

## NPUC SUBMITTAL

### Background

That Florida should strive for the treatment and disposal of wastewater by central facilities as opposed to package plants and individual septic tanks on the state's fragile barrier islands is an immutable fact. The question, for the purposes of NPUC's proposal, is how do you get there in areas that have already been developed such that the ultimate provision of central wastewater treatment and disposal will require an infrastructure retrofit? NPUC's existed and proposed service area is entirely confined to a barrier island less than 2500 feet wide which lies between the Halifax River and the Atlantic Ocean. (See attachment 1). NPUC's present service territory encompasses three unconnected areas previously certificated by the PSC. NPUC proposes to expand its certificated territory such that it will serve a contiguous service territory from the Halifax River to the Atlantic Ocean and from north to south as delineated on attachment 1. No individual, entity, organization, or government has objected to NPUC's proposal.

The transition of a developed area, particularly one in an adjacent to a fragile marine environment, from onsite wastewater disposal to central treatment and central disposal cannot and will not occur at a singular point in time. Everyone will not connect at once, given the vagaries of local law, individual demand, onsite wastewater system useful life, economics, etc. The only practical way for an area such as the territory which NPUC seeks to certificate to ultimately be phased from onsite disposal systems to central treatment and disposal service is by certificating the territory to a private utility, who thereafter renders service to homes, streets, or neighborhoods at a point where and when demand is such that a critical mass is achieved to make the extension of the necessary facilities economically feasible to both the customers and the utility.

The extensions have two (2) components. The first is the force main and receiving pumping station additions which are shown in the engineering master plan and are reflected in the SAC fee calculations. (See attachment 10).

The second component is the customer connections to either (1) the abutting force main, (2) receiving pumping station, (3) existing gravity system or (4) a new mini-collection system to connect to either # 1, #2, or #3 above.

Connections #1, #2, and #3 are each customer's expense and are relatively minor costs. Since the exact method chosen by the customer and the approach taken are specific to the customer(s), those costs are unknown, yet will be booked as CIAC when incurred and connected.

Note, many of the expected future connections are in categories #1, #2, or #3 and those few future customers in category #4 are not expected to connect in the early phases of the plan.

Nonetheless, if customers in category #4 wish services the following options are available:

a) Refundable Advances – for those who participate and pay an amount greater than their

share, NPUC shall reflect the amount of overpayment and refund to those who paid their pro rata amount from those who pay and connect late.

b) Low Pressure Server/STEP Systems – NPUC with all STEP (septic tank efficient pumping) systems with three (3) inch service lines to be installed by customers removed from the force mains. Note that generally, no customer in category #4 should be more than 1,300 feet from a force main. The CIAC for the offsite force main will be booked by NPUC.

c) Area Improvement Programs – NPUC will interact with the various developments and HOA’s and HOA managers to customize the most appropriate mini-collection systems and to assist in its construction. The programs will be voted on by the HOA and whatever level of assessment determined to be placed the HOA bill before construction.

d) Coastal Areas State and Other Grant Programs – FDEP and others administer septic tank assistance grant programs to connect to central sewage systems to protect the environment. To the extent that category #4 systems qualify and receive funding, the customer cost will be reduced.

**State law supports what NPUC is trying to accomplish**

Florida law<sup>1</sup> purports to require property owners who currently have onsite sewage treatment and disposal systems to connect to available central wastewater systems within a year of availability of the central system and also requires to connection of onsite systems in need of repair (in order to be compliant with applicable rules) to connect upon notice from the Health that central service is available. Despite the sound basis for mandatory connection in Florida, and the compelling need for the reduction of on-site septic systems (particularly within fragile environmental areas) the actual implementation of this concept has been problematic and sporadic. If the legal mechanism and political will exists for mandatory connection to be put in place in those territories which NPUC seeks to certificate, NPUC commits to extend its facilities as necessary to effectuate the policy.

**The Volusia County Comprehensive Plan, which has been adopted as an ordinance, also supports what NPUC is trying to accomplish**

Volusia County (in which the territory which NPUC seeks to certificate lies) has extended and supported the statute referenced hereinabove by encoding related concepts into its Comprehensive Plan. Volusia County’s Comprehensive Plan is adopted by ordinance (citation).

Volusia County’s Comprehensive Plan sets forth the following concepts:

- § 6.1.1.9 requires connection to a central sanitary sewer system when said system is available.
- § 6.1.1.13 provides that only allows septic tanks when ... central service is currently not available. Connection to central sewer services is required when said service becomes available.

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<sup>1</sup> See, eg, AGO 2000-71, which is attached hereto as attachment 2.

- § 6.1.1.14 a provides that resident can only fix, modify or upgrade their septic system when a central system is not available. When the central system is available then the resident must connect.
- § 6.1.1.17 provides that package treatment plants are interim until a central system is available and then they must connect.

### **The statutory framework**

The statutory framework is in place for the Commission to protect both present and future customers and to grant NPUC the certificate necessary to expand its territory. Attachment 8 is two Commission statutes: § 367.111 and § 367.121.

§ 367.111 expressly provides that the duty of any utility is to provide service “within a reasonable time” to persons “reasonably entitled thereto”. As discussed above, given the vagaries of the need for service, and the need to retrofit these neighborhoods if the transition from onsite septic systems to central service is to occur, the issues of “what is a reasonable time” and “who is reasonably entitled to service” is one that the utility, the Commission, and the economics of expansion of service will necessarily dictate. The legislature did not draft the statute to establish an absolute requirement for a utility to be instantly ready to serve any existing customer to the four corners of the service area. There is some flexibility, and that flexibility should be applied here.

§ 367.121 also provides protection to customers because the Commission has the power to require repairs, improvements, additions, or extensions if reasonably necessary to provide adequate and proper service to any person entitled to service. If the Commission determines that persons entitled to service are not receiving such service, and that improvement, additions, or extensions are necessary to render that service, the Commission may direct that NPUC undertake the provision of that service. NPUC would not anticipate such action would ever be necessary because NPUC is determined to render service within the certificated territory it seeks when and as it is economically able to do so.

§ 367.121 (1) (d) should be read in concert with § 367.111 (1). Even within a certificated territory service is only required to be provided within a “reasonable time” and to any person “reasonably entitled thereto”. §367.111 (1) goes on to state that if extension of service to any particular person can only be accomplished at an unreasonable cost, and that service by another utility is economic and feasible, the Commission may amend the certificate. NPUC does not ever anticipate that scenario arising, but this subsection provides further assurance that customers will be protected. The certification of these territories to NPUC will surely result in the provision of central sewer service to this barrier island more quickly than it would otherwise occur.

### **Supporting Contacts**

NPUC reached out to various individuals and entities to garner support for this effort. See Attachment 12.

**Documentation relating to the issue**

Attachment 1 – map

Attachment 2 – Attorney General opinion

Attachment 3 – report on the status of sewage disposal and collection in Volusia County  
(2013) Excerpt from

Attachment 4 – November 2014 Halifax River Audubon Newsletter

Attachment 5 – Article excerpt from the News-Journal in Volusia County 12/7/2014

Attachment 6 – Article from the Vero News 7/17/2014

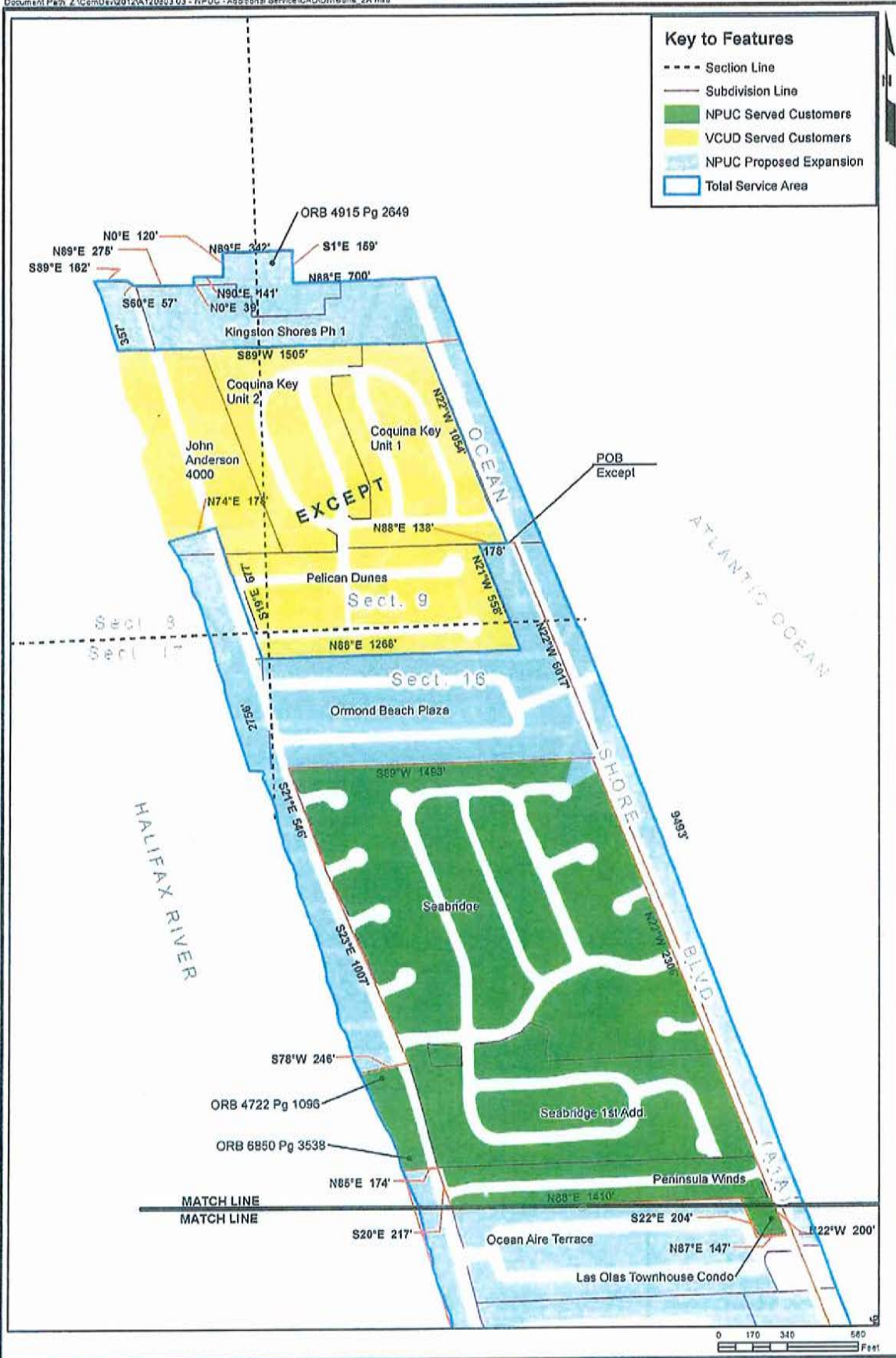
Attachment 7 – Excerpt from St. Johns River Water Management District website

