



American Beach Water and Sewer District Advisory Board Meeting

4:00 PM, June 10, 2021

James S. Page Governmental Complex, 96135 Nassau Place
Yulee, FL 32097

CALL TO ORDER

INVOCATION

PLEDGE OF ALLEGIANCE

ROLL CALL

AUDIENCE INPUT – NON-AGENDA ITEMS

A. [How to Provide Input](#)

AUDIENCE INPUT – NON-AGENDA ITEMS

B. [How to Provide Input](#)

NEW BUSINESS

C. Approve Minutes from [Regular Meeting held May 13, 2021](#).

DISCUSSION

D. Presentation re: 90% Design Update – Florida Governmental Utility Authority (FGUA)

INFORMATIONAL

E. Survey Ballot Update – Taco E. Pope, County Manager

F. External Funding Sources Updates – Taco E. Pope, County Manager and Steve Spratt,
FGUA

G. Undergrounding Utilities/FPU - Taco E. Pope, County Manager

H. Roadway Improvements/Nassau County Capital Improvement Program Taco E. Pope,
County Manager

ADJOURNMENT

AUDIENCE INPUT – AGENDA AND NON-AGENDA ITEMS

TAB A AND B

You are invited to a Zoom webinar.

When: This is a recurring webinar

Topic: American Beach Water and Sewer Advisory Board

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/87398540013?pwd=NDJDSFEwb1ArN0NycklRWkdpa3NzZz09>

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**AMERICAN BEACH WATER AND SEWER DISTRICT ADVISORY BOARD MEETING
MAY 13, 2021 – 4:00 P.M.
COMMISSION CHAMBERS – JAMES S. PAGE GOVERNMENTAL CENTER,
YULEE, FL**

An advertised meeting of the American Beach Water and Sewer District Advisory Board was held this 13th day of May 2021 at 4:00 p.m. at the Commission Chambers, James S. Page Governmental Complex, Yulee, Florida. Present were Board Members Eugene Emory, Ruth Waters, Colleen Hicks, Tony Brown (arrived at 4:22 p.m.), and Chair Erving Gilyard. Also present were Michael S. Mullin, County Attorney; Taco Pope, County Manager; Amy Bell, Administrative Manager; and Heather Nazworth and Melissa Lucey, Deputy Clerks. Also present was Stephen Spratt representing Florida Governmental Utility Authority (FGUA) via Zoom.

Chair Gilyard called the meeting of the Advisory Board to order at 4:01 p.m.

Mr. Mullin reviewed the procedures for attending the meeting in-person and remotely for (Tab A) Non-Agenda Items and (Tab B) Agenda Items.

The Board considered Tab C, approval of minutes. It was moved by Board Member Waters, seconded by Board Member Emory to approve the minutes as presented from the regular meeting held on April 15, 2021, and the special meeting held on May 1, 2021. The vote carried unanimously with four ayes. Board Member Brown was absent.

The Board addressed Tab D, update on construction estimate and assessment. The Board of County Commissioners approved the resolution that provided the straw ballot. Mr. Spratt advised that consulting engineers revised their estimation of the project construction cost for the referendum resolution. He provided a PowerPoint presentation highlighting the original cost estimate of \$8 million in the Facilities Plan; however, due to a significant increase in materials costs, the project estimate is now \$9 million, a 12 percent increase for the sewer. He provided a brief overview of the 13 percent increase of the sewer project cost breakdown, including the material cost increase of 20 percent. Mr. Spratt pointed out that the estimated cost remained the same for design, permit, and administration. He explained that the contingency costs would be reduced from 35 percent to 20 percent due to the rise in materials costs. Mr. Spratt provided a summary of cost changes relating to the restricted principal forgiveness loans, State Revolving Fund (SRF) interest rate, billing units, and the estimated annual Equivalent Residential Connection (ERC) rate.

Mr. Spratt responded to questions posed by a Board member regarding the previously approved loan agreement for the sewer. He explained that the District granted 80 percent forgiveness or waiver grants on the design funding with Nassau Amelia Utilities (NAU) Reserves funding the remainder of the 20 percent. The District gave 50 percent forgiveness or waiver grants on the water system design regarding the loan agreement for water. Mr. Spratt is hopeful that with the continued support from the FDEP that the District would grant a higher percentage for the design loan for the water system construction. He explained that with the high-cost impacts of materials, a 20 percent contingency was built into the estimate to cover any applicable increases. He mentioned that in August 2021, the Invitations to Bid (ITBs) would be advertised for this project. The design-permitted project would be sent to the State in June 2021. Mr. Spratt explained that the contingency rate was higher initially to cover any associated increase of costs.

Regarding Tab E, an update regarding Florida Public Utility (FPU) Underground Utilities, Mr. Pope advised that he had discussions with the Government Affairs Liaison about receiving a non-binding estimate for installing underground utilities along Gregg Street and Lewis Street. In addition, he had

requested insight on installing 'vaults' boxes for empty conduits to help lower the future cost of the underground utility.

