - iv. A domestic or foreign for-profit organization;
 - v. A Federal agency, but only as a subrecipient under an award or subaward to a non-Federal entity.
2. Executive means officers, managing partners, or any other employees in management positions.
3. Subaward:
 - i. This term means a legal instrument to provide support for the performance of any portion of the substantive project or program for which you received this award and that you as the recipient award to an eligible subrecipient.
 - ii. The term does not include your procurement of property and services needed to carry out the project or program (for further explanation, see Sec. __.210 of the attachment to OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations").
 - iii. A subaward may be provided through any legal agreement, including an agreement that you or a subrecipient considers a contract.

4. Subrecipient means an entity that:
 - i. Receives a subaward from you (the recipient) under this award; and
 - ii. Is accountable to you for the use of the Federal funds provided by the subaward.
5. Total compensation means the cash and noncash dollar value earned by the executive during the recipient's or subrecipient's preceding fiscal year and includes the following (for more information see 17 CFR 229.402(c)(2)):
 - i. Salary and bonus.
 - ii. Awards of stock, stock options, and stock appreciation rights. Use the dollar amount recognized for financial statement reporting purposes with respect to the fiscal year in accordance with the Statement of Financial Accounting Standards No. 123 (Revised 2004) (FAS 123R), Shared Based Payments.
 - iii. Earnings for services under non-equity incentive plans. This does not include group life, health, hospitalization or medical reimbursement plans that do not discriminate in favor of executives, and are available generally to all salaried employees.
 - iv. Change in pension value. This is the change in present value of defined benefit and actuarial pension plans.
 - v. Above-market earnings on deferred compensation which is not tax-qualified.
 - vi. Other compensation, if the aggregate value of all such other compensation (e.g. severance, termination payments, value of life insurance paid on behalf of the employee, perquisites or property) for the executive exceeds \$10,000.

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REQUEST FOR OBLIGATION OF FUNDS

INSTRUCTIONS-TYPE IN CAPITALIZED ELITE TYPE IN SPACES MARKED () Complete Items 1 through 29 and applicable Items 30 through 34. See FMI.			
1. CASE NUMBER ST CO BORROWER ID 09-047-*****6617		LOAN NUMBER	FISCAL YEAR
2. BORROWER NAME Okeechobee Utility Authority		3. NUMBER NAME FIELDS (1, 2, or 3 from Item 2)	
		4. STATE NAME Florida	
		5. COUNTY NAME Okeechobee	
GENERAL BORROWER/LOAN INFORMATION			
6. RACE/ETHNIC CLASSIFICATION 1 - WHITE 2 - BLACK 3 - AI/AN 4 - HISPANIC 5 - A/PI	7. TYPE OF APPLICANT 1 - INDIVIDUAL 2 - PARTNERSHIP 3 - CORPORATION 4 - PUBLIC BODY 5 - ASSOC. OF FARMERS 6 - ORG. OF FARMERS 7 - NONPROFIT-SECULAR 8 - NONPROFIT-FAITH BASED 9 - INDIAN TRIBE 10 - PUBLIC COLLEGE/UNIVERSITY 11 - OTHER	8. COLLATERAL CODE 1 - REAL ESTATE SECURED 2 - REAL ESTATE AND CHATTEL 3 - NOTE ONLY OR CHATTEL ONLY 4 - MACHINERY ONLY 5 - LIVESTOCK ONLY 6 - CROPS ONLY 7 - SECURED BY BONDS 8 - RLF ACCT	9. EMPLOYEE RELATIONSHIP CODE 1 - EMPLOYEE 2 - MEMBER OF FAMILY 3 - CLOSE RELATIVE 4 - ASSOC.
10. SEX CODE 1 - MALE 2 - FEMALE 3 - FAMILY UNIT 4 - ORGAN. MALE OWNED 5 - ORGAN FEMALE OWNED 6 - PUBLIC BODY	11. MARITAL STATUS 1 - MARRIED 2 - SEPARATED 3 - UNMARRIED (INCLUDES WIDOWED/DIVORCED)	12. VETERAN CODE 1 - YES 2 - NO	13. CREDIT REPORT 1 - YES 2 - NO
14. DIRECT PAYMENT 2 (See FMI)	15. TYPE OF PAYMENT 1 - MONTHLY 2 - ANNUALLY 3 - SEMI-ANNUALLY 4 - QUARTERLY	16. FEE INSPECTION 1 - YES 2 - NO	
17. COMMUNITY SIZE 1 - 10,000 OR LESS (FOR SFH AND HPG ONLY) 2 - OVER 10,000		18. USE OF FUNDS CODE (See FMI)	
COMPLETE FOR OBLIGATION OF FUNDS			
19. TYPE OF ASSISTANCE 068 (See FMI)	20. PURPOSE CODE 2	21. SOURCE OF FUNDS	22. TYPE OF ACTION 1 - OBLIGATION ONLY 2 - OBLIGATION/CHECK REQUEST 3 - CORRECTION OF OBLIGATION
23. TYPE OF SUBMISSION 1 - INITIAL 2 - SUBSEQUENT	24. AMOUNT OF LOAN \$7,508,000.00		25. AMOUNT OF GRANT \$883,000.00
26. AMOUNT OF IMMEDIATE ADVANCE	27. DATE OF APPROVAL MO DAY YR	28. INTEREST RATE 1.3750 %	29. REPAYMENT TERMS 40
COMPLETE FOR COMMUNITY PROGRAM AND CERTAIN MULTIPLE-FAMILY HOUSING LOANS			
30. PROFIT TYPE 1 - FULL PROFIT 2 - LIMITED PROFIT 3 - NONPROFIT			
COMPLETE FOR EM LOANS ONLY		COMPLETE FOR CREDIT SALE-ASSUMPTION	
31. DISASTER DESIGNATION NUMBER (See FMI)		32. TYPE OF SALE 1 - CREDIT SALE ONLY 2 - ASSUMPTION ONLY 3 - CREDIT SALE WITH SUBSEQUENT LOAN 4 - ASSUMPTION WITH SUBSEQUENT LOAN	
FINANCE OFFICE USE ONLY		COMPLETE FOR FP LOANS ONLY	
33. OBLIGATION DATE MO DA YR		34. BEGINNING FARMER/RANCHER (See FMI)	

If the decision contained above in this form results in denial, reduction or cancellation of USDA assistance, you may appeal this decision and have a hearing or you may request a review in lieu of a hearing. Please use the form we have included for this purpose.

