



VILLAGE OF NORTH PALM BEACH REGULAR SESSION AGENDA

VILLAGE HALL COUNCIL CHAMBERS
501 U.S. HIGHWAY 1

THURSDAY, JUNE 26, 2025
6:00 PM

Deborah Searcy
Mayor

Lisa Interlandi
Vice Mayor

Kristin Garrison
President Pro Tem

Susan Bickel
Councilmember

Orlando Puyol
Councilmember

Chuck Huff
Village Manager

Leonard G. Rubin
Village Attorney

Jessica Green
Village Clerk

INSTRUCTIONS FOR “WATCH LIVE” MEETING

To watch the meeting live please go to our website page (link provided below) and click the “Watch Live” link provided on the webpage:

<https://www.village-npb.org/CivicAlerts.aspx?AID=496>

ROLL CALL

PLEDGE OF ALLEGIANCE

ADDITIONS, DELETIONS, AND MODIFICATIONS TO THE AGENDA

APPROVAL OF MINUTES

1. Minutes of the Regular Session held June 12, 2025

COUNCIL BUSINESS MATTERS

STATEMENTS FROM THE PUBLIC, PETITIONS AND COMMUNICATIONS

Members of the public may address the Council concerning items on the Consent Agenda or any non agenda item under Statements from the Public. **Time Limit: 3 minutes**

Members of the public who wish to speak on any item listed on the Regular Session or Workshop Session Agenda will be called on when the issue comes up for discussion. **Time Limit: 3 minutes**

Anyone wishing to speak should complete a Public Comment Card (on the table at back of Council Chambers) and submit it to the Village Clerk prior to the beginning of the meeting.

REPORTS (SPECIAL COMMITTEES AND ADVISORY BOARDS)

CONSENT AGENDA

The Consent Agenda is for the purpose of expediting issues of a routine or pro-forma nature. Councilmembers may remove any item from the Consent Agenda, which would automatically convey that item to the Regular Agenda for separate discussion and vote.

2. **RESOLUTION** – Approval of Amendments to the Defined Contribution and 457 Plans

DECLARATION OF EX PARTE COMMUNICATIONS

PUBLIC HEARINGS AND QUASI-JUDICIAL MATTERS

OTHER VILLAGE BUSINESS MATTERS

- 3. RESOLUTION – STATE HIGHWAY LIGHTING, MAINTENANCE AND COMPENSATION AGREEMENT WITH THE FLORIDA DEPARTMENT OF TRANSPORTATION** Consider a motion to adopt a resolution approving a State Highway, Lighting, Maintenance and Compensation Agreement with the Florida Department of Transportation for Lighting Facilities along U.S. Highway One and Alternate A1A; and authorizing execution of the Agreement.

COUNCIL AND ADMINISTRATION MATTERS

MAYOR AND COUNCIL MATTERS/REPORTS

4. NPB University - "Know Your Department" - Building & Zoning, General Government
5. **WORKSHOP** – Lighthouse Drive Bridge Design

VILLAGE MANAGER MATTERS/REPORTS

ADJOURNMENT

If a person decides to appeal any decision by the Village Council with respect to any matter considered at the Village Council meeting, he will need a record of the proceedings, and for such purpose he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based (F.S. 286.0105).

In accordance with the Americans with Disabilities Act, any person who may require special accommodation to participate in this meeting should contact the Village Clerk's office at 841-3355 at least 72 hours prior to the meeting date.

This agenda represents the tentative agenda for the scheduled meeting of the Village Council. Due to the nature of governmental duties and responsibilities, the Village Council reserves the right to make additions to, or deletions from, the items contained in this agenda.



DRAFT MINUTES OF THE REGULAR SESSION
VILLAGE COUNCIL OF NORTH PALM BEACH, FLORIDA
JUNE 12, 2025

Present:

Deborah Searcy, Mayor
Lisa Interlandi, Vice Mayor
Kristin Garrison, President Pro Tem
Susan Bickel, Councilmember
Orlando Puyol, Councilmember
Chuck Huff, Village Manager
Len Rubin, Village Attorney
Jessica Green, Village Clerk

ROLL CALL

Mayor Searcy called the meeting to order at 6:00 p.m. All members of Council were present. All members of staff were present.

PLEDGE OF ALLEGIANCE

Vice Mayor Interlandi led the public in the Pledge.

APPROVAL OF MINUTES

The Minutes of the Regular Session held May 8, 2025 and the Minutes of the Regular Session held May 22, 2025 were approved as written.

STATEMENTS FROM THE PUBLIC

Pam Cinilia, 640 Lighthouse Drive, inquired about meeting information in the Village newsletter. Ms. Cinilia thanked Councilmembers Puyol and Interlandi for having an open discussion regarding her concerns with the design and development of the Lighthouse Drive Bridge. Ms. Cinilia thanked Mr. Huff for also addressing her questions and concerns. Ms. Cinilia provided an additional list of questions for Councilmembers and expressed her concerns regarding the proposed design and traffic on the Lighthouse Drive Bridge.

Mary Phillips, 525 Ebbtide Drive, spoke on behalf of the Environmental Committee and reported that an heirloom tree was cut down at the corner of Anchorage Drive and Lighthouse Drive. Ms. Phillips asked that the proposed tree preservation ordinance be brought forward to Council for consideration.

Daniel Higgins, 106 Atlantic Road, expressed his concerns regarding e-bikes traveling through Lakeside Park. Mr. Higgins asked that enforcement be considered for safety reasons.

STATEMENTS FROM THE PUBLIC *continued*

Karen Caskey, 641 Lighthouse Drive, discussed the proposed design of the Lighthouse Drive bridge and gave recommendations for traffic calming. Ms. Caskey recommended that the Village Police Department provide safe driving classes.

John Samadi, 512 Marlin Road, expressed his concerns regarding traffic control on roadways throughout the Village. Mr. Samadi also expressed his concerns regarding Council regulating free speech and not tolerating disagreements during Council meetings.

Mayor Searcy recommended having a workshop regarding regulations for e-bikes.

Council came to consensus to have a future workshop regarding regulating e-bikes within the Village.

Discussion ensued between Councilmembers, Mr. Rubin and Chief Coliskey regarding signage and regulations on e-bikes.

Vice Mayor Interlandi asked for the status of the tree preservation ordinance.

Mr. Rubin stated that a draft of the ordinance was just forwarded to him that day and that a proposed ordinance would be coming forward to a Council meeting in the near future.

Vice Mayor Interlandi asked for an update on the workshop for the Lighthouse Drive Bridge design.

Mr. Huff and Mayor Searcy gave an update stating that the plan was to have the workshop at the next scheduled Council meeting contingent upon getting confirmation that consultants from 2GHO and the bridge engineers would be able to attend the workshop.

Vice Mayor Interlandi asked that once confirmation was received that the public be notified of the workshop.

Councilmember Bickel addressed Ms. Cinilia's comment regarding the Village newsletter stating that some information may be left out of the newsletters due to the fact that the newsletter must be sent for printing far in advance and the news may not be the most current. Councilmember Bickel recommended that Ms. Cinilia read the online E-newsletters for the most current information.

Vice Mayor Interlandi recommended placing an item on the agenda for Council response to public comments.

Mayor Searcy stated that Vice Mayor Interlandi's recommendation could be discussed during the workshop on Public Participation Rules and Procedures at the end of the meeting.

CONSENT AGENDA APPROVED

Councilmember Bickel moved to approve the Consent Agenda. Vice Mayor Interlandi seconded the motion, which passed unanimously. The following items were approved:

Receive for file Minutes of the Library Advisory Board meeting held 4/22/25.

Receive for file Minutes of the Waterways Board meeting held 4/22/25.

CONSENT AGENDA APPROVED *continued*

Receive for file Minutes of the Environmental Committee meetings held 4/7/25 and 5/5/25.

Receive for file Minutes of the Planning, Zoning, and Adjustment Board meeting held 5/6/25.

PUBLIC HEARINGS AND QUASI-JUDICIAL MATTERS

PUBLIC HEARING AND 2ND READING OF ORDINANCE 2025-10 - CODE AMENDMENT – CT TRANSITIONAL COMMERCIAL DISTRICT

A motion was made by President Pro Tem Garrison and seconded by Councilmember Puyol to adopt and enact on second reading Ordinance 2025-10 entitled:

AN ORDINANCE OF THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA, AMENDING APPENDIX C (CHAPTER 45), “ZONING,” OF THE VILLAGE CODE OF ORDINANCES BY AMENDING ARTICLE III, “DISTRICT REGULATIONS,” SECTION 45-32.1, “C-T TRANSITIONAL COMMERCIAL DISTRICT,” TO ADOPT A NEW TABLE OF USES; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

Lance Lilly with Chen Moore & Associates explained that the purpose of the ordinance was to amend the CT-Transitional Commercial Zoning District code to adopt a new table of uses. There was a workshop regarding the ordinance at the May 8th Council meeting and the proposed ordinance was passed on first reading at the May 22nd Council meeting. There were no revisions to the ordinance since the first reading.

Mayor Searcy opened the Public Hearing.

There being no comments from the public, Mayor Searcy closed the Public Hearing.

Councilmember Bickel expressed that she was not content with including a certain parcel on Prosperity Farms Road in the CT Transitional Commercial District zone.

Thereafter, the motion to adopt and enact on second reading Ordinance 2025-10 passed unanimously.

PUBLIC HEARING AND 2ND READING OF ORDINANCE 2025-11 – EAR COMPREHENSIVE PLAN AMENDMENTS AND UPDATED WATER SUPPLY FACILITIES WORK PLAN

A motion was made by Councilmember Puyol and seconded by Vice Mayor Interlandi to adopt and enact on second reading Ordinance 2025-11 entitled:

AN ORDINANCE OF THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA, AMENDING THE VILLAGE OF NORTH PALM BEACH COMPREHENSIVE PLAN TO IMPLEMENT ITS EVALUATION AND APPRAISAL REPORT; ADOPTING A NEW INTRODUCTION SECTION AND EVALUATING AND MONITORING SECTION; AMENDING THE FUTURE LAND USE ELEMENT, THE CONSERVATION ELEMENT, THE COASTAL MANAGEMENT ELEMENT, THE RECREATION AND OPEN SPACE ELEMENT, THE INTERGOVERNMENTAL

PUBLIC HEARING AND 2ND READING OF ORDINANCE 2025-11 – EAR COMPREHENSIVE PLAN AMENDMENTS AND UPDATED WATER SUPPLY FACILITIES WORK PLAN *continued*

COORDINATION ELEMENT, THE CAPITAL IMPROVEMENT ELEMENT, THE INFRASTRUCTURE ELEMENT, THE HOUSING ELEMENT, THE ANNEXATION ELEMENT, AND THE PROPERTY RIGHTS ELEMENT; ADOPTING A REVISED AND UPDATED WATER SUPPLY FACILITIES WORK PLAN; PROVIDING FOR TRANSMITTAL; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

Lance Lilly with Chen Moore & Associates thanked Council for their input stating that discussions and the preparation of an Evaluation and Appraisal Review (EAR)-based amendment to the Village’s Comprehensive Plan began in January of 2024. The amendment was structured around four (4) thematic sections and would update the existing Goals, Objectives, and Policies (GOP’s) as well as the Data and Analysis (D&A). The four (4) thematic sections were as follows:

- People and Places (Future Land Use, Annexation, Housing)
- Well-Maintained and Efficient Infrastructure (Transportation, Capital Improvement, Infrastructure)
- Attractive and Environmentally Friendly Community (Conservation, Coastal Management, Recreation and Open Space)
- Responsible and Accessible Government (Intergovernmental Coordination, Property Rights, Evaluation and Monitoring)

The ordinance passed on first reading on November 7, 2024 and was subsequently sent to the state for comments. On January 17, 2025, the Department of Commerce issued the Objections, Recommendations, and Comments (ORC) Report to the Village. There was one (1) objection in the report. In addition, the Florida Department of Environmental Protection (FDEP), and the South Florida Water Management District (SFWMD) and Treasure Coast Regional Planning Council (TCRPC) also submitted comments and recommendations. Based on discussions between Village consultants and Stephanie Heidt of TCRPC, the amendment was revised to incorporate applicable feedback. The Village had a courtesy review with the Department of Commerce on May 15, 2025. The final documents considered for adoption incorporate changes responding to the OCR report. Florida Statutes require the Village to transmit the full amendment package along with supporting data and analysis to the Florida Department of Commerce within ten (10) working days after the adoption hearing.

