



**AGENDA**  
**HARBOR AND WATERWAYS BOARD MEETING**  
**THURSDAY, MARCH 26, 2026**  
**5:30 PM**  
**DESTIN CITY HALL ANNEX CHAMBERS**

- 1. CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE:**
- 2. AGENDA APPROVAL:**
- 3. APPROVAL OF MINUTES:**
  - A) February 26, 2026 Minutes**
- 4. CURRENT BUSINESS:**
  - A) Net Positive Environmental Benefit (NPEB) Fee - Fund Balance & Other Information**
  - B) Destin Harbor Pump Operations & Costs - Requested Information**
- 5. MEMBER COMMENTS:**
- 6. PUBLIC COMMENTS:**
- 7. NEXT MEETING DATE: April 23, 2026**

Any person requiring a special accommodation at this hearing because of a disability or physical impairment should contact the City Clerk at (850) 837-4242 at least 48 hours prior to the hearing. If a person decides to appeal any decision made with respect to any matter considered at such meeting, such person will need a record of the proceeding and for such purpose may need to ensure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based. (Sec. 286.0105, Florida Statutes)

**MINUTES OF THE  
HARBOR AND WATERWAYS BOARD MEETING  
DESTIN CITY HALL ANNEX  
FEBRUARY 26, 2026 - 5:30 P.M.**

**1. CALL TO ORDER:**

Vice Chairman Stephens called the meeting of the Thursday, February 26, 2026, Destin Harbor and Waterways Board meeting to at approximately 5:30 p.m., at Destin City Hall Annex, with the Pledge of Allegiance immediately following.

**2. ROLL CALL:**

**Members Present:**

John Stephens  
Guy Tadlock  
Jerrod Hayden  
Ryan Holloway  
Bill McKissick

**Members Absent:**

Capt. Jim Green

**Staff:**

Kim Montgomery Deputy City Clerk  
Daniel Butler Principle Planner  
Jesse Hernandez Senior Planner  
Sherry Burney Planner  
Kim Kopp City Attorney

**3. AGENDA APPROVAL:**

**Motion to amend the agenda to add discussion of spare parts for the harbor flushing pump and to approve the amended agenda was made by Board member Tadlock, with Board member Holloway providing the second. The motion passed 5-0.**

**4. APPROVAL OF MINUTES:**

➤ **January 22, 2026**

**Motion by Board member Tadlock, seconded by Committee member Holloway to approve the minutes of the January 22, 2026 meeting, as written, the motion passed 5-0.**

**5. CURRENT BUSINESS:**

➤ **627 Calhoun Avenue – Residential Marine Construction (Board No. 001669-2025)**

- City Planner Sherry Burney presented the request for the removal of the existing dock and construction of a new residential dock with boathouse totaling approximately 1,180 square feet with slip density of one.
- The applicant’s representative Derek Cottingham, on behalf of Eric Fleischman, was present for any questions.
- Chairman Stephens asked whether any grass beds would be affected; the applicant’s representative stated they would not be affected as the structure would pass over them and built to the State requirements of 5-feet in height and the boards to be spaced appropriately to allow sunlight.

**Motion by Board member Hayden, seconded by Board member Tadlock, the motion passed 5-0 to recommend City Council approve the proposed residential marine construction project at 627 Calhoun Avenue for the removal of the existing dock, and the construction of a**

**new residential dock with a boat house, totaling approximately 1,180 square feet, with the following conditions:**

- **All applicable federal and state approvals shall be submitted with the marine construction permit application and be consistent with the city-approved dock plans, including the proposed dock length.**
- **All regulations of the City’s marine siting requirements under LDC Section 11.05.00 shall be followed at all times.**

➤ **605 Choctaw Drive – Residential Marine Construction (PZ-2026-5)**

- Planner Sherry Burney presented the request for construction of a new marginal dock measuring approximately 59 linear feet by 6 feet wide along the seawall, with a slip density of two with upland cuts.
- The applicant’s representative, Elise Wittenberg with Compass Marine Group, was present.
- Brief discussion confirmed that the project included one covered slip and one uncovered slip, and that the cut-in area had not yet been constructed.