Position 2

ORIGINAL - Borrower's Case Folder

COPY 1 - Finance Office

COPY 2 - Applicant/Lender

COPY 3 - State Office

CERTIFICATION APPROVAL

For All Farmers Programs

EM, OL, FO, and SW Loans

This loan is approved subject to the availability of funds. If this loan does not close for any reason within 90 days from the date of approval on this document, the approval official will request updated eligibility information. The undersigned loan applicant agrees that the approval official will have 14 working days to review any updated information prior to submitting this document for obligation of funds. If there have been significant changes that may affect eligibility, a decision as to eligibility and feasibility will be made within 30 days from the time the applicant provides the necessary information.

If this is a loan approval for which a lien and/or title search is necessary, the undersigned applicant agrees that the 15-working-day loan closing requirement may be exceeded for the purposes of the applicant's legal representative completing title work and completing loan closing.

35. COMMENTS AND REQUIREMENTS OF CERTIFYING OFFICIAL

(a). Approval of financial assistance is subject to the terms of the Letter of Conditions dated 9/3/21 and any amendments. The purpose of this funding is to make improvements to the Authority's sewer system's.

(b). Subject to the Grant Agreement. (c). Subject to the 1940-1.

36. I HEREBY CERTIFY that I am unable to obtain sufficient credit elsewhere to finance my actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near my community for loans for similar purposes and periods of time. I agree to use the sum specified herein, subject to and in accordance with regulations applicable to the type of assistance indicated above, and request payment of such sum. I agree to report to USDA any material adverse changes, financial or otherwise, that occur prior to loan closing. I certify that no part of the sum specified herein has been received. I have reviewed the loan approval requirements and comments associated with this loan request and agree to comply with these provisions.

(For FP loans at eligible terms only) If this loan is approved, I elect the interest rate to be charged on my loan to be the lower of the interest rate in effect at the time of loan approval or loan closing. If I check "NO", the interest rate charged on my loan will be the rate specified in Item 28 of this form. _____ YES _____ NO

WARNING: **Whoever, in any matter within the jurisdiction of any department or agency of the United States knowingly and willfully falsifies, conceals or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, shall be fined under this title or imprisoned not more than five years, or both."**

Date _____, 20 _____
John Creasman, Chairman
(Signature of Applicant)

Date _____, 20 _____
(Signature of Co-Applicant)

37. I HEREBY CERTIFY that all of the committee and administrative determinations and certifications required by regulations prerequisite to providing assistance of the type indicated above have been made and that evidence thereof is in the docket, and that all requirements of pertinent regulations have been complied with. I hereby approve the above-described assistance in the amount set forth above, and by this document, subject to the availability of funds, the Government agrees to advance such amount to the applicant for the purpose of and subject to the availability prescribed by regulations applicable to this type of assistance.

(Signature of Approving Official)

Typed or Printed Name: _____

Date Approved: _____ Title: _____

38. TO THE APPLICANT: As of this date _____, this is notice that your application for financial assistance from the USDA has been approved, as indicated above, subject to the availability of funds and other conditions required by the USDA. If you have any questions contact the appropriate USDA Servicing Office.

LOAN RESOLUTION
(Public Bodies)

A RESOLUTION OF THE _____

OF THE _____
AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A
PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS

FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the _____

(Public Body)

(herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of

pursuant to the provisions of _____; and

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture,
(herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921
et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event
that no other acceptable purchaser for such bonds is found by the Association:**NOW THEREFORE**, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0572-0121. The time required to complete this information collection is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.
15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
17. To accept a grant in an amount not to exceed \$ _____

under the terms offered by the Government; that the _____

and _____ of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provisions contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

The vote was: Yeas _____ Nays _____ Absent _____

IN WITNESS WHEREOF, the _____ of the

_____ has duly adopted this resolution and caused it

to be executed by the officers below in duplicate on this _____, _____ day of _____

(SEAL)

By _____

Attest:

Title _____

Title _____

CERTIFICATION TO BE EXECUTED AT LOAN CLOSING

I, the undersigned, as _____ of the _____
hereby certify that the _____ of such Association is composed of
_____ members, of whom , _____ constituting a quorum, were present at a meeting thereof duly called and
held on the _____ day of _____ ; and that the foregoing resolution was adopted at such meeting
by the vote shown above, I further certify that as of _____ ,
the date of closing of the loan from the United States Department of Agriculture, said resolution remains in effect and has not been
rescinded or amended in any way.

Dated, this _____ day of _____

Title _____

EQUAL OPPORTUNITY AGREEMENT

This agreement, dated _____ between _____

(herein called "Recipient" whether one or more) and United States Department of Agriculture (USDA), pursuant to the rules and regulations of the Secretary of Labor (herein called the 'Secretary') issued under the authority of Executive Order 11246 as amended, witnesseth:

In consideration of financial assistance (whether by a loan, grant, loan guaranty, or other form of financial assistance) made or to be made by the USDA to Recipient, Recipient hereby agrees, if the cash cost of construction work performed by Recipient or a construction contract financed with such financial assistance exceeds \$10,000 - unless exempted by rules, regulations or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order 11246 of September 24, 1965.