Mayor Searcy opened the Public Hearing.

There being no comments from the public, Mayor Searcy closed the Public Hearing.

Mayor Searcy asked Mr. Lilly to explain the objection that was found in the ORC Report.

Mr. Lilly, stated that according to Florida Statutes, the Comprehensive Plan must address a ten (10) year and a twenty (20) year horizon. The Village’s current plan only addressed a twenty (20) year horizon. The state asked that a ten (10) year horizon be overtly specified in the plan.

Discussion, questions and answers ensued between Councilmembers and Mr. Lilly regarding the amendments and updated Water Supply Plan.

PUBLIC HEARING AND 2ND READING OF ORDINANCE 2025-11 – EAR COMPREHENSIVE PLAN AMENDMENTS AND UPDATED WATER SUPPLY FACILITIES WORK PLAN *continued*

Council requested and were in agreement that Mr. Lilly provide a presentation at a future Council meeting to explain the amendments that were made to the Comprehensive Plan.

Thereafter, the motion to adopt and enact on second reading Ordinance 2025-11 passed unanimously.

RESOLUTION 2025-21 FISCAL YEAR 2025 BLANKET PURCHASE ORDER FOR MISCELLANEOUS LANDSCAPING AND GROUNDS MAINTENANCE SERVICES

A motion was made by Councilmember Bickel and seconded by Vice Mayor Interlandi to adopt Resolution 2025-21 entitled:

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA INCREASING THE FISCAL YEAR 2025 BLANKET PURCHASE ORDER WITH PRECISION LANDSCAPE COMPANY OF PALM BEACH COUNTY, INC. FOR MISCELLANEOUS LANDSCAPING AND GROUNDS MAINTENANCE SERVICES FROM \$100,000 TO \$200,000; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Huff explained that the purpose of the resolution was to increase the blanket purchase order from \$100,000 to \$200,000 with Precision Landscape Company to provide miscellaneous landscaping and grounds maintenance services.

Vice Mayor Interlandi asked why there needed to be an increase in the blanket purchase order.

Mr. Huff explained that there were unexpected or unanticipated landscaping and grounds expenses that come up from time to time. Mr. Huff used the example of a vehicle hitting a tree that needs to be cleaned up by Precision Landscaping as an unanticipated expense. Lightning hitting a tree on the golf course would be another example.

Thereafter, the motion to adopt Resolution 2025-21 passed unanimously.

RESOLUTION 2025-22 NORTH PALM BEACH COUNTRY CLUB WASH PLANT

A motion was made by Councilmember Bickel and seconded by Vice Mayor Interlandi to adopt Resolution 2025-22 entitled:

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA, ACCEPTING A BID PROPOSAL FROM AHRENS ENTERPRISES, INC. D/B/A AHRENS COMPANIES FOR THE NORTH PALM BEACH COUNTRY CLUB WASH PLANT AND AUTHORIZING THE MAYOR AND VILLAGE CLERK TO EXECUTE A CONTRACT FOR SUCH SERVICES; AND PROVIDING FOR AN EFFECTIVE DATE.

Facilities Manager James Anthony discussed and explained the purpose of the proposed construction of a Golf Course Wash Plant Facility. Mr. Anthony explained that an Invitation to Bid was issued and the Village received ten (10) bid proposals.

RESOLUTION 2025-22 NORTH PALM BEACH COUNTRY CLUB WASH PLANT *continued*

The lowest bid submitted by X10 Construction was found to be non-conforming and as a result the next lowest conforming bid from Ahrens Enterprises, Inc. was recommended for award. Mr. Anthony discussed and explained the necessity for a wash plant at the Country Club.

Discussion ensued between Councilmember Puyol and Mr. Anthony regarding the bid recommendation and why the lowest bidder was not recommended, and the cost and construction of the proposed wash plant.

Discussion ensued between Councilmembers and Mr. Anthony regarding the bid recommendation and why the lowest bidder was not recommended, and the cost and construction of the proposed wash plant.

Russ Beverstein, 415 U.S. Highway 1, #210, stated that the wash plant was a necessity and recommended that Council approve the resolution.

Thereafter, the motion to adopt Resolution 2025-22 passed unanimously.

RESOLUTION 2025-23 PORTABLE GENERATOR PURCHASE

A motion was made by Councilmember Puyol and seconded by Councilmember Bickel to adopt Resolution 2025-23 entitled:

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA, APPROVING THE PURCHASE OF A PORTABLE GENERATOR FROM GENSET SERVICES, INC. PURSUANT TO PRICING ESTABLISHED IN AN EXISTING SOURCEWELL CONTRACT; AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Anthony discussed and explained the necessity for the purchase of a portable emergency generator to maintain power at Village facilities when there are outages.

Discussion ensued between Councilmembers and Mr. Anthony regarding the size, cost and use of the portable generator.

Thereafter, the motion to adopt Resolution 2025-23 passed unanimously.

MAYOR AND COUNCIL MATTERS/REPORTS

NPB University – “Know Your Department – Parks & Recreation, Library

Library Director Julie Morrell began the presentation and reviewed the Library’s Mission Statement, Organizational Structure, Department Highlights, Goals and Objectives, Completed Projects, Current and Upcoming Projects and the Fiscal Year 2025 General Fund Budget Summary.

Parks and Recreation Director Ashley Shipman continued the presentation by reviewing the Parks and Recreation Department’s Mission Statement, Organizational Structure, Department Highlights, Committees, Clubs and Board Partnerships, Department Highlights: Who We Serve, Department Highlights: What We Have, Goals and Objectives, Completed Projects, Upcoming Projects and the Fiscal Year 2025 General Fund Budget Summary.

MAYOR AND COUNCIL MATTERS/REPORTS *continued*

Public Participation Rules and Procedures

Mr. Rubin explained that Florida Statutes require the Village Council to give members of the public a reasonable opportunity to be heard on a proposition before the Council subject to rules or policies adopted by the Council. The Florida Statutes provides that such rules and policies are limited to those that provided guidelines regarding the amount of time an individual has to address the Council, prescribe procedures for allowing representatives of groups to address the Council, prescribe procedures or forms for an individual to use in order to inform the Council of a desire to be heard or indicate his or her position on a proposition before Council and to designate a specific time period for public comment.

Mr. Rubin further explained that the Florida Statute also gives Council the right to regulate decorum. Numerous court decisions have upheld the right of legislative bodies to regulate decorum at public meetings, ruling that meetings of legislative bodies are limited public forums, thereby allowing the legislative body to enact content-based restrictions on free speech so long as they are reasonable, applied in a consistent manner, and viewpoint neutral. Members of the public do not have the unrestricted right to free speech at Village Council meetings, and the Council may enact rules regulating the behavior of participants to ensure that it meets are conducted in an orderly and efficient manner. Mr. Rubin stated that he provided an example of the Town Juno Beach's Public Participation and Decorum Rules and Policies in the agenda backup materials. Mr. Rubin stated that Village Clerk Jessica Green also provided examples of Public Participation and Decorum Rules and Policies from other municipalities in the agenda backup.

Councilmember Puyol asked if the decorum rules of civility be added to the public comment cards and be signed by the commenter. If the commenter does not abide by the rules, the police could escort them out of the meeting.

Mr. Rubin explained it is generally the Mayor's task to preside over the meeting and to warn those who are not conducting themselves according to the decorum rules. The Florida Statutes allows for the person to be removed from the meeting.

Councilmember Bickel stated that she wanted the policy to reflect that the public receives three (3) minutes to comment on agenda items at the beginning of the meeting regardless of the number of topics. Councilmember Bickel asked that it be clear that letters are no longer read into the record at Council meetings.

Mr. Rubin stated that the Town of Juno Beach was considering setting aside time in their meetings to respond to public comment.

Mayor Searcy expressed her concerns with providing an expectation that all public comments would be addressed.

Discussion ensued between Councilmembers, Mr. Rubin and Mrs. Green regarding what to include in the proposed Public Participation and Decorum Rules and Policies that would be brought back for consideration at a future Council meeting.

MAYOR AND COUNCIL MATTERS/REPORTS *continued*

Councilmember Puyol mentioned a letter that Council received from a resident regarding unleashed dogs at Lakeside Park.

Chief Coliskey stated that residents should call the Police Department's non-emergency number when encountering dogs off leash at Lakeside Park.

Discussion ensued between Councilmembers regarding enforcement of the rules regarding unleashed dogs at the parks.

Council agreed that signage should be updated at the parks and education regarding the requirements for dog leashing pushed out to residents by the Communications Department.

Councilmember Puyol expressed his concerns regarding the community park at the Prosperity Village development.

Discussion ensued between Councilmembers regarding the community park at the Prosperity Village development.

Councilmember Puyol stated that the tile in the Country Club pool was in need of restoration.

Councilmember Puyol discussed the power lines at the proposed 200 Yacht Club Drive project.

Mr. Rubin stated that the proposed project was revised and tabled by the Planning, Zoning and Adjustment Board contingent upon an FPL consultant providing an impact estimate for the proposed project.

Discussion ensued between Councilmembers regarding dates of Council meetings in July and when Councilmembers would be out of town.

VILLAGE MANAGER MATTERS/REPORTS

Request for Attorney Client Session – Michael A. Bozzuto and NP Management v. Village of North Palm Beach – Case No. 50-2024-CA002377-XXXA-MB

Council came to consensus to have an Attorney Client Session before the Regular Council meeting on June 26, 2025. The Session would begin at 5:15 p.m. and would last for approximately thirty (30) minutes. The Regular Council meeting would then begin at its regular time at 6 p.m.

Mr. Huff stated that he would be out of town from June 25th through July 8th and that Deputy Village Manager Samia Janjua would attend the June 26th Council meeting on his behalf.

ADJOURNMENT

There being no further business to come before the Council, the meeting was adjourned at 8:28 p.m.

