

Indian River County, Florida
Department of Utility Services
Board Memorandum

Date: April 20, 2021
To: Jason E. Brown, County Administrator
From: Vincent Burke, PE, Director of Utility Services
Subject: North Sebastian Water and Sewer Phase 2, Public Hearing

Descriptions and Conditions:

On March 09, 2021, the Indian River County Board of County Commissioners (BCC) unanimously approved Resolutions I and Resolutions II for the North Sebastian Water and Sewer Project.

The table below summarizes the grant funding obtained for the project:

Description	Agency	Amount
FY 2020/2021 Cost Share Grant	SJRWMD	\$ 1,280,818.77 ¹
WQ restoration Grant and Amend. 1	FDEP	\$ 3,250,000.00 ²
Indian River Lagoon Cost Share	IRLNEP	\$ 204,017.69 ³
	Total	\$ 4,734,836.46

1: Sewer only
2, 3: These grants to cover both water and sewer costs

Analysis:

The North Sebastian Water and Sewer Project Phase 2 is a continuation of the work that began in 2014 when a study was conducted by a local engineering firm, Masteller and Moler, Inc. (M&M). Construction of the commercial portion of the sewer project, known as Phase I, was completed in late 2019. Since that time, pursuant to BCC direction, staff conducted local town-hall type meetings with residents, met with interested parties, and solicited grant agencies to help offset the capital costs needed to construct the sewer infrastructure for Phase II.

The North County Water and Sewer Project Phase 2 seeks to install centralized water and sewer to certain properties off Roseland Road between 128th Court and 135th Lane, portions of Ercildoune Heights and to properties along Ruffner Lane.

For the water portion of the project (see Attachment 1), the County will be installing approximately 16,750 lineal feet (LF) of water main. Some existing parcels are already served by County water off Roseland Road, others have utilized complex connection agreements, while some properties have temporary service agreements that require them to participate in any future utility assessment project. In all, there are 161 properties that will be included in the water assessment project. Portions of the water main project not covered by grant funding would be funded by the benefitting properties through a special assessment.

assessments, the BCC shall declare by resolution the nature and location of the proposed improvements, the part or portion of the cost thereof to be paid by special assessments, the manner in . These are typically handled by Resolution I (Providing), Resolution II (Time and Place), Resolution III (Public Hearing/Confirming), and once the project is complete, Resolution IV (As Built).

The public hearing is scheduled for **Tuesday, April 20, 2021, at 9:05 am** in the Indian River County Commission Chambers. A preliminary assessment roll and assessment plat have been prepared and are on file with the Clerk to the BCC and the Indian River County Department of Utility Services (IRCDUS). See Attachment 3 for the water assessment roll.

Staff has done the following communications to notify property owners of the project:

- Notification of Resolution I in the local newspaper publication on April 4, 2021, and advertisements for the public hearing were on April 6, 2021, and April 13, 2021
- March 10, 2021: Mailed letters to all properties within the project area
- Emailed stakeholders who have provided their email addresses
- Held a project meeting at the City of Sebastian City Hall on Monday, April 6, 2021, to go over the project, answer questions, and to remind residents of the public meeting

The BCC, in its capacity to oversee the water assessment process, shall meet as the equalizing board to hear and consider any and all support for, or complaints against, proposed special assessments, and it shall adjust and equalize the special assessments on the basis of justice and right according to Chapter 206 (Special Assessments) of the Indian River County (Attachment 3 – Resolution III and Assessment Roll).

For the sewer portion of Phase 2, the county will install approximately 15,400-LF of gravity main, 54 manholes and a central lift station. There are 196 benefitting properties. Property owners will receive a benefit from the sewer installation but will not be assessed due to the grant funding. They will, however, be required to connect once the construction is complete and FDEP clearance is obtained. See Attachment 2 for a map of the area.