1. To incorporate or cause to be incorporated into any contract for construction work, or modification thereof, subject to the relevant rules, regulations, and orders of the Secretary or of any prior authority that remain in effect, which is paid for in whole or in part with the aid of such financial assistance, the following "Equal Opportunity Clause":

During the performance of this contract, the contractor agrees as follows:

- (a) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited, to the following: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the USDA setting forth the provisions of this nondiscrimination clause.
- (b) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (c) The contractor will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice, to be provided by the USDA, advising the said labor union or workers' representative of the contractor's commitments under this agreement and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (d) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of all rules, regulations and relevant orders of the Secretary of Labor.
- (e) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, rules, regulations, and orders, or pursuant thereto, and will permit access to his books, records, and accounts by the USDA Civil Rights Office, and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (f) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be cancelled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rule, regulation or order of the Secretary of Labor, or as otherwise provided by Law.
- (g) The contractor will include the provisions of paragraph 1 and paragraph (a) through (f) in every subcontract or purchase order, unless exempted by the rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the USDA may direct as a means of enforcing such provisions, including sanctions for noncompliance: Provided, however, that in the event the contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the USDA, the contractor may request the United States to enter into such litigation to protect the interest of the United States.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collections is 0575-0018. The time required to complete this information collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

2. To be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, that if the organization so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.
3. To notify all prospective contractors to file the required 'Compliance Statement', Form RD 400-6, with their bids.
4. Form AD-425, Instructions to Contractors, will accompany the notice of award of the contract. Bid conditions for all nonexempt federal and federally assisted construction contracts require inclusion of the appropriate "Hometown" or "Imposed" plan affirmative action and equal employment opportunity requirements. All bidders must comply with the bid conditions contained in the invitation to be considered responsible bidders and hence eligible for the award.
5. To assist and cooperate actively with USDA and the Secretary in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and rules, regulations, and relevant orders of the Secretary, that will furnish USDA and the Secretary such information such as , but not limited to, Form AD-560, Certification of Nonsegregated Facilities, to submit the Monthly Employment Utilization Report, Form CC-257, as they may require for the supervision of such compliance, and that it will otherwise assist USDA in the discharge of USDA's primary responsibility for securing compliance.
6. To refrain from entering into any contract or contract modification subject to such Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and Federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by USDA or the Secretary of Labor pursuant to Part II, Subpart D, of the Executive Order.
7. That if the recipient fails or refuses to comply with these undertakings, the USDA may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the organization under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such organization; and refer the case to the Department of Justice for appropriate legal proceedings.

Signed by the Recipient on the date first written above.

Recipient

Recipient

(CORPORATE SEAL)

Name of Corporate Recipient

Attest:

Secretary

By _____
President

USDA
Form RD 400-4
(Rev. 11-17)

ASSURANCE AGREEMENT
(Under Title VI, Civil Rights Act of 1964)

FORM APPROVED
OMB No. 0575-0018
OMB No. 0570-0062

The

(name of recipient)

(address)

As a condition of receipt of Federal financial assistance, you acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of national laws and policies prohibiting discrimination, including but not limited to:

1. Title VI of the Civil Rights Act of 1964, as amended, which prohibits you from discriminating on the basis of race, color, or national origin (42 U.S.C. 2000d et seq.), and 7 CFR Part 15, 7 CFR 1901, Subpart E.

As clarified by Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) guidance, national origin discrimination includes discrimination on the basis of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs [in accordance with USDA RD LEP Guidance for RD Funded (Assisted) Programs]. Meaningful access may entail providing language assistance services, including oral and written translation, where necessary. You are encouraged to consider the need for language services for LEP persons served or encountered both in developing your budgets and in conducting your programs and activities. For assistance and information regarding your LEP obligations, go to <http://www.lep.gov>;

2. Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating on the basis of sex in education programs or activities (20 U.S.C. 1681 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];

3. The Age Discrimination Act of 1975, as amended, which prohibits you from discriminating on the basis of age (42 U.S.C. 6101 et seq.) [as implemented by 7 CFR Part 15, 7 CFR 1901, Subpart E];

4. Section 504 of the Rehabilitation Act of 1973, as amended, which prohibits you from discriminating on the basis of disability (29 U.S.C. 794) [as implemented by 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E];

5. Title VIII of the Civil Rights Act, which prohibits you from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (42 U.S.C. 3601 et seq.), as implemented by the Department of Housing and Urban Development at 24 CFR part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units, i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators) be designed and constructed with certain accessible features, see 24 CFR Part 100.201; and

6. Titles II and III of the Americans with Disabilities Act, which prohibit you from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189), as implemented by Department of Justice regulations at 28 C.F.R. parts 35 and 36, and 7 CFR Part 15, 7 CFR Part 15b, 7 CFR 1901, Subpart E.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions governing USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to records, accounts, documents, information, facilities, and staff:

1. You must cooperate with any compliance review or complaint investigation conducted by USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).
2. You must give USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) access to and the right to examine and copy records, accounts, and other documents and sources of information related to the grant and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by Title VI, Title IX, Age, and Section 504 implementing regulations and other applicable laws or program guidance.
3. You must keep such records and submit to the responsible Department official or designee timely, complete, and accurate compliance reports at such times, and in such form and containing such information, as the responsible Department official or his designee may determine to be necessary to ascertain whether you have complied or are complying with relevant obligations.
4. You must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. Make available to users, participants, beneficiaries and other interested persons such information regarding the provisions of this agreement and the regulations, and in such manner as the Rural Development or the U.S. Department of Agriculture finds necessary to inform such persons of the protection assured them against discrimination.
6. If, during the past three years, you (the recipient) have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status, you must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements.
7. In the event any court or administrative agency makes a finding of discrimination on grounds of race, color, national origin (including limited English proficiency), sex, age, disability, religion, or familial status against you, or you settle a case or matter alleging such discrimination, you must forward a copy of the complaint and findings to USDA Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), Office of Civil Rights.