**VILLAGE OF NORTH PALM BEACH
HUMAN RESOURCES DEPARTMENT**

TO: Honorable Mayor and Members of the Village Council

THRU: Chuck Huff, Village Manager

FROM: Jennifer Cain, Human Resources Director

DATE: June 26, 2025

SUBJECT: **RESOLUTION** – Approval of Amendments to the Defined Contribution and 457 Plans

Village Staff is recommending the Village Council's adoption of a Resolution authorizing Village Staff to amend the existing Defined Contribution Plans for Non-Union Employees (Plan #106281), Municipal Workers (Plan #106282), Department Directors (Plan #106280), Village Manager (Plan #109501), as well as the Village's 457 Deferred Compensation Plan (Plan #303158), to adjust the in-service withdrawal age to 59½. Village Staff is also seeking Council approval to amend the 457 Deferred Compensation Plan to allow for employees to take loans against the employee's vested account balance to be paid back in equal installments of principal and interest over a period that does not exceed five years (extended to fifteen years for principal residence loans).

Background:

The Village utilizes MissionSquare (formerly known as ICMA) to manage the employee's Defined Contribution Plan and 457 Deferred Compensation Plan. In reviewing the plans, Staff discovered that the earliest date where the plan allowed for distributions was set to age 70½. Staff is requesting to reduce this age to 59½ to be in-line with the normal distribution age as defined by the IRS guidelines.

Additionally, the Village's 457 Deferred Compensation Plan has not allowed for loans for plan participants. Staff is requesting to amend the 457 Plan to allow for loans to give employees access to their vested contributions. This will give employees an option to have access to funding for unforeseen circumstances or to assist with the purchase of a home. The employee would only be allowed one loan at a time against the employee's vested account balance, up to \$50,000, to be paid back in equal installments of principal and interest over a period that does not exceed five years. The term is extended to fifteen years for principal residence loans. Allowing for loans against the 457 plan gives the employee options for access to funding, while protecting their primary retirement plan.

The Defined Contribution Plans were approved by the Village Council through the adoption of Ordinance No. 2006-26 on December 14, 2006. Consequently, any amendments to the Plans must be approved by the Village Council.

The attached Resolution has been prepared and/or reviewed by the Village Attorney for legal sufficiency.

Recommendation:

Village Staff Requests Council consideration and approval of the attached Resolution approving an amendment to the Village's Defined Contributions Plans and 457 Deferred Compensation Plan to reduce the minimum distribution age to 59½ and an amendment to the 457 Plan to allow for loans effective July 1, 2025 and authorizing the Village Manager to execute all documents necessary to effectuate such amendments in accordance with Village policies and procedures.

RESOLUTION 2025-_____

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA, APPROVING AMENDMENTS TO THE VILLAGE'S DEFINED CONTRIBUTION PLANS AND DEFERRED COMPENSATION PLAN TO REDUCE THE MINIMUM WITHDRAWAL AGE AND AN AMENDMENT TO THE DEFERRED COMPENSATION PLAN TO ALLOW FOR LOANS; AUTHORIZING THE VILLAGE MANAGER TO EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE THE AMENDMENTS; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, Village Staff is recommending an amendment to the Village's Defined Contribution Plans (Non-Union Employees, Municipal Workers, Department Directors, and Village Manager) and the Village's 457 Deferred Contribution Plan to reduce the minimum withdrawal age to 59½ and an amendment to the 457 Deferred Compensation Plan to allow for loans against the vested balance; and

WHEREAS, the Village Council determines that the adoption of this Resolution is in the best interests of the Village, its employees, and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF NORTH PALM BEACH, FLORIDA as follows:

Section 1. The foregoing recitals are ratified as true and correct and are incorporated herein.

Section 2. The Village Council hereby approves an amendment to the Village's Defined Contribution Plans (Non-Union Employees, Municipal Workers, Department Directors, and Village Manager) and the Village's 457 Deferred Contribution Plan to reduce the minimum withdrawal age to 59½ and an amendment to the Village's 457 Deferred Compensation Plan to allow for loans against the vested balance up to \$50,000 with a five year term (increased to fifteen years for principal residence loans). The Village Council further authorizes the Village Manager to execute all documents necessary to effectuate these amendments.

Section 3. All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2025.

(Village Seal)

MAYOR

ATTEST:

VILLAGE CLERK



Village of North Palm Beach
Village Manager's Office

"The Best Place to Live Under the Sun"

MissionSquare Retirement
777 N Capitol St NE
Washington DC 20002

June 11th, 2025

To Whom It May Concern,

Re: Village of North Palm Beach Plan #s 303158, 106281, 106280, 106282, 109501

The Village hereby instructs MissionSquare Retirement to lower the in-service withdrawal age to 59.5 for all plans mentioned above, without requiring plan sponsor approval.

The effective date of this amendment is: July 1st, 2025

The authorized signer for this amendment is: Charles D. Huff, Village Manager

If you have questions, please contact:

Jennifer Cain, MBA, SHRM-SCP, FCLRP
Director of Human Resources | Village of North Palm Beach
Phone: (561) 841-3358
501 U.S. Highway 1 • North Palm Beach • 33408

Signed,

Charles D. Huff
Village Manager
chuff@village-npb.org
(561) 904-2122

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Important information and instructions for completing the Loan Guidelines Agreement

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Complete this agreement to establish the guidelines for your plan's loan program.

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Suggested Resolution 14
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401(a) Plans Only. If you are amending your existing plan to add a loan program, you must complete and return this document to MissionSquare.

Loan Amendment – 403(b) Plans Only 17
403(b) Plans Only. If you are amending your existing plan to add a loan program, you must complete and return this document to MissionSquare.

INTRODUCTION AND SUMMARY INSTRUCTIONS FOR 457(b), 401(a), AND 403(b) PLAN SPONSORS

Making a loan program available in your retirement plan will provide eligible plan participants with the ability to borrow money from their accounts. As the administrator of your loan program, MissionSquare Retirement will attempt to minimize the amount of resources you need to devote to the program. However, there are administrative and fiduciary responsibilities associated with offering loans which, as a practical matter, cannot be delegated to MissionSquare.

Please review all of the information in this packet carefully prior to submitting the applicable forms to implement the loan program in your plan.

The below instructions provide you with easy-to-follow steps to implement a loan program in your MissionSquare 457(b) or 401(a) plan.

STEP 1: Review the Loan Guidelines Agreement Instructions carefully prior to returning the required forms to implement your plan's loan program.

STEP 2: Complete the *Loan Guidelines Agreement*.

STEP 3: Determine whether any formal action is required by your legislative body and/or plan administrative committee to implement a loan program. If formal action is required, you may want to use the suggested resolution in this packet.

STEP 4: Complete the following documents (if applicable)

- **457(b) Plan Loan Administration Agreement** – If you have multiple 457(b) plan providers, you must complete and return this document to MissionSquare.
- **Loan Amendment [401(a)/403(b) Plans Only]** – If you are amending your existing 401(a)/403(b) plan to add loan provisions, you must complete and return this document to MissionSquare.

STEP 5: Return copies of the following documents to MissionSquare (please be sure to submit all pages and retain the originals for your records):

- *Loan Guidelines Agreement*
- *Loan Amendment to the 401(a) Plan Adoption Agreement (if applicable)*
- *457(b) Plan Loan Administration Agreement (if applicable)*
- *Suggested Resolution (if applicable)*

Fax: MissionSquare Plan Services
(844) 677-3297

Mail: MissionSquare Plan Services
P.O. Box 219320
Kansas City, MO 64121-9320

Online: Submit through secure messaging to:
www.employers.msqplanservices.org

STEP 6: Please allow 5–7 business days for MissionSquare to establish your plan's loan program.

Please retain original copies of any documents you return to MissionSquare for your records.

If you have any questions relating to the adoption process, please contact your MissionSquare PlanServices team at 800-326-7272.

The information in this packet is intended to assist you with implementing a loan program within your MissionSquare Retirement 457(b), 401(a), or 403(b) plan(s). The packet provides an overview of the issues and complexities of establishing and maintaining a loan program under the most common types of retirement plan arrangements. It is not intended to be all inclusive. Special situations and/or solutions not discussed in this document will need to be reviewed on a case-by-case basis.

The instructions contain information that will help you understand the decisions you will need to make when you establish your loan program and help you complete the *Loan Guidelines Agreement*. Please carefully review the information in this section and complete all applicable sections of the *Loan Guidelines Agreement*.

Here are a few of the elections that you will need to make:

- Will loans be available for all purposes or only in other purposes designated by you, The Employer?
- How many loans will participants be allowed to have outstanding at one time? (*up to five*)
- How long will participants have to repay a loan used to purchase a new primary residence? (*up to 30 years*)
- How will participants repay their loans? (*payroll deduction, ACH payments from their bank accounts, or both*)

In order to offer loans within your retirement plan, the Internal Revenue Code requires that you establish written guidelines that govern the Plan's loan program. You may elect to use the *Loan Guidelines Agreement* to serve this purpose for your Plan.

If you have any questions relating to the process of implementing a loan program, please contact your MissionSquare Plan Services team at 800-326-7272.

Section 1: Employer Plan Information

Enter the name of your employer plan. Also specify the plan type and your MissionSquare plan number.

Section 2: Eligibility & Loan Source

Loans are available to all active employees, except those with an existing loan in default.

Loan Source – Use this section to specify the sources that will be available for participant loans.

Section 3: Loan Purpose

Specify whether loans may be taken for (A) All Purposes or (B) Other Purposes (*You will be responsible for approval of all loan requests.*).

- (A) All Purposes
- (B) Other Purposes

Employers have the ability to make their plan's loan program more restrictive under both of the above options.

Section 4: Application Process

No action is required in this section. The application process available to participants will vary depending on the option you select in Section III (Loan Purpose).

Section 5: Maximum Number of Loans

Specify whether participants may have only one (1) or up to five (5) loans outstanding at one time. The option you choose in this section will have a significant impact on the number of loans made from your plan. Regardless of your election, a participant may receive a maximum of one (1) loan per calendar year.

Note: If you select Payroll Deduction as a repayment option for your participants in Section VIII, each loan repayment for each pay period must be accounted for separately. As such, repayments of multiple loans are a much larger burden on your payroll system (and personnel) than a repayment of a single loan.

Section 6: Loan Amount

No action is required in this section. The Maximum Loan Amount Worksheet includes instructions you can use to calculate the maximum loan amount for a participant. The loan modeling option on MissionSquare's Account Access website can also be used to calculate a participant's maximum loan amount.

Section 7: Length of Loan

Loans must be repaid in substantially equal installments of principal and interest over a period that does not exceed five (5) years. However, if the participant will be using the loan to purchase a principal residence, the five (5) year time limit may not apply. In this section of the form, you specify the maximum repayment period for principal residence loans, with 30 years being the maximum term.

In determining the maximum repayment period for residential loans, you should be mindful that the loan term may extend beyond the period the participant is employed by you. If you allow employees to continue to pay their loans after they separate from service (see the Acceleration section), repayments would continue by the participant, through you, for the entire term of the loan (e.g., 30 years). Every payroll period, the participant (former employee) will be required to give you a check for the periodic loan repayment amount. You then include this amount with your next contribution submittal to MissionSquare. Loan repayments may not be made directly to MissionSquare by the participant, unless you choose ACH debit as a repayment option in Section VIII.