**Motion by Board member Tadlock, seconded by Board member Holloway, the members voted 5-0 to recommend City Council approve the proposed residential marine construction project at 605 Choctaw Drive, for the construction of a new marginal dock measuring approximately 59 linear feet by 6 feet wide along the seawall, with a slip density of two with upland cuts., with the following conditions:**

- **All applicable Federal or State approvals shall be submitted with the Marine Construction Permit application and shall be consistent with the City approved dock plans, including the proposed dock length; and**
- **All regulations of the City’s Marina Siting LDC Section 11.05.00 shall be followed at all times.**

➤ **82 Indian Bayou Drive – Residential Marine Construction (PZ-2026-15)**

- Planner Sherry Burney presented the request for construction of a new residential dock totaling approximately 490 square feet with slip density of two.
- The applicant, Josh Riker, was present.
- Chairman Stephens noted that the submitted drawings were not included in the packet and reviewed a copy provided by the applicant at the meeting.
- Discussion occurred regarding the proposed dock length. The drawing provided by the applicant at the meeting appeared to show a 66-foot dock from the mean high waterline, while the staff report reflected a 60-foot dock.
- Mr. Butler explained that based on the 304-foot bayou width, the maximum allowable dock length, under the 20% dock allowance, is 60 linear feet, and a 66-foot dock would exceed that allowance, and why staff requested the applicant to submit plans with a 60-foot dock.
- The applicant agreed to proceed with the 60-foot dock as submitted in the packet.

- Chairman Stephens verified with the applicant that there are no grass beds present.

**Motion by Board member Holloway, second provided by Board member Tadlock, the member voted 5-0 that the Harbor & Waterways Board recommends City Council approval of the project request located at approve the proposed residential marine construction project located at 82 Indian Bayou Dr. for the construction of a new residential dock, totaling approximately 490 square feet, subject to the following conditions:**

- **All applicable federal and state approvals shall be submitted with the marine construction permit application.**
- **All regulations of the City’s marine siting requirements under LDC Section 11.05.00 shall be followed at all times.**
- **The dock shall not exceed 60 feet in length into the bayou.**

➤ **702 Harbor Boulevard – Residential Marine Construction (PZ-2026-19)**

- Mrs. Burney presented the request for removal of an existing dock and construction of a new residential dock with covered boat slip totaling approximately 1,090 square feet with slip density of one.
- The applicant’s representative, Scott Shackley of W.F. Davis Marine, was present.
- Board discussion included concern regarding the dock extending over submerged vegetation/grass beds.
- The applicant’s representative stated that the depiction of grass in the aerial was not fully indicative of actual site conditions and confirmed the dock meets FDEP requirements, including height clearance and deck spacing.
- A question was raised regarding whether the proposed dock size, being over 1,000 square feet, complied with City requirements.
- Mr. Butler explained that the city does not have a maximum dock square footage allowance, though FDEP may have self-certification limits; staff confirmed the project complied with the Land Development Code requirements related to dock length, dock density, and slip density.

**The recommended motion was made by Board member Hayden, with Board member Holloway providing the second, the board voted unanimously 5-0, to recommend City Council approve the proposed residential marine construction project at 702 Harbor Blvd, for the removal of the existing dock, and the construction of a new residential dock with a covered boat slip, totaling approximately 1,090 square feet with the following conditions:**

- **All applicable federal and state approvals shall be submitted with the marine construction permit application.**
- **All regulations of the City’s Marine Siting requirements under LDC Section 11.05.00 shall be followed at all times.**

➤ **823 Cross Street – Residential Marine Construction**

- Mrs. Burney presented the request for an addition of approximately 404 square feet of new residential marine construction to the existing dock.
- Staff clarified that while the staff report showed zero slip density, the correct total would be two slips after the proposed addition of the additional slip.
- The applicant was not present.

**Motion by Chairman Stephens, second by Board member Holloway the Board voted unanimously 5-0 to recommend City Council approve the request approve the proposed residential marine construction project at 823 Cross St, for the addition of approximately 404 square feet to the existing residential dock, subject to the following conditions:**

- **All applicable federal and state approvals shall be submitted with the marine construction permit application.**
- **All regulations of the City’s Marine Siting requirements under LDC Section 11.05.00 shall be followed at all times.**

Chairman Stephens opened the meeting to the public for additional comments, with no one coming forward, he closed the public portion of the meeting.

