

Gulf Breeze Regional Water System Budget Workshop

AUGUST 2ND

FY21-22



**GULF
BREEZE
REGIONAL
WATER
SYSTEM**

Regional Board Members



- ▶ **Tom Naile, Chairman**
32561 (Chairman)
- ▶ **Mark Meister**
32563 (Vice Chairman)
- ▶ **Beverly Zimmern**
32561
- ▶ **Bobby Potomski**
32561
- ▶ **Robert Davies**
32563
- ▶ **Terry Mills**
32563
- ▶ **Bill Stanford**
32563

Today's Agenda

- Master Plan for Improvements
- Fiscal Year 2021 Year End Review
- Fiscal Year 2022 Spending Plan Considerations





MASTER PLAN FOR WATER & SEWER IMPROVEMENTS

Gulf Breeze Regional Water System



GULF
BREEZE
REGIONAL
WATER
SYSTEM

RAFTELIS RATE STUDY



Adjust Rates

- Establish Parity: lower the rate for outside customers to the same as City
- Increase the Surcharge from 6% to 10% to mimic the City customers PILOFF
 - Surcharge funds stays within the Utility Fund
 - Increase rates inside and outside the city 6% annually for FY2022 through FY2025



Combine Funds into one utility fund



Build and maintain emergency operating reserves

Minimum of 6 months operating expenses, or \$4.5M



\$7M in deferred maintenance & repair and replacement

Sell surplus utility lands for \$5.1M and use for deferred maintenance & repair and replacements.

The land sales are made possible by a 2019 Memorandum of Agreement RE: South Santa Rosa County Beneficial Reuse Strategic Plan which expands reclaim disposal.

PLAN OBJECTIVES

Objectives	Tasks	Performance Measurement
Make fund self sufficient	<ol style="list-style-type: none"> 1. Adjust rates and combine funds 2. Establish initial emergency cash operating reserve then build to 6-month 	<ol style="list-style-type: none"> 1. Rate adjustment passed by 9/30/21 2. Combine funds into one for FY22 3. Establish \$1M operating reserve by 9/30/21 and increase to a 6-month reserve by FY26
Improve the reliability of the water and sewer systems and harden systems for future storm events	<ol style="list-style-type: none"> 1. Lift station improvements 2. SCADA upgrades 3. Water and sewer main repairs and replacement 4. Raise lift station controls in areas vulnerable to storm surge 5. Add bypass pumps to stations vulnerable to power outages 	<ol style="list-style-type: none"> 1. Reduce SSOS by 50% by 9/30/21 2. Reduce I&I by 50% by 9/30/22 3. All stations upgraded with SCADA by FY23 4. Reduce after hours callouts by 50% by 9/30/22 5. City Water Plant refurbished by FY23
Meet current and future demands	<ol style="list-style-type: none"> 1. WWTF Expansion 2. Eastern collection system capacity upsizing 3. Regional Reclaim Expansion 4. Complete GIS Mapping System 5. Establish and maintain Asset Management Plan (AMP) 	<ol style="list-style-type: none"> 1. WWTF Expansion completed by FY24 2. Capacity study completed by FY22 3. Reclaim Expansion FY23-25 4. GIS Mapping completed by FY22 5. AMP completed by FY24
Enhance and protect environmental quality	<ol style="list-style-type: none"> 1. Convert septic systems to sewer 2. Lift station improvements 3. Sewer main repairs and replacements 	<ol style="list-style-type: none"> 1. City-wide STS by 2029 2. Soundside STS by 2024 3. Reduce SSOs by 50% by 9/30/22 4. Reduce I&I by 50% by 9/30/22

FUNDING SOURCES

LAND SALES

- 45 acre sale to SRC School Board: \$470K
- East Course Sale: \$521K
- ERS 1: \$1.2M
- ERS 3 under contract: \$2.9M net
- **TTL Revenues: \$5.1M**

