

# **SOUTH SANTA ROSA UTILITY SYSTEM**

P. O. BOX 640  
1070 SHORELINE DR.  
GULF BREEZE, FLORIDA 32562-0640

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## **BUDGET WORKSHOP AND SPECIAL MEETING AGENDA**

**Gulf Breeze City Hall**

July 12, 2011

Tuesday.....4:00 PM

1. CALL TO ORDER
2. ROLL CALL
3. NEW BUSINESS:
  - a. Pensacola State College Impact Fees
  - b. Draft Budget F/Y 2012 – Workshop Date (Draft provided at meeting)
4. SETTING OF REGULAR MEETING . . . August 16, 2011 at 5 PM
5. ADJOURNMENT

If any person decides to appeal any decisions made with respect to any matter considered at this meeting, such person may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and any evidence upon which the appeal is to be based.

The public is invited to comment on matters before the SSRUS Board upon receiving recognition from the Chair.



# *City of Gulf Breeze*

## ***MEMORANDUM***

**TO:** South Santa Rosa Utility System Board  
**FROM:** Thomas E. Lambert, Assistant Director of Public Services  
**DATE:** July 11, 2011  
**RE:** Pensacola State College Tap Fee Request

Pensacola State College (PSC) has submitted a request for waiver of sewer tap fees based on substantial use of natural gas and as a reclaimed water user. After consideration of the proposal, staff wishes to recommend a fifty percent waiver.

The current facility is estimated to be that of 10 homes using gas heating and water heat. However, a good relationship now will insure natural gas in all future expansions at this site.

The need for reclaimed sites at this time is nonexistent, but the significant acreage makes the site a great potential for those rainy years when they do return.

Based on these values gained by the City, staff recommends that fifty percent of the total tap fee be waived, and that Fund 402 (Natural Gas) pay Fund 403 (SSRUS) twenty-five percent of the waived impact fee. PSC would pay \$20,280 and Fund 402 would pay \$10,140 to SSRUS. SSRUS would collect a total of \$30,420 out of the estimated \$40,560 total originally estimated for this project.

Staff took this issue directly to City Council because of timing issues for the start for the Fall Semester for PSC, however, the City Council felt that this issue was important enough to call a special meeting. Since we had the workshop scheduled, we combined the two to accommodate this without extra burden to the members of the Board.

**RECOMMENDATION:** The SSRUS Board recommend that City Council approve waiving fifty percent of Pensacola State College's current sewer tap fees so that they owe \$20,280, and that Fund 402 reimburse Fund 403 for twenty-five percent of \$10,140 of the waived amount.




# City of Gulf Breeze

OFFICE OF THE CITY MANAGER

Memoandum

To: Mayor and City Council

From:  Edwin A. Eddy, City Manager

Date: 6/24/2011

**Subject: Payment of Wastewater Impact Fees, Pensacola State College (PSC)**

Pensacola State College is beginning the construction of a South Santa Rosa Campus this summer in the Midway area. The campus will be a customer of SSRUS for wastewater. PSC has also agreed to work with the City on reuse and they will be a considerable natural gas customer. Administrators from PSC have requested the City consider a waiver or discount of wastewater impact fees.

Staff proposes the following:

First Phase Wastewater Impact Fees

7.8 x \$5200 (7.8 equivalent residential units based on fixture count)	\$40,560
<hr/>	
PSC Pays 50%	\$20,280
Gas Fund Pays 25%	\$10,140
SSRUS Discount 25% (In return for reuse benefits)	\$10,140
<hr/>	
	\$40,560

Payment of 25% of the cash outlay from the gas fund reflects the industrial nature of the expected gas use by this customer. Currently we only have a residential type credit or rebate program to use as an incentive. We want to encourage PSC to use gas in their future expansions.

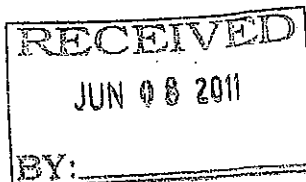
The benefit of collaboration with PSC on reuse will be wells on PSC property to supplement the reuse system during dry periods and use of effluent on undeveloped property during wet periods.

**RECOMMENDATION:**

**THAT THE CITY COUNCIL APPROVE THE PAYMENT OF WASTEWATER IMPACT FEES FOR PHASE ONE OF THE CONSTRUCTION OF THE PENSACOLA STATE COLLEGE SOUTH SANTA ROSA COUNTY CAMPUS WITH 25% OF THE \$40,560 TOTAL FROM THE CITY'S NATURAL GAS FUND AND 25% FROM THE SSRU FUND. PSC WILL PAY THE BALANCE.**



# PENSACOLA STATE COLLEGE



June 7, 2011

Office of the President

Pensacola State College  
1000 College Boulevard  
Pensacola, FL 32504-8998

850-484-1700  
Fax 850-484-1840

[www.pensacolastate.edu](http://www.pensacolastate.edu)

Mr. Edwin A. Eddy  
City Manager  
City of Gulf Breeze  
1070 Shoreline Drive  
Gulf Breeze, FL 32561

Subject: Pensacola State College's South Santa Rosa Center

Dear Mr. Eddy:

As you know, Pensacola State College is in the process of constructing our newest location in Santa Rosa County. Our Board of Trustees is very excited about our opportunity to further and more conveniently serve the citizens in the South Santa Rosa County area. We will begin offering classes at this location along Highway 98 and Nantahala Road in January 2012.

