CITY COMMISSION AGENDA ITEM
City of Fernandina Beach

SUBJECT: Ordinance 2025-01
Capacity Fees - Water & Wastewater

ITEM TYPE: Ordinance (w/ fiscal impact)

REQUESTED ACTION: Consider Ordinance 2025-01 at First Reading.

SYNOPSIS: The City is committed to providing adequate water and sewer facilities for the residents of the City and surrounding areas served or to be served by the City's water and sewer systems. New development, or change in use, renovations, expansions, or building modifications to existing structures, impose increased and excessive demands upon the water and sewer systems, and will continue and will place ever-increasing demands on the City to provide adequate water and sewer, which demands should be satisfied by shifting the responsibility for financing the construction and/or reconstruction of infrastructure for the water and wastewater systems from the existing rate payers to the new users creating the demands. The imposition of system capacity fees, sometimes referred to as connection fees, is an accepted method of paying for capital improvements and infrastructure that must be constructed to serve new growth, including debt service for such capital improvements.

The City's capacity fees for the City's water and wastewater systems were last updated in 2023. In 2023, the City engaged the Florida Rural Water Association to conduct a study of the City's capacity fees. On July 5, 2023, the Florida Rural Water Association presented their findings to the City Commission and public from their Water and Sewer System Capacity Fee Study, and presented two options for adjusting the capacity fees. On August 15, approved an Ordinance to adjust the capacity fees as outlined in "Option A" in the Water and Sewer System Capacity Fee Study completed by the Florida Rural Water Association and is now presented for consideration. With this ordinance water capacity fees decreased from $959 to $520 and the wastewater capacity fees increased from $2,321 to $2,480. This ordinance is being presented at the request of the City Commission to revisit the study.

FISCAL IMPACT: Capacity fee revenues are placed in the Water and Wastewater Capacity Fee Trust Funds.

CITY ATTORNEY COMMENTS: Florida law requires that the City base its utility connection charges (capacity fees) on the most recent and localized data. Utility connection charges are exempt from Section 163.31801, Florida Statutes (The Florida Impact Fee Act) but must still comply with Florida case law regarding impact (capacity) fees. I recommend that the City Commission adopt this Ordinance and implement the recommendations provided in the Water and Wastewater Capacity Fee Study completed by the Florida Rural Water Association.

CITY MANAGER RECOMMENDATION(S): I recommend that the City Commission enact proposed Ordinance 2025-01 at First Reading.

Andre Desilet, Utilities Director	12/16/2024
Alisha Brown, Budget Analyst	12/16/2024
Kim Briley, Deputy City Clerk	1/17/2025
Susan Carless, Comptroller	1/24/2025
Jeremiah Glisson, Deputy City Manager	1/24/2025
Sarah Campbell, City Manager	1/28/2025
Harrison Poole, City Attorney Pro Tem	1/28/2025
Katie Newton, Paralegal	1/28/2025

Caroline Best

Date: November 27, 2024

Submitted By: Caroline Best, City Clerk

COMMISSION ACTION: Approve

ORDINANCE 2025-01

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA; AMENDING THE CODE OF ORDINANCES CHAPTER TWO, ADMINISTRATION, ARTICLE VII, FINANCE, DIVISION 4, BY AMENDING SECTION 2-542 BY ESTABLISHING A WATER SYSTEM CAPACITY FEE BASED UPON RECENT AND LOCALIZED DATA AND BASED ON EQUIVALENT RESIDENTIAL UNITS; AMENDING SECTION 2-544 BY ADDING DEFINITION OF INFRASTRUCTURE; AMENDING SECTION 2-547 BY CLARIFYING FINANCIAL HARDSHIP; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City is committed to providing adequate water and sewer facilities for the residents of the City and surrounding areas served or to be served by the City's water and sewer systems; and

WHEREAS, new development, or change in use, renovations, expansions, or building modifications to existing structures, impose increased and excessive demands upon the water and sewer systems, and will continue to place ever-increasing demands on the City to provide adequate water and sewer; and

WHEREAS, to the extent that new development, or change in use, renovations, expansions, or building modifications to existing structures, place demands upon the water and sewer systems, those demands should be satisfied by shifting the responsibility for financing the construction and reconstruction of the water and sewer systems from the user fee payers to the new users creating the additional demands; and

WHEREAS, the imposition of water and sewer system capacity fees, referred to as capacity or connection fees, is an accepted method of paying for capital improvements and infrastructure that must be constructed to serve new growth, including debt service for such improvements; and

WHEREAS, in 2015, the City Commission enacted Ordinances 2014-35 and 2014-36, establishing capacity fees for the City’s water and sewer systems; and

WHEREAS, in 2023, the City engaged the Florida Rural Water Association to conduct a professional study of the City’s water and sewer capacity fees, to provide recent and localized data to support the City’s collection and expenditure of water and sewer capacity fees (“Capacity Fee Study”); and

WHEREAS, on January 7, 2025, the Florida Rural Water Association (“FRWA”) presented their findings to the City Commission at a public meeting from their Capacity Fee Study, and presented two Options for increases and decreases (depending on the Option chosen) to both water and sewer capacity fees to account for new growth in the City and additional demands on the City’s water and sewer systems’ infrastructure; and

WHEREAS, Option B in the Capacity Fee Study recommends using the evaluated **water capacity fee of $520 per equivalent residential connection** using the "Remaining Useful Life Basis", and Option B recommends the evaluated water capacity fee of $2,760 per equivalent residential connection using the "Replacement Value Basis"; and

WHEREAS, Option B in the Capacity Fee Study recommends using the evaluated **wastewater (sewer) capacity fee of $2,480 per equivalent residential connection** using the "Remaining Useful Life Basis", and Option B recommends the evaluated wastewater capacity fee of $7,280 per equivalent residential connection using the "Replacement Value Basis"; and

WHEREAS, the City Commission has carefully considered the Capacity Fee Study dated May 24, 2023 prepared by the FRWA, and the Capacity Fee Study is attached hereto as Exhibit A; and

WHEREAS, the City Commission has determined it is in the best interests of the City to amend the City of Fernandina Beach Code of Ordinances to adopt the recommendations of the Capacity Fee Study and implement "Option A" for new evaluated capacity fees for water and wastewater systems; and

WHEREAS, the City Commission finds that calculation of the proposed new water and wastewater (sewer) system capacity fees are based upon the most recent and localized data collected and analyzed by the Florida Rural Water Association using the "Remaining Useful Life Basis; and

WHEREAS, the evidence reviewed by the City Commission, including the Capacity Fee Study, demonstrates a reasonable connection between the need for water and wastewater (sewer) infrastructure capital improvements for the water and sewer systems and the growth and population generated by new development and existing users, and a reasonable connection between the contemplated expenditures of system capacity fees collected and the benefits accruing to such development and users; and

WHEREAS, the City Commission finds that the record, including staff and consultant reports, legally justify the imposition of increased wastewater (sewer) system capacity fees and decreased water system capacity fees pursuant to applicable law, and that the new sewer and water system capacity fees satisfy both prongs of the Dual Rational Nexus Test and are in compliance with law. *See Hollywood, Inc. v. Broward County*, 431 So. 2d 606, 611-12 (Fla. 4th DCA 1983). *Confirmed by the Fla. Supreme Court in Volusia County v. Aberdeen at Ormond Beach LP, 760 So.2d 126 (Fla. 2000) and St. Johns County v. NE Fla. Builders Ass'n, Inc.* 583 So.2d 635 (Fla. 1991); and

WHEREAS, the imposition of increased sewer and increased water system capacity fees hereunder to finance the infrastructure needed by the sewer and water systems is in the best interests of the public health, safety and welfare, including the residents of the City and surrounding areas served by the water and sewer systems, and does not impose an unfair burden on new development or existing users; and

WHEREAS, the City has provided the notice required by Section 180.136, Florida Statutes.

NOW, THEREFORE, THE CITY OF FERNANDINA BEACH HEREBY ORDAINS:

SECTION 1. It is hereby proposed that Section 2-482 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-482. Flow data and equivalent residential unit to determine sewer system capacity fees.

(a) There is hereby established a sewer system capacity fee based on the City Commission's determination of the equitable portion of the cost of sewer system capacity based upon the equivalent residential unit (ERU).

(b) The fees and schedule of uses are defined in this section and by separate ordinance from time to time.

(c) Each additional equivalent residential unit (ERU) occasioned by changes in property usage subsequent to the effective date of this article will be subject to a system capacity fee computed in accordance with the foregoing criteria with credit given for existing usage prior to change. In May 2023, the Florida Rural Water Association completed an analysis of the sewer system's current capacity fees that had not been increased since 2015, concluding that the capacity fees should be increased to cover the City's infrastructure needs into the future and showed that the proposed capacity fees satisfy the Dual Rational Nexus Test. It has been determined that based upon current and localized data and pursuant to applicable law, both prongs of the Dual Rational Nexus Test are satisfied, and that a single family unit in the City of Fernandina Beach will have a sewer system capacity fee of ~~$2,480~~ $7,280.

(d) Customers outside the City limits have the same sewer system capacity fee calculation with a 25% increase applied.

(e) The formula for sewer system capacity fees is ~~$2,480~~ $7,280 x ERU (1 ERU is 300 gpd) = System Capacity Fee. The following gallons per day flows (GPD) and ERUs are hereby adopted for the purposes of determining the sewer system capacity fees to be assessed and paid:

Residential	**G.P.D.**	**E.R.U.**
Single-family, duplex or multifamily, per unit	300	1.00
Mobile home, per unit	300	1.00
Commercial	**G.P.D**	**E.R.U.**
Barbershops and beauty shops, per chair	100	0.34
Bowling alleys (toilet waste only), per lane	150	0.50
Dentist offices:		
Per nonwet chair	50	0.17
Per wet chair	200	0.67
Doctor office, per doctor	250	0.83
Food service operations:		
Ordinary restaurant, per seat	30	0.10
24-hour restaurant, per seat	50	0.17
Bar and cocktail lounge, per seat	30	0.10
Drive-in restaurant, per car space	30	0.10
Carry-out restaurant only, and grocery store, meat market, fish market, and delicatessen, per 100 feet of floor space. Add per employee	20	0.07
Snack bar (in connection with any other business), per	150	0.50

eight-hour shift		
Hotel and motel, per room	150	0.50
Laundry, per machine	400	1.33
Office building, per 100 square feet	15	0.05
R.V. park and marina: Overnight, without sewer hookup, per R.V. space or dock space	50	0.17
Wastewater and sewer hookups, per R.V. space or dock space	150	0.50
Service station:		
Without car wash, per rest room	150	0.50
Add for car wash, per unit	600	2.00
Shopping center (without food or laundry), per 100 square feet of floor space (food or laundry portion, refer to food service or laundry, above)	20	0.07
Stadium, race track, ballpark, per seat (add food service, above)	3	0.01
Store, without food service:		
Private toilets for employees only, per restroom	150	0.50
Public toilets, per plumbing fixture	150	0.50
Theatre:		
Indoor auditorium, per seat	5	0.02
Outdoor, drive-in, per space	5	0.02
Industrial	**G.P.D.**	**E.R.U.**
Factory, warehouse and offices, not including industrial waste (gallons per person, per shift):		
Per plumbing fixture (Industrial waste ~~shall~~ will be calculated as to quantity and strength by the developer's engineer and submitted for approval and appropriate fees.)	150	0.50
Institutional	**G.P.D.**	**E.R.U.**
Church, per seat	5	0.02
Hospital, per bed	150	0.50
Nursing, rest home, per person	100	0.34
Public institution other than hospital, per person	100	0.34
School (per student):		
Day-type	15	0.05
Add for showers	5	0.02
Add for cafeteria	5	0.02
Add for day school workers	15	0.05
Boarding type	75	0.25
Swimming and bathing facility, public restroom and shower, per person	10	0.03

(1) *Other units not specifically listed in this section*. Any new connection not specifically listed in this section and which is inconsistent with any unit listed in this section will be handled in the following manner:

a. The owner or developer must provide the building department with a statement from a certified engineer as to the flow requirements for the facility to be constructed.
b. If an engineer's statement is unavailable, the owner or developer must provide the building department with a complete list of all water outlets and/or the number and type of fixtures to be used, with the purpose for each outlet or fixture, and an estimated number of employees or users anticipated for the facility.
c. This information will be reviewed by the wastewater/sewer treatment department and the building department to determine flow values, average gallons per day, and equivalence to a residential unit to determine the appropriate sewer system capacity fee.

(2) *Additions or changes to existing building*. When application is made for a building permit to construct an addition or to change the use of an existing structure by remodeling or renovating which will increase the demand for sewer services to the building or structure already connected to the City sewer system, sewer system capacity fees for such addition, remodeling or renovation must be paid prior to the issuance of a building permit and the sewer system capacity fees to be paid for such addition or change are as follows:

Addition	**G.P.D.**	**E.R.U.**
For each kitchen	100	0.34
For sink only	50	0.17

Notwithstanding anything contained herein to the contrary, any existing single-family, duplex or multifamily residential unit for which the sewer system capacity fee has been paid based on the formula provided in subsection (e) above of this section and which does not contain more than four bathrooms ~~shall~~ will not have attributed to it a sewer system capacity fee for an additional bathroom, unless the four-bathroom limitation is exceeded. However, such residential unit which has been constructed prior to the establishment of sewer system capacity fees, or which exceeds four bathrooms, ~~shall~~ will have a sewer system capacity fee attributable to it on the basis of 75 G.P.D. and .25 ERU for each additional bathroom.

For other additions or changes, refer to the above listing for the appropriate sewer system capacity fee.

(1) *Exemption for medical necessity*. Any owner of property desiring to make an addition or change to the use of an existing structure, including the construction of an additional bathroom, where such is required for medical reasons as certified by a medical doctor, for any person who is the owner or a member of the immediate family of the owner of the property and who was previously residing in the structure, and further, where the addition ~~shall~~ will not result in any additional impact to the sanitary sewer system due to additional persons occupying the property, ~~shall be~~ is exempt from the payment of the sewer system capacity fee.

SECTION 2. It is hereby proposed that Section 2-541 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-541. - Equivalent residential unit (ERU) defined for water usages.

The following is the definition of equivalent residential unit (ERU) for water usage:

(1) *Single-family residences.* Each single-family residence served by the City through a water meter shall be one equivalent residential unit. An irrigation meter will be considered to be an ERU and will be required to pay a capacity fee.

(2) *Nonresidential, multi-family residential, commercial and industrial uses.* For nonresidential and multi-family uses not specifically defined elsewhere in this article, the number of equivalent residential units will be computed by the City using the ERU method as defined in the applicable ordinance or the fixture unit count as defined in the most recent data published by the American Water Works Association, and the following formulas:

Water:

a. Total number of fixture units × 25 gpd/Fixture Units = Total gpd.

b. Total gpd divided by 350 gpd/ERU = ERUs.

If the customer's ERUs cannot be determined by either of these methods, then a procedure selected by the City shall be used.

The City will use the method of computation which produces the number of equivalent residential units which most closely reflects the proposed use.

(3) *Combination accounts.* Accounts that contain both residential and commercial facilities served through a common meter may be treated as either residential or nonresidential, whichever method of computation results in the number of equivalent residential units which most closely reflects the actual usage of the facility.

(4) *Expansion of existing connection.* If a building permit is issued for an existing connection which will increase water demand, or if a building changes from residential to nonresidential occupancy, the total number of ERUs for old and new parts of the facility will be computed as outlined in subsection (3) of this definition.

The number of new ERUs will be determined by subtracting the old ERUs from the total number of ERUs in the entire facility. The capacity fee will be assessed on the number of new ERUs.

Seat is defined in the food service operation as any chair, bench or stool regularly provided by the business, whether on or off premises, where patrons of the business consume food or beverages sold by the food service operation. Every 24 linear inches of a bench is considered a seat.

SECTION 14. It is hereby proposed that Section 2-542 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-542. Water system capacity fee.

(a) There is hereby established a water system capacity fee based on the City Commission's determination of the equitable portion of the cost of water system capacity based upon the equivalent residential unit (ERU).

(b) The fees and schedule of uses are defined in this section or by separate ordinance from time to time.

(c) Each additional equivalent residential unit occasioned by changes in property usage subsequent to the effective date of this article are subject to a system capacity fee computed in accordance with the foregoing criteria with credit given for existing usage prior to change. In May 2023, the Florida Rural Water Association completed an analysis of the water system's current capacity fees that had not been increased since 2015, concluding that the capacity fees should be increased to cover the City's infrastructure needs into the future and showed that the proposed capacity fees satisfy the Dual Rational Nexus Test. It has been determined that based upon current and localized data and pursuant to applicable law, both prongs of the Dual Rational Nexus test are satisfied, and that a single family unit in the City of Fernandina Beach will have a water system capacity fee of ~~$520~~ $2,760.

(d) Customers outside city limits have the same system capacity fee calculation with a 25% increase applied.

(e) The formula for water system capacity fees is ~~$520~~ $2,760 x ERU (1 ERU is 350 gpd) = system capacity fee. The following gallons per day flows (GPD) and ERUs are hereby adopted for the purposes of determining the water system capacity fees to be assessed and paid:

Residential	**G.P.D.**	**E.R.U.**
Single-family, duplex or multifamily, per unit	350	1.00
Mobile home, per unit	350	1.00
Commercial	**G.P.D**	**E.R.U.**
Barbershops and beauty shops, per chair	100	0.29
Bowling alleys (toilet waste only), per lane	150	0.43
Dentist offices:		
Per non-wet chair	50	0.14
Per wet chair	200	0.57
Doctor office, per doctor	250	0.71
Food service operations:		
Ordinary restaurant, per seat	30	0.09
24-hour restaurant, per seat	50	0.14
Bar and cocktail lounge, per seat	30	0.09
Drive-in restaurant, per car space	30	0.09
Carry-out restaurant only, and grocery store, meat market, fish market, and delicatessen, per 100 feet of floor space. Add per employee	20	0.06
Snack bar (in connection with any other business), per eight-hour shift	150	0.43
Hotel and motel, per room	150	0.43
Laundry, per machine	400	1.14
Office building, per 100 square feet	15	0.04
R.V. park and marina: Overnight, without sewer hookup, per R.V. space or dock space	50	0.14
Wastewater and sewer hookups, per R.V. space or dock space	150	0.43

Service station:		
Without car wash, per rest room	150	0.43
Add for car wash, per unit	600	1.71
Shopping center (without food or laundry), per 100 square feet of floor space (food or laundry portion, refer to food service or laundry, above)	20	0.06
Stadium, race track, ballpark, per seat (add food service, above)	3	0.01
Store, without food service:		
Private toilets for employees only, per restroom	150	0.43
Public toilets, per plumbing fixture	150	0.43
Theatre:		
Indoor auditorium, per seat	5	0.01
Outdoor, drive-in, per space	5	0.01
Industrial	**G.P.D.**	**E.R.U.**
Factory, warehouse and offices, not including industrial waste (gallons per person, per shift):		
Per plumbing fixture (Industrial waste ~~shall be~~ is calculated as to quantity and strength by the developer's engineer and submitted for approval and appropriate fees.)	150	0.43
Institutional	**G.P.D.**	**E.R.U.**
Church, per seat	5	0.01
Hospital, per bed	150	0.43
Nursing, rest home, per person	100	0.29
Public institution other than hospital, per person	100	0.29
School (per student):		
Day-type	15	0.04
Add for showers	5	0.01
Add for cafeteria	5	0.01
Add for day school workers	15	0.04
Boarding type	75	0.21
Swimming and bathing facility, public restroom and shower, per person	10	0.03

(1) Other units not specifically listed in this section. Any new connection not specifically listed in this section and which is inconsistent with any unit listed in this section will be handled in the following manner:

a. The owner or developer must provide the City with a statement from a certified engineer as to the flow requirements for the facility to be built.

b. If an engineer's statement is unavailable, the owner or developer must provide the City with a complete list of all water outlets and/or the number and type of fixtures to be

used, with the purpose for each outlet or fixture, and an estimated number of employees or users anticipated for the facility.

c. This information will be reviewed by the City to determine flow values, average gallons per day, and equivalence to a residential unit to determine the appropriate water system capacity fee.

(2) *Additions or changes to existing building.* When application is made for a building permit to construct an addition or to change the use of an existing structure by remodeling or renovating which will increase the demand for water services to the building or structure already connected to the City water system, water system capacity fees for such addition, remodeling or renovation must be paid upon the issuance of a building permit and the water system capacity fees to be paid for such addition or change will be as follows:

Addition	**G.P.D.**	**E.R.U.**
For each kitchen	100	0.29
For sink only	50	0.14

Notwithstanding anything contained herein to the contrary, any existing single-family, duplex or multifamily residential unit for which the water system capacity fee has been paid based on the formula provided in subsection (e) of this section and which does not contain more than four bathrooms will not have attributed to it a water system capacity fee for an additional bathroom, unless the four-bathroom limitation is exceeded. However, such residential unit which has been constructed prior to the establishment of water system capacity fees, or which exceeds four bathrooms, will have a water system capacity fee attributable to it on the basis of 75 G.P.D. and .25 ERU for each additional bathroom.

For other additions or changes, refer to the above listing for the appropriate water system capacity fee.

(3) *Exemption for medical necessity*. Any owner of property desiring to make an addition or change to the use of an existing structure, including the construction of an additional bathroom, where such is required for medical reasons as certified by a medical doctor, for any person who is the owner or a member of the immediate family of the owner of the property and who was previously residing in the structure, and further, where the addition will not result in any additional system capacity to the water system due to additional persons occupying the property, is exempt from the payment of the water system capacity fee.

SECTION 3. SEVERABILITY. If any provision or portion of the Ordinance is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of the Ordinance shall remain in full force and effect.

SECTION 4. EFFECTIVE DATE. This Ordinance shall take effect upon final passage and adoption.

