

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

Date: February 14, 2018

To: Jason E. Brown, County Administrator

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

Prepared By: John M. Boyer, P.E., Utilities Engineer

Subject: Continuation: Water Main Extension along 103rd Court from 88th Street to S. 89th Street within a portion of Blocks E and H, Vero Lake Estates Subdivision, Unit H-3, located in Indian River County, Public Hearing and the Adoption of Resolution No. III (Legislative)

BACKGROUND

On February 6, 2018, the Indian River County Board of County Commissioners (BCC) opened a public hearing to discuss a water main assessment to benefit nine residential properties along 103rd Court in Vero Lake Estates. A resident from the assessment area, Ms. Deirdre Parker, appeared with handwritten petitions from four residents stating they no longer wished to participate in the assessment due to the cost. This lowered the in-favor percentage to five out of nine, or 55.6%.

In 2016, staff originally received signed petitions from seven owners of the nine parcels, or 77.8% of the property owners, in favor of the project based on a cost of \$3,333.33 per residence. However, once the design was complete, a new opinion of probable cost was computed based on current construction unit costs, which increased the per-residence cost to \$5,200.00, an increase of 56%.

Considering the updated cost and the handwritten petitions received from the attending resident, the BCC directed staff to reach out to all of the property owners to obtain their consensus with a new petition outlining the revised per-residence cost of \$5,200.00. The public hearing was left open to be continued during the February 20, 2018, meeting.

ANALYSIS

Staff reached out to the nine property owners with a new petition that outlined the revised cost per residence of \$5,200. Those letters were mailed to the individual property owners on February 6, 2018, and copies of the letters were picked up by Ms. Parker on February 7, 2018, for hand distribution.

As of February 15, 2018, seven of the nine property owners have responded to the new petition, with 4 being in favor of the assessment and 3 not in favor. This is subject to change by the hearing date.

Number of Respondents in Favor	4	44%
Number of Respondents Not in Favor	3	33%
Number of Absent Responses	2	22%

The Director of Utility Services will update the BCC during the Public Hearing in the event additional petitions are received.

The BCC will have two alternatives:

Alternative 1

If no further petitions are received to indicate a super-majority (66.7%) of residents in favor, staff recommends tabling the project until the residents indicate interest in connecting.

Alternative 2

Per County Ordinance 81-27, the BCC may authorize staff to move forward with the project. 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).

Upon the adoption of Resolution III, staff will apply for the Florida Department of Environmental Protection (FDEP) water system construction permit and Indian River County Right-of-Way permit. Staff anticipates the following schedule (please note that these dates are estimations and could be subject to change):

- Labor Contract Work Authorization – March 2018
- Substantial Completion of Construction – May 2018
- Final Completion of Construction – May 2018
- Final As-Built Resolution (Resolution IV) to BCC – June/July 2018

The construction portion of the project will be the installation of approximately 600 linear feet of 6-inch PVC water main with water services to each parcel. The proposed 6-inch water main will connect to the existing 12-inch main on S. 89th Street to the north and terminate at 88th Street to the south (Attachment 1 - Map of Assessment Area). The total project cost is estimated at \$46,800.00, which includes construction, surveying, engineering, administration and inspection. Therefore, an equal per parcel cost of \$5,200.00 will be levied against all nine benefitting parcels once Resolution No. III is adopted. Estimated monthly expenses for the water assessment are presented on Attachment 2.

When construction of the new water main is complete and it has been cleared for service by the FDEP, and prior to Resolution IV, it is staff's recommendation to allow owners to connect to the water system should they choose to do so. Financing options associated with assessment charges will only become applicable after Resolution IV is adopted.

FUNDING:

If the BCC chooses Alternative 1, tabling of the project, then Indian River County Department of Utility Services (IRCDUS) can shelve the project until such time as the residents indicate an interest in County water, and no cost incurred by IRCDUS to this point will be assessed to the residents. The costs of the survey, advertising, and other fees will be charged to the Other Professional Services account in the Operating Fund. Operating funds are derived from water and sewer sales.

DESCRIPTION	ACCOUNT NUMBER	AMOUNT
Other Professional Services	47123536-033190	\$4,721.58

If BCC chooses Alternative 2, move forward with the project, then the funding will be derived from the assessment fund. Assessment funds are generated directly from the customers benefiting from the project.

DESCRIPTION	ACCOUNT NUMBER	AMOUNT
Vero Lake Estates Sub-Unit H-3 Petition Water Assessment	473-169000-17512	\$ 46,800.00

RECOMMENDATION

Continue the public hearing opened on February 6, 2018. At this time, based on the petitions received as of February 15, 2018, staff recommends that the Board of County Commissioners (BCC) choose Alternative 1: Table the project. If any new information is obtained between now and the hearing date of February 20, 2018, then staff recommendation could change.

Alternative 1

If no further petitions are received to indicate a super-majority (66.7%) of residents in favor, staff recommends tabling the project.

-Or-

Alternative 2

If a favorable super-majority is indicated by either receipt of petitions or during the public hearing, staff recommends adopting Resolution No. III with the following conditions:

- a. Cost per parcel of \$5,200.00;
- b. Nine benefitting parcels as part of the special assessment lien;
- c. For benefitting parcels above in point b, allow property owners to finance the capital cost of \$5,200.00 for up to 10 years, payable in 10 equal yearly installments at an annual interest rate of 5.00% (set by the BCC each January); and,
- d. Allow property owners to connect once the new water main has been placed into service prior to Resolution IV.

LIST OF ATTACHMENTS:

1. New Petitions (7 each)
2. Handwritten Petitions from February 6, 2018 (4 each)
3. Map of Assessment Area
4. Estimated Monthly Expenses for Water Assessment
5. Confirming Resolution (Resolution No. III)
6. Assessment Roll (Exhibit "A" to Resolution No. III)