

Sponsored by: Burnett

**CITY OF MARATHON, FLORIDA
RESOLUTION 2008-159**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA APPROVING STATE FINANCIAL ASSISTANCE AGREEMENT AMENDMENT NO. 2 TO DEP AGREEMENT NO. LP6802, AUTHORIZING THE CITY MANAGER TO EXECUTE THE AMENDMENT, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the State of Florida awarded \$100,000 to the City of Marathon for wastewater construction in the Fiscal Year 2008-2009 General Appropriations Act.; and

WHEREAS, the State of Florida selected the Florida Department of Environmental Protection as the State Agency to distribute the funds; and

WHEREAS, the Florida Department of Environmental Protection added the funds to DEP Agreement No. LP6802, an existing wastewater construction agreement between the City of Marathon and the Florida Department of Environmental Protection; and

WHEREAS, the Florida Department of Environmental Protection forwarded to the City Amendment No. 2 to DEP Agreement No. LP6802 for Service Area 4 wastewater construction.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

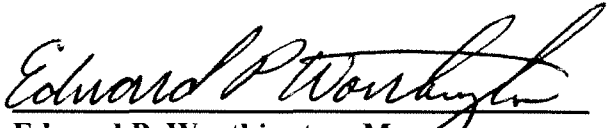
Section 1. The above recitals are true and correct and incorporated herein.

Section 2. The City Council hereby approves Amendment No. 2 to DEP Agreement No. LP6802, authorizes the City Manager to execute the amendment.

Section 3. This resolution shall take effect immediately upon its adoption.

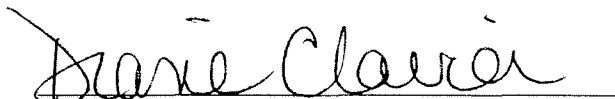
PASSED AND APPROVED by the City Council of the City of Marathon, Florida, this 14th day of October 2008.

THE CITY OF MARATHON, FLORIDA


Edward P. Worthington, Mayor

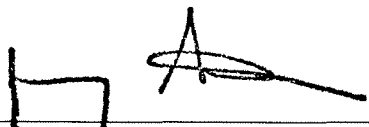
AYES: Bull, Cinque, Tempest, Vasil, Worthington
NOES: None
ABSENT: None
ABSTAIN: None

ATTEST:


Diane Clavier
City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:


City Attorney

STATE FINANCIAL ASSISTANCE AGREEMENT
DEP AGREEMENT NO. LP6802
CITY OF MARATHON
AMENDMENT NO. 2

THIS AGREEMENT as entered into on the 19th day of March, 2007, and amended on the 30th day of January, 2008, between the FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (hereinafter referred to as the "Department") and the CITY OF MARATHON (hereinafter referred to as the "Grantee" or "Recipient") is hereby amended.

WHEREAS, additional funding in the amount of \$100,000 is available to continue Marathon Wastewater Treatment in the CITY OF MARATHON; and,

WHEREAS, additional changes to the Agreement are necessary.

NOW, THEREFORE, the parties hereto agree as follows:

1. The title of the Agreement is hereby revised to read as follows:

STATE FINANCIAL ASSISTANCE AGREEMENT
DEP AGREEMENT NO. LP6802
CITY OF MARATHON
AMENDMENT NO. 2

**PURSUANT TO LINE ITEM 1821 OF THE 2006-2007 GENERAL APPROPRIATIONS ACT, AND
LINE ITEM 1859 OF THE 2007-2008 GENERAL APPROPRIATIONS ACT, AND
LINE ITEM 1772C OF THE 2008-2009 GENERAL APPROPRIATIONS ACT**

2. Section 3.A. is hereby deleted in its entirety and replaced with the following:

As consideration for the services rendered by the Grantee under the terms of this Agreement, the Department shall pay the Grantee on a cost reimbursement basis in an amount not to exceed \$1,200,000 toward the total project cost estimate of \$22,290,000. The funding consists of \$1,000,000 provided in the original Agreement, \$100,000 in Amendment 1, and \$100,000 in Amendment 2. The parties hereto agree that the Grantee is responsible for providing an additional match of \$33,333. Written approval from the Department's Grant Manager shall be required for changes between budget categories up to 10% of the total budget. The DEP Grant Manager will transmit a copy of the written approval and revised budget to the DEP Contracts Disbursements Office for inclusion in the Agreement file. Changes greater than 10% will require a formal amendment to the Agreement. If the Grantee finds, after receipt of competitive bids, that the work described in **Attachment A** cannot be accomplished for the current estimated project cost, the parties hereto agree to modify the Project Work Plan described in **Attachment A** to provide for the work that can be accomplished for the funding identified above.