ENACTED this _____ day of _____, 2025.

ATTEST:

CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

JAMES ANTUN
Commissioner – Mayor

APPROVED AS TO FORM AND LEGALITY:

HARRISON W. POOLE, ESQ.
City Attorney Pro Tem

First Reading: February 4, 2025
Second/Final Reading:
Utility Billing Notice pursuant to 180.136 Fla. Stat.: December 2024, January 2025
Date of Ordinance Publication:

FLORIDA RURAL WATER ASSOCIATION

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August 8, 2023

Andre Desilet
Utilities Director
City of Fernandina Beach
1180 S 5th Street
Fernandina Beach, FL 32034
Phone: (904) 277-7382
Email: adesilet@fbfl.org

RE: Water and Wastewater Capacity Fee Study
City of Fernandina Beach, Nassau Co., PWS: 2450364, Fac. No. FLA0027260

Dear Mr. Desilet:

Florida Rural Water Association is pleased to provide this Capacity Fee Study to the City of Fernandina Beach as a membership benefit. FRWA is dedicated to assisting water and wastewater systems provide Floridians with an ample affordable supply of high-quality water and wastewater disposal services, while protecting natural systems.

You should be congratulated on your water and wastewater system and operations staff. With unfunded mandates continuing to roll down from state and federal governments along with the aging of pipes, pumps, and plants, you have risen to the challenge and continue to provide quality services. To make a very difficult job more difficult, revenues have lagged behind expenses. Utility operators have done more with less each year, as measured in real dollars. They have shouldered the responsibility of running the system in a responsible manner and in compliance with state rules and regulations.

Capacity Fees. Capacity Fees (Connection Charges) are one-time charges assessed to the new commercial and residential connections to reimburse utility systems for infrastructure required to supply water and collect, treat, and dispose of wastewater from these new commercial and residential connections. Capacity Fees are proportional to the capacity set aside for the new customer. In some systems these charges are called Capacity Fees while others may be called Benefit Assessments, User Fees, Contributions In Aid of Construction (CIAC), Impact Fees or System Development Charges. [1]

The goals and objectives considered in the study include the following:

- ✓ Proposed Capacity Fees should be equitable among customer classes;
- ✓ Proposed Capacity Fees should minimize "shock" to customers if possible;

[1] AWWA, *Manual M1 - Principles of Water Rates, Fees and Charges*, 7th Edition, American Water Works Association, Denver CO., 2017, pp. 321-347

- ✓ Proposed Capacity Fees should reimburse the City for infrastructure required to supply water and collect treat, and disposal of wastewater from new commercial and residential connections; and
- ✓ Proposed Capacity Fees should provide for capital improvement needs and not operation and maintenance costs

Executive Summary.

Findings & Recommendations.

The City of Fernandina Beach has two options for setting Capacity Fees:

Option A – Use the **Remaining Useful Life Basis** to capture the existing cost of running the City of Fernandina Beach Water and Wastewater Utility.

Option B – Use the **Replacement Value Basis** to capture the true and sustainable cost of running the City of Fernandina Beach Water and Wastewater Utility.

Remaining Useful Life (RUL) is the length of time the utility infrastructure, piping, pumps, tanks, and equipment is likely to be functional before it requires replacement. A piece of equipment may last longer than its estimated useful life, but it will need more and more maintenance as it reaches that point. It may become obsolete or require major repairs. An especially old asset, while technically functional, may be more of a liability than a benefit if it requires frequent repair work.

The Remaining Useful Life basis for computing Capacity Fees provides a value to existing utility assets based on their depreciated condition, estimated based on the years it is expected to continue to function. This can also be called Replacement Cost New Less Depreciation. This basis does not provide for the cost of replacing the pipe or equipment when it reaches the end of its useful life, the cost that the utility will have to bear to serve the development being added to the utility.

As an example of the implication of Remaining Use Life Basis, most of Fernandina Beach's Master Wastewater Lift Stations were constructed in the 1970s, about 45 years ago. The industry standard for useful life for lift stations is 50 years. These lift stations have almost no value when computing Capacity Fees based on Remaining Useful Life Basis. For this portion of the Capacity Fee, the new user will have almost no Capacity Fee to pay. However, the true, sustainable value to the utility is the replacement cost for the lift stations, this is the cost the utility will have to bear to keep sewage transmission available for new users as they are added to the system.

Replacement Value is the original cost escalated to current-day dollars. That is, the cost to the utility to install new infrastructure to replace existing piping, pumps, tanks, and equipment in today's dollars. The Replacement Value recognizes the expense the utility must incur to purchase new piping and equipment as the existing piping and equipment have become unusable due to age and wear. This is the cost the existing users have been incurring for all the previous years in keeping sufficient and usable piping and equipment available for the users now coming onto the system.

Replacement Value reasonably reflects the cost of providing new expansion capacity to users as if the capacity was added at the time the new user connected to the water system. The utility is fairly compensated for the carrying costs of the excess capacity that needed to be built into the system in advance of the new users connecting to the system so it would be available at the time the connection was needed. With pipelines and treatment plants it is impossible to put in increments of capacity at exactly the time a new development needs to have it available. Capacity-related

infrastructure must be planned, designed, and constructed in large increments and the new users the capacity is intended to serve will typically connect to the system over many years. Utilities must make investments in capacity-related infrastructure that will provide service to new development well in advance of the time when the new development occurs. Meanwhile, the utility is incurring the cost of keeping the capacity-related infrastructure in proper working condition so it will be fully available when needed by the new development.

With Capacity Fees based on Replacement Value, the new users are paying for the true, sustainable value of the capacity that the utility has purchased and kept available for them until now to us. While Replacement Value capacity fees represent a higher cost per Equivalent Residential Connection (ERC) than Remaining Useful Life, FRWA recommends Replacement Value because it represents a more equitable compensation to the utility for the cost of constructing and keeping necessary, effective capacity available for new users when it is needed.

1. **Water Capacity Fee Finding.**

The current Water Impact Fee (Capacity Fee) for Fernandina Beach is $959 per Equivalent Residential Connection(ERC). For the Water Capacity Fee, the City has the option of using the evaluated Fee of **$520 per ERC** using the Remaining Useful Life Basis –or- **$2,760 per ERC** using the Replacement Value Basis to capture the true and sustainable cost of running its Water Utility. FRWA recommends using the Replacement Value.

2. **Wastewater Capacity Fee Findings.**

The current Wastewater Impact Fee (Capacity Fee) for Fernandina Beach is $2,321 per ERC. For the Wastewater Capacity Fee, the City has the option of using the evaluated Fee of **$2,480 per ERC** using the Remaining Useful Life Basis –or- **$7,280 per ERC** using the Replacement Value Basis to capture the true and sustainable cost of running its Wastewater Utility. FRWA recommends using the Replacement Value.

3. **Water & Wastewater Capacity Fee Findings.**

In combination both the Water and Wastewater Capacity Fees are:

Equivalent Residential Water & Wastewater Connection (ERC) Calculation Comparison

Category	Current Impact Fees	Option A Remaining Useful Life Value	Option B Replacement Value
Water	$959/ERC	$520/ERC	$2,760/ ERC
Wastewater	$2,321/ERC	$2,480/ ERC	$7,280/ ERC
Totals	**$3,280/ ERC**	**$3,000/ ERC**	**$10,040/ ERC**

4. **Water and Wastewater Capacity Fee Recommendations.**

FRWA recommends that the City use the evaluated fees to capture the true and sustainable cost of running its Water and Wastewater Utility and to maintain and protect the City's vital infrastructure. We recommend and can assist with continuing to establish a 5 and 10-year Capital Improvement Program to keep the City's utility financially sound.

5. **Other Utility Fee Recommendations**

- Fees for turn-ons, turn-offs, and late fees might need to be increased for inflation. Fees should be reviewed / updated at least annually by staff based on actual time and material costs for meters, fittings, boxes, equipment costs, fuel costs, and salaries.
- The Utility's policies on payments, late charge fees, illegal turn on penalty, or returned check penalty should also be reviewed / updated at least annually by staff.
- FRWA recommends implementing annual adjustments in accordance with the Florida Public Service Commission. The Florida Public Service Commission current Price Index is found at http://www.psc.state.fl.us/utilities/waterwastewater/, click on "Price Index and Pass Through Application for Water and Wastewater Utilities".

Year	Commission Approved Index	Year	Commission Approved Index
2011	1.18%	2017	1.51%
2012	2.41%	2018	1.76%
2013	1.63%	2019	2.36%
2014	1.41%	2020	1.79%
2015	1.57%	2021	1.17%
2016	1.29%	2022	4.53%

- It is recommended that you revisit this Capacity Fee study every 3 to 5 years or as needed. Indicators of need include changes to revenue or CIP expenses predictions, current financial position and other indicators that become evident during the annual budget approval process.

Capacity Fee Evaluation

Capacity Fee Calculations.

Capacity Fee Calculations are performed in accordance with the American Water Works Association *Manual M1 - Principles of Water Rates, Fees and Charges* guidelines for calculating and allocating Capacity Fees to new customers.[2] FRWA uses a rational and conservative approach when performing these evaluations. This approach is transparent, defendable, and complies with statute and case law. Since there is a rational nexus of allocating Capacity Fees to customer groups it also follows the intent of the Florida Statutes that set the basis for rates and Capacity Fees by counties and municipalities. Such fees shall be just and equitable. [3]

Capacity Fees are set using the following criteria:

- The water / wastewater system has the legal authority to charge Capacity Fees.
- Costs are allocated to specific customer classes based on use of the water / wastewater system infrastructure.
- New customers add incremental capital costs to the utility and the fees are set to recapture their impacts to the system.
- The evaluation of system data is sufficient to reasonably estimate the value of water / wastewater system infrastructure and support charges to new customers. The evaluation includes water / wastewater consumption, historical flow trends, growth, and inventories of water lines, wells, treatment, collection, manholes, lift stations, etc.
- Justification of capital costs are clearly provided in the calculation of fees.
- The costs of grant-funded and contributed assets are not included in the Capacity Fee calculations.
- Outstanding principal on debt that has been incurred for infrastructure is not included in asset value for Capacity Fee calculations.
- The capital costs / fee requirements for new customers are consistent, predictable, and uniform.
- Each customer class equitably pays its own way. No undue burden is placed on one class over another customer class.

Compliance with the Dual Rational Nexus Test

The City is responsible for compliance with Florida statutes for all aspects of Capacity Fees – establishment, collection, and expenditures. The dual rational nexus test is a basis for the validity of impact fees. The test has two prongs, each of which are a rational nexus that must be found:

> The local government must demonstrate a reasonable connection, or rational nexus, between the need for additional capital facilities and the growth in population generated by the subdivision. In addition, the government must show a reasonable connection, or rational nexus, between the expenditures of the funds collected and the benefits accruing to the subdivision.[4]

To understand the first prong of the dual rational nexus test, a rational nexus between the need for additional capital facilities and the growth in population generated by a new development, it is first important to understand what is considered rational. To be rational, the nexus must be substantial, demonstrably clear, and present. The Capacity Fee Study attempts to define (monetarily) the benefit new customers receive from hooking up to the

[2] AWWA, *Manual M1 - Principles of Water Rates, Fees and Charges*, 7th Edition, American Water Works Association, Denver CO., 2017, pp. 321-347

[3] See Florida Statutes Chapter 153 for County Water & Sewer Systems and Chapter 180 - Municipal Public Works.

[4] *St. Johns County v. Northeast Florida Builders Ass'n, Inc.* 583 So.2d 635, 637 (Fla. 1991),; *Hollywood, Inc. v. Broward County,* 431 So.2d 606, 611-612 (Fla. 4th DCA 1983)

utility in demonstrating the value of infrastructure capacity made available to the new customer. The Capacity Fee Study specifically focuses on the pro-rate share new customers should pay for the infrastructure required to meet the new demand. The goals of the Capacity Fee Study are rational and consistent with the first prong of the dual rational nexus test.

The second prong of the dual rational nexus test is that there must be a rational nexus between the expenditures of the funds collected and the benefits accruing to the payor of the impact fee. This can be satisfied by specifically earmarking the funds collected for use in acquiring capital facilities to benefit the new residents. How the City handles the fees collected is the responsibility of the City and is not addressed in this Capacity Fee Study.

Cost Savings and Benefits.

Capacity Fees provide a revenue source for replacement and upgrade of existing infrastructure as new customers are added to the system and the funds collected must benefit the new customers paying the fee. This revenue is intended to be used for funding major expansions as well as minimizing future debt or reducing the need for future debt. Capacity Fees also provide for the utility to maintain an appropriate level of retained earnings and cash reserves to meet capital improvement needs. Utilities that are committed to regular renewal and replacement of aging infrastructure regularly see cost savings in their O&M budget, avoid unnecessary costly emergency repairs and minimize community health and safety concerns due to critical water and wastewater equipment failures.

Accuracy of Revenue Predictions.

We have performed our analyses using the data and information obtained; we have relied upon such information to be accurate. Projected Capacity Fee revenue precision is limited by the accuracy of the financial information provided – good information "in" equals good information "out", and *vice versa*. Should our capacity fees not meet your expectations, we will work with you to carefully review and update financial records, revisit our calculations, valuation parameters, assumptions, etc. We are always happy to return, revisit your Capacity Fees, and adjust the analyses as necessary, consistent with Florida law.

Growth should pay for Growth.

Growth causes the need for expansion and should therefore pay its fair share for the costs incurred. These new connections use existing capacity or require expanded capacity in the form of plant expansions and water / sewer line extensions -- requiring significant capital expenditures. Existing ratepayers have supported and maintained the existing facilities, and new customers should support any new, additional, or expanded facilities plus pipelines that are required for the use of these new customers.

Some officials and new customers have argued incorrectly that the utility should allow new customers on the system without charge or at original plant costs (not adjusted for inflation). It's not fair to existing ratepayers and it is not a prudent utility practice. Nor would it be good business practice. Public officials may be tempted at times to trim budgets; lower utility rates below operational costs; and keep Capacity Fees below actual capital investment needs -- but this seriously reduces utilities' ability to perform its central mission, shortchanges ratepayers by delaying costs, sets up unrealistic expectations, and undermines the future vitality of the community.

Dealing with Growth & Infrastructure Decay.

Communities must maintain adequate levels of service for public facilities and anticipate and prepare for growth. Some older or aging infrastructure may need to be upgraded which requires adequate funding.

As new customers come online more and more of the treatment capacity is used up until the plant is at capacity and must be expanded. Further, the Florida Department of Environmental Protection requires that when a water plant reaches 75% of capacity that the supplier of water must submit source/treatment/storage capacity analysis reports by a professional engineer documenting projected flows. If the operating capacity of the water treatment plant or finished water storage is exceeded in less than 5 years, documentation of timely design, permitting, and

construction must be submitted with the report (Rule 62-555.348 F.A.C.). Similarly, for wastewater treatment plants, FAC 62-600.405 requires timely planning, design, and construction of needed wastewater treatment facility expansion. This requirement includes a statement signed and sealed by a professional engineer that planning and preliminary design of the necessary expansion has been initiated if the Capacity Analysis Report documents that the permitted capacity of the facility will be exceeded within the next five years.

Existing Water System Demand.

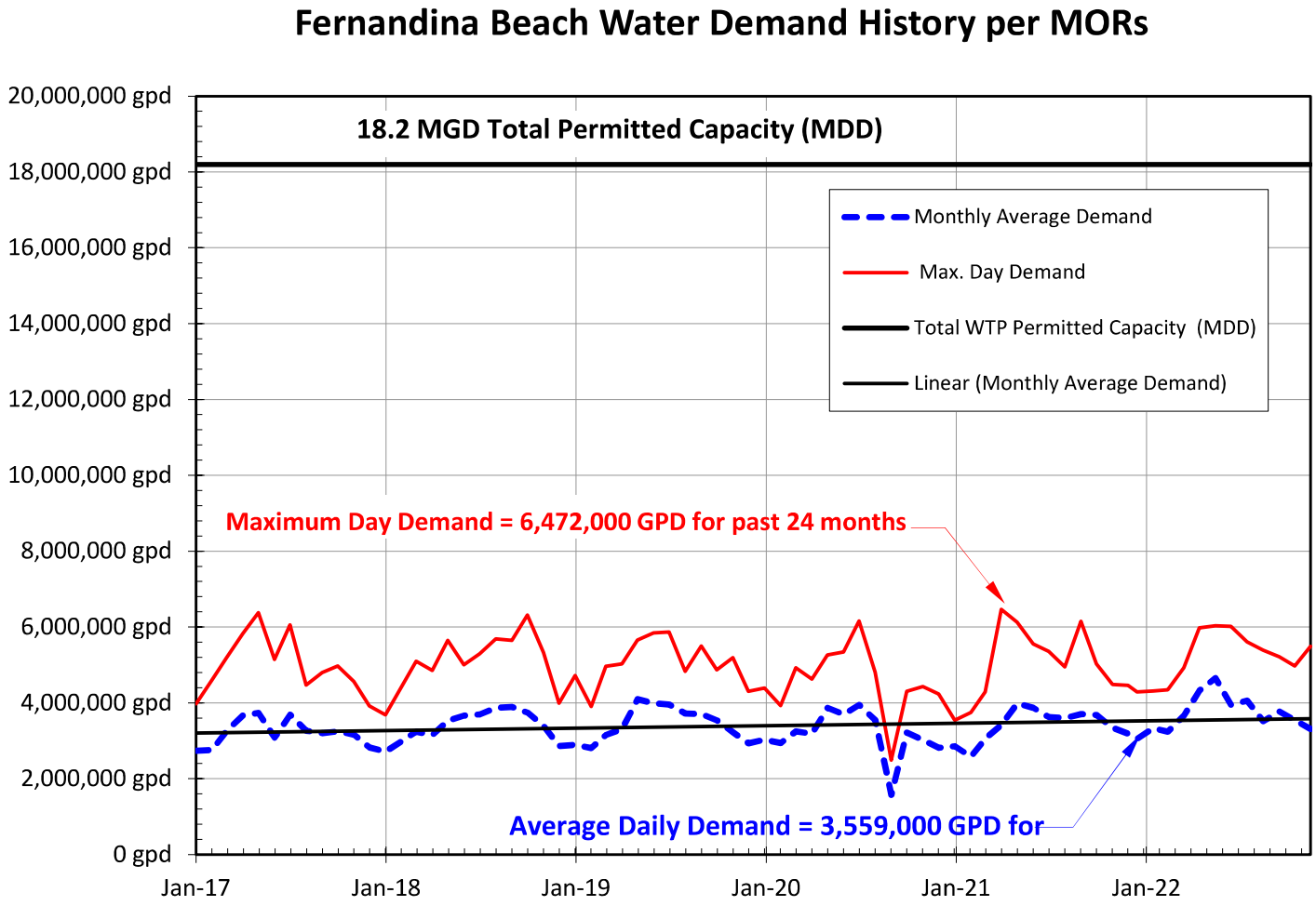


Figure 1 ~ Historic Water Demands

(GPD denotes Gallons per Day)

The amount of water used by the customers on the system is provided below, see Figure 1 for flow records:

City Population.....13,199
(based on Census.gov projections of latest US Census data, 2020 US Census recorded population at 12,978)

Equivalent Residential Connections (ERC).....11,162

Average Daily Demand (ADD) for past 24 months.....3.559 MGD (2,470 gpm)

Maximum Daily Demand (MDD) for past 24 months.....6.472 MGD (4,490 gpm)

Total Permitted Plant Capacity (MDD).....18.2 MGD (12,640 gpm)

Percentage of total water treatment plant capacity used 36%

Water used per Equivalent Residential Connection (MDD / ERC) ..... 580 gpd

The City has 3 water treatment plants with raw water provided from two groundwater wells at each plant, all 12-inch diameter outside casings. Treatment is provided by aeration and hypo-chlorination for disinfection. A minimum of 0.2 parts per million minimum chlorine residual is maintained throughout the distribution system to ensure water quality. The City has one elevated storage tank and 6 ground storage tanks to provide for storage and pressure. The maximum day water treatment demand has stayed well below the total capacity of 18.2 mgd for the past 24 months, utilizing only 36% of the total plant capacity.

Existing Wastewater System Demand.