Debt Service

- Future SRF Loan: **\$24.2M**

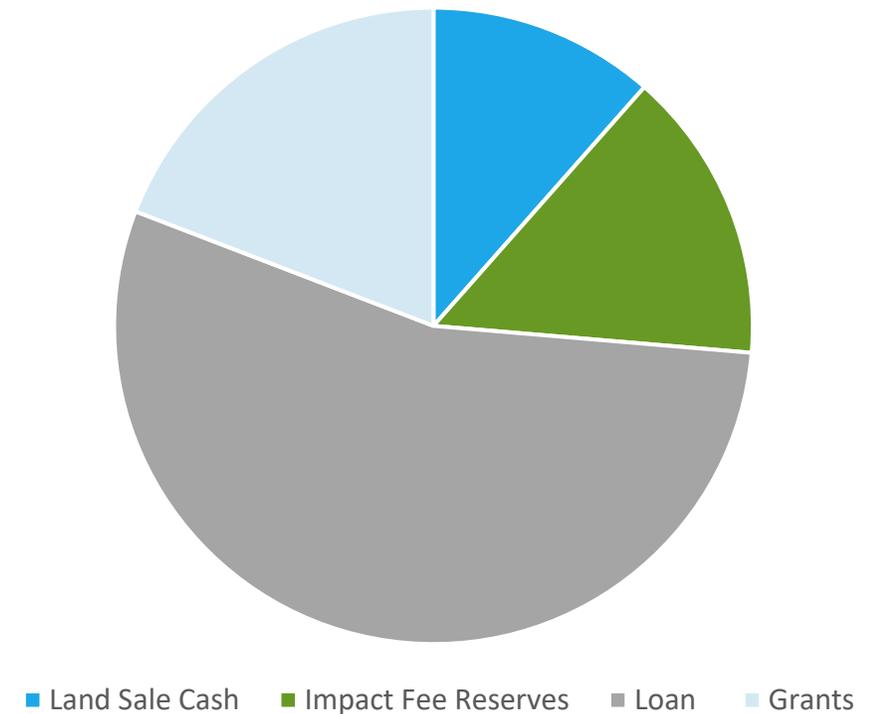
IMPACT FEE RESERVES: \$6.6M

- \$4M in CD
- \$.6M carryover from FY20
- \$2M YTD FY21

GRANTS \$8.5M

RESTORE: \$6M
NWFWMD: \$2.5M

FUNDING BREAKDOWN



FUNDING TARGETS

LAND SALES: \$5.1M CASH

- Emergency Cash Reserve \$1M kick start
- Deferred maintenance and repairs, replacements and hardening:
 - Infrastructure improvements
 - SCADA upgrades to lift stations
 - Hardening lift stations
 - Equipment

IMPACT FEES: \$6.6M

- Capacity Projects: City STS, WWTF Expansion, Eastern Collection System Capacity, Reclaim Expansion

Grants: \$8.5M

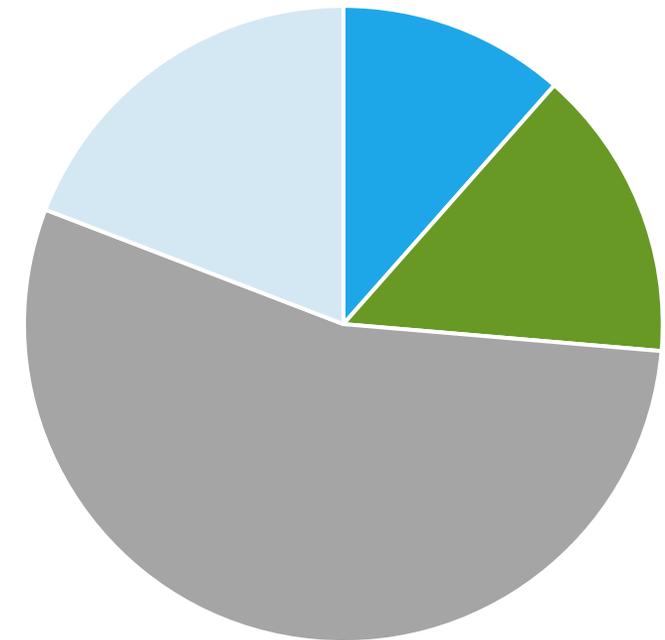
- Restore \$6M WWTF Expansion
- NFWFMD \$2.5M Regional Reclaim PHIII

