



Board of County Commissioners

2401 SE Monterey Road
Stuart, Florida 34996

Agenda Item Summary

File ID: 19-0076

DEPT-4

Meeting Date: 11/20/2018

PLACEMENT: Departmental

TITLE:

SEPTIC TO SEWER PROGRAM UPDATE

EXECUTIVE SUMMARY:

Staff is prepared to update the Board on the Septic to Sewer Program and present additional initiatives for Board consideration.

DEPARTMENT: Utilities and Solid Waste

PREPARED BY: **Name:** Samuel Amerson, P.E.
Title: Utilities & Solid Waste Director

REQUESTED BY: Board of County Commissioners

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

The Board has identified septic to sewer conversions as a priority necessary to our environmental goals. The intent of this presentation is to outline the steps necessary to create a viable path forward in meeting this objective. Staff is pleased to provide an update on the current initiatives designed to accelerate the opportunity for septic to sewer conversions within the utility service area. These include the Septic to Sewer Program, several Vacuum Assisted Gravity Sewer Projects underway, and a proposed "Connect to Protect" Grinder Sewer System initiative.

A critical part of our analysis includes an estimate of the level of financial support required to establish and maintain a consistent special assessment charge throughout the various project areas. Staff will also present, for the Board of County Commissioners' (Board) consideration, policy recommendations that are intended to encourage early connection to the sewer systems by providing financial discounts and favorable payment plan.

ISSUES:

A complete analysis of the options available for sewer conversion projects was presented at the November 3, 2015 meeting (see Table 6). The list of projects identified the most cost efficient project type. The least cost option for the 24 projects totaled \$138M and the average cost per parcel estimate was \$15,151.00 in 2015.

Table 6.0 Alternative Sanitary Sewer Cost Estimate Summary

Ranking	Communities	# of Parcels	Totals Cost			Cost Per Parcel		
			Vacuum Collection System*	Gravity Sewer System*	Grinder Pump System**	Vacuum Collection System*	Gravity Sewer System*	Grinder Pump System**
1	Martin Downs / Sunset Gardens (Old Palm City) Area	1078	\$13,532,368	\$20,852,279	\$16,412,724	\$12,553	\$19,343	\$15,225
2	Golden Gate Subdivision	775	\$9,589,163	\$15,656,572	\$11,923,663	\$12,373	\$20,202	\$15,385
3	Beau Rivage Subdivision	256	\$3,974,236	\$5,909,039	\$4,029,218	\$15,524	\$23,082	\$15,739
4	Gaines Ave Area	277	\$4,445,731	\$6,817,429	\$4,447,102	\$16,050	\$24,612	\$16,055
5	Hibiscus Park Area	1349	\$14,165,566	\$18,617,161	\$18,924,589	\$10,501	\$13,801	\$14,029
6	Port Salerno / New Monrovia Area	878	\$10,536,133	\$14,665,435	\$12,878,941	\$12,000	\$16,703	\$14,668
7	Salerno / Manatee Pocket Area	478	\$5,434,992	\$7,858,844	\$6,905,908	\$11,370	\$16,441	\$14,448
8	North Mapp Road Area	164	--	\$4,313,514	\$2,755,476	--	\$26,302	\$16,802
9	Evergreen G&CC (Hideaway Isles / Mid Rivers)	885	\$12,148,965	\$18,450,985	\$13,675,056	\$13,728	\$20,849	\$15,452
10	South Mapp Road	37	--	\$1,906,220	\$857,571	--	\$51,519	\$23,178
11	South Fork Area	272	\$3,969,317	\$5,804,776	\$4,188,318	\$14,593	\$21,341	\$15,398
12	Town of Sewall's Point	931	\$11,559,281	\$16,658,298	\$14,024,705	\$12,416	\$17,893	\$15,064
13	Rio / St. Lucie (East)	331	\$4,223,304	\$6,408,478	\$4,894,485	\$12,759	\$19,361	\$14,787
14	Rosewalk Galleon Bay	25	--	\$1,173,985	\$437,729	--	\$46,959	\$17,509
15	Stuart Yacht & Country Club	504	\$7,065,980	\$9,910,480	\$7,596,348	\$14,020	\$19,664	\$15,072
16	Four Rivers Subdivision	106	--	\$3,171,393	\$1,955,547	--	\$29,919	\$18,449
17	Crane Creek Country Club	381	\$6,462,014	\$10,991,624	\$6,385,546	\$16,961	\$28,849	\$16,760
18	North Rivers Shore - Phase 2	292	\$4,186,403	\$6,168,524	\$4,484,891	\$14,337	\$21,125	\$15,359
19	Tropical Farms Area	652	\$9,846,595	\$14,796,687	\$10,299,471	\$15,102	\$22,694	\$15,797
20	River's End Subdivision	113	--	\$3,050,687	\$2,011,467	--	\$26,997	\$17,801
21	Vista Salerno / US 1 Area	234	\$3,404,083	\$4,781,277	\$3,558,041	\$14,547	\$20,433	\$15,205
22	Rio / St. Lucie (West)	97	--	\$2,197,773	\$1,582,174	--	\$22,657	\$16,311
23	Captain's Creek Subdivision	167	--	\$4,591,743	\$2,769,291	--	\$27,495	\$16,583
24	Lake Grove Subdivision	76	--	\$2,027,883	\$1,395,236	--	\$26,683	\$18,358
Totals***		10,358	\$118,082,117	--	\$20,150,037			
			Total Cost****		\$138,232,154			

Notes: **Bold** prices represent the most cost efficient construction option for the community.

