



Nassau-Amelia Utilities



Nassau Amelia Utility American Beach Community Septic & Water System Conversion Project Update

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System Manager**

Florida Governmental Utility Authority (FGUA)

June 27, 2020

Recap of Water/Sewer Significant Events

- **GAI Master Development Plan for Water/Sewer Conversion for approximately 317 lots
September 2016**
- **American Beach Well & Septic Tank Phase - Out GAI
Program Report
September 2018**

Recap of Water/Sewer Significant Events (con't)

- **Confirms NAU has sufficient water and wastewater treatment capacity to serve customers**
- **Develops Conceptual Plans**
- **Develops Opinion of Probable Construction Cost (OPPC)**

Water & Sewer Significant Events (cont'd)

- **GAI Well and Septic Phase Out Program- Including Updated Cost** **December 2018**

<u>Description</u>	<u>(In Thousands)</u>		
	<u>Water</u>	<u>Sewer</u>	<u>Total</u>
To Private Property Right of Way	\$2.593	\$4.914	\$7.507

- **Community Survey finds Water & Sewer among most important improvements needed in American Beach** **December 2019**

Recap of Water/Sewer Significant Events (cont'd)

- **Nassau County engages FGUA to assist
Oct-Nov 2019**
- **FGUA- Nassau County Interlocal for Capital Improvements
Approved
Dec 2019**
- **Household Income Survey Conducted
Feb 2020**
- **FDEP Grant Agreement Approved
Apr 2020**

Recap of Water/Sewer Significant Events (cont'd)

- **FGUA Work Authorization for American Beach Approved by County**
Apr 2020
- **Requests for Full Project Funding (RFI) sent to FDEP**
May 2020
- **FGUA Board Approval of engineering work for Planning Document**
June 18, 2020
- **Community Update Meeting (Now)**
June 27, 2020

Window for Maximizing External Revenue

- **State Environmental Priorities**
 - **Groundwater protection, water quality**
- **Adjacent to Atlantic**
- **Between two aquatic preserves- Nassau River- St. Johns River Marshes Aquatic Preserve and Fort Clinch Aquatic Preserve**
- **Failing Septic Systems; Water Supply in proximity to well water**

Maximizing External Revenue

- **Principal Forgiveness (PF) State Revolving Fund (SRF) Program; Up to 70% of low interest loan “forgivable” if eligible**
- **Special EPA- State FDEP Program aimed toward smaller communities with affordability constraints**
- **Up to \$4 million potential for sewer and \$3 million potential for water**

Maximizing External Revenue (cont'd)

- **SRF- PF funds only allocable to “cities, counties, and special districts” of populations of 15,000 or less**
- **Household Income Survey performed in Feb to determine eligibility; Feb report finds community to be eligible**

Summary Results of Household Income Survey

- **Conducted 3-day period February 27, 28 and 29th, 2020**
- **Questionnaire was modified version of CDBG Form**
- **Random sample originally planned but became 100% due to high vacancies**

Summary Results of Household Income Survey (cont'd)

- **Median household income for study area is \$35,000 - below statewide median of \$53,627**
- **Area per capita income is \$29,300 - below statewide per capita of \$30,197**

Summary Results of Household Income Survey- Improved Properties (cont'd)

AMERICAN BEACH HOUSEHOLD SURVEY



Project Planning Assumptions

- **“Necessity Finding” boundaries completed last year with addition of NAU plant property (impact fee eligibility); 355 total parcels per GIS**
- **Maximum Potential SRF - PF funding (\$4 million sewer, \$3 million water)**
- **County Commission Creation of Special District as SRF-PF applicant**

Project Planning Assumptions

- **Per Parcel values require conversion to per – Equivalent Residential Connection (ERC) based assessment**
- **Special Assessment to be imposed for:**
 - **Loan Payment not “forgivable” (approximately 30% of project cost at 2% interest over 20 years)**
 - **On-site private property cost**

