

# WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY

Staff to the RUA: Emerald Coast Regional Council

Chair: Colton Wright  
Vice-Chair: Dewey Destin

## MEETING OF THE WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY

When: **Thursday, October 2, 2025 at 11:00 am.**

Where: Okaloosa County Admin Bldg. Board Chambers, 1250 N Eglin Parkway, Shalimar, FL

*A quorum can only be established with board members physically present*

Technical Advisory Committee (TAC) will meet preceding the RUA meeting at 10:00 a.m.

1. Call to Order
2. House Keeping (ECRC staff)
3. Approval of the agenda
4. Public Comments

Any individual who wishes to address the Board in-person is requested to fill out a Speaker Request Form obtained from TPO staff and comments can be provided in the GoToMeetings chat box; Comments may also be submitted via phone, eComment Card, or email (24hrs in advance).

*Learn how to submit comments at: [www.ecrc.org/TDPublicForum](http://www.ecrc.org/TDPublicForum)*

5. Approval of the June 30, 2025 Meeting Minutes
6. Action Items
  - a. Review and Approval of RUA FY26 Budget.
  - b. Interlocal Agreement between Walton/Okaloosa/Santa Rosa Regional Utility Authority and Holt Water Works, Inc.
  - c. Consideration of Resolution 2025-01: Relating to the State Revolving Fund loan program; making findings; authorizing the loan application; authorizing the



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loan agreement; establishing pledged revenues; designating authorized representatives; providing assurances; providing for conflicts, severability, and effective date.

- d. Consideration supporting Holt Water Works, Inc request for advance payment.
- e. Consideration of allowing Easement Access to the City of Destin.
- f. Consideration of Adopting Destin Water Users, Inc Facility Plan.
- g. Consideration of Supporting Destin Water Users, Inc Request for Inclusion (RFI) in Florida's State Revolving Fund loan.

## 7. Information Items

- a. Northwest Florida Water Management District Watershed Partnership Program – Kathleen Coates.
- b. Technical Advisory Committee Regional Updates.

## 8. Other Business

## 9. Next meeting: TBD

## 10. Adjourn

If you have any questions concerning the meeting, please contact:

Howard Vanselow at 850-332-7976 x 231, 800-226-8914 or [howard.vanselow@ecrc.org](mailto:howard.vanselow@ecrc.org).

For those unable to attend in-person the meeting will also be accessible from your computer, tablet or smartphone;

**Microsoft Teams Meeting** [Need help?](#)

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Meeting ID: 248 733 425 775 2

Passcode: Jm2gK2Qw



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Parainformacion en espanol, puede llamar a Ada Clark al 850-332-7976, ext. 278 o TTY 711. Sinecesita acomodaciones especiales, por favor llame 48 horas de antemanos.

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AND ADDITIONAL EMERALD COAST REGIONAL COUNCIL INFORMATION



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# ENCLOSURE 5:

## June 30, 2025 Minutes

# **WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY**

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Staff - Emerald Coast Regional Council

## **MEETING OF THE WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY**

**Monday, June 30, 2025 11:00 a.m.**

Okaloosa County Administration Building  
1250 Eglin Parkway  
Shalimar, Florida

### **Members Present**

Colten Wright, Santa Rosa County BOCC, Vice Chair  
Bobby Burkett, Santa Rosa County BOCC  
Dan Curry, Walton County BOCC  
Gloria DeBerry, Councilmember City of Fort Walton Beach  
Dewey Destin, Councilmember City of Destin  
Randy Hebert, Mayor Pro Tem City of Gulf Breeze  
Chris Stein, Mayor City of Mary Esther

### **Others Present**

Monica Wallis, Destin Water Users  
Mike Hackett, Okaloosa County Water and Sewer  
Jeff Crigler, Holly Navarre Water System  
Joe Ream, South Walton Utility Company  
Jon Kanak, South Walton Utility Company  
Dale Long, MESI  
Chelsey Sharon, Okaloosa County  
Tiffany Bates, ECRC  
Howard Vanselow, ECRC

### **Others Virtual/Call-in**

Gary Huston, Linne & Huston  
Kandase Lee, ECRC  
Gina Watson, ECRC

### **Call to Order**

Vice Chair Wright called the meeting to order and called on Howard Vanselow to review the RUA Board membership and its recent changes. The Board membership is structured to have two representatives from each of the three counties, as well as individuals representing the

# **WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY**

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## **Staff - Emerald Coast Regional Council**

member cities. Okaloosa County Commissioner Trey Goodwin was not appointed to this board for the new fiscal year, therefore there is a need to elect a new chair at this meeting. Alternates are allowed and some are in attendance today.

### **Approval of the Agenda**

Howard Vanselow asked the board to approve adding Regional Updates as an information item to the agenda. This would provide an opportunity for the board's Technical Advisory Committee members to speak to the current status of their utility efforts.

**The agenda was approved with the addition, by consent.**

### **Public Comments**

There were no public comments.

### **Approval of the October 14, 2024 Meeting Minutes**

**Mayor Stein moved to approve the October 14, 2024 meeting minutes. Commissioner Burkett seconded the motion, and it was unanimously approved.**

### **ACTION ITEMS:**

#### **a. Election of Chair and Vice Chair**

Howard Vanselow stated that there is a need to elect a new chair and possibly vice-chair if the board decides to move the current vice-chair into the position of chairman.

**Commissioner Curry moved to elect Santa Rosa County Commissioner Colten Wright as the new RUA Board chair, effective immediately. Council Member Destin seconded the motion, and it was unanimously approved.**

**Mayor Stein moved to elect Destin City Council Member Dewey Destin as the new RUA Board vice-chair, effective immediately. Commissioner Burkett seconded the motion, and it was unanimously approved.**

#### **b. Consideration of Supporting Holt Water Works' (Holt WW) Request for Inclusion (RFI) in Florida's State Revolving Fund Loan**

# **WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY**

**Staff - Emerald Coast Regional Council**

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Dale Long explained that the needs Holt WW are facing. The current waterline is hazardous because it is made of asbestos and is within the Hwy. 90 right of way, making it susceptible to damage during other utility work. The system currently has two wells and two tanks which do not have the capacity to meet the peak day demand. Reserves do not exist to handle system failure, fire, or other emergencies.

The first step for Holt WW to successfully acquire funding assistance from the State Revolving Fund is to submit an RFI and the RUA Board's support is being requested. The estimated loan amount that would ultimately be requested is \$6.2 million.

Chair Wright noted that the updated dollar amount requests were handed out by Howard Vanselow prior to the meeting and asked for a motion by the board.

**Council Member Destin moved to authorize the RUA Chair to sign the Holt Water Works' (Holt WW) Request for Inclusion (RFI) in Florida's State Revolving Fund loan. The motion was seconded by Commissioner Curry, and it was unanimously approved.**

**c. First Amendment to Interlocal Agreement Between RUA and Holt Water Works, Inc. (Holt WW) Dated October 14, 2024**

Dale Long stated that after the RUA Board approved and entered the Interlocal Agreement following the October board meeting, FDEP requested that the following language be added, to follow Section 20:

Section 21. Holt WW's rates and charges for the services furnished by Holt WW to its customers will be maintained in a manner which will be sufficient to provide, in each Fiscal Year, Pledged Revenues equal to or exceeding 1.15 times the sum of the Semiannual Loan Payments due in such Fiscal Year. In addition, Holt WW shall satisfy the coverage requirements of all Parity Debt obligations. Capitalized terms shall have the same meaning as those terms have in the Loan Agreement between Holt WW and FDEP.

**Mayor Stein moved to approve the first amendment to the interlocal agreement between the Regional Utility Authority and Holt Water Works, Inc. The motion was seconded by Mayor Pro Tem Hebert, and it was unanimously approved.**

# **WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY**

Staff - Emerald Coast Regional Council

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## **d. State Revolving Fund Loan Agreement DW170440**

Howard Vanselow stated that in July, 2024, the RUA agreed to support Holt Water Works' Request for Inclusion (RFI) for water meter replacement, then entered an interlocal agreement with Holt Water Works in October. The interlocal agreement authorizes the RUA to apply on behalf of Holt Water Works for funds from the State Revolving Fund. The request of the board is to approve the chair's signature on behalf of Holt Water Works for a drinking water construction loan agreement (DW170440).

**Councilman Curry moved to approve State Revolving Loan Agreement DW170440. The motion was seconded by Mayor Pro Tem Hebert, and it was unanimously approved.**

## **Information Item**

### **a. Regional Updates**

#### **Jeff Crigler – Holley-Navarre Water System Update**

Jeff Crigler provided an update on current projects, highlighting the Eglin Regional Reuse Project as the most significant initiative underway. This four-phase joint effort involves Holley-Navarre Water System, Santa Rosa County, and the City of Gulf Breeze.

- **Phase 1** involves the installation of new rapid infiltration basins (RIBs) on Eglin Air Force Base property and is nearing completion.
- **Phase 2**, scheduled to go out for bid this fall, will enable the elimination of wastewater discharge into Santa Rosa Sound from Navarre Beach.
- **Phase 3** includes the construction of a reuse pipeline from the Holley-Navarre treatment plant to the City of Gulf Breeze, expanding regional capacity.
- **Phase 4** will consist of upgrades to the Navarre Beach Wastewater Treatment Plant.

Additionally, plans are in place to develop two new water well sites to support projected growth and future demand.

#### **Joe Ream – South Walton Utility Company Update**

Joe Ream reported that a Request for Qualifications (RFQ) has been issued for the design of a new wastewater treatment plant operations facility. The utility is currently assessing its

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## **Staff - Emerald Coast Regional Council**

existing infrastructure and conducting system modeling to forecast and prepare for future needs.

### **Monica Wallis – Destin Water Users Update**

Monica Wallis thanked the Board for their letter of support for the pilot program grant. She reported that the grant was approved, and Destin Water Users has been awarded \$1.25 million in funding.

The team is currently working on an update to the Facilities Plan, focusing on reuse disposal and distribution systems. They anticipate returning to the Board with a Request for Inclusion related to this effort.

In addition, expansions are underway for the reclaimed water system, the pump station, and the master lift station. Destin Water Users may also bring forward a request related to a Clean Water Request for Information (RFI) in the near future.

### **Mike Hackett – Okaloosa County Water & Sewer Update**

Mike Hackett discussed ongoing efforts related to system resilience and hardening.

He highlighted the Shoal River Water Supply Project as Okaloosa County's most significant current initiative. The \$58 million project is expected to be completed by the end of December. Initially designed with a capacity of 1.25 million gallons per day (MGD), the system is expandable to 10 MGD to support anticipated growth, including a planned \$1 billion investment by Williams International.

In addition, Okaloosa County has been contracted by the City of Niceville to extend a reuse water main to the Deer Moss Creek development.

Gary Huston noted, as a housekeeping item, that the loan agreement that was approved earlier (page 60 of the agenda) needed signature. Howard Vanselow said it would be signed by the chair today and then forwarded to Gary Huston for his signature.

### **b. October 14, 2024 TAC Meeting Minutes**

Howard Vanselow said minutes from the October TAC meeting were completed and were attached to this meeting's agenda. The TAC members provided regional updates during

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Staff - Emerald Coast Regional Council

the meeting in October as well as earlier at today's meeting. See agenda item 7a for a summary of those updates.

**Other Business** The next meeting of the RUA board is tentatively scheduled for September 2025, unless one is needed sooner.

*The meeting was adjourned.*

DRAFT

# ENCLOSURE 6a:

## FY2026 RUA Budget

# WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY

## FY26 Budget

10/01/25 through 09/30/26

	<u>FY25 Budget</u>
Estimated Operating Revenues	
Membership fees	5,174
Member reimbursements	17,883
<b>Total Revenue</b>	<u>23,057</u>
Estimated Operating Expenses	
Personnels costs	7,000
Professional services	14,440
Other direct expenses	1,617
<b>Total Operating Expenses</b>	<u>23,057</u>
Estimated Non-Operating Revenues (Expenses)	
Interest income	205,000
Interest expense	(186,000)
<b>Total Non-Operating Revenues &amp; Expenses</b>	<u>19,000</u>
<b>NET INCOME (LOSS)</b>	<u><u>19,000</u></u>

# ENCLOSURE 6b:

Interlocal Agreement between  
Walton/Okaloosa/Santa Rosa Regional Utility Authority  
and Holt Water Works, Inc.

# WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY

Staff to the RUA: Emerald Coast Regional Council

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## Enclosure 6b

**SUBJECT:** Consideration of authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority (RUA) to enter an Interlocal Agreement with Holt Water Works, Inc.

**ORIGIN OF SUBJECT:** Holt Water Works, Inc (Holt WW)

**Background:** Holt WW is seeking assistance of the RUA to obtain funding from Florida Department of Environmental Protection to develop needed additional capacity and related improvements to Holt WW's drinking water utility services.

**Attached are the following:**

- Interlocal Agreement

**RECOMMENDED ACTION: Approval of a motion to authorize the RUA to enter the Interlocal Agreement.** This action is recommended in order for Holt WW to obtain funding from Florida Department of Environmental Protection. Please contact Mr. Howard Vanselow, Emerald Coast Regional Council, at [howard.vanselow@ecrc.org](mailto:howard.vanselow@ecrc.org) or (850) 332-7976, ext. 231 if you want additional information.



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## INTERLOCAL AGREEMENT

THIS AGREEMENT is made this 2nd day of October, 2025, by and between the **Walton/Okaloosa/Santa Rosa Regional Utility Authority** (hereinafter referred to as “**RUA**”), and **Holt Water Works, Inc.** (hereinafter referred to as “**Holt WW**”);

WITNESSETH:

WHEREAS RUA is a Regional Utility Authority created pursuant to the provisions of *Florida Statutes* and a Florida Department of Environmental Protection Secretary's Order dated March 9, 1999, and it has the authority to enter into this Agreement pursuant to Section 163.01, *Florida Statutes*, authorizing Interlocal Agreements; and

WHEREAS RUA is authorized to borrow money and incur indebtedness, and for that purpose, to contract with other governmental authorities or other corporations for the purpose of financing construction and operations consistent with its purposes; and

WHEREAS RUA as a regional utility authority is eligible to receive loans and grants through the Florida Department of Environmental Protection’s State Revolving Loan Program for drinking water facilities; and

WHEREAS RUA is authorized to enter into agreements or contracts with public and/or private entities for provision of planning, financing and construction of any and all water-related facilities deemed appropriate by the RUA; and

WHEREAS Holt WW is a not-for-profit, member-owned corporation and owns, operates, and maintains a drinking water utility system, including wells, a drinking water treatment plant, one or more storage tanks, and a distribution system for the benefit of its members, in accordance with Section 501(c) (12) of the Internal Revenue Code and as authorized by the Laws of Florida; and

WHEREAS Holt WW provides drinking water service to a defined area of rural Okaloosa County, Florida; and

WHEREAS Holt WW has determined that certain improvements to its drinking water system would enhance its operational efficiencies and services to its customers; and

WHEREAS Holt WW is seeking the assistance of RUA to obtain funding from Florida DEP to develop needed additional capacity and related improvements to Holt WW's drinking water utility services.

NOW, THEREFORE, in consideration of the foregoing premises, which shall be deemed an integral part of this Agreement, and of the mutual covenants and agreements hereafter set forth, RUA and Holt WW intend to be legally bound and hereby agree as follows:

1. FDEP STATE REVOLVING LOAN

- a. RUA agrees to make application for a loan through the Florida Department of Environmental State Revolving Loan Program for Drinking Water Facilities (“**the Loan**”). Holt WW agrees to take any and all necessary action to enable RUA to submit a complete loan application. If the Loan is approved and funded, RUA and Holt WW will apply the Loan proceeds in accordance with the requirements of the Loan (or grant, as applicable) to the construction or installation of the specified and approved improvements to the Holt WW drinking water system.
- b. Should any future amendments to the loan agreement be required, RUA agrees to take any and all necessary action to finalize any loan agreement amendments.
- c. Holt WW agrees to provide, at its sole cost and expense, all necessary administration, legal, engineering, and financial consultants' services in support of RUA's loan application. The provision of these consultant services shall be at no cost to RUA. Holt WW further agrees to provide any and all documents required to support the loan application and approval process.
- d. RUA agrees not to obligate Holt WW in any way without Holt WW's approval, and *vice versa*.
- e. Holt WW agrees to comply at all times with the laws, rules, regulations, policies and conditions relating to the Loan.
- f. Holt WW hereby agrees that the Loan will be secured by Holt WW's

pledge of all net revenues of the Holt WW drinking water system as the “Pledged Revenues” required for the Loan.

## 2. OPERATION AND MAINTENANCE

At its sole cost and expense, Holt WW will be responsible for all operating and maintenance expenses relating to all its facilities and all related systems, including but not limited to all administrative, planning, engineering, permitting, and construction support needed to implement the project’s development.

## 3. GUARANTY OF PAYMENT

Holt WW hereby guarantees payment of funds to RUA for full and punctual repayment of the Loan, as each payment becomes due, and will hold RUA harmless from all operational and maintenance costs, expenses and issues, and all other issues relating in any way to the management of the facilities.

## 4. FEES AND CHARGES

- a. Holt WW agrees to provide funds to RUA to pay all fees, charges, principal, and interest to the Florida Department of Environmental Protection related to the Loan.
- b. Holt WW agrees to pay fully and in a timely manner when due, all of RUA’s actual costs and expenses RUA incurs at any time in performing its obligations under this Agreement or relating in any way to this Agreement or the transactions which are the subject of this Agreement including, without limitation, (i) the internal costs incurred by RUA (including those incurred by RUA’s agent, Emerald Coast Planning Council), RUA’s personnel costs and out-of-pocket expenses, and (ii) RUA’s attorneys’ fees. If Holt WW contends that any such amounts are excessive, Holt WW will have the right to petition RUA’s Board of Directors for a determination of the reasonable amount properly payable by Holt WW in regard to the costs, expenses and fees charged to Holt WW under this paragraph 4.b.

5. TERM

- a. This Agreement shall remain in full force and effect until the Loan is paid in full and all of Holt WW's obligations under this Agreement have been fully performed.
- b. However, this Agreement shall expire if the Florida DEP does not fund the Loan in whole or in part within twenty-four (24) months after the signing of this Agreement.

6. HOLD HARMLESS

Holt WW agrees to hold RUA harmless with respect to any and all obligations regarding the Loan and the project.

7. SUCCESSOR AND ASSIGNS

Neither party will have any right to assign its rights or obligations under this Agreement without the written consent of the other party. In the event of a valid assignment, the terms and conditions of this Agreement shall be binding on all approved assignees.

8. MODIFICATIONS OF TERMS OF AGREEMENT

No modification to this Agreement shall occur unless agreed to in writing by the parties to this Agreement.

9. REGULATORY AGENCIES AND PERMITS

This Agreement is subject to such permits, rules, regulations or laws as may be applicable to similar agreements in Florida. Holt WW and RUA shall cooperate with one another in obtaining all necessary permits, certificates or the like as may be required to comply with all applicable rules, regulations and laws.

11. DEFAULTS AND REMEDIES

11.1 Events of Default

Each of the following events, individually, is hereby declared an Event of Default:

- (1) The occurrence of any Event of Default under the Loan or any grant made by Florida DEP to fund (in whole or in part) any project or improvement contemplated by this Agreement or any other Agreement between Holt WW and RUA concerning any one or more other loans payable to Florida DEP;
- (2) Failure to comply with the provisions of this Agreement and the continuance of such failure for thirty (30) days after written notice given to the defaulting party;
- (3) An order or decree is entered, with the acquiescence of Holt WW, appointing a receiver of any part of its water system or gross revenues thereof; or if such order or decree is entered without the consent or acquiescence of Holt WW, if the same is not vacated or discharged or stayed on appeal within 60 days after the entry thereof;
- (4) Any proceeding is instituted, with the acquiescence of Holt WW, for the purpose of effecting a composition between Holt WW 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 gross revenues of Holt WW's water system;
- (5) Any lien or levy is filed or is effective against the assets or revenues of Holt WW; and
- (6) Any bankruptcy, insolvency or other similar proceeding instituted by or against Holt WW under federal or state bankruptcy or insolvency law now or hereafter in effect and, if instituted against Holt WW, the same is not dismissed within 60 days after filing.

## 11.2 Remedies

Upon any Event of Default by Holt WW, RUA may enforce its rights by any of the following remedies:

- (1) By any method available at law or in equity, RUA will have the authority (i) to establish rates and (ii) for RUA to collect fees and charges for use of Holt WW's water systems, and (iii) to require Holt WW to fulfill this Agreement.
- (2) To require Holt WW to account for all moneys received from RUA or from the ownership of the water systems, and to account for the receipt,

use, application, or disposition of all Loan proceeds and Holt WW's revenues.

(3) By action or suit in equity, enjoin any acts or failures to act which may be unlawful or in violation of the rights of RUA.

(4) By applying to a court of competent jurisdiction, cause appointment of a receiver to manage Holt WW's water systems, establish and collect fees and charges, and apply the revenues to the payment of the Loan and payment of other obligations under this Agreement.

(5) By charging Holt WW interest on all unpaid obligations at the rate of eighteen percent (18%) per annum on the amount due, in addition to charging the cost to monitor and process the debt related to the Loan. Interest shall accrue on any amount due and payable beginning on the 30<sup>th</sup> day following the date upon which payment first became 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.

### 11.3 Delay and Waiver

No delay or omission by either RUA or Holt WW to exercise any right or power accruing upon an Event of Default shall impair any such right or power or 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 advisable. No waiver of any default under this Agreement shall extend to or affect any subsequent Event of Default, whether of the same or different provision of this Agreement, nor impair consequent rights or remedies.

## 12. APPLICABLE LAW

The parties agree that this Agreement was entered into in the State of Florida and that the laws of the State of Florida apply to the interpretation, construction and enforcement of this Agreement.

### 13. ENTIRE AGREEMENT

No prior or present agreements or representations of the parties or their predecessors shall be binding on the parties to this Agreement. This Agreement shall replace and supersede all previous agreements. No modification or change in this Agreement shall be valid or binding upon the parties unless in writing, and executed by all the parties.

### 14. DISPUTE RESOLUTION

- a. If Holt WW alleges a breach by RUA, then the parties shall perform and otherwise comply with the terms of this Agreement until final resolution of the alleged breach, whether final resolution is accomplished by agreement, mediation, litigation or any other applicable proceeding.
- b. RUA and Holt WW agree that if a dispute arises out of or in relation to this Agreement, they will attempt in good faith to settle the matter through discussion, negotiation and/or mediation. Any dispute arising under or in relation to the Agreement which cannot be resolved informally shall be resolved in this following manner:
  - (i) Mediation: As a condition precedent to litigation or adversarial administrative proceeding, the parties shall submit the matter to non-binding mediation in an effort to resolve their differences, and the parties shall equally share the cost of mediation.
  - (ii) Attorneys' Fees and Costs: If there is a breach of this Agreement and it becomes necessary for any party to employ the services of an attorney either to enforce this Agreement or pursue other remedies, including (without limitation) litigation or adversarial administrative proceedings, the non-prevailing party or parties shall pay the prevailing party's or parties' reasonable attorneys' fees and such reasonable costs and expenses as are incurred in enforcing this Agreement or pursuing other remedies, to the extent allowed by law.

### 15. EXECUTION OF DOCUMENTS

This Agreement may be executed in duplicate counterparts or duplicate

originals, either of which shall be regarded for all purposes as an original and all of which shall constitute one and the same instrument.

#### 16. SEVERABILITY

If any provision of this Agreement is, for any reason, determined invalid, illegal or unenforceable in any respect, the parties shall negotiate in good faith and strive to agree to such amendments, modifications or supplements to this Agreement or such other appropriate actions as shall, to the maximum extent practical in light of such determination, implement and give effect to the intentions of the parties as reflected herein; and the other provisions of this Agreement, except as amended, modified, supplemented or otherwise affected by such action, shall remain in full force and effect.

#### 17. SECTIONS, CAPTIONS, AND REFERENCES

The section headings and captions contained herein are included for convenience only and shall not be considered part of this Agreement or affect in any manner its construction or interpretation. Except as otherwise indicated, all references herein to sections are to sections of this Agreement.

#### 18. AMBIGUITY

The parties agree that each one has played an equal part in the negotiation and drafting of this Agreement, and if any ambiguity is asserted or realized in the interpretation or construction of this Agreement, the result of such ambiguity shall be equally assumed and realized by each party.

#### 19. WAIVER OF JURY TRIAL

The parties to this Agreement hereby waive their rights to jury trial of any dispute arising out of this Agreement.

#### 20. NOTICES

Any notice required pursuant to this Agreement shall be deemed sufficient if sent by United States Mail, Postage Prepaid, to the following:

If to Walton/Okaloosa/Santa Rosa  
Regional Utility Authority:

Executive Director  
Emerald Coast Regional Council  
P.O. Box 11399  
Pensacola, FL 32524

If to Holt Water Works, Inc.:

Manager  
Holt Water Works  
4618 Johnson St.  
Holt, FL 32564

## 21. DEBT SERVICE COVERAGE REQUIREMENT

Holt WW's rates and charges for the services furnished by Holt WW to its customers will be maintained in a manner which will be sufficient to provide, in each Fiscal Year, Pledged Revenues equal to or exceeding 1.15 times the sum of the Semiannual Loan Payments due in such Fiscal Year. In addition, Holt WW shall satisfy the coverage requirements of all Parity Debt obligations. Capitalized terms shall have the same meaning as those terms have in the Loan Agreement between Holt WW and FDEP.

*(Signatures on following pages)*

IN WITNESS WHEREOF, RUA and Holt WW have caused this Agreement to be executed in two (2) counterparts by their authorized representatives as of the day and year first written above.

HOLT WATER WORKS, INC.

By: \_\_\_\_\_

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

STATE OF FLORIDA        )  
  )  
COUNTY OF OKALOOSA    )

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, on \_\_\_\_\_, 2025, by \_\_\_\_\_ as Manager Holt Water Works, Inc., a corporation, on behalf of the corporation. He/she is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA  
COMMISSION NO. \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_

WALTON/OKALOOSA/SANTA ROSA  
REGIONAL UTILITY AUTHORITY

By: \_\_\_\_\_  
\_\_\_\_\_, its Chairman

\_\_\_\_\_  
Witness

\_\_\_\_\_  
Witness

STATE OF FLORIDA        )  
  )  
COUNTY OF \_\_\_\_\_)

The foregoing instrument was acknowledged before me by means of  physical presence or  online notarization, on \_\_\_\_\_, 2025, by \_\_\_\_\_, as Chairman of Walton/Okaloosa/Santa Rosa Regional Utility Authority, on behalf of that entity. He/she is personally known to me or has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
NOTARY PUBLIC, STATE OF FLORIDA  
COMMISSION NO. \_\_\_\_\_  
MY COMMISSION EXPIRES: \_\_\_\_\_

## ENCLOSURE 6c:

Consideration of Resolution 2025-01 authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority to submit State Revolving Fund Drinking Water Loan application on behalf of Holt Water Works, Inc as sponsoring agency and designating authorized representatives.

# WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY

Staff to the RUA: Emerald Coast Regional Council

Chair: Colton Wright  
Vice-Chair: Dewey Destin

## Enclosure 6c

**SUBJECT:** Consideration of Resolution 2025-01 authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority (RUA) to submit State Revolving Fund (SRF) Drinking Water Loan application for Waterline Replacement, New Well, Water Plant, and Elevated Tank Projects (Project # DW 17044) on behalf of Holt Water Works, Inc as sponsoring agency and designating authorized representatives.

**ORIGIN OF SUBJECT:** Holt Water Works, Inc (Holt WW)

**Background:** June 30, 2025, the RUA supported Holt WW Request for for Inclusion (RFI) application for Waterline Replacement, New Well, Water Plant, and Elevated Tank Projects.

**Attached are the following:**

- Resolution 2025-01
- SRF Loan Application

**RECOMMENDED ACTION: Approval of a motion to authorize the RUA Chair to sign Resolution 2025-01 and SRF Loan Application.** This action is recommended in order to submit the SRF loan application. Please contact Mr. Dale Long, P.E., LEED AP, Senior Project Engineer, Municipal Engineering Service Inc, at [dlong@mesi-fl.com](mailto:dlong@mesi-fl.com) or (850) 939-5732 if you want additional information.



STAFF TO THE RUA: Emerald Coast Regional Council  
P.O. Box 11399 • Pensacola, FL 32524-1399 • P: 850.332.7976 • 1.800.226.8914 • F: 850.637.1923  
[www.ecrc.org](http://www.ecrc.org)

**RESOLUTION NO. 2025-01**

**A RESOLUTION OF WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY (RUA) RELATING TO THE STATE REVOLVING LOAN PROGRAM FOR DRINKING WATER FACILITIES; MAKING FINDINGS; AUTHORIZING A LOAN APPLICATION ON BEHALF OF HOLT WATER WORKS, INC.; AUTHORIZING THE LOAN DOCUMENTS TO BE SIGNED ON BEHALF OF RUA; ESTABLISHING PLEDGED REVENUES; DESIGNATING AUTHORIZED REPRESENTATIVES; PROVIDING ASSURANCES; PROVIDING FOR CONFLICTS, SEVERABILITY, AND EFFECTIVE DATE.**

WHEREAS Florida Statutes provide for loans to local government agencies to finance the construction and improvement of drinking water facilities; and

WHEREAS Florida Administrative Code rules require authorization to apply for loans, to establish pledged revenues, to designate an authorized representative, to provide assurances of compliance with loan program requirements, and to enter into a loan agreement; and

WHEREAS, the Florida Department of Environmental Protection’s (“**Florida DEP**”) State Revolving Loan Program for Drinking Water Facilities has approved a loan (“**the Loan**”) for Project No. 17044 listed on Florida DEP’s priority list (“**the Project**”); and

WHEREAS the Walton/Okaloosa/Santa Rosa Regional Utility Authority (“**RUA**”) intends to enter into a loan agreement with the Florida DEP under the State Revolving Loan Program for Drinking Water Facilities for financing the Project as intermediary for Holt Water Works, Inc. (“**HOLT WATER WORKS**”).

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY, AS FOLLOWS:

SECTION I. The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION II. The Walton/Okaloosa/Santa Rosa Regional Utility Authority, acting as intermediary for HOLT WATER WORKS, is authorized to apply for the Loan to finance the Project.