The Board considered Tab F, update regarding American Beach roadway improvements. Mr. Pope advised that the board members had requested an estimate of the total cost to pave the existing dirt and unpaved portions of the roadways in American Beach at the initial meeting. The County Engineer who collaborated with the consulting engineer had estimated that the total estimate is roughly \$507,000.00. Mr. Pope pointed out these funds would need to be issued for the Fiscal Year 2021/2022 budget based on the construction timing.

It was moved by Board Member Brown and seconded by Board Member Hicks that the Advisory Board recommends to the Board of County Commissioners consideration of paving the unpaved roads in American Beach at the estimated cost of \$507,400.00 as a capital expense in the budget for the Fiscal Year 2021/2022. The vote unanimously carried.

The Board addressed Tab G, discussion of the resolution of intent for mandatory connection. Mr. Pope requested further guidance from the Advisory Board regarding legacy properties. Board Member Hicks recalled that the intent was to protect legacy homeowners who may be in jeopardy of losing their homes due to higher taxes resulting from the assessment. Board Member Brown recommended hardship assistance being available to homestead residential property; and low-income persons at 80 percent to be raised to 120 percent. In his opinion, Board Member Brown suggested adding language for staff monitoring the evidence indicating the transfer of property to another family member to maintain the ownership instead of a market rate sale. Board Member Brown inquired about the income cap language on the asset test. Mr. Pope advised that he will bring back the methodology of the calculations to the next meeting. Board Members Waters stated that the income level might be far less than anticipated for families who acquired legacy property and inquired whether the Board could assist with creating wills. Mr. Mullin suggested that the board members speak individually to an estate attorney. Regarding hardship assistance, Board Member Brown recommended removing the criteria of the income of other occupants.

Board Member Emory addressed a previous discussion regarding whether the assessment could be added to utility bills. Mr. Mullin indicated that staff would have to review the loan conditions and consider the percentages of the delinquency rate for utilities. Board Member Brown expressed concern that delinquent taxes from citizens could result in the loss of their property. He inquired what would be enforceable if a lien was placed and recommended that language be added to exempt any type of enforcement other than restricting selling or refinancing the property. Mr. Spratt commented that one of the unique characteristics of this District is the high percentage of vacant parcels. He advised that the staff would need to review the loan and agreement terms regarding pledged revenue. Discussion ensued regarding the Sunshine Law and discussions of topics related to this Board outside of the boardroom.

There was a motion by Board Member Brown and a second by Board Member Hicks to raise the hardship eligibility from 80 percent to 120 percent of the median household income in the mandatory connection resolution. After a brief discussion, Board Member Hicks pointed out that this motion was made at the May 1, 2021 meeting. Board Members Brown and Hicks rescinded their motion and second.

Board Member Brown commented that he was uncertain how the other Board Members felt about the asset test but was willing to make a motion if there was a strong consensus relating to removing the asset test from the hardship assistance. Mr. Pope advised that this discussion was addressed at the last meeting and brought back for further consideration. Board Member Brown requested that the minutes reflect that he is requesting staff to make an effort to include a transfer of title to the provisions for properties previously homesteaded when transferred by quick claim deed to be grandfathered into the hardship

assistance. He further stated that this provision would allow the property owner time to apply for hardship assistance if the transfer of title occurred within a specific amount of time, specifically for a legacy property when the property owners' network does not match their income. Mr. Mullin advised that staff would review this.

Carlton Jones, a resident of American Beach, inquired whether there would be a prepayment penalty on the forgivable portion of the loan. Mr. Spratt confirmed that the local share would not have a prepayment penalty. Mr. Jones stated that the local share gap is estimated to be \$1.9 million based upon his calculations. He pointed out that with 290 lots, each parcel owner would be responsible for paying a total of \$6,551.72 or \$327.59 annually. He recommended seeking grants, noting that the federal government has several grants available for infrastructure. Mr. Spratt clarified that the local share of the \$9 million is estimated between \$2.7 and \$2.9 million, depending on the percentage that the state will forgive.

Board Member Brown inquired if it would be appropriate to add a line item into the budget for a grant writer that would work specifically for the American Beach Water and Sewer District. Mr. Spratt explained that it would have to be outside the SRF loan program; however, the funding could go through the special assessment program if the assessment resolution contained that stipulation. He explained that the current assessment resolution is based on leveraging or providing pledged revenue for the loan and incidental costs. Mr. Jones commented that a grant writer would be a good investment and that the focus should be that this is a life safety issue on American Beach. After a brief discussion regarding the Sunshine Law, Mr. Mullin explained that any committee established by local government or local government must strictly adhere to the rules; otherwise, there may be penalties. There was a consensus of the Board to direct staff to research the services of a grant writer for discussion at a later date.

There being no further business, the American Beach Water and Sewer District Advisory Board meeting adjourned at 5:39 p.m.