STATE REVOLVING FUND
AMENDMENT 7 TO LOAN AGREEMENT WW440710
MONROE COUNTY

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 entity under the laws of the State of Florida. Collectively, the Department and the Local Government shall be referred to as “Parties” or individually as a “Party”.

The Department and the Local Government entered into a Clean Water State Revolving Fund Loan Agreement, Number WW440710, as amended, authorizing a Loan amount of $120,000,000, excluding Capitalized Interest; and

The Local Government is entitled to additional financing of $7,200,000, excluding Capitalized Interest; and

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

The Parties hereto agree as follows:

1. Section 2.03 of the Agreement is deleted and replaced as follows:

(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>Wastewater Treatment Facility Construction</td>
<td>$127,200,000</td>
<td>140131</td>
</tr>
</tbody>
</table>

(2) Audits.

(a) In the event that the Local Government expends a total amount of state financial assistance equal to or in excess of $750,000 in any fiscal year of such Local Government, the Local Government must have a State single audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. In determining the state financial assistance expended in its fiscal year, the
Local Government shall consider all sources of state financial assistance, including state financial assistance received from the Department of Environmental Protection, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.

(b) In connection with the audit requirements addressed in the preceding paragraph (a), the Local Government shall ensure that the audit complies with the requirements of Section 215.97(7), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.

(c) If the Local Government expends less than $750,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. The Local Government shall inform the Department of findings and recommendations pertaining to the State Revolving Fund in audits conducted by the Local Government in which the $750,000 threshold has not been met. In the event that the Local Government expends less than $750,000 in state financial assistance in its fiscal year, and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity’s resources (i.e., the cost of such an audit must be paid from the Local Government’s resources obtained from other than State entities).

(d) The Local Government is hereby advised that the Florida Single Audit Act Requirements may further apply to lower tier transactions that may be a result of this Agreement. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a Local Government should access the Florida Single Audit Act website located at https://apps.fldfs.com/fsaa for assistance.

3 Report Submission.

(a) Copies of financial reporting packages shall be submitted by or on behalf of the Local Government directly to each of the following:

(i) The Department at one of the following addresses:

   By Mail:
   **Audit Director**
   Florida Department of Environmental Protection
   Office of the Inspector General
   3900 Commonwealth Boulevard, MS40
   Tallahassee, Florida 32399-30000

   Electronically:
   FDEPSingleAudit@dep.state.fl.us

(ii) The Auditor General’s Office at the following address:

   State of Florida Auditor General
Room 401, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

(iii) Copies of reports or management letters shall be submitted by or on behalf of the Local Government directly to the Department at the following address:

By Mail:  
Audit Director  
Florida Department of Environmental Protection  
Office of the Inspector General  
3900 Commonwealth Boulevard, MS 40  
Tallahassee, Florida 32399-3123

Electronically:  
FDEPSingleAudit@dep.state.fl.us

(b) Any reports, management letters, or other information required to be submitted to the Department pursuant to this Agreement shall be submitted timely in accordance with Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.

(c) Local Governments, when submitting financial reporting packages to the Department for audits done in accordance with Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the Local Government in correspondence accompanying the reporting package.

(4) Record Retention.

The Local Government shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of five years from the date of the Final Amendment, and shall allow the Department, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The Local Government shall ensure that working papers are made available to the Department, or its designee, Chief Financial Officer, or Auditor General upon request for a period of five years from the date of the Final Amendment, unless extended in writing by the Department.

(5) Monitoring.

In addition to reviews of audits conducted in accordance with Section 215.97, F.S., as revised monitoring procedures may include, but not be limited to, on-site visits by Department staff and/or other procedures. By entering into this Agreement, the Local Government agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department. In the event the Department determines that a limited scope audit of the Local Government is appropriate, the Local Government agrees to comply with any additional instructions provided by the Department to the Local Government regarding such audit. The
Local Government understands its duty, pursuant to Section 20.055(5), F.S., to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing.

2. ARTICLE VI of the Agreement is deleted and replaced as follows:

6.01. EVENTS OF DEFAULT.

Upon the occurrence of any of the following events (the Events of Default) all obligations on the part of Department to make any further disbursements hereunder shall, if Department elects, terminate. The Department may, at its option, exercise any of its remedies set forth in this Agreement, but Department may make any disbursements or parts of disbursements after the happening of any Event of Default without thereby waiving the right to exercise such remedies and without becoming liable to make any further disbursement:

(1) Failure to make any Monthly Loan Deposit or to make any installment of the Semianual Loan Payment when it is due and such failure shall continue for a period of 15 days.

(2) Except as provided in Subsection 6.01(1), failure to comply with the provisions of this Agreement, failure in the performance or observance of any of the covenants or actions required by this Agreement or the Suspension of this Agreement by the Department pursuant to Section 8.14 below, and such failure shall continue for a period of 30 days after written notice thereof to the Local Government by the Department.

