

EXECUTIVE BRIEF REGULAR MEETING

AGENDA DATE: October 6, 2020

DEPARTMENT: Water Utilities

TITLE:

Agreement with Department of Environmental Protection for State Revolving Fund loan for 2-inch Watermain Replacement Project Phase 5 & 6

SUMMARY:

This Agreement authorizes loan DW501750 from Florida Department of Environmental Protection (FDEP) for the 2-inch watermain replacement Phases 5 & 6 Construction project in the amount of \$2,931,051.

BACKGROUND AND JUSTIFICATION:

The City Water Utility Department has planned the replacement over six years of approximately 17 miles of 2-inch steel water pipes that are corroded and failing within the city water distribution system. The Commission directed staff to fund the capital improvement through water system revenue financing, which has resulted in award of loans under the Drinking Water State Revolving Fund. The current agreements DW501710, DW501720, DW501730, and DW501731 total \$8,645,710 and cover the first 4 phases.

This is the final agreement with the FDEP through the State Revolving Fund since the 2-inch watermain replacement program will be completed in this project. The project will encompass the final phases 5 & 6 as a single construction document. This project will also receive a principal forgiveness from the FDEP in the sum of \$694,589 or 20% of the reconciled loan amount, which ever is less.

MOTION:

Move to approve/disapprove the Agreement for loan DW501750 from Florida Department of Environmental Protection (FDEP) for the 2-inch watermain replacement Phase 5 & 6 Construction project in the amount of \$2,931,051

ATTACHMENT(S):

Fiscal Impact Analysis
FDEP Lake Worth Beach Offer Letter
Agreement DW501750

FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2021	2022	2023	2024	2025
Capital Expenditures	2,931,051	0	0	0	0
Operating Expenditures	0	0	0	0	0
External Revenues	0	0	0	0	0
Program Income	0	0	0	0	0
In-kind Match	694,589	0	0	0	0
Net Fiscal Impact	2,931,051	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

B. Recommended Sources of Funds/Summary of Fiscal Impact:

Account Number	Account Description	Project Number	FY21 Budget	Current Balance	Agenda Expenditure	Balance
422-7034-533.63-15	Water Distribution Improve	WT1902	\$5,190,000	\$5,190,000	\$2,931,051	\$2,258,949

C. Department Fiscal Review:_____

Brian Shields – Director
 Bruce Miller – Finance Director
 Christy Goddeau – Legal
 Michael Bornstein – City Manager