

**INDIAN RIVER COUNTY, FLORIDA  
DEPARTMENT OF UTILITY SERVICES**

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**Date:** July 7, 2017

**To:** Jason E. Brown, County Administrator

**From:** Vincent Burke, P.E., Director of Utility Services

**Prepared By:** Arjuna Weragoda, P.E., Capital Projects Manager

**Subject:** North Sebastian Septic to Sewer (S2S) Phase 1, Public Hearing and the Adoption of Resolution No. III

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**BACKGROUND**

On June 20, 2017, the Indian River County Board of County Commissioners (BCC) approved the adoption of Resolution I (2017-063) and Resolution II (2017-064) for the benefitting property owners in the North Sebastian Septic to Sewer Phase 1 sewer project in Sebastian. Since the adoption of Resolution I and II, staff mailed out letters to the one hundred and twelve (112) benefitting parcels/units notifying them of the preliminary assessment roll and the subject public hearing. Included in the letter was an invitation to an informal meeting held on July 11, 2017, at the City of Sebastian City Hall, where project details and financing options were discussed.

**ANALYSIS**

The North Sebastian Septic to Sewer (S2S) Phase 1 area has 61 “parent” parcels (Map ID No’s) benefitting from the sewer main. Please note that Map ID No’s 45, 48, 53, 58 and 60 are office condominiums and, as such, contain sub parcels with multiple owners (or 115 parcels/units). The parcels vary in size from the largest parcel at approximately 17-acres to the smallest parcel at 0.13 acres. See Attachment 4 for an area map. Out of the 61 parent parcels, three (3) parcels were left out of the preliminary assessment roll (or 112 parcels/units) and also were excluded (not benefitting) from previous sewer assessment calculations for the following reasons:

Map ID No.	Parcel ID.	Reason
39	30383000009000000000.1	City of Sebastian Cemetery
40	30393100001000000002.9	City of Sebastian Cemetery (TIITF/STATE OF FLORIDA)
41	30393100001000000002.3	Vacant Land, can connect to centralized sewer on Indian River Drive

The BCC, in its capacity to oversee the assessment process, shall meet as the equalizing board to hear and consider any and all support for, or complaints against, the proposed special assessments, and it shall adjust and equalize the special assessments on the basis of justice and right according to Indian River County Ordinance Chapter 206 (Special Assessments). The City of Sebastian City Council has been informed of the assessment process. On Wednesday, May 24, 2017, staff provided an update to the City Council of the BCC approval from May 2<sup>nd</sup>.

The project will consist of the construction of a new gravity sanitary sewer system. The system will serve commercial areas along US Highway 1 in parts of the un-incorporated county and within the City of Sebastian. The project will generally include approximately 2,700 LF of 8" sewer, 6,500 LF of 10" sewer, 37 manholes, 143 LF of 8" sewer jack and bore, 137 LF of 10" sewer jack and bore, 50 service laterals, county-specified lift station, 850 LF of 4" force main, and all related and necessary appurtenances. The total construction cost is estimated at \$2,977,931.58 based on competitive bids. Based on Option II of the funding allocations approved by BCC and utilizing the HFS/ERU Allocation method, the capital cost ranges between \$4,989.12 and \$374,183.86 per "parent" parcel based on a single or a multiple ERU allocation.

On December 20, 2016 the BCC also approved the sliding scale impact free cost subsidy to help entice property owners to connect sooner in the unincorporated Indian River County for existing structures as shown below.

Year	Subsidized Cost	Impact fee paid by IRC	Impact fee/Property Owner Responsibility
1	100 %	\$2,796.00	\$ 0.00
2	80 %	\$2,236.80	\$ 559.20
3	60 %	\$1,677.60	\$1,118.40
4	40 %	\$1,118.40	\$1,677.60
5	20 %	\$ 559.20	\$2,236.80
6	0 %	\$ 0.00	\$2,796.00

Furthermore, the BCC authorized staff to formalize a connection policy for existing structures within the North County Phase 1 S2S area, with a 5-year timeline for mandatory hook-up.

The Florida Department of Environmental Protection (FDEP) permit, City of Sebastian right-of-way permit, Indian River County right-of-way permit and Florida Department of Transportation (FDOT) utility construction permit have all been secured. If the BCC authorizes staff to move forward with the project after the Public Hearing, then staff anticipates the following schedule (please note that these dates are estimations and could be subject to change):

- Pre-construction Meeting- July, 2017
- Notice to Proceed (NTP) – August, 2017
- Substantial Completion – June 2018, or 270 calendar days from Notice to Proceed (NTP)
- Final Completion – August, 2018, or 330 calendar days from NTP
- Final As-Built Resolution (Resolution IV) to BCC – September, 2018

#### **FUNDING:**

As approved on May 16, 2017, the funds for this project are to be derived as follows:

Description	Account Number	Amount
SJRWMD Cost Share Grant (21.80%)	N/A	\$ 649,240
Utility Assessment Fund Reserves (473) (20.00%)	473-169000-15501	\$ 595,586
Optional Sales Tax Contribution (20.00%)	31526836-066510-15501	\$ 595,586
<b>Property Owner Assessment (38.20%)</b>	<b>473-169000-15501</b>	<b>\$1,137,519</b>
Construction Cost Total		\$2,977,931

## **RECOMMENDATION**

Open the public hearing and after receiving input, consider adopting Resolution No. III with any revisions based on that public input.

Staff recommends that the BCC consider the following options:

- 1) Adopt Resolution No. III with the following items:
  - a. Cost per parcel/unit to be based on Attachment 3.
  - b. One hundred and twelve (112) benefitting parcels/units as part of the special assessment lien.
  - c. For benefitting parcels above in point b, allow property owners to finance the capital cost up to 10 years, payable in ten equal yearly installments at an annual interest rate of 2.00% as approved by BCC.

## **LIST OF ATTACHMENTS:**

1. Confirming Resolution (Resolution No. III)
2. Assessment Roll
3. Capital Cost Breakdown
4. Map