



# Agenda Report

2725 Judge Fran Jamieson  
Way  
Viera, FL 32940

## Consent

F.1.

4/20/2021

### Subject:

Board finding of public purpose; Board and District approval of a loan from the County's Property and Casualty Insurance Program Reserves to the Mosquito Control District for \$1,000,000

### Fiscal Impact:

The fiscal impact of this request will enable the Mosquito Control Department to construct a replacement aircraft hangar/biology lab. The Property and Casualty Insurance Program will receive interest based on the County's Consolidated Investment Earnings Rate.

### Dept/Office:

Mosquito Control

### Requested Action:

It is requested that the Board of County Commissioners find that this loan is for a public purpose and approve a loan from the County's Property and Casualty Insurance Program to the Mosquito Control District for \$1,000,000, authorize the County Manager to execute any necessary documentation for the loan, and authorize the County Manager to approve all necessary budget change requests to implement this request. The Brevard Mosquito Control District must authorize the District to receive a \$1,000,000 loan from the County as well. The Chair will execute the interlocal agreement.

### Summary Explanation and Background:

In the Fiscal Year 2020-2021 budget, the District requested and the Board approved the construction of an approximately 15,000 square foot stand-alone aircraft hangar/biology lab to be located at Mosquito Control's Titusville complex. Mosquito Control and County Facilities staff are currently working with an architectural/engineering firm on the design phase of the building. In order to begin construction of the \$3,613,000 replacement aircraft hangar/biology lab in FY 2021-2022, the District is requesting a \$1,000,000 loan from the County's Property and Casualty Insurance Program. The District will repay the principal and interest over a two-year period from ad valorem tax revenue. Mosquito Control has applied for a \$1,000,000 grant from the Rebuild Florida General Infrastructure Program to help fund the project, but no grant award announcements have been made as of this date. Grant funding, if awarded, would be provided monthly on a cost reimbursement basis upon completion of deliverables; therefore, the District will use the loan proceeds to ensure construction progress is maintained through project completion.

### Clerk to the Board Instructions:

Please call Mosquito Control at 264-5032 when the Interlocal Agreement has been executed and is ready for pick up.



Kimberly Powell, Clerk to the Board, 400 South Street • P.O. Box 999, Titusville, Florida 32781-0999

Telephone: (321) 637-2001  
Fax: (321) 264-6972  
Kimberly.Powell@brevardclerk.us

April 21, 2021

**M E M O R A N D U M**

**TO:** Joseph Faella, Mosquito Control Director


**RE:** Item F.1., Board Finding of Public Purpose; Board and District Approval of a Loan From the County's Property and Casualty Insurance Program Reserves to the Mosquito Control District for \$1,000,00.

The Board of County Commissioners, in regular session on April 20, 2021, approved finding a public purpose and approved loaning from the County's Property and Casualty Insurance Program to the Mosquito Control District a loan for \$1,000,000; authorized the County Manager to execute any necessary documentation for the loan; authorized the County Manager to approve all necessary Budget Change Requests; and authorized the District to receive \$1,000,000 loan from the County. Enclosed is the fully-executed Interlocal Agreement.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS  
RACHEL M. SADOFF, CLERK

  
Kimberly Powell, Clerk to the Board

Encl. (1)

cc: County Manager  
Budget Office  
Finance

## INTERNAL LOAN

### Mosquito Control Department

WHEREAS, The County's Property and Casualty Insurance Program Reserves are not required for the immediate needs of the Insurance Program; and

WHEREAS, The Mosquito Control Department requests a temporary loan to fund the construction of a replacement aircraft hangar/biology lab; and

WHEREAS, Board Policy No. BCC-21 Budget and Financial provides for inter-departmental fund loans.

NOW, THEREFOR, in consideration of the premises and mutual covenants herein, the parties hereby agree, as follows:

- I. **AUTHORIZATION:** The County's Property and Casualty Insurance Program will provide a temporary loan to the Mosquito Control Department. The Mosquito Control Department will request funds on October 1, 2021, with the approval of the County Manager. Once approval is received from the County Manager, funds will be transferred from the County's Property and Casualty Insurance Program to the Mosquito Control Department's capital improvement program.
- II. **AMOUNT OF LOAN:** \$1,000,000
- III. **TERMS AND PAYMENTS:** The Mosquito Control Department shall make payments of principal and interest to the County's Property and Casualty Insurance Program annually over a period of two years commencing one year after receipt of the loan proceeds. The loan and interest will be repaid in full at the end of the two-year period.
- IV. **INTEREST RATES:** The interest rate the Mosquito Control Department shall pay on the outstanding principal shall be the rate of the County's Consolidated Investment Earning Rate (CCIER). The amount of the annual interest payment will be calculated based on the average monthly CCIER, as determined by the County Finance Department. It is the specific intent of this agreement that the interest charged to the Mosquito Control Department shall be equal to the interest income lost by the County Insurance Program Internal Service Fund. Because the CCIER is a variable rate, the amount of the annual payment will vary.
- V. **SOURCE OF FUNDS:** The Mosquito Control Department's ad valorem tax revenue shall be the source of funds for the repayment of this loan.

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Gerard Visco                      Date  
Human Resources Director

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Joseph Faella                      Date  
Mosquito Control Director

**INTERLOCAL AGREEMENT  
BETWEEN BREVARD COUNTY  
AND THE BREVARD MOSQUITO CONTROL DISTRICT**

THIS INTERLOCAL AGREEMENT is entered into by and between the following Parties: The Brevard Mosquito Control District, a special taxing district (hereinafter called the "DISTRICT", and BREVARD COUNTY, a political subdivision of the State of Florida, both Parties residing at 2725 Judge Fran Jamieson Way, Viera, Florida 32940 (hereinafter called the "COUNTY").