Attachment 8 – Statutes

Attachment 9 – SAC information

Attachment 10 – Supporting Contacts

# ATTACHMENT 1

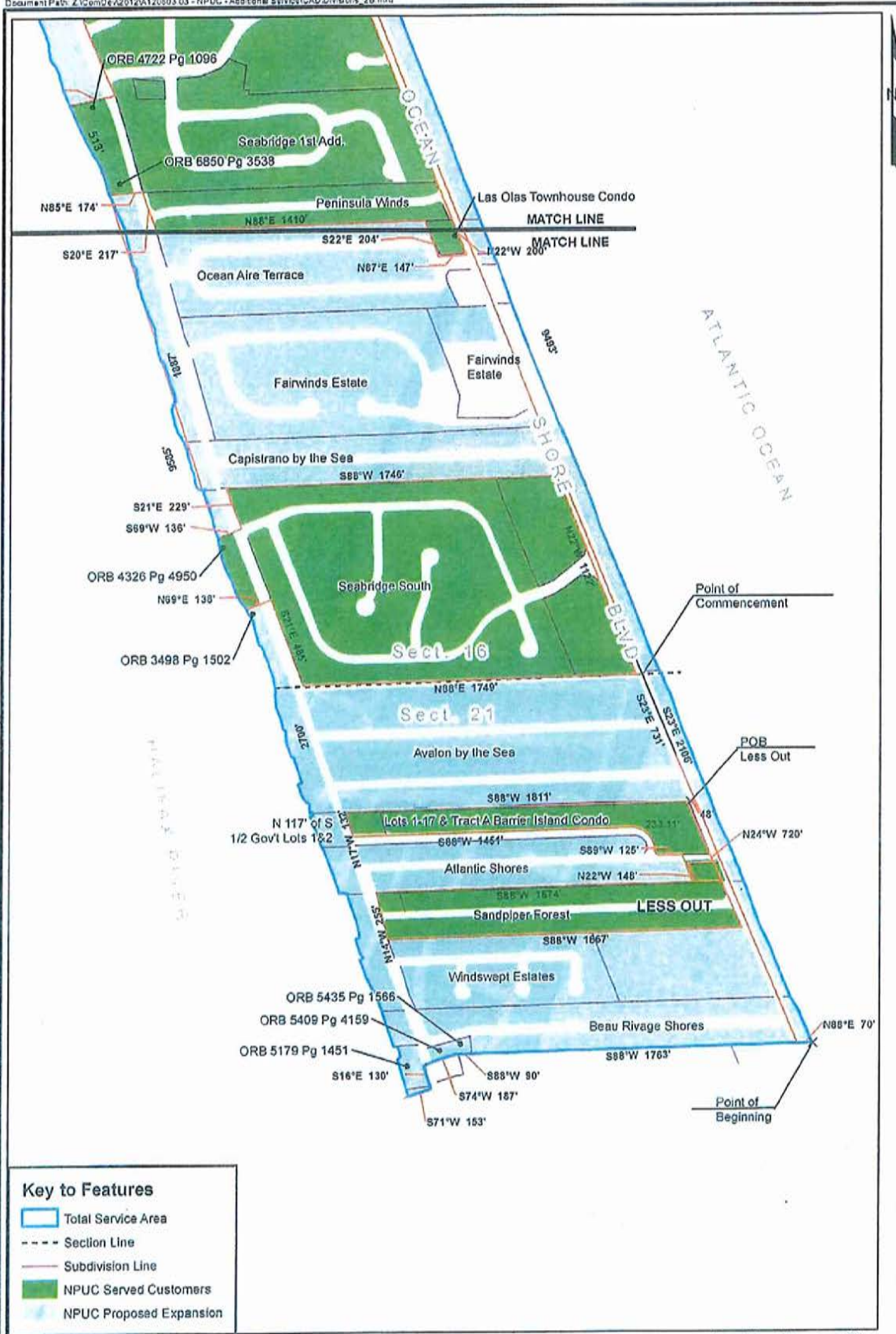


2A

FIGURE

NORTH PENINSULA  
WASTEWATER TREATMENT

**gai consultants**  
transforming ideas into reality  
618 E. South Street, Suite 700  
Orlando, Florida 32801  
Phone 407.423.8398 Fax 407.843.1070



2B  
FIGURE

NORTH PENINSULA  
WASTEWATER TREATMENT

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# ATTACHMENT 2



## Florida Attorney General Advisory Legal Opinion

Number: AGO 2000-71

Date: December 14, 2000

Subject: Sewers--mandatory connection sewerage system

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Mr. Michael S. Mullin  
Nassau County Attorney  
Post Office Box 1010  
Fernandina Beach, Florida 32035-1010

RE: COUNTIES--SEWER SYSTEMS--residential owners whose property is served by onsite septic system required to connect with an investor-owned sewerage system after written notification of system's availability. s. 381.00655, Fla. Stat.

Dear Mr. Mullin:

On behalf of the Nassau County Board of County Commissioners, you ask substantially the following question:

Does section 381.00655, Florida Statutes, mandate that residential property owners whose property is currently served by an onsite septic system connect to an investor-owned sewerage system, and may the costs of such sewerage line be assessed to the property owners that do not hook up to the system?

In sum:

The Legislature, through the enactment of section 381.00655, Florida Statutes, has required residential owners whose property is served by an onsite septic system to connect with an investor-owned sewerage system after written notification by the owner of the investor-owned sewerage system that the system is available for connection. The

statute, however, permits the investor-owned sewerage system to waive the connection with the consent of the Department of Health.

The Legislature has enacted section 381.00655, Florida Statutes, which requires property owners who currently have onsite sewage treatment and disposal systems to connect to available central sewerage systems. An onsite sewage treatment system includes such things as septic systems.[1] Pursuant to the statute:

"The owner of a properly functioning onsite sewage treatment and disposal system . . . *must connect* the system or the building's plumbing to an available publicly owned or investor-owned sewerage system within 365 days after written notification by the owner of the publicly owned or investor-owned sewerage system that the system is available for connection. The publicly owned or investor-owned sewerage system must notify the owner of the onsite sewage treatment and disposal system of the availability of the central sewerage system. No less than 1 year prior to the date the sewerage system will become available, the publicly owned or investor-owned sewerage system shall notify the affected owner of the onsite sewage treatment and disposal system of the anticipated availability of the sewerage system and shall also notify the owner that the owner will be required to connect to the sewerage system within 1 year of the actual availability. . . ."[2] (e.s.)

If an onsite sewage treatment and disposal system must be repaired in order to function or to comply with the requirements of sections 381.0065-381.0067, Florida Statutes, or rules adopted thereunder, the owner of such system must connect to an available publicly owned or investor-owned sewerage system within 90 days after written notification from the department.[3] In hardship cases, upon request of the owner the department may approve one extension of not more than 90 days for sewerage connection.

The statute recognizes that there may be instances where the requirement of mandatory sewer hookup may be waived. Section 381.00655(2) (b), Florida Statutes, provides:

"A publicly owned or investor-owned sewerage system may, with the approval of the [Department of Health], waive the requirement of mandatory onsite sewage disposal connection if it determines that such connection is not required in the public interest due to public health considerations."

It is, however, the publicly owned or investor-owned system that determines, with the approval of the Department of Health, whether the mandatory hookup provisions of section 381.00655, Florida Statutes, may be waived. The statute makes no provision for the property owner to decline to connect to the system.

Section 381.00655(1)(a), Florida Statutes, grants the property owner the option of prepaying the amortized value of required connection charges in equal monthly installments over a period not to exceed 2 years from the date of the initial notification of anticipated availability. In addition, the local governing body of the jurisdiction in which the owner of the onsite sewage treatment and disposal system resides may provide that any connection fee charged under this section by an investor-owned sewerage system may be paid without interest in monthly installments, over a period of time not to exceed 5 years from the date the sewerage system becomes available, if it determines that the owner has demonstrated a financial hardship.[4]

Although the statute requires sewer hookup and makes provision for payment of hookup fees, there are no statutorily prescribed penalties for failure to connect to the system within the designated time period. A companion bill in the House of Representatives to Committee Substitute for Senate Bill 158 provided:

"If the owner of an onsite sewage treatment and disposal system has not connected to an available publicly owned or investor-owned sewerage system within the time required by this subsection, the publicly owned or investor-owned sewerage system may charge the owner any connection fees, customer charges, or minimum billing charges as if the owner had connected to the available sewerage system on the last day of the notification period. Such charges may be collected or enforced as permitted by applicable tariffs or

rules and regulations of the sewerage system or as otherwise permitted by law." [5]

No such provisions are contained in the Senate Bill that passed as Chapter 93-151, Laws of Florida, creating section 381.00655, Florida Statutes. Nor does section 381.00655, Florida Statutes, specifically grant enforcement authority to any agency or entity.

This office, however, has stated that a county or a municipality may take local legislative action providing for the enforcement of section 381.00655, Florida Statutes, under home rule powers. [6] The statute itself clearly recognizes the authority of counties and municipalities to "enforce other laws for the protection of the public health and safety." [7] Moreover, section 381.0065(5)(b)1., Florida Statutes, provides that the Department of Health may issue citations containing an order of correction or an order to pay a fine, or both, for violations of sections 381.0065-381.0067 or the rules adopted by the department, when a violation of these sections or rules is enforceable by an administrative or civil remedy, or when a violation of these sections or rules is a misdemeanor of the second degree. [8] A citation issued under sections 381.0065-381.0067, Part I of Chapter 386, or Part III of Chapter 489, Florida Statutes, constitutes a notice of proposed agency action.

Accordingly, I am of the view that the Legislature, through the enactment of section 381.00655, Florida Statutes, requires residential owners whose property is served by an onsite septic system to connect with an investor-owned sewerage system after written notification by the owner of the investor-owned sewerage system that the system is available for connection, unless the investor-owned sewerage system waives the connection with the consent of the Department of Health.

Sincerely,

Robert A. Butterworth  
Attorney General

RAB/tjw

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[1] See s. 381.0065(2)(j), Fla. Stat., as amended by s. 10, Ch. 2000-242, Laws of Florida, defining an "Onsite sewage treatment and disposal system" as used in ss. 381.0065-381.0067, Fla. Stat., to mean

"a system that contains a standard subsurface, filled, or mound drainfield system; an aerobic treatment unit; a graywater system tank; a laundry wastewater system tank; a septic tank; a grease interceptor; a pump tank; a solids or effluent pump; a waterless, incinerating, or organic waste-composting toilet; or a sanitary pit privy that is installed or proposed to be installed beyond the building sewer on land of the owner or on other land to which the owner has the legal right to install a system. The term includes any item placed within, or intended to be used as a part of or in conjunction with, the system. This term does not include package sewage treatment facilities and other treatment works regulated under chapter 403." (e.s.)

[2] Section 381.00655(1)(a), Fla. Stat.

[3] Section 381.00655(1)(b), Fla. Stat.

[4] Section 381.00655(2)(a), Fla. Stat. The statute requires the local governing body to establish criteria for making the determination that the owner has demonstrated a financial hardship, taking into account the owner's net worth, income, and financial needs.

[5] Section 2, HB 2133, 1993 legislative session.

[6] See Op. Att'y Gen Fla. 96-09 (1996), and Inf. Op. to Alan C. Jensen, dated August 27, 1999.

[7] Section 381.00655(1)(a), Fla. Stat.

[8] Cf. Rule 64E-6.022(1)(p), Fla.Admin.C., establishing disciplinary guidelines for the installation, modification, or repair of an onsite sewage treatment and disposal system in violation of the standards of s. 381.0065 or s.

381.00655, Fla. Stat., or chapter 64E-6, Fla.Admin.C.: First violation, \$500 per specific standard violated; repeat violation, 90 day suspension or revocation.

# ATTACHMENT 3



## Report on the status of sewage disposal and collection in Volusia County, Florida

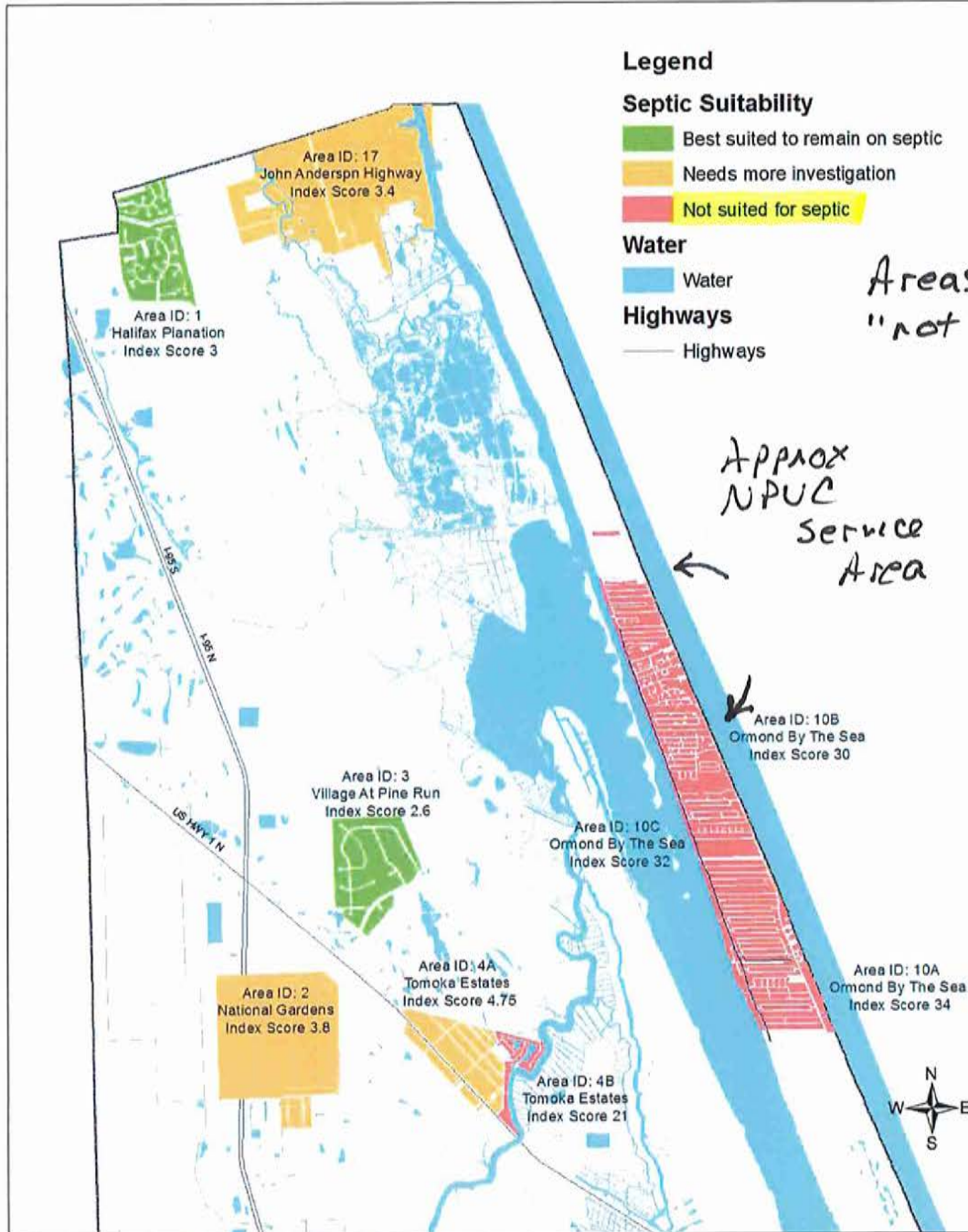
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October 2013