Section 8: Loan Repayment Process

Specify the repayment method(s) and repayment frequency your plan will use.

Repayment Method – You can allow repayments to be made via payroll deduction and/or ACH payments from a participant's bank account.

- (1) **Payroll Deduction** – With this option, you will include the loan repayment detail when you remit contribution detail to MissionSquare via the EZLink website.

Initiating Payroll Deduction

Payroll deduction should begin within two payroll cycles following the date the loan is processed by MissionSquare. Employees using this method must notify the Employer immediately so that repayments will begin as soon as practicable, on a date determined by the Employer's payroll cycle. Failure to begin payroll deduction in a timely manner could lead to the employee's loan entering delinquency status.

- (2) **Automated Clearing House (ACH)** – With this option, participants authorize MissionSquare to debit loan repayments directly from the participant's bank account via ACH. This feature frees you of the burden of establishing and monitoring loan repayments via payroll deduction. The ACH repayment options are bi-weekly and monthly.

Additional Loan Repayments and Early Pay-Off

A participant may pay off all of the principal and interest early without penalty or additional fee. If a loan is paid in full prior to the end of the term of the loan, no further interest will accrue. Please note that no payment date may be "skipped" even if the employee has made a large payment or submitted multiple payments.

Section 9: Loan Interest Rate

No action is required in this section. It simply describes the interest rate that will be used for participant loans.

Section 10: Security/Collateral

No action is required in this section. It simply describes the amount that will be used as collateral for participant loans.

Section 11: Acceleration

Specify whether participants who have separated from service will be able to continue loan repayments until they have withdrawn their entire account balance from the plan, or if outstanding loans will be due and payable at the time participants separate from service.

You should consider the options in this section carefully, since your election will impact when outstanding loans become taxable to participants. If a participant does not repay the outstanding loan amount at the time it is due, the loan is "foreclosed," and the outstanding loan amount must be reported by MissionSquare as a taxable distribution in the year of the foreclosure.

Given the burdens associated with collecting loan repayments from former employees, you may not wish to maintain a potentially long term "relationship" with former employees (especially in the case of residential loans).

Section 12: Reamortization

No action is required in this section. It simply provides information related to the reamortization of participant loans.

Section 13: Refinance

No action is required in this section. It simply provides information related to the refinancing of participant loans.

Section 14: Reduction of Loan

No action is required in this section. It simply describes how outstanding loans will be handled in the event of a participant's death.

Section 15: Deemed Distributions

No action is required in this section. However you should familiarize yourself with this information and note that loan repayments must be made in accordance with the plan document, plan loan guidelines, and as reflected in the promissory note signed by the participant. Failure to make loan repayments according to the loan terms will result in the outstanding loan balance being deemed distributed and taxable to the participant.

Timing

A loan will be deemed distributed when a scheduled payment is still unpaid at the end of the calendar quarter following the calendar quarter in which the payment was due. For example, if a participant does not make a loan payment that was scheduled to be made on February 1, the maximum cure period for the repayment is June 30. If the total amount of all delinquent payments is not received by the end of the cure period, the loan is deemed distributed.

Consequences of Deemed Distributed Loans (Employers)

Employers who do not ensure proper loan repayment practices in their retirement loan programs risk not only having individual participant loans being deemed distributed, but also potentially jeopardize the tax-favored status of the entire plan. In the extreme, plans with mismanaged loan programs – a high occurrence of deemed distributed loans, and/or program participants in default, for example – may be disqualified (in the case of 401(a)/403(b) plans) or classified as ineligible (for 457(b) plans) by the IRS. Disqualification results in the loss of tax-deferred status for all contributions and a possible increase in the taxable income for participating employees.

It is a plan sponsor's fiduciary obligation to properly manage the retirement plan and its benefits. Mismanagement of a loan program may be considered failure to meet this fiduciary obligation and may expose a plan sponsor to litigation, in addition to being in violation of applicable laws and regulations.

Employers, as plan sponsors and fiduciaries, have an obligation to comply with plan document and loan guideline requirements applicable to participant loans. In this regard, loan payments must be made in accordance with the plan document, plan loan guidelines, and as reflected in the promissory note signed by the participant. Employers retain this obligation if there is a loan program associated with their retirement plan, regardless of the provisions governing the loan program.

Consequences of Deemed Distributed Loans (Participants)

The principal balance, in addition to any accrued interest, is reported as a distribution to the IRS. However, the taxable distribution is not the only event in conjunction with a deemed distribution. The following negative consequences occur as a result of deemed distribution.

- The deemed distribution is a taxable event. However, it is not an actual distribution and therefore remains an asset of the participant's account. The outstanding loan balance and accrued interest continue to be reported on the participant's account statements.
- Repayment of a deemed distribution will not change or reverse the taxable event.
- The loan continues to be considered outstanding until it is repaid or "offset" using the participant's account balance. An offset can occur only if the participant is eligible to receive a distribution from the plan as outlined in your plan document.
- Participants are required to repay any outstanding deemed distributed loan before they can become eligible for a new loan. The deemed distributed loan and any interest accrued since the date it became a taxable event is taken into account when determining the maximum amount available for a new loan.
- A participant who has had a prior deemed distribution must make repayments to a new loan through payroll deduction, or provide proof of adequate security.

Section 16: Fees

No action is required in this section. It simply provides that fees may be charged for various services associated with the application for and issuance of loans. Participants should review the Annual Service and Fee Disclosure notice(s) for your plan for more information on the applicable fees.

Section 17: Signatures

Please have an authorized plan representative sign and date this section of the agreement.

SPECIAL CIRCUMSTANCES

Emergency Withdrawals | 457(b) Plans Only

457(b) Plans: Loans must be coordinated with unforeseeable emergency withdrawals. The emergency withdrawal regulations under Section 457(b) of the Code require that an emergency withdrawal be a resource of the "last resort." If the participant is able to take a loan or refinance a current loan from your MissionSquare 457(b) plan or any other plan you sponsor, the participant has resources available to meet, or partially meet, the financial need. Therefore, a participant will be required to take or refinance a loan before taking an emergency withdrawal.

Many emergency withdrawals are not approved because the financial need, while serious, may not meet the conditions itemized in the 457(b) regulations. The ability to take a loan allows participants to have access to money that is not otherwise available. And the repayment process for loans ensures that participants replenish their accounts, thereby preserving their retirement savings.

Qualified Joint and Survivor Annuity | Applies to Some 401(a)/403(b) Plans Only

If your plan uses the Qualified Joint and Survivor Annuity as the default form of payment, married participants must obtain spousal consent prior to obtaining a loan. The employee's spouse must consent, in writing, to the loan and the consent must be witnessed by a plan representative or notary public. Such consent must be received in writing by MissionSquare no more than ninety (90) days before the loan request is submitted through Account Access. In the case of the Direct Loan Application, spousal consent should be sent along with the application.

Please be advised, that some states recognize a status, such as a civil union or registered domestic partnership, to carry the same rights and obligations as marriage under state law.

Multiple Plans/Providers

If you have more than one retirement plan which offers loans, including "co-administered" or "co-provider" plans, MissionSquare will administer your loan program in your plan(s) with MissionSquare, but you will have to perform some loan verification activities. You will need to perform these activities if loans are available to your employees from several like retirement plans, such as two separate qualified plans, or if you have different types of retirement plans (e.g. Section 457(b) deferred compensation, 403(b) and section 401(a) qualified plan). The degree of your involvement will depend on your situation.

1. Multiple Plans

The Code sets a maximum on the aggregate of all loans from all retirement plans in which the employee participates. If you offer retirement plans through multiple plan providers, no provider will be able to calculate, by itself, the maximum amount that a participant may borrow at any point in time. Since only you, the employer, can determine the current outstanding loan balance and the highest outstanding loan balance in the past 12 months from all loans from any retirement plans, you will have to calculate the maximum amount that may be borrowed. This will involve obtaining all loan amounts currently outstanding and repaid in the last 12 months. Please refer to the Maximum Loan Amount Worksheet for instructions you can use to calculate the maximum loan amount for a participant.

Participants are asked to input all outstanding loan balances in their online worksheet so that the program can properly calculate the maximum amount. Participants are on the "honor system" when they enter other loan amounts; MissionSquare is unable to verify any loan amounts associated with plans administered by other providers. However, if there are any outstanding loans in other plans administered by MissionSquare, our online program will take them into account.

2. Single Retirement Plan/Multiple Providers

If you have adopted a single retirement plan with one master plan document under which MissionSquare and your other administrator(s) must operate, then you may ultimately have to self-administer your loan program, unless you require:

- that the maximum that may be borrowed from any provider is 50 percent of the balance with that provider and
- that the loan must be repaid only to the provider from which the loan was made.

3. Multiple Types of Retirement Plans/Multiple Providers

If you make loans available to your employees from all of your retirement plans (e.g. Section 457(b) deferred compensation plan, 403(b) and Section 401(a) qualified plan), no administrator will be able to calculate, by itself, the maximum amount that a participant may borrow at any point in time. This is because the Code sets a maximum on the aggregate of all loans from all 401(a), 403(b), and 457(b) plans in which the participant participates. Since only you, the employer, can determine the current outstanding loan balance and the highest outstanding loan balance in the past 12 months from all loans from any 401(a), 403(b), or 457(b) plans, you will have to calculate the maximum amount that may be borrowed. This will involve obtaining all loan amounts currently outstanding and repaid in the last 12 months. Please refer to the Maximum Loan Amount Worksheet for instructions you can use to calculate the maximum loan amount for a participant.

- The purpose of this agreement is to establish the terms and conditions under which the Employer will grant loans to participants. You should consider each option carefully before making your selections because your selections will apply to all loans made while the selection is in effect. If you later change any provision, the changes will apply only to loans made after the change is adopted. Loans in existence at the time of any future changes will continue to operate under the guidelines that were in effect at the time the loan was originally made.
- Please read the instructions and carefully complete all sections of this agreement.

New Loan Program **OR** Amendment to Loan Program

1 EMPLOYER PLAN INFORMATION

Name of Plan (Enter the complete Employer name, including state): Village of North Palm Beach

Plan Type: 457(b) Deferred Compensation Plan 401(a) Money Purchase Plan 401(a) Profit-Sharing Plan 403(b) Retirement Plan

MissionSquare Plan Number(s): 303158

2 ELIGIBILITY & LOAN SOURCE

Loans are available to all active employees, except those with an existing loan in default.

401(a)/403(b) Plans – If your 401(a)/403(b) plan is funded by a combination of Employer and Employee contributions, you must specify whether one or both of the following can be used as a source for participant loans. (Select one or both options below)

Employer Contribution Account (vested balances only)

Participant Contribution Accounts (pre- and post-tax, if applicable, including Employee Mandatory, Employee Voluntary, Employer Roll-In, and Portable Benefits Accounts, but excluding the Deductible Employee Contribution/Qualified Voluntary Employee Contribution Account)

Roth Assets (if applicable) – If your 457(b), 403(b), or 401(a)(k) plan allows Roth contributions, a participant's Designated Roth Account balance will be included when calculating the amount a participant is eligible to borrow. However, you must specify whether or not a participant's Designated Roth Account can be used as a source for participant loans. (Select one option below)

A participant's Designated Roth Account will not be available as a source for loans under the plan (default option)

A participant's Designated Roth Account will be available as a source for loans under the Plan.