In our efforts to be fiscally responsible and put every dollar possible into this educational facility, we respectfully request a waiver of the sewer tap fee requirement. While we realize this is a substantial request, we feel it is reasonable since we will have a significant natural gas use in this initial building and we have agreed to use reclaimed water for all of our irrigation requirements. While we still have connections to the water system for irrigation, use will only be required during times of drought. The approximately 36,000 square foot facility has two science labs with gas service, a gas fired boiler, and a gas fired generator.

Once again, due to the significant use of natural gas and reclaimed water use at Pensacola State College's South Santa Rosa Center, we are requesting a waiver of the sewer tap fee requirement for the facility, in return for our long-term usage of both natural gas and reclaimed water from the City of Gulf Breeze.

If you have any questions or would like additional information, please do not hesitate to contact either myself or our Director for Facilities Planning and Construction, Ms. Diane Baxter, at 484-1175 or [dbaxter@pensacolastate.edu](mailto:dbaxter@pensacolastate.edu).

Thank you for your consideration. We look forward to hearing from you.

Sincerely,

Ed Meadows  
President

# FUND 403 SOUTH SANTA ROSA UTILITY SYSTEM

## REVENUE AND OPERATING EXPENSE SUMMARY

Fund (All)

		Data			
R/E	Group	2010 Actual	2011 Budget	2011 Projected	Proposed 2012
R	Personnel Costs	0	0	0	
	Service Revenue	4,024,880	3,947,897	4,120,031	3,937,897.00
	Misc. Income	377,112	378,557	317,377	332,957.00
	Transfers/Overhead	272,972	340,175	343,452	353,478.66
	Special Assessment	100,466	116,000	100,176	29,000.00
	Impact Fees	81,415	0	167,571	0.00
<b>R Total</b>		<b>4,856,845</b>	<b>4,782,629</b>	<b>5,048,608</b>	<b>4,653,332.66</b>
E	Personnel Costs	1,175,857	1,176,944	1,192,085	1,223,090.50
	Contractual/Professional Se	604,687	649,700	520,223	630,700.00
	Utilities	336,076	354,500	343,867	354,500.00
	Repairs & Maintenance	147,202	200,106	204,026	234,000.00
	Operating Supplies	262,892	295,050	284,120	317,700.00
	Capital	0	0	0	0.00
	Debt Service	335,766	1,197,438	1,313,300	1,058,270.00
	Depreciation	0	0	0	0.00
	Transfers/Overhead	246,722	236,655	270,557	269,815.00
	Insurance (Property/Liability)	0	0	0	0.00
<b>E Total</b>		<b>3,109,202</b>	<b>4,110,393</b>	<b>4,128,178</b>	<b>4,088,075.50</b>

### FY 2012 Capital Expenditures

South Basin Rehab	257,730.00
Lift Station Rehab	70,000.00
Water Plant	25,000.00
Water Main	70,000.00

**TOTAL - Capital Expenditures** 422,730.00

### 2012 PROPOSED BUDGET SUMMARY

Revenues	<b>\$4,653,332.66</b>
<b>Rate Increase Revenue</b>	<b>\$119,000.00</b>
Operating Expenses	<b>-\$4,088,075.50</b>
Capital Expense	<b>-\$422,730.00</b>
 Net to Reserves/(Loss)	 <b>\$261,527.16</b>

**WATER SEWER BREAKDOWN**

Fund	403
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	Data			
DEPT	2010 Actual	2011 Budget	2011 Projected	Proposed 2012
0000	4,856,845	4,782,629	5,048,608	4,653,332.66
1400	980,065	1,004,528	942,058	1,052,108.33
1600	28,969	199,171	174,571	199,171.00
1700	668,553	687,994	712,777	732,598.33
1800	161,100	741,298	871,100	602,130.00
2300	1,110,140	1,180,433	1,137,673	1,205,098.83
2400	160,374	296,969	290,000	296,969.00

**Proposed SSRUS Water and Sewer Increases  
F/Y 2012**

**WATER SCENARIOS FOR REVENUE GENERATED**

	Customers	*( Base Fee + Avg Vol. * Vol. Rate ) * 12 = Annual Income			
2011 Budget	4168	*( 12.90	+ 5.67	* 2.70 )	* 12 = 1,410,901.34
Rate Increase (\$1)	4168	*( 13.90	+ 5.67	* 2.70 )	* 12 = 1,460,917.34

**SEWER SCENARIOS FOR REVENUE GENERATED**

	Customers	*( Base Fee + Avg Vol. * Vol. Rate ) * 12 = Annual Income			
2011 Budget	5760	*( 14.11	+ 5.42	* 4.02 )	* 12 = 2,481,297.41
Rate Increase (\$1)	5760	*( 15.11	+ 5.42	* 4.02 )	* 12 = 2,550,417.41

**PROPOSED RATE INCREASE**

	Customers	*( Base Fee + Avg Vol. * Vol. Rate ) * 12 = Annual Income			
Water	4168	*( 13.90	+ 5.67	* 2.70 )	* 12 = 1,460,917.34
Sewer	5760	*( 15.11	+ 5.42	* 4.02 )	* 12 = 2,550,417.41
		TOTAL			4,011,334.75
		<b>NET INCREASE</b>			<b>119,136.00</b>

**THE EFFECT OF THE PROPOSED RATE INCREASE**

Gallons Used	Current Bill	Proposed	Incr	% Incr
1000	\$33.73	\$35.73	\$2.00	5.93%
3000	\$47.17	\$49.17	\$2.00	4.24%
4000	\$53.89	\$55.89	\$2.00	3.71%
5000	\$60.61	\$62.61	\$2.00	3.30%
6000	\$67.33	\$69.33	\$2.00	2.97%
10000	\$94.21	\$96.21	\$2.00	2.12%
12000	\$107.65	\$109.7	\$2.00	1.86%