*DOES NOT include cost of service connection beyond right-of-way and abandonment of existing disposal system

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***Accumulation of all the **Bold** prices in the column.

****Grand total of all the Total Cost **Bold** prices.

Utilities and Solid Waste staff, at the Board's request, presented a prioritized list of septic to sewer projects at the March 29, 2016 meeting. The six neighborhoods listed totaled an estimated construction cost of almost \$50M. The list was based on criteria that support water quality and the Florida Department of Environmental Protection (FDEP) Basin Management Action Plan (BMAP) and

Total Daily Maximum Load (TMDL) objectives for the St. Lucie Estuary.

Prioritized Projects:

- North River Shores Phase II
- Golden Gate
- Old Palm City
- Beau Rivage
- Gaines Avenue
- Hibiscus Park

Martin County has historically utilized assessments to complete septic to sewer conversions and the cost to residents has varied depending on the availability of grant funding. Projects being directly tied to the availability of grant funds does not allow for a timely sewer conversion program. In order to achieve financial and project efficiencies, and avoid the limitations that grant reliance places on the projects, \$4M in annual funding is required. The following financial program structure will support consistent and predictable project implementation.

Large Sewer Projects - service to 300 or more residences

- The Utilities and Solid Waste Department and the Public Works Department will contribute \$2M annually from capital funds and franchise fees.
- \$2M in dedicated funding included in Capital Improvement Plan from other source(s) - to be determined.
- Continued pursuit of grant funding.

This approach would accommodate establishing a \$12K ceiling per single family residential assessment.

Martin County has identified approximately 10,300 ERC's in the prioritized areas. At our current rate of septic to sewer conversion it will take over 30 years to make county sewer services available in the prioritized areas. In addition, the special assessment process is not cost effective for small projects (i.e., those serving less than 300 connections). Staff is proposing the "Connect to Protect" grinder sewer system program to address the small neighborhoods projects. Staff is proposing a goal of this program is to keep the individual cost under \$12,000 per ERC which is the same goal for large projects.

This program will be administered by the Utilities and Solid Waste Department with help from the Public Works Department. The installation of the backbone force mains in the streets is critical for sewer availability. Also, some neighborhoods will require construction of water lines at the same time. A summary of the program is listed below.

Grinder Program - service to less than 300 residences

Under current financial constraints, the Utilities and Solid Waste Department anticipates being able to establish 50 service connections per year.

- The Utilities and Solid Waste Department's annual contribution of \$250K to construct all backbone force main service lines.

- Where available and at the customer's request, the Utilities and Solid Waste Department would install the grinder pump and all appurtenances, including the septic tank abandonment, but the homeowner will be responsible for the electrical connection.
- The total cost will not exceed \$12K and the Utilities and Solid Waste Department will finance the project and provide a monthly payment plan, which will be added to the customer's utility bill. This offers an advantage over an assessment in that it avoids Tax Collector and other fees that could add 8.75% to the cost.
- Does not rely on grants.
- Does require coordination with the Public Works Department to maximize the impact and cost efficiency of the projects.
- Office of Community Development will pursue Community Development Block Grants (CDBG) and others for implementation of this program in the Community Redevelopment Areas (CRA).

Sewer Availability

County policy requires a letter to be issued to all customers when service is available. The letter informs customers that they have 365 days, from the date of the letter, to connect to service. However, no provision is made for non-compliance.

In order to provide an incentive for customers to connect to service, staff is proposing that customers not connected within 365 days be billed the Sewer Availability Charge (SAC), which is currently \$17.95 per month.

If the County fully implements the large project and connect to protect program the County could connect approximately 700 homes per year. This will result in addressing all the prioritized areas in approximately 15 years.

LEGAL SUFFICIENCY REVIEW:

To the extent this items contains legal issues; it has been reviewed for legal sufficiency, although this is primarily a matter of Board policy.

RECOMMENDED ACTION:

RECOMMENDATION

1. Move that the Board approve the Large Sewer program, as described.
2. Move that the Board direct staff to bring back dedicated funding (\$2M) options for the Large Sewer Projects.
3. Move that the Board direct staff to bring back a program, supported in the Utilities and Solid Waste Capital Improvement Project (CIP), that will provide a backbone Grinder Sewer System to support up to 300 connections per year.
4. Move that the Board approve the implementation of the base monthly (SAC) fee for those customers that do not connect within a year of service availability.

ALTERNATIVE RECOMMENDATIONS

Move that the Board provide further direction.

FISCAL IMPACT:

RECOMMENDATION

Staff will provide a detail fiscal impact with the FY20 Capital Improvement Plan.

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

- | | | |
|--|---------------------------------------|---|
| <input type="checkbox"/> Budget Transfer / Amendment | <input type="checkbox"/> Chair Letter | <input type="checkbox"/> Contract / Agreement |
| <input type="checkbox"/> Grant / Application | <input type="checkbox"/> Notice | <input type="checkbox"/> Ordinance |
| <input type="checkbox"/> Other: | <input type="checkbox"/> Resolution | |