The United States has the right to seek judicial enforcement of these obligations.

You also acknowledge and agree that you must comply (and require any subgrantees, subrecipients, contractors, successors, transferees, and assignees to comply) with applicable provisions of program-specific nondiscrimination policy requirements found at CFR Part 15, 7 CFR Part 15 b, 12 CFR Part 202, 7 CFR 1901, Subpart E., DR4300-003, DR4330-0300, DR4330-005.

Period of Obligation

In the case of any service, financial aid, covered employment, equipment, property, or structure provided, leased, or improved with federal assistance extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), this assurance obligates the Recipient for the period during which federal assistance is extended. In the case of any transfer of such service, financial aid, equipment, property, or structure, this assurance obligates the transferee for the period during which federal assistance is extended. If any personal property is so provided, this assurance obligates the Recipient for the period during which it retains ownership or possession of the property. In all other cases, this assurance obligates the Recipient for the period during which the federal assistance is extended to the Recipient by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service).

Employment Practices

Where a primary objective of the federal assistance is to provide employment or where the Recipient's employment practices affect the delivery of services in programs or activities resulting from federal assistance extended by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service), the Recipient agrees not to discriminate on the grounds of race, color, national origin, sex, age, or disability, in its employment practices. Such employment practices may include, but are not limited to, recruitment, advertising, hiring, layoff or termination, promotion, demotion, transfer, rates of pay, training and participation in upward mobility programs; or other forms of compensation and use of facilities.

Data Collection

The Recipient agrees to compile and maintain information pertaining to programs or activities developed as a result of the Recipient's receipt of federal assistance from Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service). Such information shall include, but is not limited to the following: (1) the manner in which services are or will be provided and related data necessary for determining whether any persons are or will be denied such services on the basis of prohibited discrimination; (2) the population eligible to be served by race, color, national origin, sex, age, and disability; (3) data regarding covered employment including use or planned use of bilingual public contact employees serving beneficiaries of the program where necessary to permit effective participation by beneficiaries unable to speak or understand English; (4) the location of existing or proposed facilities connected with the program and related information adequate for determining whether the location has or will have the effect of unnecessarily denying access to any person on the basis of prohibited discrimination; (5) the present or proposed membership by race, color, national origin, sex, age and disability in any planning or advisory body which is an integral part of the program; and (6) any additional written data determined by Rural Development (Rural Housing Service, Rural Business and Cooperative Service, and Rural Utilities Service) to be relevant to the obligation to assure compliance by recipients with laws cited in this assurance agreement.

Under penalty of perjury, the undersigned officials certify that they have read and understand their obligations as herein described, that the information submitted in conjunction with this Document is accurate and complete, and that the recipient is in compliance with the nondiscrimination requirements set out above.

Rights and remedies provided for under this agreement shall be cumulative.

In witness whereof, _____ on this
(name of recipient)
date has caused this agreement to be executed by its duly authorized officers and its seal affixed hereto, or, if a natural person, has hereunto executed this agreement.

(S E A L)

Recipient

Date

Attest:

Title

Title



Certification Regarding Debarment, Suspension, and Other Responsibility Matters **Primary Covered Transactions**

AD-1047

The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. § 552a, as amended). This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, and 2 C.F.R. § 180.335, Participants' responsibilities. The regulations were amended and published on August 31, 2005, in 70 Fed. Reg. 51865-51880. Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the proposed covered transaction.

According to the Paperwork Reduction Act of 1995 an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0505-0027. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The provisions of appropriate criminal, civil, fraud, privacy, and other statutes may be applicable to the information provided.

(Read instructions on page two before completing certification.)

A. The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

1. Are not presently debarred, suspended, or proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
2. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (A.2.) of this certification; and
4. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

B. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

ORGANIZATION NAME	PR/AWARD NUMBER OR PROJECT NAME
NAME(S) AND TITLE(S) OF AUTHORIZED REPRESENTATIVE(S)	
SIGNATURE(S)	DATE

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotope, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint \(https://www.ascr.usda.gov/filing-program-discrimination-complaint-usda-customer\)](https://www.ascr.usda.gov/filing-program-discrimination-complaint-usda-customer) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442.

Instructions for Certification

- (1) By signing and submitting this form, the prospective primary participant is providing the certification set out on page 1 in accordance with these instructions.
- (2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out on this form. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- (3) The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
- (4) The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (5) The terms "covered transaction," "debarred," "suspended," "ineligible," "lower tier covered transaction," "participant," "person," "primary covered transaction," "principal," "proposal," and "voluntarily excluded," as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549, at 2 C.F.R. Parts 180 and 417. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
- (6) The prospective primary participant agrees by submitting this form that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
- (7) The prospective primary participant further agrees by submitting this form that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transactions," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- (8) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the System for Award Management (SAM) database.
- (9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (10) Except for transactions authorized under paragraph (6) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.



**Certification Regarding Drug-Free Workplace Requirements (Grants)
Alternative I – For Grantees Other Than Individuals**

AD-1049

The following statement is made in accordance with the Privacy Act of 1974 (5 U.S.C. § 552a, as amended). This certification is required by the regulations implementing §§ 5151-5160 of the Drug-Free Workplace Act of 1998 (Pub. L. 100-690, Title V, Subtitle D: 41 U.S.C. § 8101 et seq.), and 2 C.F.R. Parts 182 and 421. The regulations were amended and published on June 15, 2009, in 74 Fed. Reg. 28150-28154 and on December 8, 2011, in 76 Fed. Reg. 76610-76611. Copies of the regulations may be obtained by contacting the Department of Agriculture agency offering the grant.