(3) Any warranty, representation or other statement by, or on behalf of, the Local Government contained in this Agreement or in any information furnished in compliance with, or in reference to, this Agreement, which is false or misleading, or if Local Government shall fail to keep, observe or perform any of the terms, covenants, representations or warranties contained in this Agreement, the Note, or any other document given in connection with the Loan (provided, that with respect to non-monetary defaults, Department shall give written notice to Local Government, which shall have 30 days to cure any such default), or is unable or unwilling to meet its obligations thereunder.

(4) An order or decree entered, with the acquiescence of the Local Government, appointing a receiver of any part of the Project or Pledged Revenues thereof; or if such order or decree, having been entered without the consent or acquiescence of the Local Government, shall not be vacated or discharged or stayed on appeal within 60 days after the entry thereof.

(5) Any proceeding instituted, with the acquiescence of the Local Government, for the purpose of effecting a composition between the Local Government and its creditors or for the purpose of adjusting the claims of such creditors, pursuant to any federal or state statute now or hereafter enacted, if the claims of such creditors are payable from Pledged Revenues of the Project.

(6) Any bankruptcy, insolvency or other similar proceeding instituted by, or against, the Local Government under federal or state bankruptcy or insolvency law now or hereafter in effect and, if instituted against the Local Government, is not dismissed within 60 days after filing.

(7) Any charge is brought alleging violations of any criminal law in the implementation of the Project or the administration of the proceeds from this Loan against one or more officials
of the Local Government by a State or Federal law enforcement authority, which charges are not withdrawn or dismissed within 60 days following the filing thereof.

(8) Failure of the Local Government to give immediate written notice of its knowledge of a potential default or an event of default to the Department and such failure shall continue for a period of 30 days.

6.02. REMEDIES.

All rights, remedies, and powers conferred in this Agreement and the transaction documents are cumulative and are not exclusive of any other rights or remedies, and they shall be in addition to every other right, power, and remedy that Department may have, whether specifically granted in this Agreement or any other transaction document, or existing at law, in equity, or by statute. Any and all such rights and remedies may be exercised from time to time and as often and in such order as Department may deem expedient. Upon any of the Events of Default and subject to the rights of others having prior liens on the Pledged Revenues, the Department may enforce its rights by, *inter alia*, any of the following remedies:

(1) By mandamus or other proceeding at law or in equity, cause the collection of Pledged Revenues, and to require the Local Government to fulfill this Agreement.

(2) By action or suit in equity, require the Local Government to account for all moneys received from the Department or from the ownership of the Project and to account for the receipt, use, application, or disposition of the Pledged Revenues.

(3) By action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the Department.

(4) By applying to a court of competent jurisdiction, cause to appoint a receiver to manage the Project, levy and collect the Pledged Revenues, and apply the Pledged Revenues to the reduction of the obligations under this Agreement.

(5) By certifying to the Auditor General and the Chief Financial Officer delinquency on loan repayments, the Department may intercept the delinquent amount plus a penalty from any unobligated funds due to the Local Government under any revenue or tax sharing fund established by the State, except as otherwise provided by the State Constitution. The Department may impose a penalty in an amount not to exceed an interest rate of 18 percent per annum on the amount due in addition to charging the cost to handle and process the debt. Penalty interest shall accrue on any amount due and payable beginning on the 30th day following the date upon which payment is due.

(6) By notifying financial market credit rating agencies and potential creditors.

(7) By suing for payment of amounts due, or becoming due, with interest on overdue payments together with all costs of collection, including attorneys' fees.

(8) By accelerating the repayment schedule or increasing the Financing Rate on the unpaid principal of the Loan to as much as 1.667 times the Financing Rate.
6.03. DELAY AND WAIVER.

No course of dealing between Department and Local Government, or any failure or delay on the part of Department in exercising any rights or remedies hereunder, shall operate as a waiver of any rights or remedies of Department, and no single or partial exercise of any rights or remedies hereunder shall operate as a waiver or preclude the exercise of any other rights or remedies hereunder. No delay or omission by the Department to exercise any right or power accruing upon Events of Default shall impair any such right or power or shall be construed to be a waiver of any such default or acquiescence therein, and every such right and power may be exercised as often as may be deemed expedient. No waiver or any default under this Agreement shall extend to or affect any subsequent Events of Default, whether of the same or different provision of this Agreement, or shall impair consequent rights or remedies.

3. Section 8.11 of the Agreement is deleted and replaced as follows:

8.11. SCRUTINIZED COMPANIES.

(1) The Local Government certifies that it and its subcontractors are not on the Scrutinized Companies that Boycott Israel List. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Local Government or its subcontractors are found to have submitted a false certification; or if the Local Government, or its subcontractors are placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.