SECTION III. The Walton/Okaloosa/Santa Rosa Regional Utility Authority is authorized to enter into an Interlocal Agreement with HOLT WATER WORKS in form and in substance satisfactory to RUA’s attorney. In accordance with the Interlocal Agreement between HOLT WATER WORKS and RUA, the revenues pledged for the repayment of the Loan are and shall be all revenues of HOLT WATER WORKS, including water charges and connection fees.

SECTION IV. RUA’s Chairman (or other representative designated by RUA’s Chairman) is hereby designated as the authorized representative to provide the assurances and commitments required by the loan application for the Loan.

SECTION V. RUA’s Chairman (or other representative designated by RUA’s Chairman) is hereby designated as the authorized representative to execute the Interlocal Agreement, loan agreement and any

amendments, each of which will become a binding obligation in accordance with its terms when signed by both parties. RUA’s Chairman (or other representative designated by RUA’s Chairman) is authorized to represent RUA in carrying out RUA’s responsibilities under the Loan. RUA’s Chairman (or other representative designated by RUA’s Chairman) is authorized but not required to delegate responsibility to HOLT WATER WORKS and appropriate staff to conduct technical, financial, and administrative activities associated with the Loan.

SECTION VI. The legal authority for borrowing moneys to construct the Project is section 403.8532, *Florida Statutes (2025)*.

SECTION VII. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION VIII. This Resolution shall become effective immediately upon its passage and adoption.

PASSED and ADOPTED this \_\_\_\_ day of October, 2025, by the Walton/Okaloosa/Santa Rosa Regional Utility Authority.

ATTEST

APPROVED AS TO FORM AND LEGALITY

\_\_\_\_\_

\_\_\_\_\_

Attorney

\_\_\_\_\_

Chairman

STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION

**STATE REVOLVING LOAN PROGRAM  
FOR  
DRINKING WATER FACILITIES**

**LOAN APPLICATION**



Florida Department of Environmental Protection  
State Revolving Fund Program  
Marjory Stoneman Douglas Building  
3900 Commonwealth Boulevard  
Tallahassee, FL 32399-3000

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**LOAN APPLICATION**

- (1) **SUBMITTAL.** Submit the application and attachments to the Department of Environmental Protection, MS 3505, State Revolving Fund Program, Marjorie Stoneman Douglas Building, 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000. The application (and supporting documentation) may be submitted electronically to the Department's Project Manager.
- (2) **COMPLETING THE APPLICATION.**
  - (a) This application consists of five parts: (I) ADMINISTRATIVE INFORMATION; (II) PROJECT INFORMATION; (III) FINANCIAL INFORMATION; (IV) AUTHORIZATION AND ASSURANCES; and (V) SUPPLEMENTARY INFORMATION.
  - (b) All information provided on this application must be printed. Monetary amounts may be rounded.
  - (c) Forms and attachments to be submitted are denoted with italic print.
- (3) **ASSISTANCE.** Completing this application may require information that can be obtained from the Drinking Water State Revolving Fund Program staff. Please email [SRF\\_Reporting@dep.state.fl.us](mailto:SRF_Reporting@dep.state.fl.us) for assistance in completing this application.

**PART I - ADMINISTRATIVE INFORMATION**

- (1) **PROJECT SPONSOR** \_\_\_\_\_  
Federal Employer Identification Number \_\_\_\_\_  
DUNS Number \_\_\_\_\_
- (2) **AUTHORIZED REPRESENTATIVE** (person authorized to sign or attest loan documents).  
Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ Email \_\_\_\_\_  
Mailing Address \_\_\_\_\_

---

- (3) **PRIMARY CONTACT** (person to answer questions regarding this application).  
Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ Email \_\_\_\_\_  
Employer \_\_\_\_\_  
Mailing Address \_\_\_\_\_

---

- (4) **ADDITIONAL CONTACTS.** If more than one additional person is to receive copies of Department correspondence, attach the information (*Attachment #*\_\_\_\_\_).  
Name \_\_\_\_\_ Title \_\_\_\_\_  
Telephone \_\_\_\_\_ Email \_\_\_\_\_  
Employer \_\_\_\_\_  
Mailing Address \_\_\_\_\_

---

- (5) **PROJECT NUMBER** (listed on the Department's priority list). \_\_\_\_\_
- (6) **INTERIM FINANCING.** A local government project sponsor that has interim financing may be subject to certain conditions regarding such financing.  
  
Is the project currently being funded with interim financing?       Yes       No

**PART II – PROJECT INFORMATION**

If you are applying for a planning or design loan for a project that will involve construction, complete only Subpart A below. If you are applying for a loan to construct a project that is already planned and designed, complete only Subpart B below.

**A. PLANNING OR DESIGN PROJECT**

Information should be provided for each separate facility to be planned and designed as appropriate. For design/build projects (not eligible for design loans) or those where multiple facilities, segments, or phases are involved, please attach information for activities, schedule, and cost for each. (*Attachment #\_\_\_\_\_*)

- (1) **ACTIVITIES.** Attach a brief description of the scope of planning and design activities to be financed by this loan. Include a list of any engineering services to be performed. (*Attachment #\_\_\_\_\_*) Are these activities the same as those scheduled on the *Request for Inclusion Form*?  Yes  No. If “No”, please explain. (*Attachment #\_\_\_\_\_*)
- (2) **SCHEDULE.**
  - (a) Provide proposed completion dates for the items. (Please call Department staff to discuss time frames needed to complete required tasks.)
 

Planning documentation	
Engineering design	
Certification of site availability	
Permitting	
  - (b) Do you anticipate that an interlocal agreement with another party will be necessary to implement the project? If “Yes”, please explain. (*Attachment #\_\_\_\_\_*)  Yes  No
  - (c) Is this a design/build project?  Yes  No
  - (3) **COST.** Is the cost information submitted for the planning or design loan priority list current? If “No”, please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (*Attachment #\_\_\_\_\_*) Note that the disburseable amount will be limited to the priority list amount.  Yes  No

PLANNING OR DESIGN APPLICANTS PROCEED TO PART III.

**B. CONSTRUCTION PROJECT**

- (1) **ACTIVITIES.**
  - (a) Attach a brief description of construction activities to be financed by this loan. Include a list of the contracts (by title) corresponding to the plans and specifications accepted by the Department (*Attachment #\_\_\_\_\_*).
 

Are these contracts the same as those scheduled on the *Request for Inclusion Form*?  Yes  No

If “No”, please explain. (*Attachment #\_\_\_\_\_*)
  - (b) Have any of the contracts been bid?  Yes  No
 

If “Yes”, indicate which contracts have been bid. (*Attachment #\_\_\_\_\_*)
  - (c) Was planning or design for this project financed in another SRF loan?  Yes  No
 

If “Yes”, give the SRF loan number. \_\_\_\_\_
  - (d) Does this project involve an interlocal agreement with other local governments or other entities?  Yes  No
 

If “Yes”, attach a copy of the interlocal agreement. (*Attachment #\_\_\_\_\_*)

Is the interlocal agreement fully executed and enforceable?  Yes  No

If "No", please explain (*Attachment #*\_\_\_\_\_).

(2) SCHEDULE. (month and year)

(a) Anticipated notice to proceed for first construction contract. \_\_\_\_\_

(b) Anticipated completion of all construction contracts. \_\_\_\_\_

(3) COST. Is the cost information submitted for the priority list current?  Yes  No

If "No", please explain and submit revised cost information using the appropriate page of the *Request for Inclusion Form*. (*Attachment #*\_\_\_\_\_). Note that the disburseable amount will be limited to the priority list amount.

**PART III - FINANCIAL INFORMATION**

Estimates of the capitalized interest, interest rate, pledged revenue coverage, limitations on annual loan amounts for large projects, applicability and amount of repayment reserves, amount of the loan service fee and any other information may be obtained by contacting staff in the State Revolving Fund Management Section.

(1) PRINCIPAL. The requested amount of the loan which does not include capitalized interest is \$ \_\_\_\_\_

Note that the disburseable amount will be limited to the priority list amount and must be consistent with the project information provided under **PART II** of this application. Also note that the capitalized interest is an inexact estimate, and it is subject to adjustment by the Department to reflect actual disbursement timing. The principal amount of the loan does not include the loan service fee.

(2) TERMS AND REPAYMENT.

(a) Loans for planning and design shall be amortized over 10 years. Construction loans to local government project sponsors are amortized over the lesser of useful life of the project or 20 years unless the project is to serve a small community qualifying as financially disadvantaged. Construction loans to financially disadvantaged small communities may be amortized over the lesser of useful life of the project or 30 years. Construction loans to non-governmental project sponsors are amortized over the lesser of the useful life of the project or 20 years. Interest charges and principal are paid semiannually.

What is the useful life of the project? \_\_\_\_\_ (years)

Over how many years would you like to amortize the loan? \_\_\_\_\_ (years)

(b) List all revenues that are to be pledged for repayment of this loan. \_\_\_\_\_

(c) Pledged revenue receipts or collections by the project sponsor must exceed the amount of the repayments due to the Department unless there are other collateral provisions. The excess revenue, or coverage, generally is 15% of each repayment.

What coverage is proposed for the loan? \_\_\_\_\_% (coverage percentage)

(d) Is any other financial assistance being applied to this project?  Yes  No

If "Yes", please list. (*Attachment #*\_\_\_\_\_)

(3) ANNUAL FUNDING LIMIT. Large project funding (generally, loans in excess of \$10 million) may be provided in increments pursuant to the initial loan agreement and subsequent amendments.

(4) INFORMATION ON LIENS.

(a) Describe, if applicable, all debt obligations having a prior or parity lien on the revenues pledged to repay this loan. (*Attachment #*\_\_\_\_\_). For example: City Name, Florida, Water and Sewer System Revenue Bonds, Series 1996, issued in the amount of \$10,000,000, pursuant to Ordinance No. 93-104, as amended and supplemented by Ordinance No. 96-156.

(b) Using the Part V, *Schedule of Prior and Parity Liens*, provide debt service information, if applicable, on each prior and parity obligation.

- (c) For the listed obligations, provide a copy of the ordinance(s), resolution(s), official statement(s), or pages thereof, setting forth the definitions, use of proceeds, debt service schedule, pledged revenues, rate covenants, provisions for issuing additional debt, provisions for bond insurance, and debt rating. (*Attachment #\_\_\_\_\_*).
  - (d) Describe any other notes and loans payable from the revenues pledged to repay this loan. (*Attachment #\_\_\_\_\_*).
- (5) ACTUAL AND PROJECTED REVENUES.
- (a) Complete the Part V, *Schedule of Actual Revenues and Debt Coverage* for the past two fiscal years.
  - (b) Complete the Part V, *Schedule of Projected Revenues and Debt Coverage*, demonstrating the availability of pledged revenues for loan repayment.
- (6) AVAILABILITY OF PLEDGED REVENUES. All sources must be supported by a written legal opinion. (*Attachment #\_\_\_\_\_*) The opinion must address the following:
- (a) Availability of the revenues to repay the loan.
  - (b) Right to increase rates at which revenues shall be collected to repay the loan.
  - (c) Subordination of the pledge if pledged revenues are subject to a prior or parity lien.
- (7) LOAN SERVICE FEE. A loan service fee is assessed on each loan. The fee is not part of the loan. The fee along with interest thereon will be deducted from the first available repayments after the final amendment to the loan agreement.

**PART IV – AUTHORIZATION AND ASSURANCES**

- (1) AUTHORIZATION. Provide an authorizing resolution of the Applicant's governing body or other evidence of authorization (*Attachment #\_\_\_\_\_*) for the following:
  - (a) Pledging revenues to repay the loan.
  - (b) Designation of the Authorized Representative(s) to file this application, provide assurances, execute the loan agreement, and represent the Applicant in carrying out responsibilities (including that of requesting loan disbursements) under the loan agreement.
- (2) ASSURANCES. The Applicant agrees to comply with the laws, rules, regulations, policies and conditions relating to the loan for this project. Applicants should seek further information from the Drinking Water State Revolving Fund Program staff as to the applicability of the requirements if the necessity for the assurances is of concern. Specifically, the Applicant certifies that it has complied, as appropriate, and will comply with the following requirements, as appropriate, in undertaking the Project:
  - (a) Assurances for capitalization grant projects.
    - 1. Complete all facilities for which funding has been provided.
    - 2. The Applicant is advised, pursuant to 40 CFR 35 Section 35.3575, that a number of Federal law, executive orders, and government-wide policies can apply to your project or activity that is receiving Federal financial assistance. The Applicant agrees to read those provisions regarding the application of Federal cross-cutting authorities (cross-cutters) to determine their applicability to your specific project or activity.
  - (b) Assurances for other projects. Please note that Florida Statutes are available at <http://www.leg.state.fl.us>. They are also available at the following physical address: Florida Department of State Division of Library and Information Services R.A. Gray Building 500 South Bronough Street Tallahassee, Florida 32399-0250.
    - 1. Chapter 161, Part I, F.S., "Beach and Shore Preservation Act" and Part III, "Coastal Zone Protection Act of 1985" which regulate coastal zone construction and all activities likely to affect the condition of the beaches or shore.
    - 2. Chapter 163, Part II, F.S., the "Local Government Comprehensive Planning and Land Development Regulation Act" which requires units of local government to establish and implement comprehensive planning programs to control future development.
    - 3. Chapter 186, F.S., State and Regional Planning, which requires conformance of projects with Regional Plans and the State Comprehensive Plan.
    - 4. Chapter 253, F.S., "Emergency Archaeological Property Acquisition Act of 1988" which requires protection of archaeological properties of major statewide significance discovered during construction activities.

5. Chapter 258, Part III, F.S., which requires protection of components or potential components of the national wild and scenic rivers system.
  6. Chapter 267, F.S., the “Florida Historical Resources Act” which requires identification, protection, and preservation of historic properties, archaeological and anthropological sites.
  7. Chapter 287, Part I, F.S., which prohibits parties convicted of public entity crimes or discrimination from participating in State-assisted projects and which requires consideration of the utilization of Minority Business Enterprises in State-assisted projects.
  8. Chapter 372, F.S., the Florida Endangered and Threatened Species Act which prohibits the killing or wounding of an endangered, threatened, or special concern species or intentionally destroying their eggs or nest.
  9. Chapter 373, Part IV, F.S., Florida Water Resources Act of 1972, which requires that activities on surface waters or wetlands avoid adversely affecting: public health, safety, welfare, or property; conservation of fish and wildlife, including endangered or threatened species or their habitats; navigation or the flow of water; the fishing or recreational values or marine productivity; and significant historical and archaeological resources.
  10. Chapter 380, Part I, F.S., Florida Environmental Land and Water Management Act of 1972 as it pertains to regulation of developments and implementation of land and water management policies.
  11. Chapter 381, F.S., Public Health, as it pertains to regulation of onsite wastewater systems.
  12. Chapter 403, Part I, F.S., Florida Air and Water Pollution Control which requires protection of all waters of the state.
  13. Chapter 582, F.S., Soil and Water Conservation Act which requires conformance with Water Management District’s regulations governing the use of land and water resources.
  14. Governor’s Executive Order 95-359, which requires State Clearinghouse review of project planning documentation and intergovernmental coordination.
- (c) Assurances for all projects. The loan recipient certifies that it is not listed on the governmentwide exclusions in the System for Award Management (SAM), in accordance with the OMB guidelines at 2 CFR 180 that implement Executive Orders 12549 (3 CFR part 1986 Comp., p. 189) and 12689 (3 CFR part 1989 Comp., p. 235), “Debarment and Suspension.”

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

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

Authorized Representative \_\_\_\_\_  
*(signature)* *(name typed or printed)*

Attachments



**PART V – SUPPLEMENTARY INFORMATION**

**SCHEDULE OF ACTUAL REVENUES AND DEBT COVERAGE**

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

	<u>Year 2022</u>	<u>Year 2023</u>
(a) Operating Revenues (Source)		
_____	_____	_____
_____	_____	_____
(b) Interest Income	_____	_____
(c) Other Income or Revenue (Identify)		
_____	_____	_____
_____	_____	_____
(d) Total Revenues	_____	_____
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	_____	_____
(f) Net Revenues [(f) = (d) – (e)]	_____	_____
(g) Debt Service (including any required coverage)	_____	_____
(h) Attach audited annual financial report(s), or pages thereof, or other documentation necessary to support the above information. Include any notes or comments from the audit reports regarding compliance with covenants of debt obligations having a prior or parity lien on the revenues pledged for repayment of the SRF Loan. (Attachment #_____)		
(i) Attach worksheets reconciling this page with the appropriate financial statements (for example, backing out depreciation and interest payments from operating expenses). (Attachment #_____)		
(j) If the net revenues were not sufficient to satisfy the debt service and coverage requirement, please explain what corrective action was taken. (Attachment #_____)		

**PART V – SUPPLEMENTARY INFORMATION**

**SCHEDULE OF PROJECTED REVENUES AND DEBT COVERAGE**

Begin with the fiscal year preceding first anticipated semiannual loan payment and continue for at least three additional years. Attach a separate page for previous State Revolving Fund loans.

	<u>Year 2024</u>	<u>Year 2025</u>	<u>Year 2026</u>	<u>Year 2027</u>	<u>Year 2028</u>
(a) Operating Revenue	_____	_____	_____	_____	_____
(b) Interest Income	_____	_____	_____	_____	_____
(c) Other Income or Revenue (identify)	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
(d) Total Revenues	_____	_____	_____	_____	_____
(e) Operating Expenses (excluding interest on debt, depreciation, and other non-cash items)	_____	_____	_____	_____	_____
(f) Net Revenues (f = d - e)	_____	_____	_____	_____	_____
(g) Revenue (including coverage) pledged to debt service, excluding SRF loans	_____	_____	_____	_____	_____
(h) Revenue (including coverage) pledged to outstanding SRF loans	_____	_____	_____	_____	_____
(i) Revenue Available for this SRF Loan [(i) = (f) – (g) – (h)]	_____	_____	_____	_____	_____
(j) Identify the source of the above information and explain methods used to develop the projections ( <i>Attachment # _____</i> ). Include an explanation of any revenue and expense growth or other adjustments; for example, any rate increases, service growth, inflation adjustments, expense adjustments reflecting the cost of operating additional facilities, or other considerations.					
(k) For construction loans, are the above projections consistent with the accepted financial feasibility information in the planning documents?				<input type="checkbox"/> Yes	<input type="checkbox"/> No
If “No”, please explain. ( <i>Attachment # _____</i> )					



**ATTACHMENT # 1**  
**Description of Construction Activities**  
**SRF Project No. 170440**

**Project Description:**

Holt Water Works, Inc. (HWW) serves the unincorporated community of Holt, FL and the surrounding area in Okaloosa County. Holt Water Work's PWS ID is FL1460352. The proposed scope of work requested as part of this SRF Loan Application is as follows:

1. Waterline Replacement - Replace approximately 3,100 LF of 6-inch asbestos cement waterline with new 6" PVC waterline. The existing waterline is not only asbestos cement lines which are subject to frequent line breaks and considered a hazardous friable material when exposed and dried out, but the lines are also located within the US Hwy 90 right-of-way. This location is subject to damage from other utility installations as well as future widening of the roadway by the FDOT. The proposed project will remove these lines from the FDOT right-of-way and replace them with PVC waterlines on the adjacent side streets. The project will maintain service and fire protection to all the existing customers.
2. New Well and Water Plant No. 4, and Elevated Tank No. 3 - Construction of a new potable water well, water treatment plant, and 300,000 gallon elevated tank. The system presently has two wells and two tanks. The smaller well and tank do not have sufficient capacity to serve the entire system during max day demand. As such in the event of failure of the primary well and/or elevated tank Holt Water Works would have problems supplying adequate water pressure and volume to their customers and fire protection would be severely limited. The new well and tank would serve to improve the system reliability and provide improved water pressure to a portion of the system that experiences low water pressure during high demands.

**ATTACHMENT # 2**

**SRF Project No. 170440**

**HOLT WATER WORKS  
AND  
REGIONAL UTILITY AUTHORITY  
INTERLOCAL AGREEMENT**

**ATTACHMENT # 3**  
**Holt Water Works Prior Liens / Obligations**  
**SRF Project No. 170440**

<i>DEBT SECURED BY PLEDGED REVENUES</i>				
<b>Loan Obligation</b>	<b>Balance as of June 2025</b>	<b>Payment Cycle</b>	<b>Payment Amount</b>	<b>Pay Off Year</b>
SRF DW460320	\$265,600	Semi-Annual	\$15,108	2035
USDA Series 91-03	\$782,035.40	Annual	\$57,926	2046
SRF DW 170440	\$53,255.00	Semi-Annual	\$1,657	2046

**ATTACHMENT # 4**  
SRF Project No. 46032

**USDA LOAN AGREEMENTS**

# Amortization Factor & Amortization Schedule Calculator

Enter Name of Borrower and Loan Number Here

\$ 1,045,400.00	Original Loan Amount
4.500%	Interest Rate (entered as a percentage i.e. 3.625%)
40	Term (in years)
2	# of <u>Years</u> of Principal Deferral (Select from drop-down)
38	Amortization Period (in years)
1	Payments per Year
55.41	Amortization Factor
\$ 57,926.00	Payment
7/27/2006	Date of Loan Closing

**DISCLAIMER**

The detailed breakdown of payments shown below is an estimate only. Actual amounts are dependent upon the actual application date of payment. Interest accrues daily from one payment to the next.

Payment Date	Payment	Interest	Principal	Balance
7/27/2007	\$ 47,043.00	\$ 47,043.00	Interest Only	\$ 1,045,400.00
7/27/2008	\$ 47,043.00	\$ 47,043.00	Interest Only	\$ 1,045,400.00
7/27/2009	\$ 57,926.00	\$ 47,043.00	\$ 10,883.00	\$ 1,034,517.00
7/27/2010	\$ 57,926.00	\$ 46,553.27	\$ 11,372.74	\$ 1,023,144.27
7/27/2011	\$ 57,926.00	\$ 46,041.49	\$ 11,884.51	\$ 1,011,259.76
7/27/2012	\$ 57,926.00	\$ 45,506.69	\$ 12,419.31	\$ 998,840.45
7/27/2013	\$ 57,926.00	\$ 44,947.82	\$ 12,978.18	\$ 985,862.27
7/27/2014	\$ 57,926.00	\$ 44,363.80	\$ 13,562.20	\$ 972,300.07
7/27/2015	\$ 57,926.00	\$ 43,753.50	\$ 14,172.50	\$ 958,127.57
7/27/2016	\$ 57,926.00	\$ 43,115.74	\$ 14,810.26	\$ 943,317.31
7/27/2017	\$ 57,926.00	\$ 42,449.28	\$ 15,476.72	\$ 927,840.59
7/27/2018	\$ 57,926.00	\$ 41,752.83	\$ 16,173.17	\$ 911,667.42
7/27/2019	\$ 57,926.00	\$ 41,025.03	\$ 16,900.97	\$ 894,766.45
7/27/2020	\$ 57,926.00	\$ 40,264.49	\$ 17,661.51	\$ 877,104.94
7/27/2021	\$ 57,926.00	\$ 39,469.72	\$ 18,456.28	\$ 858,648.66
7/27/2022	\$ 57,926.00	\$ 38,639.19	\$ 19,286.81	\$ 839,361.85
7/27/2023	\$ 57,926.00	\$ 37,771.28	\$ 20,154.72	\$ 819,207.14
7/27/2024	\$ 57,926.00	\$ 36,864.32	\$ 21,061.68	\$ 798,145.46
7/27/2025	\$ 57,926.00	\$ 35,916.55	\$ 22,009.45	\$ 776,136.00
7/27/2026	\$ 57,926.00	\$ 34,926.12	\$ 22,999.88	\$ 753,136.12
7/27/2027	\$ 57,926.00	\$ 33,891.13	\$ 24,034.87	\$ 729,101.25
7/27/2028	\$ 57,926.00	\$ 32,809.56	\$ 25,116.44	\$ 703,984.81
7/27/2029	\$ 57,926.00	\$ 31,679.32	\$ 26,246.68	\$ 677,738.12
7/27/2030	\$ 57,926.00	\$ 30,498.22	\$ 27,427.78	\$ 650,310.34
7/27/2031	\$ 57,926.00	\$ 29,263.97	\$ 28,662.03	\$ 621,648.30
7/27/2032	\$ 57,926.00	\$ 27,974.17	\$ 29,951.83	\$ 591,696.48
7/27/2033	\$ 57,926.00	\$ 26,626.34	\$ 31,299.66	\$ 560,396.82
7/27/2034	\$ 57,926.00	\$ 25,217.86	\$ 32,708.14	\$ 527,688.67
7/27/2035	\$ 57,926.00	\$ 23,745.99	\$ 34,180.01	\$ 493,508.67
7/27/2036	\$ 57,926.00	\$ 22,207.89	\$ 35,718.11	\$ 457,790.56
7/27/2037	\$ 57,926.00	\$ 20,600.57	\$ 37,325.43	\$ 420,465.13
7/27/2038	\$ 57,926.00	\$ 18,920.93	\$ 39,005.07	\$ 381,460.06
7/27/2039	\$ 57,926.00	\$ 17,165.70	\$ 40,760.30	\$ 340,699.76
7/27/2040	\$ 57,926.00	\$ 15,331.49	\$ 42,594.51	\$ 298,105.25
7/27/2041	\$ 57,926.00	\$ 13,414.74	\$ 44,511.26	\$ 253,593.99
7/27/2042	\$ 57,926.00	\$ 11,411.73	\$ 46,514.27	\$ 207,079.72
7/27/2043	\$ 57,926.00	\$ 9,318.59	\$ 48,607.41	\$ 158,472.31





**WATER OR WASTE SYSTEM GRANT AGREEMENT**  
**UNITED STATES DEPARTMENT OF AGRICULTURE**  
**RURAL UTILITIES SERVICE**

THIS AGREEMENT dated July 27, 2006 between  
Holt Water Works, Inc.

a public corporation organized and operating under

Florida Statutes  
*(Authorizing Statute)*

herein called "Grantee," and the United States of America acting through the Rural Utilities Service, Department of Agriculture, herein called "Grantor," WITNESSETH:  
WHEREAS

Grantee has determined to undertake a project of acquisition, construction, enlargement, or capital improvement of a (water) (sewer) system to serve the area under jurisdiction at an estimated cost of \$ 2,137,400 and has duly authorized the undertaking of such project.

Grantee is able to finance not more than \$ 1,887,400 of the development cost through revenues, charges, taxes or assessments, or funds otherwise available to Grantee resulting in a reasonable user charge.

Said sum of \$ 1,887,400 has been committed to and by Grantee for such project development costs.

Grantor has agreed to grant the Grantee a sum not to exceed \$ 250,000 or 11.70% percent of said development costs, whichever is the lesser, subject to the terms and conditions established by the Grantor. Provided, however, that the proportionate share of any grant funds actually advanced and not needed for grant purposes shall be returned immediately to the Grantor. The Grantor may terminate the grant in whole, or in part, at any time before the date of completion, whenever it is determined that the Grantee has failed to comply with the conditions of the grant.

As a condition of this grant agreement, the Grantee assures and certifies that it is in compliance with and will comply in the course of the agreement with all applicable laws, regulations, Executive orders and other generally applicable requirements, including those set out in 7 CFR 3015.205(b), which hereby are incorporated into this agreement by reference, and such other statutory provisions as are specifically set forth herein.

NOW, THEREFORE, In consideration of said grant by Grantor to Grantee, to be made pursuant to Section 306 (a) of the Consolidated Farm and Rural Development Act the purpose only of defraying a part not to exceed 11.70% percent of the development costs, as defined by applicable Rural Utilities Service Instructions.

**GRANTEE AGREES THAT GRANTEE WILL:**

A. Cause said project to be constructed within the total sums available to it, including said grant, in accordance with the project plans and specifications and any modifications thereof prepared by Grantee and approved by Grantor.

*Position 2*

B. Permit periodic inspection of the construction by a representative of Grantor during construction.

C. Manage, operate and maintain the system, including this project if less than the whole of said system, continuously in an efficient and economical manner.

D. Make the services of said system available within its capacity to all persons in Grantee's service area without discrimination as to race, color, religion, sex, national origin, age, marital status, or physical or mental handicap (possess capacity to enter into legal contract for services) at reasonable charges, including assessments, taxes, or fees in accordance with a schedule of such charges, whether for one or more classes

of service, adopted by resolution dated June 16, 2003, as may be modified from time to time by Grantee. The initial rate schedule must be approved by Grantor. Thereafter, Grantee may make such modifications to the rate system as long as the rate schedule remains reasonable and nondiscriminatory.

E. Adjust its operating costs and service charges from time to time to provide for adequate operation and maintenance, emergency repair reserves, obsolescence reserves, debt service and debt service reserves.

F. Expand its system from time to time to meet reasonably anticipated growth or service requirements in the area within its jurisdiction.

G. Provide Grantor with such periodic reports as it may require and permit periodic inspection of its operations by a representative of the Grantor.

H. To execute any agreements required by Grantor which Grantee is legally authorized to execute. If any such agreement has been executed by Grantee as a result of a loan being made to Grantee by Grantor contemporaneously with the making of this grant, another agreement of the same type need not be executed in connection with this grant.

I. Upon any default under its representations or agreements set forth in this instrument, Grantee, at the option and demand of Grantor, will repay to Grantor forthwith the original principal amount of the grant stated herein above with the interest at the rate of 5 percentum per annum from the date of the default. Default by the Grantee will constitute termination of the grant thereby causing cancellation of Federal assistance under the grant. The provisions of this Grant Agreement may be enforced by Grantor, at its option and without regard to prior waivers by it previous defaults of Grantee, by judicial proceedings to require specific performance of the terms of this Grant Agreement or by such other proceedings in law or equity, in either Federal or State courts, as may be deemed necessary by Grantor to assure compliance with the provisions of this Grant Agreement and the laws and regulations under which this grant is made.

J. Return immediately to Grantor, as required by the regulations of Grantor, any grant funds actually advanced and not needed by Grantee for approved purposes.

K. Use the real property including land, land improvements, structures, and appurtenances thereto, for authorized purposes of the grant as long as needed.

1. Title to real property shall vest in the recipient subject to the condition that the Grantee shall use the real property for the authorized purpose of the original grant as long as needed.

