

**Indian River County, Florida
Department of Utility Services
Board Memorandum**

Date: August 20, 2024

To: Indian River County Board of County Commissioners

Through: John A. Titkanich, Jr., County Administrator
Sean C. Lieske, Director of Utility Services

From: Howard G. Richards, PE, Manager, Capital Projects

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Subject: Approval of Amendment No.1 to Agreement No. WG023 between Florida Department of Environmental Protection and Indian River County for Floravon Shores Septic to Sewer Project
IRCDUS PID: 21.19.556

Background:

The Floravon Shores neighborhood is located along the western side of the Indian River Lagoon, east of US-1, at 110th Street and 110th Place. The neighborhood is a high priority neighborhood for Septic to Sewer (S2S) conversion as its location directly abuts the Indian River Lagoon. The Floravon Shores S2S Project has the potential to remove approximately twenty-seven (27) septic systems and convert them to centralized sewer provided by the Indian River County Department of Utility Services (IRCDUS).

On August 16, 2022, the Indian River County (IRC) Board of County Commissioners (BCC) approved, and authorized the Director of Utility Services, to sign the Florida Department of Environmental Protection (FDEP) Grant Agreement WG023 for the Floravon Shores S2S Project. This grant awarded \$225,000 towards the estimated total construction cost of \$621,891.91 for the project. The original WG023 agreement had an expiration date of December 31, 2024.

Descriptions and Conditions:

Due to a multitude of factors, completing the design and moving to construction was delayed. Those factors included, not having an enforcement of mandatory sewer connections (connections under the grant is a requirement), and additional scope being included in the project to replace, repair, and make drainage improvements. The impact of not having enforcement of mandatory sewer connections, meant that IRCDUS would risk not having customers connected to the central sewer system as required by the grant agreement. The impact of the additional scope also delayed the project as the consultant is responsible for revising the design and bid documents associated with the project to include the new requirements. The additional scope of work, coupled with the impact of not having enforceable mandatory connections, delayed the project going to solicitation, therefore, delaying the construction of

the project and putting the full completion of the project too close to the deadline of expiration of the original grant agreement.

Analysis:

IRCDUS reached out to FDEP to amend the agreement and extend the grant deadline so that the project would not be in jeopardy of losing grant funding due to expiration of the grant based on the new construction timeline. IRCDUS worked with the FDEP grant administrator to prepare the attached Amendment No.1 to Agreement No. WG023 between Florida Department of Environmental Protection and Indian River County. Key updates to the agreement include:

- Switch the grant funding from Federal American Rescue Plan Act (ARPA) funding to Water Quality Improvement Grants (WQIG) State funding
- Extension of the Agreements expiration date to April 30, 2027
- Updates to the Project Timeline & Budget Detail section with extended dates
- Revisions to Attachment 5, Special Audit Requirements
- The new Exhibit A-1, Progress Report Form featuring a link

Funding:

The approval by the BCC on August 16, 2022, stated that funding for the estimated construction cost of \$621,891.91, will come from the Utility Assessments/Floravon Shores Septic to Sewer account, number 473-169000-19556 with the FDEP grant paying \$225,000 towards the construction cost. Other potential sources of funds included a grant proposal to Indian River Lagoon National Estuary Program (IRLNEP) and IRC's allocation of American Rescue Plan (ARP) funds.

The new source of funding will come from Impact Fee/WIP/Floravon Shores Septic to Sewer, account number 472-169000-19556 with the FDEP grant reimbursing \$225,000 of the construction cost. 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.

Account Name	Account Number	Amount
Impact Fee/WIP/Floravon Shores Septic to Sewer	472-169000-19556	\$621,891.91

Recommendation:

Staff recommends the Board of County Commissioners authorize the Director of Utility Services to sign Amendment No.1 to Agreement No. WG023 between Florida Department of Environmental Protection and Indian River County and all necessary documents to effectuate the grant agreement.

Attachments:

- Amendment No.1 to Agreement No. WG023 between Florida Department of Environmental Protection and Indian River County