Debt Service:

\$24.2M

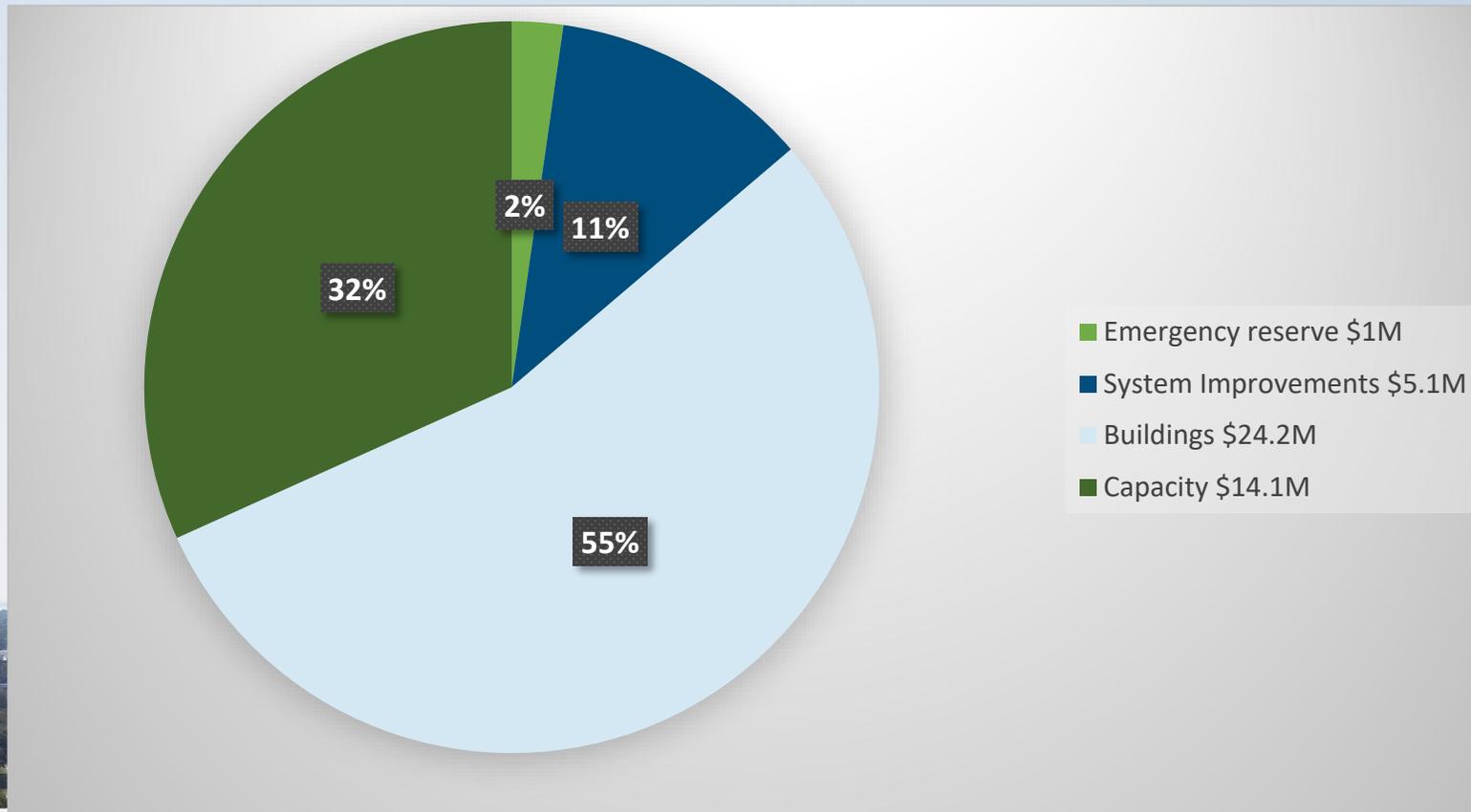
- Building Projects: Field ops expansion, Water Plant Rehab, WWTF Expansion

FUNDING BREAKDOWN



■ Land Sale Cash ■ Impact Fee Reserves ■ Loan ■ Grants

FUNDING SUMMARY \$44.4M



QUESTIONS?