**6. MEMBER COMMENTS:**

❖ **Board member Tadlock – Harbor Flushing Pump – Spare Parts / Backup Equipment Discussion**

- Board member Tadlock raised the issue of maintaining the Destin Harbor pump and the need to keep it operational.
- He referenced a prior discussion regarding the need to obtain and keep spare parts on hand to minimize future pump downtime.
- He recalled how the pump had been down for several weeks or possibly months in the past while waiting for a drive shaft to be ordered and repaired.
- He stated that identifying critical spare parts in advance could reduce downtime and allow local repair contractors to service it more quickly.
  - Critical replacement parts such as an impeller, drive shaft, and possibly electrical/control components; or
  - A fully assembled backup pump that could be swapped out if a major component failed so there would be no lengthy down time.
- Board members discussion emphasized:
  - The pump is essential to harbor operations and water quality.
  - Downtime of more than a week is undesirable, especially during warmer months.
  - Not every component needs to be stocked, but the necessary parts should identified that could potentially cause extended outages.
- Board member McKissick noted that the harbor budget is narrow and that cost information is needed before making decisions.

- Mr. Butler reported that this subject had come up late in the prior year and that staff had previously contacted Mr. Burgess for input. He then read from a prior email response from Mr. Burgess indicating that the issue is complicated because the pump system contains hundreds of mechanical, electrical, and control components.
- Staff stated that a request for updated information had been sent including requests for:
  - Operating costs;
  - Repair costs; and
  - Life expectancy of the harbor pump.
- Staff suggests that Mr. Burgess attend a future meeting to present the requested information so the Board could make a more informed recommendation.

**Motion by Board member Tadlock, seconded by Board member Holloway to request that Mr. Burgess attend a future meeting to identify critical spare parts or equipment needed to keep the harbor flushing pump operational and to facilitate timely repairs.** In discussion, Chairman Stephens asked Board member Tadlock if he would be agreeable to add the funding sources to his motion. Both Board members Tadlock and Holloway agreed to amend the motion to add the following: **providing potential funding sources for such items. With no further discussion, the motion passed with a unanimous vote of 5-0.**

❖ **Board member McKissick - Harbor Budget / NPEB Fee Discussion**

- Board member McKissick asked for an update on a previously requested analysis regarding:
  - The annual cost to operate the harbor; and
  - The amount of money collected in the related harbor fund through dock construction fees.
- Board member McKissick mentioned how the Board needs actual data to determine whether current revenues are sufficient to operate the harbor without requiring additional City subsidies.
  - According to Mr. Butler, staff is currently gathering the necessary data on harbor pump operating and repair costs; and
  - Staff could also provide the current NPEB fee balance at the next meeting.
- Mr. Butler spoke of how currently:
  - The Harbor and Waterways Board had recommended one methodology for calculating the NPEB fees;
  - The Local Planning Agency (LPA) has recommended a different methodology.
  - Staff is still working through the Article 7 LDC rewrite.
- According to Mr. Butler, the LPA had recently reaffirmed its recommendation to City Council that:
  - The annual fee for residential slips be \$50 per slip per year;
  - The annual fee for non-residential slips be \$100 per slip per year; and
  - Homesteaded properties be exempt from the fee.

- According to the City Attorney, the Finance Director Krystal Strickland recently reported that only about 13% of properties within the city are homesteaded, making the lost revenue relatively small.
- Additionally, she stated that based on a rough analysis, the LPA methodology would be more solvent or self-sufficient than the current approach or the Harbor and Waterways Board methodology.
- Board member McKissick expressed concern that if harbor funding depends only on new dock construction, the fund would not remain self-sustaining in the long term.
- Discussion followed regarding whether costs associated with harbor management should be borne only by dock owners or shared more broadly among all harbor property owners and users.
- Several members expressed concern with a fee structure that places the full burden on dock owners alone, noting that harbor impacts and harbor use extend well beyond docks.
  
- Vice Chairman Stephens asked whether, when the NPEB fee proposal reaches City Council, there could be consideration for offsetting or reducing fees when applicants incorporate features beneficial to harbor water quality.
- Examples discussed included:
  - Use of environmentally friendly or sustainable materials; and
  - Installation of vertical oyster gardens beneath docks to help improve water quality.
- Staff responded that:
  - Prior Council workshop discussion had included the idea of fee reductions for environmentally friendly sustainable building materials;
  - Staff has included such language in the draft rewrite;
  - The Local Planning Agency (LPA) did not recommend approval of that portion, and the draft will be revised and brought back;
  - The issue could still be raised with the LPA or City Council.
- Staff advised that the Harbor and Waterways Board could potentially make a recommendation to the LPA on the issue.