2. The Grantee shall obtain approval by the Grantor agency for the use of the real property in other projects when the Grantee determines that the property is no longer needed for the original grant purposes. Use in other projects shall be limited to those under other Federal grant programs or programs that have purposes consistent with those authorized for support by the Grantor.

3. When the real property is no longer needed as provided in 1 and 2 above, the Grantee shall request disposition instructions from the Grantor agency or its successor Federal agency. The Grantor agency shall observe the following rules in the disposition instructions:

(a) The Grantee may be permitted to retain title after it compensates the Federal Government in an amount computed by applying the Federal percentage of participation in the cost of the original project to the fair market value of the property.

(b) The Grantee may be directed to sell the property under guidelines provided by the Grantor agency. When the Grantee is authorized or required to sell the property, proper sales procedures shall be established that provide for competition to the extent practicable and result in the highest possible return.

**[Revision 1, 04/17/1998]**

(c) The Grantee may be directed to transfer title to the property to the Federal Government provided that in such cases the Grantee shall be entitled to compensation computed by applying the Grantee's percentage of participation in the cost of the program or project to the current fair market value of the property.

**This Grant Agreement covers the following described real property (use continuation sheets as necessary).**

All real property owned by Holt Water Works, Inc as per attached Exhibit A

L. Abide by the following conditions pertaining to equipment which is furnished by the Grantor or acquired wholly or in part with grant funds. Equipment means tangible, non-expendable personal property having a useful life of more than one year and an acquisition cost of \$5,000 or more per unit. A Grantee may use its own definition of equipment provided that such definition would at least include all equipment defined above.

**[Revision 1, 04/17/1998]**

1. Use of equipment.

(a) The Grantee shall use the equipment in the project for which it was acquired as long as needed. When no longer needed for the original project, the Grantee shall use the equipment in connection with its other Federally sponsored activities, if any, in the following order of priority:

(1) Activities sponsored by the Grantor.

(2) Activities sponsored by other Federal agencies.

(b) During the time that equipment is held for use on the project for which it was acquired, the Grantee shall make it available for use on other projects if such other use will not interfere with the work on the project for which the equipment was originally acquired. First preference for such other use shall be given to Grantor sponsored projects. Second preference will be given to other Federally sponsored projects.

**ATTACHMENT "A" TO REAL ESTATE MORTGAGE**

**PARCEL 1**

Lot 14, Block 33, Re-Plat of Holt, according to the plat thereof as recorded in Plat Book 1, Page 16, Public Records of Okaloosa County, Florida.

**PARCEL 2**

Beginning at the Northeast corner of the Northeast 1/4 of the Northwest 1/4 of Section 4, Township 2 North, Range 25 West; thence West 300 feet to Point of Beginning; thence South 175 feet; thence West 285 feet; thence North to State Road No. 10; thence East along right of way to Point of Beginning.

LESS AND EXCEPT the following described property:

Begin at the Northeast corner of the Northeast 1/4 of the Northwest 1/4, Section 4, Township 2 North, Range 25 West, Okaloosa County, Florida; thence West 300 feet to the Point of Beginning; thence South 175 feet; thence West 160 feet; thence North 175 feet; thence East 160 feet along the right of way of State Road 10 to the Point of Beginning.

PARCELS 1 and 2 are SUBJECT to a mortgage to Farmers Home Administration dated November 23, 1966, in the amount of \$125,000.00 and recorded in Official Records Book 412 at Page 565, records of Okaloosa County, Florida, and are subject to a mortgage to Farmers Home Administration dated June 21, 1982, in the amount of \$69,500.00 and recorded in Official Records Book 1153 at Page 837, records of Okaloosa County, Florida.

**PARCEL 3**

Commencing at a concrete monument marking the Northeast corner of Section 9, Township 2 North, Range 25 West, Okaloosa County, Florida, proceed South 01 degrees 50 minutes 56 seconds West, 1054.62 feet along the East line of said Section to a point on the South line of a 150 foot Gulf Power Company Easement; thence South 77 degrees 18 minutes 03 seconds West, 464.56 feet along said Easement to the Point of Beginning; thence continue South 77 degrees 18 minutes 03 seconds West, 225.89 feet to a point on the

*ALB*

East right of way line of Armistead Boulevard (80 foot right of way); thence South 02 degrees 30 minutes 47 seconds West, 172.18 feet along said right of way; thence departing right of way proceed South 88 degrees 17 minutes 29 seconds East, 218.00 feet; thence North 02 degrees 30 minutes 47 seconds East, 228.39 feet to the Point of Beginning.

ALSO, all of the assets comprising the waterworks system of the borrower consisting of sites, tanks, pumping stations, pipelines, easements, rights-of-way, meters, and all fixed equipment and appurtenances thereto in the County of Okaloosa, Florida, whether or not located upon real estate hereinabove described and all such properties and assets which the borrower may hereafter after acquire, with like effect as though now owned by borrower and as though covered and conveyed with all revenues and service charges, which may arise or be had from the operation of the waterworks system.

AGB

2. Disposition of equipment. When the Grantee no longer needs the equipment as provided in paragraph (a) above, the equipment may be used for other activities in accordance with the following standards:

(a) Equipment with a current per unit fair market value of less than \$5,000. The Grantee may use the equipment for other activities without reimbursement to the Federal Government or sell the equipment and retain the proceeds.

(b) Equipment with a current per unit fair market value of \$5,000 or more. The Grantee may retain the equipment for other uses provided that compensation is made to the original Grantor agency or its successor. The amount of compensation shall be computed by applying the percentage of Federal participation in the cost of the original project or program to the current fair market value or proceeds from sale of the equipment. If the Grantee has no need for the equipment and the equipment has further use value, the Grantee shall request disposition instructions from the original Grantor agency.

The Grantor agency shall determine whether the equipment can be used to meet the agency's requirements. If no requirement exists within that agency, the availability of the equipment shall be reported, in accordance with the guidelines of the Federal Property Management Regulations (FPMR), to the General Services Administration by the Grantor agency to determine whether a requirement for the equipment exists in other Federal agencies. The Grantor agency shall issue instructions to the Grantee no later than 120 days after the Grantee requests and the following procedures shall govern:

(1) If so instructed or if disposition instructions are not issued within 120 calendar days after the Grantee's request, the Grantee shall sell the equipment and reimburse the Grantor agency an amount computed by applying to the sales proceeds the percentage of Federal participation in the cost of the original project or program. However, the Grantee shall be permitted to deduct and retain from the Federal share ten percent of the proceeds, for Grantee's selling and handling expenses.

(2) If the Grantee is instructed to ship the equipment elsewhere the Grantee shall be reimbursed by the benefiting Federal agency with an amount which is computed by applying the percentage of the Grantee participation in the cost of the original grant project or program to the current fair market value of the equipment, plus any reasonable shipping or interim storage costs incurred.

(3) If the Grantee is instructed to otherwise dispose of the equipment, the Grantee shall be reimbursed by the Grantor agency for such costs incurred in its disposition.

3. The Grantee's property management standards for equipment shall also include:

(a) Records which accurately provide for: a description of the equipment; manufacturer's serial number or other identification number; acquisition date and cost; source of the equipment; percentage (at the end of budget year) of Federal participation in the cost of the project for which the equipment was acquired; location, use and condition of the equipment and the date the information was reported; and ultimate disposition data including sales price or the method used to determine current fair market value if the Grantee reimburses the Grantor for its share.

(b) A physical inventory of equipment shall be taken and the results reconciled with the equipment records at least once every two years to verify the existence, current utilization, and continued need for the equipment.

- (c) A control system shall be in effect to insure adequate safeguards to prevent loss, damage, or theft of the equipment. Any loss, damage, or theft of equipment shall be investigated and fully documented.
- (d) Adequate maintenance procedures shall be implemented to keep the equipment in good condition.
- (e) Proper sales procedures shall be established for unneeded equipment which would provide for competition to the extent practicable and result in the highest possible return.

**This Grant Agreement covers the following described equipment (use continuation sheets as necessary).**

All non-real estate property associated with improvements to the Holt Water Works supply system as per the attached project breakdown and Bid schedules  
 Contract I 500 gpm water well and well control house  
 Contract II 300,000 gallon elevated storage tank  
 Contract III residential lines

**M. Provide Financial Management Systems which will include:**

1. Accurate, current, and complete disclosure of the financial results of each grant. Financial reporting will be on an accrual basis.
2. Records which identify adequately the source and application of funds for grant-supported activities. Those records shall contain information pertaining to grant awards and authorizations, obligations, unobligated balances, assets, liabilities, outlays, and income.
3. Effective control over and accountability for all funds, property and other assets. Grantees shall adequately safeguard all such assets and shall assure that they are used solely for authorized purposes.
4. Accounting records supported by source documentation.

**N. Retain financial records, supporting documents, statistical records, and all other records pertinent to the grant for a period of at least three years after grant closing except that the records shall be retained beyond the three-year period if audit findings have not been resolved. Microfilm or photo copies or similar methods may be substituted in lieu of original records. The Grantor and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the Grantee's government which are pertinent to the specific grant program for the purpose of making audits, examinations, excerpts and transcripts.**

**O. Provide information as requested by the Grantor to determine the need for and complete any necessary Environmental Impact Statements.**

**P. Provide an audit report prepared in accordance with Grantor regulations to allow the Grantor to determine that funds have been used in compliance with the proposal, any applicable laws and regulations and this Agreement.**

**Q. Agree to account for and to return to Grantor interest earned on grant funds pending their disbursement for program purposes when the Grantee is a unit of local government. States and agencies or instrumentality's of states shall not be held accountable for interest earned on grant funds pending their disbursement.**

**CONTRACT #I**

2005

BIDDER acknowledges receipt of the following ADDENDUM:

#1, #2

\* Insert "a corporation", "a partnership", or "an individual" as applicable.

BIDDER agrees to perform all the work described in the CONTRACT DOCUMENTS for the following unit prices:

BID SCHEDULE

NOTE: BIDS shall include sales tax and all other applicable taxes and fees.

500 gpm water supply and well control house

NO.	ITEM	UNIT	UNIT PRICE	AMOUNT	TOTAL PRICE
1.	Test Hole to a Maximum Depth of 1,000 Feet	LS		1	60,000-
2.	Test Well, Pumping Test and Chemical Analysis	LS		1	7200-
3.	Well and Pump	LS		1	201,292-
4.	Pump House, Piping, Equipment, and Electrical	LS		1	164,919-
5.	Standby Generator	LS		1	50,132-
6.	Site Improvements	LS		1	14,875-
TOTAL OF BID .....				\$	<u>498,418 -</u>

Respectfully submitted:

[Signature]  
 Signature

President  
 Title

12062  
 License number

746 E. MAIN ST.  
 Address HEADLANDS AL 36345

3-3-05  
 Date

SEAL - (if BID is by a corporation)

# CONTRACT #II

MAR - 0 2005

RUS Bulletin 1780-13  
Attachment 3  
Page 2

BIDDER acknowledges receipt of the following ADDENDUM:

No. 1 dated 2/24/05  
\_\_\_\_\_

\* Insert "a corporation", "a partnership", or "an individual" as applicable.

BIDDER agrees to perform all the work described in the CONTRACT DOCUMENTS for the following unit prices:

### BID SCHEDULE

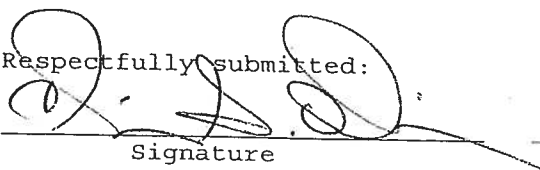
NOTE: BIDS shall include sales tax and all other applicable taxes and fees.

300,000 gallon elevated tank

NO.	ITEM	UNIT	UNIT PRICE	AMOUNT	TOTAL PRICE
1.	300,000 Gallon Elevated Storage Tank		<u>\$456,100<sup>00</sup></u>		<u>\$456,100<sup>00</sup></u>

FOUR HUNDRED FIFTY-SIX THOUSAND ONE HUNDRED DOLLARS

TOTAL OF BID .....\$ 456,100<sup>00</sup>

Respectfully submitted:  


\_\_\_\_\_  
Signature

Christopher A. Oliver  
Regional Sales Manager

\_\_\_\_\_  
Title

CG-C057436

\_\_\_\_\_  
License number

Caldwell Tanks, Inc.  
4000 Tower Road  
Louisville, Ky 40219

\_\_\_\_\_  
Address

March 3, 2005

\_\_\_\_\_  
Date

SEAL - (if BID is by a corporation)

# Contract # III

Base Bid: Materials and Installation  
Section 2: Non-EDA Work

RUS Bulletin 1780  
Attachment 3  
Page 4

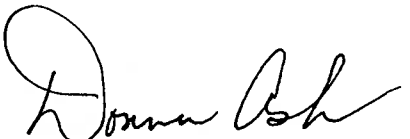
## Rural residential lines


NO.	ITEM	UNIT	UNIT PRICE	AMOUNT	TOTAL PRICE
1.	10" Class 200 PVC Water Main	LF	10.26	22,850	<del>230,000.00</del> 234,386.16
2.	10" D.I. Water Main	LF	18.88	300	<del>5,664.00</del> 5,664.30
3.	6" Class 200 PVC Water Main	LF	5.08	28,700	<del>1,457,96.08</del> 145,841.92
4.	6" D.I. Water Main	LF	22.55	180	<del>4,059.00</del> 4,058.46
5.	12" HDPE Water Main, Bored	LF	54.37	200	<del>10,874.80</del> 10,873.24
6.	12" HDPE Water Main, Through 18" Steel Casing	LF	24.63	320	<del>7,881.60</del> 7,881.86
7.	8" HDPE Water Main, Bored	LF	45.22	400	<del>18,088.00</del> 18,086.68
8.	18" Steel Casing (.25" Wall), Bored	LF	113.03	310	<del>35,039.30</del> 35,039.18
9.	16" Steel Casing (.25" Wall), Bored	LF	64.32	80	<del>5,145.60</del> 5,145.57
10.	10" Valve	EA	1,202.96	15	18,044.40
11.	6" Valve	EA	588.00	77	45,276.00
12.	6" Tapping Sleeve	EA	717.50	2	1,435.00
13.	6" Tapping Valve	EA	865.34	2	1,730.68
14.	Fire Hydrant	EA	1,339.36	55	73,664.80
15.	6" D.I. Fire Hydrant Lead	LF	29.86	550	<del>16,423.00</del> 16,421.90
16.	Ductile Iron Fittings	LBS	3.30	8,500	28,050.00
17.	Driveway Bores	EA	695.00	18	12,510.00
18.	¾" Service Connections	EA	355.34	202	<del>71,778.68</del> 71,778.21
19.	¾" Service Tubing	LF	1.00	6,060	6,060.00
20.	Miscellaneous Structure Concrete	CY	700.00	4	2,800.00
21.	Select Backfill	CY	12.00	200	2,400.00
22.	Paving Replacement	LF	85.00	80	6,800.00
23.	Stone Rip Rap	Ton	45.00	200	9,000.00
24.	Roadway Stone	Ton	35.00	75	2,625.00

NO.	ITEM	UNIT	UNIT PRICE	AMOUNT	TOTAL PRICE
25.	Top Soil	CY	<u>7.50</u>	650	<u>4,875.00</u>
26.	Hay Bales	EA	<u>3.50</u>	400	<u>1,400.00</u>
27.	Silt Fence	LF	<u>2.00</u>	4,000	<u>8,000.00</u>
28.	Mulching	LF	<u>0.12</u>	58,500	<u>7,020.00</u>
29.	Seeding	LF	<u>0.12</u>	58,500	<u>7,020.00</u>
30.	Erosion Control Netting	SY	<u>8.00</u>	800	<u>6,400.00</u>
Total of Section 2 Base Bid.....					<u>800,301.06</u>
Total of Base Bid (Section 1 & Section 2).....					<u>800,288.36</u>
					<u>1,068,980.79</u>
					<u>1,069,041.06</u>

**Holt Water System Improvements  
Funding Allocation Table  
Revised for As-Bid Construction Contracts**

Cost Area	EDA Grant Funds	USDA Grant Funds	USDA Loan Funds	Holt Bank Loan Funds	Holt Cash On-Hand	Totals
Contract #1 - Deep Well	\$306,000.00	\$0.00	\$192,418.00	\$0.00	\$0.00	\$498,418.00
Contract #2 - Tank	\$252,000.00	\$0.00	\$204,100.00	\$0.00	\$0.00	\$456,100.00
Contract #3 - Water Mains (EDA)	\$148,020.00	\$0.00	\$0.00	\$120,720.00	\$0.00	\$268,740.00
Contract #3 - Water Mains (Non-EDA)	\$0.00	\$250,000.00	\$541,112.69	\$9,188.37	\$0.00	\$800,301.06
Contingency (5%)	\$58,080.00	\$0.00	\$0.00	\$43,097.95	\$0.00	\$101,177.95
Preliminary Engineering	\$0.00	\$0.00	\$12,000.00	\$0.00	\$0.00	\$12,000.00
Engineering Design	\$40,300.00	\$0.00	\$73,019.31	\$0.00	\$0.00	\$113,319.31
Additional Engineering	\$12,250.00	\$0.00	\$22,750.00	\$0.00	\$0.00	\$35,000.00
Engineering Observation	\$17,350.00	\$0.00	\$0.00	\$34,530.00	\$0.00	\$51,880.00
Interest	\$0.00	\$0.00	\$0.00	\$17,463.68	\$2,536.32	\$20,000.00
Legal	\$0.00	\$0.00	\$0.00	\$0.00	\$13,000.00	\$13,000.00
Grant Administration	\$4,800.00	\$0.00	\$0.00	\$0.00	\$3,200.00	\$8,000.00
<b>Totals</b>	<b>\$838,800.00</b>	<b>\$250,000.00</b>	<b>\$1,045,400.00</b>	<b>\$225,000.00</b>	<b>\$18,736.32</b>	<b>\$2,377,936.32</b>

  
 Holt Water Works, Inc.  
 Donna Ash  
 Manager

  
 Project Engineer  
 Troy Hudson, P.E.  
 CDG Engineers & Associates, Inc.

APR 07 2015

R. Not encumber, transfer or dispose of the property or any part thereof, furnished by the Grantor or acquired wholly or in part with Grantor funds without the written consent of the Grantor except as provided in item K above.

S. To include in all contracts for construction or repair a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 874) as supplemented in Department of Labor regulations (29 CFR, Part 3). The Grantee shall report all suspected or reported violations to the Grantor.

T. To include in all contracts in excess of \$100,000 a provision that the contractor agrees to comply with all the requirements of the Clean Air Act (42 U.S.C. §7414) and Section 308 of the Water Pollution Control Act (33 U.S.C. §1318) relating to inspection, monitoring, entry, reports, and information, as well as all other requirements specified in Section 114 of the Clean Air Act and Section 308 of the Water Pollution Control Act and all regulations and guidelines issued thereunder after the award of the contract. In so doing the Contractor further agrees:

[Revision 1, 11/20/1997]

1. As a condition for the award of contract, to notify the Owner of the receipt of any communication from the Environmental Protection Agency (EPA) indicating that a facility to be utilized in the performance of the contract is under consideration to be listed on the EPA list of Violating Facilities. Prompt notification is required prior to contract award.

2. To certify that any facility to be utilized in the performance of any nonexempt contractor subcontract is not listed on the EPA list of Violating Facilities pursuant to 40 CFR Part 32 as of the date of contract award.

[Revision 1, 11/20/97]

3. To include or cause to be included the above criteria and the requirements in every nonexempt subcontract and that the Contractor will take such action as the Government may direct as a means of enforcing such provisions.

As used in these paragraphs the term "facility" means any building, plan, installation, structure, mine, vessel or other floating craft, location, or site of operations, owned, leased, or supervised by a Grantee, cooperator, contractor, or subcontractor, to be utilized in the performance of a grant, agreement, contract, subgrant, or subcontract. Where a location or site of operation contains or includes more than one building, plan, installation, or structure, the entire location shall be deemed to be a facility except where the Director, Office of Federal Activities, Environmental Protection Agency, determines that independent facilities are co-located in one geographical area.

Grantor Agrees That It:

A. Will make available to Grantee for the purpose of this Agreement not to exceed \$250,000.00, which it will advance to Grantee to meet not to exceed 11.70% percent of the project development costs of the project in accordance with the actual needs of Grantee as determined by Grantor.

B. Will assist Grantee, within available appropriations, with such technical assistance as Grantor deems appropriate in planning the project and coordinating the plan with local official comprehensive plans for sewer and water and with any State or area plans for the area in which the project is located.

C. At its sole discretion and at any time may give any consent, deferment, subordination, release, satisfaction, or termination of any or all of Grantee's grant obligations, with or without valuable consideration, upon such terms and conditions as Grantor may determine to be (1) advisable to further the purpose of the grant or to protect Grantor's financial interest therein and (2) consistent with both the statutory purposes of the grant and the limitations of the statutory authority under which it is made.

Termination of This Agreement

This Agreement may be terminated for cause in the event of default on the part of the Grantee as provided in paragraph I above or for convenience of the Grantor and Grantee prior to the date of completion of the grant purpose. Termination for convenience will occur when both the Grantee and Grantor agree that the continuation of the project will not produce beneficial results commensurate with the further expenditure of funds.

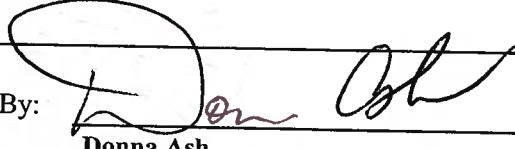
In witness whereof Grantee on the date first above written has caused these presence to be executed by its duly authorized

Board President, Holt Water Works, Inc

and attested and its corporate seal affixed by its duly authorized

Manager/Secretary/Treasurer

Attest:

By: 

Donna Ash

(Title) Manager/Secretary/Treasurer

By: 

Allen Barton

(Title) Board President, Holt Water Works, Inc

UNITED STATES OF AMERICA

RURAL UTILITIES SERVICE

By:  Area Director  
Joseph P. Fritz (Title)

**PROMISSORY NOTE**  
(ASSOCIATION OR ORGANIZATION)

State FLORIDA			
County OKALOOSA			
Case No. 09-046-0591479650			
FINANCE OFFICE USE ONLY			
F 91	LN 03	LC	IA

KIND OF LOAN:  
 ASSOCIATION- ORGANIZATION  
 HOUSING-ORGANIZATION  
  
 PUBLIC BODY  
 OTHER

Date JULY 27, 2006

FOR VALUE RECEIVED, HOLT WATER WORKS, INC  
 (herein called "Borrower") promises to pay to the order of the United States of America, acting through the Rural Housing Service, Rural Business-Cooperative Service, or Rural Utilities Service within the Rural Development Mission Area, the Farm Service Agency, or their successor Agencies, United States Department of Agriculture, (herein called the "Government") at its office in CRESTVIEW

FLORIDA, or at such other place as the Government may hereafter designate in writing, the principal amount of ONE MILLION FORTY FIVE THOUSAND FOUR HUNDRED dollars (\$ 1,045,400.00), plus interest on the unused principal balance at the rate of four and one half percent (4.50 %) per annum. The said principal and interest shall be paid in the following installments on or before the following dates:

\$ INTEREST ONLY on JULY 27, 2007,  
 \$ INTEREST ONLY on JULY 27, 2008,  
 \$ 57,925.62 on JULY 27, 2009,  
 \$ \_\_\_\_\_ on \_\_\_\_\_, and  
 \$ 57,925.62 thereafter on the 27TH of each JULY

until the principal and interest are fully paid except that the final installment of the entire indebtedness evidenced hereby, if not sooner paid, shall be due and payable FORTY (40) years from the date of this note, and except that prepayments may be made as provided below. The consideration herefor shall support any agreement modifying the foregoing schedule of payments.

If the total amount of the loan is not advanced at the time of loan closing, the loan shall be advanced to Borrower as requested by Borrower and approved by the Government and interest shall accrue on the amount of each advance from its actual date as shown on the reverse hereof.

Every payment made on any indebtedness evidenced by this note shall be applied first to interest computed to the effective date of the payment and then to principal.

Prepayments of scheduled installments, or any portion thereof, may be made at any time at the option of Borrower. Refunds and extra payments, as defined in the regulations of the Government according to the source of funds involved, 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 herein.

If the Government at any time assigns this note and insures the payment thereof, Borrower shall continue to make payments to the Government as collection agent for the holder. No assignment of this note shall be effective unless the Borrower is notified in writing of the name and address of the assignee. The Borrower shall thereupon duly note in its records the occurrence of such assignment, together with the name and address of the assignee.

While this note is held by an insured lender, prepayments as above authorized made by Borrower may, at the option of the Government, be remitted by the Government to the holder promptly or, except for final payment, be retained by the Government and remitted to the holder on either a calendar quarter basis or an annual installment due date basis. The effective date of every payment made by Borrower, except payments retained and remitted by the Government on an annual installment due date basis, shall be the date of the United States Treasury check by which the Government remits the payment to the holder. The effective date of any prepayment retained and remitted by the Government to the holder on an annual installment due date basis shall be the date of the prepayment of Borrower, and the Government will pay the interest to which the holder is entitled accruing between the effective date of any such prepayment and the date of the Treasury check to the holder.

Any amount advanced or expended by the Government for the collection hereof or to conserve or protect any security hereto, or otherwise under the terms of any security or other instrument executed in connection with the loan evidenced hereby, at the option of the Government shall become a part of and bear interest at the same rate as the principal of the debt evidenced hereby and be immediately due and payable by Borrower to the Government without demand. Borrower agrees to use the loan evidenced hereby solely for purposes authorized by the Government.

Borrower hereby certifies that it is unable to obtain sufficient credit elsewhere to finance its actual needs at reasonable rates and terms, taking into consideration prevailing private and cooperative rates and terms in or near its community for loans for similar purposes and periods of time.

If at any time it shall appear to the Government that Borrower may be able to obtain a loan from a responsible cooperative or private credit source at reasonable rates and terms for loans for similar purposes and periods of time, Borrower will, at the Government's request, apply for and accept such loan in sufficient amount to repay the Government.

Default hereunder shall constitute default under any other instrument evidencing a debt or other obligation of Borrower to the Government or securing such a debt or other obligation and default under any such other instrument shall constitute default hereunder. Upon any such default, the Government at its option may declare all or any part of any such indebtedness immediately due and payable.

This note is given as evidence of a loan to Borrower made or insured by the Government pursuant to the Consolidated Farm and Rural Development Act if the box opposite "Association" is checked under the heading "KIND OF LOAN," or pursuant to Title V of the Housing Act of 1949 if the box opposite "HOUSING-ORGANIZATION" is checked. This note shall be subject to the present regulations of the Government and to its future regulations not inconsistent with the express provisions hereof.

Presentment, protest, and notice are hereby waived.

HOLT WATER WORKS, INC.

*Allen G. Barton* (Name of Borrower)  
President

ALLEN G. BARTON (Signature of Executive Official)

(Title of Executive Official)

P. O. BOX 308

(Post Office Box No. or Street Address)

HOLT, FLORIDA 32564

(City, State, and Zip Code)

(CORPORATE SEAL)

ATTEST:

*Donna E. Ash*

(Signature of Attesting Official)

DONNA E. ASH,  
SECRETARY/TREASURER

(Title of Attesting Official)

RECORD OF ADVANCES

AMOUNT	DATE	AMOUNT	DATE
(1) \$1,045,400.00	07 / 27 / 06	(6) \$	/ /
(2) \$	/ /	(7) \$	/ /
(3) \$	/ /	(8) \$	/ /
(4) \$	/ /	(9) \$	/ /
(5) \$	/ /	(10) \$	/ /
TOTAL		1,045,400.00	

PAY TO THE ORDER OF \_\_\_\_\_

UNITED STATES OF AMERICA  
RURAL UTILITIES SERVICE

(Name of Agency)

BY \_\_\_\_\_

**ATTACHMENT # 5**  
**SRF Project No. 170440**

**LEGAL OPINION**

# Locklin, Saba, Locklin & Jones, P.A.

## Attorneys at Law

**Jack Locklin, Jr.**  
Board Certified Real Estate Attorney

**Daniel P. Saba**

September 25, 2025

**Oscar J. Locklin**  
Licensed in Florida and Alabama

**Angela J. Jones**

Ms. Teresa Robson  
Program Administrator  
State Revolving Fund Management  
3900 Commonwealth Blvd., Mail Station 3505  
Tallahassee, Florida 32399-3000

Re: Project No. DW170440 – Walton/Okaloosa/Santa Rosa Regional Utility Authority  
Holt Water Works New Well No. 4, Elevated Tank No. 3, and Us Hwy 90 Waterline  
Replacement

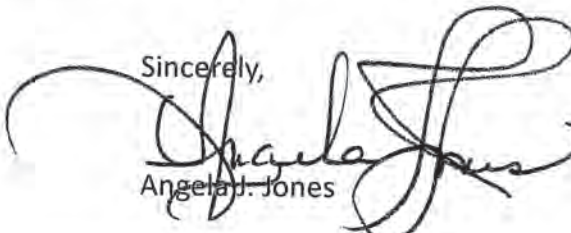
Dear Ms. Robson:

I am the duly appointed Attorney for Holt Water Works, Inc. (HWW). HWW proposes to borrow \$4,800,000 from the State Revolving Fund for construction of capital improvements that are needed in the water franchise area through the legal authority of the Walton/Okaloosa/Santa Rosa Regional Utility Authority (RUA). An Interlocal Agreement exists between HWW and the RUA that secures the loan by the net revenues of HWW's water system and the pledged revenues are legally available to pledge. HWW has the legal authority to increase rates to ensure the repayment of the loan.

The pledge on revenues is subject to a prior lien with the following issues:

<i>DEBT SECURED BY PLEDGED REVENUES</i>				
<b>Loan Obligation</b>	<b>Balance as of June 2025</b>	<b>Payment Cycle</b>	<b>Payment Amount</b>	<b>Pay Off Year</b>
SRF DW460320	\$265,600	Semi-Annual	\$15,108	2036
USDA Series 91-03	\$782,035.40	Annual	\$57,926	2046
SRF DW 170440	\$53,255.00	Semi-Annual	1,657	2046

Should you have any additional questions or need additional information, please do not hesitate to contact me.

