

BOCC Agenda

Agenda Date: July 25, 2022

Department Name: South Amelia Island Shore Stabilization Association (SAISSA)

Background: The South Amelia Island Beach Nourishment project is managed by the SAISS Municipal Service Benefit Unit and is funded by State and Federal grants as well as a bank loan serviced by Synovus. The 2021-2022 beach renourishment project cost \$15,069,600.75. The loan was authorized up to \$16.6 million, of which \$11.6 million was drawn. The MSBU paid \$3.4 of the grant reimbursements for direct payment for portions of the project cost. Collectively, SAISS MSBU has received State and Federal Grants totaling \$8.45M to date which represent both funds for the project and to further reduce loan costs. As additional grant reimbursements are received, the MSBU is seeking to further pay down the loan in advance of the original payment schedule to reduce interest expense.

State and Federal Grants have reimbursed \$8.45 million to date, which represent 99.1% of the eligible reimbursements. On April 11, 2022, the BOCC approved an early loan repayment of \$2.63 million from reimbursements. On June 15, 2022, the BOCC approved an early loan repayment of \$2.38 million in reimbursements and up to \$1.2 Million in excess assessments of which a repayment of which \$1,118,985.36 was repaid. The SAISS MUBU has received two reimbursements in the month of June and expect several more in July. Combined with the residual funds, the SAISS MSBU requests BOCC authorization to make a final early repayment of the reimbursement funds that will total **\$80,552.33**. SAISSA recommends the use of the remaining reimbursements be used to prepay the loan to reduce interest expense.

The loan document requires the SAISS MSBU to assess the property owners for the year-one debt service based on full drawdown of the authorized loan amount and assume no State or Federal grant reimbursements. Since the actual loan amount was much less than the authorized amount, the capital assessment levied resulted in excess assessments. SAISSA recommends the excess capital assessment collections be used to prepay the loan to further reduce interest expense.

Request:

The Municipal Service Benefit Unit would like to have approval to prepay \$80,552.33 remaining grant reimbursements. Any budget adjustments will come back to the Board as required.

Financial/Economic Impact to Future Years Budgeting Process or Effect on

Citizens: The assessments are paid by the commercial and residential property owners within the SAISS-MSBU so there is no direct impact on general citizenry

Future loan payments shall be based on the attached loan repayment plan to Synovus, and as modified by Synovus based on the approved prepayments.

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Is this action consistent with the Nassau County Comprehensive Land Use Plan?
N/A

Funding Source: 38391539-384010 S2021
32392539-571000 S2021

Contract Number (assigned by Contracts Management): N/A

For non-governmental agencies, has the document been sent to the vendor for signature? N/A

Does the document need to be recorded? If so, who will pay the recordation fee?
No recording required.

Are there any special mailing instructions? (Include contact name, address, deadline for submittal, how to mail such as express mail, FedEx, etc.) None

How many originals are needed? (Note: The Clerk's Office requires one original so please include one additional original for their record) One (1). With emailed copy to SAISSA, moor1706@bellsouth.net

Reviewed by:

Department Head

Print Name:

William Moore

Signature & Date:

William Moore July 6 2022