**Motion by Vice Chairman Stephens, seconded by Board member Hayden to recommend adding the ability to reduce NPEB fees for projects that use environmental materials and/or incorporate vertical oyster gardens to assist in water-quality-enhancing measures.** During discussion, the Chair clarified that the intent was not to set a specific reduction amount, but rather to recommend the concept and leave the details to City Council to make the final decision. **With no further discussion, the motion passed unanimously, 5-0.**

#### ❖ **Vice Chair Stephens - Navigational Aids Update**

- The Vice Chair Stephens provided an update on the status of navigational light aids and recent communication with the U.S. Coast Guard.
  - He reported that:
    - One of the newly installed green navigational aid lights had already gone out;

- The Coast Guard repaired it as of February 24.
- He also reported that the Coast Guard is considering adding red light to aid in navigating the channel.
- According to the Vice Chair, the Coast Guard's reasoning is that additional red would aid and helping draw mariners away from the jetties and the shoal, while avoiding confusion from over-lighting the channel.
- He stated that the Coast Guard is also considering future lighting improvements throughout the channel.
- He also noted, however, that once required paperwork is submitted, the process takes a minimum of 16 weeks to allow mariners time to respond and provide feedback on the proposed changes.
- He asked staff whether the city typically receives notice of navigational aid changes made by the Coast Guard.
- Mr. Butler stated that planning staff does not generally receive those notices, though Tamara Young, the Public Information Manger may. He then noted that the Board's earlier motion regarding navigational aids is what helped to get prompt action and commended the Board for its efforts.
- The discussion also touched on whether someone should monitor the status of navigational aids on an ongoing basis.
- Staff suggested that monitoring navigational aids could become part of a future work plan.
- Board member Hayden noted that Department of Homeland Security (DHS) funding issues could delay Coast Guard non-essential activities, since the Coast Guard falls under DHS.

#### ❖ **Dredging and Bridge Repair Updates – Principle Planner Daniel Butler**

Mr. Butler reported that the harbor dredging project is currently underway and is close to being finalized. The repair work associated with the bridge, including prior damage involving the Alisons/fendering system. He noted that the dredging project falls under the purview of Engineering Dept. However, the City Engineer has indicated the dredging work should be finished soon, with little remaining work left to do. He then read an updated report from the City Engineer dated February 12 regarding the larger bridge project:

- FDOT is moving forward with 90% plans for bridge rehabilitation to be let in August;
- Plans must be completed for FHWA review by April.
- The current direction is to extend the bridge's useful life by 15 to 20 years.
- If the rehabilitation proceeds, the concept of a new bridge or PD&E effort may be delayed for approximately 10 years.

Mr. Butler clarified that the update was related to the larger bridge rehabilitation issue. When asked specifically about repairs related to the prior barge strike and the Alisons/fender system near the bridge, Mr. Butler stated that he had no additional information.

#### **7. ADJOURNMENT:**

With there being no further discussion, the meeting adjourned at 6:20 p.m.

DRAFT

Adopted and approved this \_\_\_\_\_ day of \_\_\_\_\_ 2026.

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John Stephens, Vice Chairman

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Kim Montgomery, Deputy City Clerk

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## CITY OF DESTIN – COMMUNITY DEVELOPMENT



# AGENDA ITEM

**MEETING DATE:** March 26, 2026  
**BOARD/COMMITTEE:** Harbor & Waterways Board  
**TYPE OF AGENDA ITEM:** Presentation  
**OUTLINE NUMBER:** 4.A.

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**TO:** Harbor & Waterways Board

**THRU:** Daniel Butler, Principal Planner  
 Krystal Strickland, Finance Director  
 Noell Bell, Chief Building Official  
 Kimberly Kopp, City Attorney

**FROM:** Krystal Strickland, Finance Director

**DATE:** 03/12/2026

**SUBJECT:** Net Positive Environmental Benefit (NPEB) Fee - Fund Balance & Other Information

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**I. BACKGROUND:** Net Positive Environmental Benefit (NPEB) fees are intended to help the City maintain the health of the Destin Harbor, and are required per LDC Section 11.05.02.N, which provides the following - *A net positive environmental benefit (NPEB), equal to 25 percent of the cost of construction shall be made to the City of Destin by the applicant prior to issuance of a building permit for each construction project authorized by this Article, which is located within the Destin Harbor.*

At the regularly scheduled Harbor and Waterways Board (HWB) meeting on Thursday, February 26, 2026, the HWB requested that Staff bring forth the current balance for the NPEB funds.

