

## LOAN AGREEMENT

This Loan Agreement (“**Agreement**”) is made and entered into, by and between the Nassau County Board of County Commissioners, a political subdivision of the State of Florida, (the “**BOCC**”) and the American Beach Water and Sewer District, a dependent special district existing under the laws of the State of Florida (the “**District**”). BOCC agrees to lend to District, and District agrees to repay to BOCC an amount not to exceed the Principal Amount and interest accrued on the unpaid loan balance, in accordance with the following:

### RECITALS

**WHEREAS**, on August 24, 2020, the Board of County Commissioners (the “**BOCC**”) created the American Beach Water and Sewer District (the “**District**”), a dependent special district, pursuant to Ordinance 2020-26; and

**WHEREAS**, the purpose of the District, is to construct, and maintain water and sewer lines (the “**Water Lines**,” the “**Sewer Lines**”, or collectively the “**Lines**”) in the unincorporated area of the county within the boundaries of the District; and

**WHEREAS**, the BOCC, pursuant to Ordinance 2020-26, made legislative findings that creation and organization of the District serves an essential public purpose in the constructing, leasing, operating, and managing assets of water and sewer systems within the District; and

**WHEREAS**, the operations and maintenance of the Lines will be addressed through the connection of those Lines to the Nassau Amelia Utility (NAU) system and the payment of utility bills by the District’s utility users to NAU; and

**WHEREAS**, the District has applied for State Revolving Fund (SRF) loans and grants to fund costs associated with initial design and construction of the Lines; and

**WHEREAS**, the District requires certain costs for Professional Engineering and Capital Project Administration services for the design and bidding phases required for the SRF loans and grants prior to receipt of funds; and

**WHEREAS**, the BOCC finds that in order to advance the enumerated mission of the of Fla. Stat.§125.01, the purpose of the District, and related benefits to the Nassau County citizens, advancement of funds to assist with those certain costs for Professional Engineering and Capital Project Administration is in the best interest of the public health and serves an essential public purpose as established by law.

**NOW, THEREFORE, IN CONSIDERATION** of the premises, the appropriation and disbursements of funds by the BOCC, now or hereafter made, and the mutual covenants herein, the parties do hereby agree as follows:

1. **Purpose of the Loan:** To provide funds for use by the District, to fund the District’s cash reserve deficit. The loan shall account for borrowing between the District’s Fund No. 472

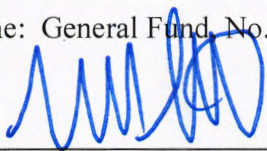
and the BOCC's General Fund, Fund No. 001.

2. **Principal Loan Amount:** Not to exceed one Million and no/100 Dollars (\$1,000,000). The loan will be recorded as receivable to the BOCC and payable to the District.
3. **Term of the Loan:** The term of this loan shall begin on September 1, 2021 and the outstanding loan balance is to be repaid by September 30, 2022.
4. **Scheduled Payments:** Borrower shall make payments each month beginning September 30, 2021. At a minimum, monthly Scheduled Payments shall equal the amount of any reimbursements received though the end of the previous month.
5. **Repayment Source:** Repayment may be made from all eligible revenues received by the District, including but not limited to reimbursements, grants, or assessments applied by the District.
6. **Rate of Interest:** Interest shall accrue monthly at a rate of 0.00%.
7. **General Provisions:** This Agreement constitutes the full Agreement by and between the parties and no other representations have been made regarding the contents of this Agreement. This Agreement shall not be amended, modified, or altered in any respect unless such amendment, modification or alteration has been reduced to writing and executed by both parties.

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be duly executed this 1st day of September, 2021.

**BOCC:** Nassau County Board of County Commissioners,

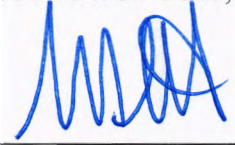
Fund Name: General Fund, No. 001

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

Thomas R. Ford, Chairman

**DISTRICT:** American Beach Water and Sewer District

Fund Name: AMBWSO Fund, No. 472

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

Thomas R. Ford, Chairman