

RESOLUTION 14-29

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARCO ISLAND, FLORIDA AUTHORIZING AND DIRECTING PREPAYMENT OF THE CLEAN WATER STATE REVOLVING FUND AGREEMENT, NO. WW71503P; AUTHORIZING CITY STAFF TO UNDERTAKE SUCH ACTIONS AS MAY BE REQUIRED OR DESIRABLE IN FURTHERANCE OF SUCH PREPAYMENT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Marco Island, Florida, (the "City") entered into that certain Clean Water State Revolving Fund Loan Agreement, No. WW71503P, with the Florida Department of Environmental Protection ("FDEP") on December 7, 2005, for purposes of obtaining a loan with which to fund preconstruction activities, including planning, design and engineering, related to improvement and expansion of the City's utility system (the "SRF Loan"); and

WHEREAS, the SRF Loan is secured by a subordinate lien on the net revenues of the City's water and wastewater utility system (the "Pledged Revenues"); and

WHEREAS, the City makes semi-annual payments of principal and interest on the SRF Loan, with the final payment due in October, 2028; and

WHEREAS, the SRF Loan may be prepaid at any time, without any prepayment penalty or premium; and

WHEREAS, the City has received a payoff quote for the SRF Loan from FDEP, a copy of which is attached hereto as Appendix A; and

WHEREAS, City Council has determined to prepay the SRF Loan and thereby (1) avoid additional interest charges which would otherwise accrue on the SRF Loan over time, and (2) effectuate a release of the lien currently held by FDEP upon the Pledged Revenues.

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

Section 1: Authority for Prepayment. City staff is hereby authorized and directed to prepay the SRF Loan in full, including all outstanding principal and accrued interest, by paying the amount of \$1,294,273.39 to FDEP on July 28, 2014, in accordance with the payoff quote attached hereto as Appendix A. Such prepayment shall be made from legally available funds of the City. City staff is hereby authorized to take such actions as may be required or desirable in furtherance of the prepayment authorized hereunder.

Section 2: Effective Date. This Resolution shall take effect immediately upon its adoption.

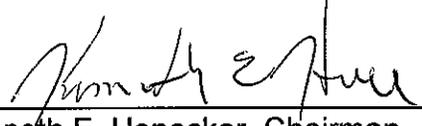
Passed in open and regular session through roll call vote by the City Council of the City of Marco Island, Florida on this 21st day of July, 2014.

ATTEST:

CITY OF MARCO ISLAND, FLORIDA

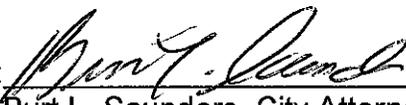
By: 

Laura M. Litzan, City Clerk

By: 

Kenneth E. Honecker, Chairman

Approved as to form and
legal sufficiency:

By: 

Burt L. Saunders, City Attorney

APPENDIX A

PAYOFF QUOTE FROM FDEP

Good Morning Mr. Polanco,

Ms. LaCross informed me that the City would like to payoff SRF Loan WW71503P as of the July 28, 2014. I have calculated that the amount needed to leave a zero balance and thus pay off the loan would be \$1,294,273.39. Please let me know if the City intends to follow through with this pay off and I will send you a payment reminder for the balance. If you have any further questions, please contact me and I will be happy to assist.

Thank you,

Michael Isaacson
Government Operations Consultant II
Division of Water Resource Management
2600 Blair Stone Road, MS 3505
Tallahassee, FL 32399
Michael.Isaacson@dep.state.fl.us
850-245-8402