**II. DISCUSSION:** As previously stated, the NPEB fee is required per LDC Section 11.05.02.N for any project that is located within the Destin Harbor. The fees collected can be utilized for projects that improve the water quality within the Destin Harbor.

The City is currently undergoing a complete rewrite of the Land Development Code (LDC). The NPEB fee requirement currently is and will be contained within (draft) Article 7. Both the HWB and the LPA have each made their own recommendations as to the proposed method of collection of such fees, and will be discussed with City Council once Article 7 is brought forth in ordinance form. LDC Rewrite Draft Section 7.03.05 describes the basis for imposition and collection of the NPEB fee, use of the proceeds, and options to reduce the fee.

Current fee structure: 25% of Marine Construction in the Destin Harbor

LPA Recommended Fee Schedule:

**PROPOSED FEE SCHEDULE:**

*last updated: 3/11/2026 2:39 PM*

Harbor Slip Type	Slip Count	Proposed		
		Annual Fee		
Non-Residential (aka Commercial)	430	\$ 100	\$	43,000
Single Family Residential	530	\$ 50	\$	26,500
Multi-Family Residential	516	\$ 50	\$	25,800 <i>LESS EXEMPTIONS</i>
<b>TOTAL</b>	<b>1476</b>		<b>\$ 95,300</b>	<b>-8000 \$ 87,300</b>

The LPA proposes simplification of the fee to \$50 per year for each residential slip and \$100 per year for each commercial slip. This would provide predictable recurring revenue, is easier to administer, and may encourage renovation of existing docks.

The LPA also recommended 100% exemptions for all homesteaded properties, as well as graduated exemptions for any property owners who have paid an NPEB fee after 2016.

At the HWB meeting on April 2, 2024, the HWB recommended that the NPEB collection methodology would be 10% of cost of construction for tier one and tier two projects (as previously described within the draft LDC rewrite), and remaining 25% for tier three projects (as previously described within the draft LDC rewrite). It is worth noting that City Council has directed Staff to bring forth an ordinance that would not require proposed docks associated with single-family dwellings to acquire HWB and/or City Council approval, rather, moving them straight to permitting and Staff level review. If adopted, this ordinance would eliminate the 'tier' dock classification system previously identified by Staff, and consequently, making the previous motion void.

Provided herein is the current fund balance of the NPEB fund, as well as some other relevant information.

**III. RECOMMENDATIONS:** The City's NPEB fee is required per LDC Section 11.05.02.N for any project that is located within the Destin Harbor. The fees collected can be utilized for projects that improve the water quality within the Destin Harbor and is currently set at 25% of cost of construction for any project located in the Harbor. Staff is looking at ways to make this fund more predictable, sustainable, and less ambiguous.

**IV. RECOMMENDED MOTION:** There is no recommended motion at this time, as this item is for informational purposes only.

Attachments:

1. NPEB Summary W Trend rv 2026 0319



# NPEB Summary Analysis

## Background

- Net Positive Environmental Benefit (NPEB) fees support funding of infrastructure improvements that benefit or enhance quality water in the Destin Harbor. *Comprehensive Plan Policy 6-1.2.3*
- Annual operating costs (\$50k/year) in harbor include pump utility costs and costs for Professional Services
- Renewal/replacement costs for harbor pump and pumphouse estimated at total cost \$1M every 20 years
- Dredging of the harbor improves water quality and **could** be funded by NPEB funds

## LPA Proposal

- **Fully funds** harbor yearly operating costs
- Partially funds 20 year renewal/replacement costs
- Small yearly fee per slip (**homestead fully exempt**)
- Provides predictable funding (*improves budget process*)
- Easier to administer (*reduces staff burden*)
  - Removes 'integrity check' by not utilizing construction costs in the calculation
- Encourages renovation of existing docks through cost reduction to owner (i.e. - removes City's existing 25% fee)