Report prepared by:  
James McRae, Environmental Supervisor II  
Laura Kramer, Environmental Specialist II  
Noble Bielby, Environmental Specialist II  
Regina Harris, Database Analyst



Septic Suitability - North Ormond Vicinity, East Volusia County, FL 2013



PRODUCTION: Florida Department of Health In Volusia County, Information Technology, September 2013

DATA SOURCES: Florida Department of Health In Volusia County

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# ATTACHMENT 4

# The Pelican

*We need to be the stewards of this world, not its destroyers*

Volume 60-No.5 Newsletter of Halifax River Audubon  
November, 2014



## MESSAGE FROM THE PRESIDENT

*Thoughts from on High*

The southern migration of "confusing fall warblers" continues into November. Early migrants like the Blackburnian Warbler and American Redstart were spotted in local parks in September and October. Birders in Ft. DeSoto reported as many as 20 species in a single day during early October. As of mid-October, when I'm writing this article, I still haven't seen our most abundant winter warbler visitor, the Yellow-rumped Warbler, but we know they are on the way. A large number of the warbler species which migrate up and down the Atlantic Coast make stops in central Florida. Identifying tiny, quick-moving birds in fully-leafed trees is never easy, but in the fall when migrating warblers are sporting a more drab set of feathers, the task becomes even more difficult.

The male Black-throated Blue Warbler in spring is a distinctive, handsome warbler with a white breast and under belly, a black face and throat and beautiful dark blue back and wings, with a distinctive white "pocket square" on his wing. Even the drab olive colored spring female sports the signature white square. But the first-year Black-throated Blue Warbler migrating from the north in the fall is a plain, drab warbler with an unmarked upper wing, curved white supercilium, white lower eye-arc and often no white square on the wing. What is a birder to do??

Princeton University Press, publishers of *The Warbler Guide* by Tom Stephenson and Scott Whittle, has provided a series of Quick Finder guides available for free download and printing. These one-page full-color documents show side-by-side comparisons of just the head, just the under tail view, 45° angles and side views of both spring and fall plumage. Click [here](#) to visit the Princeton University Press website and the downloadable Quick Finders. Our thanks not only to PUP for providing this valuable reference tool, but to Chuck Tague for sharing the information. Chuck suggests printing the sheet, laminating them, and keeping them in your field backpack. My copies are already tucked into my favorite field guide in the warbler section.

*Paula Wehr*

\* \* \* \* \*

## Welcome To Our New and Returning Members

We extend a warm welcome to our new and returning members: Bert & Betty Brown, Sharon Donohue, Clara Fowler, Patricia Gough, Robert Klenner, Katherine Martin, Ken Mitchell, Ann (Ayn) Moore, Christine Reinhart and John & Carol Woods. We hope to see you at our monthly meetings or on one of our excellent field trips soon.

## Calendar, Field Trips & Events

**Monday, Nov. 17th- Program Meeting:** "Research and Discovery in Florida's Mangrove Forests: Unlocking the Secrets of the Mangrove Cuckoo." Rachel Mullin, Research Biologist, Ecostudies Institute, will discuss our current understanding of the natural history of Mangrove Cuckoos in Florida, the mysteries that still surround it and how the Ecostudies Institute has been studying this elusive bird. The doors open at 6:30 p.m. at Sica Hall, 1065 Daytona Avenue, Holly Hill. Our speaker begins at 7:00 p.m. A brief business meeting follows.

### Field Trips

**Friday, Nov. 21st- Lake Apopka:** Join Field Trip Co-Chairs, Chuck & Joan Tague, on this trip to one of Florida's best birding spots. We will meet at International Square, located on Int'l Speedway Blvd. just east of I-95 behind the Krystal Restaurant at 6:30 am. Bring lunch and plan on some walking. Questions? Call 386-253-1166.

### Field Trips With Others

**Saturday, Nov. 22nd- Lake Apopka:** West Volusia Audubon's, Harry Robinson, literally wrote the book on birding Lake Apopka. Join Harry and the WVAS folks for their trip to this exciting spot. Meet them at the NE corner of the Deland Post Office parking lot on E New York Avenue. at 8:00 am to car pool and bring lunch. Questions? Call 386-801-4472.

**Friday, Nov. 14th- Otter Lake Trail:** Join our Southeast Volusia Audubon Society friends for this walk along the newest trail in our area. It's a 2.2 mile, paved biking and hiking trail in New Smyrna Beach that includes a bridge over Turnbull Creek. Meet the group in Edgewater at Florida Shores Plaza parking lot at the corner of Ridgewood Ave and Indian River Blvd. Bring lunch. Questions? Call Gail Domroski, 386-428-0447.

**Saturday, Nov. 8th- Pelagic Trip:** Join Michael Brothers on this trip to see birds off our coast. Sponsored by The Friends of The Marine Science Center, the trip will leave the dock aboard the Pastime Princess in New Smyrna Beach at 6:00 am and return around 6:00 pm. Here's a chance to see shearwaters, petrels, phalaropes, jaegers and others. Cost is 190.00 per person. Send your check to: Friends of the Marine Science Center (Pelagic Trip) 100 Lighthouse Drive, Ponce Inlet, FL 32127. Questions? Call Michael at 386-304-5543. Here's a [link](#) to a map to the boat.

## Wings On The Wind Festival

**Saturday, Nov. 15th-** The Marine Science Center's annual event will include live raptor programs, exhibitors, lectures, bird-related arts and crafts, nature-inspired artworks and kids activities. The fun begins at 10:00 am and they hope to release a bird from the rehab center at the end of the festivities at 3:00 pm.

# VOTE YES ON 1

As Eric Draper, Executive Director of Audubon Florida, has been saying over and over for the past two years, there is nothing more important that we can do to preserve and protect conservation land in Florida than to Vote YES on Amendment 1 in November. Amendment 1 will set aside 33% of Florida's existing excise tax on documents (also known as the documentary stamp tax which is paid when real estate is sold) and guarantee that these funds can be used only for conservation purposes, including keeping pollution out of our drinking water, rivers, lakes, springs and coastal waters as well as protecting natural areas and wildlife habitat. This amendment creates no new tax. It only stipulates that approximately one-third of this specialized tax already collected can only be used for that purpose. Please, if you haven't already voted by mail or at one of the early voting sites, remember to vote on Tuesday, November 4th and vote "YES" on Amendment 1. We need your vote. Visit [Vote YES on 1](#) for more information.

In a recent press release the Florida Parks Service had a lot to be proud of. Between July 1, 2013 and June 30, 2014 over 27.1 million people visited the various properties in the state park system. This generated a whopping 2.1 billion dollars in direct economic impact to the areas around these parks. They also won their third National Gold Medal of Excellence. "People come from around the world to visit Florida's award-winning state parks and state trails," said DEP Secretary Herschel T. Vinyard Jr. "Our parks offer the best in natural and cultural resources and contribute to the economy of Florida - supporting jobs and local businesses." How many jobs are dependent on our award winning parks system you might ask? The answer is 29,396!

The money that will be generated by approval of Amendment 1 will go toward making our park system even better. In addition, it could be used for a variety of water quality projects. One of which could be the removal of thousands of septic tanks. Septic tanks were a viable technology in the 1900's, when the state's population was 3/4 of a million people. Last year the estimated population here was 19.5 million. Is it any wonder that the Indian River Lagoon is dying or that our springs are often too polluted to swim in? Municipalities around the state could expand their sewage treatment facilities to allow homes now on septic tanks to connect to sewer systems. The problem is that after the sewer line is installed on your street it costs the average homeowner \$10,000.00 to connect to the system. That's why we continue having all of that pollution leaching into our water ways. Cities and towns see no point in extending sewer systems if the residents can't afford the connection costs. Senator Alan Hayes (R. Lake County) introduced a bill in the last legislative session to address this issue utilizing as a funding source the same 33% of documentary stamp tax revenue referenced in Amendment 1. He did so to confuse and conflict the possibility of passing Amendment 1 since he's opposed to it. It could just be that while he was trying to do something to obfuscate the issue he stumbled upon a way to accomplish a result that few thought possible just a few years ago. Amendment 1 offers a realm of possibilities for solving problems and leaving Florida an even better place for our offspring.

David Hartgrove

## Wild Turkey (*Meleagris gallapava*)

a feature of Everyday Birding

Black speeding missiles, breaking branches and thunderous crashes. My introduction to turkeys in the wild. Dramatic, exciting and a memory everlasting. I was on a Christmas Bird count in a deciduous forest in central Connecticut. This explosion of avian behavior was by far the event of the day. Certainly, not the slow, foraging behavior expected of a grounded eastern bird.

To this day, I cannot drive on Merritt Island NWR's Kennedy Parkway (SR 3) without looking up and down the adjoining, side dirt roads. Occasionally, I will see a flock of wild turkeys walking through, especially early in the morning. My favorite time is just before sunrise when the air is fresh and the sun is about to break above the horizon. The sky is red, orange, blue and slowly changing to an awakening day. It is quiet and I am there watching. I find the turkey to be extremely wary. However, I have observed a number of Florida wild turkeys in eastern central Florida at Tiger Bay State Forest, Gamble Place, Merritt Island National Wildlife Refuge and numerous tracts of forested lands and pastures controlled by the St. John's River Water Management District.

The turkey didn't always grace our tables center stage on one particular day in November, nor did it expect to be such an iconic figure used to promote a national holiday. In fact, the wild turkey evolved upon this planet about 11 million years ago and has had quite a journey through evolution and travel to become what we see of it today.

In the early 1500's, the Spanish explorers traveled through North America bringing back native wild turkeys to Mexico and later European traders brought these birds back to Europe. The turkeys then were shipped to eastern Mediterranean countries, then to Spain and onto England, where the British associated them with the country, Turkey. Thus, the name "turkey", which has stuck to this day. The turkey successfully established some flocks in a few European countries, notably as far back into Europe as Germany. To complete their wayward journey the Pilgrims brought them back to the Atlantic Coast of America. Some were released into the wild where they mixed with the native species. Eventually other turkey subspecies evolved into six separate subspecies.

The most popular, abundant and most hunted subspecies is the Eastern Wild Turkey, estimated today at 5.1 - 5.3 million birds. We do have a much smaller flock of turkeys, numbering about 30,000, in Florida. The Florida Wild Turkey, also called the Ocala Wild Turkey is smaller, darker with wing feathers having smaller amounts of white feathers than other subspecies. The Florida Wild Turkey can also be distinguished by its overall green iridescent body feathers. (continued on page 3)



# ATTACHMENT 5



NEWS JOURNAL

SUNDAY, DECEMBER 7, 2014

# OPINION

## Volusia leaders commit to cooperation

**T**he new Volusia County elected officials' roundtable has a logo, courtesy of the county. It has a meeting place, ditto. And as of its first meeting Dec. 1, it has a lot on its plate besides a tasty catered lunch.

The group — born from the ashes of the now-defunct Volusia Council of Governments, which most agree had outlived its usefulness — included elected representatives from almost every city in Volusia County. (Edgewater sent its city manager, but Mayor Michael Ignasiak says the city fully intends to participate.) The shared hope is that, by maintaining open lines of communication in a collegial atmosphere, local cities and county government can foster collaboration on the big issues that sprawl across city limits.

It's a chance local officials can't afford to miss. Division and inter-city strife can lead to muddled messaging and missed opportunities to secure state and federal help on local priorities. Already, Volusia County is at a significant disadvantage — as County Councilman Doug Daniels pungently noted, "Volusia County is the weak man of Central Florida." He's right. In addition to wages far below national and regional averages, the county wrestles with big problems like underfunded schools, fractured social services and — despite recent wins like a Trader Joe's distribution

hub and Speedway-area development — flagging economic development.

The group wasted little time, drawing up a list of five issues to focus on in the coming months and assembling committees for each area. They included:

- **Transportation.** The county lacks a strong network of local roads to take full advantage of the intersection of Interstates 95 and 4. Transportation planning should also consider public transit, air travel and bike-pedestrian trails that boost ecotourism.