Potential Special Assessment Estimates

AMERICAN BEACH WATER & SEWER SYSTEM COST ESTIMATE SUMMARY

<u>ITEM DESCRIPTION</u>	<u>UPDATED COST ESTIMATE</u>		
	<u>TOTAL WATER SYSTEM COST</u>	<u>TOTAL SEWER SYSTEM COST</u>	<u>TOTAL SEWER SYSTEM COST</u>
Total Construction & Overhead Costs	\$ 1,687,200.00	\$ 3,423,800.00	\$ 5,111,000.00
Other Services (e.g. engineering)	\$ 506,400.00	\$ 1,027,200.00	\$ 1,533,600.00
Total Impact Fees	\$ 516,780.00	\$ 557,612.00	\$ 1,074,392.00
TOTAL PROJECT COST	\$ 2,710,380.00	\$ 5,008,612.00	\$ 7,718,992.00

*** Excludes private property connection costs not eligible for state funds; estimated up to \$5,000/parcel; potential for grant funding and/or specially assessed**

Potential Special Assessment Estimates (cont'd)

Scenario 1 - 70/30 Funding split - 10 Years Financing

	<u>Water</u>	<u>Sewer</u>	<u>Water & Sewer</u>
Projected Costs - SRF Grant @ 70%	\$1,897,266	\$3,506,028	\$5,403,294
Projected Costs - Property Owners @ 30%	<u>\$813,114</u>	<u>\$1,502,584</u>	<u>\$2,315,698</u>
Total Project Costs	\$2,710,380	\$5,008,612	\$7,718,992
Initial Prepayment Amount	\$2,823.31	\$5,217.30	\$8,040.62
Annual Assessment Amount (based on 10 years @ 2% interest)	\$397.00	\$717.40	\$1,114.40

Potential Special Assessment Estimates (cont'd)

Scenario 2 - 70/30 Funding split - 15 Years Financing

	<u>Water</u>	<u>Sewer</u>	<u>Water & Sewer</u>
Projected Costs - SRF Grant @ 70%	\$1,897,266	\$3,506,028	\$5,403,294
Projected Costs - Property Owners @ 30%	<u>\$813,114</u>	<u>\$1,502,584</u>	<u>\$2,315,698</u>
Total Project Costs	\$2,710,380	\$5,008,612	\$7,718,992
Initial Prepayment Amount	\$2,823.31	\$5,217.30	\$8,040.62
Annual Assessment Amount (based on 15 years @ 2% interest)	\$292.67	\$524.60	\$817.26

Potential Special Assessment Estimates (cont'd)

Scenario 3 - 70/30 Funding split - 20 Years Financing

	<u>Water</u>	<u>Sewer</u>	<u>Water & Sewer</u>
Projected Costs - SRF Grant @ 70%	\$1,897,266	\$3,506,028	\$5,403,294
Projected Costs - Property Owners @ 30%	<u>\$813,114</u>	<u>\$1,502,584</u>	<u>\$2,315,698</u>
Total Project Costs	\$2,710,380	\$5,008,612	\$7,718,992
Initial Prepayment Amount	\$2,823.31	\$5,217.30	\$8,040.62
Annual Assessment Amount (based on 20 years @ 2% interest)	\$240.76	\$428.67	\$669.42

Next Steps

Current Path Forward

- **Complete work required by current \$400,000 State FDEP grant**
 - **Pre-construction planning**
 - **Preliminary design**
 - **Community engagement**

Next Steps

Current Path Forward (cont'd)

- **Meet FDEP requirements for project state funding application**
 - **Submit Draft Facilities Plan - Aug 1**
 - **Submit Final Facilities Plan - Aug 31**
 - **Hold Public Participation meeting for Plan**
- **County Commission to form Special District July-Aug for application**

Current Path Forward cont'd

- **FDEP Funding Determination meeting- November 11, 2020**
- **Complete Grant work and submit SRF Design Phase Loan application by Dec 31, 2020**
- **Approval of SRF loan agreement – January 2021**

Current Path Forward cont'd

- **Complete final design/permitting – Feb-Aug 2021**
- **Secure SRF Construction Funding – November 2021**
- **Commence Construction – 1st Quarter 2022**

Questions/Discussion