## Without Dredging

	Current NPEB	LPA Proposal	LPA Mod Comm=\$250
NPEB Fees	\$36k	\$87.3k	\$151.8k
Operating	(\$50k)	(\$50k)	(\$50k)
Renew/Repl	(\$50k)	(\$50k)	(\$50k)
Dredging	(\$0.0k)	(\$0.0k)	(\$0.0k)
<b>Total – 1yr</b>	<b>(\$64k)</b>	<b>(\$12.7k)</b>	<b>+\$51.8k</b>
<b>Total – 5yr</b>	<b>(\$320k)</b>	<b>(\$63.5k)</b>	<b>+259k</b>
<b>Total – 10yr</b>	<b>(\$640k)</b>	<b>(\$127k)</b>	<b>+518k</b>

## With Dredging

	Current NPEB	LPA Proposal	LPA Mod Comm=\$250
NPEB Fees	\$36k	\$87.3k	\$151.8k
Operating	(\$50k)	(\$50k)	(\$50k)
Renew/Repl	(\$50k)	(\$50k)	(\$50k)
Dredging	(\$66.6k)	(\$66.6k)	(\$66.6k)
<b>Total – 1yr</b>	<b>(\$130.6k)</b>	<b>(\$79.3k)</b>	<b>(\$14.8k)</b>
<b>Total – 5yr</b>	<b>(\$653k)</b>	<b>(\$396k)</b>	<b>(\$74k)</b>
<b>Total – 10yr</b>	<b>(\$1.31M)</b>	<b>(\$793k)</b>	<b>(\$148.6k)</b>

**PROPOSED FEE SCHEDULE:**

*last updated: 3/11/2026 2:39 PM*

Harbor Slip Type	Proposed	
	Slip Count	Annual Fee
Non-Residential (aka Commercial)	430	\$ 100 \$ 43,000
Single Family Residential	530	\$ 50 \$ 26,500
Multi-Family Residenetial	516	\$ 50 \$ 25,800 <i>LESS EXEMPTIONS</i>
<b>TOTAL</b>	<b>1476</b>	<b>\$ 95,300 -8000 \$ 87,300</b>

Account Description						BUDGET					
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Npeb (NOTE A)	1,884	5,575	54,961	122,967	57,937	25,000	87,300	87,300	87,300	87,300	87,300
Interest earned (NOTE B)	540	281	1,409	10,647	10,636	5,000	5,847	7,509	9,183	3,865	-
<b>NPEB HARBOR FUND CASH IN</b>	<b>2,424</b>	<b>5,856</b>	<b>393,207</b>	<b>133,614</b>	<b>68,573</b>	<b>30,000</b>	<b>93,147</b>	<b>94,809</b>	<b>96,483</b>	<b>91,165</b>	<b>87,300</b>
Professional Services (NOTE C)	-	32,500	-	-	6,368	-	14,252	14,679	15,120	15,573	16,040
Harbor Pump Utilities & Op Fees	-	-	-	1	29,566	36,905	31,400	32,300	33,300	34,300	35,300
Dredging (NOTE D)	-	-	-	20,580	-	110,000	-	-	200,000	-	-
Harbor Pump Renewal/Replacement (NOTE E)	-	18,025	(884)	147,438	-	-	-	-	-	450,000	-
<b>NPEB HARBOR FUND CASH OUT</b>	<b>-</b>	<b>50,525</b>	<b>335,953</b>	<b>168,019</b>	<b>35,934</b>	<b>146,905</b>	<b>45,652</b>	<b>46,979</b>	<b>248,420</b>	<b>499,873</b>	<b>51,340</b>
<b>NET CHANGE</b>	<b>2,424</b>	<b>(44,669)</b>	<b>57,254</b>	<b>(34,406)</b>	<b>32,639</b>	<b>(116,905)</b>	<b>47,495</b>	<b>47,830</b>	<b>(151,937)</b>	<b>(408,708)</b>	<b>35,960</b>
<b>BEGINNING BALANCE</b>	<b>270,710</b>	<b>273,134</b>	<b>228,465</b>	<b>285,719</b>	<b>251,314</b>	<b>283,953</b>	<b>167,048</b>	<b>214,543</b>	<b>262,372</b>	<b>110,436</b>	<b>(298,272)</b>
<b>ENDING BALANCE</b>	<b>273,134</b>	<b>228,465</b>	<b>285,719</b>	<b>251,314</b>	<b>283,953</b>	<b>167,048</b>	<b>214,543</b>	<b>262,372</b>	<b>110,436</b>	<b>(298,272)</b>	<b>(262,312)</b>