Note: If Roth assets are available as a source for loans, a loan that is deemed distributed will not satisfy the requirements for a qualified (tax-free) distribution of Roth assets. This may result in participants paying taxes on assets that would otherwise be available tax-free.

3 LOAN PURPOSE

Loans are available for the following purposes and must be requested in the corresponding method (select one):

All Purposes – With this option, participants can request a loan for any reason. Participants will be able to request new loans or refinance existing loans using the Online Loans option.

Other Purposes – With this option, loans shall only be granted for reasons that are defined and approved by the plan. Participants will be able to request new loans or refinance existing loans using the Online Loans option. Please define purposes below and attach additional pages if needed.

4 APPLICATION PROCESS

The loan application process will vary depending on the option you selected in Section 3 above (Loan Purpose).

(A) All Purposes

- Participants can request a new loan or to refinance an existing loan using the MissionSquare website at: www.icmarc.org
- The participant agrees to the terms of the loan during the online loan request process.
- MissionSquare sends the loan documents and the loan proceeds (via check or ACH) to the participant.

(B) Other Purposes

- Participants can request a new loan or to refinance an existing loan using the MissionSquare website at: www.icmarc.org
- The participant agrees to the terms of the loan during the online loan request process.
- The Employer must review and approve the loan via EZLink.
- If approved, MissionSquare sends the loan documents and the loan proceeds (via check or ACH) to the participant.

The loan amount will generally be redeemed from the employee's account on the same day as either MissionSquare receipt of a loan request/application (complete and in good order), if it is submitted prior to market close on a business day. If not, the loan amount will be redeemed on the next business day following submission. The loan proceeds for an all purpose loan is generally issued on the next business day following redemption, and will be sent to the participant based on their option during the loan application process.

5 MAXIMUM NUMBER OF LOANS (SELECT ONE)

Participants may receive one loan per time period defined in the plan document (e.g., calendar or plan year). Please specify whether participants may have only one (1) or up to five (5) loans outstanding at one time. Maximum number of loans is one (1) by default. If you want to allow a different amount, enter a value of 1 through 5 in the Other Section.

- One (1).** Participants may have only one (1) outstanding loan at a time (default).
- Other.** Participants may have up to _____ (enter 2, 3, 4, or 5) loans outstanding at one time.
- Other 403(b) ONLY.** Participants with outstanding legacy loans may have one outstanding loan other than the legacy loans.

6 LOAN AMOUNT

Maximum: The maximum amount of all loans to a participant from the Plan and all other plans of the Employer that are either eligible deferred compensation plans described in section 457(b)(b) of the Code or qualified employer plans under Section 72(p)(4) of the Code (e.g., 401(a)/403(b) plans) shall not exceed the lesser of:

- (1) \$50,000, or
- (2) One-half of the value of the Participant's interest in all of his or her Accounts under this Plan.

When calculating the maximum amount a participant is eligible to borrow from his/her account, the lesser value of (1) or (2) above must be reduced by the participant's highest outstanding loan balance over the past 12 months.

Minimum: The minimum loan amount is \$1,000.

A loan cannot be issued for more than the maximum amount. The participant's requested loan amount is subject to downward adjustment without notice due to market fluctuation between the time of application and the time the loan is issued.

Loan amounts will be taken pro-rata from all of a participant's investments.

7 LENGTH OF LOAN

Loans must be repaid in substantially equal installments of principal and interest over a period that does not exceed five (5) years.

Principal Residence Loans

If the participant will be using the loan to purchase a principal residence, the five (5) year time limit may not apply. Participants can repay a principal residence loan over a period of up to 30 years. Please specify the maximum repayment period for principal residence loans from your plan below.

Maximum repayment period for principal residence loans = 15 (Enter a number of years, up to 30)

8 LOAN REPAYMENT PROCESS

Specify the repayment method(s) and repayment frequency your plan will use. Note that loan amounts plus interest, minus applicable fees paid to MissionSquare, are repaid to participant accounts and not to MissionSquare. You can allow repayments to be made via payroll deduction or ACH payments from a participant's bank account. Loan repayments must be made at least monthly [457(b)] or quarterly [401(a)/403(b)].

Repayment Method (Select One):

For 457(b) and 401(a) or (k) plans: ACH **OR** Payroll Deduction

403(b) plans loan repayments can only be paid by ACH.*

**ACH Payment Rejected Fee – If a loan repayment scheduled to be paid via ACH debit is rejected due to insufficient funds, invalid bank account information, or account closure, a fee will be charged to the participant's account. The fee is \$20 for the first occurrence and \$50 for each subsequent occurrence.*

Repayment Frequency:

For Payroll Deduction: Repayments through payroll deduction will be sent via check, wire or ACH debit by the Employer to MissionSquare on the following cycle (Select One):

- Weekly (52 per year) Bi-weekly (26 per year) Semi-monthly (24 per year) Monthly (12 per year)
 Quarterly (4 per year) – Available to 401(a) only.

For ACH (Select One): Monthly (12 per year) Bi-weekly (26 per year)

Next two payroll dates: MM/DD/YYYY _____ and MM/DD/YYYY _____

Initiating Repayments: ACH debits from the employee's designated bank account will begin approximately one month following the date the loan is processed by MissionSquare.

Payroll deduction should begin within two payroll cycles following the date the loan is processed by MissionSquare. Employees using this method must notify the Employer immediately so that repayments will begin as soon as practicable, on a date determined by the Employer's payroll cycle. Failure to begin payroll deduction in a timely manner could lead to the employee's loan entering delinquency status.

Investment of Loan Repayments: All loan repayments are invested according to the instructions the participant has on file for the investment of contributions to his/her account.

Additional Loan Repayments and Early Pay-Off: A participant may pay off all of the principal and interest early without penalty or additional fee. If a loan is paid in full prior to the end of the term of the loan, no further interest will accrue. Please note that no payment date may be "skipped" even if the employee has made a large payment or submitted multiple payments.

Loans in Default: Participants using the ACH repayment option may default on their loans for lack of repayment more frequently than those using the payroll deduction method. For this reason, you may choose to require that certain participants use the payroll deduction repayment method.

Multiple Loans: If a participant has multiple loans outstanding from the plan, each loan repayment must be separately reported to MissionSquare.

8 LOAN REPAYMENT PROCESS (CONTINUED)

Former Employees and Leave of Absence: Former employees and employees on a leave of absence must repay their loans on the same schedule that would have applied had they continued employment.

Your plan may allow terminated employees to continue to repay their loans either through ACH, or by giving/sending you a check each repayment period (see the Acceleration section). If you allow terminated employees to repay loans by giving/sending you a check, you will include the repayment amounts in your next regular employee contribution remittance to MissionSquare.

In certain situations, employers may suspend loan repayments for a period of time for employees on a leave of absence or military leave. Please refer to Treasury Regulation section 1.72(p)-1, Q&A-9 for more information.

Repayments Must Continue: In implementing a loan program you should be aware that some employers have had to contend with the inability of some participants to repay their loan(s). You should be aware that you may not stop taking loan repayments from the employee's paycheck – even if the employee asks that repayments be stopped. Failure to payroll-deduct loan repayments on schedule could both jeopardize the eligibility or qualification of the entire plan as well as create a taxable event for the participant. Likewise, if an employee is repaying the loan through ACH debit of his/her bank account, and the employee fails to make payments, this could jeopardize the eligibility of your retirement plan. Employers are ultimately responsible for ensuring that loans are repaid according to the loan terms.

MissionSquare will notify both you and the employee if a payment has not been received.

9 LOAN INTEREST RATE

The loan interest rate is set for all loans at the prime rate plus 0.5%. The interest rate for new loans will change when the prime rate changes.

When a new loan is approved, the interest rate is locked in and remains constant throughout the life of the loan.

10 SECURITY/COLLATERAL

At the time a loan is taken, 50 percent of the participant's account balance or the amount of the loan, whichever is less, will be used as collateral for the loan.

11 ACCELERATION (SELECT ONE)

Please specify whether participants who have separated from service will be able to continue loan repayments until they have withdrawn their entire account balance from the plan, or if outstanding loans will be due and payable at the time the participant separates from service.

All outstanding loans shall be due and payable by a participant upon:

- Separation from service.** All loan repayments must stop following an employee separating from service.
- Distribution of his/her entire account balance.** employees can continue making loan repayments until they have withdrawn their entire account balance.

Outstanding loan balances that are not repaid will be reported as distributions to the participant. See the Deemed Distributions section for additional information.

12 REAMORTIZATION

Reamortization changes the terms of an outstanding loan (e.g., repayment period, interest rate, frequency of repayments). Any outstanding loan may be reamortized.

Reamortization cannot extend the repayment period beyond five (5) years from the date the loan was originally issued. Or, in the case of Principal Residence Loans, beyond (the number of years specified in Section 7) years from the date the loan was originally issued.

Participants can use a loan reamortization form to request that an outstanding loan be reamortized. Upon processing the request, a new disclosure statement will be sent to the employer for endorsement by the participant and approval by the employer. The executed disclosure statement must be returned to the plan administrator within 10 calendar days from the date it is signed. The new disclosure statement is considered an amendment to the original promissory note; therefore a new promissory note will not be required.

Note: A loan reamortization will not be considered a new loan for purposes of calculating the number of loans outstanding or the one loan per calendar year limit.

13 REFINANCE

Refinancing involves a new loan replacing an employee's outstanding loan. The refinanced loan must be repaid over a period that does not exceed five (5) years from the date when the original loan was issued.

Actively employed participants may elect to refinance an outstanding loan for an additional amount, subject to the loan amount limitations outlined in Section 6, provided that the participant has not yet taken out a loan during the calendar year. Participants no longer employed are not eligible to refinance an existing loan.

Note: Principal residence loans are not eligible for refinance.

14 REDUCTION OF LOAN

If a participant dies prior to full repayment of the outstanding loan(s), the outstanding loan balance(s) will be deducted from the account prior to distribution to the beneficiary(ies). The unpaid loan amount is a taxable distribution and may be subject to early withdrawal penalties. The participant's estate is responsible for taxes and penalties on the unpaid loan amount, if any. A beneficiary is responsible for taxes due on the amount he or she receives. A Form 1099 will be issued to both the beneficiary and the estate for tax reporting purposes.

15 DEEMED DISTRIBUTIONS

A loan will be deemed distributed when a scheduled payment is still unpaid at the end of the calendar quarter following the calendar quarter in which the payment was due. When a loan is deemed distributed, the principal balance and any accrued interest is reported to the IRS as a taxable distribution. However, since the participant received the loan amount previously, no money is actually paid to the participant as part of a deemed distribution.

The loan is deemed distributed for tax purposes, but it is not an actual distribution and therefore remains an asset of the participant's account. Interest continues to accrue. The outstanding loan balance and accrued interest are reported on the participant's account statements.

Repayment of a deemed distribution will not change or reverse the taxable event.