(2) If this Agreement is for more than one million dollars, the Local Government certifies that it and its subcontractors are also not on the Scrutinized Companies with Activities in Sudan, Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria as identified in Section 287.135, F.S. Pursuant to Section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Local Government, its affiliates, or its subcontractors are found to have submitted a false certification; or if the Local Government, its affiliates, or its subcontractors are placed on the Scrutinized Companies that Boycott the Scrutinized Companies with Activities in Sudan List, or Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged with business operations in Cuba or Syria during the term of the Agreement.

(3) The Local Government agrees to observe the above requirements for applicable subcontracts entered into for the performance of work under this Agreement.

(4) As provided in Subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions then they shall become inoperative.

4. Additional financing in the amount of $7,200,000, excluding Capitalized Interest, is hereby awarded to the Local Government.

5. A Financing Rate of 2.48 percent per annum is established for the additional financing amount awarded in this amendment. Individually, the interest rate is 1.24 percent per annum and the Grant Allocation Assessment rate is 1.24 percent per annum. However, if this
amendment is not executed by the Local Government and returned to the Department before October 1, 2018, the Financing Rate may be adjusted.

6. The estimated principal amount of the Loan is hereby revised to $134,617,600, which consists of $127,200,000 authorized for disbursement to the Local Government and $7,417,600 of Capitalized Interest. This total consists of the following:

(a) Original Agreement of $42,654,500, including $40,000,000 authorized for disbursement to the Local Government and $2,654,500 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 $26,918,800, including $25,000,000 authorized for disbursement to the Local Government and $1,918,800 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); and

(c) Amendment 2 of $6,420,700, including $6,000,000 authorized for disbursement to the Local Government and $420,700 of Capitalized Interest, at a Financing Rate of 3.00 percent per annum (the interest rate is 1.50 percent per annum and the Grant Allocation Assessment rate is 1.50 percent per annum); and

(d) Amendment 3 of $31,687,900, including $30,000,000 authorized for disbursement to the Local Government and $1,687,900 of Capitalized Interest, at a Financing Rate of 2.72 percent per annum (the interest rate is 1.36 percent per annum and the Grant Allocation Assessment rate is 1.36 percent per annum); and

(e) Amendment 4 of $19,709,500, including $19,000,000 authorized for disbursement to the Local Government and $709,500 of Capitalized Interest, at a Financing Rate of 2.35 percent per annum (the interest rate is 1.175 percent per annum and the Grant Allocation Assessment rate is 1.175 percent per annum); and

(f) Amendment 7 of $7,226,200, including $7,200,000 authorized for disbursement to the Local Government and $26,200 of Capitalized Interest, at a Financing Rate of 2.48 percent per annum (the interest rate is 1.24 percent per annum and the Grant Allocation Assessment rate is 1.24 percent per annum).

7. An additional Loan Service Fee in the amount of $144,000, for a total of $2,544,000, is hereby estimated. The fee represents two percent of the Loan amount excluding Capitalized Interest, that is, two percent of $127,200,000.

8. The Semiannual Loan Payment amount is hereby revised and shall be in the amount of $4,433,104. Such payments shall be paid to, and must be received by, the Department beginning on June 15, 2019 and semiannually thereafter on December 15 and June 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 $137,161,600, which consists of the Loan principal plus the estimated Loan Service Fee.

9. 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 an 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>PROJECT COSTS ($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Allowance costs</td>
<td>5,434,652</td>
</tr>
<tr>
<td>Construction and Demolition</td>
<td>183,121,402</td>
</tr>
<tr>
<td>Contingencies</td>
<td>6,297,889</td>
</tr>
<tr>
<td>Technical Services After Bid Opening</td>
<td>8,817,045</td>
</tr>
<tr>
<td><strong>SUBTOTAL (Disbursable Amount)</strong></td>
<td><strong>203,670,988</strong></td>
</tr>
<tr>
<td>Less Legislative Appropriation</td>
<td>(48,250,000)</td>
</tr>
<tr>
<td>Less Local Funds</td>
<td>(28,220,988)</td>
</tr>
<tr>
<td><strong>SUBTOTAL (Loan Amount)</strong></td>
<td><strong>127,200,000</strong></td>
</tr>
<tr>
<td>Capitalized Interest</td>
<td>7,417,600</td>
</tr>
<tr>
<td><strong>TOTAL (Loan Principal Amount)</strong></td>
<td><strong>134,617,600</strong></td>
</tr>
</tbody>
</table>

10. Subsection 10.07(5) of the Agreement is revised as follows:

(5) The first Semiannual Loan Payment in the amount of $4,433,104 shall be due June 15, 2019.

11. All other terms and provisions of the Loan Agreement shall remain in effect.
This Amendment 7 to Loan Agreement WW440710 may be executed in two or more counterparts, any of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this Agreement to be executed on its behalf by the Secretary or Designee 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 Department.

for
MONROE COUNTY

KEVIN MADOK, CPA, Clerk

Attest:
County Clerk

Approved as to form and legal sufficiency:
Cynthia J. Hall
Assistant County Attorney

for
STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION

Secretary or Designee  8/6/18
Date