Sincerely,  
  
Angela J. Jones

**ATTACHMENT # 6**  
SRF Project No. 170440

**AUTHORIZING RESOLUTION**

**ATTACHMENT #7**  
SRF Project No. 170440

**AUDITED FINANCIAL REPORT**  
**6-30-2024 AND 2023**

**HOLT WATER WORKS, INC.**

**FINANCIAL STATEMENTS**

For the Fiscal Years Ended June 30, 2024 and 2023  
*With Independent Auditors' Report*

**Vance CPA LLC**  
**Certified Public Accountants**  
219-B Avenue E • Apalachicola, FL 32320  
Phone (706) 442-3084

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**HOLT WATER WORKS, INC.**

**June 30, 2024 and 2023**

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Statements of Functional Expenses	5
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<b>Notes to Financial Statements</b>	8

# Vance CPA LLC

*Certified Public Accountants*

219-B Avenue E • Apalachicola, FL 32320

Phone (706)442-3084

*ben@vancecpa.com*

## **INDEPENDENT AUDITORS' REPORT**

To the Board of Directors  
of Holt Water Works, Inc.  
PO Box 308  
Holt, FL 32564

### **Opinion**

We have audited the accompanying financial statements of Holt Water Works, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2024 and 2023, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Holt Water Works, Inc. as of June 30, 2024 and 2023, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis for Opinion**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Holt Water Works, Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Holt Water Works, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting

from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Holt Water Works, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Holt Water Works, Inc.'s ability to continue as a going concern for a reasonable period of time.

November 22, 2024  
Apalachicola, Florida

*Vance CPA LLC*

**Vance CPA LLC**

**HOLT WATER WORKS, INC.**  
**STATEMENT OF FINANCIAL POSITION**

**June 30, 2024 and 2023**

	<u>2024</u>	<u>2023</u>
<b>ASSETS</b>		
Current Assets		
Cash and cash equivalents	\$ 31,021	\$ 90,498
Accounts receivable, net of allowance for bad debts	49,804	33,609
Prepaid expenses	9,671	10,138
Restricted cash and cash equivalents	109,675	109,240
Restricted investments	<u>363,083</u>	<u>254,875</u>
Total Current Assets	<u>563,254</u>	<u>498,360</u>
Fixed Assets		
Land	46,146	46,146
Water systems	3,369,314	3,369,314
Buildings	53,387	53,387
Building improvements	26,528	26,528
Machinery & equipment	44,142	56,053
Vehicles	20,989	20,989
Accumulated depreciation	<u>(1,682,760)</u>	<u>(1,627,540)</u>
Total Fixed Assets	<u>1,877,746</u>	<u>1,944,877</u>
Other Assets		
Utility deposits	<u>40</u>	<u>40</u>
Total Other Assets	<u>40</u>	<u>40</u>
<b>Total Assets</b>	<b><u>\$ 2,441,040</u></b>	<b><u>\$ 2,443,277</u></b>
<b>LIABILITIES</b>		
Current liabilities		
Accounts payable	144	11,832
Accrued expenses	5,522	6,145
Unearned revenue	10,018	9,813
Current portion of long-term debt	<u>21,512</u>	<u>21,725</u>
Total Current Liabilities	<u>37,196</u>	<u>49,515</u>
Long-term Liabilities		
Customer deposits	51,753	51,304
Long-term debt less current portion	<u>771,323</u>	<u>792,833</u>
Total Long-term Liabilities	<u>823,076</u>	<u>844,137</u>
Total Liabilities	<u>860,272</u>	<u>893,652</u>
<b>NET ASSETS</b>		
Without donor restrictions	1,522,832	1,491,689
With donor restrictions	<u>57,936</u>	<u>57,936</u>
Total Net Assets	<u>1,580,768</u>	<u>1,549,625</u>
<b>Total Liabilities and Net Assets</b>	<b><u>\$ 2,441,040</u></b>	<b><u>\$ 2,443,277</u></b>

The accompanying notes are an integral part of the financial statements.

**HOLT WATER WORKS, INC.  
STATEMENT OF ACTIVITIES**

**FOR THE YEARS ENDED JUNE 30, 2024 AND 2023**

	<b>2024</b>			<b>2023 Total</b>
	<b>Without Donor Restrictions</b>	<b>With Donor Restrictions</b>	<b>Total</b>	
<b>REVENUES</b>				
Program and service fees	\$ 440,555	\$ —	\$ 440,555	\$ 422,006
Grant income	63,743	—	63,743	—
Interest income	13,592	—	13,592	2,142
Gain (Loss) on sale of asset	—	—	—	—
Miscellaneous income	4,322	—	4,322	21,210
Total Revenues	<u>522,212</u>	<u>—</u>	<u>522,212</u>	<u>445,358</u>
<b>EXPENSES</b>				
Program service expenses	471,722	—	471,722	373,364
Management and general	19,347	—	19,347	35,147
Total Expenses	<u>491,069</u>	<u>—</u>	<u>491,069</u>	<u>408,511</u>
Change in Net Assets	31,143	—	31,143	36,847
Net assets, beginning of year	<u>1,491,689</u>	<u>57,936</u>	<u>1,549,625</u>	<u>1,512,778</u>
<b>Net Assets, end of year</b>	<b><u>\$ 1,522,832</u></b>	<b><u>\$ 57,936</u></b>	<b><u>\$ 1,580,768</u></b>	<b><u>\$ 1,549,625</u></b>

The accompanying notes are an integral part of these financial statements.

**HOLT WATER WORKS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2024**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
<b><u>Functional Expenses</u></b>			
Compensation and related expenses			
Salaries and benefits	\$ 93,868	\$ 16,402	\$ 110,270
Payroll taxes	7,319	1,294	8,613
Contract labor	<u>23,097</u>	<u>—</u>	<u>23,097</u>
Total compensation and related expenses	<u>124,284</u>	<u>17,696</u>	<u>141,980</u>
Bad debt	1,434	—	1,434
Depreciation	68,498	20	68,518
Insurance	14,756	344	15,100
Interest	36,107	—	36,107
Professional fees	17,784	—	17,784
Office supplies and administration	22,521	—	22,521
Repairs and maintenance	86,886	1,278	88,164
Utilities and telephone	29,306	9	29,315
Supplies and chemicals	6,025	—	6,025
Grant/loan application expenses	<u>64,121</u>	<u>—</u>	<u>64,121</u>
<b>Total Functional Expenses</b>	<b><u>\$ 471,722</u></b>	<b><u>\$ 19,347</u></b>	<b><u>\$ 491,069</u></b>

The accompanying notes are an integral part of these financial statements.

**HOLT WATER WORKS, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**

**FOR THE YEAR ENDED JUNE 30, 2023**

	<u>Program Services</u>	<u>Management and General</u>	<u>Total</u>
<b><u>Functional Expenses</u></b>			
Compensation and related expenses			
Salaries and benefits	\$ 81,057	\$ 28,815	\$ 109,872
Payroll taxes	6,377	2,244	8,621
Contract labor	<u>16,623</u>	<u>—</u>	<u>16,623</u>
Total compensation and related expenses	<u>104,057</u>	<u>31,059</u>	<u>135,116</u>
Bad debt	482	—	482
Depreciation	68,387	21	68,408
Insurance	12,842	667	13,509
Interest	37,074	—	37,074
Professional fees	3,387	—	3,387
Office supplies and administration	21,903	—	21,903
Repairs and maintenance	82,561	3,391	85,952
Utilities and telephone	31,547	9	31,556
Supplies and chemicals	6,001	—	6,001
Grant/loan application expenses	<u>5,123</u>	<u>—</u>	<u>5,123</u>
<b>Total Functional Expenses</b>	<b><u>\$ 373,364</u></b>	<b><u>\$ 35,147</u></b>	<b><u>\$ 408,511</u></b>

The accompanying notes are an integral part of these financial statements.

**HOLT WATER WORKS, INC.**  
**STATEMENT OF CASH FLOWS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

	<u>2024</u>	<u>2023</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Change in net assets	\$ 31,143	\$ 36,847
Adjustments to reconcile increase in net assets to net cash provided by (used in) operating activities:		
Depreciation	68,518	68,408
Gain on sale of assets	—	—
Changes in operating assets and liabilities:		
Accounts receivable	(16,195)	5,522
Prepaid expenses	467	(812)
Accounts payable	(11,688)	11,685
Accrued expenses	(623)	(1,806)
Unearned revenues	205	325
Customer deposits	449	1,188
Net cash flows provided by operating activities	<u>72,276</u>	<u>121,357</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of fixed assets	(1,387)	(31,912)
Proceeds from sale of assets	(8,208)	—
Proceeds from purchases of investments	—	(2,136)
Purchase of investments	<u>(100,000)</u>	<u>(150,000)</u>
Net cash flows used in investing activities	<u>(109,595)</u>	<u>(184,048)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Note payable repayments	<u>(21,723)</u>	<u>(20,769)</u>
Net cash flows used in financing activities	<u>(21,723)</u>	<u>(20,769)</u>
<b>Net (decrease) increase in cash and cash equivalents and restricted cash</b>	<b>(59,042)</b>	<b>(83,460)</b>
<b>Cash and Cash Equivalents, and Restricted Cash, Beginning of Year</b>	<b><u>199,738</u></b>	<b><u>283,198</u></b>
<b>Cash and Cash Equivalents, and Restricted Cash, End of Year</b>	<b><u>\$ 140,696</u></b>	<b><u>\$ 199,738</u></b>
<b>Cash, Cash Equivalents, and Restricted Cash at End of Year Consists of:</b>		
Unrestricted cash	\$ 31,021	\$ 90,498
Restricted Cash	109,675	109,240
<b>Total</b>	<b><u>\$ 140,696</u></b>	<b><u>\$ 199,738</u></b>

The accompanying notes are an integral part of the financial statements.

**HOLT WATER WORKS, INC.  
NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Organization and Nature of Activities** – Holt Water Works, Inc. (the System) was granted a corporate charter as a non-profit corporation from the State of Florida on March 15, 1966. The purpose of the corporation is to provide potable water to its members. The System received funding from the United States Department of Rural Development to assist with the initial construction and improvements to the water system.

**Cash and Cash Equivalents** – For the purpose of the Statements of Cash Flows, all highly liquid investments with a maturity of ninety days or less when purchased are cash equivalents. Restricted cash is disclosed in Note 3 of the financial statements.

**Investments** – Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized. Investments are disclosed in Note 3 of the financial statements.

**Accounts Receivable** – Accounts receivable are stated at the amounts management expects to collect from outstanding balances. Management provides for probable uncollectible amounts through a provision for bad debt expense and an allowance for bad debts.

**Inventories** – Inventories are not material and therefore are not recorded.

**Capital Assets** – Holt Water Works, Inc. capitalizes purchases of property and equipment over \$500. Capital assets are recorded at cost where historical cost records are available and at an estimated historical cost when no historical records exist. Donated capital assets are valued at their estimated fair market value on the date received.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the asset lives are not capitalized. Major improvements are capitalized and depreciated using the straight-line method over the remaining useful lives of the related fixed assets.

The following estimated useful lives are used to compute depreciation:

Water system	10-40 years
Leasehold improvements	15-40 years
Furniture and fixtures	5-10 years
Vehicles	3-15 years
Equipment	3-15 years

**HOLT WATER WORKS, INC.  
NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Revenue and Support** – The primary source of revenue of the System is derived from the sale of potable water to its members. These and all other revenues are recorded as net assets without donor restrictions.

**Income Tax Status** – Holt Water Works, Inc. is exempt from federal income tax under Section 501(c)(12) of the Internal Revenue Code and has been classified as an organization that is not a private foundation under Section 509(a)(2). However, income, if any, from certain activities not directly related to the corporation’s tax-exempt purpose is subject to taxation as unrelated business income. In the fiscal years 2024 and 2023 no unrelated business income was generated. The System is required to file an annual information report with the Internal Revenue Service (IRS) on Form 990. These required filings are current and are subject to examination by the IRS, generally for three years after they are filed.

**Use of Estimates** – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management’s estimates. Accordingly, actual results could differ from those estimates.

**Functional Expenses** – The costs of providing program and other activities have been summarized on a functional basis in the statements of activities. Accordingly, certain costs have been allocated to program services and management and general expenses. Such allocations are determined by management on an equitable basis.

The expenses that are allocated include the following:

<u>Expense</u>	<u>Method of Allocation</u>
Wages	Time and Effort
Repairs and maintenance	Square Footage
Utilities	Square Footage
Liability insurance	Square Footage
Depreciation	Capital Asset Value

**Net Position Classifications** – Holt Water Works, Inc. reports information regarding its financial position and activities according to two classes of net assets: assets with donor restrictions and assets without donor restrictions.

Net assets without donor restrictions - This component consist of net assets that do not meet the definition of “donor restrictions”.

**HOLT WATER WORKS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

Net assets with donor restrictions – This component of net assets consist of the following:

USDA Reserve – This reserve is required by the United States Department of Agriculture as part of the loan resolution.

The total net assets as of June 30, 2024 and 2023 were:

	<u>2024</u>	<u>2023</u>
Net Assets Without Donor Restrictions		
Retained Earnings	\$ 191,154	\$ 160,011
Contributed Capital	<u>1,331,678</u>	<u>1,331,678</u>
	<u>1,522,832</u>	<u>1,491,689</u>
Net Assets With Donor Restrictions		
Reserved for USDA Loan	<u>57,936</u>	<u>57,936</u>
	<u>57,936</u>	<u>57,936</u>
Total Net Assets	<u>\$1,580,768</u>	<u>\$1,549,625</u>

**Risk Concentrations** – The System’s revenues and receivables are from customers located within its geographic area.

**Subsequent Events** – The System has evaluated subsequent events for potential recognition and/or or disclosure in the June 30, 2024 financial statements through November 22, 2024, the date the financial statements were available to be issued.

**NOTE 2 – DEPOSITS**

As of June 30, 2024 and 2023 the value of the System’s deposits was \$200,696 and \$201,847 all of which were held by federally insured banks. Deposits are insured by the Federal Deposit Insurance Company (FDIC) and the National Credit Union Administration (NCUA). The FDIC and NCUA provide general deposit insurance coverage of up to \$250,000.

**HOLT WATER WORKS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

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**NOTE 3 – RESTRICTED CASH AND INVESTMENTS**

The System has restricted use of balances in its cash and cash equivalents and investment account for its customer deposits and reserve fund requirement as a condition of loan requirements as follows:

	<u>2024</u>	<u>2023</u>
Surety Fund representing amounts Equivalent to total customer deposits	\$ 51,739	\$ 51,304
Reserve Fund, representing amounts required to be maintained for the cost of repairing or replacing any damage to the facilities (see note 5)	<u>57,936</u>	<u>57,936</u>
	<u>\$ 109,675</u>	<u>\$ 109,240</u>

The System reports the following items as restricted in its statement of financial position:

	<u>2024</u>	<u>2023</u>
Restricted cash and cash equivalents	\$ 109,675	\$ 109,240
Restricted investments	<u>363,083</u>	<u>254,875</u>
	<u>\$ 472,758</u>	<u>\$ 364,115</u>

**NOTE 4 – ACCOUNTS RECEIVABLE**

Accounts receivable is reported net of allowance for bad debts. The allowance for bad debts is an estimate of accounts that were uncollectible as of June 30, 2024 and 2023.

Accounts receivable consists of the following:

	<u>2024</u>	<u>2023</u>
Water bills receivable	\$ 48,903	\$ 31,836
Unbilled receivables	3,570	3,987
Allowance for doubtful accounts	<u>(2,669)</u>	<u>(2,214)</u>
Net Accounts Receivable	<u>\$ 49,804</u>	<u>\$ 33,609</u>

**HOLT WATER WORKS, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 5 – CAPITAL ASSETS**

A summary of changes in capital assets as of June 30, 2024 is as follows:

	Balance 6/30/23	Additions	Disposals	Balance 6/30/24
Capital Assets, depreciable				
Water systems	\$ 3,369,314	\$ —	\$ —	\$ 3,369,314
Buildings	53,387	—	—	53,387
Building improvements	26,528	—	—	26,528
Machinery & equipment	56,053	1,386	(13,298)	44,141
Vehicles	20,989	—	—	20,989
Accumulated depreciation	<u>(1,627,540)</u>	<u>(68,518)</u>	<u>13,298</u>	<u>(1,682,760)</u>
Capital assets, net of				
Accumulated depreciation	<u>1,898,731</u>	<u>(67,132)</u>	<u>—</u>	<u>1,831,599</u>
Capital assets, non-depreciable				
Land	<u>46,146</u>	<u>—</u>	<u>—</u>	<u>46,146</u>
Capital assets, non-depreciable	<u>46,146</u>	<u>—</u>	<u>—</u>	<u>46,146</u>
<b>Totals</b>	<b><u>\$ 1,944,877</u></b>	<b><u>\$ (67,132)</u></b>	<b><u>\$ —</u></b>	<b><u>\$ 1,877,745</u></b>

Depreciation expense of \$68,518 was charged to the Statement of Activities.

A summary of changes in capital assets as of June 30, 2023 is as follows:

	Balance 6/30/22	Additions	Disposals	Balance 6/30/23
Capital Assets, depreciable				
Water systems	\$ 3,338,791	\$ 30,523	\$ —	\$ 3,369,314
Buildings	53,387	—	—	53,387
Building improvements	26,528	—	—	26,528
Machinery & equipment	54,665	1,388	—	56,053
Vehicles	20,989	—	—	20,989
Accumulated depreciation	<u>(1,559,132)</u>	<u>(68,408)</u>	<u>—</u>	<u>(1,627,540)</u>
Capital assets, net of				
Accumulated depreciation	<u>1,935,228</u>	<u>(36,497)</u>	<u>—</u>	<u>1,898,731</u>
Capital assets, non-depreciable				
Land	<u>46,146</u>	<u>—</u>	<u>—</u>	<u>46,146</u>
Capital assets, non-depreciable	<u>46,146</u>	<u>—</u>	<u>—</u>	<u>46,146</u>
<b>Totals</b>	<b><u>\$ 1,981,374</u></b>	<b><u>\$ (36,497)</u></b>	<b><u>\$ —</u></b>	<b><u>\$ 1,944,877</u></b>

Depreciation expense of \$68,408 was charged to the Statement of Activities.

**HOLT WATER WORKS, INC.  
NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

**NOTE 6 – LONG TERM DEBT**

Holt Water Works, Inc. has one mortgage note payable to the United States Department of Agriculture Rural Development (formerly known as Farmers Home Administration):

Loan Number	Original Principal Amount	Annual Rate of Interest	Date of Final Payment
91-03	\$ 1,045,400	4.5%	September 28, 2043

The long-term debt balances as of June 30, 2024, were as follows:

Loan #	91-03
Principal outstanding	\$ 792,865
Less: Current portion	<u>(21,512)</u>
Long-term portion	<u>\$ 771,353</u>

The annual requirements to amortize all debt outstanding as of June 30, 2024 are as follows:

	Principal	Interest	Total
2026	\$ 22,500	\$ 35,436	\$ 57,936
2027	23,534	34,402	57,936
2028	24,615	33,321	57,936
2029	25,746	32,190	57,936
2030	26,929	31,007	57,936
2031-2035	154,376	135,304	289,680
2036-2040	193,247	96,433	289,680
2041-2043	<u>300,407</u>	<u>36,999</u>	<u>337,406</u>
	<u>\$ 771,354</u>	<u>\$ 435,092</u>	<u>\$ 1,206,446</u>

The annual requirements to amortize all debt outstanding as of June 30, 2023 are as follows:

	Principal	Interest	Total
2025	\$ 22,723	\$ 35,213	\$ 57,936
2026	23,767	34,169	57,936
2027	24,859	33,077	57,936
2028	26,001	31,935	57,936
2029	27,196	30,740	57,936
2030-2034	155,907	133,773	289,680
2035-2039	195,163	94,517	289,680
2040-2043	<u>317,217</u>	<u>47,651</u>	<u>364,868</u>
	<u>\$ 792,833</u>	<u>\$ 441,075</u>	<u>\$ 1,233,908</u>

**HOLT WATER WORKS, INC.  
NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

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**NOTE 6 – LONG TERM DEBT (continued)**

Among other requirements, the loan agreement provides the following:

Restricted Assets – Loan #91-03 requires monthly payments of \$483 to be placed in a reserve account until the sum of \$57,936 is accumulated. These funds are to be used only for paying the cost of repairing or replacing any damage to the facilities or, if necessary, for making payments of principal and interest on the notes. Reserve balances for the years ended June 30, 2024 and 2023 are \$57,936 and \$57,936 respectively.

Pledge of Properties and Revenue – All of the personal property, equipment, fixtures, revenues, fees, charges, assessments, all income from whatever source derived, accounts receivable and other charges in connection with the operation of the facilities of Holt Water Works, Inc., now owned or hereafter.

**NOTE 7 – CONCENTRATION OF CREDIT RISK**

The System maintains one checking accounts, one money market account, one savings accounts and a certificate of deposit. Amounts are insured by the FDIC and NCUA up to \$250,000. As of June 30, 2024 and 2023, balances at all institutions were 100% insured.

**NOTE 8 – RELATED PARTY TRANSACTIONS**

During fiscal year 2024 and 2023, Holt Water Works, Inc. paid Broxson Maintenance, LLC for tractor work performed for repairs and upgrades to the water system. An employee of the System is the managing member of the LLC. The amounts paid as of June 30, 2024 and 2023 to the LLC were \$2,947 and \$3,500 respectively.

**NOTE 9 – AVAILABLE RESOURCES AND LIQUIDITY**

The System regularly monitors liquidity required to meet its operating needs and the other contractual commitments, while also striving to maximize the investment of its available funds. The System has various sources of liquidity at its disposal including cash and cash equivalents, and short-term investments in a certificate of deposit.

**HOLT WATER WORKS, INC.  
NOTES TO FINANCIAL STATEMENTS**

**FOR THE FISCAL YEARS ENDED JUNE 30, 2024 AND 2023**

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**NOTE 9 – AVAILABLE RESOURCES AND LIQUIDITY (continued)**

In addition to financial assets available to meet general expenditures over the next twelve months, the System operates with a balanced budget and anticipates collecting sufficient revenues to cover general expenditures. Refer to the statement of cash flows which identifies the sources and uses of the System’s cash and shows positive cash generated by operations.

	<u>2024</u>	<u>2023</u>
Financial assets at year end		
Cash and cash equivalents	\$ 31,021	\$ 90,498
Accounts receivable, net	49,804	33,609
Restricted cash	<u>109,675</u>	<u>109,240</u>
Total	<u>190,500</u>	<u>233,347</u>
Less amounts not available to be used within one year		
Customer deposits	51,753	51,304
USDA loan subject to appropriation and satisfaction of donor restrictions	<u>57,936</u>	<u>57,936</u>
Total	<u>109,689</u>	<u>109,240</u>
Financial assets available to meet general expenditures over the next twelve months	<u>\$ 300,189</u>	<u>\$ 124,107</u>

**NOTE 10 – SUBSEQUENT EVENTS**

Holt Water Works, Inc. has been awarded a \$4,000,000 loan, and a \$740,400 grant for improvements to the water system including a new well, meters and other equipment. Bid requests have been let and work should commence in the June 30, 2025 year.

**ATTACHMENT # 8**  
SRF Project No. 170440

**SUPPORTING WORKSHEETS**

**ATTACHMENT # 9**  
SRF Project No. 170440

**PILOT GRANT AGREEMENT**

**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
Standard Grant Agreement**

This Agreement is entered into between the Parties named below, pursuant to section 215.971, Florida Statutes:

1. Project Title (Project): **Holt Elevated Tank & Water Well** Agreement Number: **NW009**

2. Parties **State of Florida Department of Environmental Protection,  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399-3000** (Department)

Grantee Name: **Holt Water Works, Inc.** Entity Type: **Non-profit**

Grantee Address: **4618 Johnson Street, Holt, FL 32564** FEID: **59-1479650**

(Grantee)

3. Agreement Begin Date: **July 1, 2024** Date of Expiration: **December 31, 2028**

4. Project Number: **(If different from Agreement Number)** Project Location(s): **Lat/Long: (30.7344, -86.7036)**

Project Description: **The Grantee will complete construction of a new approximately 0.3 million gallons per day potable water well, approximately 300,000-gallon elevated tank, and water treatment plant.**

5. Total Amount of Funding:	Funding Source?	Award #s or Line-Item Appropriations:	Amount per Source(s):
<b>\$ 4,089,885.00</b>	<input checked="" type="checkbox"/> State <input type="checkbox"/> Federal	<b>NWFWS, GAA LI 1740B, FY 24-25, GR</b>	<b>\$ 4,089,885.00</b>
	<input type="checkbox"/> State <input type="checkbox"/> Federal		\$
	<input type="checkbox"/> State <input type="checkbox"/> Federal		\$
	<input type="checkbox"/> Grantee Match		\$
Total Amount of Funding + Grantee Match, if any:			<b>\$ 4,089,885.00</b>

<p>6. Department's Grant Manager Name: <b>Lydia Walker</b> or successor Address: <b>Florida Dept. of Environmental Protection 3900 Commonwealth Blvd., MS 3602 Tallahassee, FL 32399-3000</b> Phone: <b>850-245-2838</b> Email: <b>Lydia.G.Walker@FloridaDEP.gov</b></p>	<p>Grantee's Grant Manager Name: <b>Donna Ash</b> or successor Address: <b>Holt Water Works, Inc. 4618 Johnson Street Holt, FL 32564</b> Phone: <b>850-537-4113</b> Email: <b>holtwater@embarqmail.com</b></p>
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7. The Parties agree to comply with the terms and conditions of the following attachments and exhibits which are hereby incorporated by reference:

<input checked="" type="checkbox"/> Attachment 1: Standard Terms and Conditions Applicable to All Grants Agreements
<input checked="" type="checkbox"/> Attachment 2: Special Terms and Conditions
<input checked="" type="checkbox"/> Attachment 3: Grant Work Plan
<input checked="" type="checkbox"/> Attachment 4: Public Records Requirements
<input checked="" type="checkbox"/> Attachment 5: Special Audit Requirements
<input type="checkbox"/> Attachment 6: Program-Specific Requirements
<input type="checkbox"/> Attachment 7: Grant Award Terms (Federal) *Copy available at <a href="https://facts.fldfs.com">https://facts.fldfs.com</a> , in accordance with section 215.985, F.S.
<input type="checkbox"/> Attachment 8: Federal Regulations and Terms (Federal)
<input type="checkbox"/> Additional Attachments (if necessary):
<input checked="" type="checkbox"/> Exhibit A: Progress Report Form
<input type="checkbox"/> Exhibit B: Property Reporting Form
<input checked="" type="checkbox"/> Exhibit C: Payment Request Summary Form
<input type="checkbox"/> Exhibit D: Quality Assurance Requirements
<input type="checkbox"/> Exhibit E: Advance Payment Terms and Interest Earned Memo
<input type="checkbox"/> Exhibit F: Common Carrier or Contracted Carrier Attestation Form PUR1808 (State)

<input checked="" type="checkbox"/> Exhibit H: Non-Profit Organization Compensation Form (State)
<input checked="" type="checkbox"/> Exhibit I: Forced Labor Attestation Form
<input type="checkbox"/> Additional Exhibits (if necessary):
8. The following information applies to Federal Grants only and is identified in accordance with 2 CFR 200.331 (a) (1):
Federal Award Identification Number(s) (FAIN):
Unique Entity Identifier (UEI):
Federal Award Date to Department:
Federal Award Project Description:
Total Federal Funds Obligated by this Agreement:
Federal Awarding Agency:
Award R&D? <input type="checkbox"/> Yes <input type="checkbox"/> N/A

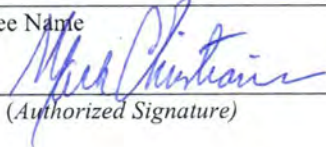
**IN WITNESS WHEREOF, this Agreement shall be effective on the date indicated by the Agreement Begin Date unless another date is specified in the grant documents.**

**Holt Water Works, Inc.**

**GRANTEE**

Grantee Name

By

  
(Authorized Signature)

8/20/25  
Date Signed

**Mark Christiansen, President**

Print Name and Title of Person Signing

**State of Florida Department of Environmental Protection**

**DEPARTMENT**

By

Secretary or Designee

Date Signed

**Angela Knecht, Director, Division of Water Restoration Assistance**

Print Name and Title of Person Signing

Additional signatures attached on separate page.

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DWRA Additional Signatures

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\_\_\_\_\_  
Lydia Walker, DEP Grant Manager

\_\_\_\_\_  
Katie Verdesca, DEP QC Reviewer

**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
STANDARD TERMS AND CONDITIONS  
APPLICABLE TO GRANT AGREEMENTS**

**ATTACHMENT 1**

**1. Entire Agreement.**

This Grant Agreement, including any Attachments and Exhibits referred to herein and/or attached hereto (Agreement), constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, whether written or oral, with respect to such subject matter. Any terms and conditions included on Grantee's forms or invoices shall be null and void.

**2. Grant Administration.**

- a. Order of Precedence. If there are conflicting provisions among the documents that make up the Agreement, the order of precedence for interpretation of the Agreement is as follows:
- i. Standard Grant Agreement
  - ii. Attachments other than Attachment 1, in numerical order as designated in the Standard Grant Agreement
  - iii. Attachment 1, Standard Terms and Conditions
  - iv. The Exhibits in the order designated in the Standard Grant Agreement
- b. All approvals, written or verbal, and other written communication among the parties, including all notices, shall be obtained by or sent to the parties' Grant Managers. All written communication shall be by electronic mail, U.S. Mail, a courier delivery service, or delivered in person. Notices shall be considered delivered when reflected by an electronic mail read receipt, a courier service delivery receipt, other mail service delivery receipt, or when receipt is acknowledged by recipient. If the notice is delivered in multiple ways, the notice will be considered delivered at the earliest delivery time.
- c. If a different Grant Manager is designated by either party after execution of this Agreement, notice of the name and contact information of the new Grant Manager will be submitted in writing to the other party and maintained in the respective parties' records. A change of Grant Manager does not require a formal amendment or change order to the Agreement.
- d. This Agreement may be amended, through a formal amendment or a change order, only by a written agreement between both parties. A formal amendment to this Agreement is required for changes which cause any of the following:
- (1) an increase or decrease in the Agreement funding amount;
  - (2) a change in Grantee's match requirements;
  - (3) a change in the expiration date of the Agreement;
  - (4) changes to the cumulative amount of funding transfers between approved budget categories, as defined in Attachment 3, Grant Work Plan, that exceeds or is expected to exceed twenty percent (20%) of the total budget as last approved by Department; and/or
  - (5) any changes to the terms and conditions of the Agreement other than the specific instances enumerated below when a change order may be used.
- A change order to this Agreement may be used when:
- (1) task timelines within the current authorized Agreement period change;
  - (2) the cumulative transfer of funds between approved budget categories, as defined in Attachment 3, Grant Work Plan, are less than twenty percent (20%) of the total budget as last approved by Department;
  - (3) changing the current funding source as stated in the Standard Grant Agreement; and/or
  - (4) fund transfers between budget categories for the purposes of meeting match requirements.
- This Agreement may be amended to provide for additional services if additional funding is made available by the Legislature.
- e. All days in this Agreement are calendar days unless otherwise specified.

