

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

Date: January 25, 2021

To: Jason E. Brown, County Administrator

From: Vincent Burke, PE, Director of Utility Services

Subject: Update on the FY 2021-2022 Cost Share Grant Application from St. Johns River Water Management District

Background:

On December 8, 2020, the Governing Board of the St. Johns River Water Management District (SJRWMD) pulled all recommended awards for Fiscal Year (FY) 2020 -2021 septic to sewer (S2S) grant projects and asked district staff to gather more information regarding hook-up commitments on the part of the potential grant recipients to connect to sewer and abandon their septic systems. The main concern from the Governing Board was strengthening the assurance that benefitting properties would immediately connect to central sewer once the project was constructed. On January 12, 2021, after district staff gave a presentation to the Governing Board, all FY 2020-2021 S2S projects that were pulled from the December 8, 2020, meeting were unanimously approved.

The purpose of this agenda is to provide the Indian River County Board of County Commissioners (BCC) an update to the SJRWMD grant application process for its district wide cost share grant application for FY 2021-2022.

Analysis:

As a result of the governing board meeting on January 12, 2021, the SJRWMD has provided a guidance document on its website: That document link is here:

<https://www.sjrwmd.com/static/funding/FY2021-2022/2022-DWCS-Funding-Guidance-Final.pdf>

Here are a few key highlights of the changes:

- Incentivize high performance: Provide bonus points if the entity has reached a high percentage of septic system abandonments (i.e. 90% and above, or 100%)
- Above 75% minimum commitment
 - Each 1% above would result in an additional 0.5-point bonus
- Set minimum performance standards: Score reduction on future project applications
 - Example: less than 30% of septic systems in project connected to central sewer
- Additional minimum requirements entity must have:
 - Mandatory hook up ordinance
 - Irrigation ordinance
 - Water conservation rate structure

- Funding Changes
 - \$3,000,000 cap (previously \$1,500,000)
 - 25% cost share construction only (previously 33%)
 - District staff has flexibility to adjust funding cap or percentage of contribution based on project benefit/quality/efficacy
- Dates
 - January 14, 2021 FY2021-22 cost share application entry opens
 - February 19, 2021 Application due by 5:00pm
 - April 13, 2021 Staff recommends to Governing Board for award
 - October 1, 2021 Eligible/awarded projects funding reimbursement begins

This agenda is presented to provide the BCC awareness of the updated grant application requirements for septic to sewer conversion projects. Due to the upcoming FY 2021-2022 cost share application deadline and the fact that there are additional minimum requirements to score high enough for award, it may be worthwhile to submit an Alternative Water Supply (AWS) grant application for the membrane replacement at South County Reverse Osmosis water treatment plant at this time. Staff could then be directed to work on other ordinances such as stronger connection requirements or landscape irrigation to be eligible for future grant opportunities.

Funding:

There is no funding for this presentation update.

Recommendation:

No action is required at this time unless the Indian River County Board of County Commissioners wishes to set policy for upcoming septic to sewer grant applications.