This amendment is executed by the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (Department) and MONROE COUNTY, FLORIDA, (the "Local Government") existing as a local governmental agency under the laws of the State of Florida.

WITNESSETH:

WHEREAS, the Department and the Local Government entered into a Clean Water State Revolving Fund Loan Agreement, Number WW440710, authorizing a Loan amount of $40,000,000, excluding Capitalized Interest; and

WHEREAS, the Local Government is entitled to additional financing of $25,000,000, excluding Capitalized Interest; and

WHEREAS, revised provisions for audit requirements are needed; and

WHEREAS, a Financing Rate must be established for the additional financing amount awarded in this amendment; and

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

WHEREAS, the Semiannual Loan Payment amount needs revision to reflect an adjustment in the Loan amount.

NOW, THEREFORE, the parties hereto agree as follows:

1. Subsection 2.03(1) of the Agreement is deleted and replaced as follows:

The Local Government agrees to the following audit requirements.

Funds provided under this Agreement have been identified as second-tier monies under the Federal Clean Water Act which are identified as state funds whose use is federally protected.

(1) The financial assistance authorized pursuant to this Loan Agreement consists of the following:

<table>
<thead>
<tr>
<th>State Program Number</th>
<th>Funding Source</th>
<th>CSFA Number</th>
<th>CSFA Title or Fund Source Description</th>
<th>Funding Amount</th>
<th>State Appropriation Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Agreement</td>
<td>Wastewater Treatment and Stormwater Management TF</td>
<td>37.077</td>
<td>Statewide Surface Water Restoration and Wastewater Projects</td>
<td>$65,000,000</td>
<td>140131</td>
</tr>
</tbody>
</table>
2. Subsections 8.09(1) and (2) of the Agreement are deleted and replaced as follows:

(1) The Local Government shall periodically interview 10% of the work force entitled to Davis-Bacon prevailing wages (covered employees) to verify that contractors or subcontractors are paying the appropriate wage rates. Local Governments shall immediately conduct interviews in response to an alleged violation of the prevailing wage requirements. As provided in 29 CFR 5.6(a)(5) all interviews must be conducted in confidence. The Local Government must use Standard Form 1445 or equivalent documentation to memorialize the interviews. Copies of the SF 1445 are available from EPA on request.

(2) The Local Government shall periodically conduct spot checks of a representative sample of weekly payroll data to verify that contractors or subcontractors are paying the appropriate wage rates. The Local Government shall establish and follow a spot check schedule based on its assessment of the risks of noncompliance with Davis-Bacon posed by contractors or subcontractors and the duration of the contract or subcontract. At a minimum, if practicable, the subrecipient should spot check payroll data within two weeks of each contractor or subcontractor’s submission of its initial payroll data and two weeks prior to the completion date the contract or subcontract. Local Governments must conduct more frequent spot checks if the initial spot check or other information indicates that there is a risk that the contractor or subcontractor is not complying with Davis-Bacon. In addition, during the examinations the Local Government shall verify evidence of fringe benefit plans and payments thereunder by contractors and subcontractors who claim credit for fringe benefit contributions.

3. Additional financing in the amount of $25,000,000, excluding Capitalized Interest, is hereby awarded to the Local Government.

4. A Financing Rate of 3.07 percent per annum is established for the additional financing amount awarded in this amendment. Individually, the interest rate is 1.535 percent per annum and the Grant Allocation Assessment rate is 1.535 percent per annum. However, if this amendment is not executed by the Local Government and returned to the Department before December 31, 2013, the Financing Rate may be adjusted.