The loan continues to be outstanding, and to accrue interest, until it is repaid or offset using the participant's account balance. An offset can occur only if the participant is eligible to receive a distribution from the plan as outlined in the plan document. Participants are required to repay any outstanding loan which has been deemed distributed before they can be eligible for a new loan. The deemed distribution and any interest accrued since the date it became a taxable event is taken into account when determining the maximum amount available for a new loan. New loans must be repaid through payroll deduction.

Important Note: The employer is obligated by federal regulation to comply with the loan guideline requirements applicable to participant loans, and to ensure against deemed distribution by monitoring loan repayments, regardless of the method of repayment, and by advising employees if loans are in danger of being deemed distributed. The tax-qualified status or eligibility of the entire plan may be revoked in cases of frequent repayment delinquency or deemed distribution.

To assist plan sponsors whose plan options include loans, MissionSquare will provide reports of participants with payments delinquent by 30 to 89 days, 90 or more days but not yet deemed, and those whose loans have been deemed distributed. MissionSquare is committed to supporting employers who request assistance with their loan programs in order to reduce the number of delinquent loans and decrease the occurrence of deemed distributions.

16 FEES

Fees may be charged for various services associated with the application for and issuance of loans. All applicable fees will be debited from the participant's account balance and/or from the participant's loan repayments prior to crediting the repayment of principal and interest to the participant's account.

17 SIGNATURES

The Employer has the right to set other terms and conditions as it deems necessary for loans from the plan in order to comply with any legal requirements. Employer certifies that all terms and conditions will be administered in a uniform and non-discriminatory manner.

In Witness Whereof, the employer hereby caused these Guidelines to be executed

this (Day of the Month) 9 day of (Month) June, 20 25 (Year).

EMPLOYER

By: Charles Huff

Title: Village Manager

Attest: _____

The Maximum Loan Amount is automatically calculated for you when applying online via Account Access.

The maximum amount a participant can borrow from his or her account is \$50,000 or 50% of the account balance, whichever is less. However, the amount must be reduced by a participant's highest outstanding loan balance over the past 12 months (which, obviously, only impacts participants who have previously taken a loan from a 457(b), 401(a) qualified, or 403(b) plan). The minimum amount a participant can borrow is \$1,000.

EXAMPLE 1

Michael has never taken a loan from his account before and his 457 plan account balance at the close of business yesterday was \$84,000. To calculate the maximum loan amount he is eligible to receive, we need to determine if 50% of his account balance ($\$84,000 \times 50\% = \$42,000$) is greater than or less than \$50,000. In this case, 50% of his account balance is less than \$50,000, so the maximum loan amount Michael is eligible to receive is \$42,000 (the lesser of the two amounts).

EXAMPLE 2

Kathy has never taken a loan from her account before and her 401 plan account balance at the close of business yesterday was \$240,000. In this case, 50% of Kathy's balance ($\$240,000 \times 50\% = \$120,000$) is greater than \$50,000, so the maximum loan amount Kathy is eligible to receive is \$50,000 (the lesser of the two amounts).

EXAMPLE 3

Pam took a \$15,000 loan from her account eight months ago (in the previous calendar year) and her 457 plan account balance at the close of business yesterday was \$130,000. In this case, 50% of Pam's balance ($\$130,000 \times 50\% = \$65,000$) is greater than \$50,000, but that amount must also be reduced by her highest outstanding loan balance over the past 12 months, so the maximum loan amount Pam is eligible to receive is \$35,000. ($\$50,000 - \$15,000 = \$35,000$)

Maximum Loan Amount Worksheet		
WORKSHEET TEMPLATE		EXAMPLE <i>(using numbers from Example 3 above)</i>
1) Enter 50% of your total plan account balance.	1) \$ _____	1) \$65,000
2) Enter the answer to #1 or \$50,000, whichever is less.	2) \$ _____	2) \$50,000
3) Enter your highest outstanding loan balance over the past 12 months (from all of your plans combined), if applicable.	3) - \$ _____	3) - \$15,000
4) Subtract #3 from #2 and you have the maximum amount you are eligible to receive as a new loan or loan refinance.	4) \$ _____ <i>(maximum loan amount)</i>	4) \$35,000

Suggested Resolution for a Legislative Body Relating to Amending a Retirement Plan to Permit Loans

401(a) Money Purchase Plan # **10** _____
 401(a) Profit-Sharing Plan # **10** _____
 457(b) Deferred Compensation Plan # **30** _____
 403(b) Retirement Plan # **40** _____

Name of Employer: _____ State: _____

Resolution of the above named Employer ("Employer")

WHEREAS, the Employer has employees rendering valuable services; and

WHEREAS, the Employer has established a retirement plan (the "Plan") for such employees which serves the interest of the Employer by enabling it to provide reasonable retirement security for its employees, by providing increased flexibility in its personnel management system, and by assisting in the attraction and retention of competent personnel; and

WHEREAS, the Employer has determined that permitting participants in the retirement plan to take loans from the Plan will serve these objectives;

NOW THEREFORE BE IT RESOLVED that the Plan will permit loans.

I, _____, Clerk of the (City, County, etc.) of _____, do hereby certify that the foregoing resolution, proposed by (Council Member, Trustee, etc.) _____, was duly passed and adopted in the (Council, Board, etc.) of the (City, County, etc.) of _____ at a regular meeting thereof assembled this _____ day of _____, 20_____, by the following vote:

AYES: _____

NAYS: _____

ABSENT: _____

Clerk of the (City, County, etc.): _____

Return copies of all completed documents to MissionSquare.

Fax: MissionSquare Plan Services
(844) 677-3297

Mail: MissionSquare Plan Services
P.O. Box 219320
Kansas City, MO 64121-9320

Online: Submit through secure messaging to:
www.employers.msqplanservices.org

This Agreement is not required if you have 1) only one 457(b) plan provider or 2) more than one plan provider each with its own plan document and provisions unique to each provider. The Agreement only applies if you have adopted a single 457(b) plan document under which MissionSquare Retirement and one or more other provider(s) must operate. Please refer to the Multiple Plans/Providers section of the Loan Guidelines Agreement Instructions for more details.

This Agreement shall serve as an Addendum to the Loan Guidelines established by the Employer identified below and as an Addendum to the Administrative Services Agreement (ASA) made by and between the MissionSquare Retirement (MissionSquare) and the Employer.

The Employer currently sponsors a section 457(b) deferred compensation plan administered by two or more providers (co-provider plan). In order to ensure the efficient administration of the loan program established by the Employer, the Employer hereby agrees and declares that

- (1) For purposes of issuing loans from the plan, that portion of the plan's assets administered by MissionSquare will be treated as though it were a separate and distinct plan.
- (2) The Employer shall calculate the amount a participant may borrow from the MissionSquare administered portion of the plan. No loan amount may exceed the lesser of (a) the maximum loan amount specified in Internal Revenue Code section 72(p)(2)(A) or (b) 50% of the participant's MissionSquare-administered account balance.
- (3) All loan repayments must be made to the participant's MissionSquare-administered account for the life of the loan.

AGREED as of the _____ day of _____, 20_____:

Name of Employer: _____ State: _____

Employer Plan Number: **30**_____

Authorized Official (Print Name): _____

Signature of Authorized Official: _____

Return all completed documents to MissionSquare.

Fax: MissionSquare Plan Services
(844) 677-3297

Mail: MissionSquare Plan Services
P.O. Box 219320
Kansas City, MO 64121-9320

Online: Submit through secure messaging to:
www.employers.msqplanservices.org

MISSIONSQUARE RETIREMENT GOVERNMENTAL 401(a) PLAN & TRUST AMENDMENT TO ADD LOANS

- I. Name of Employer: _____ State: _____
- II. MissionSquare Plan # **10** _____
- III. Loans are permitted under the plan, as provided in Article XIII of the Adoption Agreement and in the executed *Loan Guidelines Agreement*.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on

this _____ day of _____, 20_____.

EMPLOYER

By: _____

Title: _____

Attest: _____

Return all completed documents to MissionSquare.

Fax: MissionSquare Plan Services
(844) 677-3297

Mail: MissionSquare Plan Services
P.O. Box 219320
Kansas City, MO 64121-9320

Online: Submit through secure messaging to:
www.employers.msqplanservices.org

NATIONAL BENEFITS SERVICES NON-ERISA 403(b) VOLUME SUBMITTER PLAN 403(b) AMENDMENT TO ADD LOANS

- I. Name of Employer: _____ State: _____
- II. MissionSquare Plan # **40** _____
- III. Loans are permitted under the plan, as provided in Article VII of the NBS Adoption Agreement and in the executed MissionSquare *Loan Guidelines Agreement*.

In Witness Whereof, the Employer hereby causes this Agreement to be executed on

this _____ day of _____, 20_____.

EMPLOYER

By: _____

Title: _____

Attest: _____

Return all completed documents to MissionSquare.

Fax: MissionSquare Plan Services
(844) 677-3297

Mail: MissionSquare Plan Services
P.O. Box 219320
Kansas City, MO 64121-9320

Online: Submit through secure messaging to:
www.employers.msoplanservices.org

**VILLAGE OF NORTH PALM BEACH
PUBLIC WORKS DEPARTMENT**

TO: Honorable Mayor and Council

THRU: Chuck Huff, Village Manager

FROM: Jamie Mount, P.E., Assistant Director of Public Works

DATE: June 26, 2025

SUBJECT: **RESOLUTION – Approval of a State Highway Lighting, Maintenance, and Compensation Agreement with the Florida Department of Transportation for Lighting Facilities on U.S. Highway 1 and Alternate A1A**

Village Staff is seeking Village Council approval of a proposed Agreement between the Village and the Florida Department of Transportation (FDOT) for the maintenance of lighting facilities within FDOT rights-of-way located within the Village's corporate limits. Under this Agreement, the Village will serve as the maintaining agency responsible for the upkeep of the lighting facilities along U.S. Highway 1 and Alternate A1A. The Agreement is for a term of seven (7) years, thereby ensuring long-term collaboration and support for the maintenance of lighting infrastructure.

As part of the Agreement, FDOT will compensate the Village for satisfactory completion of all services detailed in the Agreement, with payments made at the end of each fiscal year. For the fiscal year in which the Agreement is signed, FDOT will provide the Village an initial payment of \$27,827.20. Additionally, the per-light unit rate will increase by 3% each fiscal year. For example, the rate of \$347.84 per light in Fiscal Year 2026 will increase to \$358.28 in fiscal year 2027.

The Village's participation in this Agreement reinforces its commitment to maintaining safe and well-lit infrastructure for residents and visitors. Additionally, execution of the Agreement establishes a clear framework for financial support and operational responsibilities.

Recommendation:

Village Staff recommends Village Council approval of the attached Resolution approving a State Highway Lighting, Maintenance, and Compensation Agreement with the Florida Department of Transportation and authorizing the Village Manager to execute the Agreement in accordance with Village policies and procedures.