**NOTE A: Start new fee schedule FY 2027**

**NOTE B: Interest earned on bank and investment account balances (fund "ending balance")**

**NOTE C: Water Quality Analysis (9/25 points x \$3184 1/4ly); Annual cleaning 5/15 Stormwater Outfalls x \$15k/yr; CBA monitoring 2/15 x \$35k/yr**

**NOTE D: Dredge every 3 years \$400k (50/50 NPEB/Grant). FY 2020 Dredging was \$301k covered 50/50 by grant and Gen Fund. FY 2026 Dredging is \$838 (\$478k grants + \$250k Gen Fund + \$110k NPEB fund). FY 26 is expensive because it has been nearly 6 years since previous dredging. The \$20k in FY 24 was for a bathymetric study for Bid Document prep.**

**NOTE E: The Harbor Pump had major rennovations FY21 and FY24 \$300,000 paid by General Fund. This did not include the motor and pumphouse. Renewal & Replacement schedule recommends rennovations to the Pumphouse in 2030 (est \$450k) and to replace or rennovate the Pump in 2036 (est \$750k).**

**CURRENT NPEB FEE SCHEDULE:**

*last updated: 3/11/2026 2:39 PM*

25% of the cost of construction for all marinas, docks, piers or other similar development within the Destin harbor and adjacent canals.

Account Description	TB Actuals	TB Actuals	TB Actuals	TB Actuals	TB Actuals	YTD Actuals	Projections	Projections	Projections	Projections	Projections
	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Npeb	1,884	5,575	54,961	122,967	57,937	25,000	25,000	25,000	25,000	25,000	25,000
Interest earned	540	281	1,409	10,647	10,636	9,938	6,020	5,507	4,930	-	-
<b>NPEB HARBOR FUND CASH IN</b>	<b>2,424</b>	<b>5,856</b>	<b>393,207</b>	<b>133,614</b>	<b>68,573</b>	<b>34,938</b>	<b>31,020</b>	<b>30,507</b>	<b>29,930</b>	<b>25,000</b>	<b>25,000</b>
Professional Services	-	32,500	-	-	6,368	-	14,252	14,679	15,120	15,573	16,040
Harbor Pump Utilities & Op Fees	-	-	-	1	29,566	36,905	31,415	32,315	33,315	34,315	35,300
Dredging	-	-	-	20,580	-	110,000	-	-	200,000	-	-
Harbor Pump Renewal/Replacement	-	18,025	(884)	147,438	-	-	-	-	-	450,000	-
<b>NPEB HARBOR FUND CASH OUT</b>	<b>-</b>	<b>50,525</b>	<b>335,953</b>	<b>168,019</b>	<b>35,934</b>	<b>146,905</b>	<b>45,667</b>	<b>46,994</b>	<b>248,435</b>	<b>499,888</b>	<b>51,355</b>
<b>NET CHANGE</b>	<b>2,424</b>	<b>(44,669)</b>	<b>57,254</b>	<b>(34,406)</b>	<b>32,639</b>	<b>(111,967)</b>	<b>(14,647)</b>	<b>(16,487)</b>	<b>(218,505)</b>	<b>(474,888)</b>	<b>(26,355)</b>
<b>BEGINNING BALANCE</b>	<b>270,710</b>	<b>273,134</b>	<b>228,465</b>	<b>285,719</b>	<b>251,314</b>	<b>283,953</b>	<b>171,986</b>	<b>157,339</b>	<b>140,851</b>	<b>(77,653)</b>	<b>(552,541)</b>
<b>ENDING BALANCE</b>	<b>273,134</b>	<b>228,465</b>	<b>285,719</b>	<b>251,314</b>	<b>283,953</b>	<b>171,986</b>	<b>157,339</b>	<b>140,851</b>	<b>(77,653)</b>	<b>(552,541)</b>	<b>(578,897)</b>

## CITY OF DESTIN – COMMUNITY DEVELOPMENT



# AGENDA ITEM

**MEETING DATE:** March 26, 2026  
**BOARD/COMMITTEE:** Harbor & Waterways Board  
**TYPE OF AGENDA ITEM:** Presentation  
**OUTLINE NUMBER:** 4.B.