The Certificate of Dedication within the plat of the River Trees Subdivision that includes Ruffner Lane (Plat Book 9, Page 24) states that all streets and easements are dedicated for the use of the property owners in the subdivision with the full knowledge that the same are not dedicated to the public until there is a formal acceptance of these streets, and/or easements, or any part thereof by the County. Therefore, as part of the subject item, a Resolution has been prepared for the County to formally accept an easement over, across, and under the private road known as Ruffner Lane as well as the platted 10’ wide easements that abut Ruffner Lane for the sole purpose of public utilities, but not to accept the street as a public street or for maintenance of the street. (Attachment 5 – Easement Resolution)

Costs:

The estimated construction cost is approximately \$4,100,000.00, and the estimated project cost is approximately \$5,900,000.00. The total project cost includes soft costs such as engineering design, construction inspection services, impact fee costs, and septic system abandonment.

The table below identifies the project funding sources:

Agency	Amount
FDEP:	\$3,250,000.00
IRLNEP:	\$ 204,017.69
SJRWMD:	\$1,280,818.77
Optional Sales Tax (OST): Sewer Impact fee offset (201 properties)	\$ 561,996.00
Benefitting Property Contributions	
Assessment Fees (Design/CEI Costs)	\$ 361,890.00
Water Impact Fee/Miscellaneous Fees (\$1,505.39 for 161 properties)	\$ 242,367.79
Total Project Funding:	\$5,901,090.25

For the water portion of the assessment, costs are estimated as follows:

Total Project Cost for Water:	\$ 2,005,536.62
Portions of Grant Funding for Water:	<u>\$ (1,643,646.62)</u>
Remaining Funding Needed:	\$ 361,890.00
Benefitting Properties:	161
Assessment Cost per Property:	\$ 2,247.76

Note: There are other connection costs of water impact fee, account setup, meter required (\$1505.39) outside of assessment

With the proposed project, the County would leverage the grant funding and utilize optional sales tax to incentivize property owners to connect to sewer and water. By doing so, the County and funding agencies will be assured that all sewer connections would be made, all septic systems would be abandoned, and all potable water connections would be done according to code. No sewer connections would be made unless property is also connected to water. This last part would allow IRDCUS to have proper billing for water in/sewer out, rather than having just a sewer only account, should a property owner elect not to hook up to county water.

The installation of potable water would assist the Florida Department of Health’s (FLDOH) area of concern with existing parcels that are not large enough to have the necessary setback requirements from septic system and well (domestic self-supply). The 2030 Indian River County Comprehensive Plan Potable Water Sub-Element Table 3.B.10 lists Ercildoune Heights as one such subdivision that has undersized lots while using private wells. This conversion to central water would be in accordance with 2030 Indian River County Comprehensive Plan Potable Water Sub-Element Object 2, which states that by 2030 at least 75% of all existing residential units in the County will be connected to a regional potable water system.

Funding:

Grant funds for the project are as follows:

Description	Agency	Amount
FY 2020/2021 Cost Share Grant	SJRWMD	\$ 1,280,818.77 ¹
WQ restoration Grant and Amend. 1	FDEP	\$ 3,250,000.00 ²
Indian River Lagoon Cost Share	IRLNEP	\$ 204,017.69 ³
	Total	\$ 4,734,836.46

*1: Only 33% of the sewer only project can be used, not water
2, 3: These grants to cover both water and sewer costs*

Optional Sales tax funds to be used for sewer impact fee offset/ incentive to connect:

Account Name	Account Number	Amount
Optional Sales Tax/Sebastian Phase 2 Water & Sewer	31526836-006510-17513	\$561,996.00

For the water portion of the assessment, revenues are as follows:

Account Name	Account Number	Amount
Sebastian Phase 2 Water & Sewer	473-169000-17513	\$361,890.00
Water Impact Fee	472034-343650	\$209,300.00
Miscellaneous Income	471034-343670	\$ 33,067.79

Funds for the water assessment project are derived from the Assessment Fund. Assessment Fund revenues are generated from fees paid by the benefitting property owners.

Capital fund revenues are generated from impact fees. Furthermore, new growth has created the need for the expansion or construction of the facilities, and that new growth will benefit from the expansion or construction of the facilities.

Recommendation:

Open the public hearing and, after receiving input, consider adopting Resolution III with any revisions based on that public input. Accept an easement for utility purposes.

Attachment(s):

1. Assessment Area Map Water
2. Assessment Area Map Sewer
3. Resolution III with Water Assessment Roll – Exhibit A
4. DRAFT Temporary Construction Easement
5. Resolution to accept Utility Easement at Ruffner Lane