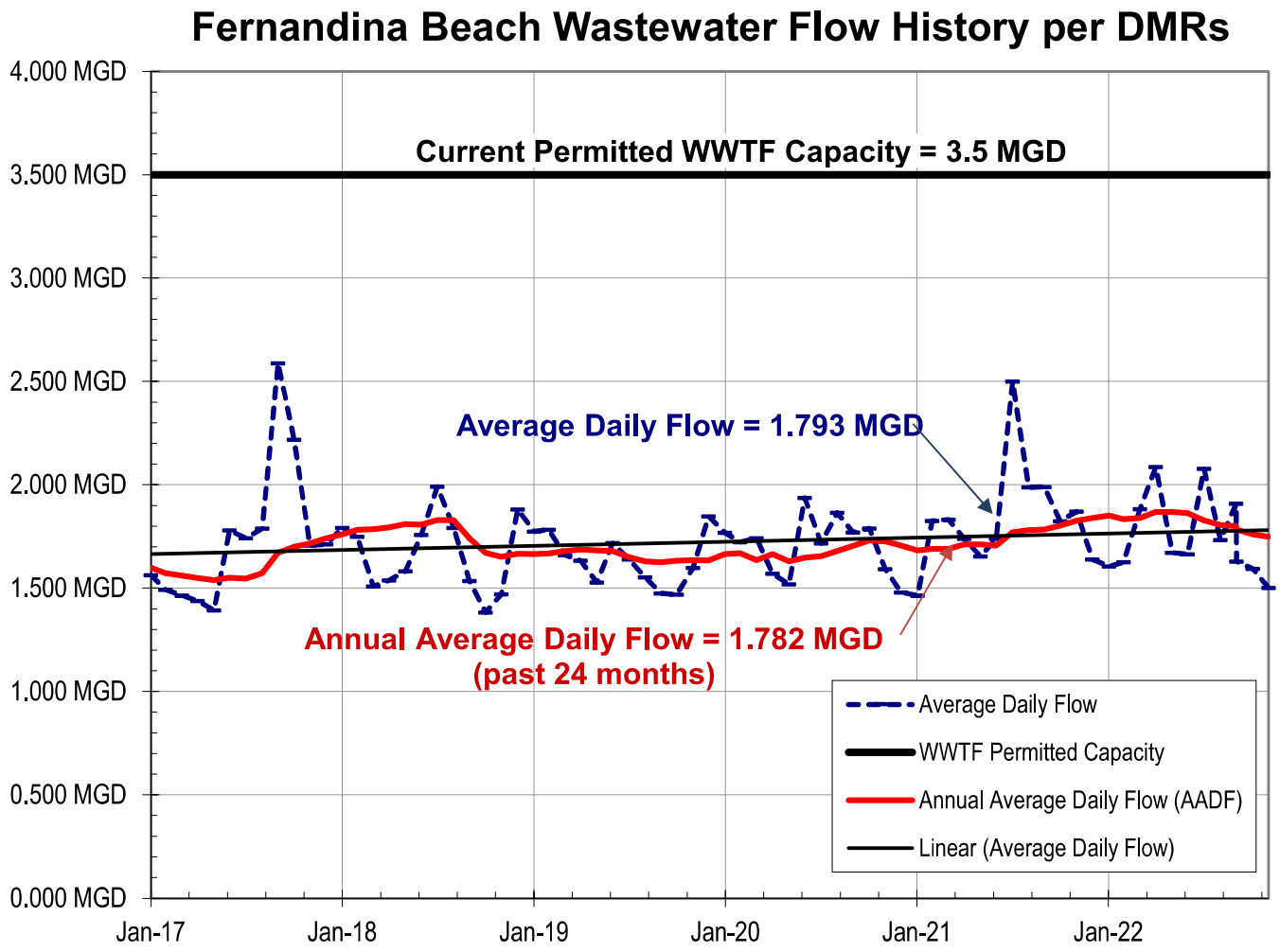


Figure 2 ~ Historic Wastewater Flows

(MGD denotes Million Gallons per Day)

The amount of wastewater used by the customers on the system is provided below, see Figure 2 for flow records:

City Population.....13,199
(based on Census.gov projections of latest US Census data, 2020 US Census recorded population at 12,978)

Equivalent Residential Connections.....9,021

Monthly Average Daily Flow per DMRs (for past 24 months).....1.793 MGD (1,245 gpm)

Annual Average Daily Flow per DMRs (past 24 months).....1.782 MGD (1,238 gpm)

Permitted Plant Capacity (AADF).....3.5 MGD (2,430 gpm)

Percentage of wastewater treatment plant used.....51 %

The City has a biological nutrient removal treatment facility consisting of two parallel oxidation ditch trains. Preliminary treatment is accomplished with one mechanical screen, two backup manual screens and a grit chamber. Each oxidation ditch treatment train consists of an oxidation ditch with anoxic and aerobic zones, a secondary clarifier and a chlorine contact chamber. Chlorinated reclaimed water from the treatment trains is conveyed to a dichlorination chamber and then discharged to the Amelia River. Following aerobic digestion, the biosolids are dewatered on a rotary press and transported to a Class I Landfill for disposal. Annual average flows through the WWTP have remained well below the permitted capacity of 3.5 MGD.

Utilities are Capital Intensive.

The water supply and wastewater treatment industry are very capital intensive because almost every component of these systems requires fixed capital investments in long-term infrastructure. Water facilities include water supply, treatment, storage, distribution, and disposal of treatment residuals. Wastewater facilities include sewage collection, pumping (lift stations), transmission, treatment, disposal of treated effluent, and disposal of biosolids.

Funding Utilities.

Utilities typically operate for many years without fully recovering the initial construction costs. Loans and grants supported by rates are used to finance capital facilities. In addition to paying the debt obligation for existing facilities, rates support operation, maintenance, salaries, chemicals, power, vehicles, equipment, repair and replacement. Rates frequently cannot be structured to accommodate new or expanded facilities for new customers. Capacity Fees are used to assess new customers for capital construction costs and allow new customers to “buy-in” to the system. Capacity Fees bridge the funding gap needed to build the new facilities to provide service to new residents and businesses. Capacity Fees cannot be used for operation, maintenance, repair, replacement, or normal utility administrative costs. Capacity Fees should be held in a separate account from water/wastewater revenue and general funds. Finally, Capacity Fees must benefit the new users paying the Capacity Fees.

It is just too easy to neglect existing facilities and run them into the ground instead of being proactive in their repair and replacement. Problems with this approach are:

1. Cost for replacement is several times greater than for repair and maintenance;
2. Real cost of utility operation is hidden from the ratepayer and governing board;
3. Assets are not properly valued and preserved;
4. Improper stewardship of public assets;
5. Grants never cover all replacement costs; and
6. Diversion of public funds from more worthy uses.

FRWA Rough Order of Magnitude Capital Improvement Cost Projections.

Twenty years ago, conventional lime softening water treatment plants would cost about $4 to $6 per gallon to construct, today one would expect to spend approximately $6 to $15 per gallon to construct. Actual costs vary greatly by community, by region, and between design consultants. Plus, any estimate must include unique site-specific needs like new raw water wells, piping, land, instrumentation & controls, emergency power generation, or deep wells. The FRWA has developed cost estimating curves based on construction work in Florida for various types of water treatment techniques. These estimating curves have been used to prepare the rough order of magnitude costs for replacement shown herein.

Establishing the cost for new wastewater treatment capacity is equally difficult for wastewater treatment plants. Rough order of magnitude costs are included for wastewater plants, collection systems, lift stations, and force mains. Twenty years ago, an extended aeration secondary treatment plant would cost about $3 to $5 per gallon to construct, today you would expect to spend approximately $20 to $25 per gallon to construct. Actual costs vary greatly by regulated treatment requirements, by community, by region, and between design consultants. Recent final construction costs for advanced treatment wastewater plant and effluent reuse systems required by regulatory consent order for a Florida utility with much fewer wastewater connections than Fernandina Beach have been more than $28/gallon. All costs included are the Engineer's opinion of probable costs.

Scheduling Presentation of Capacity Fees Study Findings and Recommendations.

We are happy to come to your next City Commission meeting to explain our analysis and report. We anticipate that you will have questions to discuss and options to consider. The presentation is between 20 to 30-minutes in length, which would be followed by commission discussion. This activity typically takes about 60 to 90 minutes and can be held during a special workshop or a normal commission meeting. This is an informative meeting and decisions about Capacity Fees are usually taken at subsequent meetings. It is important that all commission members be in attendance since the adoption of Capacity Fees increases can produce public comment.

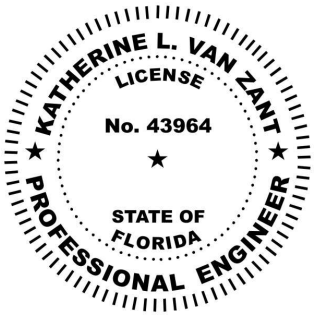
We have enjoyed serving you and wish your water and wastewater system the best. Please feel free to contact me if you have any further questions.

Sincerely,

Katherine Van Zant

Katherine Van Zant, P.E.
Saltus Engineering, Inc.

On behalf of
Florida Rural Water Association



This item has been digitally signed and sealed by Katherine Van Zant, PE, on 8/8/2023.

Printed copies of this document are not considered signed and sealed and the signature must be verified on any electronic copies

Katherine Van Zant

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Date: 2023.08.08 12:03:59 -04'00'

Water & Wastewater Capacity Fee Report

FRWA Member: **Fernandina Beach**

Address: 1180 S. 5th Street
Fernandina Beach, FL 32034

Telephone: (904) 310-3431

Contact: Andre Desilet, Utilities Director

E-mail: adesilet@fbfl.org

County: **Nassau**

Population: 13,199

		Water:	Wastewater:
Connections:		9,310	7,783
PWS:	Facility ID:	**2450364**	FLA0027260
Capacity:	Capacity:	18.200 MGD	3.500 MGD
ADD:	AADF	3.559 MGD	1.782 MGD
MDD:	MADF	6.472 MGD	1.793 MGD

Version: **May 24, 2023**
FINAL

This item has been digitally signed and sealed by Katherine Van Zant, PE, on 8/8/2023.

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Prepared by: Katherine Van Zant, P.E. / Saltus Engineering, Inc.

KATHERINE L. VAN ZANT ★ LICENSE No. 43964 ★ STATE OF FLORIDA ★ PROFESSIONAL ENGINEER

Florida Rural Water Association

2970 Wellington Circle
Tallahassee, Florida 32309-6885
Phone: 850-668-2746

Katherine Van Zant, P.E.
FL PE# 43964

Katherine Van Zant

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Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Member: **Fernandina Beach**
Contact: **Andre Desilet, Utilities Director**
Address: **Fernandina Beach, FL 32034**

Date: **24-May-23**
Version: **FINAL**
Conn: **9,310**
PWS: **2450364**

Water Capacity Fee Recommendations

Water Capacity Fee Calculation

	Wells	Water Treatment	Water Storage Tanks	Distribution System	Per Gallon
		Remaining Useful Life			
Cost per gal =	$2,198,000	$7,149,267	$4,920,000	$16,725,236	**$1.70 / gal**
		18,200,000 gpd			
		Replacement Value			
Cost per gal =	$4,020,000	$49,137,714	$18,980,000	$29,091,760	**$5.56 / gal**
		18,200,000 gpd			

Where:

Total Treatment Capacity =	18,200,000 gpd	
Max Day Demand from MORs =	6,472,000 gpd	based on average MDF/ADF past 24 months
Percentage of WTP used =	35.6%	
Average Daily Demand from MORs =	3,559,242 gpd	

Category	Remaining Useful Life		Replacement Value
Wells	**$2,198,000**	55%	$4,020,000
Water Treatment	**$7,149,267**	15%	$49,137,714
Water Storage Tanks	**$4,920,000**	26%	$18,980,000
Distribution System	**$16,725,236**	57%	$29,091,760
Less Water Utility Debt	**($14,562,116)**		($14,562,116)
Totals	**$16,430,387**	19%	**$86,667,358**
	$0.90 / gal		$4.76 / gal

Equivalent Residential Water Connection (ERC) Calculation

Where:

	Remaining Useful Life Basis	Replacement Value Basis	
System Value ($) =	$16,430,387	$86,667,358	
Max Daily Demand based on MORs past 24 months =	6,472,000 gpd	6,472,000 gpd	
ERCs =	11,162	11,162	*see ERC calculation worksheet*
Max Daily Demand / Connection =	**580 gpd/ERC**	**580 gpd/ERC**	
Avg Daily Demand / Connection =	**319 gpd/ERC**	**319 gpd/ERC**	

ERC Costs = System Value ($) x MDD / ERC ÷ Total Treatment Capacity gpd (Max Day)

ERC Costs = $16,430,387 ÷ 18,200,000 gpd × 580 gpd/ERC = **$523.45 / ERC** Remaining Useful Life Basis

Use **$520 / ERC**

ERC Costs = $86,667,358 ÷ 18,200,000 gpd × 580 gpd/ERC = **$2,761.09 / ERC** Replacement Value Basis

Use **$2,760 / ERC**

Remaining Equivalent Residential Water Connections Available

Where:

Max Daily Demand / ERC =	580 gpd/ERC	11,162 = ERCs
Total Treatment Capacity (Max Day) =	18,200,000 gpd	
Max Day Demand =	6,472,000 gpd	**11,728,000 gpd** = Capacity Remaining
Percentage of WTP used =	35.6%	64.4% = Capacity Remaining
		20,227 = ERCs Remaining

Note: 1. Approximate Useful Value based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan.

2. Utility debt for capital expenditures is taken out because repayment of debt will be paid by new users in rates

3. Infrastructure paid by developers and turned over the to City, based on information provided by City staff, is not included in Replacement Value or Remaining Useful Life costs

Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Member: **Fernandina Beach**
Contact: **Andre Desilet, Utilities Director**
Address: **Fernandina Beach, FL 32034**

Date: **24-May-23**
Version: **FINAL**
Conn: **7,783**
GMS: **FLA0027260**

Wastewater Capacity Fee Recommendations

Wastewater Capacity Fee Calculation

	WWP	Lift Stations	Force Main	Gravity Sewers & Manholes	Per Gallon
		Remaining Useful Life			
Cost per gal =	$19,687,500	$865,000	$3,138,349	$27,650,000	**$14.67 / gal**
		3.500 MGD			
		Replacement Value			
Cost per gal =	$70,000,000	$13,450,000	$8,272,710	$45,426,000	**$39.19 / gal**
		3.500 MGD			

Where:

Total Treatment Capacity =	3.500 MGD	
AADF from DMRs =	1.782 MGD	*for past 24 months*
Percentage of WWTF used =	50.9%	

Category	Remaining Useful Life		Replacement Value	
WWTP	$19,687,500	28%	$70,000,000	$20.00 / gal
Lift Stations	$865,000	6%	$13,450,000	
Force Main	$3,138,349	38%	$8,272,710	
Gravity Sewers & Manholes	$27,650,000	61%	$45,426,000	
Less Wastewater Utility Debt	**($7,098,884)**		($7,098,884)	
Totals	**$44,241,965**	34%	**$130,049,826**	
	$12.64 / gal		$37.16 / gal	

Equivalent Residential Water Connection (ERC) Calculation

Where:

	Remaining Useful Life Basis	Replacement Value Basis	
System Value ($) =	$44,241,965	$130,049,826	
AADF from DMRs =	1.782 MGD	1.782 MGD	
ERCs =	9,101	9,101	*see ERC calculation worksh*
Average Daily Demand / Connection =	**196 gpd/ERC**	**196 gpd/ERC**	

ERC Costs = System Value ($) x ADD/ERC / Total Treatment Capacity gpd (AADF)

ERC Costs = $44,241,965 / 3,500,000 gpd × 196 gpd/ERC = **$2,477.55 / ERC** Remaining Useful Life Basis

Use **$2,480 / ERC**

ERC Costs = $130,049,826 / 3,500,000 gpd × 196 gpd/ERC = **$7,282.79 / ERC** Replacement Value Basis

Use **$7,280 / ERC**

Remaining Equivalent Residential Wastewater Connections Available

Where:

Monthly ADF / ERC =	196 gpd/ERC	9,101	= ERCs
Total Treatment Capacity =	3.500 MGD		
Monthly ADF from DMRs	1.782 MGD	1.718 MGD	= Capacity Remaining
Percentage of WWTF used =	50.9%	49.1%	
		8,765	**= ERCs Remaining**

Note: 1. Approximate Useful Value based on industry standards, consistent with FRWA Department of Environmental Protection Asset Management Plan.

2. Utility debt for capital expenditures is taken out because repayment of debt will be paid by new users in rates.

3. Infrastructure paid by developers and turned over the to City, based on information provided by City staff, is not included in Replacement Value or Remaining Useful Life costs

Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

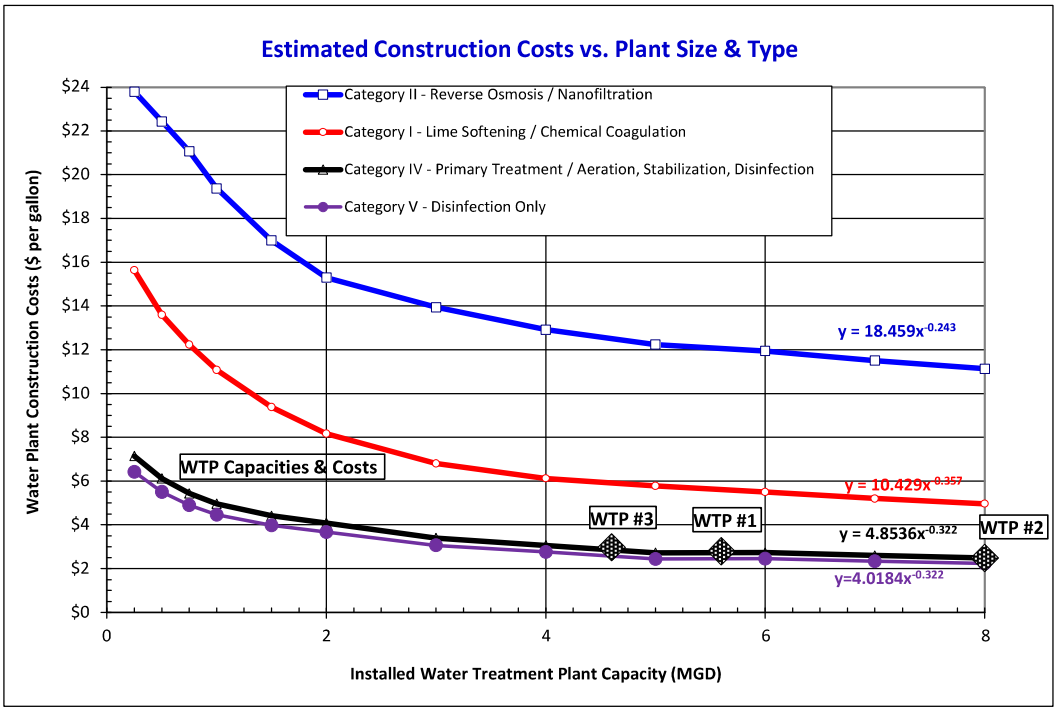
Member: **Fernandina Beach**
Contact: **Andre Desilet, Utilities Director**
Address: **Fernandina Beach, FL 32034**

Date: **24-May-23**
Version: **FINAL**
Conn: **9,310**
PWS: **2450364**

Estimated Construction Costs vs. Plant Size & Type

Water Treatment Plant Size (MGD)		**18.200 MGD**	from FDEP MOR reports and Permit 0080313.032-WC
FDEP Permitted Category per Rule 62-699.310(2)(e), F.A.C.			**II**
FDEP Permitted Staffing Classification per Rule 62-699.310(2)(e), F.A.C.			**B**
Construction Year	WTP #1 (5.6 MGD MDF Capacity)	1953	
	WTP #2 (8.0 MGD MDF Capacity)	1956	
	WTP #3 (4.6 MGD MDF Capacity)	2000	

Water Plant Category			
Category II - Reverse Osmosis / Nanofiltration	**No**	$0.00	
Deep Well Injection for Brine Disposal	**No**	$0.00	
Category I - Lime Softening / Chemical Caogulation	**No**	$0.00	
Category IV - Primary Treatment / Aeration, Stabilization, Disinfection **(WTP #1)**	**Yes**	$2.79	
Category IV - Primary Treatment / Aeration, Stabilization, Disinfection **(WTP #2)**	**Yes**	$2.48	
Category IV - Primary Treatment / Aeration, Stabilization, Disinfection **(WTP #3)**	**Yes**	$2.97	
Category V - Disinfection Only	**No**	$0.00	
Water Plant Construction Costs ($ per gallon)		$2.70	
Total Water Plant Construction Costs Estimate		**$49,137,714**	Replacement Cost
		$7,149,267	Useful Value



Note: *1. Approximate Useful Value based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan and Florida Public Service Commission Average Service Life Guidelines, F.A.C. 25-30.140, Class B Utility: 32 years.*

2. WTP Capacities from Permit 0080313.032-WC

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Wellfield & Source Water

Replacement Value at today's cost: $ 670,000

Well	Well Name	Year Drilled	Casing Dia (inches)	Capacity (gpm)		Approx. Useful Value	Estimated ($)	
WTP 1 Well 1	**Well 15**	Refurbished 2022	12-in	950	a	100%	$ 670,000	$670,000
WTP 1 Well 2	**Well 18**	Refurbished 2023	12-in	1,500	a	100%	$ 670,000	$670,000
WTP 2 Well 1	**Well 26**	1956	12-in	1,500	a	10%	$ 67,000	$670,000
WTP 2 Well 2	**Well 27**	1965	12-in	1,500	a	10%	$ 67,000	$670,000
WTP 3 Well 1	**Well 31**	2000	12-in	1,500	b	54%	$ 362,000	$670,000
WTP 3 Well 2	**Well 32**	2000	12-in	1,500	b	54%	$ 362,000	$670,000
				8,450 gpm		27-yrs	**$ 2,198,000**	**$4,020,000**
				12.168 MGD				

Projected Replacement Value at today's cost: **$ 4,020,000**

Note: Approximate Useful Value based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan: 50 years., operating wells assumed to have 10% capacity minimum.

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Contact: **Andre Desilet, Utilities Director**
Address: **Fernandina Beach, FL 32034**

Date: **24-May-23**
Version: **FINAL**
Conn: **9,310**
PWS: **2450364**

Distribution System Piping - Inventory, Condition & Current Value

Neglect lines less than 4-inches from value of water distribution system

Replacement Value at today's cost price per inch-diameter per foot: $8.50

Pipe Dia (inches)	Pipe Material	Length (feet)	Length (miles)	Approximate Average Age	Approx. Useful Value	Value ($ per ft)	Estimated ($)	
4-in	PVC, CI	17,693-ft	3.35 mi	50-yrs	50%	$34.00 /ft	$300,781	$601,562
6-in	PVC, AC, CI	149,829-ft	28.38 mi	47-yrs	53%	$51.00 /ft	$4,049,878	$7,641,279
8-in	PVC, AC, CI	132,889-ft	25.17 mi	44-yrs	56%	$68.00 /ft	$5,060,413	$9,036,452
10-in	PVC, AC, CI	67,603-ft	12.80 mi	43-yrs	57%	$85.00 /ft	$3,275,365	$5,746,255
12-in	PVC, AC, CI	57,322-ft	10.86 mi	34-yrs	66%	$102.00 /ft	$3,858,917	$5,846,844
16-in	PVC	1,613-ft	0.31 mi	18-yrs	82%	$136.00 /ft	$179,882	$219,368
		426,949-ft	80.86 mi			Weighted Average $68.14 /ft	**$16,725,236**	$29,091,760

Replacement Value at today's cost: **$29,091,760**

NOTES:

1. Lengths, material and age based on City GIS maps and interviews with Utilities staff.

2. Approximate Useful Value based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan: 100 years.

3. Only piping purchased and installed by City utility is included. Areas provided by private developers based on interviews with City staff.

Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Member: **Fernandina Beach**
Contact: **Andre Desilet, Utilities Director**
Address: **Fernandina Beach, FL 32034**

Date: **24-May-23**
Version: **FINAL**
Conn: **9,310**
PWS: **2450364**

Finished Water Storage Tanks

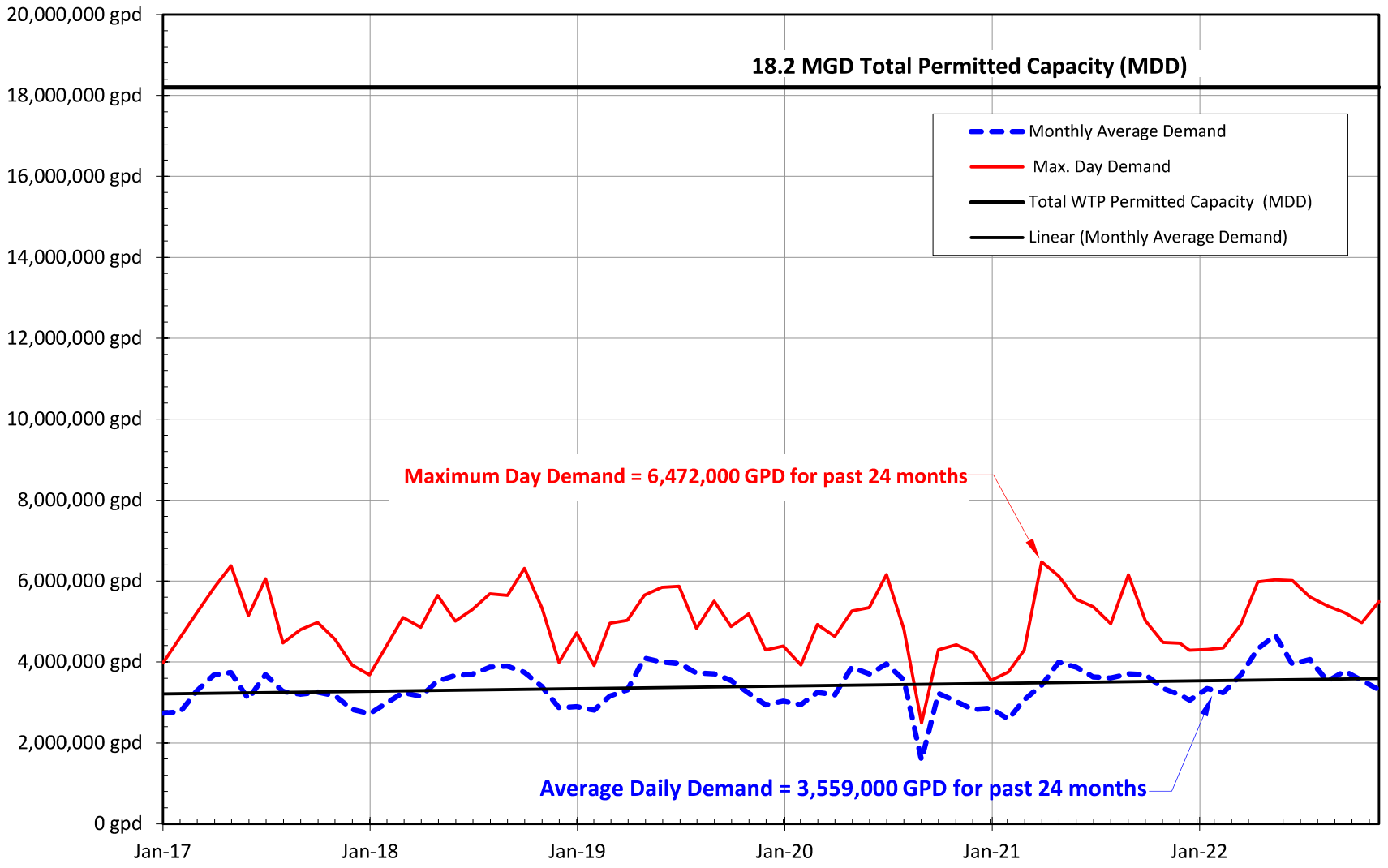
Steel Elevated Storage Tanks have an estimated 37-years useful life	$6.00/gal
Concrete Ground Storage Tanks have an estimated 40-years useful life	$7.00/gal
Steel Ground Storage Tanks have an estimated 37-years useful life	$6.00/gal
Hydropneumatic Tanks have an estimated 35-years useful life	$6.00/gal

Tank	Name / Location	Year Installed	Type & Material	Capacity (gal)	Approx. Useful Value	Estimated ($)	
WTP 1	G1: Ground Storage Tank w Aeration	before 1987	Concrete	500,000	10%	$300,000	$3,500,000
WTP 1	G2: Ground Storage Tank	before 1987	Concrete	180,000	10%	$108,000	$1,260,000
WTP 1	E: Elevated Storage Tank	before 1987	Steel	500,000	10%	$300,000	$3,000,000
WTP 2	G1: Ground Storage Tank w Aeration	1987	Concrete	500,000	30%	$900,000	$3,500,000
WTP 2	G2: Ground Storage Tank	before 1987	Concrete	120,000	10%	$72,000	$720,000
WTP 3	G1: Ground Storage Tank w Aeration	2000	Concrete	500,000	54%	$1,620,000	$3,500,000
WTP 3	G2: Ground Storage Tank w Aeration	2000	Concrete	500,000	54%	$1,620,000	$3,500,000
				2,800,000 gal		**$4,920,000**	**$18,980,000**

Replacement Value at today's cost: **$18,980,000**

Notes: Approximate Useful Value based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan: 50 years. Minimum Useful Life = 10%.

Fernandina Beach Water Demand History per MORs



Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Member: **Fernandina Beach**
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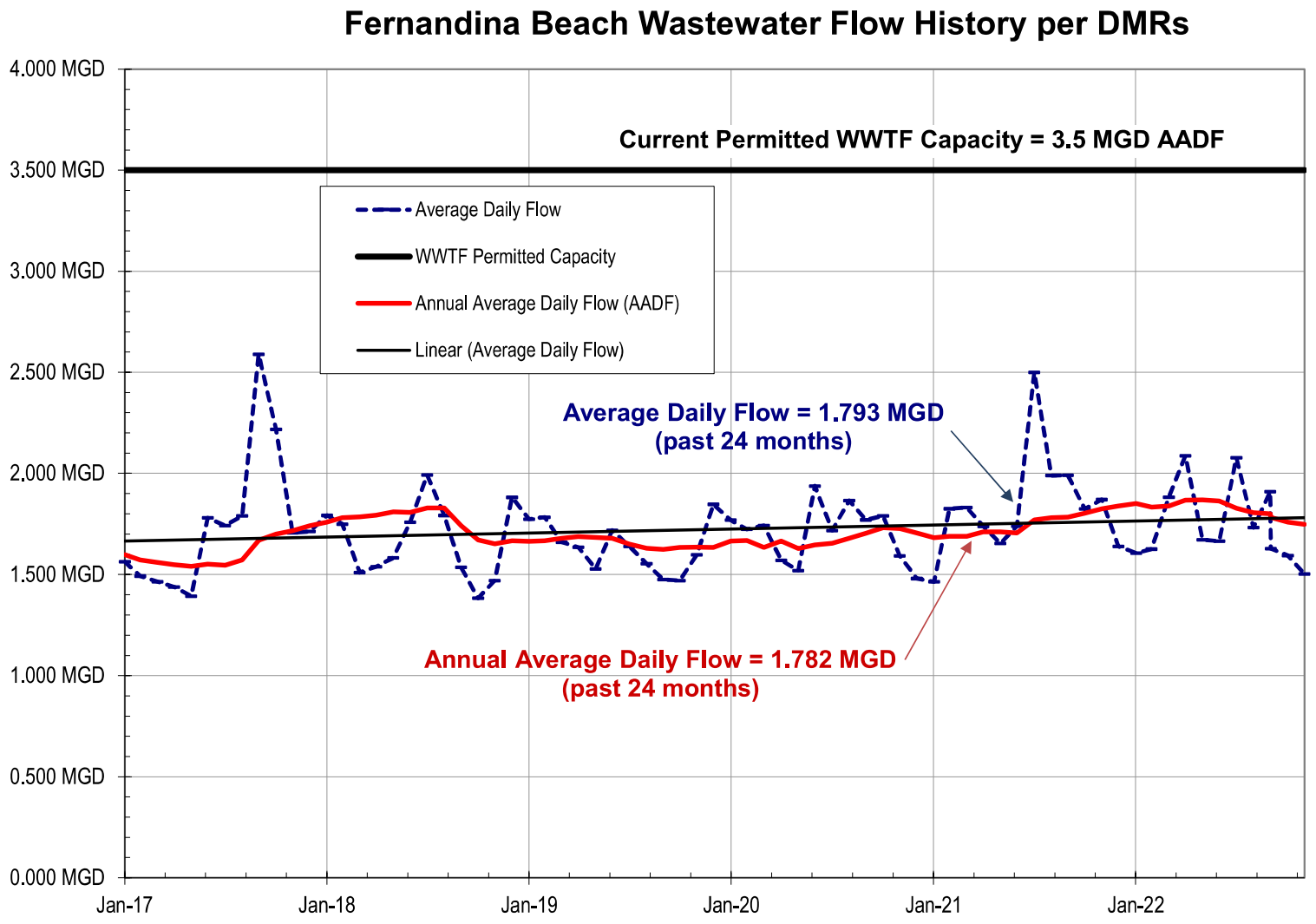
Historic Water Treatment Plant Flow Data from MORs

plant 1 from Monthly Operation Reports per 62-555.900(2), (3), (4) (6) or (5) (in MGDs)

Month	Monthly Average Demand	ADD (Annual)	Max. Day Demand	MDD (Annual)	Ratio MDD:ADD	Total WTP Permitted Capacity (MDD)	% Water Permit Capacity
Jan-17	2,738,256 gpd		3,978,000 gpd		1.45	18,200,000 gpd	22%
Feb-17	2,766,740 gpd		4,612,000 gpd		1.67	18,200,000 gpd	25%
Mar-17	3,274,611 gpd		5,203,000 gpd		1.59	18,200,000 gpd	29%
Apr-17	3,674,159 gpd		5,825,000 gpd		1.59	18,200,000 gpd	32%
May-17	3,735,902 gpd		6,382,000 gpd		1.71	18,200,000 gpd	35%
Jun-17	3,084,547 gpd		5,149,000 gpd		1.67	18,200,000 gpd	28%
Jul-17	3,690,062 gpd		6,056,000 gpd		1.64	18,200,000 gpd	33%
Aug-17	3,268,353 gpd		4,471,000 gpd		1.37	18,200,000 gpd	25%
Sep-17	3,203,192 gpd		4,797,000 gpd		1.50	18,200,000 gpd	26%
Oct-17	3,255,708 gpd		4,976,000 gpd		1.53	18,200,000 gpd	27%
Nov-17	3,162,385 gpd		4,564,000 gpd		1.44	18,200,000 gpd	25%
Dec-17	2,825,773 gpd	3,223,307 gpd	3,922,000 gpd	6,382,000 gpd	1.39	18,200,000 gpd	22%
Jan-18	2,719,998 gpd		3,685,000 gpd		1.35	18,200,000 gpd	20%
Feb-18						18,200,000 gpd	
Mar-18	3,243,773 gpd		5,097,000 gpd		1.57	18,200,000 gpd	28%
Apr-18	3,153,934 gpd		4,852,000 gpd		1.54	18,200,000 gpd	27%
May-18	3,531,127 gpd		5,649,000 gpd		1.60	18,200,000 gpd	31%
Jun-18	3,664,565 gpd		5,007,000 gpd		1.37	18,200,000 gpd	28%
Jul-18	3,697,160 gpd		5,296,000 gpd		1.43	18,200,000 gpd	29%
Aug-18	3,872,450 gpd		5,686,000 gpd		1.47	18,200,000 gpd	31%
Sep-18	3,898,232 gpd		5,650,000 gpd		1.45	18,200,000 gpd	31%
Oct-18	3,743,063 gpd		6,314,000 gpd		1.69	18,200,000 gpd	35%
Nov-18	3,391,332 gpd		5,327,000 gpd		1.57	18,200,000 gpd	29%
Dec-18	2,868,450 gpd	3,434,917 gpd	3,990,000 gpd	6,314,000 gpd	1.39	18,200,000 gpd	22%
Jan-19	2,894,966 gpd		4,719,000 gpd		1.63	18,200,000 gpd	26%
Feb-19	2,807,999 gpd		3,906,000 gpd		1.39	18,200,000 gpd	21%
Mar-19	3,156,869 gpd		4,961,000 gpd		1.57	18,200,000 gpd	27%
Apr-19	3,310,833 gpd		5,030,000 gpd		1.52	18,200,000 gpd	28%
May-19	4,097,741 gpd		5,654,000 gpd		1.38	18,200,000 gpd	31%
Jun-19	3,991,132 gpd		5,841,000 gpd		1.46	18,200,000 gpd	32%
Jul-19	3,961,192 gpd		5,867,000 gpd		1.48	18,200,000 gpd	32%
Aug-19	3,723,804 gpd		4,829,000 gpd		1.30	18,200,000 gpd	27%
Sep-19	3,707,599 gpd		5,502,000 gpd		1.48	18,200,000 gpd	30%
Oct-19	3,542,966 gpd		4,874,000 gpd		1.38	18,200,000 gpd	27%
Nov-19	3,230,133 gpd		5,191,000 gpd		1.61	18,200,000 gpd	29%
Dec-19	2,940,966 gpd	3,447,183 gpd	4,301,000 gpd	5,867,000 gpd	1.46	18,200,000 gpd	24%
Jan-20	3,028,870 gpd		4,393,000 gpd		1.45	18,200,000 gpd	24%
Feb-20	2,943,205 gpd		3,924,000 gpd		1.33	18,200,000 gpd	22%
Mar-20	3,251,385 gpd		4,929,000 gpd		1.52	18,200,000 gpd	27%
Apr-20	3,188,032 gpd		4,626,000 gpd		1.45	18,200,000 gpd	25%
May-20	3,872,578 gpd		5,260,000 gpd		1.36	18,200,000 gpd	29%
Jun-20	3,698,232 gpd		5,341,000 gpd		1.44	18,200,000 gpd	29%
Jul-20	3,950,933 gpd		6,160,000 gpd		1.56	18,200,000 gpd	34%
Aug-20	3,552,192 gpd		4,810,000 gpd		1.35	18,200,000 gpd	26%
Sep-20	1,575,666 gpd		2,490,000 gpd		1.58	18,200,000 gpd	14%
Oct-20	3,222,611 gpd		4,306,000 gpd		1.34	18,200,000 gpd	24%
Nov-20	3,020,732 gpd		4,430,000 gpd		1.47	18,200,000 gpd	24%
Dec-20	2,819,127 gpd	3,176,964 gpd	4,230,000 gpd	4,574,917 gpd	1.50	18,200,000 gpd	23%
Jan-21	2,856,708 gpd		3,545,000 gpd		1.24	18,200,000 gpd	19%
Feb-21	2,582,854 gpd		3,750,000 gpd		1.45	18,200,000 gpd	21%
Mar-21	3,065,870 gpd		4,286,000 gpd		1.40	18,200,000 gpd	24%
Apr-21	3,427,999 gpd		6,472,000 gpd		1.89	18,200,000 gpd	36%
May-21	3,993,063 gpd		6,126,000 gpd		1.53	18,200,000 gpd	34%
Jun-21	3,874,372 gpd		5,550,000 gpd		1.43	18,200,000 gpd	30%
Jul-21	3,627,353 gpd		5,361,000 gpd		1.48	18,200,000 gpd	29%
Aug-21	3,601,547 gpd		4,948,000 gpd		1.37	18,200,000 gpd	27%
Sep-21	3,708,799 gpd		6,153,000 gpd		1.66	18,200,000 gpd	34%
Oct-21	3,687,580 gpd		5,025,000 gpd		1.36	18,200,000 gpd	28%
Nov-21	3,349,733 gpd		4,484,000 gpd		1.34	18,200,000 gpd	25%
Dec-21	3,185,967 gpd	3,413,487 gpd	4,465,000 gpd	6,472,000 gpd	1.40	18,200,000 gpd	25%
Jan-22	3,054,612 gpd		4,292,000 gpd		1.41	18,200,000 gpd	24%
Feb-22	3,339,177 gpd		4,312,000 gpd		1.29	18,200,000 gpd	24%
Mar-22	3,240,869 gpd		4,346,000 gpd		1.34	18,200,000 gpd	24%
Apr-22	3,669,565 gpd		4,924,000 gpd		1.34	18,200,000 gpd	27%
May-22	4,325,612 gpd		5,978,000 gpd		1.38	18,200,000 gpd	33%
Jun-22	4,656,299 gpd		6,030,000 gpd		1.30	18,200,000 gpd	33%
Jul-22	3,952,934 gpd		6,014,000 gpd		1.52	18,200,000 gpd	33%
Aug-22	4,061,612 gpd		5,605,000 gpd		1.38	18,200,000 gpd	31%
Sep-22	3,522,133 gpd		5,387,000 gpd		1.53	18,200,000 gpd	30%
Oct-22	3,776,418 gpd		5,216,000 gpd		1.38	18,200,000 gpd	29%
Nov-22	3,544,466 gpd		4,970,000 gpd		1.40	18,200,000 gpd	27%
Dec-22	3,316,256 gpd	3,704,996 gpd	5,488,000 gpd	6,030,000 gpd	1.65	18,200,000 gpd	30%
	3,399,653 gpd	3,400,142 gpd	4,997,028 gpd		1.47		

Average Day Demand (GPD) from MORs	**3,559,242 gpd**	For past 24 months
MDF/ADF from MORs	**1.82**	For past 24 months
Max Daily Demand (GPD) from MORs	**6,472,000 gpd**	For past 24 months
Max Daily Demand (GPD) from MORs	**5,236,777 gpd**	For average MDF/ADF

	ADD	MDD	TPC
2017	3,223,307 gpd	6,382,000 gpd	18,200,000 gpd
2018	3,434,917 gpd	6,314,000 gpd	18,200,000 gpd
2019	3,447,183 gpd	5,867,000 gpd	18,200,000 gpd
2020	3,176,964 gpd	4,574,917 gpd	18,200,000 gpd
2021	3,413,487 gpd	6,472,000 gpd	18,200,000 gpd
2022	3,704,996 gpd	6,030,000 gpd	18,200,000 gpd


Fernandina Beach Wastewater Flow History per DMRs
4.000 MGD
3.500 MGD
3.000 MGD
2.500 MGD
2.000 MGD
1.500 MGD
1.000 MGD
0.500 MGD
0.000 MGD
Jan-17
Jan-18
Jan-19
Jan-20
Jan-21
Jan-22
Current Permitted WWTF Capacity = 3.5 MGD AADF
Average Daily Flow
WWTF Permitted Capacity
Annual Average Daily Flow (AADF)
Linear (Average Daily Flow)
Average Daily Flow = 1.793 MGD
(past 24 months)
Annual Average Daily Flow = 1.782 MGD
(past 24 months)

Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Date: 24-May-23

Member: **Fernandina Beach**

Version: FINAL

Contact: Andre Desilet, Utilities Director

Conn: 7,783

Address: Fernandina Beach, FL 32034

GMS: **FL0027260**

Historic Wastewater Treatment Plant Flow Data from DMRs

from Discharge Monitoring Reports per 62-620.910(10) (in MGDs)