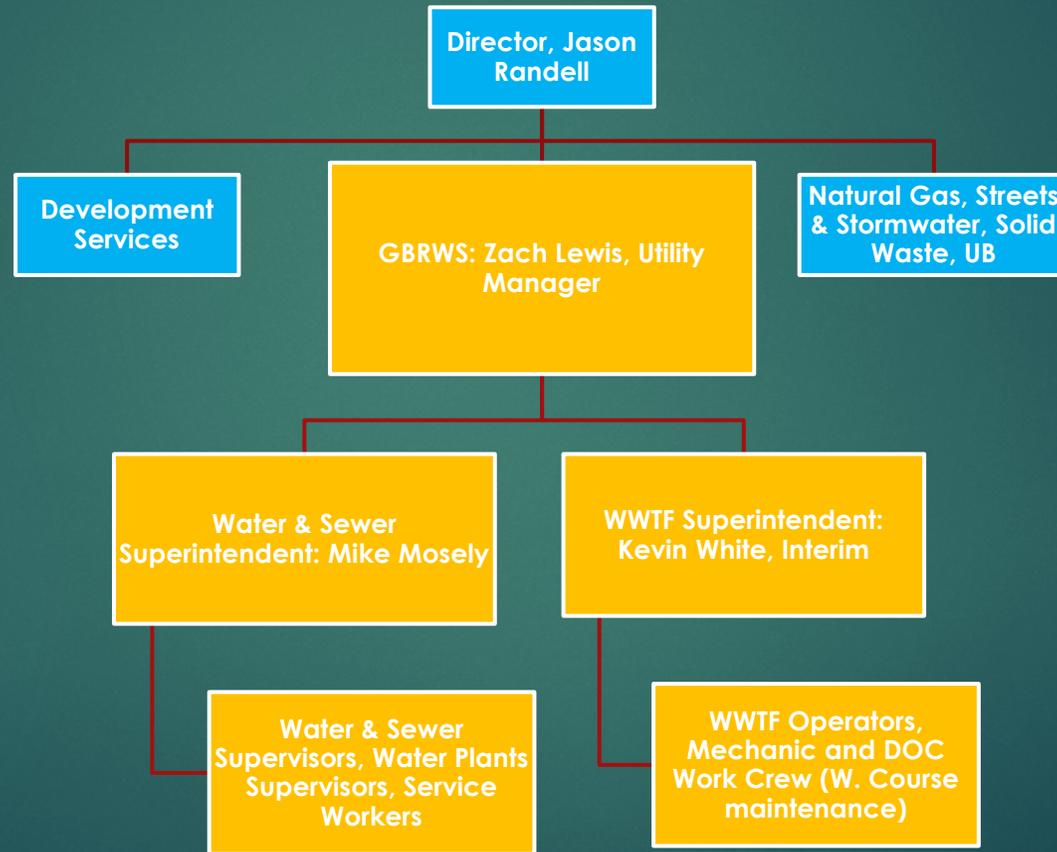
GULF
BREEZE
REGIONAL
WATER
SYSTEM



FY 21 YEAR END REVIEW



Department of Public Works



Fund 403 FY21 Financial Performance

- ▶ Year end revenues and expenses expected to be balanced at \$11,348,220.
- ▶ Impact fee revenues: \$2M
- ▶ Impact fee restricted reserve total balance \$6.6M
- ▶ Land Sales Net Proceeds: \$2.2M
 - ▶ 45 acre parcel of west course: \$470K
 - ▶ East Course: \$520K
 - ▶ ERS 3: \$1.2M