**3. Agreement Duration.**

The term of the Agreement shall begin and end on the dates indicated in the Standard Grant Agreement, unless extended or terminated earlier in accordance with the applicable terms and conditions. The Grantee shall be eligible for reimbursement for work performed on or after the date of execution through the expiration date of this Agreement, unless otherwise specified in Attachment 2, Special Terms and Conditions. However, work performed prior to the

**Attachment 1**

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execution of this Agreement may be reimbursable or used for match purposes if permitted by the Special Terms and Conditions.

#### **4. Deliverables.**

The Grantee agrees to render the services or other units of deliverables as set forth in Attachment 3, Grant Work Plan. The services or other units of deliverables shall be delivered in accordance with the schedule and at the pricing outlined in the Grant Work Plan. Deliverables may be comprised of activities that must be completed prior to Department making payment on that deliverable. The Grantee agrees to perform in accordance with the terms and conditions set forth in this Agreement and all attachments and exhibits incorporated by the Standard Grant Agreement.

#### **5. Performance Measures.**

The Grantee warrants that: (1) the services will be performed by qualified personnel; (2) the services will be of the kind and quality described in the Grant Work Plan; (3) the services will be performed in a professional and workmanlike manner in accordance with industry standards and practices; (4) the services shall not and do not knowingly infringe upon the intellectual property rights, or any other proprietary rights, of any third party; and (5) its employees, subcontractors, and/or subrecipients shall comply with any security and safety requirements and processes, if provided by Department, for work done at the Project Location(s). The Department reserves the right to investigate or inspect at any time to determine whether the services or qualifications offered by Grantee meet the Agreement requirements. Notwithstanding any provisions herein to the contrary, written acceptance of a particular deliverable does not foreclose Department's remedies in the event deficiencies in the deliverable cannot be readily measured at the time of delivery.

#### **6. Acceptance of Deliverables.**

- a. Acceptance Process. All deliverables must be received and accepted in writing by Department's Grant Manager before payment. The Grantee shall work diligently to correct all deficiencies in the deliverable that remain outstanding, within a reasonable time at Grantee's expense. If Department's Grant Manager does not accept the deliverables within 30 days of receipt, they will be deemed rejected.
- b. Rejection of Deliverables. The Department reserves the right to reject deliverables, as outlined in the Grant Work Plan, as incomplete, inadequate, or unacceptable due, in whole or in part, to Grantee's lack of satisfactory performance under the terms of this Agreement. The Grantee's efforts to correct the rejected deliverables will be at Grantee's sole expense. Failure to fulfill the applicable technical requirements or complete all tasks or activities in accordance with the Grant Work Plan will result in rejection of the deliverable and the associated invoice. Payment for the rejected deliverable will not be issued unless the rejected deliverable is made acceptable to Department in accordance with the Agreement requirements. The Department, at its option, may allow additional time within which Grantee may remedy the objections noted by Department. The Grantee's failure to make adequate or acceptable deliverables after a reasonable opportunity to do so shall constitute an event of default.

#### **7. Financial Consequences for Nonperformance.**

- a. Withholding Payment. In addition to the specific consequences explained in the Grant Work Plan and/or Special Terms and Conditions, the State of Florida (State) reserves the right to withhold payment when the Grantee has failed to perform/comply with provisions of this Agreement. None of the financial consequences for nonperformance in this Agreement as more fully described in the Grant Work Plan shall be considered penalties.
- b. Invoice reduction  
If Grantee does not meet a deadline for any deliverable, the Department will reduce the invoice by 1% for each day the deadline is missed, unless an extension is approved in writing by the Department.
- c. Corrective Action Plan. If Grantee fails to correct all the deficiencies in a rejected deliverable within the specified timeframe, Department may, in its sole discretion, request that a proposed Corrective Action Plan (CAP) be submitted by Grantee to Department. The Department requests that Grantee specify the outstanding deficiencies in the CAP. All CAPs must be able to be implemented and performed in no more than sixty (60) calendar days.
  - i. The Grantee shall submit a CAP within ten (10) days of the date of the written request from Department. The CAP shall be sent to the Department's Grant Manager for review and approval. Within ten (10) days of receipt of a CAP, Department shall notify Grantee in writing whether the CAP proposed has been accepted. If the CAP is not accepted, Grantee shall have ten (10) days from receipt of Department letter rejecting the proposal to submit a revised proposed CAP. Failure to obtain Department approval of a CAP as specified above may result in Department's termination of this Agreement for cause as authorized in this Agreement.

### **Attachment 1**

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- ii. Upon Department's notice of acceptance of a proposed CAP, Grantee shall have ten (10) days to commence implementation of the accepted plan. Acceptance of the proposed CAP by Department does not relieve Grantee of any of its obligations under the Agreement. In the event the CAP fails to correct or eliminate performance deficiencies by Grantee, Department shall retain the right to require additional or further remedial steps, or to terminate this Agreement for failure to perform. No actions approved by Department or steps taken by Grantee shall preclude Department from subsequently asserting any deficiencies in performance. The Grantee shall continue to implement the CAP until all deficiencies are corrected. Reports on the progress of the CAP will be made to Department as requested by Department's Grant Manager.
- iii. Failure to respond to a Department request for a CAP or failure to correct a deficiency in the performance of the Agreement as specified by Department may result in termination of the Agreement.

**8. Payment.**

- a. Payment Process. Subject to the terms and conditions established by the Agreement, the pricing per deliverable established by the Grant Work Plan, and the billing procedures established by Department, Department agrees to pay Grantee for services rendered in accordance with section 215.422, Florida Statutes (F.S.).
- b. Taxes. The Department is exempted from payment of State sales, use taxes and Federal excise taxes. The Grantee, however, shall not be exempted from paying any taxes that it is subject to, including State sales and use taxes, or for payment by Grantee to suppliers for taxes on materials used to fulfill its contractual obligations with Department. The Grantee shall not use Department's exemption number in securing such materials. The Grantee shall be responsible and liable for the payment of all its FICA/Social Security and other taxes resulting from this Agreement.
- c. Maximum Amount of Agreement. The maximum amount of compensation under this Agreement, without an amendment, is described in the Standard Grant Agreement. Any additional funds necessary for the completion of this Project are the responsibility of Grantee.
- d. Reimbursement for Costs. The Grantee shall be paid on a cost reimbursement basis for all eligible Project costs upon the completion, submittal, and approval of each deliverable identified in the Grant Work Plan. Reimbursement shall be requested on Exhibit C, Payment Request Summary Form. To be eligible for reimbursement, costs must be in compliance with laws, rules, and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures, which can be accessed at the following web address: <https://www.myfloridacfo.com/docs-sf/accounting-and-auditing-libraries/state-agencies/reference-guide-for-state-expenditures.pdf>.
- e. Rural Communities and Rural Areas of Opportunity. If Grantee is a county or municipality that qualifies as a "rural community" or "rural area of opportunity" (RAO) as defined in subsection 288.0656(2), F.S., such Grantee may request from the Department that all invoice payments under this Agreement be directed to the relevant county or municipality or to the RAO itself. The Department will agree to Grantee's request if:
  - i. Grantee demonstrates that it is a county or municipality that qualifies as a "rural community" or "rural area of opportunity" under subsection 288.0656(2), F.S.;
  - ii. Grantee demonstrates current financial hardship using one (1) or more of the "economic distress" factors defined in subsection 288.0656(2)(c), F.S.;
  - iii. Grantee's performance has been verified by the Department, which has determined that Grantee is eligible for invoice payments and that Grantee's performance has been completed in accordance with this Agreement's terms and conditions; and
  - iv. Applicable federal and state law(s), rule(s) and regulation(s) allow for such payments.

This subsection may not be construed to alter or limit any other applicable provisions of federal or state law, rule, or regulation. A current list of Florida's designated RAOs can be accessed at the following web address: <https://floridajobs.org/community-planning-and-development/rural-community-programs/rural-areas-of-opportunity>.
- f. Invoice Detail. All charges for services rendered or for reimbursement of expenses authorized by Department pursuant to the Grant Work Plan shall be submitted to Department in sufficient detail for a proper pre-audit and post-audit to be performed. The Grantee shall only invoice Department for deliverables that are completed in accordance with the Grant Work Plan.
- g. State Funds Documentation. Pursuant to section 216.1366, F.S., if Grantee meets the definition of a non-profit organization under section 215.97(2)(m), F.S., Grantee must provide the Department with documentation that indicates the amount of state funds:

**Attachment 1**

- i. Allocated to be used during the full term of the contract or agreement for remuneration to any member of the board of directors or an officer.
- ii. Allocated under each payment by the public agency to be used for remuneration of any member of the board of directors or an officer.

The documentation must indicate the amounts and recipients of the remuneration. Such information must be posted on the State's the contract tracking system and maintained pursuant to section 215.985, F.S., and must be posted on the Grantee's website, if Grantee maintains a website.

- h. Interim Payments. Interim payments may be made by Department, at its discretion, if the completion of deliverables to date have first been accepted in writing by Department's Grant Manager.
- i. Final Payment Request. A final payment request should be submitted to Department no later than sixty (60) days following the expiration date of the Agreement to ensure the availability of funds for payment. However, all work performed pursuant to the Grant Work Plan must be performed on or before the expiration date of the Agreement.
- j. Annual Appropriation Contingency. The State's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. This Agreement is not a commitment of future appropriations. Authorization for continuation and completion of work and any associated payments may be rescinded, with proper notice, at the discretion of Department if the Legislature reduces or eliminates appropriations.
- k. Interest Rates. All interest rates charged under the Agreement shall be calculated on the prevailing rate used by the State Board of Administration. To obtain the applicable interest rate, please refer to: <https://www.myfloridacfo.com/division/aa/local-governments/judgement-interest-rates>.
- l. Refund of Payments to the Department. Any balance of unobligated funds that have been advanced or paid must be refunded to Department. Any funds paid in excess of the amount to which Grantee or subgrantee is entitled under the terms of the Agreement must be refunded to Department. If this Agreement is funded with federal funds and the Department is required to refund the federal government, the Grantee shall refund the Department its share of those funds.

**9. Documentation Required for Cost Reimbursement Grant Agreements and Match.**

If Cost Reimbursement or Match is authorized in Attachment 2, Special Terms and Conditions, the following conditions apply. Supporting documentation must be provided to substantiate cost reimbursement or match requirements for the following budget categories:

- a. Salary/Wages. Grantee shall list personnel involved, position classification, direct salary rates, and hours spent on the Project in accordance with Attachment 3, Grant Work Plan in their documentation for reimbursement or match requirements.
- b. Overhead/Indirect/General and Administrative Costs. If Grantee is being reimbursed for or claiming match for multipliers, all multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If Department determines that multipliers charged by Grantee exceeded the rates supported by audit, Grantee shall be required to reimburse such funds to Department within thirty (30) days of written notification. Interest shall be charged on the excessive rate.
- c. Contractual/Subaward Costs (Subcontractors/Subrecipients). Match or reimbursement requests for payments to subcontractors/subrecipients must be substantiated by copies of invoices with backup documentation identical to that required from Grantee. Subcontracts/subawards which involve payments for direct salaries shall clearly identify the personnel involved, salary rate per hour, and hours spent on the Project. All eligible multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If Department determines that multipliers charged by any subcontractor/subrecipient exceeded the rates supported by audit, Grantee shall be required to reimburse such funds to Department within thirty (30) days of written notification. Interest shall be charged on the excessive rate. Nonconsumable and/or nonexpendable personal property or equipment costing \$5,000 or more purchased for the Project under a subcontract/subaward is subject to the requirements set forth in chapters 273 and/or 274, F.S., and Chapter 69I-72, Florida Administrative Code (F.A.C.) and/or Chapter 69I-73, F.A.C., as applicable. For grants funded with federal funds, nonconsumable and/or nonexpendable personal property or equipment costing \$10,000 or more purchased for the Project under a subcontract/subaward is subject to the requirements set forth in 2 CFR 200. The Grantee shall be responsible for maintaining appropriate property records for any subcontracts/subawards that include the purchase of equipment as part of the delivery of services. The Grantee shall comply with this requirement and ensure its subcontracts/subaward issued under this Agreement, if any, impose this requirement, in writing, on its subcontractors/subrecipients.

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- i. For fixed-price (vendor) subcontracts/subawards, the following provisions shall apply: The Grantee may award, on a competitive basis, fixed-price subcontracts/subawards to consultants/contractors in performing the work described in Attachment 3, Grant Work Plan. Invoices submitted to Department for fixed-price subcontracted/subawarded activities shall be supported with a copy of the subcontractor/subrecipient's invoice and a copy of the tabulation form for the competitive procurement process (e.g., Invitation to Bid, Request for Proposals, or other similar competitive procurement document) resulting in the fixed-price subcontract/subaward. The Grantee may request approval from Department to award a fixed-price subcontract/subaward resulting from procurement methods other than those identified above. In this instance, Grantee shall request the advance written approval from Department's Grant Manager of the fixed price negotiated by Grantee. The letter of request shall be supported by a detailed budget and Scope of Services to be performed by the subcontractor/subrecipient. Upon receipt of Department Grant Manager's approval of the fixed-price amount, Grantee may proceed in finalizing the fixed-price subcontract/subaward.
  - ii. If the procurement is subject to the Consultant's Competitive Negotiation Act under section 287.055, F.S., or the Brooks Act, Grantee must provide documentation clearly evidencing it has complied with the statutory or federal requirements.
- d. Travel. All requests for match or reimbursement of travel expenses shall be in accordance with section 112.061, F.S.
- e. Direct Purchase Equipment. For grants funded fully or in part with state funds, equipment is defined as capital outlay costing \$5,000 or more. For grants funded fully with federal funds, equipment is defined as capital outlay costing \$10,000 or more. Match or reimbursement for Grantee's direct purchase of equipment is subject to specific approval of Department and does not include any equipment purchased under the delivery of services to be completed by a subcontractor/subrecipient. Include copies of invoices or receipts to document purchases, and a properly completed Exhibit B, Property Reporting Form.
- f. Rental/Lease of Equipment. Match or reimbursement requests for rental/lease of equipment must include copies of invoices or receipts to document charges.
- g. Miscellaneous/Other Expenses. If miscellaneous or other expenses, such as materials, supplies, non-excluded phone expenses, reproduction, or mailing, are reimbursable or available for match or reimbursement under the terms of this Agreement, the documentation supporting these expenses must be itemized and include copies of receipts or invoices. Additionally, independent of Grantee's contract obligations to its subcontractor/subrecipient, Department shall not reimburse any of the following types of charges: cell phone usage; attorney's fees or court costs; civil or administrative penalties; or handling fees, such as set percent overages associated with purchasing supplies or equipment.
- h. Land Acquisition. Reimbursement for the costs associated with acquiring interest and/or rights to real property (including access rights through ingress/egress easements, leases, license agreements, or other site access agreements; and/or obtaining record title ownership of real property through purchase) must be supported by the following, as applicable: Copies of Property Appraisals, Environmental Site Assessments, Surveys and Legal Descriptions, Boundary Maps, Acreage Certification, Title Search Reports, Title Insurance, Closing Statements/Documents, Deeds, Leases, Easements, License Agreements, or other legal instrument documenting acquired property interest and/or rights. If land acquisition costs are used to meet match requirements, Grantee agrees that those funds shall not be used as match for any other Agreement supported by State or Federal funds.

#### **10. Status Reports.**

The Grantee shall submit status reports quarterly, unless otherwise specified in the Attachments, on Exhibit A, Progress Report Form, to Department's Grant Manager describing the work performed during the reporting period, problems encountered, problem resolutions, scheduled updates, and proposed work for the next reporting period. Quarterly status reports are due no later than twenty (20) days following the completion of the quarterly reporting period. For the purposes of this reporting requirement, the quarterly reporting periods end on March 31, June 30, September 30 and December 31. The Department will review the required reports submitted by Grantee within thirty (30) days.

#### **11. Retainage.**

The following provisions apply if Department withholds retainage under this Agreement:

- a. The Department reserves the right to establish the amount and application of retainage on the work performed under this Agreement up to the maximum percentage described in Attachment 2, Special Terms and Conditions. Retainage may be withheld from each payment to Grantee pending satisfactory completion of work and approval of all deliverables.

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- b. If Grantee fails to perform the requested work or fails to perform the work in a satisfactory manner, Grantee shall forfeit its right to payment of the retainage associated with the work. Failure to perform includes, but is not limited to, failure to submit the required deliverables or failure to provide adequate documentation that the work was actually performed. The Department shall provide written notification to Grantee of the failure to perform that shall result in retainage forfeiture. If the Grantee does not correct the failure to perform within the timeframe stated in Department's notice, the retainage will be forfeited to Department.
- c. No retainage shall be released or paid for incomplete work while this Agreement is suspended.
- d. Except as otherwise provided above, Grantee shall be paid the retainage associated with the work, provided Grantee has completed the work and submits an invoice for retainage held in accordance with the invoicing procedures under this Agreement.

## **12. Insurance.**

- a. Insurance Requirements for Subrecipients and/or Subcontractors. The Grantee shall require its subrecipients and/or subcontractors, if any, to maintain insurance coverage of such types and with such terms and limits as described in this Agreement. The Grantee shall require all its subrecipients and/or subcontractors, if any, to make compliance with the insurance requirements of this Agreement a condition of all contracts that are related to this Agreement. Subrecipients and/or subcontractors must provide proof of insurance upon request.
- b. Deductibles. The Department shall be exempt from, and in no way liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Grantee providing such insurance.
- c. Proof of Insurance. Upon execution of this Agreement, Grantee shall provide Department documentation demonstrating the existence and amount for each type of applicable insurance coverage *prior to* performance of any work under this Agreement. Upon receipt of written request from Department, Grantee shall furnish Department with proof of applicable insurance coverage by standard form certificates of insurance, a self-insured authorization, or other certification of self-insurance.
- d. Duty to Maintain Coverage. In the event that any applicable coverage is cancelled by the insurer for any reason, or if Grantee cannot get adequate coverage, Grantee shall immediately notify Department of such cancellation and shall obtain adequate replacement coverage conforming to the requirements herein and provide proof of such replacement coverage within ten (10) days after the cancellation of coverage.
- e. Insurance Trust. If the Grantee's insurance is provided through an insurance trust, the Grantee shall instead add the Department of Environmental Protection, its employees, and officers as an additional covered party everywhere the Agreement requires them to be added as an additional insured.

## **13. Termination.**

- a. Termination for Convenience. When it is in the State's best interest, Department may, at its sole discretion, terminate the Agreement in whole or in part by giving 30 days' written notice to Grantee. The Department shall notify Grantee of the termination for convenience with instructions as to the effective date of termination or the specific stage of work at which the Agreement is to be terminated. The Grantee must submit all invoices for work to be paid under this Agreement within thirty (30) days of the effective date of termination. The Department shall not pay any invoices received after thirty (30) days of the effective date of termination.
- b. Termination for Cause. The Department may terminate this Agreement if any of the events of default described in the Events of Default provisions below occur or in the event that Grantee fails to fulfill any of its other obligations under this Agreement. If, after termination, it is determined that Grantee was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of Department. The rights and remedies of Department in this clause are in addition to any other rights and remedies provided by law or under this Agreement.
- c. Grantee Obligations upon Notice of Termination. After receipt of a notice of termination or partial termination unless as otherwise directed by Department, Grantee shall not furnish any service or deliverable on the date, and to the extent specified, in the notice. However, Grantee shall continue work on any portion of the Agreement not terminated. If the Agreement is terminated before performance is completed, Grantee shall be paid only for that work satisfactorily performed for which costs can be substantiated. The Grantee shall not be entitled to recover any cancellation charges or lost profits.
- d. Continuation of Prepaid Services. If Department has paid for any services prior to the expiration, cancellation, or termination of the Agreement, Grantee shall continue to provide Department with those services for which it has already been paid or, at Department's discretion, Grantee shall provide a refund for services that have been paid for but not rendered.

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- e. Transition of Services Upon Termination, Expiration, or Cancellation of the Agreement. If services provided under the Agreement are being transitioned to another provider(s), Grantee shall assist in the smooth transition of Agreement services to the subsequent provider(s). This requirement is at a minimum an affirmative obligation to cooperate with the new provider(s), however additional requirements may be outlined in the Grant Work Plan. The Grantee shall not perform any services after Agreement expiration or termination, except as necessary to complete the transition or continued portion of the Agreement, if any.

**14. Notice of Default.**

If Grantee defaults in the performance of any covenant or obligation contained in the Agreement, including, any of the events of default, Department shall provide notice to Grantee and an opportunity to cure that is reasonable under the circumstances. This notice shall state the nature of the failure to perform and provide a time certain for correcting the failure. The notice will also provide that, should the Grantee fail to perform within the time provided, Grantee will be found in default, and Department may terminate the Agreement effective as of the date of receipt of the default notice.

**15. Events of Default.**

Provided such failure is not the fault of Department or outside the reasonable control of Grantee, the following non-exclusive list of events, acts, or omissions, shall constitute events of default:

- a. The commitment of any material breach of this Agreement by Grantee, including failure to timely deliver a material deliverable, failure to perform the minimal level of services required for a deliverable, discontinuance of the performance of the work, failure to resume work that has been discontinued within a reasonable time after notice to do so, or abandonment of the Agreement;
- b. The commitment of any material misrepresentation or omission in any materials, or discovery by the Department of such, made by the Grantee in this Agreement or in its application for funding;
- c. Failure to submit any of the reports required by this Agreement or having submitted any report with incorrect, incomplete, or insufficient information;
- d. Failure to honor any term of the Agreement;
- e. Failure to abide by any statutory, regulatory, or licensing requirement, including an entry of an order revoking the certificate of authority granted to the Grantee by a state or other licensing authority;
- f. Failure to pay any and all entities, individuals, and furnishing labor or materials, or failure to make payment to any other entities as required by this Agreement;
- g. Employment of an unauthorized alien in the performance of the work, in violation of Section 274 (A) of the Immigration and Nationality Act;
- h. Failure to maintain the insurance required by this Agreement;
- i. One or more of the following circumstances, uncorrected for more than thirty (30) days unless, within the specified 30-day period, Grantee (including its receiver or trustee in bankruptcy) provides to Department adequate assurances, reasonably acceptable to Department, of its continuing ability and willingness to fulfill its obligations under the Agreement:
  - i. Entry of an order for relief under Title 11 of the United States Code;
  - ii. The making by Grantee of a general assignment for the benefit of creditors;
  - iii. The appointment of a general receiver or trustee in bankruptcy of Grantee's business or property; and/or
  - iv. An action by Grantee under any state insolvency or similar law for the purpose of its bankruptcy, reorganization, or liquidation.

**16. Suspension of Work.**

The Department may, in its sole discretion, suspend any or all activities under the Agreement, at any time, when it is in the best interest of the State to do so. The Department shall provide Grantee written notice outlining the particulars of suspension. Examples of reasons for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, Grantee shall comply with the notice. Within 90 days, or any longer period agreed to by the parties, Department shall either: (1) issue a notice authorizing resumption of work, at which time activity shall resume; or (2) terminate the Agreement. If the Agreement is terminated after 30 days of suspension, the notice of suspension shall be deemed to satisfy the thirty (30) days' notice required for a notice of termination for convenience. Suspension of work shall not entitle Grantee to any additional compensation.

**17. Force Majeure.**

The Grantee shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of Grantee or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts

of public enemies, strikes, fires, floods, or other similar cause wholly beyond Grantee's control, or for any of the foregoing that affect subcontractors/subrecipients or suppliers if no alternate source of supply is available to Grantee. In case of any delay Grantee believes is excusable, Grantee shall notify Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten days after the cause that creates or will create the delay first arose, if Grantee could reasonably foresee that a delay could occur as a result; or (2) if delay is not reasonably foreseeable, within five days after the date Grantee first had reason to believe that a delay could result. **THE FOREGOING SHALL CONSTITUTE THE GRANTEE'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages, other than for an extension of time, shall be asserted against Department. The Grantee shall not be entitled to an increase in the Agreement price or payment of any kind from Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist Grantee shall perform at no increased cost, unless Department determines, in its sole discretion, that the delay will significantly impair the value of the Agreement to Department, in which case Department may: (1) accept allocated performance or deliveries from Grantee, provided that Grantee grants preferential treatment to Department with respect to products subjected to allocation; (2) contract with other sources (without recourse to and by Grantee for the related costs and expenses) to replace all or part of the products or services that are the subject of the delay, which purchase may be deducted from the Agreement quantity; or (3) terminate Agreement in whole or in part.

#### **18. Indemnification.**

- a. The Grantee shall be fully liable for the actions of its agents, employees, partners, and subcontractors/subrecipients and shall fully indemnify, defend, and hold harmless Department and its officers, agents, and employees, from suits, actions, damages, and costs of every name and description arising from or relating to:
  - i. personal injury and damage to real or personal tangible property alleged to be caused in whole or in part by Grantee, its agents, employees, partners, and subcontractors/subrecipients; provided, however, that Grantee shall not indemnify for that portion of any loss or damages proximately caused by the negligent act or omission of Department;
  - ii. the Grantee's breach of this Agreement or the negligent acts or omissions of Grantee.
- b. The Grantee's obligations under the preceding paragraph with respect to any legal action are contingent upon Department giving Grantee: (1) written notice of any action or threatened action; (2) the opportunity to take over and settle or defend any such action at Grantee's sole expense; and (3) assistance in defending the action at Grantee's sole expense. The Grantee shall not be liable for any cost, expense, or compromise incurred or made by Department in any legal action without Grantee's prior written consent, which shall not be unreasonably withheld.
- c. Notwithstanding sections a. and b. above, the following is the sole indemnification provision that applies to Grantees that are governmental entities: Each party hereto agrees that it shall be solely responsible for the negligent or wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of section 768.28, F.S. Further, nothing herein shall be construed as consent by a state agency or subdivision of the State to be sued by third parties in any matter arising out of any contract or this Agreement.
- d. No provision in this Agreement shall require Department to hold harmless or indemnify Grantee, insure or assume liability for Grantee's negligence, waive Department's sovereign immunity under the laws of Florida, or otherwise impose liability on Department for which it would not otherwise be responsible. Any provision, implication or suggestion to the contrary is null and void.

#### **19. Limitation of Liability.**

The Department's liability for any claim arising from this Agreement is limited to compensatory damages in an amount no greater than the sum of the unpaid balance of compensation due for goods or services rendered pursuant to and in compliance with the terms of the Agreement. Such liability is further limited to a cap of \$100,000.

#### **20. Remedies.**

Nothing in this Agreement shall be construed to make Grantee liable for force majeure events. Nothing in this Agreement, including financial consequences for nonperformance, shall limit Department's right to pursue its remedies for other types of damages under the Agreement, at law or in equity. The Department may, in addition to

other remedies available to it, at law or in equity and upon notice to Grantee, retain such monies from amounts due Grantee as may be necessary to satisfy any claim for damages, penalties, costs and the like asserted by or against it.

**21. Waiver.**

The delay or failure by Department to exercise or enforce any of its rights under this Agreement shall not constitute or be deemed a waiver of Department's right thereafter to enforce those rights, nor shall any single or partial exercise of any such right preclude any other or further exercise thereof or the exercise of any other right.

**22. Statutory Notices Relating to Unauthorized Employment and Subcontracts/Subawards.**

- a. The Department shall consider the employment by any Grantee of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If Grantee/subcontractor/subrecipient knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement. The Grantee shall be responsible for including this provision in all subcontracts/subawards with private organizations issued as a result of this Agreement.
- b. Pursuant to sections 287.133, 287.134, and 287.137 F.S., the following restrictions apply to persons placed on the convicted vendor list, discriminatory vendor list, or the antitrust violator vendor list:
  - i. Public Entity Crime. A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a Grantee, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity in excess of the threshold amount provided in section 287.017, F.S., for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.
  - ii. Discriminatory Vendors. An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid, proposal, or reply on a contract to provide any goods or services to a public entity; may not submit a bid, proposal, or reply on a contract with a public entity for the construction or repair of a public building or public work; may not submit bids, proposals, or replies on leases of real property to a public entity; may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity; and may not transact business with any public entity.
  - iii. Antitrust Violator Vendors. A person or an affiliate who has been placed on the antitrust violator vendor list following a conviction or being held civilly liable for an antitrust violation may not submit a bid, proposal, or reply on any contract to provide any good or services to a public entity; may not submit a bid, proposal, or reply on any contract with a public entity for the construction or repair of a public building or public work; may not submit a bid, proposal, or reply on leases of real property to a public entity; may not be awarded or perform work as a Grantee, supplier, subcontractor, or consultant under a contract with a public entity; and may not transact new business with a public entity.
  - iv. Notification. The Grantee shall notify Department if it or any of its suppliers, subcontractors, or consultants have been placed on the convicted vendor list, the discriminatory vendor list, or antitrust violator vendor list during the life of the Agreement. The Florida Department of Management Services is responsible for maintaining the discriminatory vendor list and the antitrust violator vendor list and posts the list on its website. Questions regarding the discriminatory vendor list or antitrust violator vendor list may be directed to the Florida Department of Management Services, Office of Supplier Development, at (850) 487-0915.