RESOLUTION 2025-_____

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA, APPROVING A STATE HIGHWAY LIGHTING, MAINTENANCE, AND COMPENSATION AGREEMENT WITH THE FLORIDA DEPARTMENT OF TRANSPORTATION FOR LIGHTING FACILITIES ALONG U.S. HIGHWAY ONE AND ALTERNATE A1A AND AUTHORIZING THE VILLAGE MANAGER TO EXECUTE THE AGREEMENT ON BEHALF OF THE VILLAGE; PROVIDING FOR CONFLICTS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Florida Department of Transportation has presented the Village with an Agreement whereby the Village agrees to maintain lighting facilities in the U.S. Highway One and Alternate A1A rights-of-way and FDOT agrees to compensate the Village for such maintenance services; and

WHEREAS, the Village Council determines that the adoption of this Resolution in the best interests of the Village and its residents.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF NORTH PALM BEACH, FLORIDA, as follows:

Section 1. The foregoing “whereas” clauses are hereby adopted and incorporated herein.

Section 2. The Village Council hereby approves a State Highway Lighting, Maintenance, and Compensation Agreement with the Florida Department of Transportation, a copy of which is attached hereto and incorporated herein, and authorizes the Village Manager to execute the Agreement on behalf of the Village.

Section 3. All resolutions or parts of resolutions in conflict with this Resolution are hereby repealed to the extent of such conflict.

Section 4. This Resolution shall be effective immediately upon adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 2025.

(Village Seal)

MAYOR

ATTEST:

VILLAGE CLERK

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
**STATE HIGHWAY LIGHTING, MAINTENANCE, AND
COMPENSATION AGREEMENT**

375-020-52
MAINTENANCE
OGC – 02/21
Page 1 of 8

CONTRACT NO. ASM54
FINANCIAL PROJECT NO. 405121-2-78-20
F.E.I.D. NO. F596017984001

THIS AGREEMENT, entered into this _____ day of _____, year of _____, by and between the **STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION**, hereinafter referred to as "**FDOT**", and The Village of North Palm Beach, hereinafter referred to as the "**MAINTAINING AGENCY**";

WITNESSETH:

WHEREAS, **FDOT** is authorized under Sections 334.044 and 335.055, Florida Statutes, to enter into this Agreement, and the **MAINTAINING AGENCY** has the authority to enter into this Agreement and to undertake the maintenance and operation of lighting on the State Highway System; and

WHEREAS, the **MAINTAINING AGENCY** has authorized its undersigned officers to enter into and execute this Agreement;

WHEREAS, **FDOT** has identified sites where lighting and/or lighting systems, hereinafter referred to as "Facilities", are located on the State Highway System within the jurisdictional boundaries of the **MAINTAINING AGENCY**. A list of the Facilities is included as Exhibit A, attached hereto and incorporated herein.

WHEREAS, the **MAINTAINING AGENCY** agrees to maintain the Facilities as further set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein, **FDOT** and the **MAINTAINING AGENCY** hereby agree as follows:

1. Maintenance of Facilities

- a. The **MAINTAINING AGENCY** shall maintain the Facilities listed in Exhibit A. The Facilities may include lighting for roadways, as well as park and ride, pedestrian overpasses, and recreational areas owned by or located on the property of **FDOT**. The Facilities shall not include lighting located in weigh stations, rest areas, or on Interstate highways.

The location and type of lighting to be maintained pursuant to this Agreement is set forth in Exhibit A. Any changes or modifications to Exhibit A must be in writing and signed by both **FDOT** and the **MAINTAINING AGENCY**. Any Facilities added to Exhibit A during the **FDOT's** fiscal year shall be maintained and operated by the **MAINTAINING AGENCY** upon the **FDOT's** final acceptance of installation of any new lighting and/or lighting systems. Prior to the start of each new fiscal year, the **MAINTAINING AGENCY** and **FDOT** shall amend Exhibit A to reflect any changes to the Facilities, including addition, removal, or change in lighting type maintained pursuant to this Agreement.

The **MAINTAINING AGENCY** will be compensated for Facilities added to Exhibit A by amendment of this Agreement in the **FDOT's** fiscal year occurring after the lighting and/or lighting systems are installed and final acceptance of such installation is given by **FDOT**. In the event that no change is made to the previous year's Exhibit A, a certification from the **MAINTAINING AGENCY** shall be provided to **FDOT** certifying that no change has been made to Exhibit A during **FDOT's** previous fiscal year. Unless stated otherwise, all references to fiscal years within this agreement refer to **FDOT's** fiscal year, beginning July 1st and ending June 30th.

- b. In maintaining the Facilities, the **MAINTAINING AGENCY** shall perform all activities necessary to keep the Facilities fully operating, properly functioning, with a minimum of 90% of the lights burning for any lighting type (e.g., high mast, standard, underdeck, and sign) or roadway system at all times in accordance with the original design thereof, whether necessitated by normal wear and tear, accidental or intentional damage, or acts of nature. Required maintenance includes, but is not limited to, providing electrical power and paying all charges associated therewith, routine inspection and testing, preventative maintenance, emergency maintenance, replacement of any component parts of the Facilities (including the poles and any and all other component parts installed as part of the Facilities), and locating (both vertically and horizontally) the Facilities. All repairs or replacement will be in kind unless a variance is approved in writing by **FDOT**.

- c. All maintenance must be in accordance with the provisions of the following:
- (1) Manual of Uniform Traffic Control Devices; and
 - (2) All other applicable local, state, or federal laws, rules, resolutions, or ordinances, and **FDOT** procedures.
- d. For lighting installed as part of a **FDOT** project, the **MAINTAINING AGENCY's** obligation to maintain the Facility commences upon the **MAINTAINING AGENCY's** receipt of notification from **FDOT** that **FDOT** has formally accepted the project, except for the obligation to provide for electrical power, which obligation to provide for electrical power commences at such time as the lighting system is ready to be energized; provided, however, that the **MAINTAINING AGENCY** is not required to perform any activities which are the responsibilities of **FDOT's** contractor.
- Prior to acceptance by **FDOT**, the **MAINTAINING AGENCY** shall have the opportunity to inspect and request modifications/corrections to the installation(s). **FDOT** agrees to make modifications/corrections prior to acceptance so long as the modifications/corrections comply with the installation contract documents and specifications.
- e. The term for this Agreement is seven (7) years. Either party may terminate this Agreement by a notice of termination. The notice of termination must be in writing. Should the **MAINTAINING AGENCY** choose to terminate the Agreement, the **MAINTAINING AGENCY** shall provide a minimum notice period of two (2) fiscal years prior to the effective date of termination and the notice shall be endorsed by the elected body (County Commission, City Council, or local agency governing body) under which the Agency operates. The effective date of the termination will coincide with the end of the **FDOT's** fiscal year of June 30th following the two-year notice.

The termination of this Agreement will not terminate maintenance responsibilities for lighting owned by the **MAINTAINING AGENCY**. Maintenance obligations for lights owned by the **MAINTAINING AGENCY** will remain the responsibility of the **MAINTAINING AGENCY**. Nor does termination of this Agreement operate to relieve the **MAINTAINING AGENCY** of any maintenance obligations contained in other agreements. Maintenance of lights governed by a separate maintenance agreement will continue per the terms of that separate maintenance agreement.

2. Compensation and Payment

FDOT shall pay to the **MAINTAINING AGENCY** a sum of \$ 27,827.20 for the fiscal year in which this Agreement is signed. Payments will be calculated and made in accordance with Exhibit A.

Prior to the beginning of each fiscal year, the **MAINTAINING AGENCY** shall submit an amended Exhibit A or a certification of no change to Exhibit A and **FDOT** and the **MAINTAINING AGENCY** shall agree on the amount and percentage of lighting to be paid for the coming fiscal year. **FDOT** will issue a work order confirming the amount and authorizing the performance of maintenance for each new fiscal year. The work order must be an **FDOT**-signed letter of authorization to the **MAINTAINING AGENCY** with a subject line containing the terms "State Highway Lighting, Maintenance, and Compensation Agreement work order". The work order must reflect the contract number, financial project number, FEID No. of the **MAINTAINING AGENCY**, the fiscal year, the percentage of lighting funded and the lump sum amount to be paid for the fiscal year indicated. The work order must be signed by the **MAINTAINING AGENCY** and returned to **FDOT**. Failure by the **MAINTAINING AGENCY** to take any of the actions required by this paragraph may result in nonpayment by **FDOT**.

FDOT expressly assigns its rights, interests and privileges pertaining to damage to Facilities caused by third parties to the **MAINTAINING AGENCY**, so they may pursue all claims and causes of actions against the third parties responsible for the damage. **FDOT** will assist the **MAINTAINING AGENCY** and will confirm the **MAINTAINING AGENCY's** authorization to pursue recovery. The **MAINTAINING AGENCY** will be responsible for all attorneys' fees and litigation costs incurred in its recovery activities.

3. Record Keeping

The **MAINTAINING AGENCY** shall keep records of all activities and report all maintenance performed and replacement components and parts installed pursuant to this Agreement. The records shall be kept in an electronic format approved by **FDOT**.

Records shall be maintained and made available upon request to **FDOT** during the period of this Agreement and for three (3) years after final payment for the work pursuant to this Agreement is made. Copies of these documents and records will be furnished to **FDOT** upon request.

4. Invoicing

The **MAINTAINING AGENCY** shall invoice **FDOT** annually in a format acceptable to the **FDOT**. Invoices must be submitted no earlier than May 1 and no later than June 15 of the fiscal year in which the services were provided in order to be processed for payment by June 30.

Upon receipt, **FDOT** has five (5) working days to inspect and approve the goods and services. **FDOT** has twenty (20) days to deliver a request for payment (voucher) to the Department of Financial Services. The twenty (20) days are measured from the latter of the date the invoice is received or the goods or services are received, inspected, and approved.

If a payment is not available within forty (40) days, a separate interest penalty at a rate as established pursuant to Section 215.422, Florida Statutes, will be due and payable, in addition to the invoice amount, to the **MAINTAINING AGENCY**. Interest penalties of less than one (1) dollar will not be enforced unless the **MAINTAINING AGENCY** requests payment. Invoices returned to a **MAINTAINING AGENCY** because of **MAINTAINING AGENCY** preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to **FDOT**.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this individual include acting as an advocate for contractors/vendors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted at (850) 410-9724 or by calling the Chief Financial Officer's Hotline, 1-800-848-3792.

The State of Florida's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. In the event this Agreement is in excess of \$25,000 and has a term for a period of more than one (1) year, the provisions of Section 339.135(6)(a), Florida Statutes, are hereby incorporated:

FDOT, during any fiscal year, shall not expend money, incur any liability, or enter into any contract which, by its terms, involves the expenditure of money in excess of the amounts budgeted as available for expenditure during such fiscal year. Any contract, verbal or written, made in violation of this subsection shall be null and void, and no money may be paid on such contract. **FDOT** shall require a statement from the Comptroller of **FDOT** that funds are available prior to entering into any such contract or other binding commitment of funds. Nothing herein contained shall prevent the making of contracts for periods exceeding 1 year, but any contract so made shall be executory only for the value of the services to be rendered or agreed to be paid for in succeeding fiscal years; and this paragraph shall be incorporated verbatim in all contracts of **FDOT** which are for an amount in excess of \$25,000 and which have a term for a period of more than 1 year.