According to the Paperwork Reduction Act of 1995 an agency may not conduct or sponsor, and a person is not required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is 0505-0027. The time required to complete this information collection is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. The provisions of appropriate criminal, civil, fraud, privacy, and other statutes may be applicable to the information provided.

(Read instructions on page three before completing certification.)

A. The grantee certifies that it will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about –
 - a. The dangers of drug abuse in the workplace;
 - b. The grantee's policy of maintaining a drug-free workplace;
 - c. Any available drug counseling, rehabilitation, and employee assistance programs; and
 - d. The penalties that may be imposed upon employees for drug-abuse violations occurring in the workplace.
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph A.1.
4. Notifying the employee in the statement required by paragraph A.1 that, as a condition of employment under the grant, the employee will –
 - a. Abide by the terms of the statement; and
 - b. Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph A.4.b from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph A.4.b, with respect to any employee who is so convicted –
 - a. Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - b. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or, local health, law enforcement, or other appropriate agency;

7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs A.1 through A.6.	
B. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:	
PLACE OF PERFORMANCE <i>(Street Address, City, County, State, Zip Code)</i>	
Check <input type="checkbox"/> if there are workplaces on file that are not identified here.	
ORGANIZATION NAME	PR/AWARD NUMBER OR PROJECT NAME
NAME(S) AND TITLE(S) OF AUTHORIZED REPRESENTATIVE(S)	
SIGNATURE(S)	DATE

In accordance with Federal civil rights law and U.S. Department of Agriculture (USDA) civil rights regulations and policies, the USDA, its agencies, offices, and employees, and institutions participating in or administering USDA programs are prohibited from discriminating based on race, color, national origin, religion, sex, gender identity (including gender expression), sexual orientation, disability, age, marital status, family/parental status, income derived from a public assistance program, political beliefs, or reprisal or retaliation for prior civil rights activity, in any program or activity conducted or funded by USDA (not all bases apply to all programs). Remedies and complaint filing deadlines vary by program or incident.

Persons with disabilities who require alternative means of communication for program information (e.g., Braille, large print, audiotape, American Sign Language, etc.) should contact the responsible agency or USDA's TARGET Center at (202) 720-2600 (voice and TTY) or contact USDA through the Federal Relay Service at (800) 877-8339. Additionally, program information may be made available in languages other than English.

To file a program discrimination complaint, complete the USDA Program Discrimination Complaint Form, AD-3027, found online at [How to File a Program Discrimination Complaint \(https://www.ascr.usda.gov/filing-program-discrimination-complaint-usda-customer\)](https://www.ascr.usda.gov/filing-program-discrimination-complaint-usda-customer) and at any USDA office or write a letter addressed to USDA and provide in the letter all of the information requested in the form. To request a copy of the complaint form, call (866) 632-9992. Submit your completed form or letter to USDA by: (1) mail: U.S. Department of Agriculture, Office of the Assistant Secretary for Civil Rights, 1400 Independence Avenue, SW, Washington, D.C. 20250-9410; (2) fax: (202) 690-7442.

Instructions for Certification

- (1) By signing and submitting this form, the grantee is providing the certification set out on pages one and two in accordance with these instructions.
- (2) The certification set out on pages one and two is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
- (3) Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
- (4) Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).
- (5) If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s). If it previously identified the workplaces in question, see paragraph (3) above.
- (6) Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:
 - "Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act, 21 U.S.C. § 812, and as further defined by 21 C.F.R. §§ 1308.11-1308.15.
 - "Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes.
 - "Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance.
 - "Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) all "direct charge" employees (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant and, (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement, consultants or independent contractors not on the grantee's payroll, or employees of subrecipients or subcontractors in covered workplaces).

CERTIFICATION FOR CONTRACTS, GRANTS AND LOANS

The undersigned certifies, to the best of his or her knowledge and belief, that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant or Federal loan, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant or loan.

2 If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant or loan, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

3 The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including contracts, subcontracts, and subgrants under grants and loans) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

(name)

(date)

(title)

000

UNITED STATES DEPARTMENT OF AGRICULTURE
RURAL DEVELOPMENT

APPLICANT CERTIFICATION
FEDERAL COLLECTION POLICIES FOR CONSUMER OR COMMERCIAL DEBTS

The Federal Government is authorized to check credit information about the applicant(s) including using the federal Credit Alert Interactive Voice Response System (CAIVRS) or its successors to check to see if the applicant(s) are delinquent or in default on a Federal debt.

The Federal Government is also authorized by law to take any or all of the following actions in the event your loan payments become delinquent or you default on your loan:

- Report your name and account information to a credit reporting agency, and the Credit Alert Interactive Voice Response System (CAIVRS).
- Assess interest and penalty charges for the period of time that payment is not made.
- Assess charges to cover additional administrative costs incurred by the government to service your account.
- Offset amounts to be paid to you from your Federal income tax refund.
- Offset amounts to be paid to you under other Federal Programs.
- Refer your account to a private collection agency to collect the amount due.
- Foreclose on any security you have given for the loan.
- Pursue legal action to collect through the courts.
- Report any written off debt to the Internal Revenue Service as taxable income.
- If you are a current or retired Federal employee, take action to offset your salary, or civil service retirement benefits.
- Debar or suspend you from doing business with the Federal Government either as a participant or principal throughout the executive branch of the Federal Government for the period of debarment or suspension.
- Refer any debt that is delinquent to the Treasury Offset Program (TOP) in accordance with the Debt Collection Improvement Act of 1996.
- Refer any eligible debt that is delinquent to the Treasury for cross servicing in accordance with the Debt Collection Improvement Act of 1996.
- Garnish your wages as allowed by the Debt Collection Improvement Act of 1996.

