

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

Date: April 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: Phase 2-Collier Creek Estates Subdivision and Phase 3 Harbor Point Petition Water Assessment Project Status

BACKGROUND

On March 14, 2017, the Indian River County Board of County Commissioners (BCC) approved the adoption of Resolution III (2017-028) for the Collier Creek Estates Subdivision Petition Water Assessment Project Utility Phases 1, 1A and 1B, located along Easy Street between South Wimbrow Drive and Englar Drive in Sebastian. Under public comments during the meeting, many residents voiced support for the project but several property owners who lived outside of the project area expressed their discontent about being left out of the water assessment project. In order not to delay the subject project, the BCC requested staff to work with the residents of the remainder of Collier Creek and Harbor Point Subdivisions to frame a separate assessment project. Should the necessary assessment steps for the remaining portion of Collier Creek and Harbor Point be completed in time, it is feasible to combine both areas into one construction project.

ANALYSIS

Staff met with the residents on March 14, 2017, immediately after the BCC meeting to discuss a strategy to move forward. On March 15, 2017, staff emailed the point person a petition package to include the remainder of the Collier Creek Subdivision as well as the Harbor Point Subdivision for consideration in the installation of a watermain. The \$6,250.00 cost per parcel was provided in the petition package for this area based on the assumption that the two areas could be combined for pricing practicality, although time constraints and voter preference may dictate whether or not this occurs. The new area includes the following breakdown:

- 60 parcels (see attachment B)
 - 36 benefitting parcels within the Collier Creek Estates Subdivision(**Phase 2**) which is further broken down into two categories:
 - **Phase 2A:** North Arega Street, Banks Court and Barbara Court of 24 parcels
 - **Phase 2B:** South Arega Street of 12 parcels
 - 24 benefitting parcels within the Harbor Point Subdivision (**Phase 3**)

As of the writing of this agenda, staff has received signed petitions from 36 of the 60 residential parcels, or 60% of the property owners, in favor of the project. Historically, 66 2/3% of benefitting property owners in favor of the project were necessary to move forward. In speaking with representatives who petitioned other property owners, they expressed concern that it would be very difficult to get the next four (4) parcel owners to commit to an assessment project.

Staff is anticipating advertising the previously approved water assessment project June 2017. Therefore, if the intent is to combine the additional area (60 parcels) as part of the same contract documents, then time is of the essence.

The benefits of including the remainder of Collier Creek Estates and Harbor Point Subdivision under one project are the following:

- Hold the same per parcel cost of \$6,250.00 for all 201 parcels
- Improve redundancy/water quality by looping the main to the northwest
- No additional mobilization cost
- No additional permitting fees
- Competitive bid prices due to economies of scale

On February 8, 2017, the utility project Phase 1, 1A and 1B was presented to the City of Sebastian Council who supported this project and was seeking ways to get the rest of the city property owners connected to the public water supply system. Phases 2 and 3 of this project are in line with that vision. In accordance with the County's 2030 Comprehensive Plan in the potable water sub-element, Objective 2 states that by 2030, *at least 75% of all existing residential units in the county will be connected to a regional potable water system.* Furthermore, Policy 2.1 states that *the county shall continue to offer its utility line assessment program to areas with private wells within the County Utilities Department service area.*

As stated previously, there are only 36/60 votes, or 60%, in favor for Phase 2 (remainder of Collier Creek subdivision) and Phase 3 (Harbor Point Subdivision). Given all the reasons above, staff evaluated scenarios based on the information submitted thus far:

Scenario	Description	In Favor	Total Parcels	%
	Collier Creek Utility Phases 1, 1A, 1B	100	141	70.92%
1	Remaining Collier Creek (Phase 2)	20	36	55.55%
2	<i>ALL Collier Creek*</i>	120	177	67.79%
3	Phase 2 (Remaining Collier Creek) and Phase 3 (Harbor Point)	36	60	60.00%
4	Phase 2A and Phase 3 Note: 12 parcels on South Arega omitted out	31	48	64.58%
5	<i>ALL Collier and Harbor Point*</i>	136	201	67.66%

*Note: Hypothetical combination of two separate areas that have not undergone all assessment procedures.

Collier Creek Utility Phases 1, 1A and 1B have completed Resolution III, public hearing and adoption of the assessment roll, are not assigned a scenario, but are included for analysis.

For labelling purposes and in no particular order, the following scenarios are presented for BCC review.

Scenario 1: Remaining Collier Creek. There are 36 benefitting properties. Twenty are in favor of county water so 20/36, or 55.55%, are in favor of the project but this percentage is below historic thresholds for moving the county water assessment process forward.

Scenario 2: ALL of Collier Creek: This scenario combines all of the Collier Creek assessment phases (Phases 1, 1A, 1B and 2) into one project. There are 177 benefitting properties. Combining the 100 “yes” votes from Phases 1, 1A and 1B with 20 “yes” votes from Phase 2 equates to 120/177 or 67.79% in favor of the project. This meets the threshold for moving the assessment project forward. The caveat here is that, from an assessment process standpoint, these are two separate areas that have not undergone all procedures.