- **Water.** As discussed at the Dec. 1 meeting, this is perhaps the most sprawling of the group's priorities. Members rattled off issues including curbing water pollution from septic tanks and other sources, ensuring an adequate drinking-water supply and managing flooding.

- **Beach driving.** Beach management is a perennial hot-button issue in Volusia County. It's likely to heat up again in the coming months if a proposed amendment to the county charter makes it onto the ballot.

- **Homelessness.** Ormond Beach Mayor and roundtable chairman Ed Kelley said, "This affects all of us — even if we don't think it does." Adding it to the group's agenda drew little dissent, which is promising, especially in the aftermath of a consultant's report finding roughly equal numbers of

homeless people on the east and west sides of the county.

- **Community redevelopment agencies.** The growth of special redevelopment districts — which redirect tax money from county and cities into repairing geographically defined areas — is ripe for countywide consensus-building.

It's clear that much of the roundtable's actual work will be accomplished inside these smaller, issue-specific bodies, and there was much discussion at the Dec. 1 meeting about whether the committee meetings will be subject to Florida open-meetings laws. The answer, according to County Attorney Dan Eckert, is no. Whether they are or not, it would be a mistake to close them. When government officials meet and their business is not transparent to the public, they compromise their credibility.

It's also evident that other issues will come up — though, as Deltona Mayor John Masiarczyk noted, the group already has enough to keep it busy "until 2019."

Nobody expects this new group to be a never-ending well-spring of amity; cities and the county will always find areas in which to disagree. But maintaining open lines of communication makes Volusia County's united governments stronger in fighting for what they can agree on — and better-equipped to deal with conflicting priorities.

# ATTACHMENT 6

# Innovative solution to fight septic pollution moving ahead

Posted: Thursday, July 17, 2014 5:00 am

Vero Beach Mayor Dick Winger says the city and the Indian River Neighborhood Association have succeeded in breaking the logjam at the state level that was preventing the installation of STEP systems to stop the flow of septic tank pollution into the lagoon.

Vero Utility Director Rob Bolton says he expects to apply for a permit for a pilot project in an island neighborhood within the next 60 days.

Bolton came up with the idea of using STEP – a modified/combined Septic Tank Effluent Pump system – last fall after Harbor Branch scientist Brian LaPointe revealed septic tanks on the barrier island and across the county are flooding the lagoon with nitrogen that feeds algae blooms and kills marine life. Outdated and leaky tanks also contaminate the waterway with bacteria and household chemicals.

STEP's biggest selling point is that it's only half as expensive as standard sewer installation, cutting approximate per-household cost for getting off septic from \$16,000 to \$8,000. STEP leaves existing septic systems in place as a backup while capturing household effluent before it goes into the ground and pumping it into the city's existing sewer system for treatment via a series of small diameter pipes that can be installed without tearing up streets or trenching yards.

When Bolton began investigating STEP as a solution he found state regulations appear to have contradictory clauses that bear on the technology. The Florida Department of Environmental Protection, which regulates septic systems, says it is OK to leave a septic system in place after a home is connected to city sewer, but Florida Department of Health regulations, which govern everything having to do with sewers, seem to prohibit leaving the systems in place.

Working with the city, Rep. Debbie Mayfield introduced a bill earlier this year to clarify the situation and make STEP systems legal in Florida. The bill passed in the Senate but got bogged down in the House Agriculture Committee and never came up for a vote.

Reacting to that setback, Winger on June 18 sent a letter to Governor Rick Scott's office asking for executive intervention.

"The FDEP says the hybrid system is lawful while the FDH say it is not," Winger wrote. "Since they are interpreting the same law it would be helpful ... if you would use your influence to bring the FDH interpretation to agree with the FDEP interpretation so we could start installing the STEP system and stop polluting the Indian River Lagoon by septic tanks."

Indian river Neighborhood Association executive director Dan Lamson wrote a similar letter, and on



June 23 an official from the Division of Environmental Assessment and Restoration responded on behalf of Scott's office.

"DEP has the authority, under existing law and rule, to authorize the construction of sewer collection systems that incorporate elements of septic systems into their design and operation," the letter states.

Taking the cue, Bolton met with the state Health Department last week and planned to meet with DEP this week "to discuss details of what they will be looking for in the permit application.

"The permit application will have to include detailed plans of the system components, a clear description of how we are going to implement and administer the program, and a description of the area where it will be installed."

The pilot project area has not been selected yet, but Bolton mentioned the homes along Bethel Creek as a possibility. "We are refining our study of which systems cause the most pollution and that is where we will want to start," Bolton says.

The city likely has the power to impose the sewer work on neighborhoods but City Manager Jim O'Connor says the city would probably be looking for resident buy-in before going ahead.

"It will be our job to convince residents that they will have a good, economical system that will also help protect the lagoon," O'Connor says.

The city might sweeten the pot for the first residents who go along with the plan.

"If it cost \$6,000 to go on STEP, we might pay \$3,000 and they would pay \$3,000," says Mayor Winger. "I would like to see us have a permit by the end of the year and have a pilot project built next year to begin the process of getting off septic tanks. This is something the city can do to help the lagoon."

# ATTACHMENT 7



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## Water bodies, watersheds and storm water

### Rose Bay

In the years before Florida's explosive growth, Rose Bay was a productive estuary in the Halifax River in Volusia County. Good water quality and the bay's proximity to the Atlantic Ocean (near Ponce de Leon Inlet) once provided vital nursery grounds and habitat for shellfish and young estuarine and offshore fish species. Over time, however, the byproducts of growth — stormwater runoff and leaking septic systems — degraded the bay's beauty and productivity.



The new U.S. Highway 1 bridge is part of the restoration work at Rose Bay.

Rose Bay, a part of the Northern Coastal Basin, faced a handful of major water quality problems, including:

- **Runoff from storm water** — Storm water carried nutrients (such as fertilizers), sediments (such as dirt and asphalt pieces) and other pollutants (such as grease and chemicals) into the bay.
- **Leakage from septic systems** — Wastewater leaking from residential septic systems seeped into the bay. This nutrient pollution fuels algal blooms that cloud the water and adds to a layer of organic sediment throughout the bay when dead algae fall to the bay's floor. Despite improvements in area water quality, increased bacteria levels continue to make safe shellfish harvesting impossible and raise other potential public health concerns.
- **Restricted water flow** — Two causeways reduced water flow and circulation.



### Solutions

The St. Johns River Water Management District worked with residents and local governments to form a coalition of agencies to pursue solutions to pollution problems and restore Rose Bay. The District, the city of Port Orange and Volusia County coordinated efforts through the Rose Bay Task Force. A comprehensive outline for a five-point restoration plan was developed and partnerships established with the Florida Department of Transportation (FDOT) and the U.S. Army Corps of Engineers (Corps).

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#### Northern Coastal Basins Initiative

- [Meet the technical team](#)

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# ATTACHMENT 8

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## 2012 Florida Statutes

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WATER AND WASTEWATER  
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### 367.111 Service.—

(1) Each utility shall provide service to the area described in its certificate of authorization **within a reasonable time**. If the commission finds that any utility has failed to provide service to any person **reasonably entitled thereto**, or finds that extension of service to any such person could be accomplished only at an unreasonable cost and that addition of the deleted area to that of another utility company is economical and feasible, it may amend the certificate of authorization to delete the area not served or not properly served by the utility, or it may rescind the certificate of authorization. If utility service has not been provided to any part of the area which a utility is authorized to serve, whether or not there has been a demand for such service, within 5 years after the date of authorization for service to such part, such authorization may be reviewed and amended or revoked by the commission.

(2) Each utility shall provide to each person **reasonably entitled thereto** such safe, efficient, and sufficient service as is prescribed by part VI of chapter 403 and parts I and II of chapter 373, or rules adopted pursuant thereto; but such service shall not be less safe, less efficient, or less sufficient than is consistent with the approved engineering design of the system and the reasonable and proper operation of the utility in the public interest. If the commission finds that a utility has failed to provide its customers with water or wastewater service that meets the standards promulgated by the Department of Environmental Protection or the water management districts, the commission may reduce the utility's return on equity until the standards are met.

History.—s. 1, ch. 71-278; s. 3, ch. 76-168; s. 1, ch. 77-457; s. 53, ch. 78-95; ss. 1, 2, ch. 79-49; ss. 14, 25, 26, ch. 80-99; ss. 2, 3, ch. 81-318; ss. 15, 26, 27, ch. 89-353; s. 4, ch. 91-429; s. 10, ch. 93-35; s. 185, ch. 94-356.



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## 2012 Florida Statutes

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Powers of commission.

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### 367.121 Powers of commission.—

(1) In the exercise of its jurisdiction, the commission shall have power:

- To prescribe fair and reasonable rates and charges, classifications, standards of quality and measurements, and to prescribe service rules to be observed by each utility, except to the extent such authority is expressly given to another state agency.
- To prescribe, by rule, a uniform system and classification of accounts for all utilities, which rules, among other things, shall establish adequate, fair, and reasonable depreciation rates and charges.
- To require such regular or emergency reports from a utility, including, but not limited to, financial reports, as the commission deems necessary and, if the commission finds a financial report to be incomplete, incorrect, or inconsistent with the uniform system and classification of accounts, to require a new report or a supplemental report, either of which the commission may require to be certified by an independent certified public accountant licensed under chapter 473.
- To require repairs, improvements, additions, and extensions to any facility, or to require the construction of a new facility, if reasonably necessary to provide adequate and proper service to any person entitled to service or if reasonably necessary to provide any prescribed quality of service, except that no utility shall be required to extend its service outside the geographic area described in its certificate of authorization, or make additions to its plant or equipment to serve outside such area, unless the commission first finds that the utility is financially able to make such additional investment without impairing its capacity to serve its existing customers.
- To employ and fix the compensation for such examiners and technical, legal, and clerical employees as it deems necessary to carry out the provisions of this chapter.
- To adopt, by affirmative vote of a majority of the commission, rules pursuant to ss. [120.536\(1\)](#) and [120.54](#) to implement and enforce the provisions of this chapter.
- To exercise all judicial powers, issue all writs, and do all things necessary or convenient to the full and complete exercise of its jurisdiction and the enforcement of its orders and requirements.
- To order interconnections of service or facilities between utilities, and to approve any plant capacity charges or wholesale service charges or rates related thereto, provided the commission first finds that the utility is financially able to make such additional investment as is required without impairing its capacity to serve its existing customers.
- To require the filing of reports and other data by a public utility or its affiliated companies, including its parent company, regarding transactions or allocations of common costs, among the utility and such affiliated companies. The commission may also require such reports or other data necessary to ensure that a utility's ratepayers do not subsidize nonutility activities.
- To seek relief in circuit court including temporary and permanent injunctions, restraining orders, or any other appropriate order, because the Legislature finds that violations of commission orders or rules, in connection with the impairment of a utility's operations or service, constitute irreparable harm for which there is no adequate remedy at law. Such remedies shall be in addition to and supplementary to any other remedies available for enforcement of agency action under s. [120.69](#) or the provisions of this chapter. The commission shall establish procedures implementing this section by rule.
- To assess a utility for reasonable travel costs associated with reviewing the records of the utility and its affiliates when such records are kept out of state. The utility may bring the records back into the state

# ATTACHMENT 9

January 3, 2015

WFS #7014038

Mr. Bob Hillman  
North Peninsula Utilities Corporation  
115 E. Granada Blvd., Suite 12  
Ormond Beach, FL 32176

**North Peninsula Utilities Corporation (NPUC)  
Service Availability Charge Development**

Dear Mr. Hillman:

This letter serves as a follow up to my previous letters regarding the Service Availability Charge development for North Peninsula Utilities Corporation. As you are aware, The Florida Public Service Commission (FPSC) requested a conference call to discuss questions the FPSC had regarding "*Docket No. 130209-SU - Application for expansion of certificate (CIAC) (new wastewater line extension charge) by North Peninsula Utilities Corporation*". This call was held on October 20, 2014. During that call, FPSC staff requested to differ the discussion of the Service Availability Charge. After that call, I provided the model to Ms. Daniel and Ms. Bruce with the FPSC for their use in analyzing the fee Service Availability Charge that had been developed for NPUC.

Prior to this conference call, I had a discussion with FPSC staff in late August/early September 2014 and prepared an update to the original request for the Service Availability Charge and included an additional detail schedule for the FPSC to use in tying the service availability charge calculation to the Wastewater Facilities Plan prepared by Hartman Consultants, LLC. A copy of the updated report is attached to this letter. The Service Availability Charge calculated in the updated report was \$1,011.00 per Equivalent Residential Connection (ERC).