Any or all of these actions may be used to recover any debts owed when it is determined to be in the interest of the Government to do so.

CERTIFICATION: I/we have read and I/we understand the actions the Federal Government may take in the event that I/we fail to meet my/our scheduled payments in accordance with the terms and conditions of my/our agreement. I/we understand that the above list is not all inclusive and that the Federal Government may deem additional actions necessary to collect should I/we become delinquent.

(Signature-Individual(s))

(Date)

(Signature-Individual(s))

(Date)

(SEAL)

(Date)

(Name of Applicant)

(Signature of Authorized Entity Official)

(Title of Authorized Entity Official)

ATTEST:

(Signature of Attesting Official)

(Address)

(Title of Attesting Official)

(City, State, and Zip Code)

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 22

SEPTEMBER 13, 2021

BEATY EASEMENT PURCHASE

Project 1, the SWSA Sanitary Force Main Project will cross under State 70. At the crossing, the property on the southside of SR 70 is the Beaty property. The right-of-way for SR 70 is narrow with very little area for construction of the force main. FDOT will require the OUA piping to be rather deep for the crossing. On the northside, the OUA will utilize the existing right-of-way associated with the County road.

Please find attached both the proposed construction drawing and easement drawing showing the need for construction on private (Beaty) property. Also attached is an appraisal for this property.



The attorney representing the property made an initial offer. Negotiations between OUA staff and the attorney's office have reached a verbal agreement on the costs associated with the easement. The property owner has agreed to \$7,500 for the easement and \$5,000 for attorney's fees (time and incidentals) for a total cost of \$12,500. It is anticipated that this cost of the easement will reflect in lower construction costs.

OUA staff is recommending approval of this charge to acquire the easement.

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 23

SEPTEMBER 13, 2021

CITY COMMERCE PARK LAND PURCHASE

City of Okeechobee development requirements protects land surrounding potable wells from encroachment of or development of lands near potable water wells. Therefore, development on lots 1, 2 & 3 are restricted and most likely not developable as industrial property. On the attached letter from the City of Okeechobee, the city has agreed to sell to the OUA these three lots at \$3,000 per acre price for a total of \$32,640. The letter is unclear as to what if any cost is associated with the area included with the extension to the cul-de-sac shown between lots 1 & 2.



It is my understanding that the price was determined from City sources as well as consultation with the Okeechobee County Property Appraiser.

OUA staff is in agreement with the purchase of these three lots as well as the cul-de-sac extension to provide some long term protection for the well fields.

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 24

SEPTEMBER 13, 2021

KING'S BAY MAINTENANCE AGREEMENT

As required by King's Bay Agreement, the OUA is to review the past year's expenses incurred by the King's Bay development. After review and tabulation of these expenses, a monthly service fee is to be established for the coming year.

The following table lists the previous fees paid by King's Bay.

YEAR	MONTHLY CHARGE (\$)
2004	\$7.89
2005	\$6.21
2006	\$4.54
2007	\$6.56
2008	\$7.51
2009	\$8.30
2010	\$6.29
2011	\$7.28
2012	\$5.03
2013	\$4.37
2014	\$4.88
2015	\$5.03
2016	\$4.28
2017	\$6.19
2018	\$5.80
2019	\$5.47

The costs considered for this year are as follows:

Total Field Labor	\$6,586.14
Equipment	\$3,412.40
Parts & Materials	\$7,627.29
15% Admin Fee	\$1,144.09
Accounts	163
Monthly Fee	\$9.60

As reflected in the table above, a \$9.60 monthly charge will be the highest charge. OUA staff reviewed the calculation used in previous years (all labor, vehicle/equipment, parts and administrative charge).

Since OUA personnel time has already been budgeted for the year and these costs have been factored in to the base fees charged, as a one-time consideration, OUA staff deleted all labor and vehicle/equipment use during normal working hours. Only considering the labor and vehicle/equipment use during after hours, keeping the parts and administrative charges from before, this would provide for a monthly charge of \$6.41.

Staff recommends the Board to consider the one time fee calculation described above and set monthly cost at \$6.41 for King's Bay accounts.

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 25

SEPTEMBER 13, 2021

PUBLIC COMMENTS

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 26

SEPTEMBER 13, 2021

ITEMS FROM THE ATTORNEY

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 27

SEPTEMBER 13, 2021

ITEMS FROM THE EXECUTIVE DIRECTOR

Southwest Wastewater Service Area

- Project 1 Design of the pump station & force main is at 90%
 - Master Pump Station (MPS)
 - Continuing
 - Force Main to NW15
 - Continuing
 - Force Main SE2 to MPS
 - Continuing

Oak Lake Estates Wastewater Project

- Construction on the stormwater system is nearly complete
- Construction is nearing completion also
- The project is over on contract time, however, there appears to be extra stormwater work

SW 5th Ave Wastewater System Improvements

- Work continuing

US441SE Water System Replacement

- Work is complete on this project. The FDOT contractor has moved onsite possibly requiring extra work.

AMI Project

- The FDEP SRF for the AMI project application was not funded under the August 2021 allotment. The application will be reconsidered at the February 2022 allotment hearing and will be near the top of the listing so funding should be available.

OCEDC

- The Okeechobee County Economic Development Corporation is requesting an appointment of a OCEDC Board member from the OUA. The Executive Director has been the designated appointee for the OUA. Does the OUA Board want to reappointment the Executive Director to the OCEDC Board? Is this to be an annual appointment or should it be a continuing annual appointment until further action by the OUA Board?