Month	Days/Month	Year	Monthly Average	3MMADD	Annual Average WWTP Permitted Capacity (FLW-04)	Annual Average	
Jan-17	31	**2017**	1.564 MGD	1.496 MGD	3.500 MGD	1.598 MGD	
Feb-17	28		1.493 MGD	1.490 MGD	3.500 MGD	1.572 MGD	
Mar-17	31		1.465 MGD	1.507 MGD	3.500 MGD	1.560 MGD	
Apr-17	30		1.439 MGD	1.466 MGD	3.500 MGD	1.549 MGD	
May-17	31		1.393 MGD	1.432 MGD	3.500 MGD	1.540 MGD	
Jun-17	30		1.780 MGD	1.537 MGD	3.500 MGD	1.551 MGD	
Jul-17	31		1.742 MGD	1.638 MGD	3.500 MGD	1.546 MGD	
Aug-17	31		1.790 MGD	1.770 MGD	3.500 MGD	1.572 MGD	
Sep-17	30		2.589 MGD	2.040 MGD	3.500 MGD	1.670 MGD	
Oct-17	31		2.219 MGD	2.199 MGD	3.500 MGD	1.700 MGD	
Nov-17	30		1.707 MGD	2.172 MGD	3.500 MGD	1.716 MGD	
Dec-17	31		1.713 MGD	1.880 MGD	3.500 MGD	1.741 MGD	
Jan-18	31	**2018**	1.792 MGD	1.737 MGD	3.500 MGD	1.760 MGD	
Feb-18	28		1.750 MGD	1.752 MGD	3.500 MGD	1.782 MGD	
Mar-18	31		1.510 MGD	1.684 MGD	3.500 MGD	1.785 MGD	
Apr-18	30		1.539 MGD	1.600 MGD	3.500 MGD	1.794 MGD	
May-18	31		1.583 MGD	1.544 MGD	3.500 MGD	1.810 MGD	
Jun-18	30		1.758 MGD	1.627 MGD	3.500 MGD	1.807 MGD	
Jul-18	31		1.992 MGD	1.778 MGD	3.500 MGD	1.829 MGD	
Aug-18	31		1.793 MGD	1.848 MGD	3.500 MGD	1.829 MGD	
Sep-18	30		1.535 MGD	1.773 MGD	3.500 MGD	1.741 MGD	
Oct-18	31		1.383 MGD	1.570 MGD	3.500 MGD	1.671 MGD	
Nov-18	30		1.471 MGD	1.463 MGD	3.500 MGD	1.652 MGD	
Dec-18	31		1.882 MGD	1.579 MGD	3.500 MGD	1.666 MGD	
Jan-19	31	**2019**	1.774 MGD	1.709 MGD	3.500 MGD	1.664 MGD	
Feb-19	28		1.784 MGD	1.813 MGD	3.500 MGD	1.667 MGD	
Mar-19	31		1.660 MGD	1.739 MGD	3.500 MGD	1.680 MGD	
Apr-19	30		1.634 MGD	1.693 MGD	3.500 MGD	1.687 MGD	
May-19	31		1.528 MGD	1.607 MGD	3.500 MGD	1.683 MGD	
Jun-19	30		1.719 MGD	1.627 MGD	3.500 MGD	1.680 MGD	
Jul-19	31		1.640 MGD	1.629 MGD	3.500 MGD	1.650 MGD	
Aug-19	31		1.554 MGD	1.638 MGD	3.500 MGD	1.630 MGD	
Sep-19	30		1.476 MGD	1.558 MGD	3.500 MGD	1.625 MGD	
Oct-19	31		1.470 MGD	1.501 MGD	3.500 MGD	1.633 MGD	
Nov-19	30		1.598 MGD	1.515 MGD	3.500 MGD	1.636 MGD	
Dec-19	31		1.848 MGD	1.639 MGD	3.500 MGD	1.634 MGD	
Jan-20	31	**2020**	1.769 MGD	1.738 MGD	3.500 MGD	1.665 MGD	
Feb-20	28		1.724 MGD	1.709 MGD	3.500 MGD	1.669 MGD	
Mar-20	31		1.742 MGD	1.745 MGD	3.500 MGD	1.635 MGD	
Apr-20	30		1.571 MGD	1.679 MGD	3.500 MGD	1.665 MGD	
May-20	31		1.520 MGD	1.611 MGD	3.500 MGD	1.629 MGD	
Jun-20	30		1.938 MGD	1.676 MGD	3.500 MGD	1.647 MGD	
Jul-20	31		1.718 MGD	1.725 MGD	3.500 MGD	1.654 MGD	
Aug-20	31		1.866 MGD	1.841 MGD	3.500 MGD	1.680 MGD	
Sep-20	30		1.771 MGD	1.785 MGD	3.500 MGD	1.704 MGD	
Oct-20	31		1.790 MGD	1.809 MGD	3.500 MGD	1.731 MGD	
Nov-20	30		1.593 MGD	1.718 MGD	3.500 MGD	1.727 MGD	
Dec-20	31		1.480 MGD	1.621 MGD	3.500 MGD	1.706 MGD	
Jan-21	31	**2021**	1.465 MGD	1.513 MGD	3.500 MGD	1.682 MGD	
Feb-21	28		1.826 MGD	1.590 MGD	3.500 MGD	1.690 MGD	
Mar-21	31		1.832 MGD	1.707 MGD	3.500 MGD	1.690 MGD	
Apr-21	30		1.739 MGD	1.799 MGD	3.500 MGD	1.712 MGD	
May-21	31		1.654 MGD	1.742 MGD	3.500 MGD	1.711 MGD	
Jun-21	30		1.740 MGD	1.711 MGD	3.500 MGD	1.706 MGD	
Jul-21	31		2.500 MGD	1.965 MGD	3.500 MGD	1.771 MGD	
Aug-21	31		1.989 MGD	2.076 MGD	3.500 MGD	1.781 MGD	
Sep-21	30		1.991 MGD	2.160 MGD	3.500 MGD	1.784 MGD	
Oct-21	31		1.824 MGD	1.935 MGD	3.500 MGD	1.803 MGD	
Nov-21	30		1.871 MGD	1.895 MGD	3.500 MGD	1.826 MGD	
Dec-21	31		1.640 MGD	1.778 MGD	3.500 MGD	1.839 MGD	
Jan-22	31	**2022**	1.606 MGD	1.706 MGD	3.500 MGD	1.851 MGD	
Feb-22	28		1.626 MGD	1.624 MGD	3.500 MGD	1.834 MGD	
Mar-22	31		1.883 MGD	1.705 MGD	3.500 MGD	1.839 MGD	
Apr-22	30		2.087 MGD	1.865 MGD	3.500 MGD	1.868 MGD	
May-22	31		1.672 MGD	1.881 MGD	3.500 MGD	1.869 MGD	
Jun-22	30		1.665 MGD	1.808 MGD	3.500 MGD	1.863 MGD	
Jul-22	31		2.078 MGD	1.805 MGD	3.500 MGD	1.828 MGD	
Aug-22	31		1.733 MGD	1.825 MGD	3.500 MGD	1.806 MGD	
Sep-22	30		1.910 MGD	1.907 MGD	3.500 MGD	1.800 MGD	
Oct-22	31		1.629 MGD	1.757 MGD	3.500 MGD	1.783 MGD	
Nov-22	30		1.594 MGD	1.711 MGD	3.500 MGD	1.760 MGD	
Dec-22	31		1.502 MGD	1.575 MGD	3.500 MGD	1.749 MGD	
Average			1.793 MGD	1.796 MGD		1.782 MGD	24 month period
Maximum			2.500 MGD				24 month period
Average			1.729 MGD	1.724 MGD		1.711 MGD	full period

Florida Rural Water Association

Date: **24-May-23**

Member: **Fernandina Beach**
Version: **FINAL**
Contact: **Andre Desilet, Utilities Director**
Conn: **7,783**
City: **Fernandina Beach, FL 32034**
GMS: **FLA0027260**

Wastewater Transmission System - Inventory, Condition & Current Value

Replacement Value at today's cost price per inch-diameter per foot: $8.50

Pipe Dia (inches)	Pipe Material	Length (feet)	Length (miles)	Approximate Average Age	Approx. Useful Value	Value ($ per ft)	Estimated ($)	
Wastewater Force Main								
4-in	PVC	33,952-ft	6.43 mi	36	40%	$34.00 /ft	$461,747	$1,154,368
6-in	PVC, CI	37,334-ft	7.07 mi	47	22%	$51.00 /ft	$412,541	$1,904,034
8-in	PVC, CI	31,471-ft	5.96 mi	44	27%	$68.00 /ft	$570,674	$2,140,028
10-in	CI	5,292-ft	1.00 mi	50	17%	$85.00 /ft	$74,970	$449,820
12-in	PVC, CI	25,730-ft	4.87 mi	23	62%	$102.00 /ft	$1,618,417	$2,624,460
		133,779-ft	25.34 mi			Useful Life Value:	**$3,138,349**	**$8,272,710**
						Replacement Value at today's cost:	**$8,272,710**	

NOTES:

1. Age, material, diameter and lengths of pipelines based on GIS data and interviews with operations staff.

2. Approximate Useful Value of existing force main based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan: 60 years.

3. Cost based on similar construction in Florida and engineer estimate

4. Share of system cost is for force main 4-inches and larger for sewage transmission, collection system force mains required for connections (3-inches and smaller) are not included

5. Only piping purchased and installed by City utility are included. Areas provided by private developers based on interviews with City staff.

Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Member: **Fernandina Beach**
Contact: **Andre Desilet, Utilities Director**
City: **Fernandina Beach, FL 32034**

Date: **24-May-23**
Version: **FINAL**
Conn: **7,783**
GMS: **FLA0027260**

Wastewater Collection System - Inventory, Condition & Current Value

Replacement Value at today's cost price per inch-diameter per foot: $7.50

PVC	Pipe Material	Length (feet)	Length (miles)	Average Age (years) [1]	Approx. Useful Value [3]	Value ($ per ft)	Estimated ($)	
8-in	PVC, CI, ABS, VC, Orangeburg	**539,635-ft**	102.20 mi	28-yrs	71%	$60.00 /ft	$23,124,735	$32,378,100
10-in	PVC, CI, ABS, VC, DIP, PVC, RCP	**24,239-ft**	4.59 mi	32-yrs	64%	$75.00 /ft	$1,156,394	$1,817,925
12-in	PVC, VC, CI	**5,285-ft**	1.00 mi	16-yrs	69%	$90.00 /ft	$328,306	$475,650
15-in	PVC, ABS, VC	**11,019-ft**	2.09 mi	23-yrs	68%	$112.50 /ft	$837,982	$1,239,638
18-in	VC	**2,771-ft**	0.52 mi	18-yrs	64%	$135.00 /ft	$239,414	$374,085
24-in	VC	**1,135-ft**	0.21 mi	68-yrs	32%	$180.00 /ft	$65,376	$204,300
		563,874-ft	**106.79 mi**			Rounded	**$24,281,000**	**$34,196,025**
							$34,196,000	

Manholes

Category	Material	Quantity		Avg Est Age (years) [1]	Approx. Useful Value [3]	Value ($ per unit)	Estimated ($)	
Manholes	Concrete	1,123		35-yrs	30%	$10,000	$3,369,000	$11,230,000
							$3,369,000	$11,230,000
						Replacement Value at today's cost:	$11,230,000	

NOTES:

1. Age of pipelines are based on interviews with City staff and available GIS data.

2. Pipe Diameter based on available GIS data and interviews with City staff.

3. Approximate Useful Value of existing piping and manholes based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan: 100 years gravity sewers, 50 years manholes and lined pipe. Age adjusted for lined pipes.

4. Cost based on similar construction in Florida and engineer estimate.

5. Share of system cost is for gravity sewers 8-inch and larger, collection system gravity sewers 6-inches and smaller required for connections are not included

6. Only piping and manholes purchased and installed by City utility are included. Areas provided by private developers based on interviews with City staff.

Florida Rural Water Association

2970 Wellington Circle, Tallahassee, Florida 32309

Member: **Fernandina Beach**
Contact: **Andre Desilet, Utilities Director**
Address: **Fernandina Beach, FL 32034**

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Estimated WWTF Construction Costs

Year built: Treatment Train #1 began operation 1990, Treatment Train #2 began operation 2010

	Capacity	Construction Cost	$/gallon	Average Age (years)	Useful Life
Existing Biological Nutrient Removal Wastewater Treatment Plant: 2 parallel Oxidation Ditch treatment trains, each with a Secondary Clarifier and Chlorine Contact Chamber; Mechanical Screening Device; 2 backup Manual Bar Screens; Grit Removal Chamber; Dechlorination Chamber; 3 Aerobic Digesters; Rotary Press for Dewatering.	3.500 MGD	$70,000,000	$20.00 / gal	23	28%

Replacement Value at today's cost:	$70,000,000
Useful Life Value at today's cost:	**$19,687,500**

Notes: 1. WWTP cost based on similar construction in Florida and engineer estimate
2. Approximate Useful Value based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan and Florida Public Service Commission Average Service Life Guidelines, F.A.C. 25-30.140 : 32 years.

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GMS: **FLA0027260**

Wastewater Lift Stations

		Estimated Construction Cost	Average Age (years)	Useful Life Value	Unit Cost
Neighborhood Lift Stations	48	$9,600,000	38	$480,000	$200,000 / ea
Master Lift Stations	11	$3,850,000	45	$385,000	$350,000 / ea
			Useful Life Value:	$865,000	
			Replacement Value at today's cost:	**$13,450,000**	

1. Age based on City GIS data input.

2. Approximate Useful Value of existing lift stations based on industry standards, consistent with FRWA Deparatment of Environmental Protection Asset Management Plan: 40 years. Minimum useful life = 10%.

Florida Rural Water Association

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Address: **Fernandina Beach, FL 32034**

Date: **24-May-23**
Version: **FINAL**
Conn: **9,310**
PWS **2450364**

Equivalent Residential Connection (ERC) Worksheet

WATER ERCS

Water Meter Breakdown by Size

Type	Quantity	Size	ERC Factor	Total ERCs
Residential	8296	3/4"	1	8296
Residential	42	1"	2	84
Residential	9	2"	8	72
Residential	8	3"	16	128
Residential	4	4"	25	100
Nonresidential	571	3/4"	1	571
Nonresidential	244	1"	2	488
Nonresidential	111	2"	8	888
Nonresidential	10	3"	16	160
Nonresidential	15	4"	25	375
Total	**9310**			**11162**

Ratio ERCs / Service Connection: 1.20

11162	Water ERCs

WASTEWATER ERCS

Type	Quantity	Size	ERC Factor	Total ERCs
Residential	7011	3/4"	1	7011
Residential	49	1"	2	98
Residential	4	2"	8	32
Residential	4	3"	16	64
Residential	3	4"	25	75
Nonresidential	480	3/4"	1	480
Nonresidential	125	1"	2	250
Nonresidential	90	2"	8	720
Nonresidential	6	3"	16	96
Nonresidential	11	4"	25	275
Total	**7783**			**9101**

Ratio ERCs / Service Connection: 1.17

9101	Wastewater ERCs

Source: Carrie Norfleet, Fernandina Beach Accountant

FERNANDINA BEACH CAPACITY FEES

SALTUS
ENGINEERING, INC.

Katherine Van Zant, PE

Florida Rural Water Association

- Specialize water & wastewater rates and financing
- Serving over 1,400 cities, towns, special districts, and utilities throughout Florida
- Completed over 1,000 financing & rate studies.
- 30+ yrs advising Florida water & wastewater systems
  1. FRWA rate / fee studies have **never had legal challenge**
  2. Performed sound rational and methodical procedures
  3. Use tested utility industry standards – AWWA, GASB…
  4. Strong legal footing under Florida Statutes & case law

Water Revenues

Four Categories

1. **Rates**
   - Monthly charges for services used including fixed costs such as debt repayment
2. **Capacity Fees**
   - One time capacity buy-in
3. **Connection Charges**
   - Placement of new water meter or sewer stub-out
4. **Other Fees**
   - Late charges, turn offs / ons, etc.

What are Capacity Fees

- **One-time Charge Assessed**
  - new connections to reimburse utility systems for capital / fixed costs needed to provide capacity to be used
- **Fixed Costs for Water and Wastewater Service**
  - wells, treatment plants, storage tanks, pumps, pipes, etc.
- **Utility Capital Expenses, not Operations**

Growth Pays For Growth

Always-present questions:

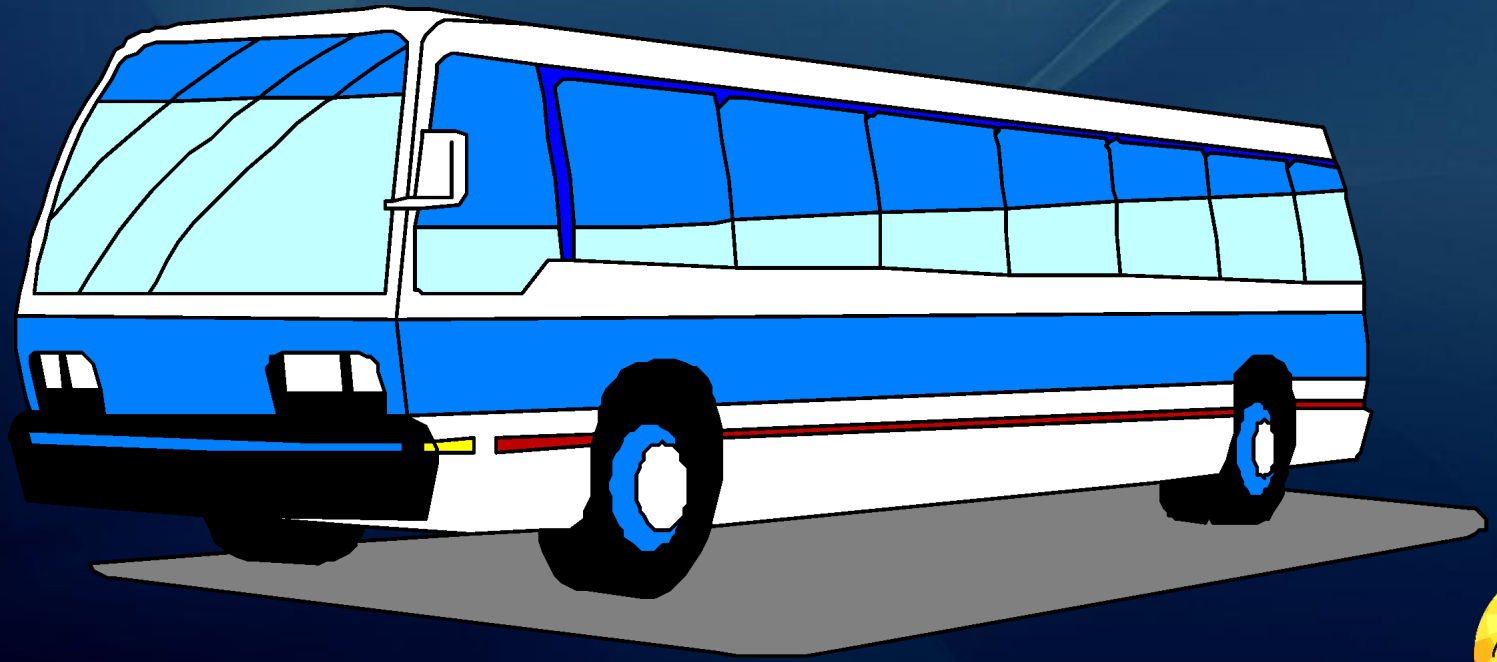
1. How shall we pay for growth?
2. Should existing utility rate payers support system expansion to accommodate growth?

- Capacity fees are designed to make it possible for new customers to pay for their proportion of the system and capacity they use up that has been provided in the system for them

Growth Pays For Growth

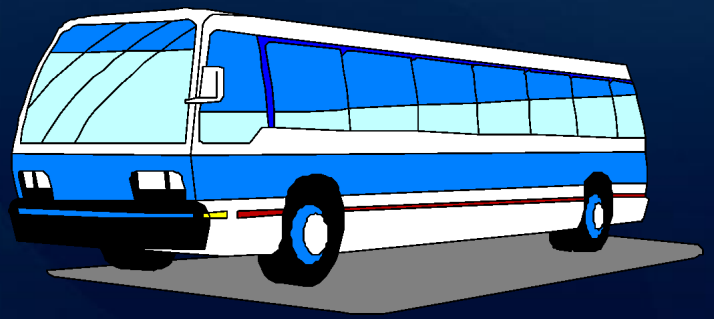
Example

Limited number of seats on the bus (capacity)



Growth Pays For Growth

- Rates pay for operation and debt
  - ✓ Gas, tires, driver, repairs, etc.
  - ✓ Existing rate payers are paying and have paid for their seat on the bus
- Capacity fees by new passengers pay for
  - ✓ Their own seat on the bus
  - ✓ Principles of equity & fairness
  - ✓ Cost is justifiable



Capacity Fee Objectives

- New development pay its own way
- Minimize debt or reduce need for future debt
- Maintain an appropriate level of retained earnings and cash reserves to meet capital needs

IS ONE MORE FEE REALLY NEEDED?

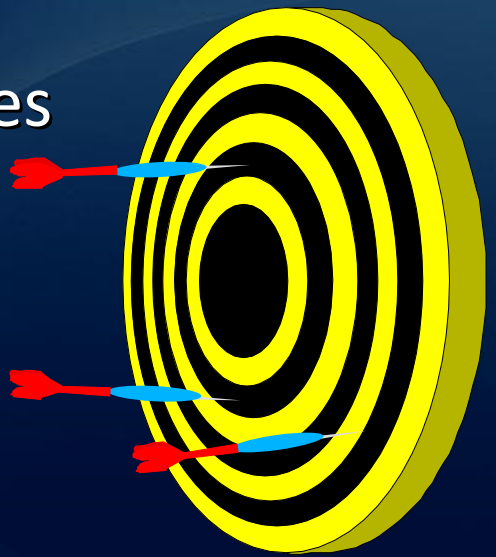
Dealing with Growth & Infrastructure Decay

- Florida statute requires communities to maintain adequate levels of service for public facilities and **to anticipate and prepare for growth**
- It takes **many years to build capacity** into a system, it's impossible to provide it at the same time the new growth happens
- In addition, water and wastewater utilities must maintain infrastructure in **good operating condition**
- Requires adequate funding and continual **repair and replacement** (R&R) just to keep up with normal usage and aging

HOW TO DETERMINE CAPACITY FEES

Pseudo-Rate / Fee Making Process

- Sampling of neighbors to confirm rates are *comparative only*
- Quick & Easy Method
  - Polling Surrounding Communities
  - Not Rational Basis
  - Not Defensible to Challenges
  - Don’t rely on comparisons



Capacity Fee Determination

$$\frac{\text{Capacity Cost (\$)}}{\text{ERC}} \times \text{No. of ERCs represented by new user}$$

Capacity Cost per ERC:

- **$/ERC** = $\frac{\text{Total Treatment Cost (\$)}}{\text{Total Treatment Capacity (gpd)}} \times \text{gpd/ERC}$

Capacity Fee Options

Option A

- The **Remaining Useful Life Basis** provides a value to existing assets based on current condition, based on years they are expected to continue to function.

Option B

- The **Replacement Value Basis** captures the true and sustainable costs or running (and replacing) Fernandina Beach's Water and Wastewater Utilities.