**RECITALS**

**WHEREAS**, the Brevard Mosquito Control District is a special taxing district in Brevard County, Florida created by special act; and

**WHEREAS**, the District requests a temporary loan from the County to fund the construction of a replacement aircraft hangar/biology lab at its Titusville complex; and

**WHEREAS**, in Attorney General Opinion 2000-55, the Attorney General opined that County loans to a special district for a valid County purpose do not violate the constitutional prohibitions in Article VII, section 10 of the Florida Constitution; and

**WHEREAS**, section 125.01(1) Florida Statutes authorizes counties to expend money for valid public purposes; and

**WHEREAS**, Brevard County Code section 254-31, and Special Act Chapter 18437 permits the District to take out loans for a period of time not exceeding two years at such interest rates not exceeding eight percent.

**NOW, THEREFORE**, in consideration of the mutual covenants herein, the Parties hereby agree, as follows:

1. RECITALS. The recitals above are true and correct and incorporated by this reference.
2. AUTHORITY. This Agreement is being entered into under the authority vested in the Parties by section 163.01 Florida Statutes.
3. PUBLIC PURPOSE. By approving this interlocal agreement, the County makes the legislative finding that loaning \$1,000,000 to the Mosquito Control

District for the construction of a replacement aircraft hangar/biology lab to further the District's mission of mosquito control is a valid County purpose.

4. LOAN. The Parties agree that the County's Property and Casualty Insurance Program will provide a temporary loan to the District on December 1, 2021, upon District's request and with the approval of the County Manager. Once approval is received from the County Manager, funds will be transferred from the County's Property and Casualty Insurance Program to the Mosquito Control Department's capital improvement program.

a. AMOUNT OF LOAN: One Million Dollars (\$1,000,000).

b. TERMS AND PAYMENTS: The term of the loan shall be December 1, 2021 to December 1, 2023. In accordance with Special Act Chapter 18437, the term of the loan may not exceed two years. The District shall make payments of principal and interest annually on December 1, 2022 and December 1, 2023. The loan and interest will be paid in full on December 1, 2023.

c. INTEREST RATES: The interest rate the District shall pay on the outstanding principal shall be the rate of the County's Consolidated Investment Earning Rate (CCIER). In no event shall the interest exceed 8 percent. The amount of the annual interest payment will be calculated based on the average monthly CCIER, as determined by the County Finance Department. It is the specific intent of this agreement that the interest charged to the Mosquito Control Department shall be equal to the interest income lost by the County Insurance Program Internal Service Fund. Because the CCIER is a variable rate, the amount of the annual payment will vary.

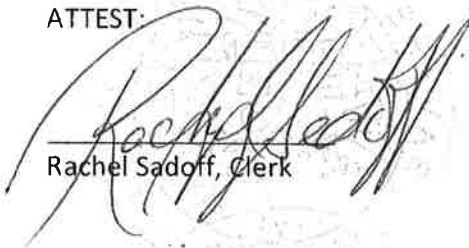
d. SOURCE OF FUNDS: The District's ad valorem tax revenue shall be the source of funds for the repayment of this loan.

5. The Parties agree this agreement is subject to Florida's broad public records laws.
6. EFFECT OF AGREEMENT. This Agreement constitutes the entire agreement between the Parties. This Agreement may be amended only by written agreement approved and executed with the same formalities as this Agreement by all Parties. This Agreement supersedes all prior agreements to the extent that they are in conflict with this Agreement.
7. ATTORNEY'S FEES. In the event any litigation arises out of this Agreement or under this Agreement, each party shall bear its own attorney's fees and costs.

8. NOTICES. All notices, requests, demands and other communications which are required or may be given under this Agreement shall be in writing and, in the case of notice to the County Manager, by email.
9. GOVERNING LAW. The validity, construction and enforcement of and the remedies under this agreement shall be governed in accordance with the laws of the State of Florida, and venue of any proceeding shall be Brevard County, Florida.
10. SAVINGS CLAUSE. The invalidity or unenforceability of any particular provision of this Agreement shall not affect the other provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.
11. EFFECTIVE DATE. This Agreement shall take effect on the date that it is executed by all Parties and recorded in the Official Records of Brevard County, Florida by the District.

**IN WITNESS WHEREOF**, the Parties have caused this Agreement to be executed and delivered by their duly authorized representatives, fully authorized by all required action to sign on behalf of and to bind that Party to the obligations stated herein.

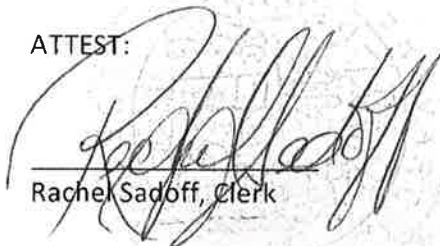
ATTEST:

  
Rachel Sadoff, Clerk


BREVARD COUNTY, FLORIDA

By:   
Rita Pritchett, Chair  
(as approved by the Board on 4/20/21)

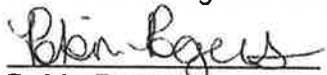
ATTEST:

  
Rachel Sadoff, Clerk

BREVARD MOSQUITO CONTROL DISTRICT

By:   
Rita Pritchett, Chair  
(as approved by the District on 4/20/21)

Reviewed for legal form and content:

 4/15/2021  
Robin Rogers  
Assistant County Attorney