

SECOND
LOAN AGREEMENT

This Second 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**”) under which the 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 now codified at Section 30 ³/₄-1 of the Nassau County Code of Ordinances in order 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 Section 30- ³/₄-1, 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, BOCC has contracted with the Florida Governmental Utility Authority (FGUA) to carry out all professional engineering, capital project administration, and grant services during the design, bidding and construction phases of the American Beach Water and Sewer Project (Project) for the District; and

WHEREAS, the District contracted with U.S. Water Service Corporation for the construction of the Project; 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 BOCC approved the Rural Economic Development Innovation (REDI) grant through the St. Johns River Water Management District in the amount of \$992,324 for the construction of private sewer laterals and the abandonment of existing septic tanks for the Project within the District; and

WHEREAS, as the Project nears completion, the District requires a loan from the General Fund of the BOCC in order to provide the necessary cash flow for the Project prior to grant reimbursements; and

WHEREAS, the District will repay the funds to the General Fund of the BOCC upon receipt of the reimbursements; and

WHEREAS, pursuant to Section 125.01, Florida Statutes, the BOCC finds that the advancement of funds to assist with those certain costs for the Project is in the best interest of the enumerated mission of the District, benefits citizens of Nassau County citizens, serves the public health and has an essential public purpose as established by law.

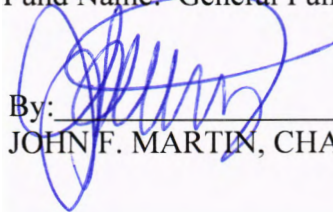
NOW, THEREFORE, IN CONSIDERATION of the premises, the appropriation and disbursements of funds by the BOCC, now or hereafter made, and the mutual covenants herein, the parties do hereby agree as follows:

1. **Purpose of the Loan:** To provide funds for use by the District to fund the District’s cash flow reserves. 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 Four Million and no/100 Dollars (\$4,000,000). 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 July 22, 2024 and the outstanding loan balance is to be repaid by no later than September 30, 2025.
4. **Scheduled Payments:** District shall make payments each month beginning October 1, 2024. 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 22nd day of July, 2024.

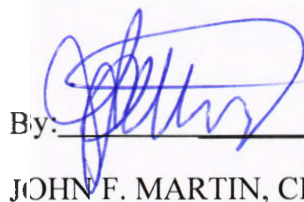
BOCC: Nassau County Board of County Commissioners,

Fund Name: ~~General Fund~~, No. 001

By:  _____
 JOHN F. MARTIN, CHAIRMAN

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

Fund Name: AMBWSO Fund, No. 472

By:  _____
 JOHN F. MARTIN, CHAIRMAN