RECOMMENDED CAPACITY FEES

Recommended Water Capacity Fees

Current Capacity Fee – $959 / ERC

Option A – Remaining Useful Life Basis

- **$520** per Equal Residential Connection (ERC).

Option B – Replacement Value Basis

- **$2,760** per Equal Residential Connection (ERC).

⇨ **FRWA Recommends Option B to capture true & sustainable costs**

Water Capacity Fee Recommendations

- $5.56 per gallon water system capital cost
- 36% of water treatment plant is being used
- 20,227 more service connections at 100% capacity

Water Capacity Fee Recommendations

- 36% of water treatment plant is being used
- 16,182 more service connections at 80% capacity
- Up to $44,662,000 in Capacity Fees

  - can be collected up to 80% capacity

Recommended Wastewater Capacity Fees

Current Capacity Fee - $2,321 / ERC

Option A – Remaining Useful Life Basis

- **$2,480** per Equal Residential Connection (ERC).

Option B – Replacement Value Basis

- **$7,280** per Equal Residential Connection (ERC).

⇨ **FRWA Recommends Option B to capture true & sustainable costs**

Wastewater Capacity Fee Recommendations

- $39.19 per gallon wastewater system capital cost
- 51% of wastewater treatment plant is being used
- 8,765 more service connections at 100% capacity

Wastewater Capacity Fee Recommendations

- 51% of wastewater treatment plant is being used
- 7,012 more service connections at 80% capacity
- Up to $51,047,000 in Capacity Fees
  - can be collected up to 80% capacity

QUESTIONS ?

SALTUS
ENGINEERING, INC.

Business Impact Estimate

This form should be included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the website by the time notice of the proposed ordinance is published.

Proposed ordinance's title/reference:

ORDINANCE 2023-39 AMENDING THE CODE OF ORDINANCES CHAPTER TWO, ADMINISTRATION, ARTICLE VII, FINANCE, DIVISION 4, BY REPLACING THE TERM "IMPACT FEE" WITH "CAPACITY FEE" IN THE TITLE AND THROUGHOUT THIS ARTICLE; BY REPLACING LEGALESE TERM SUCH AS "SHALL" BY PLAIN ENGLISH "MUST" OR "MAY" FOR REQUIREMENTS CONTAINED IN CERTAIN SECTIONS OF THIS ARTICLE; BY SPECIFICALLY AMENDING SECTION 2-475 LEGISLATIVE FINDINGS TO STATE INTENT TO SATISFY DUAL RATIONAL NEXUS TEST; AMENDING SECTION 2-476, DEFINITIONS, BY ADDING DEFINITION OF INFRASTRUCTURE; AMENDING SECTION 2-477 TO REQUIRE PAYMENT OF CAPACITY FEE UPON ISSUANCE OF A BUILDING PERMIT; REPEALING SECTION 2-481 BECAUSE IT IS OBSOLETE AND RELATED TO REPAYMENT OF STATE OF FLORIDA GRANTS AND MATCHES FOR GRANTS THAT ARE NO LONGER RELEVANT; AMENDING SECTION 2-482 BY ESTABLISHING A SEWER SYSTEM CAPACITY FEE BASED UPON RECENT AND LOCALIZED DATA AND BASED ON EQUIVALENT RESIDENTIAL UNITS; BY CREATING SECTION 2-483, PROVIDING FOR A SANITARY SEWER CAPACITY TRUST FUND, DEPOSIT OF FEES, USE OF FUNDS; AND BY AMENDING DIVISION 7, WATER CAPACITY FEE AND TRUST FUND BY AMENDING SECTION 2-540 PROVIDING FOR LEGISLATIVE FINDINGS; AMENDING SECTION 2-542 BY ESTABLISHING A WATER SYSTEM CAPACITY FEE BASED UPON RECENT AND LOCALIZED DATA AND BASED ON EQUIVALENT RESIDENTIAL UNITS; AMENDING SECTION 2-544 BY ADDING DEFINITION OF INFRASTRUCTURE; AMENDING SECTION 2-547 BY CLARIFYING FINANCIAL HARDSHIP; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City of Fernandina Beach is of the view that a business impact estimate is not required by state law[1] for the proposed ordinance, but the City of Fernandina Beach is, nevertheless, providing this Business Impact Estimate as a courtesy and to avoid any procedural issues that could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

[1] See Section 166.041(4)(c), Florida Statutes.

- [X] The proposed ordinance is required for compliance with Federal or State law or regulation;
- [ ] The proposed ordinance relates to the issuance or refinancing of debt;
- [ ] The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- [ ] The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the municipal government;
- [ ] The proposed ordinance is an emergency ordinance;
- [ ] The ordinance relates to procurement; or
- [ ] The proposed ordinance is enacted to implement the following:
    a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
    b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
    c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
    d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

In accordance with the provisions of controlling law, even notwithstanding the fact that an exemption noted above may apply, the City of Fernandina Beach hereby publishes the following information:

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

The City is committed to providing adequate water and sewer facilities for the residents of the City and surrounding areas that are served or will be served by the City's water and sewer systems. New development, changes in use, renovations, expansions, and building modifications to existing structures all impose increased and excessive demands upon the water and sewer systems. These demands will continue which will place ever-increasing demands on the City to provide adequate water and sewer. These demands should be satisfied by shifting the responsibility for financing the construction and/or reconstruction of infrastructure for the water and wastewater systems from the existing rate payers to the new users that are creating the demands. The imposition of system capacity fees (sometimes referred to as connection fees or impact fees) are an accepted method of paying for the capital improvements and infrastructure that must be constructed to serve new growth, including debt service for capital improvement projects to address capacity.

The City's capacity fees for the City's water and wastewater systems were last updated in 2023. The City engaged the Florida Rural Water Association to conduct a study of the City's capacity fees. On July 5, 2023, the Florida Rural Water Association presented their findings to the City Commission and public from their Water and Sewer System Capacity Fee Study. The presentation included two options for adjusting the capacity fees,"Option A" and "Option B", with a very strong recommendation for "Option B". On October 17, the Ordinance was adopted to adjust the capacity fees as outlined in "Option A" instead of the recommended "Option B". This Ordinance is to adopt the capacity fees as outlined in "Option B" as this is still the primary recommendation and considered necessary for the wellbeing of the City's Water and Wastewater system.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Fernandina Beach, if any:

(a) An estimate of direct compliance costs that businesses may reasonably incur;
If this Ordinance is approved, the water capacity fees will be increased from $520 to $2,760 and the wastewater capacity fees will increase from $2,480 to $7,280 for new or increased connections to the water and/or sewer systems. This is an estimated impact of $7,040 per ERU. The financial impact for each business will depend on the specific utility demands of that business.

(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible; and
None.

(c) An estimate of the City of Fernandina Beach regulatory costs, including estimated revenues from any new charges or fees to cover such costs.
None known at this time.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

Any new business or current business which plans to connect or expand their service to the City water and/or sewer systems will be impacted by this Ordinance. Currently the average number of businesses impacted each year is 6.

4. Additional information the governing body deems useful (if any):

Against the recommendation of the Florida Rural Water Association, Ordinance 2023-29 was approved on October 17,2023, adopting "Option A" of the Capacity Fee Study. This Ordinance is to adopt the highly recommended "Option B" of the Capacity Fee Study which will properly shift the responsibility for financing the construction and/or reconstruction of infrastructure for the water and wastewater systems from the existing rate payers to the new users that are creating the demand. This Ordinance is applicable to all properties in all zoning districts in the City including residential, commercial and industrial properties that connect to the City's water and/or sewer systems. Therefore, this Ordinance does not only affect businesses in the City.

ORDINANCE 2023-39

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FERNANDINA BEACH, FLORIDA; AMENDING THE CODE OF ORDINANCES CHAPTER TWO, ADMINISTRATION, ARTICLE VII, FINANCE, DIVISION 4, BY REPLACING THE TERM "IMPACT FEE" WITH "CAPACITY FEE" IN THE TITLE AND THROUGHOUT THIS ARTICLE; BY REPLACING LEGALESE TERMS SUCH AS "SHALL" BY PLAIN ENGLISH "MUST" OR "MAY" FOR REQUIREMENTS CONTAINED IN CERTAIN SECTIONS OF THIS ARTICLE; BY SPECIFICALLY AMENDING SECTION 2-475 LEGISLATIVE FINDINGS TO STATE INTENT TO SATISFY DUAL RATIONAL NEXUS TEST; AMENDING SECTION 2-476, DEFINITIONS, BY ADDING DEFINITION OF INFRASTRUCTURE; AMENDING SECTION 2-477 TO REQUIRE PAYMENT OF CAPACITY FEE UPON ISSUANCE OF A BUILDING PERMIT; REPEALING SECTION 2-481 BECAUSE IT IS OBSOLETE AND RELATED TO REPAYMENT OF STATE OF FLORIDA GRANTS AND MATCHES FOR GRANTS THAT ARE NO LONGER RELEVANT; AMENDING SECTION 2-482 BY ESTABLISHING A SEWER SYSTEM CAPACITY FEE BASED UPON RECENT AND LOCALIZED DATA AND BASED ON EQUIVALENT RESIDENTIAL UNITS; BY CREATING SECTION 2-483, PROVIDING FOR A SANITARY SEWER CAPACITY TRUST FUND, DEPOSIT OF FEES, USE OF FUNDS; AND BY AMENDING DIVISION 7, WATER CAPACITY FEE AND TRUST FUND BY AMENDING SECTION 2-540 PROVIDING FOR LEGISLATIVE FINDINGS; AMENDING SECTION 2-542 BY ESTABLISHING A WATER SYSTEM CAPACITY FEE BASED UPON RECENT AND LOCALIZED DATA AND BASED ON EQUIVALENT RESIDENTIAL UNITS; AMENDING SECTION 2-544 BY ADDING DEFINITION OF INFRASTRUCTURE; AMENDING SECTION 2-547 BY CLARIFYING FINANCIAL HARDSHIP; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City is committed to providing adequate water and sewer facilities for the residents of the City and surrounding areas served or to be served by the City's water and sewer systems; and

WHEREAS, new development, or change in use, renovations, expansions, or building modifications to existing structures, impose increased and excessive demands upon the water and sewer systems, and will continue to place ever-increasing demands on the City to provide adequate water and sewer; and

WHEREAS, to the extent that new development, or change in use, renovations, expansions, or building modifications to existing structures, place demands upon the water and sewer systems, those demands should be satisfied by shifting the responsibility for financing the construction and reconstruction of the water and sewer systems from the user fee payers to the new users creating the

additional demands; and

WHEREAS, the imposition of water and sewer system capacity fees, referred to as capacity or connection fees, is an accepted method of paying for capital improvements and infrastructure that must be constructed to serve new growth, including debt service for such improvements; and

WHEREAS, in 2015, the City Commission enacted Ordinances 2014-35 and 2014-36, establishing capacity fees for the City's water and sewer systems; and

WHEREAS, in 2023, the City engaged the Florida Rural Water Association to conduct a professional study of the City's water and sewer capacity fees, to provide recent and localized data to support the City's collection and expenditure of water and sewer capacity fees ("Capacity Fee Study"); and

WHEREAS, on July 5, 2023, the Florida Rural Water Association ("FRWA") presented their findings to the City Commission at a public meeting from their Capacity Fee Study, and presented two Options for increases and decreases (depending on the Option chosen) to both water and sewer capacity fees to account for new growth in the City and additional demands on the City's water and sewer systems' infrastructure; and

WHEREAS, Option A in the Capacity Fee Study recommends using the evaluated **water capacity fee of $520 per equivalent residential connection** using the "Remaining Useful Life Basis", and Option B recommends the evaluated water capacity fee of $2,760 per equivalent residential connection using the "Replacement Value Basis"; and

WHEREAS, Option A in the Capacity Fee Study recommends using the evaluated **wastewater (sewer) capacity fee of $2,480 per equivalent residential connection** using the "Remaining Useful Life Basis", and Option B recommends the evaluated wastewater capacity fee of $7,280 per equivalent residential connection using the "Replacement Value Basis"; and

WHEREAS, the City Commission has carefully considered the Capacity Fee Study dated May 24, 2023 prepared by the FRWA, and the Capacity Fee Study is attached hereto as Exhibit A; and

WHEREAS, the City Commission has determined it is in the best interests of the City to amend the City of Fernandina Beach Code of Ordinances to adopt the recommendations of the Capacity Fee Study and implement "Option A" for new evaluated capacity fees for water and wastewater systems; and

WHEREAS, the City Commission finds that calculation of the proposed new water and wastewater (sewer) system capacity fees are based upon the most recent and localized data collected and analyzed by the Florida Rural Water Association using the "Remaining Useful Life Basis; and

WHEREAS, the evidence reviewed by the City Commission, including the Capacity Fee Study, demonstrates a reasonable connection between the need for water and wastewater (sewer) infrastructure capital improvements for the water and sewer systems and the growth and population generated by new development and existing users, and a reasonable connection between the contemplated expenditures of system capacity fees collected and the benefits accruing to such development and users; and

WHEREAS, the City Commission finds that the record, including staff and consultant reports, legally justify the imposition of increased wastewater (sewer) system capacity fees and decreased water system capacity fees pursuant to applicable law, and that the new sewer and water system capacity fees satisfy both prongs of the Dual Rational Nexus Test and are in compliance with law. *See Hollywood, Inc. v. Broward County*, 431 So. 2d 606, 611-12 (Fla. 4th DCA 1983). *Confirmed by the Fla. Supreme Court in Volusia County v. Aberdeen at Ormond Beach LP, 760 So.2d 126 (Fla. 2000) and St. Johns County v. NE Fla. Builders Ass'n, Inc.* 583 So.2d 635 (Fla. 1991); and

WHEREAS, the imposition of increased sewer and decreased water system capacity fees hereunder to finance the infrastructure needed by the sewer and water systems is in the best interests of the public health, safety and welfare, including the residents of the City and surrounding areas served by the water and sewer systems, and does not impose an unfair burden on new development or existing users; and

WHEREAS, the City has provided no less than 90-days' notice before the effective date of this Ordinance by posting on the City's website and by posting it at City facilities throughout the City.

NOW, THEREFORE, THE CITY OF FERNANDINA BEACH HEREBY ORDAINS:

SECTION 1. The above recitals are incorporated fully herein by this reference and constitute substantive legislative findings by the City Commission of the City of Fernandina Beach, Florida.

SECTION 2. That the Code of Ordinances, City of Fernandina Beach, Florida, Ch. 2, Administration, Article VII, Finance, Division 4 title "Sanitary Sewer Impact Fees and Trust Fund" is hereby amended as follows:

DIVISION 4. - SANITARY SEWER ~~IMPACT~~ CAPACITY FEES AND TRUST FUND

SECTION 3. That the Code of Ordinances, City of Fernandina Beach, Florida, Section 2-475 is hereby amended as follows:

Sec. 2-475. – Legislative findings in support of sanitary sewer system capacity fees.

(a) In support of the sanitary sewer system capacity fee~~, sometimes referred to in this Division as an "impact fee"~~, the City Commission makes the following findings:

(1) As of 2019, the Florida legislature amended the Florida Impact Fee Act ("Act") to specifically exempt sewer connection charges (formerly known as "sewer impact fees") from the requirements of the Act. *See s. 5 Ch. 2019-165 Laws of Florida).* ~~Section 163.31801, Florida Statutes, a~~ A sanitary sewer system capacity fee ~~or impact fee adopted by ordinance of a municipality must, at minimum:~~ is hereby established, and the City Commission of the City of Fernandina Beach intends for the capacity fee to be valid and enforceable by satisfying both prongs of the Dual Rational Nexus Test and justifying the need for collection and expenditure of the sewer capacity fee by:

a. Requir~~i~~ing that the calculation of the ~~impact~~ capacity fee be based on the most recent and localized data;

b. Provideing for accounting and reporting of ~~impact~~ capacity fee collections and expenditures. ~~If a local governmental entity imposes an impact fee to address its infrastructure needs, the entity~~ ~~shall~~ The City must account for the revenues and expenditures of such ~~impact~~ capacity fee in a separate accounting fund;

c. Limiting administrative charges for the collection of ~~impact~~ capacity fees to actual costs; and

d. Requireing that notice be provided no less than 90 days before the effective date of an ordinance ~~or resolution~~ imposing a new or increased ~~impact~~ capacity fee. ~~A county or municipality~~ The City is not required to wait 90 days to decrease, suspend, or eliminate ~~an impact~~ the capacity fee.

(2) ~~The sewer system capacity fee adopted herein complies with all parts and subparts of Sections 163.31801(3) and (4), Florida Statutes as follows:~~

~~(i) Calculation of the proposed new sewer system capacity fee is based upon the most recent and localized data collected and analyzed by Burton & Associates;~~

~~(ii) Section 2-481 of this City Code below provides for accounting and reporting of system capacity fee collections and expenditures through a separate accounting fund;~~

~~(iii) The City shall will limit any applicable administrative charges for collection of sewer system capacity fees to actual costs;~~

~~(iv) The City requires that notice be provided no less than 90 days before the effective date of an ordinance or resolution imposing a new or increased sewer system capacity fee or impact fee; and~~

~~(v) Audits of financial statements of the City which are performed by a certified public accountant pursuant to Section 218.39, Florida Statutes, and submitted to the Auditor General shall include an affidavit signed by the City Controller stating that the City has complied with Section 163.31801(4), Florida Statutes.~~

~~The proposed sewer system capacity fee satisfies the areas of system capacity fee development addressed by the courts and Florida Statutes, specifically: 1) the fair share allocation rules; 2) the first prong of the dual rational nexus test which is "the capacity fee must be proportionate to the benefit received by the new connection" (the second prong of the dual rational nexus test which is "the capacity fee funds collected must be used to fund assets benefitting the new connection" is satisfied by the use of capacity fees to pay for debt service associated with excess capacity, which is shown in Section 2 – Revenue Sufficiency Analysis), and 3) recognition of "credit" allowances via offsets to the fees. See 2015 Burton System Capacity Fee Study pgs. 12-13.~~

~~(4) Sewer system capacity fees shall must be utilized specifically for the purpose of paying the expansion-related portion of existing utility debt service requirements that are being paid by current customers for excess capacity assets that are being funded for the benefit of future connections. Since annual system capacity fee revenue projected to be collected is less than the maximum amount of sewer allocated debt service eligible for funding with system capacity fees, in each year of the projection period 100% of sewer system capacity fees are used to pay for the expansion-related portion of existing debt service. As such, the second prong of the dual "rational nexus" test is satisfied. *See 2015 Burton System Capacity Fee Study pgs. 14 and 23.*~~

~~(5)~~ (2) ~~This ordinance specifically earmarks the sewer system capacity fees collected for use in acquiring capital facilities to benefit new users as provided in Section 2-481 below and~~ The City has demonstrated a rational nexus between the need for capital infrastructure and the growth in population generated by new development through the most recent and localized data presented by professional studies, periodically, to satisfy the first prong of the Dual Rational Nexus Test. In addition, the City must demonstrate a rational nexus between expenditures of the capacity fee collected and benefits accruing to the capacity fee payers through methods as recommended by professional studies, as required by *Hollywood, Inc. v. Broward County*, 431 So. 2d 606, 611-12 (Fla. 4th DCA 1983). *Confirmed by the Fla. Supreme Court in Volusia County v. Aberdeen at Ormond Beach LP, 760 So.2d 126 (Fla. 2000) and St. Johns County v. NE Fla. Builders Ass'n, Inc.* 583 So.2d 635 (Fla. 1991). ~~at 637 (quoting *Hollywood, Inc. v. Broward County*, 431 So. 2d 606, 611-12 (Fla. 4th DCA 1983)).~~

(b) Sewer system capacity fee is defined as the cost of the capacity per ERU.

SECTION 4. It is hereby proposed that Section 2-476 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-476. - Definitions.

The following words, terms and phrases, when used in this division, ~~shall~~ have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Boardinghouse or *roominghouse* means a dwelling other than a hotel or motel where, for compensation and by prearrangement for definite periods, lodging and meals are provided to transient guests and which is operated by the owner thereof. This definition ~~shall~~ includes residential structures renting three rooms or more. Residential structures containing three or more rental rooms ~~shall be~~ are deemed to be the same as a hotel or motel for impact purposes.

Combination accounts means accounts that contain both residential and nonresidential facilities served through a common service, and may be treated as residential, nonresidential, or both. Location and number of plumbing fixtures will determine the applicable requirement for impact fees.

Commercial, industrial, and nonresidential accounts. All other types of accounts not defined as an equivalent single-family residential unit will, for the purposes of establishing the applicable impact fee, be considered to consist of multiples of a single-family residential unit, and the impact fee for these uses ~~shall~~ will be computed by means of average flow values as determined from water meter readings provided by the state public utilities company and reviewed by the City no less than every two years. The flow data for purposes of determining impact fees is shown in section 2-482.

Equivalent single-family residential unit:

(1) Each single-family residence served by the City through a single sewer service connection will constitute one equivalent single-family residential unit.

(2) Each residential room or combination of rooms designed to be occupied on a permanent or long-term basis and not otherwise defined as a hotel or motel in this section, and each apartment unit, condominium unit, multifamily unit, or prepared mobile home space that includes connection points for sewer service and that is owner-occupied, offered separately for rent as a rental or lease unit, or vacant, will constitute one equivalent single-family residential unit. Multiunit apartments, condominiums, and similar multiunit residential structures or complexes are defined as consisting of multiple single-family residential units, regardless of whether or not a single sewer connection serves the entire complex. Boardinghouses and roominghouses having one or two rooms for rent ~~shall~~ constitute one equivalent single-family residential unit. All larger units should refer to the definition of "boardinghouse or roominghouse."