August 18, 2021

John Hayford
Okeechobee Utility Authority
100 SW 5th Avenue
Okeechobee, FL 34974

Subject: Board Member Confirmation

Dear Mr. John Hayford,

On behalf of the Okeechobee County Economic Development Corporation, I would like to express my deepest gratitude for your continued support. Over the past year, your commitment to our organization has enabled us to:

-
- Fund an Entryway Enhancement Project for the Okeechobee County Industrial Park
 - Retain current local Industrial Park tenants
 - Prepare a community database as a respiratory for economic information
 - Recruit a national tenant to the City of Okeechobee
 - Educate local officials on economic development ideals and strategies
 - Represent as an official state-recognized economic development entity
 - Implement a local Business and Retention Program
 - Advocate for rural grant opportunities for our local community
-

I am writing today to officially request a confirmation of whom you wish to appoint as representation for the Okeechobee Utility Authority for the upcoming fiscal year of 2022. We are approaching the end of our current fiscal year and our Nomination Committee has been established to prepare a slate of officers soon for your vote. Please consider responding to this letter with your decision so that our Committee can begin to move forward with their selection process.

Sincerely,

Bert Culbreth

Okeechobee County Economic Development Chairman

OKEECHOBEE UTILITY AUTHORITY

AGENDA ITEM NO. 28

SEPTEMBER 13, 2021

ITEMS FROM THE BOARD

Comments on Interlocal Agreement Meeting

Board of County Commissioners

Okeechobee County

from the desk of Terry Burroughs, Chairman, District 4

304 NW Second Street - Room 123 • Okeechobee, Florida 34972
Telephone 863-763-6441 Ext. 1 • Facsimile 863-763-0118



September 1, 2021

Subject: Minutes of the OUA Interlocal Agreement Committee

Committee Members Present: Mayor Dowling Watford, Councilwoman Monica Clark, Commissioner David Hazellief and Terry Burroughs, John Creasman, OUA, Steve Nelson, OUA,

Others Present: John Hayford, OUA, Gary Ritter, City of Okeechobee City Manager, Noel Chandler, City Council, Frank Irby, Private Citizen and Jennifer Tewksbury, Economic Council.

Commissioner Terry Burroughs chaired the meeting and opened the discussion up at 1:30PM. The below agenda was presented.

1. Scope of Discussion
2. Initial Items for Discussion
 - a. Board member compensation
 - b. Elimination of super majority vote concept
 - c. Revision of member composite of board
3. Other issues that any committee member would like to discuss
 - a. Glades County Resident

The Chair discussed the reason for convening this meeting to revise the OUA Interlocal agreement. The first item (Board Member Compensation) was deleted after the OUA representatives stated this was no longer an issue.

[1009-00027469.1ADMIN]

David Hazellief
District 1

Bryant H. Culpepper
District 2

Bradley G. Goodbread
District 3

Terry Burroughs
District 4

Kelly Owens
District 5

The second item for discussion was associated with the removal of the simple majority concept. The committee discussed the issue and decided to recommend changing the simple majority rule to a majority rule to the City Council and County Commission for consideration.

The next discussion item was associated with revising the composite of the OUA Board of Directors by having County Commission and City Council representation on the Board. After much discussion, by a vote of three to one, it was recommended that a member from the Commission and the Council should be placed on the OUA Board. However, the committee decided to bring it back to the Commission and the Council for further discussion.

The last item for discussion was a question regarding the fifth Board member and the alternate requirement to be a Glades County resident. Commissioner Hazellief stated he disagreed with the requirement and suggested it should be the position of the Board to pick the best and most qualified person to fill these positions and if they lived in Glades County that was fine but should not be mandatory. The committee agreed to bring this back to the Commission and the Council for further discussion.

Once the items have been discussed at the Commission and the Council meetings, the committee will reconvene and begin the revision of the agreement as directed by the Commission and the Council.

The Chair will contact Attorney Michael Minton to discussion whether elected officials could be placed on the OUA Board of Directors, and to get a definition ruling on an independent authority or dependent authority.

Meeting adjourned at 2:30 p.m.

Terry Burroughs, Chairman
Okeechobee BOCC

[1009-00027469.1ADMIN]

David Hazellief District 1	Bryant H. Culpepper District 2	Bradley G. Goodbread District 3	Terry Burroughs District 4	Kelly Owens District 5
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Florida Attorney General Advisory Legal Opinion

Number: AGO 2013-31
Date: December 30, 2013
Subject: Dual Office-holding -- Advisory Boards

Mr. Vaughan Kimberling
5993 Ackard Avenue
Port St. John, Florida 32927-9101

RE: DUAL OFFICE-HOLDING - COUNTIES - ADVISORY BOARDS - simultaneous service on advisory boards does not violate dual office-holding. s. 5(a), Art. II, Fla. Const.

Dear Mr. Kimberling:

You ask substantially the following question:

Does simultaneous service as a member of the Port St. John Dependent Special District, the Port St. John Public Library Advisory Board, and the Brevard County Contractors' Licensing Board violate the dual office-holding prohibition in section 5(a), Article II, Florida Constitution.

In sum:

While a service on the Brevard County Contractors' Licensing Board would be an office, the Port St. John Dependent District and the Port St. John Public Library Advisory Board would appear to be advisory boards which fall within the exemption from the dual office-holding prohibition in section 5(a), Article II, Florida Constitution.

Section Article II, section 5(a) of the Florida Constitution, provides:

"No person holding any office of emolument under any foreign government,

or civil office of emolument under the United States or any other state, shall hold any office of honor or of emolument under the government of this state. No person shall hold at the same time more than one office under the government of the state and the counties and municipalities therein, except that a notary public or military officer may hold another office, and any officer may be a member of a constitution revision commission, taxation and budget reform commission, constitutional convention, or statutory body having only advisory powers." (e.s.)