FY21 Operational Performance

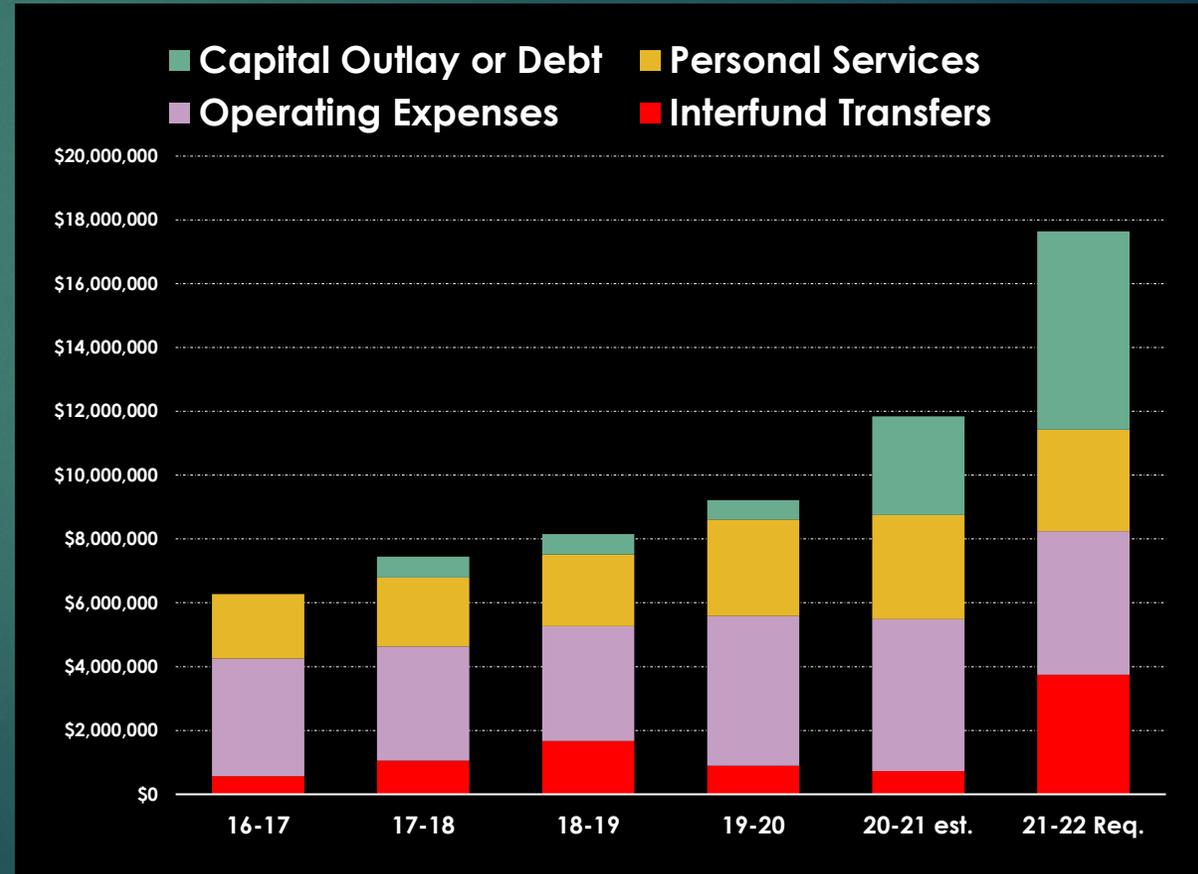
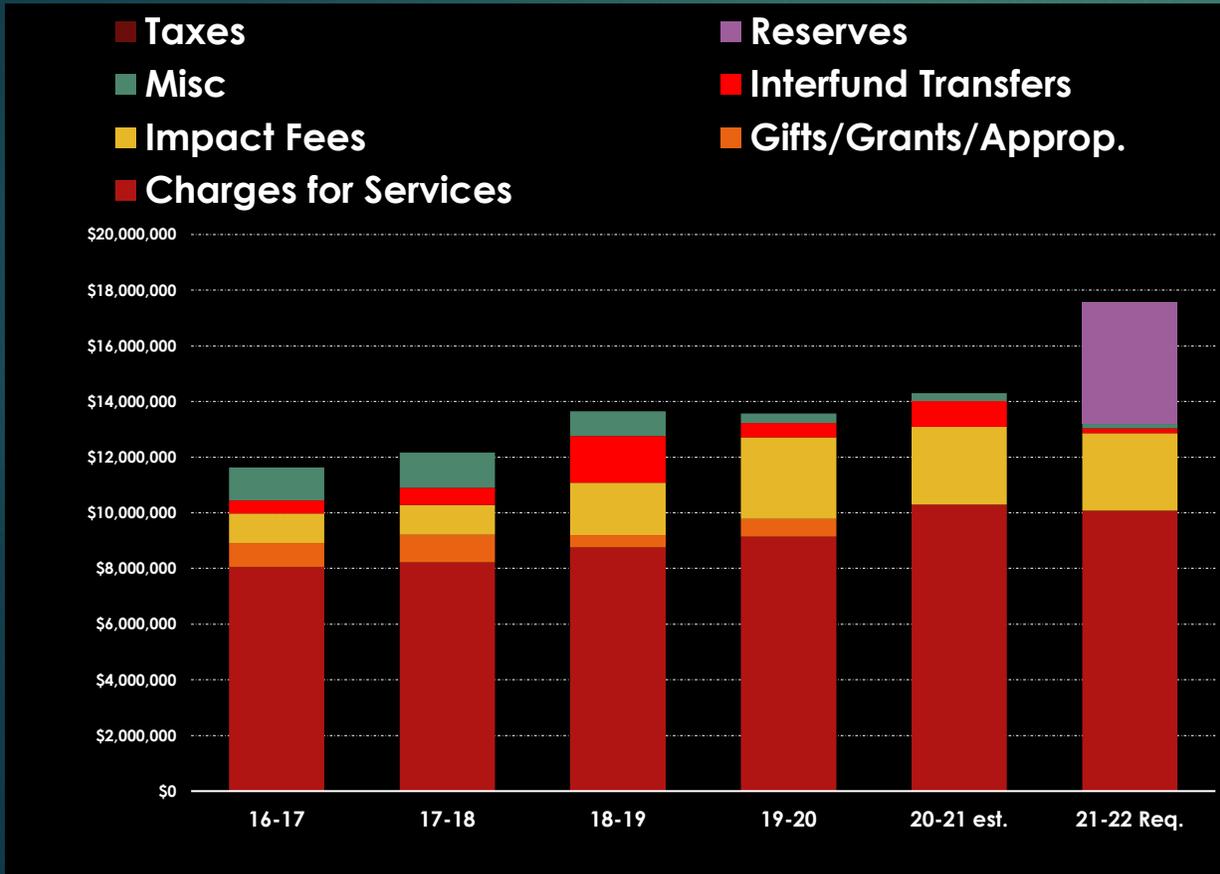
- ▶ 100% compliance in water and wastewater permitting standards
- ▶ 65% of water and sewer infrastructure entered into new GIS mapping system
- ▶ 18-month rate study completed with multiple public workshops and presentations
- ▶ Master plan for water and sewer improvements initiated from CIP
- ▶ Combining utilities and rebranding to Gulf Breeze Regional Water System (GBRWS)

FY22 SPENDING PLAN



FY22 SPENDING PLAN

Fund 400 spending plan provides for a balanced budget of \$17,641,437. The budget includes funding from Impact Fee Reserves brought forward to fund capacity-related projects, and the addition of (1) Irrigation Technician Position.



Thank you!



GULF
BREEZE
REGIONAL
WATER
SYSTEM



CITY OF
GULF BREEZE
1961