5. The estimated principal amount of the Loan is hereby revised to $67,143,600, which consists of $65,000,000 authorized for disbursement to the Local Government and $2,143,600 of Capitalized Interest. This total consists of the following:

(a) Original Agreement of $41,300,400, including $40,000,000 authorized for disbursement to the Local Government and $1,300,400 of Capitalized Interest, at a Financing Rate of 2.39 percent per annum (the interest rate is 1.195 percent per annum and the Grant Allocation Assessment rate is 1.195 percent per annum); and

(b) Amendment 1 of $25,843,200, including $25,000,000 authorized for disbursement to the Local Government and $843,200 of Capitalized Interest, at a Financing Rate of 3.07 percent per annum (the interest rate is 1.535 percent per annum and the Grant Allocation Assessment rate is 1.535 percent per annum).
6. An additional Loan Service Fee in the amount of $500,000, for a total of $1,300,000, is hereby estimated. The fee represents two percent of the Loan amount excluding Capitalized Interest, that is, two percent of $65,000,000.

7. The Semiannual Loan Payment amount is hereby revised and shall be in the amount of $2,216,396. Such payments shall be paid to, and must be received by the Department beginning on August 15, 2016 and semiannually thereafter on February 15 and August 15 of each year until all amounts due hereunder have been fully paid. Until this Agreement is further amended, each Semiannual Loan Payment will be proportionally applied toward repayment of the amounts owed on each incremental Loan amount at the date such payment is due.

The Semiannual Loan Payment amount is based on the total amount owed of $68,443,600, which consists of the Loan principal plus the estimated Loan Service Fee.

8. The Local Government and the Department acknowledge that the actual Project costs have not been determined as of the effective date of this agreement. Project cost adjustments may be made as a result of Project changes agreed upon by the Department. Capitalized Interest will be recalculated based on actual dates and amounts of Loan disbursements. If the Local Government receives other governmental financial assistance for this Project, the costs funded by such other governmental assistance will not be financed by this Loan. The Department shall establish the final Project costs after its final inspection of the Project records. Changes in Project costs may also occur as a result of the Local Government's Project audit or a Department audit.

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

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>COST($)</th>
<th>AMOUNT($) TO DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowance costs</td>
<td>5,434,652</td>
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</tr>
<tr>
<td>Construction and Demolition</td>
<td>125,957,789</td>
<td>Line items</td>
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<tr>
<td>Contingencies</td>
<td>6,297,889</td>
<td>may vary</td>
</tr>
<tr>
<td>Technical Services After Bid Opening</td>
<td>8,817,045</td>
<td>based on Actual</td>
</tr>
<tr>
<td>(Less Florida Appropriations &amp; Local Funds)</td>
<td>(56,507,375)</td>
<td>Disbursements</td>
</tr>
<tr>
<td>SUBTOTAL (Disbursable Amount)</td>
<td>90,000,000</td>
<td>65,000,000</td>
</tr>
<tr>
<td>Capitalized Interest</td>
<td>2,143,600</td>
<td>2,143,600</td>
</tr>
<tr>
<td>TOTAL (Loan Principal Amount)</td>
<td>92,143,600</td>
<td>67,143,600</td>
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</table>

9. All other terms and provisions of the Loan Agreement shall remain in effect.
This Amendment 1 to Loan Agreement WW440710 shall be executed in three or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this Agreement to be executed on its behalf by the Program Administrator and the Local Government has caused this Agreement to be executed on its behalf by its Authorized Representative and by its affixed seal. The effective date of this Agreement shall be as set forth below by the Program Administrator.

for

MONROE COUNTY

County Administrator

Attest

I attest that this amendment complies with Section 2.02 of the Agreement.

County Clerk

County Attorney

APPROVED AND ACCEPTED BY THE STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION.

Program Administrator
State Revolving Fund

DEC 16 2013
Date
Clean Water SRF Encumbrance Information

Project Sponsor: Monroe County
Project Funding Number: 440710 Amendment #: 1
Flair Contract Number: Y0076
Award Date: 12/16/2013

Principal Forgiveness Amount: $0.00
Loan Amount: $25,000,000.00
Total Amount: $25,000,000.00

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<th>Organization</th>
<th>EO</th>
<th>Object</th>
<th>Fund</th>
<th>Category</th>
<th>Grant</th>
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<td>$25,000,000.00</td>
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FEIN: 596000749
Seq No: 

☑ Mail ☐ EFT

DisbTo: Monroe County Board of County Commissioners
1100 Simonton Street
Key West, FL 33040