

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

Date: June 12, 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, Resolution I (Preliminary Assessment Roll) and Resolution II (Public Hearing Date)

BACKGROUND

On May 16, 2017, the Indian River County Board of County Commissioners (BCC) authorized staff to proceed with the assessment procedures for notifying benefitting property owners, and preparation of assessment roll based on an updated financial analysis (Option II). Those steps included preparation of the necessary resolutions and scheduling of necessary public meetings for property owners and interested parties. Staff presented the results of the May 16, 2017, BCC decision to the City of Sebastian City Council meeting on May 24, 2017.

ANALYSIS

The North Sebastian Septic to Sewer (S2S) Phase I 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 5 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 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.

The 2013 sewer feasibility study for the North Sebastian Septic to Sewer pricing was based on an Equivalent Residential Units (ERU’s) calculation. The ERU allocations were based on the potential consumption. The

potential consumption was based on the underlying future land use designation, zoning, current ERU's on existing parcels with county water, and the size of each "parent" parcel. This method, labeled Hydraulic Fair Share/ERU Allocation, is further described below.

Hydraulic Fair Share (HFS)/ ERU Allocation: This method is very similar to evaluating the number of Equivalent Residential Units (ERU's) required of a given property based on the underlying land use and zoning. An ERU is the amount of water used or wastewater produced by a typical residential unit, which water use ranges from zero to three hundred (300) gallons per day on a maximum day basis or zero to two hundred fifty (250) gallons per day on a maximum month basis. For example, a single family home is assigned one (1) ERU and commercial/non-residential units are assigned ERU's based on County Code 201.07. The vacant "parent" parcels' HFS/ERU Allocation was evaluated based on the underlying future land use designation, zoning, and size of the "parent" parcel. Staff feels that this method is fair and equitable to the smaller parcels and especially for the parcels with existing businesses where the current water usage is known in the corridor.

Therefore, 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.

A Providing Resolution (Resolution I) Attachment 1 is presented for adoption by the BCC.

A separate resolution (Resolution II) Attachment 2 is presented for adoption to hold a Public Hearing to discuss the advisability, project cost, and amount of the assessment for each property owner in the benefited area. Pending BCC approval, a Public Hearing is tentatively scheduled for **Tuesday, July 18, 2017 at 9:05 A.M.** in the Indian River County Commission Chambers. An assessment roll and assessment plat have been prepared and is on file with the Clerk to the Board of County Commissioners.

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
Property Owner Assessment (38.20%)	473-169000-15501	\$1,137,519

RECOMMENDATION

The staff of the Utilities Department recommends that the BCC consider the following recommendations:

- 1) Adopt the Providing Resolution (Resolution I) for the installation of the sewer main within the North Sebastian Septic to Sewer area, subject to the terms outlined in the resolution, with a 2% interest rate as approved by BCC.
- 2) Adopt the Setting Resolution (Resolution II) setting the time and place of the Public Hearing – July 18, 2017, at 9:05 am.

LIST OF ATTACHMENTS:

1. Providing Resolution (Resolution No. I)
2. Setting Resolution for Public Hearing (Resolution No. II)
3. Capital Cost Breakdown
4. Assessment Roll
5. Assessment Area Map