Mr. Bob Hillman  
January 3, 2015

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### Summary

I have received no additional questions from the FPSC staff in the 60 plus days since the conference call and provision of the model on October 20, 2014. Therefore, per my previous recommendation, I would recommend that NPUC update its Service Availability Policy and related Main Extension Charge to \$1,011.00 per ERC as this charge will recover the costs associated with the sewage collection system as is provided for in the Florida Administrative Code Guidelines.

We appreciate the opportunity to provide technical expertise you desire. If you have any questions, comments, or need additional information, please do not hesitate to contact me.

Respectfully submitted,  
**WILLDAN FINANCIAL SERVICES**



Tara L. Hollis, CPA, MBA  
Principal Consultant

### Attachments:

- Email to FPSC Staff regarding the model used to develop the Service Availability Charge (October 2014)
- Email to FPSC Staff regarding update to the calculation of the Service Availability Charge (September 2014)
- Original Service Availability Charge calculation (July 2014)

cc: Gerald C. Hartman, PE, BCEE, ASA – Hartman Consultants, LLC



**ATTACHMENTS**



## Tara Hollis

---

**From:** Tara Hollis  
**Sent:** Monday, October 20, 2014 3:06 PM  
**To:** 'sbruce@psc.state.fl.us'; 'pdaniel@psc.state.fl.us'  
**Subject:** North Peninsula Utilities Corporation (249S)  
**Attachments:** NPUC Updated - to FPSC.xlsx

Hi Patti and Sonica,

I know you wanted to defer discussion of the Service Availability Charge calculation that we did for NPUC while you are looking at all of the information provided by the Utility, but I wanted to send you the excel file that we used to develop the initial rates that were include in the July 18, 2014 letter which was then updated with the inclusion of Schedule 1A in my September 11, 2014 letter. I thought it might help to better trace where some of the numbers are coming from.

Thanks,  
Tara

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## Tara Hollis

---

**From:** Tara Hollis  
**Sent:** Thursday, September 11, 2014 8:17 PM  
**To:** 'sbruce@psc.state.fl.us'  
**Subject:** North Peninsula Utilities Corporation (249S)  
**Attachments:** Service Availability Charge Development - Updated.pdf

Hi Ms. Bruce,

Per our recent discussion, I have revised the letter regarding the service availability fees as well as included a new schedule, Schedule 1A, that breaks down the improvements both by year and account number. These capital improvements are further categorized as to whether they are part of the phased improvements or other miscellaneous annual improvements over the 10 year projection period. Before I send these to the Utility, would you please review and let me know if you have any questions or need additional information. If I need to follow another process to get this into the formal record, please let me know.

Thanks,  
Tara

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July 18, 2014  
Revised September 11, 2014

WFS #7014038

Mr. Bob Hillman  
North Peninsula Utilities Corporation  
115 E. Granada Blvd., Suite 12  
Ormond Beach, FL 32176

**North Peninsula Utilities Corporation  
Service Availability Charge Development**

Dear Mr. Hillman:

Willdan Financial Services (WFS), is pleased to present herein the development of the Service Availability Charge including the Main Extension Charge for North Peninsula Utilities Corporation (NPUC). This letter, issued September 11, 2014 revises the letter that was previously issued on July 18, 2014 to include additional detail in the development of the Service Availability Charge.

These charges have been developed based on the Guidelines for Designing the Service Availability Policy, Section 25-30.580, Florida Administrative Code as required by the Florida Public Service Commission (FPSC). This letter will discuss the development of the Service Availability Charge as well as several of the items needed to file the Application for Approval of New or Revised Service Availability Policy or Charges with the FPSC (Section 25-30.565, Florida Administrative Code). **Attachment A** includes a copy of both of these sections from the Florida Administrative Code.

**Development of Service Availability Charge – Main Extension Charge**

A Wastewater Facilities Plan (“Plan”) for North Peninsula Utilities Corporation was completed in July 2014. As included in the Plan prepared by Hartman Consultants, LLC, the Utility will need a 3-Phase plan to provide service in its expanded service area. Phase 1 is expected to meet the immediate needs of the expanded service area and

provide infrastructure to accommodate future phases. The Phase 1 activities are anticipated to cost approximately \$658,000 and are expected to be implemented in the 2015 to 2017 timeframe. The Phase 2 plan is provided to meet the anticipated growth, build out of the existing projects, and to accommodate the flows from the Volusia County Utility Department service area. The Phase 2 project is anticipated to cost approximately \$683,000 and be completed in the 2018 to 2020 timeframe. The Phase 3 project again provides for build out, growth, and an existing area in the southern portion of the expanded NPUC service area. This phase completes the locations where central wastewater service has been desired. The Phase 3 project is anticipated to cost approximately \$332,000 and is expected to be implemented within the 2021 to 2025 timeframe. Additionally, throughout the projection period, other upgrades of approximately \$372,000 are anticipated to continue to maintain and improve the system. The projected Capital Improvement Plan for Year 1 (2014) through Year 10 (2023) is shown on **Schedule 1A**.

**Schedule 1** included in **Attachment B**, presents the Utility Plant in Service by NARUC Account. The beginning balance is based on information contained in the 2013 Annual Report. As shown, the Utility Plant in Service costs for the system are \$898,717. After the aforementioned improvements are put in place, the Utility Plant in Service will total approximately \$2,944,495. **Schedule 2** presents the anticipated annual depreciation for the 10-year projection period. **Schedule 3** presents the current and projected Accumulated Depreciation for the Plant in service for each year in the projection period. **Schedule 4** presents the Net Utility Plant in Service based on the annual and accumulated depreciation calculated on **Schedules 2** and **3**.

Based on the Guidelines for Designing a Service Availability Charge (Section 25-30.580, Florida Administrative Code):

*(1) The maximum amount of contributions-in-aid-of-construction, net of amortization, should not exceed 75% of the total original cost, net of accumulated depreciation, of the utility's facilities and plant when the facilities and plant are at their designed capacity; and*

*(2) The minimum amount of contributions-in-aid-of-construction should not be less than the percentage of such facilities and plant that is represented by the water transmission and distribution and sewage collection systems.*



Mr. Bob Hillman  
July 18, 2014  
Revised September 11, 2014

The Utility's current collection system has the hydraulic capacity to serve approximately 600 ERCs. With the additions of the 8.0" force main and the 6.0" force main, that total hydraulic capacity of the system will be increased to 1,241 ERCs. With these two improvements in place, the total Utility Plant in Service for the Sewage Collection System will be approximately \$1,255,046 (Accounts 360 and 361 on **Schedule 1**). Dividing the sewage collection system costs by the total hydraulic capacity of the sewage collection system ( $\$1,255,046 / 1,241$  ERCs) results in a Service Availability Charge related to the Main Extensions of approximately \$1,011.00 per ERC or \$5.78 per gpd). As stated in NPUC's application to extend its Certificated Service Area, the Utility will not pursue a plant charge at the present time.

As of July 1, 2014, the Utility provides service to 571 connections which represent 585 ERCs. Of these 571 meters, 570 are provided service through 3/4" meters with 1 utilizing a 3.0" meter. As shown on **Schedule 5**, through Year 10 of the projection period, it is anticipated that there will be approximately 1,194 ERCs connected to the system. While there are existing developer agreements, they are minimal and represent approximately 10 of the over 600 ERCs anticipated to connect to the system throughout the projection period.

Based on the Utility Plant in Service in Year 10, the Minimum level of Contributions in Aid of Construction (CIAC) is 40.42%. **Schedule 5** presents the CIAC Analysis for the 10-year projection period including annual projections for Utility Plant in Service, Accumulated Depreciation, Contributions in Aid of Construction, Accumulated Amortization of CIAC, and the Contribution Level. For the 10 years included in the analysis, the maximum calculated contribution level is 73.85% which is projected in Year 10.

### **Summary**

Based on our analysis, we recommend that NPUC update its Service Availability Policy and related Main Extension Charge to \$1,011.00 per ERC. As calculated above, this charge will recover the costs associated with the sewage collection system as is provided for in the Florida Administrative Code Guidelines.



Mr. Bob Hillman  
July 18, 2014  
Revised September 11, 2014

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We appreciate the opportunity to provide technical expertise you desire. If you have any questions, comments, or need additional information, please do not hesitate to contact me.

Respectfully submitted,  
**WILLDAN FINANCIAL SERVICES**

*Tara Hollis*

Tara L. Hollis, CPA, MBA  
Principal Consultant

**Attachment A** – Section 25-30.565, Florida Administrative Code and Section 25-30.580,  
Florida Administrative Code

**Attachment B** – Supporting Schedules

cc: Gerald C. Hartman, PE, BCEE, ASA – Hartman Consultants, LLC





**ATTACHMENT A**

**Section 25-30.565, Florida Administrative Code, *Application for Approval of New or Revised Service Availability Policy or Charges***

**Section 25-30.580, Florida Administrative Code, *Guidelines for Designing Service Availability Policy***



**25-30.565 Application for Approval of New or Revised Service Availability Policy or Charges.**

- (1) Each application for a service availability policy or charges shall be filed in original and six copies.
- (2) Upon filing an application for a new or revised service availability charge or policy, the utility shall provide notice pursuant to Rule 25-30.4345, F.A.C.
- (3) A filing fee as required in Rule 25-30.020, F.A.C., shall be submitted at the time of application.
- (4) Each application shall include the following, if applicable:
  - (a) A statement describing how the notice provisions have been complied with, including a copy of the actual notice(s).
  - (b) The name of the applicant, the applicant's principal place of business and each local office from which company operations are conducted. The applicant's name shall be as it appears on the certificate issued by the Commission if one has been issued.
  - (c) The number of the Commission order, if any, which previously considered the charges or service availability policy for the system involved.
  - (d) A statement explaining the basis for the requested changes in charges and conditions.
  - (e) A schedule showing the original cost of any existing treatment plants, the water transmission and distribution system, and the sewage collection system, by Uniform System of Accounting account numbers as required by Rule 25-30.115, F.A.C., and the related capacity of each system as of 90 days prior to application.
  - (f) A detailed statement of accumulated depreciation for the plant listed in paragraph (e) above as of 90 days prior to application.
  - (g) A schedule showing the number of active customers on line 90 days prior to the time of application by meter size, by customer class, and the related equivalent residential connections (ERC) as defined in subsection 25-30.515(8), F.A.C. Describe the method by which an ERC is defined.
  - (h) A detailed statement defining the capacity of the treatment facilities in terms of ERCs as used in developing the proposed service availability charges.
  - (i) A detailed statement defining the capacity of the distribution or collection system in terms of ERCs as used in developing the proposed service availability charges.
  - (j) Provide a list of outstanding developer agreements.
  - (k) For each developer agreement state whether the agreement is designed to result in contributed property, other than the approved system capacity charge, within the next 24 months; an estimate of the value of the contributed property to be added to the utility's books; and a description of the property.
  - (l) A schedule showing total collections of contributions-in-aid-of-construction (CIAC) as of 90 days prior to the date of application. Detail any prepaid CIAC by amount, the related reserved ERCs, and the anticipated connection date. Reference any appropriate developer agreements.
  - (m) A detailed statement of accumulated amortization of CIAC as listed in (l) above as of 90 days prior to application.
  - (n) Copies of approvals or permits for construction and operation of treatment facilities.
  - (o) A detailed statement by a registered professional engineer showing the cost, by Uniform System of Accounting account numbers, and capacity of proposed plant expansion, and a timetable showing projected construction time.
  - (p) A detailed statement by a registered professional engineer showing how the proposed construction will affect the capacity of the existing systems.
  - (q) If the expansion or plant upgrading is being undertaken to comply with the mandates of local, state or federal regulatory authorities, copies of the order(s) or correspondence directing the expansion or upgrading.
  - (r) A schedule showing the projected growth rate for utilization of the existing plant and line capacity and future plant and line capacity.
  - (s) A summary schedule of how the proposed service availability charge was calculated.
  - (t) A schedule showing, by meter size, the cost of meters, connecting fittings, meter boxes or enclosures and also showing sufficient data on labor and any other applicable costs to allow the determination of an average cost for meter installation by type.
  - (u) A statement of the existing and proposed on-site and off-site main installation charges or policy.
  - (v) The company's present capital structure, including the cost of debt in the present capitalization. The availability and cost of other sources of financing the proposed expansion or upgrading of the system also shall be given.
  - (w) An original and three copies of the proposed tariff sheets.
- (5) Upon filing of the application and supporting exhibits, the utility shall place copies thereof at its local office of the utility

serving the area affected by the charges and conditions, and such copies shall be made available for public inspection.

(6) Each utility shall demonstrate the appropriateness of the requested service availability charges and conditions.

