



INDIAN RIVER COUNTY, FLORIDA DEPARTMENT OF UTILITY SERVICES

Date: October 6, 2017
To: Jason E. Brown, County Administrator
From: Vincent Burke, P.E., Director of Utility Services
Prepared By: Cindy Corrente, Utilities Finance Manager
Subject: Ordinance Change to Allow for Reduction of Equivalent Residential Units (ERU)'s on Single Family Homes

DESCRIPTIONS AND CONDITIONS:

At this time, there are approximately sixty (60) occupied single family homes in the Indian River County Department of Utility Services (IRCDUS) service area that have more than one ERU affiliated with them. Two different situations occurred that resulted in a single family dwelling having more than one ERU. One situation occurs when impact fees are reserved for a future buildout of individual lots. Homes are built on some, but not all of the lots. Then a customer purchases an empty lot adjacent to the lot where their home is located and records a unity of title for the two lots. The end result is a new, larger single lot that would have multiple ERUs. The second situation occurs when a developer purchases ERUs for several hundred building lots for a proposed development. Later, they re-plat the development and combine several smaller lots into fewer larger lots. The fewer larger lots end up with more than one ERU each. Then the lots are developed and become occupied by the homeowners. Currently, there is no language in County Code to address these situations.

ANALYSIS:

In order to address this concern and alleviate 60 homeowners from paying two service availability fees each month, staff is proposing that we modify county code to allow for a reduction in ERUs on single family residences with more than one ERU. There are other related matters that staff plans to address with the completion of the current rate study being performed by Raftelis Financial Consultants, Inc.

FUNDING:

The cost of publication of the required public notice for the public hearing will be approximately \$150.00. This cost will be funded from the Legal Advertising budget in the Utilities operating fund. There is no other cost to the department as a result of this change. However, the department revenues will be reduced annually by the service availability charges affiliated with the ERUs. The potential annual reduction to water and sewer sales for the sixty (60) homes is listed below.

Description	Account Number	Amount
Legal Advertising	47126536-034910	\$150.00
Water Sales	471034-343310	\$(5,587.20)
Sewer Sales	471034-343510	\$(10,497.60)

RECOMMENDATION:

Staff recommends that the Board of County Commissioners:

1. Review and approve the proposed ordinance language change.
2. Direct the County Attorney to advertise a public hearing to be held on November 14, 2017.

ATTACHMENT:

Proposed Ordinance Language Change