Hotel or *motel* means any building or group of buildings containing sleeping room accommodations for guests, providing the service generally provided by a hotel or motel and recognized as a hotel or motel in the community or by the industry, and offering daily or weekly rates, with a bath or connecting bath for every rental unit and occupied only by transient guests. It is the intent of this definition that any structure offering a residential room or combination of rooms for rent or lease for longer than a month at a time ~~shall~~ will not be considered a hotel or a motel.

Infrastructure means a fixed capital expenditure or fixed capital outlay, excluding the cost of repairs or maintenance, associated with the construction, reconstruction, or improvement of sanitary sewer facilities that have a life expectancy of at least 5 years; related land acquisition, land improvement, design, engineering, and permitting costs; and other related construction costs required to bring the sanitary sewer facility into service.

Sanitary sewer facilities. A sanitary sewer system includes primary and secondary systems which are necessary to provide service to any given residential and nonresidential unit. This definition will only deal with the primary system and represents an established capacity and an established capital value. The primary systems are:

(1) Effluent disposal facilities;

(2) Treatment plants;

(3) Pump stations;

(4) Force mains; and

(5) Interceptors.

Seat is defined in the food service operation as any chair, bench or stool regularly provided by the business, whether on or off premises, where patrons of the business consume food or beverages sold by the food service operation. Every 24 linear inches of a bench is considered a seat.

SECTION 5. It is hereby proposed that Section 2-477 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-477. - Imposed.

(a) ~~Impact~~ Capacity fees are hereby imposed upon all new connections, or additions to existing connections, to the sewer system of the City, in the amounts set forth in this division. All ~~impact~~ capacity fees for connections resulting from new construction ~~shall be~~ are due and payable ~~prior to~~ upon issuance by the City building department of any building permit for that construction. No permit shall be issued until the ~~impact~~ capacity fees for those connections ~~shall~~ must have been paid in full. In the case of an addition to a building presently connected to the system, the ~~impact~~ capacity fee ~~shall~~ must be paid ~~prior to~~ upon issuance of a building permit for the construction of that addition.

(b) Any residential structure containing sanitary sewage facilities, currently connected to the City sewage system, that is relocated to a new parcel which has immediately available, on the parcel, a City sewage line, is exempt from ~~impact~~ payment of capacity fees as described in subsection (a) of this section.

SECTION 6. It is hereby proposed that Section 2-478 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-478. - Payment; alternative payment plans.

(a) ~~Impact~~ Capacity fees imposed under this division ~~shall~~ must be paid in cash and ~~shall be~~ are due and payable ~~prior to~~ upon issuance by the building department of any building permit or sewer tap-in permit. No permit ~~shall~~ will be issued until the ~~impact~~ capacity fees have been paid in full, or satisfactory arrangement for the payment of the same by installments, as hereinafter provided, have been made.

(b) If the City Commission desires to waive the fees for a permit, the wastewater fund ~~shall~~ will be paid in full from a general fund account in order to be in compliance with all bond covenants and restrictions.

> (1) In the event a property owner is required to tie into the sanitary sewer system as a result of the expansion or extension of sanitary sewer facilities to such owner's property, and such person demonstrates a financial hardship as herein below provided, such owner may pay the ~~impact~~ capacity fees imposed under this division by monthly installments, without interest, over a period of time not to exceed five (5) years, from the date the sewerage system becomes available to such owner.

(c) Lien for unpaid fees. In the event a property owner has elected to make installment payments as provided in this section, and fails to make the payments as scheduled or required, the City ~~shall~~ will pursue collection of such payments in the manner as provided in sections 82-160 and 82-186 of the Code of Ordinances, including, but not limited to, the discontinuance of service, imposition of and collection of interest as provided therein, the imposition and enforcement of a lien on the property being served by such sewer system, and collection of attorneys' fees and court costs in connection herewith.

SECTION 7. It is hereby proposed that Section 2-479 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-479. - Refunds.

A refund ~~shall~~ may be given against ~~impact~~ capacity fees, now due or due in the future, for primary systems facilities provided by a property owner or developer, for actual cost incurred for any increase in capacity or oversizing of facilities accomplished by such owner or developer at the request of the City to accommodate additional growth or properties not owned by such owner or developer. This refund is available by contract agreement with the City, and all primary systems provided must meet the specifications of the City's wastewater treatment department and/or engineers as retained by the City. Actual cost ~~shall~~ will be determined by certified and audited statements. ~~Impact~~ Capacity fees paid for future connections may be refunded in full, on request, if the City has not made sewer capacity available within ~~ten~~ 10 years of the original payment date.

SECTION 8. It is hereby proposed that Section 2-480 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-480. - Capital expansion plan.

The wastewater treatment department ~~shall~~ will prepare and maintain a capital expansion plan which ~~shall~~ must be for a period of no less than one year. The plan ~~shall~~ must be reviewed and approved by the City Commission at least annually during the budget review process. Such capital expansion plan ~~shall~~ must establish an affirmative plan of action to implement the construction and/or reconstruction of ~~such new~~ lines and facilities as are proposed in such plan in accordance with the schedule set forth therein. The City ~~shall be~~ is required to expend the funds collected from the portion of the sewer ~~impact~~ capacity fees as they are collected and are sufficient to pay the costs of such ~~new~~ lines and facilities as set forth in the plan. If the funds collected are not sufficient to pay the projected costs in accordance with the plan schedule, the City ~~shall~~ must revise the plan as needed to comport with the rate of collection of such funds, and ~~shall~~ must refund such "B" portion of the impact fees to the payors, if not expended within ~~five~~ 5 years of the original payment date.

SECTION 9. It is hereby proposed that Section 2-481 of the City of Fernandina Beach Code of Ordinances be hereby repealed in its entirety as follows:

~~**Sec. 2-481. - Impact fee revenue restrictions.**~~

~~(a) The City hereby establishes two separate accounts into which deposits shall be made for the accumulation of the equivalent future value of the City's grants from the state department of environmental protection for state assistance under F.S. § 403.1838 (step 2 and 3 grants). The accounts shall be separated as follows:~~

~~(1) Sewerage system capital improvement account, source: Wastewater system impact fees.~~

~~(2) Sewerage system capital improvement account: Other sources.~~

~~All impact fees collected under this division shall be deposited in the account as set forth in this section and used only for the purpose of expanding the City's sewer system. Funds may be disbursed from this account only upon authorization by the City commission upon~~

determination by the City commission that the proposed expenditure is for the expansion of the system, to include both hard and soft costs, within the intent and meaning of the law of this state. Notwithstanding this provision, revenues of impact fees may be pledged for borrowing for purposes of sewer system expansion in the same manner as any other source of revenue.

(b) Deposits.

(1) Deposits to the sewerage system capital improvement accounts shall commence not later than the end of each one-year period beginning with the date of initiation of operation of the complete grant funded treatment works. Beneficial occupancy shall be deemed the date of initiation of operation of the complete grant funded treatment works. The number of annual deposits shall be 20, which is the design life of the treatment works as calculated by the City's consulting engineers.

(2) Deposits into the sewerage system capital improvement accounts shall be made annually, or, at the discretion of the City controller, more frequently. Deposits shall be made not later than on the last business day preceding the anniversary date of beneficial occupancy. The City does not have any plans at present for early termination of deposits into the sewerage system capital improvement accounts. The City may, however, make prepayments into these funds upon the recommendation of the City controller and approval of the City manager. Deposits may be terminated once the sum of deposits equals $1,156,147.60.

(3) The aggregate amount of the annual deposits into the sewerage system capital improvement accounts shall be is determined by the following formula:

EXPAND

D	=	$G \times i (1 + i)^{DL}$; where $(1 + i)^{DL} - 1$
D	=	Required annual deposit ($57,807.00)
G	=	Grant amount actually received by City ($576,109.00)
i	=	0.078
DL	=	20 years

(4) The sources of revenue for the required deposits shall be as follows:

a. Wastewater system development charges (to the extent permitted by law).

b. Current year surpluses from the revenue fund.

c. Prior year surpluses from the revenue fund.

~~d. Wastewater system user charges.~~

~~(5) Deposits into the sewerage system capital improvement accounts shall be invested in accordance with the City's normal practice for investment of funds but shall be accounted for separately.~~

~~(c) Accrued moneys in the sewerage system capital improvement accounts shall be expended for any permissible purpose, including, but not limited to, the following:~~

~~(1) Capacity expansion of any wastewater system facility.~~

~~(2) Replacement of any wastewater system component which has reached the end of its design life.~~

~~(3) Repair or replacement of treatment plant, pumping station, or major transmission facilities in the event that these items are undertaken as part of capacity expansion or upgrade necessary to meet more stringent effluent limitations required by a regulatory agency or are necessitated as the result of manmade or natural disaster.~~

~~(d) The City shall engage a certified public accounting firm to prepare and submit annually to the state department of environmental protection a certification that the revenue generation system has been maintained in accordance with chapter 17-50, Florida Administrative Code.~~

~~(e) The City may amend this section from time to time as warranted in order to comply with modifications to chapter 17-50, Florida Administrative Code.~~

SECTION 10. It is hereby proposed that Section 2-482 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-482. Flow data and equivalent residential unit to determine sewer system capacity fees.

(a) There is hereby established a sewer system capacity fee based on the City Commission's determination of the equitable portion of the cost of sewer system capacity based upon the equivalent residential unit (ERU).

(b) The fees and schedule of uses ~~shall be as~~ are defined in this section and by separate ordinance from time to time.

(c) Each additional equivalent residential unit (ERU) occasioned by changes in property usage subsequent to the effective date of this article ~~shall~~ will be subject to a system capacity fee computed in accordance with the foregoing criteria with credit given for existing usage prior to change. ~~In December 2014, Burton & Associates completed an analysis of the sewer system's current capacity fees that had not been changed since 1991.~~ In May 2023, the Florida Rural Water Association completed an analysis of the sewer system's current capacity fees that had not been increased since 2015, concluding that the capacity fees should be increased to cover the City's infrastructure needs into the future and showed that the proposed capacity fees satisfy the Dual Rational Nexus Test. It has been determined that based upon current and localized data and pursuant to applicable law, both prongs

of the Dual Rational Nexus Test are satisfied, and that a single family unit in the City of Fernandina Beach ~~shall~~ will have a sewer system capacity fee of ~~$2,321~~ $2,480.

(d) ~~County~~ Customers outside the City limits have the same sewer system capacity fee calculation with a 25% increase applied.

(e) The formula for sewer system capacity fees is ~~$2,321~~ $2,480 x ERU (1 ERU is 300 gpd) = System Capacity Fee. The following gallons per day flows (GPD) and ERUs are hereby adopted for the purposes of determining the sewer system capacity fees to be assessed and paid:

Residential	**G.P.D.**	**E.R.U.**
Single-family, duplex or multifamily, per unit	300	1.00
Mobile home, per unit	300	1.00
Commercial	**G.P.D**	**E.R.U.**
Barbershops and beauty shops, per chair	100	0.34
Bowling alleys (toilet waste only), per lane	150	0.50
Dentist offices:		
Per nonwet chair	50	0.17
Per wet chair	200	0.67
Doctor office, per doctor	250	0.83
Food service operations:		
Ordinary restaurant, per seat	30	0.10
24-hour restaurant, per seat	50	0.17
Bar and cocktail lounge, per seat	30	0.10
Drive-in restaurant, per car space	30	0.10
Carry-out restaurant only, and grocery store, meat market, fish market, and delicatessen, per 100 feet of floor space. Add per employee	20	0.07
Snack bar (in connection with any other business), per eight-hour shift	150	0.50
Hotel and motel, per room	150	0.50
Laundry, per machine	400	1.33
Office building, per 100 square feet	15	0.05
R.V. park and marina: Overnight, without sewer hookup, per R.V. space or dock space	50	0.17
Wastewater and sewer hookups, per R.V. space or dock space	150	0.50
Service station:		
Without car wash, per rest room	150	0.50
Add for car wash, per unit	600	2.00
Shopping center (without food or laundry), per 100 square feet of floor space (food or laundry portion, refer to food service or laundry, above)	20	0.07
Stadium, race track, ballpark, per seat (add food service, above)	3	0.01
Store, without food service:		

Private toilets for employees only, per restroom	150	0.50
Public toilets, per plumbing fixture	150	0.50
Theatre:		
Indoor auditorium, per seat	5	0.02
Outdoor, drive-in, per space	5	0.02
Industrial	**G.P.D.**	**E.R.U.**
Factory, warehouse and offices, not including industrial waste (gallons per person, per shift):		
Per plumbing fixture (Industrial waste ~~shall~~ will be calculated as to quantity and strength by the developer's engineer and submitted for approval and appropriate fees.)	150	0.50
Institutional	**G.P.D.**	**E.R.U.**
Church, per seat	5	0.02
Hospital, per bed	150	0.50
Nursing, rest home, per person	100	0.34
Public institution other than hospital, per person	100	0.34
School (per student):		
Day-type	15	0.05
Add for showers	5	0.02
Add for cafeteria	5	0.02
Add for day school workers	15	0.05
Boarding type	75	0.25
Swimming and bathing facility, public restroom and shower, per person	10	0.03

(1) *Other units not specifically listed in this section*. Any new connection not specifically listed in this section and which is inconsistent with any unit listed in this section ~~shall~~ will be handled in the following manner:

a. The owner or developer ~~shall~~ must provide the building department with a statement from a certified engineer as to the flow requirements for the facility to be constructed. ~~built~~.
b. If an engineer's statement is unavailable, the owner or developer ~~shall~~ must provide the building department with a complete list of all water outlets and/or the number and type of fixtures to be used, with the purpose for each outlet or fixture, and an estimated number of employees or users anticipated for the facility.
c. This information will be reviewed by the wastewater/sewer treatment department and the building department to determine flow values, average gallons per day, and equivalence to a residential unit to determine the appropriate sewer system capacity fee.

(2) *Additions or changes to existing building*. When application is made for a building permit to construct an addition or to change the use of an existing structure by remodeling or renovating which will increase the demand for sewer services to the building or structure already connected to the City sewer system, sewer system capacity fees for such addition, remodeling or renovation ~~shall~~ must be paid prior to the issuance of a building permit and the sewer system capacity fees to be paid for such addition or change ~~shall be~~ are as follows:

Addition	**G.P.D.**	**E.R.U.**

For each kitchen	100	0.34
For sink only	50	0.17

Notwithstanding anything contained herein to the contrary, any existing single-family, duplex or multifamily residential unit for which the sewer system capacity fee has been paid based on the formula provided in subsection (e) above of this section and which does not contain more than four bathrooms ~~shall~~ will not have attributed to it a sewer system capacity fee for an additional bathroom, unless the four-bathroom limitation is exceeded. However, such residential unit which has been constructed prior to the establishment of sewer system capacity fees, or which exceeds four bathrooms, ~~shall~~ will have a sewer system capacity fee attributable to it on the basis of 75 G.P.D. and .25 ERU for each additional bathroom.

For other additions or changes, refer to the above listing for the appropriate sewer system capacity fee.

(3) *Exemption for medical necessity*. Any owner of property desiring to make an addition or change to the use of an existing structure, including the construction of an additional bathroom, where such is required for medical reasons as certified by a medical doctor, for any person who is the owner or a member of the immediate family of the owner of the property and who was previously residing in the structure, and further, where the addition ~~shall~~ will not result in any additional impact to the sanitary sewer system due to additional persons occupying the property, ~~shall be~~ is exempt from the payment of the sewer system capacity fee.

SECTION 11. It is hereby proposed that Section 2-483 of the City of Fernandina Beach Code of Ordinances be hereby created and reads as follows:

Sec. 2-483. - Creation of the sanitary sewer system capacity trust fund, deposit of fees, use of funds.

(a) There is hereby created a separate trust fund for the sanitary sewer system capacity fees, to be designated as the "Sanitary Sewer System Capacity Trust Fund" or “Wastewater System Capacity Trust Fund” which is established and maintained separate and apart from all other funds and accounts of the City. All sanitary sewer system capacity fees must be deposited into such trust fund immediately upon receipt.

(b) The monies deposited into the Sanitary Sewer System Capacity Trust Fund, as established in paragraph (a) above, must be used solely for the purpose of providing growth-necessitated capital improvements and infrastructure to the sanitary sewer system, including, but not limited to:

(1) Land acquisition, including any cost of acquisition;

(2) Fees for professional services, including but not limited to architecture, engineering, surveying, landscaping, soils and material testing, legal, appraisals, and construction management;

(3) Design and construction documents;

(4) Site development and on-site and off-site improvements incidental to construction thereto;

(5) Any permitting or application fees necessary for the construction;

(6) Construction and design of new water utility facilities;

(7) Relocating utilities required by the construction of improvements and additions to the sanitary sewer system;

(8) Acquisition of apparatus or capital equipment utilized by the sanitary sewer system;

(9) Repayment of monies borrowed from any budgetary fund of the City which were used to fund growth necessitated capital improvements and infrastructure to the sanitary sewer utility system as provided herein;

(10) Costs related to the administration, collection and implementation of the sanitary sewer system capacity fee;

(11) Payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the City to provide funds to construct or acquire growth necessitated capital improvements and infrastructure for the sanitary sewer system as provided herein; and

(12) Any other expenditures of the sanitary sewer system capacity fee as then allowed by law.

(c) The monies deposited into the Sanitary Sewer System Capacity Trust Fund must be used solely to provide capital improvements and infrastructure to the sanitary sewer system required to serve new growth and development. Funds on deposit in the Sanitary Sewer System Capacity Trust Fund will not be used for any expenditure that would be classified as a maintenance or repair expense.

(d) Any sanitary sewer system capacity fee proceeds on deposit which are not immediately necessary for expenditure may be held in an interest-bearing account or invested by the City. All income derived from such interest on investments will be deposited in the Sanitary Sewer System Capacity Trust Fund and used as provided herein.

(e) The City may retain up to one percent of all sanitary sewer system capacity fees received or the actual costs of collection, whichever is less, as an administrative fee to defray all costs of collection relating to the sanitary sewer system capacity fees.

(f) The sanitary sewer system capacity fees collected pursuant to this section will be returned to the then current owner of the property on behalf of which such fee was paid, if such fees have not been expended prior to the end of the fiscal year immediately following the sixth anniversary of the date upon which such fees were paid. Refunds will be made only in accordance with the following procedure:

(1) The then present owner must petition the City for the refund within 180 days following the end of the calendar quarter immediately following 6 years from the date on which the fee was received. Failure to submit an application for refund within such period will constitute a waiver of any right to a refund.

(2) The petition for refund must be submitted to the utilities director and must contain:

a. A notarized sworn statement that the petitioner is the present owner of the property on behalf of which the sanitary sewer system capacity fee was paid;

b. A copy of the dated receipt issued for payment of the sanitary sewer system capacity fee or such other record as would evidence payment; and

c. A certified copy of the latest recorded deed or a copy of the most recent ad valorem tax bill.

(3) Within 3 months from the date of receipt of a petition for refund, the Utilities Director will advise the petitioner and the City Commission of the status of the sanitary sewer system capacity fee requested for refund, and if such sanitary sewer system capacity fee has not been expended within the applicable time period, then it must be returned to the petitioner. For the purposes of this section, fees collected will be deemed to be spent on the basis of "the first fee in will be the first fee out".

SECTION 12. It is hereby proposed that Section 2-540 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-540. – Legislative findings in support of water system capacity fees. ~~definitions.~~

(a) In support of the water system capacity fee, the City Commission makes the following findings:

(1) ~~Pursuant to F.S. § 163.31801 a system capacity fee or impact fee adopted by ordinance of a municipality must, at minimum:~~ As of 2019, the Florida legislature amended the Florida Impact Fee Act ("Act") to specifically exempt sewer connection charges (formerly known as "sewer impact fees") from the requirements of the Act. *See s. 5 Ch. 2019-165 Laws of Florida).* A water system capacity fee is hereby established, and the City Commission of the City of Fernandina Beach intends for the capacity fee to be valid and enforceable by satisfying both prongs of the Dual Rational Nexus Test and justifying the need for collection and expenditure of the water capacity fee by:

a. Require~~e~~ing that the calculation of the ~~impact~~ capacity fee be based on the most recent and localized data;

b. Provide~~e~~ing for accounting and reporting of ~~impac~~t capacity fee collections and expenditures. If a local governmental entity imposes an impact fee to address its infrastructure needs, the ~~entity shall~~ City must account for the revenues and expenditures of such ~~impact~~ capacity fee in a separate accounting fund;

c. Limiting administrative charges for the collection of ~~impact~~ capacity fees to actual costs; and

d. Requireing that notice be provided no less than 90 days before the effective date of an ordinance ~~or resolution~~ imposing a new or increased ~~impact~~ capacity fee. ~~A county or municipality~~ The City is not required to wait 90 days to decrease, suspend, or eliminate an ~~impact~~ capacity fee.