*Specific Authority 367.121(1), 367.101 FS. Law Implemented 367.101 FS. History—New 6-14-83, Amended 11-10-86, 11-30-93, 5-29-08.*

**25-30.580 Guidelines for Designing Service Availability Policy.**

A utility's service availability policy shall be designed in accordance with the following guidelines:

(1) The maximum amount of contributions-in-aid-of-construction, net of amortization, should not exceed 75% of the total original cost, net of accumulated depreciation, of the utility's facilities and plant when the facilities and plant are at their designed capacity; and

(2) The minimum amount of contributions-in-aid-of-construction should not be less than the percentage of such facilities and plant that is represented by the water transmission and distribution and sewage collection systems.

*Specific Authority 367.101, 367.121(1) FS. Law Implemented 367.101 FS. History--New 6-14-83, Formerly 25-30.58, 25-30.058, Amended 1-31-00.*

**ATTACHMENT B**  
**Supporting Schedules**



**Schedule 1**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Utility Plant in Service**

NARUC Account	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
351 Organization	\$ -	\$ -	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087
352 Franchises	6,310	6,310	36,310	36,310	36,310	36,310	36,310	36,310	36,310	36,310	36,310
353 Land and Land Rights	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800
354 Structures and Improvements	163,469	163,469	203,021	203,021	203,021	203,021	203,021	213,021	213,021	213,021	213,021
355 Power Generation Equipment	-	-	41,200	41,200	41,200	41,200	93,726	108,726	116,226	116,226	116,226
360 Collection Sewers - Force	321,528	321,528	571,676	604,176	636,676	915,589	965,589	1,015,589	1,078,955	1,098,955	1,118,955
361 Collection Sewers - Gravity	5,410	5,410	14,510	14,510	14,510	96,601	116,601	116,601	136,091	136,091	136,091
363 Services to Customers	29,139	29,139	80,839	80,839	80,839	136,773	136,773	136,773	194,593	194,593	194,593
370 Receiving Wells	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124
371 Pumping Equipment	14,913	14,913	157,813	157,813	177,813	299,909	299,909	314,909	485,043	485,043	485,043
380 Treatment and Disposal Equipment	297,024	297,024	297,024	297,024	297,024	388,945	418,945	433,945	475,245	475,245	490,245
<b>Total</b>	<b>\$ 898,717</b>	<b>\$ 898,717</b>	<b>\$ 1,556,404</b>	<b>\$ 1,588,904</b>	<b>\$ 1,641,404</b>	<b>\$ 2,324,885</b>	<b>\$ 2,439,885</b>	<b>\$ 2,537,385</b>	<b>\$ 2,889,495</b>	<b>\$ 2,909,495</b>	<b>\$ 2,944,495</b>

Note (1): As shown in the 2013 Annual Report.

**Schedule 1A**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Capital Improvement Plan**

NARUC Account	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)	Total
<b>Phased Improvements</b>											
		Phase 1			Phase 2			Phase 3			
351 Organization	\$ 93,087	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 93,087
352 Franchises	30,000	-	-	-	-	-	-	-	-	-	30,000
353 Land and Land Rights	-	-	-	-	-	-	-	-	-	-	-
354 Structures and Improvements	39,552	-	-	-	-	-	-	-	-	-	39,552
355 Power Generation Equipment	41,200	-	-	-	52,526	-	-	-	-	-	93,726
360 Collection Sewers - Force	250,148	-	-	-	278,913	-	-	43,366	-	-	572,427
361 Collection Sewers - Gravity	9,100	-	-	-	82,091	-	-	19,490	-	-	110,681
363 Services to Customers	51,700	-	-	-	55,934	-	-	57,820	-	-	165,454
370 Receiving Wells	-	-	-	-	-	-	-	-	-	-	-
371 Pumping Equipment	142,900	-	-	-	122,096	-	-	170,134	-	-	435,130
380 Treatment and Disposal Equipment	-	-	-	-	91,921	-	-	41,300	-	-	133,221
Subtotal - Phased Improvements	\$ 657,687	\$ -	\$ -	\$ -	\$ 683,481	\$ -	\$ -	\$ 332,110	\$ -	\$ -	\$ 1,673,278
<b>Other Miscellaneous Projects</b>											
351 Organization	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	-	-	-	-	-	-	-	-	-	-	-
353 Land and Land Rights	-	-	-	-	-	-	-	-	-	-	-
354 Structures and Improvements	-	-	-	-	-	-	10,000	-	-	-	10,000
355 Power Generation Equipment	-	-	-	-	-	15,000	7,500	-	-	-	22,500
360 Collection Sewers - Force	-	-	32,500	32,500	-	50,000	50,000	20,000	20,000	20,000	225,000
361 Collection Sewers - Gravity	-	-	-	-	-	20,000	-	-	-	-	20,000
363 Services to Customers	-	-	-	-	-	-	-	-	-	-	-
370 Receiving Wells	-	-	-	-	-	-	-	-	-	-	-
371 Pumping Equipment	-	-	-	20,000	-	-	15,000	-	-	-	35,000
380 Treatment and Disposal Equipment	-	-	-	-	-	30,000	15,000	-	-	15,000	60,000
Subtotal - Other Miscellaneous	\$ -	\$ 32,500	\$ 52,500	\$ -	\$ -	\$ 115,000	\$ 97,500	\$ 20,000	\$ 20,000	\$ 35,000	\$ 372,500
<b>Total Capital Improvement Plan</b>	<b>\$ 657,687</b>	<b>\$ 32,500</b>	<b>\$ 52,500</b>	<b>\$ 683,481</b>	<b>\$ 115,000</b>	<b>\$ 97,500</b>	<b>\$ 352,110</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ 35,000</b>	<b>\$ 2,045,778</b>

**Schedule 2**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Annual Depreciation**

NARUC Account	Average Service Life in Years	Depreciation Rate	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			(2014)	(2015)	(2016)	(2017)	(2018)	(2019)	(2020)	(2021)	(2022)	(2023)
351 Organization	40	2.500%	\$ -	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327
352 Franchises	40	2.500%	158	908	908	908	908	908	908	908	908	908
353 Land and Land Rights			-	-	-	-	-	-	-	-	-	-
354 Structures and Improvements	27	3.704%	-	7,519	7,519	7,519	7,519	7,519	7,890	4,067	-	-
355 Power Generation Equipment	17	5.882%	-	2,424	2,424	2,424	5,513	6,396	6,837	6,837	6,837	6,837
360 Collection Sewers - Force	27	3.704%	-	21,173	22,377	23,581	33,911	35,763	37,614	39,961	40,702	41,443
361 Collection Sewers - Gravity	40	2.500%	135	363	363	363	2,415	2,915	2,915	3,402	3,402	3,402
363 Services to Customers	35	2.857%	390	2,310	2,310	2,310	3,908	3,908	3,908	5,560	5,560	5,560
370 Receiving Wells	25	4.000%	565	565	565	565	565	565	565	565	565	565
371 Pumping Equipment	17	5.882%	877	9,283	9,283	10,460	17,642	17,642	18,524	28,532	28,532	28,532
380 Treatment and Disposal Equipment	15	6.667%	-	-	-	-	25,930	27,930	28,930	31,683	31,683	32,683
<b>Total</b>			<b>\$ 2,125</b>	<b>\$ 46,872</b>	<b>\$ 48,076</b>	<b>\$ 50,457</b>	<b>\$ 100,638</b>	<b>\$ 105,873</b>	<b>\$ 110,418</b>	<b>\$ 123,842</b>	<b>\$ 120,516</b>	<b>\$ 122,257</b>
Percent of Total Utility Plant in Service			0.236%	3.012%	3.026%	3.074%	4.329%	4.339%	4.352%	4.286%	4.142%	4.152%



**Schedule 3**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Accumulated Depreciation**

NARUC Account	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
351 Organization	\$ -	\$ -	\$ 2,327	\$ 4,654	\$ 6,981	\$ 9,308	\$ 11,635	\$ 13,962	\$ 16,289	\$ 18,616	\$ 20,943
352 Franchises	5,674	5,832	6,740	7,648	8,556	9,464	10,372	11,280	12,188	13,096	14,004
353 Land and Land Rights	-	-	-	-	-	-	-	-	-	-	-
354 Structures and Improvements	163,469	163,469	170,988	178,507	186,026	193,545	201,064	208,954	213,021	213,021	213,021
355 Power Generation Equipment	-	-	2,424	4,848	7,272	12,785	19,181	26,018	32,855	39,692	46,529
360 Collection Sewers - Force	321,528	321,528	342,701	365,078	388,659	422,570	458,333	495,947	535,908	576,610	618,053
361 Collection Sewers - Gravity	2,773	2,908	3,271	3,634	3,997	6,412	9,327	12,242	15,644	19,046	22,448
363 Services to Customers	28,749	29,139	31,449	33,759	36,069	39,977	43,885	47,793	53,353	58,913	64,473
370 Receiving Wells	(64)	501	1,066	1,631	2,196	2,761	3,326	3,891	4,456	5,021	5,586
371 Pumping Equipment	1,116	1,993	11,276	20,559	31,019	48,661	66,303	84,827	113,359	141,891	170,423
380 Treatment and Disposal Equipment	297,024	297,024	297,024	297,024	297,024	322,954	350,884	379,814	411,497	443,180	475,863
<b>Total</b>	<b>\$ 820,269</b>	<b>\$ 822,394</b>	<b>\$ 869,266</b>	<b>\$ 917,342</b>	<b>\$ 967,799</b>	<b>\$ 1,068,437</b>	<b>\$ 1,174,310</b>	<b>\$ 1,284,728</b>	<b>\$ 1,408,570</b>	<b>\$ 1,529,086</b>	<b>\$ 1,651,343</b>

Note (1): As shown in the 2013 Annual Report.

**Schedule 4**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Net Utility Plant in Service**

NARUC Account	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
351 Organization	\$ -	\$ -	\$ 90,760	\$ 88,433	\$ 86,106	\$ 83,779	\$ 81,452	\$ 79,125	\$ 76,798	\$ 74,471	\$ 72,144
352 Franchises	636	478	29,570	28,662	27,754	26,846	25,938	25,030	24,122	23,214	22,306
353 Land and Land Rights	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800
354 Structures and Improvements	-	-	32,033	24,514	16,995	9,476	1,957	4,067	-	-	-
355 Power Generation Equipment	-	-	38,776	36,352	33,928	80,941	89,545	90,208	83,371	76,534	69,697
360 Collection Sewers - Force	-	-	228,975	239,098	248,017	493,019	507,256	519,642	543,047	522,345	500,902
361 Collection Sewers - Gravity	2,637	2,502	11,239	10,876	10,513	90,189	107,274	104,359	120,447	117,045	113,643
363 Services to Customers	390	-	49,390	47,080	44,770	96,796	92,888	88,980	141,240	135,680	130,120
370 Receiving Wells	14,188	13,623	13,058	12,493	11,928	11,363	10,798	10,233	9,668	9,103	8,538
371 Pumping Equipment	13,797	12,920	146,537	137,254	146,794	251,248	233,606	230,082	371,684	343,152	314,620
380 Treatment and Disposal Equipment	-	-	-	-	-	65,991	68,061	54,131	63,748	32,065	14,382
<b>Total</b>	<b>\$ 78,448</b>	<b>\$ 76,323</b>	<b>\$ 687,138</b>	<b>\$ 671,562</b>	<b>\$ 673,605</b>	<b>\$ 1,256,448</b>	<b>\$ 1,265,575</b>	<b>\$ 1,252,657</b>	<b>\$ 1,480,925</b>	<b>\$ 1,380,409</b>	<b>\$ 1,293,152</b>

Note (1): As shown in the 2013 Annual Report.

**Schedule 5**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - CIAC Analysis**

	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
Capacity (ERCs)	600	600	900	900	900	1,241	1,241	1,241	1,241	1,241	1,241
Existing Connections	585	585	585	617	732	867	1,017	1,064	1,122	1,146	1,170
Additional Connections (ERCs)		-	32	115	135	150	47	58	24	24	24
Utility Plant In Service	\$ 898,717	\$ 898,717	\$ 1,556,404	\$ 1,588,904	\$ 1,641,404	\$ 2,324,885	\$ 2,439,885	\$ 2,537,385	\$ 2,889,495	\$ 2,909,495	\$ 2,944,495
Accumulated Depreciation	\$ 820,269	\$ 822,394	\$ 869,266	\$ 917,342	\$ 967,799	\$ 1,068,437	\$ 1,174,310	\$ 1,284,728	\$ 1,408,570	\$ 1,529,086	\$ 1,651,343
Contributions in Aid of Construction	\$ 640,944	\$ 640,944	\$ 867,896	\$ 984,161	\$ 1,120,646	\$ 1,580,777	\$ 1,628,294	\$ 1,686,932	\$ 1,838,306	\$ 1,862,570	\$ 1,886,834
Accumulated Amortization of CIAC	\$ 640,944	\$ 640,944	\$ 644,361	\$ 652,987	\$ 665,636	\$ 696,360	\$ 738,172	\$ 782,414	\$ 830,488	\$ 880,588	\$ 931,814
Contribution Level		0.00%	32.53%	49.31%	67.55%	70.39%	70.33%	72.21%	68.05%	71.14%	73.85%
Requested Charge:											
Plant Charge	\$ -										
Main Extension Charge											
Total	\$ 1,011										
Minimum CIAC						42.62%					
Maximum CIAC						75.00%					

Note (1): As shown in the 2013 Annual Report.