**23. Compliance with Federal, State and Local Laws.**

- a. The Grantee and all its agents shall comply with all federal, state and local regulations, including, but not limited to, nondiscrimination, wages, social security, workers' compensation, licenses, and registration requirements. The Grantee shall include this provision in all subcontracts/subawards issued as a result of this Agreement.
- b. The Grantee, its subrecipients, subcontractors and agents must also comply with the following civil rights laws and regulations:
  - i. Title VI of the Civil Rights Act of 1964 as amended (prohibiting discrimination in federally assisted programs on the basis of race, color, or national origin in the delivery of services or benefits);

- ii. Section 13 of the 1972 Amendment to the Federal Water Pollution Control Act (prohibiting discrimination on the basis of sex in the delivery of services or benefits under the Federal Water Pollution Control Act as amended);
  - iii. Section 504 of the Rehabilitation Act of 1973 (prohibiting discrimination in federally assisted programs on the basis of disability, both in employment and in the delivery of services and benefits);
  - iv. Age Discrimination Act of 1975 (prohibiting discrimination in federally assisted programs on the basis of age in the delivery of services or benefits);
  - v. 40 C.F.R. Part 7, (implementing Title VI of the Civil Rights Act of 1964, Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act, and Section 504 of the Rehabilitation Act of 1973);
  - vi. Florida Civil Rights Act of 1992 (Title XLIV Chapter 760, Sections 760.01, 760.11 and 509.092, F.S.), including Part I, chapter 760, F.S. (prohibiting discrimination on the basis of race, color, religion, sex, pregnancy, national origin, age, handicap, or marital status).
- c. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.
- d. Any dispute concerning performance of the Agreement shall be processed as described herein. Jurisdiction for any damages arising under the terms of the Agreement will be in the courts of the State, and venue will be in the Second Judicial Circuit, in and for Leon County. Except as otherwise provided by law, the parties agree to be responsible for their own attorney fees incurred in connection with disputes arising under the terms of this Agreement.

**24. Build America, Buy America Act (BABA) - Infrastructure Projects with Federal Funding.**

**This provision does not apply to Agreements that are wholly funded by Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act. Also, this provision does not apply where there is a valid waiver in place. However, the provision may apply to funds expended before the waiver or after expiration of the waiver.**

If applicable, Recipients or Subrecipients of an award of Federal financial assistance from a program for infrastructure are required to comply with the Build America, Buy America Act (BABA), including the following provisions:

- a. All iron and steel used in the project are produced in the United States--this means all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States;
- b. All manufactured products used in the project are produced in the United States--this means the manufactured product was manufactured in the United States; and the cost of the components of the manufactured product that are mined, produced, or manufactured in the United States is greater than 55 percent of the total cost of all components of the manufactured product, unless another standard for determining the minimum amount of domestic content of the manufactured product has been established under applicable law or regulation; and
- c. All construction materials are manufactured in the United States--this means that all manufacturing processes for the construction material occurred in the United States.

The Buy America preference only applies to articles, materials, and supplies that are consumed in, incorporated into, or affixed to an infrastructure project. As such, it does not apply to tools, equipment, and supplies, such as temporary scaffolding, brought to the construction site and removed at or before the completion of the infrastructure project. Nor does a Buy America preference apply to equipment and furnishings, such as movable chairs, desks, and portable computer equipment, that are used at or within the finished infrastructure project but are not an integral part of the structure or permanently affixed to the infrastructure project.

**25. Investing in America**

Grantees of an award for construction projects in whole or in part by the Bipartisan Infrastructure Law or the Inflation Reduction Act, including the following provision:

- a. Signage Requirements
  - a. Investing in America Emblem: The recipient will ensure that a sign is placed at construction sites supported in whole or in part by this award displaying the official Investing in America emblem and must identify the project as a “project funded by President Biden’s Bipartisan Infrastructure Law” or “project funded by President Biden’s Inflation Reduction Act” as applicable. The sign must be placed at construction sites in an easily visible location that can be directly linked to the work taking place and must be maintained in good condition throughout the construction period.

The recipient will ensure compliance with the guidelines and design specifications provided by EPA for using the official Investing in America emblem available at: <https://www.epa.gov/invest/investing-america-signage>.

b. Procuring Signs: Consistent with section 6002 of RCRA, 42 U.S.C. 6962, and 2 CFR 200.323, recipients are encouraged to use recycled or recovered materials when procuring signs. Signage costs are considered an allowable cost under this assistance agreement provided that the costs associated with signage are reasonable. Additionally, to increase public awareness of projects serving communities where English is not the predominant language, recipients are encouraged to translate the language on signs (excluding the official Investing in America emblem or EPA logo or seal) into the appropriate non-English language(s). The costs of such translation are allowable, provided the costs are reasonable.

## **26. Scrutinized Companies.**

- a. Grantee certifies that it is not on the Scrutinized Companies that Boycott Israel List or engaged in a boycott of Israel. Pursuant to section 287.135, F.S., the Department may immediately terminate this Agreement at its sole option if the Grantee is found to have submitted a false certification; or if the Grantee is placed on the Scrutinized Companies that Boycott Israel List or is engaged in the boycott of Israel during the term of the Agreement.
- b. If this Agreement is for more than one million dollars, the Grantee certifies that it is 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 Grantee is found to have submitted a false certification; or if the Grantee is placed on 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.
- c. As provided in subsection 287.135(8), F.S., if federal law ceases to authorize these contracting prohibitions, then they shall become inoperative.

## **27. Lobbying and Integrity.**

The Grantee agrees that no funds received by it under this Agreement will be expended for the purpose of lobbying the Legislature or a State agency pursuant to section 216.347, F.S., except that pursuant to the requirements of section 287.058(6), F.S., during the term of any executed agreement between Grantee and the State, Grantee may lobby the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding that agreement. The Grantee shall comply with sections 11.062 and 216.347, F.S.

## **28. Record Keeping.**

The Grantee shall maintain books, records and documents directly pertinent to performance under this Agreement in accordance with United States generally accepted accounting principles (US GAAP) consistently applied. The Department, the State, or their authorized representatives shall have access to such records for audit purposes during the term of this Agreement and for five (5) years following the completion date or termination of the Agreement. In the event that any work is subcontracted or subawarded, Grantee shall similarly require each subcontractor/subrecipient to maintain and allow access to such records for audit purposes. Upon request of Department's Inspector General, or other authorized State official, Grantee shall provide any type of information the Inspector General deems relevant to Grantee's integrity or responsibility. Such information may include, but shall not be limited to, Grantee's business or financial records, documents, or files of any type or form that refer to or relate to Agreement. The Grantee shall retain such records for the longer of: (1) three years after the expiration of the Agreement; or (2) the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>).

## **29. Audits.**

- a. Inspector General. The Grantee 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. The Grantee will comply with this duty and ensure that its subrecipients and/or subcontractors issued under this Agreement, if any, impose this requirement, in writing, on its subrecipients and/or subcontractors, respectively.
- b. Physical Access and Inspection. Department personnel shall be given access to and may observe and inspect work being performed under this Agreement, with reasonable notice and during normal business hours, including by any of the following methods:

## **Attachment 1**

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- i. Grantee shall provide access to any location or facility on which Grantee is performing work, or storing or staging equipment, materials or documents;
  - ii. Grantee shall permit inspection of any facility, equipment, practices, or operations required in performance of any work pursuant to this Agreement; and,
  - iii. Grantee shall allow and facilitate sampling and monitoring of any substances, soils, materials or parameters at any location reasonable or necessary to assure compliance with any work or legal requirements pursuant to this Agreement.
- c. Special Audit Requirements. The Grantee shall comply with the applicable provisions contained in Attachment 5, Special Audit Requirements. Each amendment that authorizes a funding increase or decrease shall include an updated copy of Exhibit 1, to Attachment 5. If Department fails to provide an updated copy of Exhibit 1 to include in each amendment that authorizes a funding increase or decrease, Grantee shall request one from the Department's Grants Manager. The Grantee shall consider the type of financial assistance (federal and/or state) identified in Attachment 5, Exhibit 1 and determine whether the terms of Federal and/or Florida Single Audit Act Requirements may further apply to lower tier transactions that may be a result of this Agreement. For federal financial assistance, Grantee shall utilize the guidance provided under 2 CFR §200.331 for determining whether the relationship represents that of a subrecipient or vendor. For State financial assistance, Grantee shall utilize the form entitled "Checklist for Nonstate Organizations Recipient/Subrecipient vs Vendor Determination" (form number DFS-A2-NS) that can be found under the "Links/Forms" section appearing at the following website: <https://apps.fldfs.com/fsaa>.
- d. Proof of Transactions. In addition to documentation provided to support cost reimbursement as described herein, Department may periodically request additional proof of a transaction to evaluate the appropriateness of costs to the Agreement pursuant to State guidelines (including cost allocation guidelines) and federal, if applicable. Allowable costs and uniform administrative requirements for federal programs can be found under 2 CFR 200. The Department may also request a cost allocation plan in support of its multipliers (overhead, indirect, general administrative costs, and fringe benefits). The Grantee must provide the additional proof within thirty (30) days of such request.
- e. No Commingling of Funds. The accounting systems for all Grantees must ensure that these funds are not commingled with funds from other agencies. Funds from each agency must be accounted for separately. Grantees are prohibited from commingling funds on either a program-by-program or a project-by-project basis. Funds specifically budgeted and/or received for one project may not be used to support another project. Where a Grantee's, or subrecipient's, accounting system cannot comply with this requirement, Grantee, or subrecipient, shall establish a system to provide adequate fund accountability for each project it has been awarded.
  - i. If Department finds that these funds have been commingled, Department shall have the right to demand a refund, either in whole or in part, of the funds provided to Grantee under this Agreement for non-compliance with the material terms of this Agreement. The Grantee, upon such written notification from Department shall refund, and shall forthwith pay to Department, the amount of money demanded by Department. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the original payment(s) are received from Department by Grantee to the date repayment is made by Grantee to Department.
  - ii. In the event that the Grantee recovers costs, incurred under this Agreement and reimbursed by Department, from another source(s), Grantee shall reimburse Department for all recovered funds originally provided under this Agreement and interest shall be charged for those recovered costs as calculated on from the date(s) the payment(s) are recovered by Grantee to the date repayment is made to Department.
  - iii. Notwithstanding the requirements of this section, the above restrictions on commingling funds do not apply to agreements where payments are made purely on a cost reimbursement basis.

**30. Conflict of Interest.**

The Grantee covenants that it presently has no interest and shall not acquire any interest which would conflict in any manner or degree with the performance of services required.

**31. Independent Contractor.**

The Grantee is an independent contractor and is not an employee or agent of Department.

**32. Subcontracting/Subawards.**

- a. Unless otherwise specified in the Special Terms and Conditions, all services contracted for are to be performed solely by Grantee.

**Attachment 1**

- b. The Department may, for cause, require the replacement of any Grantee employee, subcontractor/subrecipient, or agent. For cause, includes, but is not limited to, technical or training qualifications, quality of work, change in security status, or non-compliance with an applicable Department policy or other requirement.
- c. The Department may, for cause, deny access to Department's secure information or any facility by any Grantee employee, subcontractor/subrecipient, or agent.
- d. The Department's actions under paragraphs b. or c. shall not relieve Grantee of its obligation to perform all work in compliance with the Agreement. The Grantee shall be responsible for the payment of all monies due under any subcontract/subaward. The Department shall not be liable to any subcontractor/subrecipient for any expenses or liabilities incurred under any subcontract/subaward, and Grantee shall be solely liable to the subcontractor for all expenses and liabilities incurred under any subcontract/subaward.
- e. The Department will not deny Grantee's employees, subcontractors/subrecipients, or agents access to meetings within the Department's facilities, unless the basis of Department's denial is safety or security considerations.
- f. A list of minority-owned firms that could be offered subcontracting opportunities may be obtained by contacting the Office of Supplier Development at (850) 487-0915.
- g. The Grantee shall not be liable for any excess costs for a failure to perform, if the failure to perform is caused by the default of a subcontractor/subrecipient at any tier, and if the cause of the default is completely beyond the control of both Grantee and the subcontractor(s)/subrecipient(s), and without the fault or negligence of either, unless the subcontracted/subawarded products or services were obtainable from other sources in sufficient time for Grantee to meet the required delivery schedule.

**33. Guarantee of Parent Company.**

If Grantee is a subsidiary of another corporation or other business entity, Grantee asserts that its parent company will guarantee all of the obligations of Grantee for purposes of fulfilling the obligations of Agreement. In the event Grantee is sold during the period the Agreement is in effect, Grantee agrees that it will be a requirement of sale that the new parent company guarantee all of the obligations of Grantee.

**34. Survival.**

The respective obligations of the parties, which by their nature would continue beyond the termination or expiration of this Agreement, including without limitation, the obligations regarding confidentiality, proprietary interests, and public records, shall survive termination, cancellation, or expiration of this Agreement.

**35. Third Parties.**

The Department shall not be deemed to assume any liability for the acts, failures to act or negligence of Grantee, its agents, servants, and employees, nor shall Grantee disclaim its own negligence to Department or any third party. This Agreement does not and is not intended to confer any rights or remedies upon any person other than the parties. If Department consents to a subcontract/subaward, Grantee will specifically disclose that this Agreement does not create any third-party rights. Further, no third parties shall rely upon any of the rights and obligations created under this Agreement.

**36. Severability.**

If a court of competent jurisdiction deems any term or condition herein void or unenforceable, the other provisions are severable to that void provision, and shall remain in full force and effect.

**37. Grantee's Employees, Subcontractors/Subrecipients and Agents.**

All Grantee employees, subcontractors/subrecipients, or agents performing work under the Agreement shall be properly trained technicians who meet or exceed any specified training qualifications. Upon request, Grantee shall furnish a copy of technical certification or other proof of qualification. All employees, subcontractors/subrecipients, or agents performing work under Agreement must comply with all security and administrative requirements of Department and shall comply with all controlling laws and regulations relevant to the services they are providing under the Agreement.

**38. Assignment.**

The Grantee shall not sell, assign, or transfer any of its rights, duties, or obligations under the Agreement, or under any purchase order issued pursuant to the Agreement, without the prior written consent of Department. In the event of any assignment, Grantee remains secondarily liable for performance of the Agreement, unless Department expressly waives such secondary liability. The Department may assign the Agreement with prior written notice to Grantee of its intent to do so.

**39. Compensation Report.**

If this Agreement is a sole-source, public-private agreement or if the Grantee, through this agreement with the State, annually receive 50% or more of their budget from the State or from a combination of State and Federal funds, the Grantee shall provide an annual report, including the most recent IRS Form 990, detailing the total compensation for

the entities' executive leadership teams. Total compensation shall include salary, bonuses, cashed-in leave, cash equivalents, severance pay, retirement benefits, deferred compensation, real-property gifts, and any other payout. The Grantee must also inform the Department of any changes in total executive compensation between the annual reports. All compensation reports must indicate what percent of compensation comes directly from the State or Federal allocations to the Grantee.

**40. Disclosure of Gifts from Foreign Sources.**

If the value of the grant under this Agreement is \$100,000 or more, Grantee shall disclose to Department any current or prior interest of, any contract with, or any grant or gift received from a foreign country of concern, as defined in section 286.101, F.S., if such interest, contract, or grant or gift has a value of \$50,000 or more and such interest existed at any time or such contract or grant or gift was received or in force at any time during the previous 5 years. Such disclosure shall include the name and mailing address of the disclosing entity, the amount of the contract or grant or gift or the value of the interest disclosed, the applicable foreign country of concern and, if applicable, the date of termination of the contract or interest, the date of receipt of the grant or gift, and the name of the agent or controlled entity that is the source or interest holder. If the disclosure requirement is applicable as described above, then within 1 year before applying for any grant, Grantee must also provide a copy of such disclosure to the Department of Financial Services.

**41. Food Commodities.**

To the extent authorized by federal law, the Department, its grantees, contractors and subcontractors/subrecipients shall give preference to food commodities grown or produced in this state when purchasing food commodities, including farm products as defined in section 823.14, F.S., of any class, variety, or use thereof in their natural state or as processed by a farm operation or processor for the purpose of marketing such product.

**42. Anti-human Trafficking.**

If the Grantee is a nongovernmental entity, the Grantee must provide the Department with an affidavit signed by an officer or a representative of the Grantee under penalty of perjury attesting that the Grantee does not use coercion for labor or services as defined in section 787.06, F.S.

**43. Iron and Steel for Public Works Projects.**

If this Agreement funds a “public works project” as defined in section 255.0993, F.S., or the purchase of materials to be used in a public works project, any iron or steel permanently incorporated in the Project must be “produced in the United States,” as defined in section 255.0993, F.S. This requirement does not apply if the Department determines that any of the following circumstances apply to the Project:

- (1) iron or steel products produced in the United States are not produced in sufficient quantities, reasonably available, or of satisfactory quality;
- (2) the use of iron or steel products produced in the United States will increase the total cost of the project by more than twenty percent (20%); or
- (3) complying with this requirement is inconsistent with the public interest.

Further, this requirement does not prevent the Contractor’s minimal use of foreign steel and iron materials if:

- (1) such materials are incidental or ancillary to the primary product and are not separately identified in the project specifications; and
- (2) the “cost” of such materials, as defined in section 255.0993, F.S., does not exceed one-tenth of one percent (1%) of the total Project Cost under this Agreement or \$2,500, whichever is greater.

Electrical components, equipment, systems, and appurtenances, including supports, covers, shielding, and other appurtenances related to an electrical system that are necessary for operation or concealment (excepting transmission and distribution poles) are not considered to be iron or steel products and are, therefore, exempt from the requirements of this paragraph.

This provision shall be applied in a manner consistent with and may not be construed to impair the state’s obligations under any international agreement.

**44. Complete and Accurate information.**

Grantee represents and warrants that all statements and information provided to DEP are current, complete, and accurate. This includes all statements and information in this Grant, as well as its Attachments and Exhibits.

**45. Execution in Counterparts and Authority to Sign.**

This Agreement, any amendments, and/or change orders related to the Agreement, may be executed in counterparts, each of which shall be an original and all of which shall constitute the same instrument. In accordance with the Electronic Signature Act of 1996, electronic signatures, including facsimile transmissions, may be used and shall have the same force and effect as a written signature. Each person signing this Agreement warrants that he or she is duly authorized to do so and to bind the respective party to the Agreement.

**Attachment 1**

**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
Special Terms and Conditions  
AGREEMENT NO. NW009**

**ATTACHMENT 2**

These Special Terms and Conditions shall be read together with general terms outlined in the Standard Terms and Conditions, Attachment 1. Where in conflict, these more specific terms shall apply.

**1. Scope of Work.**

The Project funded under this Agreement is Holt Elevated Tank & Water Well. The Project is defined in more detail in Attachment 3, Grant Work Plan.

**2. Duration.**

- a. Reimbursement Period. The reimbursement period for this Agreement is the same as the term of the Agreement.
- b. Extensions. There are extensions available for this Project.
- c. Service Periods. Additional service periods are not authorized under this Agreement.

**3. Payment Provisions.**

- a. Compensation. This is a cost reimbursement Agreement. The Grantee shall be compensated under this Agreement as described in Attachment 3.
- b. Invoicing. Invoicing will occur as indicated in Attachment 3.
- c. Advance Pay. Advance Pay is not authorized under this Agreement.

**4. Cost Eligible for Reimbursement or Matching Requirements.**

Reimbursement for costs or availability for costs to meet matching requirements shall be limited to the following budget categories, as defined in the Reference Guide for State Expenditures, as indicated:

<u>Reimbursement</u>	<u>Match</u>	<u>Category</u>
<input type="checkbox"/>	<input type="checkbox"/>	Salaries/Wages
		Overhead/Indirect/General and Administrative Costs:
<input type="checkbox"/>	<input type="checkbox"/>	a. Fringe Benefits, N/A.
<input type="checkbox"/>	<input type="checkbox"/>	b. Indirect Costs, N/A.
<input checked="" type="checkbox"/>	<input type="checkbox"/>	Contractual/Subaward (Subcontractors/Subrecipients)
<input type="checkbox"/>	<input type="checkbox"/>	Travel, in accordance with Section 112, F.S.
<input type="checkbox"/>	<input type="checkbox"/>	Equipment
<input type="checkbox"/>	<input type="checkbox"/>	Rental/Lease of Equipment
<input type="checkbox"/>	<input type="checkbox"/>	Miscellaneous/Other Expenses
<input type="checkbox"/>	<input type="checkbox"/>	Land Acquisition

**5. Equipment Purchase.**

No Equipment purchases shall be funded under this Agreement.

**6. Land Acquisition.**

There will be no Land Acquisitions funded under this Agreement.

**7. Match Requirements**

There is no match required on the part of the Grantee under this Agreement.

**8. Insurance Requirements**

Required Coverage. At all times during the Agreement the Grantee, at its sole expense, shall maintain insurance coverage of such types and with such terms and limits described below. The limits of coverage under each policy

maintained by the Grantee shall not be interpreted as limiting the Grantee's liability and obligations under the Agreement. All insurance policies shall be through insurers licensed and authorized to issue policies in Florida, or alternatively, Grantee may provide coverage through a self-insurance program established and operating under the laws of Florida. Additional insurance requirements for this Agreement may be required elsewhere in this Agreement, however the minimum insurance requirements applicable to this Agreement are:

a. Commercial General Liability Insurance.

The Grantee shall provide adequate commercial general liability insurance coverage and hold such liability insurance at all times during the Agreement. The Department, its employees, and officers shall be named as an additional insured on any general liability policies. The minimum limits shall be \$250,000 for each occurrence and \$500,000 policy aggregate.

b. Commercial Automobile Insurance.

If the Grantee's duties include the use of a commercial vehicle, the Grantee shall maintain automobile liability, bodily injury, and property damage coverage. Insuring clauses for both bodily injury and property damage shall provide coverage on an occurrence basis. The Department, its employees, and officers shall be named as an additional insured on any automobile insurance policy. The minimum limits shall be as follows:

\$200,000/300,000	Automobile Liability for Company-Owned Vehicles, if applicable
\$200,000/300,000	Hired and Non-owned Automobile Liability Coverage

c. Workers' Compensation and Employer's Liability Coverage.

The Grantee shall provide workers' compensation, in accordance with Chapter 440, F.S. and employer liability coverage with minimum limits of \$100,000 per accident, \$100,000 per person, and \$500,000 policy aggregate. Such policies shall cover all employees engaged in any work under the Grant.

d. Other Insurance. None.

**9. Quality Assurance Requirements.**

There are no special Quality Assurance requirements under this Agreement.

**10. Retainage.**

No retainage is required under this Agreement.

**11. Subcontracting/Subawards.**

The Grantee may subcontract/subaward work under this Agreement without the prior written consent of the Department's Grant Manager except for certain fixed-price subcontracts/subawards pursuant to this Agreement, which require prior approval. Regardless of any subcontract/subaward, the Grantee is ultimately responsible for all work to be performed under this Agreement. Upon request by the Department's Grant Manager, the Grantee will submit a copy of the executed subcontract.

**12. State-owned Land.**

The work will not be performed on State-owned land.

**13. Office of Policy and Budget Reporting.**

There are no special Office of Policy and Budget reporting requirements for this Agreement.

**14. Common Carrier.**

a. Applicable to contracts/grants with a common carrier – firm/person/corporation that as a regular business transports people or commodities from place to place. If applicable, Contractor/Subrecipient must also fill out and return PUR 1808 before contract/subaward execution. If Contractor/Subrecipient is a common carrier pursuant to section 908.111(1)(a), Florida Statutes, the Department will terminate this Agreement immediately if Contractor/Subrecipient is found to be in violation of the law or the attestation in PUR 1808.

b. Applicable to solicitations for a common carrier – Before contract execution, the winning Contractor(s) must fill out and return PUR 1808, and attest that it is not willfully providing any service in furtherance of transporting a person into this state knowing that the person unlawfully present in the United States according to the terms of the federal Immigration and Nationality Act, 8 U.S.C. ss. 1101 et seq. The Department will terminate a contract immediately if Contractor is found to be in violation of the law or the attestation in PUR 1808.

**15. Financial Assistance and Payment of Invoices to Rural Communities or Rural Areas of Opportunity**

This agreement does not provide federal or state financial assistance to a county or municipality that is a rural community or rural area of opportunity as those terms are defined in s. 288.0656(2).

**16. Additional Terms.**

None.

## **ATTACHMENT 3 GRANT WORK PLAN**

**PROJECT TITLE:** Holt Elevated Tank & Water Well

**PROJECT LOCATION:** The Project will be located in the City of Holt within Okaloosa County; Lat/Long (30.7344, -86.7036).

**PROJECT BACKGROUND:** Holt Water Works (Grantee) is located in western Okaloosa County and supplies water to residents in the area. The current system consists of two wells, two elevated tanks, and approximately 29 miles of water main. Both wells are located at the south end of the system, which results in portions of the north end experiencing low pressure during high demand periods. If the primary well and/or elevated tank were to fail, most of the system would lose pressure, and portions would lose water entirely, compromising the water quality and fire protection throughout the entire system. The new well, elevated tank, and water treatment plant would serve to improve the system's reliability and provide improved water pressure to a portion of the system that currently experiences low water pressure during high demands.

**PROJECT DESCRIPTION:** The Grantee will complete construction of a new approximately 0.3 million gallons per day potable water well, an approximately 300,000-gallon elevated tank, and a water treatment plant.

The Grantee does not anticipate that the funding under this Agreement will result in a fully completed project, so this Agreement will cover a portion of the work.

**TASKS:** All documentation should be submitted electronically unless otherwise indicated and should be submitted prior to the expiration of the grant agreement.

### **Task 1: Bidding and Contractor Selection**

**Deliverables:** The Grantee will prepare a bid package, publish a public notice, solicit bids, conduct pre-bid meetings, and respond to bid questions in accordance with the Grantee's procurement process, to select one or more qualified and licensed contractors to complete construction of the project.

**Documentation:** The Grantee will submit: 1) the public notice of advertisement for the bid; 2) the bid package; and 3) written notice of selected contractor(s).

**Performance Standard:** The Department's Grant Manager will review the documentation to verify that the deliverables have been completed as described above. Upon review and written acceptance by the Department's Grant Manager, a payment request may be processed.

**Payment Request Schedule:** The Grantee may submit a payment request for cost reimbursement following the conclusion of the task.

### **Task 2: Project Management**

**Deliverables:** The Grantee will provide project management services related to the Holt Elevated Tank & Water Well Project, to include review of documents and forms, budget oversight, preparation and submittal of quarterly progress reports, processing of payment requests and related documentation, field engineering services, construction observation, site meetings with construction contractor(s) and design professionals, and overall project coordination and supervision.

**Documentation:** The Grantee will submit a signed summary of activities completed for the period of work covered in the payment request, using the format provided by the Department’s Grant Manager. Upon request by the Department’s Grant Manager, the Grantee will provide additional supporting documentation relating to this task.

**Performance Standard:** The Department’s Grant Manager will review the documentation to verify that the deliverables have been completed as described above. Upon review and written acceptance by the Department’s Grant Manager, a payment request may be processed.

**Payment Request Schedule:** The Grantee may submit a payment request for cost reimbursement no more frequently than monthly.

**Task 3: Construction**

**Deliverables:** The Grantee will construct the Holt Elevated Tank & Water Well Project in accordance with the final design.

**Documentation:** The Grantee will submit: 1) a copy of the final design; 2) a signed summary of activities completed for the period of work covered in the payment request, using the format provided by the Department’s Grant Manager. Upon request by the Department’s Grant Manager, the Grantee will provide additional supporting documentation relating to this task.

**Performance Standard:** The Department’s Grant Manager will review the documentation to verify that the deliverables have been completed as described above. Upon review and written acceptance by the Department’s Grant Manager, a payment request may be processed.

**Payment Request Schedule:** The Grantee may submit a payment request for cost reimbursement no more frequently than monthly.

**PROJECT TIMELINE & BUDGET DETAIL:** The tasks must be completed by the corresponding task end date. Cost reimbursable grant funding must not exceed the budget amounts as indicated below.

Task No.	Task Title	Budget Category	Grant Amount	Task Start Date	Task End Date
1	Bidding and Contractor Selection	Contractual Services	\$8,000	07/01/2024	06/30/2028
2	Project Management	Contractual Services	\$130,697	07/01/2024	06/30/2028
3	Construction	Contractual Services	\$3,951,188	07/01/2024	06/30/2028
Total:			\$4,089,885		

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**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
Public Records Requirements**

**Attachment 4**

**1. Public Records.**

- a. If the Agreement exceeds \$35,000.00, and if Grantee is acting on behalf of Department in its performance of services under the Agreement, Grantee must allow public access to all documents, papers, letters, or other material, regardless of the physical form, characteristics, or means of transmission, made or received by Grantee in conjunction with the Agreement (Public Records), unless the Public Records are exempt from section 24(a) of Article I of the Florida Constitution and section 119.07(1), F.S.
- b. The Department may unilaterally terminate the Agreement if Grantee refuses to allow public access to Public Records as required by law.

**2. Additional Public Records Duties of Section 119.0701, F.S., If Applicable.**

For the purposes of this paragraph, the term “contract” means the “Agreement.” If Grantee is a “contractor” as defined in section 119.0701(1)(a), F.S., the following provisions apply and the contractor shall:

- a. Keep and maintain Public Records required by Department to perform the service.
- b. Upon request, provide Department with a copy of requested Public Records or allow the Public Records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, F.S., or as otherwise provided by law.
- c. A contractor who fails to provide the Public Records to Department within a reasonable time may be subject to penalties under section 119.10, F.S.
- d. Ensure that Public Records that are exempt or confidential and exempt from Public Records disclosure requirements are not disclosed except as authorized by law for the duration of the contract term and following completion of the contract if the contractor does not transfer the Public Records to Department.
- e. Upon completion of the contract, transfer, at no cost, to Department all Public Records in possession of the contractor or keep and maintain Public Records required by Department to perform the service. If the contractor transfers all Public Records to Department upon completion of the contract, the contractor shall destroy any duplicate Public Records that are exempt or confidential and exempt from Public Records disclosure requirements. If the contractor keeps and maintains Public Records upon completion of the contract, the contractor shall meet all applicable requirements for retaining Public Records. All Public Records stored electronically must be provided to Department, upon request from Department’s custodian of Public Records, in a format specified by Department as compatible with the information technology systems of Department. These formatting requirements are satisfied by using the data formats as authorized in the contract or Microsoft Word, Outlook, Adobe, or Excel, and any software formats the contractor is authorized to access.