~~(2) The water system capacity fee adopted herein complies with all parts and subparts of F.S. §§ 163.31801(3) and (4) as follows:~~

~~a. Calculation of the proposed new water system capacity fee is based upon the most recent and localized data collected and analyzed by Burton and Associates the Florida Rural Water Association;~~

~~b. Section 2-544 of this City Code below provides for accounting and reporting of system capacity fee collections and expenditures through a separate accounting fund titled "Water System Capacity Fee Trust Fund";~~

~~c. The City shall will limit any applicable administrative charges for collection of water system capacity fees to actual costs as provided for in section 2-544(e) below;~~

~~d. The City requires that notice be provided no less than 90 days before the effective date of an ordinance or resolution imposing a new or increased water system capacity fee or impact fee; and~~

~~e. Audits of financial statements of the City which are performed by a certified public accountant pursuant to F.S. § 218.39 and submitted to the auditor general shall must include an affidavit signed by the City controller Comptroller stating that the City has complied with F.S. § 163.31801(4).~~

~~(3) The proposed water system capacity fee satisfies the areas of system capacity fee development addressed by the courts and Florida Statutes, specifically: 1) the fair share allocation rules; 2) the first prong of the dual rational nexus test which is "the capacity fee must be proportionate to the benefit received by the new connection" (the second prong of the dual rational nexus test which is "the capacity fee funds collected must be used to fund assets benefitting the new connection" is satisfied by the use of capacity fees to pay for debt service associated with excess capacity, which is shown in Section 2 - Revenue Sufficiency Analysis), and 3) recognition of "credit" allowances via offsets to the fees. See 2015 Burton System CapaCity Fee Study pages 12-13~~

~~(4) Water system capacity fees shall must be utilized specifically for the purpose of paying the expansion-related portion of existing utility debt service requirements that are being paid by current customers for excess capacity assets that are being funded for the benefit of future connections. Since annual system capacity fee revenue projected to be collected is less than the maximum amount of water allocated debt service eligible for funding with system capacity fees, in each year of the projection period 100 percent of water system capacity fees are used to pay for the expansion-related portion of existing debt service. As such, the second prong of the dual "rational nexus" test is satisfied. See 2015 Burton System capacity Fee Study pages 14 and 23.~~

(5) ~~This section specifically earmarks the water system capacity fees collected for use in acquiring capital facilities to benefit new users as provided in section 2-544 below and as required by St. Johns County v. NE Fla. Builders Ass'n, Inc. 583 So.2d 635 at 637 (quoting Hollywood, Inc. v. Broward County, 431 So. 2d 606, 611-12 (Fla. 4th DCA 1983)).~~ The City has demonstrated

a rational nexus between the need for capital infrastructure and the growth in population generated by new development through the most recent and localized data presented by professional studies, periodically, to satisfy the first prong of the Dual Rational Nexus Test. In addition, the City must demonstrate a rational nexus between expenditures of the capacity fee collected and benefits accruing to the capacity fee payers through methods as recommended by professional studies, as required by *Hollywood, Inc. v. Broward County*, 431 So. 2d 606, 611-12 (Fla. 4th DCA 1983). *Confirmed by the Fla. Supreme Court in Volusia County v. Aberdeen at Ormond Beach LP, 760 So.2d 126 (Fla. 2000) and St. Johns County v. NE Fla. Builders Ass'n, Inc.* 583 So.2d 635 (Fla. 1991).

(b) Water system capacity fee is defined as the cost of the capacity per ERU.

SECTION 13. It is hereby proposed that Section 2-541 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-541. - Equivalent residential unit (ERU) defined for water usages.

The following is the definition of equivalent residential unit (ERU) for water usage:

(1) *Single-family residences.* Each single-family residence served by the City through a water meter shall be one equivalent residential unit. An irrigation meter will be considered to be an ERU and will be required to pay ~~an impact~~ a capacity fee.

(2) *Nonresidential, multi-family residential, commercial and industrial uses.* For nonresidential and multi-family uses not specifically defined elsewhere in this article, the number of equivalent residential units ~~shall~~ will be computed by the City using the ERU method as defined in the applicable ordinance or the fixture unit count as defined in the most recent data published by the American Water Works Association, and the following formulas:

Water:

a. Total number of fixture units × 25 gpd/Fixture Units = Total gpd.

b. Total gpd divided by 350 gpd/ERU = ERUs.

If the customer's ERUs cannot be determined by either of these methods, then a procedure selected by the City shall be used.

The City will use the method of computation which produces the number of equivalent residential units which most closely reflects the proposed use.

(3) *Combination accounts.* Accounts that contain both residential and commercial facilities served through a common meter may be treated as either residential or nonresidential, whichever method of computation results in the number of equivalent residential units which most closely reflects the actual usage of the facility.

(4) *Expansion of existing connection.* If a building permit is issued for an existing connection which will increase water demand, or if a building changes from residential to nonresidential occupancy, the total number of ERUs for old and new parts of the facility ~~shall~~ will be computed as outlined in subsection (3) of this definition.

The number of new ERUs ~~shall~~ will be determined by subtracting the old ERUs from the total number of ERUs in the entire facility. The ~~impact~~ capacity fee will be assessed on the number of new ERUs.

Seat is defined in the food service operation as any chair, bench or stool regularly provided by the business, whether on or off premises, where patrons of the business consume food or beverages sold by the food service operation. Every 24 linear inches of a bench is considered a seat.

SECTION 14. It is hereby proposed that Section 2-542 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-542. Water system capacity fee.

(a) There is hereby established a water system capacity fee based on the City Commission's determination of the equitable portion of the cost of water system capacity based upon the equivalent residential unit (ERU).

(b) The fees and schedule of uses ~~shall be as~~ are defined in this section or by separate ordinance from time to time.

(c) Each additional equivalent residential unit occasioned by changes in property usage subsequent to the effective date of this article ~~shall be~~ are subject to a system capacity fee computed in accordance with the foregoing criteria with credit given for existing usage prior to change. ~~In December 2014, Burton & Associates completed an analysis of the water system's current capacity fees.~~ In May 2023, the Florida Rural Water Association completed an analysis of the water system's current capacity fees that had not been increased since 2015, concluding that the capacity fees should be increased to cover the City's infrastructure needs into the future and showed that the proposed capacity fees satisfy the Dual Rational Nexus Test. It has been determined that based upon current and localized data and pursuant to applicable law, both prongs of the Dual Rational Nexus test are satisfied, and that a single family unit in the City of Fernandina Beach ~~shall~~ will have a water system capacity fee of ~~$959~~ $520.

(d) ~~County~~ Customers outside city limits have the same system capacity fee calculation with a 25% increase applied.

(e) The formula for water system capacity fees is ~~$959~~ $520 x ERU (1 ERU is 350 gpd) = system capacity fee. The following gallons per day flows (GPD) and ERUs are hereby adopted for the purposes of determining the water system capacity fees to be assessed and paid:

Residential	**G.P.D.**	**E.R.U.**
Single-family, duplex or multifamily, per unit	350	1.00
Mobile home, per unit	350	1.00
Commercial	**G.P.D**	**E.R.U.**

Barbershops and beauty shops, per chair	100	0.29
Bowling alleys (toilet waste only), per lane	150	0.43
Dentist offices:		
Per non-wet chair	50	0.14
Per wet chair	200	0.57
Doctor office, per doctor	250	0.71
Food service operations:		
Ordinary restaurant, per seat	30	0.09
24-hour restaurant, per seat	50	0.14
Bar and cocktail lounge, per seat	30	0.09
Drive-in restaurant, per car space	30	0.09
Carry-out restaurant only, and grocery store, meat market, fish market, and delicatessen, per 100 feet of floor space. Add per employee	20	0.06
Snack bar (in connection with any other business), per eight-hour shift	150	0.43
Hotel and motel, per room	150	0.43
Laundry, per machine	400	1.14
Office building, per 100 square feet	15	0.04
R.V. park and marina: Overnight, without sewer hookup, per R.V. space or dock space	50	0.14
Wastewater and sewer hookups, per R.V. space or dock space	150	0.43
Service station:		
Without car wash, per rest room	150	0.43
Add for car wash, per unit	600	1.71
Shopping center (without food or laundry), per 100 square feet of floor space (food or laundry portion, refer to food service or laundry, above)	20	0.06
Stadium, race track, ballpark, per seat (add food service, above)	3	0.01
Store, without food service:		
Private toilets for employees only, per restroom	150	0.43
Public toilets, per plumbing fixture	150	0.43
Theatre:		
Indoor auditorium, per seat	5	0.01
Outdoor, drive-in, per space	5	0.01
Industrial	**G.P.D.**	**E.R.U.**
Factory, warehouse and offices, not including industrial waste (gallons per person, per shift):		
Per plumbing fixture (Industrial waste ~~shall be~~ is calculated as to quantity and strength by the developer's engineer and submitted for approval and appropriate fees.)	150	0.43
Institutional	**G.P.D.**	**E.R.U.**
Church, per seat	5	0.01

Hospital, per bed	150	0.43
Nursing, rest home, per person	100	0.29
Public institution other than hospital, per person	100	0.29
School (per student):		
Day-type	15	0.04
Add for showers	5	0.01
Add for cafeteria	5	0.01
Add for day school workers	15	0.04
Boarding type	75	0.21
Swimming and bathing facility, public restroom and shower, per person	10	0.03

(1) Other units not specifically listed in this section. Any new connection not specifically listed in this section and which is inconsistent with any unit listed in this section ~~shall~~ will be handled in the following manner:

a. The owner or developer ~~shall~~ must provide the City with a statement from a certified engineer as to the flow requirements for the facility to be built.

b. If an engineer's statement is unavailable, the owner or developer ~~shall~~ must provide the City with a complete list of all water outlets and/or the number and type of fixtures to be used, with the purpose for each outlet or fixture, and an estimated number of employees or users anticipated for the facility.

c. This information will be reviewed by the City to determine flow values, average gallons per day, and equivalence to a residential unit to determine the appropriate water system capacity fee.

(2) *Additions or changes to existing building.* When application is made for a building permit to construct an addition or to change the use of an existing structure by remodeling or renovating which will increase the demand for water services to the building or structure already connected to the City water system, water system capacity fees for such addition, remodeling or renovation ~~shall~~ must be paid ~~prior to~~ upon the issuance of a building permit and the water system capacity fees to be paid for such addition or change ~~shall~~ will be as follows:

Addition	**G.P.D.**	**E.R.U.**
For each kitchen	100	0.29
For sink only	50	0.14

Notwithstanding anything contained herein to the contrary, any existing single-family, duplex or multifamily residential unit for which the water system capacity fee has been paid based on the formula provided in subsection (e) of this section and which does not contain more than four bathrooms ~~shall~~ will not have attributed to it a water system capacity fee for an additional bathroom, unless the four-bathroom limitation is exceeded. However, such residential unit which has been constructed prior to the

establishment of water system capacity fees, or which exceeds four bathrooms, ~~shall~~ will have a water system capacity fee attributable to it on the basis of 75 G.P.D. and .25 ERU for each additional bathroom.

For other additions or changes, refer to the above listing for the appropriate water system capacity fee.

(3) *Exemption for medical necessity*. Any owner of property desiring to make an addition or change to the use of an existing structure, including the construction of an additional bathroom, where such is required for medical reasons as certified by a medical doctor, for any person who is the owner or a member of the immediate family of the owner of the property and who was previously residing in the structure, and further, where the addition ~~shall~~ will not result in any additional system capacity to the water system due to additional persons occupying the property, ~~shall be~~ is exempt from the payment of the water system capacity fee.

SECTION 15. It is hereby proposed that Section 2-544 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-544. - Creation of the water system capacity trust fund, deposit of fees, use of funds.

(a) There is hereby created a separate trust fund for the water system capacity fees, to be designated as the "Water System Capacity Trust Fund," which ~~shall be~~ is established and maintained separate and apart from all other funds and accounts of the City. All water system capacity fees ~~shall~~ must be deposited into such trust fund immediately upon receipt.

(b) The monies deposited into the Water System Capacity Trust Fund, as established in paragraph (a) above, ~~shall~~ must be used solely for the purpose of providing growth-necessitated capital improvements and infrastructure to the water system, including, but not limited to:

(1) Land acquisition, including any cost of acquisition;

(2) Fees for professional services, including but not limited to architecture, engineering, surveying, landscaping, soils and material testing, legal, appraisals, and construction management;

(3) Design and construction documents;

(4) Site development and on-site and off-site improvements incidental to construction thereto;

(5) Any permitting or application fees necessary for the construction;

(6) Construction and design of new and/or reconstructed water utility facilities;

(7) Relocating utilities required by the construction of infrastructure, capital improvements and additions to the water system;

(8) Acquisition of apparatus or capital equipment utilized by the water system;

(9) Repayment of monies borrowed from any budgetary fund of the City which were used to fund growth necessitated capital improvements and infrastructure to the water utility system as provided herein;

(10) Costs related to the administration, collection and implementation of the water system capacity fee;

(11) Payment of principal and interest, necessary reserves and costs of issuance under any bonds or other indebtedness issued by the City to provide funds to construct or acquire growth necessitated capital improvements, infrastructure or additions to the water system as provided herein; and

(12) Any other expenditures of the water system capacity fee as then allowed by law.

(c) The monies deposited into the Water System Capacity Trust Fund ~~shall~~ will be used solely to provide infrastructure, capital improvements or additions to the water system required to serve new growth and development. Funds on deposit in the Water System Capacity Trust Fund ~~shall~~ will not be used for any expenditure that would be classified as a maintenance or repair expense.

(d) Any water system capacity fee proceeds on deposit which are not immediately necessary for expenditure may be held in an interest-bearing account or invested by the City. All income derived from such interest on investments ~~shall~~ will be deposited in the Water System Capacity Trust Fund and used as provided herein.

(e) The City may retain up to one percent of all water system capacity fees received or the actual costs of collection, whichever is less, as an administrative fee to defray all costs of collection relating to the water system capacity fees.

(f) The water system capacity fees collected pursuant to this section ~~shall~~ must be returned to the then current owner of the property on behalf of which such fee was paid, if such fees have not been expended prior to the end of the fiscal year immediately following the sixth anniversary of the date upon which such fees were paid. Refunds ~~shall~~ must be made only in accordance with the following procedure:

(1) The then present owner ~~shall~~ must petition the City for the refund within 180 days following the end of the calendar quarter immediately following six years from the date on which the fee was received. Failure to submit an application for refund within such period ~~shall~~ will constitute a waiver of any right to a refund.

(2) The petition for refund ~~shall~~ must be submitted to the utilities director and ~~shall~~ must contain:

~~(3)~~a. A notarized sworn statement that the petitioner is the present owner of the property on behalf of which the water system capacity fee was paid;

~~(4)~~b. A copy of the dated receipt issued for payment of the water system capacity fee or such other record as would evidence payment; and

~~(5)~~c. A certified copy of the latest recorded deed or a copy of the most recent ad valorem tax bill.

(~~6~~3) Within three months from the date of receipt of a petition for refund, the Utilities Director will advise the petitioner and the City commission of the status of the water system capacity fee requested for refund, and if such water system capacity fee has not been expended within the applicable time period, then it ~~shall~~ must be returned to the petitioner. For the purposes of this section, fees collected ~~shall be~~ are deemed to be spent on the basis of "the first fee in ~~shall be~~ is the first fee out".

(g) *Infrastructure* means a fixed capital expenditure or fixed capital outlay, excluding the cost of repairs or maintenance, associated with the construction, reconstruction, or improvement of water system facilities that have a life expectancy of at least 5 years; related land acquisition, land improvement, design, engineering, and permitting costs; and other related construction costs required to bring the water system facility into service.

SECTION 16. It is hereby proposed that Section 2-547 of the City of Fernandina Beach Code of Ordinances be amended to read as follows:

Sec. 2-547. - Payment.

(a) ~~Impact~~ Capacity fees imposed under this division ~~shall be~~ are due ~~prior to~~ upon issuance by the building department of any building permit or water tap permit. No permit ~~shall~~ will be issued until the ~~impact~~ capacity fees have been paid in full or satisfactory arrangement for the payment of the same by installments as hereinafter provided have been made.

(b) If the City commission desires to waive the fees for a permit the water capacity trust fund ~~shall~~ must be paid in full from a general fund account in order to be in compliance with all bond covenants and restrictions.

(c) Financial hardship is herein defined as those persons' households having an annual adjusted gross income at or below the annual household incomes as defined by Section 420.0004, subsections (9), (11) or (17), Florida Statutes, moderate income persons are not deemed to have a financial hardship. ~~community development block grant (CDBG) low income or moderate income criteria.~~

SECTION 17. SEVERABILITY. If any provision or portion of the Ordinance is declared by any court of competent jurisdiction to be void, unconstitutional, or unenforceable, then all remaining provisions and portions of the Ordinance shall remain in full force and effect.

SECTION 18. EFFECTIVE DATE. This Ordinance shall take effect upon final passage and adoption.

ENACTED this _____ day of _____, 2023.

ATTEST:

_____
CAROLINE BEST
City Clerk

CITY OF FERNANDINA BEACH

_____
BRADLEY M. BEAN
Commissioner – Mayor

APPROVED AS TO FORM AND LEGALITY:

_____
TAMMI E. BACH
City Attorney

First Reading: September 19, 2023
Second/Final Reading:
Date of Publication of 90-Days' Notice: June 29, 2023
Date of Publication:

Select Year: 2024 Go

The 2024 Florida Statutes

Title XII
MUNICIPALITIES

Chapter 180
MUNICIPAL PUBLIC WORKS

View Entire Chapter

180.136 Water or sewer utilities; notice.—Before a local government water or sewer utility increases any rate, charge, or fee for water or sewer utility service, the utility shall provide notice of the proposed increase to each customer of the utility through the utility's billing process. The notice shall state the date, time, and place of the meeting of the governing board of the local government at which such increase will be considered. The notice required in this section is in addition to any notice and public meeting requirements for ordinance adoption as provided by general law.

History.—s. 11, ch. 2000-350.

City of Fernandina Beach
Utility Billing Department
1180 S. 5th Street
Fernandina Beach, FL 32034
(904) 310-3400 Office & 24/7 Emergencies
(904) 310-3459 Fax TTD/TTY - 711

UTILITY BILL

CUSTOMER COPY

Keep this copy for your records

Customer Name	Service Address
CITY OF FERNANDINA BEACH-SLUDGE PRESS WASTE WATER SLUDGE PRESS	1007 S 5TH ST EXT

Bill Number	Bill Date	Account Number - Customer Number	Current Billing Due Date
547775	01/26/2025	14062294 - 10451	02/20/2025

Charge Description	Meter Number	Previous Read Date	Current Read Date	Previous Reading	Current Reading	Read Code	Usage	Charge Amount
WATER BASE - GENERAL								298.94
WATER USE - GENERAL	88710088	12/16/2024	01/23/2025	55107	55606	A	4990	898.20

History Billed Usage

Cycle	Usage
CURR	4990
12/24	372
11/24	248
10/24	2048
09/24	1540
08/24	3813
07/24	3408
06/24	2996
05/24	2469
04/24	3336
03/24	3882
02/24	3160
01/24	1280

READ CODE
A = Actual
E = Estimate
F = Final
W = Water Co. Estimate

Total Current Billing	1,197.14
Previous Balance	968.54
Late Fee	0.00
Adjustments	0.00
Less Payments Received	968.54
Total Amount Due	**$1,197.14**

Water & Sewer Capacity Fee increase: COFB Commission Mtgs 204 Ash St 2/4/25 & 3/4/25 at 6pm.
TO CITY GARBAGE CUSTOMERS: In accordance with City Ordinance 2023-10 garbage pickup rates will increase by 3.8% effective Jan 1, 2025.

✂ Detach and return the portion below with your payment ✂

City of Fernandina Beach
Utility Billing Department
P.O. Box 16115
Fernandina Beach, FL 32035

UTILITY BILL

REMIT PORTION

Please write your Account Number on your check and enclose this portion of bill with your payment.

Service Address	1007 S 5TH ST EXT
Bill Number	547775
Account # - Customer #	14062294 - 10451
Due Date	02/20/2025
Amount Due	**$1,197.14**

CITY OF FERNANDINA BEACH-SLUDGE PRESS
WASTE WATER SLUDGE PRESS
1007 S 5TH ST EXT
FERNANDINA BEACH, FL 99999

Remit To:
Utility Billing Department
P.O. Box 16115
Fernandina Beach, FL 32035

City of Fernandina Beach
Utility Billing Department
1180 S. 5th Street
Fernandina Beach, FL 32034
(904) 310-3400 Office & 24/7 Emergencies
(904) 310-3459 Fax TTD/TTY - 711

UTILITY BILL
CUSTOMER COPY
Keep this copy for your records

Customer Name	Service Address
CITY OF FERNANDINA BEACH-SLUDGE PRESS WASTE WATER SLUDGE PRESS	1007 S 5TH ST EXT

Bill Number	Bill Date	Account Number - Customer Number	Current Billing Due Date
538185	12/23/2024	14062294 - 10451	01/17/2025

Charge Description	Meter Number	Previous Read Date	Current Read Date	Previous Reading	Current Reading	Read Code	Usage	Charge Amount
WATER BASE - GENERAL								298.94
WATER USE - GENERAL	88710088	11/13/2024	12/16/2024	54735	55107	A	3720	669.60

History Billed Usage

Cycle	Usage
CURR	3720
11/24	248
10/24	2048
09/24	1540
08/24	3813
07/24	3408
06/24	2996
05/24	2469
04/24	3336
03/24	3882
02/24	3160
01/24	1280
12/23	883

READ CODE
A = Actual
E = Estimate
F = Final
W = Water Co. Estimate

Total Current Billing	968.54
Previous Balance	745.34
Late Fee	0.00
Adjustments	0.00
Less Payments Received	745.34
Total Amount Due	**$968.54**

Water & Sewer Capacity Fee increase: COFB Commission Mtgs 204 Ash St 2/4/25 & 3/4/25 at 6pm.
TO CITY GARBAGE CUSTOMERS: In accordance with City Ordinance 2023-10 garbage pickup rates will increase by 3.8% effective Jan 1, 2025.

✂ Detach and return the portion below with your payment ✂

City of Fernandina Beach
Utility Billing Department
P.O. Box 16115
Fernandina Beach, FL 32035

UTILITY BILL
REMIT PORTION
Please write your Account Number on your check and enclose this portion of bill with your payment.

Service Address	1007 S 5TH ST EXT
Bill Number	538185
Account # - Customer #	14062294 - 10451
Due Date	01/17/2025
Amount Due	**$968.54**

CITY OF FERNANDINA BEACH-SLUDGE PRESS
WASTE WATER SLUDGE PRESS
1007 S 5TH ST EXT
FERNANDINA BEACH, FL 99999

Remit To:
Utility Billing Department
P.O. Box 16115
Fernandina Beach, FL 32035