3. **Attachment A-2, Revised Project Work Plan**, attached hereto is hereby added to the Agreement. All references in the Agreement to **Attachment A** shall hereinafter include **Attachment A, Project Work Plan, Attachment A-1, Revised Project Work Plan**, and **Attachment A-2, Revised Project Work Plan**

4. **Attachment D, Special Audit Requirements**, is hereby deleted in its entirety and replaced with **Attachment D-2, Revised Special Audit Requirements**, attached hereto and made a part of the Agreement. All references in the Agreement to Attachment D shall hereinafter refer to **Attachment D-2, Revised Special Audit Requirements**.

In all other respects, the Agreement of which this is an Amendment, and attachments relative thereto, shall remain in full force and effect.

This Amendment 2 to Grant Assistance Agreement LP6802 shall be executed in two or more counterparts, either of which shall be regarded as an original and all of which constitute but one and the same instrument.

IN WITNESS WHEREOF, the Department has caused this amendment to Grant Assistance Agreement to be executed on its behalf by the Deputy Director of the Department and the Grantee has caused this amendment to be executed on its behalf by its Authorized Representative. The effective date of this amendment shall be as set forth below by the Deputy Director of the Department of Environmental Protection, Division of Water Resource Management.

CITY OF MARATHON

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

By: Clyde Burnett
City Manager

By: [Signature]
Deputy Director
Division of Water Resource Management

Date: 10/17/08

Date: OCT 20 2008

[Signature]
Tommy Williams, DEP Grant Manager

*For Agreements with governmental boards/commissions: If someone other than the Chairman signs this Amendment, a resolution, statement or other document authorizing that person to sign the Amendment on behalf of the Grantee must accompany the Amendment.

List of attachments/exhibits included as part of this Amendment:

Specify Type	Letter/Number	Description (include number of pages)
Attachment	A-2	Revised Project Work Plan (4 pages)
Attachment	D-2	Revised Special Audit Requirements (5 pages, including Exhibit 1)

Revised ATTACHMENT A - 2
GRANT WORK PLAN
City of Marathon, Florida
LP6802

Project Title: Wastewater Facilities Project Service Area #4
Project Location: City of Marathon, Florida in Monroe County. Watershed: Florida Bay-Florida Keys. Hydrologic Unit Code: 03090203
Project Background: The Florida Keys are a chain of tropical islands composed of several interdependent natural communities. The ecological diversity of the natural communities of Florida Keys has made it a popular place to live and vacation in addition to being the main engine of the economy. At the Heart of the Keys, is the City of Marathon. The physical oceanographic processes (including tides, currents, and surface waves) of Marathon's surrounding waters force local and regional circulation which drives water-mass transport and exchange, embayment flushing, and bottom sediment transport. These processes affect the local water quality by transporting potential pollutants (polluted waters or sediments) into or out of the region or suspending them in place. From an ecological and economic perspective, the waters surrounding Marathon contain three important marine biological communities: mangrove forests, seagrass meadows, and coral reefs. To flourish these communities require very high water quality, particularly with regard to suspended sediments and nutrients. These natural communities have declined due to the nutrient enrichment of the surrounding waters, which is partially attributable to current wastewater management practices. To help address this issue the City of Marathon has initiated the Marathon Wastewater Facilities Project, which is divided into seven Service Areas. For Service Area 4 of the Wastewater Facilities Project, construction design has been completed, permits have been acquired, a primary contractor has been selected and construction has begun. The project is on schedule with an estimated completion date of November 30, 2009.
Project Objectives: <i>Provide a list of objectives, in bullet format, expected to be achieved as a result of funding/completing this proposed project.</i> <ul style="list-style-type: none">• Objective 1: Reduce environmental impacts associated with City wastewater systems.• Objective 2: Eliminate any remaining City cesspits.• Objective 3: Increase City reuse/recycling of treated wastewater.

Project Description: *Provide a detailed description of the work to be performed for the project. Include maps, drawings etc. to support project activities. Project descriptions should include a specific list of tasks/activities for accomplishing the project.*

To implement this project, the City of Marathon has been divided into seven Service Areas. The Service Area 4 Phase of the Marathon Wastewater Project includes Ocean Side and Bayside from 33rd Street through 60th Street as well as all of the Sombrero Area of Marathon. For the Service Area 4 Wastewater Facilities Project, the City of Marathon will build a sub-regional biological wastewater treatment plant with a capacity of .399 million gallons per day (MGD). The plant will be classified for public access water reclamation and have a licensed operator 6 hours a day 7 days a week. A vacuum collection system will be installed with various sizes of vacuum mains. The main disposal method for Service Area 4 will be reuse which will be used for irrigation and storage to support golf course maintenance and other activities. It will also be used for irrigation at the City's Sombrero Beach property and Marathon High School. When reclaimed water is not in use, Class V shallow injection wells will be used for effluent disposal. This grant of \$100,000 with a City match of \$33,000 will be applied towards upcoming Service Area 4 Wastewater Facilities construction.