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**TO:** Harbor & Waterways Board

**THRU:** Daniel Butler, Principal Planner

**FROM:** Michael Burgess, Public Works Director

**DATE:** 03/18/2026

**SUBJECT:** Destin Harbor Pump Operations & Costs - Requested Information

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**I. BACKGROUND:** The Destin Harbor pump system has been in operation since 1992 and serves as a critical component of harbor water circulation and environmental management. The system consists of a 200-HP pump and motor assembly connected to approximately 1,600 feet of 84-inch diameter pipe, with a rated capacity of 48,000 gallons per minute.

The pump operates nightly from March 1 through October 31, 7 days per week, for approximately 6 hours per night. During the off-season months, the system is exercised once per week for approximately 30 minutes to maintain operational readiness.

In 2021, the pump underwent a major rebuild that included replacement of internal mechanical components such as shafts, bearings, couplings, and gearbox elements, at a total cost of approximately \$135,000. During that same period, a Variable Frequency Drive (VFD) system was installed at a cost of approximately \$32,683 to regulate pump speed. This upgrade addressed operational issues where the pump previously ran at excessive speed, causing air entrainment and system vibration.

With the installation of the VFD, the system now operates at approximately 83% of its original design capacity, improving efficiency while reducing mechanical stress and vibration.

Notably, certain major components were not replaced during the rebuild, including the 200-HP electric motor and portions of the electrical/control system.

## **II. DISCUSSION: Critical Pump Components**

Key components of the harbor pump system include:

- Pump assembly (impellers, shafts, bearings, couplings)

- Gearbox
- 200-HP electric motor
- VFD system and control panel electronics
- Large-diameter discharge piping system and intake structure

The 2021 rebuild focused primarily on mechanical wear components and drivetrain elements. The VFD retrofit introduced improved operational control, reducing mechanical stress, vibration, and wear on the system.

#### Cost Data (Operations, Repairs & Labor)

- Major pump rebuild (2021): ~\$135,000
- VFD system and installation (2021): ~\$32,683
- Current electrical cost: approximately \$3,500 per month (~\$42,000 annually)

#### **Labor Considerations**

Maintenance and repair of the harbor pump system require specialized labor, including mechanical, electrical, and crane services. Work on the pump involves:

- Removal and reinstallation of pump and motor assemblies
- Use of cranes and heavy equipment
- Confined space and below-grade work
- Electrical troubleshooting and control system integration

These activities typically require contracted services and coordination with City staff, resulting in:

- Significant labor costs associated with mobilization and specialized expertise
- Increased costs during emergency repairs versus planned maintenance
- Potential operational impacts during major repairs
- Routine operation is largely automated; however, staff time is still required for monitoring, scheduling, inspections, and responding to system alarms or malfunctions.

Additional anticipated costs:

- Replacement or rehabilitation of the 200-HP motor
- Replacement or upgrade of legacy electrical/control components
- Future pump rebuild cycles (typical for large vertical turbine pumps)

#### Life Expectancy

- Pump system (with rebuild cycles): 25–40+ years (current system at ~30+ years in service)
- Mechanical rebuild interval: typically 8–15 years depending on use

- 200-HP motor life: 20–30 years (currently approaching or exceeding expected service life if original)
- Electrical/control systems: 15–25 years (many components now approaching obsolescence)

The 2021 rebuild effectively reset the life of the internal pump components. However, the remaining original components (motor and electrical systems) represent the next likely points of failure.

**III. RECOMMENDATIONS:** The harbor pump system remains functional and has benefited significantly from the 2021 rebuild and VFD installation, which improved operational efficiency and reduced mechanical stress. The system is currently operating at approximately 83% of design capacity, which balances performance with equipment longevity.

However, the system is approaching 30 years old, and several critical components, particularly the 200-HP electric motor and electrical systems, are approaching the end of their useful life. Additionally, the specialized labor required for maintenance and repairs presents a cost and operational risk if failures occur unexpectedly.

Proactive planning for phased replacement of remaining legacy components is recommended to maintain reliability and control long-term costs.

**IV. RECOMMENDED MOTION:** No motion is required for this item.

Attachments:  
None