5. Default

In the event that the **MAINTAINING AGENCY** breaches any provision of this Agreement, then in addition to any other remedies which are otherwise provided for in this Agreement, **FDOT** may exercise one or more of the following options, provided that at no time may **FDOT** be entitled to receive double recovery of damages:

- a. Pursue a claim for damages suffered by **FDOT** or the public.
- b. Pursue any other remedies legally available.
- c. As to any work not performed by the **MAINTAINING AGENCY**, perform such work with its own forces or through contractors and seek reimbursement for the cost thereof from the **MAINTAINING AGENCY** if the **MAINTAINING AGENCY** fails to cure the non-performance within fourteen (14) days after written notice from **FDOT** of the non-performance; provided, however, that advance notice and cure will not be preconditions in the event of an emergency.

6. Force Majeure

Neither the **MAINTAINING AGENCY** nor **FDOT** will be liable to the other for any failure to perform under this Agreement to the extent such performance is prevented by an act of God, war, riots, natural catastrophe, or other event beyond the control of the non-performing party and which could not have been avoided or overcome by the exercise of due diligence; provided that the party claiming the excuse from performance has (a) promptly notified the other party of the occurrence and its estimated duration, (b) promptly remedied or mitigated the effect of the occurrence to the extent possible, and (c) resumed performance as soon as possible.

7. Miscellaneous

- a. **FDOT** shall consider the employment by any contractor of unauthorized aliens a violation of Section 274A(e) of the Immigration and Nationality Act. If the contractor knowingly employs unauthorized aliens, such violation will be cause for unilateral cancellation of this Agreement.
- b. The **MAINTAINING AGENCY** shall allow public access to all documents, papers, letters, or other material subject to the provisions of Chapter 119, Florida Statutes, and made or received by the **MAINTAINING AGENCY** in conjunction with this Agreement. Failure by the **MAINTAINING AGENCY** to grant such public access will be grounds for immediate unilateral cancellation of this Agreement by **FDOT**.
- c. This Agreement constitutes the complete and final expression of the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, or negotiations with respect thereto. Without limiting the generality of the foregoing, this Agreement shall replace and supersede all prior agreements between **FDOT** and the **MAINTAINING AGENCY** with respect to maintenance of the lighting and/or lighting systems for the Facilities identified in Exhibit A.
- d. This Agreement is governed by the laws of the State of Florida. Any provision hereof found to be unlawful or unenforceable are severable and will not affect the validity of the remaining provisions hereof.
- e. All notices required pursuant to the terms hereof may be sent by first class United States Mail, facsimile transmission, hand delivery, electronic mail, or express mail and will be deemed to have been received by the end of five (5) business days from the proper sending thereof unless proof of prior actual receipt is provided. The **MAINTAINING AGENCY** must notify the local District of **FDOT** of the appropriate persons for notices to be sent pursuant to this Agreement. Unless otherwise notified in writing, notices must be sent to the following addresses:

MAINTAINING AGENCY:

The Village of North Palm Beach
501 US Highway 1
North Palm Beach, FL 33408

FDOT:

Florida Department of Transportation, District 4
District Maintenance Office
3400 West Commercial Boulevard
Fort Lauderdale, FL 33309

- f. **PUBLIC ENTITY CRIME INFORMATION STATEMENT:** A person or affiliate who has been placed on the convicted vendor list following a conviction for a public entity crime may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity in excess of the threshold amount provided in Section 287.017, Florida Statutes, for **CATEGORY TWO** for a period of thirty six (36) months from the date of being placed on the convicted vendor list.
- g. An entity or affiliate who has been placed on the discriminatory vendor list may not submit a bid on a contract to provide any goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not be awarded or perform work as a contractor, supplier, subcontractor, or consultant under a contract with any public entity, and may not transact business with any public entity.

- h. By signing this agreement the Maintaining Agency certifies that it is not: (1) listed on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, F.S., (2) engaged in a boycott of Israel, (3) or listed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Section 215.473, Florida Statutes. For contracts involving \$1,000,000 or more, if the Department determines the Maintaining Agency submitted a false certification under Section 287.135(5) of the Florida Statutes regarding the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Section 215.473, Florida Statutes, or for contracts involving any amount, if the Maintaining Agency has been placed on the Scrutinized Companies that Boycott Israel List, or is engaged in a boycott of Israel, the Department shall either terminate the Contract after it has given the Maintaining Agency notice and an opportunity to demonstrate the Department's determination of false certification was in error pursuant to Section 287.135(5)(a) of the Florida Statutes, or maintain the Contract if the conditions of Section 287.135(4) of the Florida Statutes are met.
- i. Nothing herein shall be construed as a waiver of either party's sovereign immunity.
- j. **MAINTAINING AGENCY:**
1. shall utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the **MAINTAINING AGENCY** during the term of the contract; and
 2. shall expressly require any subcontractors performing work or providing services pursuant to the state contract to likewise utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the contract term.
 3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Agreement term and following completion of the Agreement if the **Maintaining Agency** does not transfer the records to **FDOT**
 4. Upon completion of the Agreement, transfer, at no cost, to **FDOT**, all public records in possession of the Consultant or keep and maintain public records required by **FDOT** to perform the service. If the Consultant transfers all public records to **FDOT** upon completion of the Agreement, the Consultant shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Consultant keeps and maintains public records upon completion of the Agreement, the Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to **FDOT**, upon request from **FDOT's** custodian of public records, in a format that is compatible with the information technology systems of **FDOT**
 5. Failure by the **Maintaining Agency** to comply with Chapter 119, Florida Statutes, shall be grounds for immediate unilateral cancellation of this Agreement by **FDOT**

IF THE MAINTAINING AGENCY HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE MAINTAINING AGENCY'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT:

District 1

863-519-2623

D1prcustodian@dot.state.fl.us

**Florida Department of Transportation
District 1 – Office of General Counsel
801 N. Broadway
Bartow, FL 33830**

District 6

305-470-5453

D6prcustodian@dot.state.fl.us

**Florida Department of Transportation
District 6 – Office of General Counsel
1000 NW 111 Avenue
Miami, FL 33172-5800**

District 2

386-758-3727

D2prcustodian@dot.state.fl.us

**Florida Department of Transportation
District 2 - Office of General Counsel
1109 South Marion Avenue, MS 2009
Lake City, FL 32025**

District 7

813-975-6491

D7prcustodian@dot.state.fl.us

**Florida Department of Transportation
District 7 - Office of General Counsel
11201 N. McKinley Drive, MS 7-120
Tampa, FL 33612**

District 3

850-330-1391

D3prcustodian@dot.state.fl.us

**Florida Department of Transportation
District 3 - Office of General Counsel
1074 Highway 90 East
Chipley, FL 32428**

Florida's Turnpike Enterprise

407-264-3170

TPprcustodian@dot.state.fl.us

**Turnpike Enterprise Chief Counsel
Florida Turnpike – Office of General
Counsel
Turnpike Mile Post 263, Bldg. 5315
Ocoee, FL 34761**

District 4

954-777-4529

D4prcustodian@dot.state.fl.us

**Florida Department of Transportation
District 4 – Office of General Counsel
3400 West Commercial Blvd.
Fort Lauderdale, FL 33309**

Central Office

850-414-5355

COprcustodian@dot.state.fl.us

**Office of the General Counsel
Florida Department of Transportation
605 Suwannee Street, MS 58
Tallahassee, Florida 32399-0458**

District 5

386-943-5000

D5prcustodian@dot.state.fl.us

**Florida Department of Transportation
District 5 – Office of General Counsel
719 South Woodland Boulevard
Deland, FL 32720**

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION
**STATE HIGHWAY LIGHTING, MAINTENANCE, AND
COMPENSATION AGREEMENT**

8. Certification

This document is a printout of an **FDOT** form maintained in an electronic format and all revisions thereto by the **MAINTAINING AGENCY** in the form of additions, deletions, or substitutions are reflected only in an Appendix entitled "Changes to Form Document" and no change is made in the text of the document itself. Hand notations on affected portions of this document may refer to changes reflected in the above-named Appendix but are for reference purposes only and do not change the terms of the document. By signing this document, the **MAINTAINING AGENCY** hereby represents that no change has been made to the text of this document except through the terms of the Appendix entitled "Changes to Form Document."

You **MUST** signify by selecting one of the applicable options:

- No changes have been made to this Forms Document and no Appendix entitled "Changes to Form Document" is attached.
- No changes have been made to this Form Document, but changes are included on the attached Appendix entitled "Changes to Form Document."

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective the day and year first written.

MAINTAINING AGENCY

BY: (Signature) _____

Date: _____

(Printed Name: _____)

(Printed Title: _____)

STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

BY: (Signature) _____

Date: _____

(Printed Name: Paul A. Lampley, P.E.)

(Printed Title: Director of Transportation Operations)

FDOT Legal Review

BY: (Signature) _____
Counsel

Date: _____

(Printed Name: Elizabeth S. Quintana)

Exhibit A
STATE HIGHWAY LIGHTING, MAINTENANCE, AND COMPENSATION AGREEMENT
For Fiscal Year 2026-2027

1.0 PURPOSE

This exhibit defines the method and limits of compensation to be made to the **MAINTAINING AGENCY** for the services described in this Agreement and method by which payments will be made.

2.0 FACILITIES

The lighting or lighting systems listed below, or in an attached spreadsheet, or other electronic form are included with this Agreement and represent the Facilities to be maintained by the **MAINTAINING AGENCY**:

1. See attached spreadsheet.

2. _____

3. _____

4. _____

5. _____

6. _____

3.0 COMPENSATION

For the satisfactory completion of all services detailed in this Agreement, **FDOT** will pay the **MAINTAINING AGENCY** the Total Sum as provided in Section 2 of the Agreement. The **MAINTAINING AGENCY** will receive one single payment at the end of each fiscal year for satisfactory completion of service.

The per-light unit rate shall increase by 3% each fiscal year. E.g., the per-light unit rate of \$347.84 in fiscal year 2026 shall increase to \$358.28 in fiscal year 2027.

Total Payment Amount for each fiscal year is calculated by inputting the actual number of qualifying types of lights into the table below and multiplying by the unit rate and ____%. Example: 330 (lights) x \$ _____ (unit rate) x 0.90 (90% requirement) = \$ 0.00

Type of Light	# of lights	LED or HPS	Unit rate	0.00%	Total
High Mast		HPS	0.00	0.00	0.00
Standard		HPS	0.00	0.00	0.00
Underdeck		HPS	0.00	0.00	0.00
Sign		HPS	0.00	0.00	0.00
High Mast		LED	0.00	0.00	0.00
Standard		LED	0.00	0.00	0.00
Underdeck		LED	0.00	0.00	0.00
Sign		LED	0.00	0.00	0.00

The Village of North Palm Beach

Section No.	City	State Road	Local Name	Mile Post		Side	Total No. of Poles	Remarks
				From	To			
93080000	North Palm Beach	A1A		3.244	4.987	E	0	
93080000	North Palm Beach	A1A		5.973	6.207	E	0	
93080000	North Palm Beach	A1A		3.244	4.987	W	0	
93080000	North Palm Beach	A1A		5.973	6.207	W	0	
93040000	North Palm Beach	5	Federal Hwy	0.384	3.004	E	70	
93040000	North Palm Beach	5	Federal Hwy	0.384	3.004	W	10	

Totals

80