Project Milestones/Deliverables/Outputs: *Identify by task/activity (as listed under Project Description), start date, and completion date. Clear cells in table below header row before beginning to add data. Identify outputs/deliverables to result from this project. (Examples include: reports (progress, draft project report, final project report), manuals, videos, maps, BMPs installed, meetings, field days, issued permits, progress reports, quality assurance plans, etc.) Identify dates for providing/completing the outputs/deliverables on a schedule based on the date of agreement execution. Format should appear as follows:*

No.	Task/Activity Description	Start	Complete	Deliverables/Outputs	Deliverable/Output Due Dates
1	Quarterly Progress Reports	Jan 2009	Sep 2009	Progress Report	Jan 15, Apr 15, Jul 15,
2	Construction of Service Area 4 Wastewater Facilities	Jan 2009	Sep 2009	Contractor Payment Applications/Invoices	Sep 2009
3	Final Project Report	Jan 2009	Sep 2009	Final Project Report	Sep 2009

Project Budget: Detailed budgets must be submitted to support the budget information summarized in this section. Detailed budgets should be developed on a task-by-task basis. Budget information supporting all match expected for this project must also be provided.

Project Funding Activity	DEP Grant Funding	Matching Funds and Source	
		Funding	Source of Funds
Professional Services:			
Construction & Demolition:	\$100,000	\$22,190,000	City of Marathon Funds
Land:			
Equipment:			
Other (list):			
Other (list):			
Total:			
Total Project Cost:	\$100,000	\$22,190,000	
% Match Required:	33%	Amount of Match:	\$22,190,000

Project Budget Narrative: Provide budget detail for each Project Funding Activity stated above for both DEP Funding and Match.

Professional Services: What services will be subcontracted?

Construction & Demolition: What is being constructed, rehabilitated, expanded, etc?

Land: What size is the property? What is its use?

Equipment: What equipment will be purchased? Equipment is \$1,000 or more per unit cost.

Other: List the service or category of expenditure. What are the funds for?

Professional Services: Not Applicable

Construction & Demolition: For the Service Area 4 Wastewater Facilities Project, the City of Marathon will build a sub-regional biological wastewater treatment plant with a capacity of .399 million gallons per day (MGD). The plant will be classified for public access water reclamation and have a licensed operator 6 hours a day 7 days a week. A vacuum collection system will be installed with various sizes of vacuum mains. The main disposal method for Service Area 4 will be reuse which will be used for irrigation and storage to support golf course maintenance and other activities. It will also be used for irrigation at the City's Sombrero Beach property and Marathon High School. It is estimated that the annual volume of reclaimed water will be approximately 120 million gallons, or 90% of the total wastewater in the area. When reclaimed water is not in use, Class V shallow injection wells will be used for effluent disposal. This grant of \$100,000 with a City match of \$33,000 will be applied towards upcoming Service Area 4 Wastewater Facilities construction.

Land: Not Applicable

Equipment: Not Applicable

Other: Not Applicable

NOTE: IF THERE IS MATCH, THE SAME DETAIL MUST BE PROVIDED FOR THE MATCH.

Total Budget by Task: *This should correspond with the tasks/activities identified and described above.*

Task	DEP Grant Funding	Matching Funds and Source	
		Matching Funds	Source of Funds
1 Construction of Service Area 4 Wastewater Facilities	\$100,000	\$22,190,000	City of Marathon Funds
Total:	\$100,000	\$22,190,000	
Project Total:	\$22,290,000		

Measures of Success: *Identify factors that can be used to evaluate project performance/outcomes to support project success. Include appropriate timelines for conducting such reviews.*

- Completion of \$133,000 of Service Area 4 wastewater facilities construction
- Successful completion of Service Area 4 wastewater facilities inspections for the \$133,000 of construction associated with this grant

Note that any changes to the Grant Work Plan Project Budget (of more than 10% in any line item), scope of work, or timelines shall require Department approval and amendment to the grant agreement.

ATTACHMENT D-2

SPECIAL AUDIT REQUIREMENTS

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 contract/agreement*) to the recipient (*which may be referred to as the "Contractor", Grantee" or other name in the contract/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 OMB Circular A-133 and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits as defined by OMB Circular A-133, as revised, and/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 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 OMB Circular A-133, as revised.