July 18, 2014

WFS #7014038

Mr. Bob Hillman  
North Peninsula Utilities Corporation  
115 E. Granada Blvd., Suite 12  
Ormond Beach, FL 32176

**North Peninsula Utilities Corporation  
Service Availability Charge Development**

Dear Mr. Hillman:

Willdan Financial Services (WFS), is pleased to present herein the development of the Service Availability Charge including the Main Extension Charge for North Peninsula Utilities Corporation (NPUC). These charges have been developed based on the Guidelines for Designing the Service Availability Policy, Section 25-30.580, Florida Administrative Code as required by the Florida Public Service Commission (FPSC). This letter will discuss the development of the Service Availability Charge as well as several of the items needed to file the Application for Approval of New or Revised Service Availability Policy or Charges with the FPSC (Section 25-30.565, Florida Administrative Code). **Attachment A** includes a copy of both of these sections from the Florida Administrative Code.

**Development of Service Availability Charge – Main Extension Charge**

A Wastewater Facilities Plan (“Plan”) for North Peninsula Utilities Corporation was completed in July 2014. As included in the Plan prepared by Hartman Consultants, LLC, the Utility will need a 3 Phase plan to provide service in its expanded service area. Phase 1 is expected to meet the immediate needs of the expanded service area and provide infrastructure to accommodate future phases. The Phase 1 activities are anticipated to cost approximately \$658,000 and are expected to be implemented in the 2015 to 2017 timeframe. The Phase 2 plan is provided to meet the anticipated growth, build out of the existing projects, and to accommodate the flows from the Volusia

County Utility Department service area. The Phase 2 project is anticipated to cost approximately \$683,000 and be completed in the 2018 to 2020 timeframe. The Phase 3 project again provides for build out, growth, and an existing area in the southern portion of the expanded NPUC service area. This phase completes the locations where central wastewater service has been desired. The Phase 3 project is anticipated to cost approximately \$332,000 and is expected to be implemented within the 2021 to 2025 timeframe. Additionally, throughout the projection period, other upgrades of approximately \$372,000 are anticipated to continue to maintain and improve the system.

**Schedule 1** included in **Attachment B**, presents the Utility Plant in Service by NARUC Account. The beginning balance is based on information contained in the 2013 Annual Report. As shown, the Utility Plant in Service costs for the system are \$898,717. After the aforementioned improvements are put in place, the Utility Plant in Service will total approximately \$2,944,495. **Schedule 2** presents the anticipated annual depreciation for the 10-year projection period. **Schedule 3** presents the current and projected Accumulated Depreciation for the Plant in service for each year in the projection period. **Schedule 4** presents the Net Utility Plant in Service based on the annual and accumulated depreciation calculated on **Schedules 2 and 3**.

Based on the Guidelines for Designing a Service Availability Charge (Section 25-30.580, Florida Administrative Code):

*(1) The maximum amount of contributions-in-aid-of-construction, net of amortization, should not exceed 75% of the total original cost, net of accumulated depreciation, of the utility's facilities and plant when the facilities and plant are at their designed capacity; and*

*(2) The minimum amount of contributions-in-aid-of-construction should not be less than the percentage of such facilities and plant that is represented by the water transmission and distribution and sewage collection systems.*

The Utility's current collection system has the hydraulic capacity to serve approximately 600 ERCs. With the additions of the 8.0" force main and the 6.0" force main, that total hydraulic capacity of the system will be increased to 1,241 ERCs. With these two improvements in place, the total Utility Plant in Service for the Sewage Collection System will be approximately \$1,190,046 (Accounts 360 and 361 on **Schedule 1**).



Dividing the sewage collection system costs by the total hydraulic capacity of the sewage collection system (\$1,190,046 / 1,241 ERCs) results in a Service Availability Charge related to the Main Extensions of approximately \$959.00 per ERC or \$5.48 per gpd). As stated in NPUC's application to extend its Certificated Service Area, the Utility will not pursue a plant charge at the present time.

As of July 1, 2014, the Utility provides service to 571 connections which represent 585 ERCs. Of these 571 meters, 570 are provided service through 3/4" meters with 1 utilizing a 3.0" meter. As shown on **Schedule 5**, through Year 10 of the projection period, it is anticipated that there will be approximately 1,194 ERCs connected to the system. While there are existing developer agreements, they are minimal and represent approximately 10 of the over 600 ERCs anticipated to connect to the system throughout the projection period.

Based on the Utility Plant in Service in Year 10, the Minimum level of Contributions in Aid of Construction (CIAC) is 40.42%. **Schedule 5** presents the CIAC Analysis for the 10-year projection period including annual projections for Utility Plant in Service, Accumulated Depreciation, Contributions in Aid of Construction, Accumulated Amortization of CIAC, and the Contribution Level. For the 10 years included in the analysis, the maximum calculated contribution level is 74.99% which is projected in Year 10.

### **Summary**

Based on our analysis, we recommend that NPUC update its Service Availability Policy and related Main Extension Charge to \$1,050.00 per ERC. As calculated above, this charge will recover the costs associated with the sewage collection system as is provided for in the Florida Administrative Code Guidelines.



Mr. Bob Hillman  
July 18, 2014

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We appreciate the opportunity to provide technical expertise you desire. If you have any questions, comments, or need additional information, please do not hesitate to contact me.

Respectfully submitted,  
**WILLDAN FINANCIAL SERVICES**

*Tara Hollis*

Tara L. Hollis, CPA, MBA  
Principal Consultant

**Attachment A** – Section 25-30.565, Florida Administrative Code and Section 25-30.580,  
Florida Administrative Code

**Attachment B** – Supporting Schedules

cc: Gerald C. Hartman, PE, BCEE, ASA – Hartman Consultants, LLC



**ATTACHMENT A**

**Section 25-30.565, Florida Administrative Code, *Application for Approval of New or Revised Service Availability Policy or Charges***

**Section 25-30.580, Florida Administrative Code, *Guidelines for Designing Service Availability Policy***





**25-30.565 Application for Approval of New or Revised Service Availability Policy or Charges.**

- (1) Each application for a service availability policy or charges shall be filed in original and six copies.
- (2) Upon filing an application for a new or revised service availability charge or policy, the utility shall provide notice pursuant to Rule 25-30.4345, F.A.C.
- (3) A filing fee as required in Rule 25-30.020, F.A.C., shall be submitted at the time of application.
- (4) Each application shall include the following, if applicable:
  - (a) A statement describing how the notice provisions have been complied with, including a copy of the actual notice(s).
  - (b) The name of the applicant, the applicant's principal place of business and each local office from which company operations are conducted. The applicant's name shall be as it appears on the certificate issued by the Commission if one has been issued.
  - (c) The number of the Commission order, if any, which previously considered the charges or service availability policy for the system involved.
  - (d) A statement explaining the basis for the requested changes in charges and conditions.
  - (e) A schedule showing the original cost of any existing treatment plants, the water transmission and distribution system, and the sewage collection system, by Uniform System of Accounting account numbers as required by Rule 25-30.115, F.A.C., and the related capacity of each system as of 90 days prior to application.
  - (f) A detailed statement of accumulated depreciation for the plant listed in paragraph (e) above as of 90 days prior to application.
  - (g) A schedule showing the number of active customers on line 90 days prior to the time of application by meter size, by customer class, and the related equivalent residential connections (ERC) as defined in subsection 25-30.515(8), F.A.C. Describe the method by which an ERC is defined.
  - (h) A detailed statement defining the capacity of the treatment facilities in terms of ERCs as used in developing the proposed service availability charges.
  - (i) A detailed statement defining the capacity of the distribution or collection system in terms of ERCs as used in developing the proposed service availability charges.
  - (j) Provide a list of outstanding developer agreements.
  - (k) For each developer agreement state whether the agreement is designed to result in contributed property, other than the approved system capacity charge, within the next 24 months; an estimate of the value of the contributed property to be added to the utility's books; and a description of the property.
  - (l) A schedule showing total collections of contributions-in-aid-of-construction (CIAC) as of 90 days prior to the date of application. Detail any prepaid CIAC by amount, the related reserved ERCs, and the anticipated connection date. Reference any appropriate developer agreements.
  - (m) A detailed statement of accumulated amortization of CIAC as listed in (l) above as of 90 days prior to application.
  - (n) Copies of approvals or permits for construction and operation of treatment facilities.
  - (o) A detailed statement by a registered professional engineer showing the cost, by Uniform System of Accounting account numbers, and capacity of proposed plant expansion, and a timetable showing projected construction time.
  - (p) A detailed statement by a registered professional engineer showing how the proposed construction will affect the capacity of the existing systems.
  - (q) If the expansion or plant upgrading is being undertaken to comply with the mandates of local, state or federal regulatory authorities, copies of the order(s) or correspondence directing the expansion or upgrading.
  - (r) A schedule showing the projected growth rate for utilization of the existing plant and line capacity and future plant and line capacity.
  - (s) A summary schedule of how the proposed service availability charge was calculated.
  - (t) A schedule showing, by meter size, the cost of meters, connecting fittings, meter boxes or enclosures and also showing sufficient data on labor and any other applicable costs to allow the determination of an average cost for meter installation by type.
  - (u) A statement of the existing and proposed on-site and off-site main installation charges or policy.
  - (v) The company's present capital structure, including the cost of debt in the present capitalization. The availability and cost of other sources of financing the proposed expansion or upgrading of the system also shall be given.
  - (w) An original and three copies of the proposed tariff sheets.
- (5) Upon filing of the application and supporting exhibits, the utility shall place copies thereof at its local office of the utility

serving the area affected by the charges and conditions, and such copies shall be made available for public inspection.

(6) Each utility shall demonstrate the appropriateness of the requested service availability charges and conditions.

*Specific Authority 367.121(1), 367.101 FS. Law Implemented 367.101 FS. History—New 6-14-83, Amended 11-10-86, 11-30-93, 5-29-08.*

**25-30.580 Guidelines for Designing Service Availability Policy.**

A utility's service availability policy shall be designed in accordance with the following guidelines:

(1) The maximum amount of contributions-in-aid-of-construction, net of amortization, should not exceed 75% of the total original cost, net of accumulated depreciation, of the utility's facilities and plant when the facilities and plant are at their designed capacity; and

(2) The minimum amount of contributions-in-aid-of-construction should not be less than the percentage of such facilities and plant that is represented by the water transmission and distribution and sewage collection systems.

*Specific Authority 367.101, 367.121(1) FS. Law Implemented 367.101 FS. History—New 6-14-83, Formerly 25-30.58, 25-30.058, Amended 1-31-00.*

**ATTACHMENT B**  
**Supporting Schedules**



**Schedule 1**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Utility Plant in Service**

NARUC Account	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
351 Organization	\$ -	\$ -	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087	\$ 93,087
352 Franchises	6,310	6,310	36,310	36,310	36,310	36,310	36,310	36,310	36,310	36,310	36,310
353 Land and Land Rights	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800
354 Structures and Improvements	163,469	163,469	203,021	203,021	203,021	203,021	203,021	213,021	213,021	213,021	213,021
355 Power Generation Equipment	-	-	41,200	41,200	41,200	93,726	108,726	116,226	116,226	116,226	116,226
360 Collection Sewers - Force	321,528	321,528	571,676	571,676	596,676	875,589	910,589	950,589	1,013,955	1,033,955	1,053,955
361 Collection Sewers - Gravity	5,410	5,410	14,510	14,510	14,510	96,601	116,601	116,601	136,091	136,091	136,091
363 Services to Customers	29,139	29,139	80,839	80,839	80,839	136,773	136,773	136,773	194,593	194,593	194,593
370 Receiving Wells	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124	14,124
371 Pumping Equipment	14,913	14,913	157,813	157,813	187,813	309,909	309,909	329,909	500,043	500,043	500,043
380 Treatment and Disposal Equipment	297,024	297,024	297,024	297,024	297,024	388,945	433,945	458,945	500,245	500,245	540,245
Total	<u>\$ 898,717</u>	<u>\$ 898,717</u>	<u>\$ 1,556,404</u>	<u>\$ 1,556,404</u>	<u>\$ 1,611,404</u>	<u>\$ 2,294,885</u>	<u>\$ 2,409,885</u>	<u>\$ 2,512,385</u>	<u>\$ 2,864,495</u>	<u>\$ 2,884,495</u>	<u>\$ 2,944,495</u>

Note (1): As shown in the 2013 Annual Report.