**f. IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, F.S., TO THE CONTRACTOR’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE CONTRACT, CONTACT THE DEPARTMENT’S CUSTODIAN OF PUBLIC RECORDS AT:**

**Telephone:** (850) 245-2118  
**Email:** [public.services@floridadep.gov](mailto:public.services@floridadep.gov)  
**Mailing Address:** Department of Environmental Protection  
ATTN: Office of Ombudsman and Public Services  
Public Records Request  
3900 Commonwealth Boulevard, MS 49  
Tallahassee, Florida 32399

**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION  
Special Audit Requirements  
(State and Federal Financial Assistance)**

**Attachment 5**

The administration of resources awarded by the Department of Environmental Protection (*which may be referred to as the "Department", "DEP", "FDEP" or "Grantor", or other name in the agreement*) to the recipient (*which may be referred to as the "Recipient", "Grantee" or other name in the agreement*) may be subject to audits and/or monitoring by the Department of Environmental Protection, as described in this attachment.

**MONITORING**

In addition to reviews of audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by DEP Department staff, limited scope audits as defined by 2 CFR 200.425, or other procedures. By entering into this Agreement, the recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department of Environmental Protection. In the event the Department of Environmental Protection determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer (CFO) or Auditor General.

**AUDITS**

**PART I: FEDERALLY FUNDED**

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in 2 CFR §200.330

1. A recipient that expends \$1,000,000 or more in Federal awards in its fiscal year, must have a single or program-specific audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F. EXHIBIT 1 to this Attachment indicates Federal funds awarded through the Department of Environmental Protection by this Agreement. In determining the federal awards expended in its fiscal year, the recipient shall consider all sources of federal awards, including federal resources received from the Department of Environmental Protection. The determination of amounts of federal awards expended should be in accordance with the guidelines established in 2 CFR 200.502-503. An audit of the recipient conducted by the Auditor General in accordance with the provisions of 2 CFR Part 200.514 will meet the requirements of this part.
2. For the audit requirements addressed in Part I, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in 2 CFR 200.508-512.
3. A recipient that expends less than \$1,000,000 in federal awards in its fiscal year is not required to have an audit conducted in accordance with the provisions of 2 CFR Part 200, Subpart F-Audit Requirements. If the recipient expends less than \$1,000,000 in federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of 2 CFR 200, Subpart F-Audit Requirements, the cost of the audit must be paid from non-federal resources (i.e., the cost of such an audit must be paid from recipient resources obtained from non-federal entities).
4. The recipient may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at <https://sam.gov/content/assistance-listings>.

**Attachment 5**

1 of 6

## PART II: STATE FUNDED

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(1)(n), Florida Statutes.

1. In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$750,000 in any fiscal year of such recipient (for fiscal years ending June 30, 2017, and thereafter), the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, F.S.; Rule Chapter 69I-5, F.A.C., State Financial Assistance; and the current Rules of the Auditor General. EXHIBIT 1 to this form lists the state financial assistance awarded through the Department of Environmental Protection by this agreement. In determining the state financial assistance expended in its fiscal year, the recipient 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.
2. In connection with the audit requirements addressed in Part II, paragraph 1; the recipient shall ensure that the audit complies with the requirements of Section 215.97(8), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and the current Rules of the Auditor General.
3. If the recipient expends less than \$750,000 in state financial assistance in its fiscal year (for fiscal year ending June 30, 2017, and thereafter), an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient 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 recipient's resources obtained from other than State entities).
4. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a recipient should access the Florida Single Audit Act website located at <https://apps.fldfs.com/fsaa> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website at <http://www.leg.state.fl.us/Welcome/index.cfm>, State of Florida's website at <http://www.myflorida.com/>, Department of Financial Services' Website at <https://www.myfloridacfo.com/> and the Auditor General's Website at <http://www.myflorida.com/audgen/>.

## PART III: OTHER AUDIT REQUIREMENTS

*(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to Section 215.97(8), Florida Statutes, State agencies may conduct or arrange for audits of State financial assistance that are in addition to audits conducted in accordance with Section 215.97, Florida Statutes. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)*

## PART IV: REPORT SUBMISSION

1. Copies of reporting packages for audits conducted in accordance with 2 CFR Part 200, Subpart F-Audit Requirements, and required by PART I of this form shall be submitted, when required by 2 CFR 200.512, by or on behalf of the recipient directly to the Federal Audit Clearinghouse (FAC) as provided in 2 CFR 200.36 and 200.512
  - A. The Federal Audit Clearinghouse designated in 2 CFR §200.501(a) (the number of copies required by 2 CFR §200.501(a) should be submitted to the Federal Audit Clearinghouse), at the following address:

### Attachment 5

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By Mail:

Federal Audit Clearinghouse  
Bureau of the Census  
1201 East 10th Street  
Jeffersonville, IN 47132

Submissions of the Single Audit reporting package for fiscal periods ending on or after January 1, 2008, must be submitted using the Federal Clearinghouse's Internet Data Entry System which can be found at <http://harvester.census.gov/facweb/>

2. Copies of financial reporting packages required by PART II of this Attachment shall be submitted by or on behalf of the recipient directly to each of the following:

A. The Department of Environmental Protection at one of the following addresses:

By Mail:

**Audit Director**  
Florida Department of Environmental Protection  
Office of Inspector General, MS 40  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399-3000

Electronically:

[FDEPSingleAudit@dep.state.fl.us](mailto:FDEPSingleAudit@dep.state.fl.us)

B. The Auditor General's Office at the following address:

Auditor General  
Local Government Audits/342  
Claude Pepper Building, Room 401  
111 West Madison Street  
Tallahassee, Florida 32399-1450

The Auditor General's website (<http://flauditor.gov/>) provides instructions for filing an electronic copy of a financial reporting package.

3. Copies of reports or management letters required by PART III of this Attachment shall be submitted by or on behalf of the recipient directly to the Department of Environmental Protection at one of the following addresses:

By Mail:

**Audit Director**  
Florida Department of Environmental Protection  
Office of Inspector General, MS 40  
3900 Commonwealth Boulevard  
Tallahassee, Florida 32399-3000

Electronically:

[FDEPSingleAudit@dep.state.fl.us](mailto:FDEPSingleAudit@dep.state.fl.us)

4. Any reports, management letters, or other information required to be submitted to the Department of Environmental Protection pursuant to this Agreement shall be submitted timely in accordance with 2 CFR 200.512, section 215.97, F.S., and the current Rules of the Auditor General, as applicable.

5. Recipients, when submitting financial reporting packages to the Department of Environmental Protection for audits done in accordance with 2 CFR 200, Subpart F-Audit Requirements, or the current Rules of the Auditor

## Attachment 5

3 of 6

General, should indicate the date and time the reporting package was delivered to the recipient and any correspondence accompanying the reporting package.

#### **PART V: RECORD RETENTION**

The recipient shall retain sufficient records demonstrating its compliance with the terms of the award and this Agreement for a period of **five (5)** years from the date the audit report is issued, and shall allow the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General upon request for a period of **three (3)** years from the date the audit report is issued, unless extended in writing by the Department of Environmental Protection.

**EXHIBIT – 1**

FUNDS AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

*Note: If the resources awarded to the recipient represent more than one federal program, provide the same information shown below for each federal program and show total federal resources awarded*

<b>Federal Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following:</b>					
<b>Federal Program A</b>	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	
<b>Federal Program B</b>	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category
				\$	

*Note: Of the resources awarded to the recipient represent more than one federal program, list applicable compliance requirements for each federal program in the same manner as shown below:*

<b>Federal Program A</b>	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	
<b>Federal Program B</b>	First Compliance requirement: i.e.: (what services of purposes resources must be used for)	
	Second Compliance requirement: i.e.: (eligibility requirement for recipients of the resources)	
	Etc.	
	Etc.	

Note: If the resources awarded to the recipient for matching represent more than one federal program, provide the same information shown below for each federal program and show total state resources awarded for matching.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Matching Resources for Federal Programs:					
Federal Program A	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category
Federal Program B	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category

Note: If the resources awarded to the recipient represent more than one state project, provide the same information shown below for each state project and show total state financial assistance awarded that is subject to section 215.97, F.S.

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:						
State Program A	State Awarding Agency	State Fiscal Year <sup>1</sup>	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category
<b>Original Agreement</b>	Florida Department of Environmental Protection	2024-2025	37.100	Alternative Water Supply – LI 1740B	\$ 4,089,885.00	149949
State Program B	State Awarding Agency	State Fiscal Year <sup>2</sup>	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category

Total Award	\$ 4,089,885.00	
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Note: List applicable compliance requirement in the same manner as illustrated above for federal resources. For matching resources provided by the Department for DEP for federal programs, the requirements might be similar to the requirements for the applicable federal programs. Also, to the extent that different requirements pertain to different amount for the non-federal resources, there may be more than one grouping (i.e. 1, 2, 3, etc.) listed under this category.

For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (CFDA) [<https://sam.gov/content/assistance-listings>] and/or the Florida Catalog of State Financial Assistance (CSFA) [<https://apps.fldfs.com/fsaa/searchCatalog.aspx>], and State Projects Compliance Supplement (Part Four: State Projects Compliance Supplement [<https://apps.fldfs.com/fsaa/compliance.aspx>]). The services/purposes for which the funds are to be used are included in the Agreement’s Grant Work Plan. Any match required by the Recipient is clearly indicated in the Agreement.

<sup>1</sup> Subject to change by Change Order.

<sup>2</sup> Subject to change by Change Order.

**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**Exhibit A  
Progress Report Form**

The current **Exhibit A, Progress Report Form** for this grant can be found on the Department's website at this link:

<https://floridadep.gov/wra/wra/documents/progress-report-form>

Please use the most current form found on the website, linked above, for each progress report submitted for this project.

**STATE OF FLORIDA  
DEPARTMENT OF ENVIRONMENTAL PROTECTION**

**Exhibit C  
Payment Request Summary Form**

The **Payment Request Summary Form** for this grant can be found on our website at this link:

<https://floridadep.gov/wra/wra/documents/payment-request-summary-form>

Please use the most current form found on the website, linked above, for each payment request.

**Effective July 1, 2025**

**CHIEF FINANCIAL OFFICER MEMORANDUM NO. 25**

**SUBJECT: CONTRACTS WITH NON-PROFIT ORGANIZATIONS AS DEFINED IN SECTION 215.72(2)(m), FLORIDA STATUTES**

This memorandum establishes requirements for contracts with non-profit organizations.

**FLORIDA ACCOUNTABILITY CONTRACT TRACKING SYSTEM (FACTS) REQUIREMENTS**

Section (s.) 215.985, Florida Statutes (F.S), amended in 2023 requires that each contract for which a state entity makes a payment pursuant to a contract executed, amended, or extended on or after July 1, 2023, the state entity shall post any documents submitted pursuant to s. 216.1366, F.S., which indicates the use of state funds as remuneration under the contract or a specified payment associated with the contract on the contract tracking system.

**CONTRACT DOCUMENTATION REQUIREMENTS**

Section 216.1366, F.S., amended in 2023, establishes new documentation requirements for any contract for services executed, amended, or extended on or after July 1, 2023, with non-profit organizations as defined in s. 215.97 (2)(m), F.S. The contract must require the contractor to provide documentation that indicates the amount of state funds:

- Allocated to be used during the full term of the contract for remuneration to any member of the board of directors or an officer of the contractor.
- Allocated under each payment by the public agency to be used for remuneration of any member of the board of directors or an officer of the contractor. The documentation must indicate the amounts and recipients of the remuneration.

Such information must be included in the contract tracking system maintained pursuant to s. 215.985, F.S., and must be posted on the contractor's website if the contractor maintains a website.

- As used in this subsection, the term:
  - "Officer" means a chief executive officer, chief financial officer, chief operating officer, or any other position performing an equivalent function.
  - "Remuneration" means all compensation earned by or awarded to personnel, whether paid or accrued, regardless of contingency, including bonuses, accrued paid time off, severance payments, incentive payments, contributions to a retirement plan, or in-kind payments, reimbursements, or allowances for moving expenses, vehicles and other transportation, telephone services, medical services, housing, and meals.
  - "State funds" means funds paid from the General Revenue Fund or any state trust fund, funds allocated by the Federal Government and distributed by the state, or funds appropriated by the state for distribution through any grant program. The term does not include funds used for the state Medicaid program.

The attached form will be used to document the compensation to non-profits using state funds

1. This form must be completed **annually** and only for the executive staff that receive compensation. For example, if you have a board member that does not receive any compensation, you **do not** complete this form.
2. One form should be completed for each executive staff that meets the criteria of being a board member or Officer.
3. The contractor should complete and sign this document for each executive staff, as defined in number two (2) above, to which they paid compensation.
4. If the person's compensation was supported by more than one contract or grant, record all applicable contract or grant numbers in the "Agency Grant Agreement/Contract #" area.
5. Enter the total amount of the contract(s) and/or grant(s) in the "Total Grant/Contract Amount" area.
6. When entering the amount for the "Total Amount Allocated" (Budgeted Amount) you should include all funding; State, Federal, Matching (if applicable), and county, that was allocated for each executive staff.
7. When entering the amount for the "Total Amount Paid", this should be how much the person received as compensation out of the "Total Amount Allocated". If the "Total Amount Allocated" happens to be 100% State funds and all funds were used to compensate the person, then the amount for the "Total Amount Paid" would be the same amount.
8. When entering the amount for the "Amount Paid from State Funds", this should be how much the person received as compensation out of the "Total Amount" that was funded with State Funds. If the "Total Amount Allocated" happens to be 100% State funds and all these funds were used to compensate the person, then the amount for the "Total Amount Paid" would be the same amount; therefore, the amount for the "Amount Paid from State Funds" would also be the same amount.
9. If a form has been submitted with incorrect information, the business may resubmit the form at any time.

This memorandum does not supersede the requirements outlined in Chief Financial Officer Memorandum Number 1.

If you have any questions, please call the Bureau of Auditing at (850) 413-5512.

## Total Compensation Paid to Non-Profit Personnel Using State Funds

<b>Name:</b>			
<b>Title:</b>			
<b>Agency Grant Agreement/Contract #</b>			
<b>Total Grant/Contract Amount</b>			
<b>Grant/Contract Term:</b>			
<b>Line Item Budget Category</b>	<b>Total Amount Allocated</b>	<b>Total Amount Paid</b>	<b>Amount Paid from State Funds</b>
Salaries			
Fringe Benefits			
Bonuses			
Accrued Paid Time Off			
Severance Payments			
Retirement Contributions			
In-Kind Payments			
Incentive Payments			
<b>Reimbursements/Allowances</b>			
Moving Expenses			
Transportation Costs			
Telephone Services			
Medical Services Costs			
Housing Costs			
Meals			
<b>Total Annual Amount Paid</b>			
<b>CERTIFICATION: I certify that the amounts listed above are true and accurate and in accordance with the approved budget.</b>			
Name:			
Signature:			
Title:			
Date:			

PUR 2024

**Part A: Use of Coercion for Labor and Services**

Pursuant to section 787.06(13), Florida Statutes, this portion of the form **must be completed by an officer or representative of the nongovernmental entity** executing, renewing, or extending a contract with a governmental entity.

Holt Water Works, Inc. does not use coercion for labor or services as defined in section 787.06, Florida Statutes.

Under penalties of perjury, I declare that I have read the foregoing statement and that the facts stated in it are true.

Entity Name: Holt Water Works, Inc.

Representative/Officer's Printed Name: \_\_\_\_\_

Representative/Officer's Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

**Part B: Provision of Commodities Produced by Forced Labor**

Pursuant to section 287.1346(4)(b), Florida Statutes, this portion of the form **must be completed by a member of the company's senior management, as defined in section 287.1346, F.S.**, when the company submits a response to a solicitation for the provision of commodities and before the company enters into or renews a contract for the provision of commodities.

I certify that to the best of my knowledge, the commodities Holt Water Works, Inc is offering to the Department have not been produced, in whole or in part, by forced labor.

Entity Name: Holt Water Works, Inc.

Senior Management's Printed Name: \_\_\_\_\_

Senior Management member's Title: \_\_\_\_\_

Signature: \_\_\_\_\_

Date: \_\_\_\_\_

## ENCLOSURE 6d:

Consideration of the Walton/Okaloosa/Santa Rosa Regional Utility Authority to support advance payment request for State Revolving Fund Program Loan Agreement on behalf of Holt Water Works, Inc as sponsoring agency and designating authorized representatives

# WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY

Staff to the RUA: Emerald Coast Regional Council

Chair: Colton Wright  
Vice-Chair: Dewey Destin

## Enclosure 6d

**SUBJECT:** Consideration of the Walton/Okaloosa/Santa Rosa Regional Utility Authority (RUA) to support advance payment request for State Revolving Fund Program Loan Agreement (DW 170440) on behalf of Holt Water Works, Inc as sponsoring agency and designating authorized representatives.

**ORIGIN OF SUBJECT:** Holt Water Works, Inc (Holt WW)

**Background:** Holt WW is requesting RUA to receive advance payments on the State Revolving Fund (SRF) Drinking Water Loan for Project # DW 17044 State Revolving Fund Program. The advance payments will help the System ensure the engineers, contractors, and other service providers are paid in a timely manner. This will allow the work to move forward for timely completion of the projects being funded.

**Attached are the following:**

- Advance Payment Justification Form
- Advance Payment Cover Letter

**RECOMMENDED ACTION: Approval of a motion to authorize the RUA Chair to sign Advance Payment Justification Form and Cover Letter.** This action is recommended in order to submit advance payment request. Please contact Mr. Dale Long, P.E., LEED AP, Senior Project Engineer, Municipal Engineering Service Inc, at [dlong@mesi-fl.com](mailto:dlong@mesi-fl.com) or (850) 939-5732 if you want additional information.



STAFF TO THE RUA: Emerald Coast Regional Council  
P.O. Box 11399 • Pensacola, FL 32524-1399 • P: 850.332.7976 • 1.800.226.8914 • F: 850.637.1923  
[www.ecrc.org](http://www.ecrc.org)



DEP 55-222 ADVANCE PAYMENT JUSTIFICATION FORM

Required Signatures: **Original Ink**

Use of this form is not required unless the advance requested requires the prior approval of the Florida Department of Financial Services (DFS). For advance requests that are equal to or less than the purchasing threshold of category two as defined in Section 287.017, Florida Statutes, and meet one of the advance payment requirements identified in Section 215.422(14), Florida Statutes, use of this form is waived. However, the purchase requisition or contract review form must clearly identify the criteria being met under 215.422(14), Florida Statutes that allows the advance to be made without prior DFS approval.

A letter requesting advance payment from the recipient, on its letterhead, must be attached. The DEP Program Area should forward this information to the Contract Disbursements Section at MS 78. The Contract Disbursements Section will forward requests for advance payment to DFS for review and legislature consultation, as appropriate.

Name/Address of the Vendor/Recipient:		
Contact Person/Phone No.:		
Agreement No./Purchase Order No. (if known):		
Commodities/Services/Project Description:		
Organizational Structure (i.e. local gov't, non-profit corporation, etc.)		
Value of Purchase or Grant:		
Advance Payment Amount Requested:		
Period Advance Payment to Cover:	<input type="checkbox"/> 90 days startup	Full Contract Period
	<input type="checkbox"/> Quarterly	Other (specify):
Indicate Statutory Authority:	<input type="checkbox"/> 215.422, F.S.	216.181, F.S.
GAA Year and Line Item Info:	SFY:	Line Item:
<b>1. Reason advance payment is required:</b>		
<b>2. The following information is required for advances requested pursuant to 215.422, Florida Statutes (and the DFS's Reference Guide for State Expenditures) which exceed the purchasing threshold of category two as defined in 287.017, Florida Statutes.</b>		
<b>A.</b> Document, if applicable, the cost savings to be incurred as a result of an advance payment that are equal or greater than the amount the State would earn by investing the funds and paying in arrears. Include the percent (%) savings to be realized. In calculating the percent savings as compared to the percent that can be earned by the State, information may be obtained from the DFS, Division of Treasury at (850) 413-3165 regarding the current Treasury earnings rate.		

**DEP 55-222 ADVANCE PAYMENT JUSTIFICATION FORM**

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**B.** Document, if applicable, how the goods or services are essential to the operation of the Department and why they are available only if advance payment is made:

C. Identify the procurement method used to select the vendor.

**3. The following information required for advances to Governmental Entities and Non-Profits pursuant to 216.181, Florida Statutes. (Limited to GAA Authorized, Statutorily Authorized, and Grant & Aid Appropriation Categories 05XXXX or 14XXXX)**

A. The entity acknowledges the requirement to invest advance funds in an interest bearing account and to remit interest earned to the Department on a quarterly basis.

Provide a description of how the entity intends to invest the advanced funds and track the interest earned on the advanced funds:

Remittances must: 1) be identified as interest earnings on advances, 2) must identify the applicable DEP Agreement (or Contract) No., and 3) be forwarded to the following address:

Florida Department of Environmental Protection  
Bureau of Finance and Accounting  
Receipts Section  
P.O. Box 3070  
Tallahassee, Florida 32315-3070

**DEP 55-222 ADVANCE PAYMENT JUSTIFICATION FORM**

**3. The recipient must provide an estimated budget for each quarter covered by the agreement. The summary information should include salaries, fringe benefits, overhead, contracts (specify services to be contracted out), equipment, if authorized (specify items to be purchased), supplies, travel, and other costs.**

A sample summary format is provided below. The summary should include the breakdown for each quarter of the agreement period.

Description	First Quarter	Second Quarter	Third Quarter	Fourth Quarter
Salaries (identify personnel/titles)				
Fringe Benefits				
Contractual Services (list services and estimated costs)				
Equipment (identify each item and cost)				
Supplies				
Travel				
Other (specify)				
Overhead/Indirect				
<b>Total:</b>				

**Certification Statement**

The forgoing information is presented to the Florida Department of Environmental Protection in support of our request for advance payment. I certify that the information provided accurately reflects the financial issues facing the entity at this time.

By: \_\_\_\_\_ Date: \_\_\_\_\_

Type Name of Signatory: \_\_\_\_\_

Title: Chief Financial Officer or designee

**DEP Program Area Review/Approval**

**Recommendation:**       **Approve Request**                       **Deny Request**

By: \_\_\_\_\_ Date: \_\_\_\_\_

Type Name of Signatory: \_\_\_\_\_

Title: \_\_\_\_\_ Bureau: \_\_\_\_\_ Division: \_\_\_\_\_

**WALTON/OKALOOSA/SANTA ROSA**  
**REGIONAL UTILITY AUTHORITY**

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Staff to the RUA: Emerald Coast Regional Council

Chair: Colten Wright  
Vice Chair: Dewey Destin

October 2, 2025

Florida Department of Environmental Protection  
State Revolving Fund Program  
Attn: Megan Maxwell  
3900 Commonwealth Boulevard MS3505  
Tallahassee, FL 32399-3000

RE: SRF Loan Agreement (DW 170440) - Advanced Payment Request

Dear Ms. Maxwell:

Please accept this letter as a formal request for Walton/Okaloosa/Santa Rosa Regional Utility Authority to receive advance payments on the project referenced above. The advance payments will help the System ensure the engineers, contractors, and other service providers are paid in a timely manner. This will allow the work to move forward for timely completion of the projects being funded.

We appreciate your consideration of our request.

Sincerely,

Board Chair

cc: Dale Long, Sr. Project Engineer, Municipal Engineering Services, Inc.



STAFF TO THE RUA: Emerald Coast Regional Council  
P.O. Box 11399 • Pensacola, FL 32524-1399 • P: 850.332.7976 • 1.800.226.8914 • F: 850.637.1923  
[www.ecrc.org](http://www.ecrc.org)

## ENCLOSURE 6e:

Consideration of authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority to Approve Easement Access on behalf of Destin Water Users, Inc as sponsoring agency and designating authorized representatives.

## **Enclosure 6e**

**SUBJECT:** Consideration of authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority (RUA) to approve easement access to the City of Destin as part a linear trail project on behalf of Destin Water Users, Inc as sponsoring agency and designating authorized representatives.

**ORIGIN OF SUBJECT:** Destin Water Users, Inc (Destin WU)

**Background:** The City of Destin is building a linear trail in the Florida Power and Light easement area. A portion of the easement located on the southeast corner of Destin WU property is needed for the trail. This property was used as collateral for the RUA to sponsor State Revolving Loan Fund (SRF) for Destin WU.

RUA attorney reviewed the proposed linear park easement request and expressed concerns about safety issues related to unregulated pedestrian and other "traffic" along the boundary of the Destin WU facility. The proposed public access potentially poses a new threat to the facility and, in turn, Destin WU's "system revenues" that secure repayment of the SRF loans. RUA's attorney and staff have advised that the Florida Department of Environmental Protection (FDEP) should be consulted concerning the Easement to determine if FDEP has any objection or, instead, consents to the grant of the Easement.

**Attached are the following:**

- Resolution 2025-02
- Easement Exhibit

**RECOMMENDED ACTION: Approval of a motion to allow easement access to the City of Destin Conditional on FDEP has no objection and consents to the grant of Easement.**

This action is recommended in order for RUA and DWU to allow easement access to the City of Destin for linear trail. Please contact Ms. Monica M. Wallis, P.E., General Manager at [mwallis@dwuinc.com](mailto:mwallis@dwuinc.com) or (850) 337-3946 if you want additional information.

**RESOLUTION NO. 2025-02**

**A RESOLUTION OF WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY (RUA) RELATING TO THE CITY OF DESTIN’S REQUEST FOR AN EASEMENT FOR A PROPOSED LINEAR PARK; MAKING FINDINGS; CONDITIONALLY AUTHORIZING THE EXECUTION OF THE EASEMENT IN FAVOR OF THE CITY OF DESTIN; DESIGNATING AUTHORIZED REPRESENTATIVES; AND PROVIDING THE RESOLUTION’S EFFECTIVE DATE.**

WHEREAS, Florida Statutes provide for loans to local government agencies to finance the construction of wastewater treatment facilities; and

WHEREAS, Florida Administrative Code rules require authorization to apply for loans, to establish pledged revenues, to designate an authorized representative, to provide assurances of compliance with loan program requirements, and to enter into a loan agreement; and

WHEREAS, the Walton/Okaloosa/Santa Rosa Regional Utility Authority (“**RUA**”) previously entered into a loan agreement with the Department of Environmental Protection State Revolving Fund to finance State Revolving Fund Project No. WW17043 (“**the Project**”) as intermediary for Destin Water Users, Inc. (“**DWU**”); and

WHEREAS, in furtherance of the Project, RUA entered into an Interlocal Agreement with DWU whereby DWU transferred to RUA title to the real property and improvements theretofore owned by DWU, and whereby DWU pledged its system revenues for the repayment of the loan, those system revenues including the net water and wastewater utility system revenues of DWU, and DWU’s water and wastewater connection fees; and

WHEREAS, in accordance with the Interlocal Agreement, RUA and DWU entered into a Ground Lease Agreement whereby DWU leased from RUA the land and improvements constituting the Destin Water Users facilities; and

WHEREAS, the City of Destin now desires to establish a “linear park” to provide pedestrian and bicycle access to a portion of the real property now owned by RUA and subject to the ground lease agreement between RUA and DWU; and

WHEREAS, the City of Destin has prepared a proposed form of Easement (“**the Easement**”) and submitted the Easement for review by both RUA and DWU; and

WHEREAS, DWU has represented to RUA that DWU supports the City of Destin’s requested easement and has no objection to the Easement’s additional encumbrance on the real property described in the Easement; and

WHEREAS, RUA’s attorney and staff have advised that the Florida Department of Environmental Protection (“**DEP**”) should be consulted concerning the Easement to determine if DEP has any objection or, instead, consents to the grant of the Easement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY, AS FOLLOWS:

SECTION I. The foregoing findings are incorporated herein by reference and made a part hereof.

SECTION II. The Walton/Okaloosa/Santa Rosa Regional Utility Authority is authorized to execute the Easement in form and in substance satisfactory to the RUA’s attorney, but RUA’s execution of the Easement shall occur only after RUA (through its staff and attorney) receives adequate written and binding assurance from DEP that DEP has no objection and consents to the grant of Easement.

SECTION III. RUA’s Chairman (or other representative designated by RUA’s Chairman) is hereby designated as the authorized representative to execute the Easement after receipt of the assurances from DEP as described in SECTION II above.. RUA’s Chairman (or other representative designated by RUA’s Chairman) is authorized but not required to delegate responsibility to RUA’s staff and attorney to seek and obtain the required assurances from DEP.

SECTION IV. If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect of any other section or part of this Resolution.

SECTION V. This Resolution shall become effective immediately upon its passage and adoption.

PASSED and ADOPTED this \_\_\_\_\_ day of October, 2025, by the Walton/Okaloosa/Santa Rosa Regional Utility Authority.

