

# DEPARTMENTAL POLICY

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**To:** Utilities & Solid Waste  
Staff

**From:** Samuel Amerson, P.E.  
Utilities & Solid Waste Director

**Subject:** Incremental Capital Recovery Charge

**Effective Date:** September 26, 2024

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## PURPOSE

The objective of the Martin County Utilities (MCU) Fees to Connect Development Outside Master Plan Areas Policy is to establish guidelines and proportionate share fees for connection of developments with a Rural Lifestyle Future Land Use designation in addition to those developments that were outside of the Martin County Utilities Service Area prior to January 1, 2024.

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## POLICY

### Utility Master Plan

The MCU Master Plan documents utilizes existing levels of service and build out of vacant parcels within their current service area to determine the need for incremental plant expansion. The need for these expansions are triggered by capacity thresholds set by the Martin County Comprehensive Plan and Florida Department of Environmental Protection rules.

The Master Plan focuses serving these infill areas and does not account for growth outside the MCU Service Area. The rates contained herein represent the proportionate share of plant expansions for the additional flows not contemplated in the MCU system at buildout.

### Martin County Utility Plants

MCU processes wastewater at each of the North and Tropical Farms plants independently. The same two plants also provide potable water independently; however, they are combined into one consolidated potable water system.

### Developer's Agreement and Payment of Incremental Capital Recovery Charge

Upon calculation of projected project flows, the owner will be required to enter into a Developer's Agreement and pay Incremental Capital Recovery Charges in lieu of customary base water and wastewater Capital Facility Charges. These fees are to be paid in the 60-day Post Approval within the Growth Management Department's Site Plan Approval process.

### Utility Infrastructure Design and Construction

Developers are required to design, permit and construct utility infrastructure extensions to and within their development from existing MCU infrastructure. Applicable infrastructure will be turned over to MCU for maintenance and operation. All other components are to be owned and maintained by the owner of the connected property.

# DEPARTMENTAL POLICY

## Utility Turnover

Developer constructed water and wastewater utilities will not be placed into service unless there is demand within 30 days of completion of construction. Developers will be responsible for the costs associated with additional cleaning, chlorination, and testing of any mains due to delays in connection.

Developer shall construct any required flushing stations at the terminus of water mains and be responsible for the metered use of flushing water until demands within their project provide for adequate chlorination residuals.

## Incremental Capital Recovery Charge

The projected design and construction costs for the incremental expansion at each of the two water and wastewater plants, follows in the chart below along with the incremental plant average annual daily flows. An Equivalent Residential Connection (ERC) is equal to 250 gallons per day water and 195 gallons per day wastewater flows.

	Wastewater Treatment Plants		Water Treatment Plants		Consolidated Water
	Jensen	Tropical	Jensen	Tropical	
Anticipated Construction Costs	\$ 25,901,427	\$ 30,195,214	\$ 7,499,780	\$ 35,283,300	
Design and Permitting Services 15%	\$ 3,885,214	\$ 4,529,282	\$ 682,580	\$ 5,292,495	
Total Plant Expansion Costs	\$ 29,786,641	\$ 34,724,496	\$ 8,182,360	\$ 40,575,795	\$ 48,758,155
Existing Plant Capacity (AADF) <sup>1</sup>	2,400,000	5,300,000	8,800,000	10,700,000	19,500,000
Proposed Plant Expansion (gallons per day)	1,200,000	1,700,000	500,000	4,600,000	5,100,000
Cost per gallon	\$ 24.82	\$ 20.43			\$ 9.56
Cost per ERC (250 gpd water / 195 wastewater)	<b>\$ 4,840.33</b>	<b>\$ 3,983.10</b>			<b>\$ 2,390.11</b>
Notes: 1. Annual Average Daily Flow					

## Reference Documents

The 2024 Water Master Plan Update and the 2024 Wastewater Treatment Plant Expansion Technical Memorandum have been summarized in the three attached memos. The full content of the Master Plan and Technical Memorandums are available at the MCU offices.

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Samuel Amerson, P.E.  
Utilities & Solid Waste Director

## Suppression History:

None