**Schedule 2**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Annual Depreciation**

NARUC Account	Average	Depreciation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	Service											
	Life in	Rate	(2014)	(2015)	(2016)	(2017)	(2018)	(2019)	(2020)	(2021)	(2022)	(2023)
	Years											
351 Organization	40	2.500%	\$ -	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327	\$ 2,327
352 Franchises	40	2.500%	158	908	908	908	908	908	908	908	908	908
353 Land and Land Rights			-	-	-	-	-	-	-	-	-	-
354 Structures and Improvements	27	3.704%	-	7,519	7,519	7,519	7,519	7,519	7,890	4,067	-	-
355 Power Generation Equipment	17	5.882%	-	2,424	2,424	2,424	5,513	6,396	6,837	6,837	6,837	6,837
360 Collection Sewers - Force	27	3.704%	-	21,173	21,173	22,099	32,429	33,726	35,207	37,554	38,295	39,035
361 Collection Sewers - Gravity	40	2.500%	135	363	363	363	2,415	2,915	2,915	3,402	3,402	3,402
363 Services to Customers	35	2.857%	390	2,310	2,310	2,310	3,908	3,908	3,908	5,560	5,560	5,560
370 Receiving Wells	25	4.000%	565	565	565	565	565	565	565	565	565	565
371 Pumping Equipment	17	5.882%	877	9,283	9,283	11,048	18,230	18,230	19,406	29,414	29,414	29,414
380 Treatment and Disposal Equipment	15	6.667%	-	-	-	-	25,930	28,930	30,596	33,350	33,350	36,016
<b>Total</b>			<u>\$ 2,125</u>	<u>\$ 46,872</u>	<u>\$ 46,872</u>	<u>\$ 49,563</u>	<u>\$ 99,744</u>	<u>\$ 105,424</u>	<u>\$ 110,559</u>	<u>\$ 123,984</u>	<u>\$ 120,658</u>	<u>\$ 124,064</u>
Percent of Total Utility Plant in Service			0.236%	3.012%	3.012%	3.076%	4.346%	4.375%	4.401%	4.328%	4.183%	4.213%

**Schedule 3**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Accumulated Depreciation**

NARUC Account	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
351 Organization	\$ -	\$ -	\$ 2,327	\$ 4,654	\$ 6,981	\$ 9,308	\$ 11,635	\$ 13,962	\$ 16,289	\$ 18,616	\$ 20,943
352 Franchises	5,674	5,832	6,740	7,648	8,556	9,464	10,372	11,280	12,188	13,096	14,004
353 Land and Land Rights	-	-	-	-	-	-	-	-	-	-	-
354 Structures and Improvements	163,469	163,469	170,988	178,507	186,026	193,545	201,064	208,954	213,021	213,021	213,021
355 Power Generation Equipment	-	-	2,424	4,848	7,272	12,785	19,181	26,018	32,855	39,692	46,529
360 Collection Sewers - Force	321,528	321,528	342,701	363,874	385,973	418,402	452,128	487,335	524,889	563,184	602,219
361 Collection Sewers - Gravity	2,773	2,908	3,271	3,634	3,997	6,412	9,327	12,242	15,644	19,046	22,448
363 Services to Customers	28,749	29,139	31,449	33,759	36,069	39,977	43,885	47,793	53,353	58,913	64,473
370 Receiving Wells	(64)	501	1,066	1,631	2,196	2,761	3,326	3,891	4,456	5,021	5,586
371 Pumping Equipment	1,116	1,993	11,276	20,559	31,607	49,837	68,067	87,473	116,887	146,301	175,715
380 Treatment and Disposal Equipment	297,024	297,024	297,024	297,024	297,024	322,954	351,884	382,480	415,830	449,180	485,196
<b>Total</b>	<b>\$ 820,269</b>	<b>\$ 822,394</b>	<b>\$ 869,266</b>	<b>\$ 916,138</b>	<b>\$ 965,701</b>	<b>\$ 1,065,445</b>	<b>\$ 1,170,869</b>	<b>\$ 1,281,428</b>	<b>\$ 1,405,412</b>	<b>\$ 1,526,070</b>	<b>\$ 1,650,134</b>

Note (1): As shown in the 2013 Annual Report.

**Schedule 4**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - Net Utility Plant in Service**

NARUC Account	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
351 Organization	\$ -	\$ -	\$ 90,760	\$ 88,433	\$ 86,106	\$ 83,779	\$ 81,452	\$ 79,125	\$ 76,798	\$ 74,471	\$ 72,144
352 Franchises	636	478	29,570	28,662	27,754	26,846	25,938	25,030	24,122	23,214	22,306
353 Land and Land Rights	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800	46,800
354 Structures and Improvements	-	-	32,033	24,514	16,995	9,476	1,957	4,067	-	-	-
355 Power Generation Equipment	-	-	38,776	36,352	33,928	80,941	89,545	90,208	83,371	76,534	69,697
360 Collection Sewers - Force	-	-	228,975	207,802	210,703	457,187	458,461	463,254	489,066	470,771	451,736
361 Collection Sewers - Gravity	2,637	2,502	11,239	10,876	10,513	90,189	107,274	104,359	120,447	117,045	113,643
363 Services to Customers	390	-	49,390	47,080	44,770	96,796	92,888	88,980	141,240	135,680	130,120
370 Receiving Wells	14,188	13,623	13,058	12,493	11,928	11,363	10,798	10,233	9,668	9,103	8,538
371 Pumping Equipment	13,797	12,920	146,537	137,254	156,206	260,072	241,842	242,436	383,156	353,742	324,328
380 Treatment and Disposal Equipment	-	-	-	-	-	65,991	82,061	76,465	84,415	51,065	55,049
<b>Total</b>	<b>\$ 78,448</b>	<b>\$ 76,323</b>	<b>\$ 687,138</b>	<b>\$ 640,266</b>	<b>\$ 645,703</b>	<b>\$ 1,229,440</b>	<b>\$ 1,239,016</b>	<b>\$ 1,230,957</b>	<b>\$ 1,459,083</b>	<b>\$ 1,358,425</b>	<b>\$ 1,294,361</b>

Note (1): As shown in the 2013 Annual Report.



**Schedule 5**  
**North Peninsula Utilities Corporation (249S)**  
**Wastewater Utility Plant Accounts - CIAC Analysis**

	Beginning Balance (1)	Year 1 (2014)	Year 2 (2015)	Year 3 (2016)	Year 4 (2017)	Year 5 (2018)	Year 6 (2019)	Year 7 (2020)	Year 8 (2021)	Year 9 (2022)	Year 10 (2023)
Capacity (ERCs)	600	600	900	900	900	1,241	1,241	1,241	1,241	1,241	1,241
Existing Connections	585	585	585	617	732	867	1,017	1,064	1,122	1,146	1,170
Additional Connections (ERCs)		-	32	115	135	150	47	58	24	24	24
Utility Plant In Service	\$ 898,717	\$ 898,717	\$ 1,556,404	\$ 1,556,404	\$ 1,611,404	\$ 2,294,885	\$ 2,409,885	\$ 2,512,385	\$ 2,864,495	\$ 2,884,495	\$ 2,944,495
Accumulated Depreciation	\$ 820,269	\$ 822,394	\$ 869,266	\$ 916,138	\$ 965,701	\$ 1,065,445	\$ 1,170,869	\$ 1,281,428	\$ 1,405,412	\$ 1,526,070	\$ 1,650,134
Contributions in Aid of Construction	\$ 640,944	\$ 640,944	\$ 869,144	\$ 989,894	\$ 1,131,644	\$ 1,597,625	\$ 1,646,975	\$ 1,707,875	\$ 1,860,185	\$ 1,885,385	\$ 1,910,585
Accumulated Amortization of CIAC	\$ 640,944	\$ 640,944	\$ 644,380	\$ 653,071	\$ 665,984	\$ 697,438	\$ 740,369	\$ 785,980	\$ 835,456	\$ 886,984	\$ 939,948
Contribution Level		0.00%	32.71%	52.61%	72.12%	73.22%	73.17%	74.89%	70.23%	73.50%	74.99%
Requested Charge:											
Plant Charge	\$	-									
Main Extension Charge		<u>1,050</u>									
Total	\$	<u>1,050</u>									
Minimum CIAC		40.42%									
Maximum CIAC		75.00%									

Note (1): As shown in the 2013 Annual Report.

# ATTACHMENT 10

**Mission:**

To protect, promote & improve the health of all people in Florida through integrated state, county & community efforts.



**Rick Scott**  
Governor

**John H. Armstrong, MD, FACS**  
State Surgeon General & Secretary

**Vision:** To be the Healthiest State in the Nation

December 5, 2014

Bob Hillman, NPUC  
P.O. Box 2803  
Ormond Beach, Florida 32176

Mr. Hillman,

The Environmental Health Section of the Florida Department of Health in Volusia County concluded a study of onsite septic system suitability in November 2013. One of the geographic areas that was reviewed in the study was the North Peninsula (Ormond by the Sea) area. This study used objective factors to calculate an index score for each of the 71 geographic areas in the study. The objective factors included the average permeability of the soils, proximity of the area to a water body, age of the septic system, depth to the wet season water table, drinking water supply and density of homes. We then ranked the 71 areas based on the index score from 1 which was excellent for septic to 71 which was poor for septic.

In general the North Peninsula Ormond by the Sea area has soils with a high permeability rate. The results of the study found that the North Peninsula area ranked 67, 68 and 70<sup>th</sup> out of 71 areas in Volusia County which corresponds to being better suited for central sewer use. This means that the soils are excessively drained allowing waste water from septic systems to flow quickly through it allowing for less treatment of the effluent before it reaches the ground water table. Many of the homes in the North Peninsula area were built in the 1950's and 1960's. These older homes often do not have newer septic systems. The newer septic systems have effluent filters and two compartment septic tanks which help to provide a better treatment system for the septage.

The North Peninsula area also has some large sections of land with high wet season water tables. Older septic systems located in these high water table areas do not provide the required setback between the bottom of the drain-fields and the water tables. The high permeability rate and older septic systems accompanied with the fact that the area has a high density of homes creates the possibility for surface water (Halifax River and Atlantic Ocean) and ground water to become contaminated with nitrates.

For further information see the full report at:

<http://volusia.floridahealth.gov/programs-and-services/environmental-health/index.html> .

Sincerely,

James McRae, R.S., M.P.H.  
Environmental Supervisor

## Phone Calls Summary

- 1) Volusia County – No Objection  
Mr. Mike Ulrich, Director of Utilities  
They have no objection. The septic tank issue is clear in the County Ordinance, no letter is needed. He will consider the pelican Dunes situation after NPUC is certificated since it is presently outside of the NPUC certificated service area. He remembers the discussions on the south side which are premature at this time until FPSC acts.
- 2) Ormond Beach – No Objection  
Several City staff are happy we are addressing the issue.  
The City has addressed the issue inside the City limits, but do not wish to attempt solving the problem outside the City limits without the County's financial and institutional support.
- 3) Florida Department of Health in Volusia County – Definitely support our efforts.  
The FDOH has identified the problem and ranked the area as unsuitable for septic tanks. Mr. James McRae the Environmental Supervisor for Volusia County will write a support letter. The FDOH is the lead agency in the septic tank matter.
- 4) Kingston Shores (package WWTP plant) – The HOA manager said they had full support to discontinue their package Water Treatment Plant and connect to Ormond Beach and pay the fees and costs to do so. That assessment will be done this year. They are very happy that NPUC does not charge an impact fee. The manager agreed it was fair to pay (subject to BOD and Annual Mtg vote) for a little more than one hundred thousand for approximately 100 units to be connected to NPUC. They expect the assessment to be considered for 2016 and to be on-line with NPUC either in 2016 or 2017 and decommission their package WWTP plant and recover their land for other uses.
- 5) Oceanaire Condos – They have agreed to pay for the short connection (gravity service is adjacent to the condos) and pay the SAC fee once established. These condos are expected to be on line in 2015.
- 6) FDEP – Ms. Denise Judy of FEDP is well aware of the NPUC proposed program, discussing with Volusia County and Ormond Beach, the FBC application by NPUC and other activities. She said in an email to Mr. Hartman, that the FDEP position on programs like NPUC's is quite clear and has been stated numerous times for the Florida Keys, Wekiva Basin, Indian River Lagoon, Halifax River and numerous other locations. The preference is for a higher level of treatment achievable through a central sewerage system which better protects the environment. She said there are numerous items in Oculus which state the above.
- 7) SJRWMD – Mr. John Wharton talked with Mr. Bill Tredik who works in surface water quality and is involved in the Indian River Lagoon restoration efforts and is knowledgeable of the Halifax River. Mr. Tredik gave a presentation (as a SJRWMD representative) that addressed the environmental benefits of central sewerage systems

over small package WWTP's and septic tanks. The SJRWMD surface water quality presentations support central sewerage systems such as NPUC.