The constitutional provision prohibits a person from simultaneously holding more than one "office" under the government of the state, counties, and municipalities.[1] The prohibition applies to both elected and appointed offices.[2] It is not necessary that the two offices be within the same governmental unit. Thus, for example, a municipal officer is precluded from simultaneously holding not only another municipal office, but also a state or county office.[3]

The Constitution, however, does not define the terms "office" or "officer" for purposes of the dual office-holding prohibition and the Legislature has not attempted to define the term to clarify the parameters of this constitutional provision. Absent such clarification, the courts and the Attorney General's Office have referred to several early decisions of the Supreme Court of Florida in determining what constitutes an "office" as opposed to an "employment." The Supreme Court of Florida has stated:

"The term 'office' implies a delegation of a portion of the sovereign power to, and the possession of it by, the person filling the office, while an 'employment' does not comprehend a delegation of any part of the sovereign authority. The term 'office' embraces the idea of tenure, duration, and duties in exercising some portion of the sovereign power, conferred or defined by law and not by contract. An employment does not authorize the exercise in one's own right of any sovereign power or any prescribed independent authority of a governmental nature; and this constitutes, perhaps, the most decisive difference between an employment and an office"[4]

It is, therefore, the nature of the powers and duties of a particular position which determines whether it is an "office" or an "employment." Historically, this office has based its determination of whether a particular position is an office upon a review of the particular powers of a position and the language of the statute, charter, or ordinance creating

the position.

In this instance, you acknowledge that the powers and duties of the Brevard County Contractors' Licensing Board would be consistent with those of an "office" subject to the dual office-holding prohibition in section 5(a), Article II, Florida Constitution. The board's jurisdiction over all matters pertaining to the examination, qualification, regulation, and control of any person or firm desiring to engage in business in the unincorporated area of Brevard County would appear to encompass an exercise of the sovereign power of the county which would make a position on the board an office subject to section 5(a), Article II, Florida Constitution.[5]

The materials you have provided indicate that the Brevard County Attorney's Office has opined that the activities of the Port St. John Dependent Special District (PSJDSD) and the Port St. John Public Library Advisory Board (PSJPLAB) are advisory in nature. The PSJDSD makes non-binding recommendations to the county commission and has not been delegated any portion of the county's sovereign power.[6] You indicate that the PSJPLAB only advises the county commission on the establishment, operation, and maintenance of the Port St. John Public Library.[7]

As discussed above, statutory bodies having only advisory powers are exempt from the constitutional dual office-holding prohibition. This exception has been interpreted by this office. For example, in Attorney General Opinion 05-59, this office stated that a municipal committee that merely makes non-binding recommendations and has not otherwise been delegated any powers to make factual determinations or exercise any portion of the municipality's sovereign power did not appear to be an office. In Attorney General Opinion 08-15, this office concluded that a county advisory board could be considered a "statutory body having only advisory powers" within the constitutional exception if it has been created by legislative enactment of the governing body.

As this office noted in Attorney General Opinions 89-25 and 90-33, only those statutory bodies which possess exclusively advisory powers are excepted; Article II, section 5(a), Florida Constitution, does not provide for or recognize an exception for statutory bodies which exercise a portion of the sovereign powers, but whose powers may be substantially or predominately advisory.[8]

Inasmuch as neither the Port St. John Dependent Special District nor the Port St. John Public Library Advisory Board appears to exercise a portion of the sovereign power of the county and instead merely serve as advisory boards to the Brevard County Commission, the dual office-holding prohibition in section 5(a), Article II, Florida Constitution, would not preclude your simultaneously serving on either or both of the boards and as a member of the Brevard County Contractors' Licensing Board.

Sincerely,

Pam Bondi
Attorney General

PB/tals

[1] Earlier state Constitutions contained limited prohibitions against dual office-holding. See, e.g., Art. VI, s. 18, Fla. Const. 1838; Art. VI, s. 14, Fla. Const. 1861; and Art. VI, s. 14, Fla. Const. 1865. Article II, s. 5(a) of the 1968 Constitution substantially reproduces Art. XVI, s. 15 of the 1885 Constitution except that the 1968 Constitution includes municipal officers. Court decisions under the 1885 Constitution had excluded municipal officers from its coverage. See, e.g., *Attorney General ex rel. Wilkins v. Connors*, 9 So. 7, 8 (Fla. 1891).

[2] See *Blackburn v. Brorain*, 70 So. 2d 293, 296 (Fla. 1954), noting that "election by the people or the appointment by the Governor is not the true test in determining whether . . . an office exists and the individual filling the position is an officer [rather than] an employee[;]" Ops. Att'y Gen. Fla. 94-66 (1994), 80-97 (1980), and 69-2 (1969).

[3] See, e.g., Op. Att'y Gen. Fla. 05-29 (2005) (special magistrate for a county value adjustment board could not simultaneously serve on city's code enforcement board).

[4] *State ex rel. Holloway v. Sheats*, 83 So. 508, 509 (Fla. 1919). And see *State ex rel. Clyatt v. Hocker*, 22 So. 721 (Fla. 1897).

[5] Cf. Op. Att'y Gen. Fla. 04-07 (2004) (city's building official who administered building code, issuing permits and certificates of occupancy, constitutes an office).

[6] See s. 98-105, Brevard County Code of Ordinances.

[7] See Resolution 90-081 enacted by Brevard County Commission on March 7, 1990; s. 1.3, Art. I, Port St. John Public Library Advisory Board By-laws.

[8] And see Op. Att'y Gen. Fla. 98-36 (1998), concluding that membership on a city water resources advisory board which, despite its name, exercised substantive powers, constituted an "office."