Scenario 3: Phase 2 (Remaining portion of Collier Creek) and Phase 3 (Harbor Point): There are 60 benefitting properties in this scenario but at this time, only 36/60, or 60%, are in favor of the project. This percentage is below historic thresholds for moving a county water assessment process forward. Although this scenario does not meet the supermajority support as of the writing of this agenda, this is the most rational scenario as far as benefits to the residents, water system and pricing.

Scenario 4: Phase 2A (Elimination of S. Arega Street) and Phase 3(Harbor Point): On South Arega Street, only 5/12 parcels, or 41.67%, of the parcel owners are in favor of county water. In consultation with the point of contact, these properties were eliminated from the overall boundary in order to achieve a more favorable ranking (Phase 2B). Many of these parcels are vacant which could explain why the parcel owners are not in favor of an assessment project. The Phase 2A and 3 scenario has 31/48, or 64.58%, of property owners in favor of county water. At this time, the percentage is below historic thresholds for moving a county water assessment process forward but is one vote away from meeting the threshold. One caveat here is that if 32/48 votes are achieved for Phase 2A and Phase 3, this would mean that all 12 properties along South Arega will be left out. There are 5 property owners on South Arega Street (Phase 2B) that want water but would be left out of this water project set to bid June 2017.

Scenario 5: ALL of Collier Creek and Harbor Point: This scenario combines all of the Collier Creek assessment phases (Phases 1, 1A, 1B and 2) and Harbor Point Subdivision into one project. There are 201 benefitting properties. Combining the 136 “yes” votes from Phases 1, 1A and 1B with 19 “yes” votes from Phase 2 and 16 “yes” votes from Harbor Point (Phase 3) equates to 136/201 or 67.66% in favor of the project. This meets the threshold for moving the assessment project forward. The caveat here is that, from an assessment process standpoint, these are two separate areas that have not undergone all procedures.

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). Ordinance 81-27 outlines the procedures by which the BCC may provide for local services. Section V: Initiation by County Commission states *“The Commission may initiate services and/or make improvements in its discretion and without petition. The Commission shall define the area to be included in such a special benefit area and shall have prepared a cost estimate of the project to be undertaken.”*

These properties are in the City of Sebastian, and the 1995 Interlocal Agreement (ILA) between the County and City allows for water assessment projects in this service area.

While historically the BCC has used the supermajority of 66 2/3% in favor of a project as a minimum goal for moving assessment projects forward, there are options available should the BCC decide to do so. Staff is looking for direction on which scenario should be pursued.

In anticipating a future water main project in this area, staff solicited a proposal from Carter and Associates to perform topographic surveys of the Phase 2 and phase 3 areas under the County’s (Engineering/Survey)

Continuing Professional Survey & Mapping Contract No. 1605, 2016-2018. The price is \$7,950, as shown on Attachment D.

Staff will apply for the Florida Department of Environmental Protection (FDEP) permit depending on the outcome of today's meeting. Also pending the outcome of today's meeting is an anticipated schedule:

- BCC Approval of Resolution I and II – April 18, 2017
- BCC Approval of Resolution III – May 23, 2017
- Advertise for bids – June, 2017
- Award Contract – August, 2017
- Notice to Proceed (NTP) – September, 2017
- Substantial Completion – March 2018, or 180 calendar days from NTP
- Final Completion – April, 2018, or 210 calendar days from NTP
- Final As-Built Resolution (Resolution IV) to BCC – June, 2018

FUNDING:

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

DESCRIPTION	PARCELS	ACCOUNT NUMBER	AMOUNT
Scenario 3- Collier Creek Estates Phase 2 and Harbor Point Phase 3 Water Assessment	60	473-169000-16515	\$375,000.00
Scenario 4- Collier Creek Estates Phase 2A and Harbor Point Phase 3 Water Assessment	48	473-169000-16515	\$300,000.00

RECOMMENDATION

Staff proposes the BCC consider the following options:

1. Do nothing since the new assessment area lacks the super majority support.
2. Authorize the Purchasing Manager to issue a Purchase Order for surveying work to Carter Associates, Inc., direct staff to move forward with the design of Phases 2 and 3, and submit the entire Collier Creek Estates and Harbor Point area for FDEP permitting.
3. Approve Scenario 3. Direct staff to bring forth Resolution I and II to the BCC at the April 18 or May 2, 2017 meeting.
4. Direct staff to work with the point of contact to obtain the one additional vote for Scenario 4. In order to adhere to the \$6,250 per parcel cost, bring forth Resolution I and II for adoption no later than the last BCC meeting in May, 2017.

Staff recommends approval of Option 2 and 3 to be funded under Scenario 3.

LIST OF ATTACHMENTS:

- A. Collier Creek Estates Subdivision and Harbor Point Subdivision- Scenario 5
- B. Phase 2- Collier Creek Estates Subdivision and Phase 3- Harbor Point Subdivision- Scenario 3
- C. Phase 2A- Collier Creek Estates Subdivision and Phase 3- Harbor Point Subdivision- Scenario 4
- D. Carter and Associates, Inc. Surveying Proposal