1. In the event that the recipient expends \$500,000 or more in Federal awards in its fiscal year, the recipient must have a single or program-specific audit conducted in accordance with the provisions of OMB Circular A-133, as revised. EXHIBIT 1 to this Agreement 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 by OMB Circular A-133, as revised. An audit of the recipient conducted by the Auditor General in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this part.
2. In connection with the audit requirements addressed in Part I, paragraph 1., the recipient shall fulfill the requirements relative to auditee responsibilities as provided in Subpart C of OMB Circular A-133, as revised.
3. If the recipient expends less than \$500,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. In the event that the recipient expends less than \$500,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, 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 other than Federal entities).
4. The recipient may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at <http://12.46.245.173/cfda/cfda.html>.

PART II: STATE FUNDED

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2)(m), Florida Statutes.

1. In the event that the recipient expends a total amount of State financial assistance equal to or in excess of \$500,000 in any fiscal year of such recipient, the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT 1 to this Agreement indicates 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(7), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the recipient expends less than \$500,000 in State financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$500,000 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/> or the Governor's Office of Policy and Budget website located at <http://www.ebudget.state.fl.us/> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website <http://www.leg.state.fl.us/Welcome/index.cfm>, Governor's Website <http://www.myflorida.com/>, Department of Financial Services' Website <http://www.fldfs.com/> and the Auditor General's Website <http://www.state.fl.us/audgen/pages/flsaa.htm>.

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 OMB Circular A-133, as revised, and required by PART I of this Attachment shall be submitted, when required by Section .320 (d), OMB Circular A-133, as revised, by or on behalf of the recipient directly to each of the following:
 - A. The Department of Environmental Protection at the following address:

Audit Director
Florida Department of Environmental Protection
Office of the Inspector General, MS 40
2600 Blair Stone Road
Tallahassee, Florida 32399-2400
 - B. The Federal Audit Clearinghouse designated in OMB Circular A-133, as revised (the number of copies required by Sections .320 (d)(1) and (2), OMB Circular A-133, as revised, should be submitted to the Federal Audit Clearinghouse), at the following address:

Federal Audit Clearinghouse
Bureau of the Census
1201 East 10th Street
Jeffersonville, IN 47132
 - C. Other Federal agencies and pass-through entities in accordance with Sections .320 (e) and (f), OMB Circular A-133, as revised.
2. Pursuant to Section .320(f), OMB Circular A-133, as revised, the recipient shall submit a copy of the reporting package described in Section .320(c), OMB Circular A-133, as revised, and any management letters issued by the auditor, to the Department of Environmental Protection the following address:

Audit Director
Florida Department of Environmental Protection
Office of the Inspector General, MS 40
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

3. 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 the following address:

Audit Director
Florida Department of Environmental Protection
Office of the Inspector General, MS 40
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

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

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

4. 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 the following address:

Audit Director
Florida Department of Environmental Protection
Office of the Inspector General, MS 40
2600 Blair Stone Road
Tallahassee, Florida 32399-2400

5. 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 OMB Circular A-133, Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.
6. Recipients, when submitting financial reporting packages to the Department of Environmental Protection for audits done in accordance with OMB Circular A-133, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the recipient in correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of **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 **3** years from the date the audit report is issued, unless extended in writing by the Department of Environmental Protection.

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EXHIBIT – 1

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

Federal Funds Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program Number	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category

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

State Funds Awarded to the Recipient Pursuant to this Agreement Consist of the Following Funds Subject of Section 215.97, F.S.:						
State Program Number	Original Agreement	State Fiscal Year	Catalog of State Financial Assistance Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category
Original Agreement	LI 1818 – Ecosystem Management & Restoration TF	2006-2007	37.039	Statewide Surface Water Restoration and Wastewater Projects	\$1,000,000	140047-07
Amend 1	LI 1859 – Ecosystem Management & Restoration TF	2007-2008	37.039	Statewide Surface Water Restoration and Wastewater Projects	\$100,000	140047-08
Amend 2	LI 1772C – Ecosystem Management & Restoration TF	2008-2009	37.039	Statewide Surface Water Restoration and Wastewater Projects	\$100,000	140047-09

Total Award					\$1,200,000	
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For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (CFDA) [<http://aspe.os.dhhs.gov/cfda>] and/or the Florida Catalog of State Financial Assistance (CSFA) [<http://sun6.dms.state.fl.us/fsaa/>]. The services/purposes for which the funds are to be used are included in the Contract scope of services/work. Any match required by the recipient is clearly indicated in the Contract.