ATTEST

APPROVED AS TO FORM AND LEGALITY

\_\_\_\_\_

\_\_\_\_\_

Attorney

\_\_\_\_\_

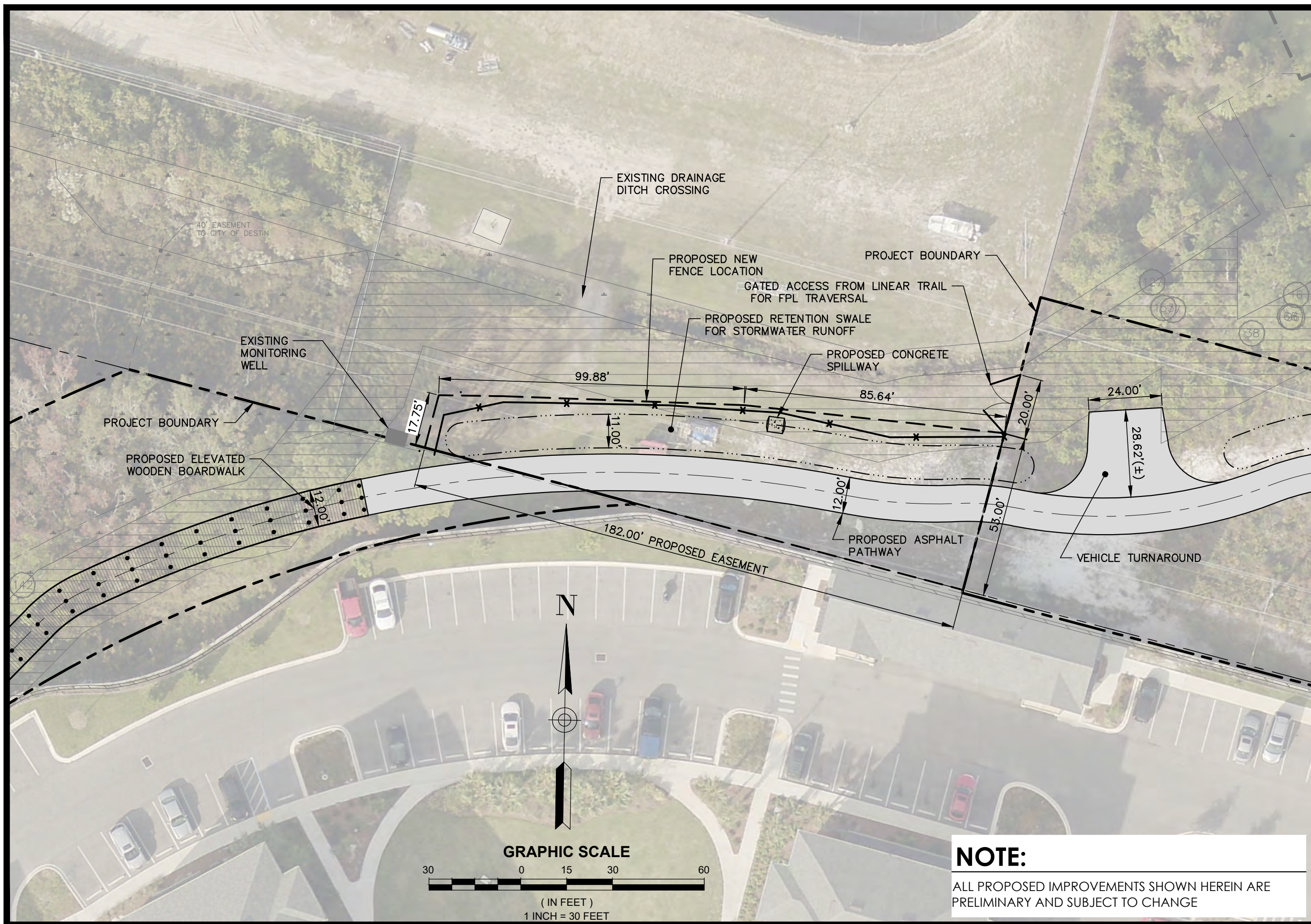
Chairman

CONSTRUCTION PLANS  
**DESTIN LINEAR PARK**  
DESTIN  
OKALOOSA COUNTY, FLORIDA

EXHIBIT DRAWING	23085
ISSUE:	
JOB #:	01/17/2025
DATE:	
DRAWN BY:	DCP
CHECKED BY:	JEN

TITLE:  
**EASEMENT EXHIBIT**

FIGURE NO:  
**EX-1**



**NOTE:**  
ALL PROPOSED IMPROVEMENTS SHOWN HEREIN ARE PRELIMINARY AND SUBJECT TO CHANGE

## ENCLOSURE 6f:

Consideration of authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority to adopt the Facility Plan on behalf of Destin Water Users, Inc as sponsoring agency and designating authorized representatives.

## Enclosure 6f

**SUBJECT:** Consideration of authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority (RUA) to adopt the Facility Plan on behalf of Destin Water Users, Inc as sponsoring agency and designating authorized representatives.

**ORIGIN OF SUBJECT:** Destin Water Users, Inc (Destin WU)

**Background:** Destin WU has identified four (4) projects within the George F. French Water Reclamation Facility (WRF) and Destin WU service area that will improve overall operational efficiency and reuse capacities. The four proposed projects are:

1. Additional Reclaimed Water Capacity
2. Proposed Regional Lift Station
3. Reuse Pump Station Modifications
4. Reuse Distribution System Expansion

Florida Department of Environment Protection requires Facilities Plans to be adopted to identify future needs and to prioritize them.

A public hearing was held on September 16, 2025 for the Facilities Plan. Notice of the public hearing was sent out to the RUA Board members on September 12, 2025.

This Facility Plan is required to be approved prior to applying for Florida Clean Water State Revolving Fund (CWSRF) Request for Inclusion (RFI).

**Attached are the following:**

- Resolution 2025-03
- Project Summary
- Link to Destin WU Facility Plan: [2025 Clean Water State Revolving Fund DWU Facility Plan](#)

**RECOMMENDED ACTION: Approval of a motion to authorize the RUA Chair to sign Resolution 2025-03 adopting the Destin WU Facility Plan.** This action is recommended in order for Destin WU Request for Inclusion in the Clean Water State Revolving Fund. Please contact Ms. Monica M. Wallis, P.E., General Manager at [mwallis@dwuinc.com](mailto:mwallis@dwuinc.com) or (850) 337-3946 if you want additional information.

**RESOLUTION NUMBER 2025-03**

**A RESOLUTION OF THE WALTON / OKALOOSA / SANTA ROSA REGIONAL UTILITY AUTHORITY (RUA), RELATING TO THE FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (FDEP) STATE REVOLVING FUND (SRF), APPROVING THE WASTEWATER FACILITY PLAN PROPOSED BY DESTIN WATER USERS, INC. FOR THE IMPLEMENTATION OF WASTEWATER AND RECLAIMED WATER IMPROVEMENTS, EFFECTIVE THIS DATE**

**WHEREAS**, Florida Statutes enable loans to local government agencies to finance the construction of wastewater facilities, and Florida Administrative Code rules require the sponsoring governmental agency such as RUA to formally adopt a facility plan (“**Facility Plan**”) prepared and recommended by Destin Water Users, Inc. (“**DWU**”) that outlines necessary wastewater and reclaimed water facility improvements by DWU in compliance with State of Florida funding requirements;

**WHEREAS**, RUA’s formal adoption of DWU’s proposed Facility Plan is required for participation in the State Revolving Loan Fund Program;

**WHEREAS**, RUA is advised that the City Council of the City of Destin, Florida, has reviewed, approved, and formally adopted DWU’s proposed Facility Plan; and

**WHEREAS**, RUA agrees with DWU’s and the City of Destin’s findings and summary of necessary improvements as outlined in DWU’s Facility Plan for the purpose of providing wastewater and reclaimed water services in Destin, Florida;

**NOW, THEREFORE, BE IT RESOLVED** BY THE BOARD OF DIRECTORS OF THE WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY, AS FOLLOWS:

**SECTION 1. FINDINGS**

The foregoing findings are incorporated herein by reference and made a part hereof.

**SECTION 2. ADOPTION AND APPROVAL OF FACILITY PLAN**

The Board of Directors of Walton/Okaloosa/Santa Rosa Regional Utility Authority formally approves and adopts the 2025 Destin Water Users Facility Plan as written and presented RUA’s Board of Directors on this date;

**SECTION 3. AUTHORIZED REPRESENTATIVES**

RUA’s Chairman is hereby designated as its authorized representative to execute the Facility Plan for purposes of indicating RUA’s approval and adoption of the Facility Plan, with the understanding by RUA that the Facility Plan will become the foundation of all activities related to DWU’s wastewater facility improvements.

RUA’s Chairman is also authorized to represent RUA in carrying out RUA’s responsibilities (if any) under the Facility Plan. RUA’s Chairman is hereby also authorized to delegate to RUA’s staff the responsibility and authority to carry out technical, financial, and administrative activities associated with RUA’s obligations (if any) under the Facility Plan.

**SECTION 4. LEGAL AUTHORITY**

The legal authority for adoption of the Facility Plan is based on and pursuant to the Laws of the State of Florida.

**SECTION 5. REPEAL OF CONFLICTING RESOLUTIONS**

All Resolutions or part of Resolutions in conflict with any of the provisions of this Resolution are hereby repealed.

**SECTION 6. EFFECT OF ANY INVALIDITY.**

If any section or portion of a section of this Resolution proves to be invalid, unlawful, or unconstitutional, it shall not be held to invalidate or impair the validity, force, or effect or any other section or part of this Resolution.

**SECTION 7. EFFECTIVE DATE**

This Resolution shall take effect upon its approval and adoption by the Board of Directors of the Walton/Okaloosa/Santa Rosa Regional Utility Authority.

**APPROVED AND ADOPTED THIS \_\_\_\_\_ DAY OF OCTOBER, 2025.**

ATTEST:

\_\_\_\_\_

\_\_\_\_\_

Chairman

APPROVED AS TO FORM AND LEGALITY:

\_\_\_\_\_

Attorney



## DWU 2025 Clean Water State Revolving Fund

### PROJECT INFORMATION

Destin Water Users (DWU) has identified four (4) projects within the George F. French Water Reclamation Facility (WRF) and DWU service area that will improve overall operational efficiency and reuse capacities.

The four proposed projects are:

1. Additional Reclaimed Water Capacity
2. Proposed Regional Lift Station
3. Reuse Pump Station Modifications
4. Reuse Distribution System Expansion

DWU seeks to obtain a low interest loan covering only the construction costs for these capital improvement projects. The estimated construction costs for these four projects is **\$32,988,455** including construction contingencies and technical services during construction.

#### **Additional Reclaimed Water Capacity**

DWU's current water reclamation system distributes treated effluent from the George F. French Water Reclamation Facility to nearby areas through their reclaimed water system. The reclaimed water system encompasses ground storage, high-service pumping, a distribution network, and effluent application sites, such as residential areas, the nearby Indian Bayou Golf Course (IBGC), and the facility itself, which rely upon reclaimed water for a variety of uses.

DWU's reclaimed water usage during wet weather conditions is limited and their primary way of discharging excess effluent during wet weather periods is to discharge via drip irrigation at Destin Executive Airport for a contracted fee. This agreement is able to be cancelled at any time and so DWU wishes to construct four (4) Rapid Infiltration Basins (RIBs) to independently dispose of their excessive reclaimed water during wet weather periods. The project would also construct a 1.2 MG ground storage tank and a repumping station. The tank and pump station are designed to hold and discharge reuse water on demand to the IBGC where it currently is limited to time of day and day of week usage. The project will be located east of Destin Executive Airport along Indian Bayou Trail.



As a part of this project, Destin Water Users is also expanding the reclaimed system along Indian Bayou Trail where private irrigation is accomplished by utilizing the potable water system or the use of the Sand-and-Gravel aquifer. The Sand-and-Gravel aquifer within the Destin area is not the primary source of potable water due to the poor quality of water and susceptibility of saline intrusion from prolonged pumping. Potable water to the area comes from the deeper Floridan Aquifer that is isolated from the Sand-and-Gravel aquifer. The use of the RIBs provides an alternative means of reclaimed water disposal when day-to-day reclaimed user demand is less than system flows.

With proper treatment, the Sand-and-Gravel aquifer is deemed to be a supplemental resource for water supply. When in use, discharged water at the RIBs will percolate and recharge the Sand-and-Gravel aquifer, which raises the water table and prevents saltwater from the Gulf of America or Choctawhatchee Bay from entering the aquifer. Thus, the usage of RIBs would positively impact the existing water supply by improving the quality and supply of the aquifer. Additionally, the project's 1.2 MG storage tank and pump station will hold and discharge irrigation water to the IBGC during periods of high demand. This would eliminate the need to supplement irrigation water to the IBGC with potable water and would reduce demand on the DWU water supply.

### **Proposed Regional Lift Station**

DWU's existing sanitary sewer collection system is composed of gravity mains, manholes, force mains, and lift stations. DWU is the owner and operator of most of the 85 lift stations located within their service area. When multiple lift stations are operating simultaneously, high pressures within the force mains make it difficult for certain lift stations to pump effectively, and so these lift stations are "competing" with other stations. This issue will only continue to worsen as the City of Destin increases in population and seasonal tourism.

A new regional lift station was proposed to alleviate this problem in the eastern regions of Destin that contain lift stations that pump over two (2) miles to reach the WRF. The location of the lift station will be on a parcel owned by The Palms of Destin directly north of U.S. Highway 98. These lift stations would have their flow redirected to the proposed regional lift station, which will reduce their pump discharge head pressures and improve their pump efficiency. Fundamentally, pumps in neighboring lift stations will require less energy to transport the same flows and will thus be cheaper to operate.



### **Reuse Pump Station Modifications**

Chlorine-treated water enters the WRF reuse pump station after undergoing basic and high-level disinfection. The reuse pump station consists of a single wet well with an operating volume of 24,000 Gal and the wet well contains a total of six (6) submersible pumps. The reuse pump station currently suffers from being unable to supply enough reclaimed water during periods of high demand in addition to experiencing constant pump short cycling due to the limited wet well volume.

Reuse pump station modifications were proposed to resolve the current hydraulic deficiency and improve the operational efficiency of the pump station. The considered modifications are to have the wet well divert all of their flow to nearby ground storage tanks and have these ground storage tanks discharge to a set of four vertical turbine can pumps. This modification effectively utilizes the ground storage tanks as the new wet well volume and also improves pumping capabilities to the reclaimed water system. The project scope will only be within the WRF at the current reuse pump station.

### **Reuse Distribution System Expansion & Improvements**

Treated effluent from the WRF reuse pump station is pumped to the existing reuse service system from the aforementioned reuse pump station. DWU's service area consists of three major distribution areas referred to as the North, East, and South regions. DWU wishes to expand their reuse system to include residential housing to the North and Northwest of Destin Executive Airport. The expansion would begin near the intersection of Main Street and Planet Drive and run along Indian Trail/Indian Bayou N. All residential units that are connected to Indian Trail/Indian Bayou N will be included in the reuse expansion.

Additionally, a hydraulic analysis of the reuse system indicated that there would be a lack of sufficient pressure in the South region during periods of high demand and/or wet weather if an expansion to the north region is completed. DWU proposes to construct a 12" reuse main that runs parallel and loops with the existing reuse main to increase system pressures in the South region. The proposed reuse main will begin near the reuse pump station and end at Destin Pointe Resort, where the pipeline will loop with the existing 12" reuse main.



### ESTIMATED PROJECT CONSTRUCTION COSTS

#	Project	Cost
1	Additional Reclaimed Water Capacity	\$ 10,506,364
2	Proposed Regional Lift Station	\$ 3,952,836
3	Reuse Pump Station Modifications	\$ 3,755,055
4	Reuse Distribution System Expansion & Improvements	\$ 10,888,886
	Subtotal Construction Costs	\$ 29,103,141
	10% Construction Contingency	\$ 2,910,314
	Technical Services during Construction	\$ 975,000
	<b>TOTAL</b>	<b>\$ 32,988,455</b>

### ESTIMATED PROJECT SCHEDULE

	Additional Reclaimed Water Capacity	Proposed Regional Lift Station	Reuse Pump Station Modifications	Reuse Distribution System Expansion & Improvements
<b>FDEP Permit Submittal</b>	September 2025	April 2026	December 2026	December 2027
<b>Design Complete</b>	October 2025	May 2026	January 2027	January 2028
<b>FDEP Permit Issued</b>	October 2025	June 2026	February 2027	February 2028
<b>Advertise for Bid</b>	March 2026	June 2026	March 2027	March 2028
<b>Open Bids</b>	April 2026	July 2026	March 2027	March 2028
<b>Award Bid</b>	April 2026	July 2026	April 2027	April 2028
<b>Construction Begins</b>	May 2026	August 2026	May 2027	July 2028
<b>Substantial Completion</b>	May 2028	March 2028	March 2028	June 2030
<b>Place-in-Service</b>	June 2028	April 2028	April 2028	July 2030
<b>Project Closeout</b>	July 2028	May 2028	May 2028	August 2030

## ENCLOSURE 6g:

Consideration of authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority to submit a Request for Inclusion (RFI) application in the Clean Water State Revolving Fund Program to Construct four (4) Rapid Infiltration Basins (RIBs), 1.2 MG ground storage tank and a repumping station project on behalf of Destin Water Users, Inc as sponsoring agency and designating authorized representatives.

# WALTON/OKALOOSA/SANTA ROSA REGIONAL UTILITY AUTHORITY

Staff to the RUA: Emerald Coast Regional Council

Chair: Colton Wright  
Vice-Chair: Dewey Destin

## Enclosure 6g

**SUBJECT:** Consideration of authorizing the Walton/Okaloosa/Santa Rosa Regional Utility Authority (RUA) to submit a Request for Inclusion (RFI) in the Clean Water State Revolving Fund Program to Construct four (4) Rapid Infiltration Basins (RIBs), 1.2 MG ground storage tank and a repumping station project on behalf of Destin Water Users, Inc as sponsoring agency and designating authorized representatives.

**ORIGIN OF SUBJECT:** Destin Water Users, Inc (Destin WU)

**Background:** Destin WU's reclaimed water usage during wet weather conditions is limited and their primary way of discharging excess effluent during wet weather periods is to discharge via drip irrigation at Destin Executive Airport for a contracted fee.

Destin WU wishes to construct four (4) Rapid Infiltration Basins (RIBs) to independently dispose of their excessive reclaimed water during wet weather periods. The project would also construct a 1.2 MG ground storage tank and a repumping station. The tank and pump station are designed to hold and discharge reuse water on demand to the IBGC where it currently is limited to time of day and day of week usage. The project will be located east of Destin Executive Airport along Indian Bayou Trail. As a part of this project, Destin WU is also expanding the reclaimed system along Indian Bayou Trail where private irrigation is accomplished by utilizing the potable water system or the use of the Sand-and-Gravel aquifer.

Estimated Requested SRF Loan amount is \$11,862,422

**Attached are the following:**

- RFI application
- Link to SRF website: <https://floridadep.gov/wra/srf>

**RECOMMENDED ACTION: Approval of a motion to authorize the RUA Chair to sign the RFI application.** This action is recommended in order to submit the Request for Inclusion (RFI) application. Please contact Ms. Monica M. Wallis, P.E., General Manager at [mwallis@dwuinc.com](mailto:mwallis@dwuinc.com) or (850) 337-3946 if you want additional information.



STAFF TO THE RUA: Emerald Coast Regional Council  
P.O. Box 11399 • Pensacola, FL 32524-1399 • P: 850.332.7976 • 1.800.226.8914 • F: 850.637.1923  
[www.ecrc.org](http://www.ecrc.org)



# Florida Department of Environmental Protection

## REQUEST FOR INCLUSION ON THE CLEAN WATER PRIORITY LIST

Clean Water State Revolving Fund Program  
3900 Commonwealth Blvd., MS 3505, Tallahassee, FL 32399-3000

Process to receive a State Revolving Fund (SRF) Loan. This Request for Inclusion (RFI) form, Form RFI 1 per subsection 62-503.200(33), F.A.C., lets us know that you are interested in obtaining an SRF loan. Each RFI will be assigned a project engineer to assist you throughout the SRF funding process. The information contained in the RFI is used to determine a priority score for your project; and the priority score is used to rank projects on the SRF priority list. Only projects ranked on the fundable portion of the priority list will receive consideration for a loan. Your project engineer will assist you in understanding all program requirements necessary before you are asked to submit a loan application, Form Application 1 or Form Application 2 per paragraph 62-503.430(1)(a), F.A.C. Please note that costs incurred before the adoption of the project on the fundable or waiting portion of the priority list are ineligible for reimbursement.

### Type of Loan Requested in this Application. Select only one loan category and project type.

Loan Category: Planning  Design  Inflow/Infiltration Rehabilitation  Construction

Project Type: Design/Bid/Build  Design/Build (D/B)  Construction Manager at Risk (CMR)

Note: Procurement of professional services must meet the requirements of the Consultants' Competitive Negotiation Act, Section 287.055, F.S.

### 1. Applicant's Name and Address.

Project Sponsor: Walton/Okaloosa/Santa Rosa Regional Utility Authority Contact Person: Howard K. Vanselow Title: Planner

PO BOX 11399 Pensacola Escambia FL 32524  
(street address) (city) (county) (state) (zip code)

850 332-7976 239 howard.vanselow@ecrc.org  
(telephone) (ext.) (email address)

Contact Person Address (if different): \_\_\_\_\_  
(street address) (city) (state) (zip code)

### 2. Name and Address of Applicant's Consultant (if any).

Firm: Baskerville-Donovan Inc. Contact Person: Jeff Jones, P.E. Title: Professional Engineer

449 West Main Street Pensacola Escambia FL 32502  
(street address) (city) (county) (state) (zip code)

(850)438-9661 \_\_\_\_\_ jjones@baskervilledonovan.com  
(telephone) (ext.) (email address)

### 3. Certification by Authorized Representative. I certify that this form and attachments have been completed by me or at my direction and that the information presented herein is, to the best of my knowledge, accurate.

district5@santarosa.fl.gov October 2, 2025  
(email address) (date)

Colton Wright RUA Chair  
(name, typed) (title)

\_\_\_\_\_  
(signature)

# REQUEST FOR INCLUSION ON THE CLEAN WATER PRIORITY LIST

## 4. Eligible Projects.

- a. Stormwater management facilities, such as detention/retention facilities, treatment facilities, etc. sponsored by a local government (eligible under Section 212 of the amended Clean Water Act).
- b. Wastewater management facilities, such as sewers, pump stations, treatment plants, reuse facilities, sludge facilities, etc. sponsored by a local government (eligible under Section 212 of the amended Clean Water Act).
- c. Nonpoint source pollution control best management practices for agriculture, silviculture, on-site treatment and disposal, wetlands, mining, marinas, brownfields or groundwater protection sponsored by any entity (eligible under Section 319 or 320 of the amended Clean Water Act).

## 5. Project Information (Please attach).

- a. Describe the project, its location, the scope, why it's needed and the environmental benefit.
- b. Attach maps showing system boundaries, existing and proposed service area, and project area.

## 6. Estimated Costs (Clean Water Act Section 212, 319, and 320).

a. Planning and/or SSES including geotechnical studies and surveying	<u>N/A</u>
b. Design	
c. Special Studies including feasibility studies	<u>N/A</u>
d. Eligible Land (necessary land divided by total land times purchase price)	<u>N/A</u>
e. Construction, Equipment, Materials, Demolition and Related Procurement	<u>\$10,506,364</u>
f. Construction Contingency (10% of Item e)	<u>\$1,050,636</u>
g. Technical Services during Construction	<u>\$305,422</u>
h. Sum of Items a. through g.	<u>\$11,862,422</u>

## 7. Project Schedule. \*See Attached Project Schedule (Month and Year)

- a. Submit the planning or SSES documentation \_\_\_\_\_
- b. Submit the design documents, obtain permits, and acquire sites (as necessary) \_\_\_\_\_
- c. Start activity (such as construction or non-structural best management practice) \_\_\_\_\_
- d. Complete activity (such as construction or non-structural best management practice) \_\_\_\_\_

## 8. Population

a. Population served by the system	<u>17,470</u>
b. Population to be served by the project	<u>17,470</u>

## 9. Project Priority

- a. Baseline Priority Categorization.

In the Table below, identify each of the project components for which the project qualifies and provide the component's construction cost. The baseline priority score (BPS) will be determined by prorating each component. The project sponsor must provide documentation that supports the selection of a base priority score of 350 points or greater.

# REQUEST FOR INCLUSION ON THE CLEAN WATER PRIORITY LIST

Component  
Construction  
Cost

Project Component

Priority Points

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

**\$11,862,422**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

1. Eliminate a documented acute or chronic public health hazard. Examples include elimination of failing septic tanks, failing package plants, or elimination of sanitary sewer overflows. 500 points
  2. Implement a project included in, or to be implemented as a direct result of, an adopted Basin Management Action Plan or a Reasonable Assurance Plan approved pursuant to section 403.067, F.S. 450 points
  - 3a. Protect surface or ground water by preventing or reducing a documented source of pollution, pollution reductions necessary to meet regulatory requirements; or
  - 3b. Projects or activities by local governments or on-site system management entities, under section 319 of the Act, that correct septic tank failures in springsheds of first magnitude springs; or correct septic tank contributions to nutrient impaired spring systems. 400 points
  4. Address a compliance problem documented in an enforcement action where the Department has issued a notice of violation or entered a consent order with the project sponsor. 375 points
  5. Meet the criteria for a Green Project; correct excessive inflow/infiltration or other issues within the collection and transmission system that cause sanitary sewer overflows; scheduled rehabilitation; replacement; repair described in an approved asset management plan; or reuse that replaces an existing or proposed demand on a water supply. 350 points
  6. Planning and design loans; projects for the installation of wastewater transmission facilities to be constructed concurrently with other construction projects occurring within or along a transportation facility right-of-way; or for rehabilitation, replacement or repair not included in an approved asset management plan. 340 points
  7. Projects that construct other reclaimed water systems or residuals reuse systems that do not meet the criteria of component 5. above. 300 points
  8. Ensure compliance with other enforceable standards or requirements. 200 points
  9. Timely submitted projects that otherwise meet the requirements of the Act (including land or wastewater system acquisition projects). 100 points
- b. Restoration and Protection of Special Water Bodies.
- In order to qualify for a base score multiplier, identify which of the water bodies listed below that the project will assist in restoring or protecting; and reference the location in existing documentation where substantiating information may be found or attach other such substantiating information. If none are selected, the multiplier equals 1.0. If one or more are selected, the multiplier is 1.2. Supporting documentation must be provided for items selected.
1. A priority water body identified in an adopted Surface Water Improvement and Management (SWIM) Plan.
  2. A water body classified as Outstanding Florida Waters or Wild and Scenic Rivers.
- c. Projects that document any of the following shall have bonus points added to the priority score after the adjustment under paragraph (b) above, as indicated. Items 3, 4 and 5 below are only applicable to financially disadvantaged small communities.
1. Elimination of Ocean Outfalls. 15 points
  2. Consistency with an Integrated Water Resource Management (One Water) plan. 15 points
  3. Population of 10,000 or less as of most recent decennial census, and affordability index less than or equal to 100. \_\_\_\_\_ points.
  4. Negative population trend as defined in 62-505.300(2)(c)2, F.A.C. 25 points
  5. End of useful life as defined in 62-505.300(2)(c)3., F.A.C. 25 points

Return the completed form to the State Revolving Fund Program, 3900 Commonwealth Blvd., MS 3505, Tallahassee, Florida, 32399-3000. The form may be scanned and emailed to [SRFRFI@FloridaDEP.gov](mailto:SRFRFI@FloridaDEP.gov).



## REQUEST FOR INCLUSION ON THE CWSRF PRIORITY LIST

### PROJECT INFORMATION

#### Additional Reclaimed Water Capacity

DWU's current water reclamation system distributes treated effluent from the George F. French Water Reclamation Facility to nearby areas through their reclaimed water system. The reclaimed water system encompasses ground storage, high-service pumping, a distribution network, and effluent application sites, such as residential areas, the nearby Indian Bayou Golf Course (IBGC), and the facility itself, which rely upon reclaimed water for a variety of uses.

DWU's reclaimed water usage during wet weather conditions is limited and their primary way of discharging excess effluent during wet weather periods is to discharge via drip irrigation at Destin Executive Airport for a contracted fee. This agreement is able to be cancelled at any time and so DWU wishes to construct four (4) Rapid Infiltration Basins (RIBs) to independently dispose of their excessive reclaimed water during wet weather periods. The project would also construct a 1.2 MG ground storage tank and a repumping station. The tank and pump station are designed to hold and discharge reuse water on demand to the IBGC where it currently is limited to time of day and day of week usage. The project will be located east of Destin Executive Airport along Indian Bayou Trail.

As a part of this project, Destin Water Users is also expanding the reclaimed system along Indian Bayou Trail where private irrigation is accomplished by utilizing the potable water system or the use of the Sand-and-Gravel aquifer. The Sand-and-Gravel aquifer within the Destin area is not the primary source of potable water due to the poor quality of water and susceptibility of saline intrusion from prolonged pumping. Potable water to the area comes from the deeper Floridan Aquifer that is isolated from the Sand-and-Gravel aquifer. The use of the RIBs provides an alternative means of reclaimed water disposal when day-to-day reclaimed user demand is less than system flows.

With proper treatment, the Sand-and-Gravel aquifer is deemed to be a supplemental resource for water supply. When in use, discharged water at the RIBs will percolate and recharge the Sand-and-Gravel aquifer, which raises the water table and prevents saltwater from the Gulf of America or Choctawhatchee Bay from entering the aquifer. Thus, the usage of RIBs would positively impact the existing water supply by improving the quality and supply of the aquifer. Additionally, the project's 1.2 MG storage tank and



pump station will hold and discharge irrigation water to the IBGC during periods of high demand. This would eliminate the need to supplement irrigation water to the IBGC with potable water and would reduce demand on the DWU water supply.

DWU seeks to obtain a low interest loan from the Florida Clean Water State Revolving Fund covering only the construction costs for this project. The estimated construction costs for this project is **\$11,862,422**, including construction contingencies and technical services during construction.

### **PROJECT SCHEDULE**

<b>Additional Reclaimed Water Capacity</b>	<b>Estimated Completion Date</b>
<b>FDEP Permit Submittal</b>	July 2025
<b>Design Complete</b>	August 2025
<b>FDEP Permit Issued</b>	August 2025
<b>Advertise for Bid</b>	January 2026
<b>Open Bids</b>	February 2026
<b>Award Bid</b>	February 2026
<b>Construction Begins</b>	March 2026
<b>Substantial Completion</b>	March 2028
<b>Place-in-Service</b>	April 2028
<b>Project Closeout</b>	May 2028

# ENCLOSURE 7a:

## Northwest Florida Water Management District (NFWMD) Watershed Partnership Program

1. This program involves focused planning and project implementation to address water resources issues within smaller subbasins in our seven major watersheds. The program will concentrate on water quality, water supply, and aquatic habitat restoration needs. Currently identifying candidate subbasins and plan to seek input from local governments, regional entities, and the public regarding the priority subbasins and planned and potential projects to address the issues. NFWMD has submitted a FY 2025-26 Legislative Budget Request for a \$22.5 million in funding to provide grants for local projects that address issues within the selected subbasins.
2. Update on Region II Regional Water Supply Plan Implementation. They are working on additional groundwater investigations and have requested funding from FDEP for additional feasibility studies to evaluate alternative water supplies to meet future needs.

# ENCLOSURE 7b:

## Technical Advisory Committee Regional Updates