



Agenda Item Summary

File ID: 19-0704

PH-2

Meeting Date: 7/30/2019

PLACEMENT: Public Hearings

TITLE:

PUBLIC HEARING AND FINAL ASSESSMENT RESOLUTION FOR THE PALM LAKE PARK WATER MAIN MUNICIPAL SERVICE BENEFIT UNIT

EXECUTIVE SUMMARY:

Board action is requested to adopt the final assessment resolution for the Palm Lake Park Water Main Municipal Service Benefit Unit to allow installation of water lines.

DEPARTMENT: Utilities and Solid Waste

PREPARED BY: **Name:** Phil Keathley
Title: Chief Project Manager

REQUESTED BY: Sam Amerson, Utilities & Solid Waste Director

PRESET:

PROCEDURES: None

BACKGROUND/RELATED STRATEGIC GOAL:

This Department is in receipt of a petition from the residents of Palm Lake Park requesting a survey of the property owners for the purpose of determining interest in extending water service into the community. The proposed project area is generally described as properties fronting NW 12th Terrace, NW 13th Terrace, NW 13th Street, NW 14th Terrace, NW 14th Street, NW 15th Terrace, NW 15th Street, NW 16th Street, NW 16th Place, NW 9th Avenue, NW Antoch Avenue, NW Crescent Drive and NW Palm Lake Drive, in Palm Lake Park presently without availability of public water supply. There are 222 properties in the project area.

The affected property owners in this project area were sent ballots on 3 different occasions depending upon the number of responses to the 1st and 2nd ballot requests. The ballots indicated that the estimated cost of the project would be between \$8,000 and \$9,000 per property. The final tally of all the ballots received to date as verified by the Martin County Supervisor of Elections office indicates 86 properties FOR the project, 51 AGAINST, and 85 that did not vote.

A Florida Department of Environmental Protection Construction Permit has been received and competitive bids from underground utility contractors were opened on May 1, 2019 and Underground Construction Management, Inc. submitted the lowest responsive bid.

A staff level workshop was held on July 23, 2019, to explain the project scope, costs and the

assessment process. All of the 222 affected property owners were mailed invitations to that workshop.

Based on the final design, the initial prepayment amount is \$6,425 per equivalent residential connection (ERC) which is below the estimated range as outlined in the ballots mentioned above. Amortizing the project over a 15-year period at a 4.00% interest will result in an estimated annual payment of \$633.28 per ERC. The estimated annual payment also includes annual costs related to preparation and collection of the roll each year totaling 8.75% (consisting of 2% for the Tax Collector fee, 2.75% for the tax roll and legal consultants, and a 4% adjustment for early tax bill payments). The water main project is estimated to cost \$1,056,066 and it will be financed through internal borrowing from the Consolidated Utilities Fund reserves. The annual payment will be included in the tax bill commencing with the bill mailed in October 2020. The proposed assessment will include 222 properties at 224 ERC's.

As part of the recently Board adopted "Connect to Protect" program the contractor will be installing small diameter force mains throughout the project area at no cost to the residents to allow future connections to the Utilities wastewater collection system and eliminate on-site septic systems. At this time, the cost of the force main construction is estimated to be \$357,694 and it will be shared equally by Utilities and Public Works for the road improvement portion of the project.

The notice for today's hearing was advertised in *The Stuart News* and individual notices of the public hearing were mailed to each property owner proposed to be assessed at the mailing address indicated on the tax roll.

ISSUES:

None.

LEGAL SUFFICIENCY REVIEW:

Chris Traber, the County's Special Assessment Counsel, has prepared the resolution, reviewed the agenda item summary and confirmed that the form of each is proper.

RECOMMENDED ACTION:

RECOMMENDATION

Move that the Board adopt the Final Assessment Resolution to create the Palm Lake Park Water Main Municipal Service Benefit Unit.

Move that the Board approve a \$1,056,066.00 budget transfer from Consolidated Utilities Reserves into the Palm Lake Park project as an internal loan financing for the water main assessment project and \$178,847 for the Utilities portion of the force main project.

Move that the Board award the construction contract to Underground Construction Management, Inc. in the amount of \$1,360,000.00.

ALTERNATIVE RECOMMENDATIONS

Do not adopt the Final Assessment Resolution.

Do not approve the budget transfer.

Do not award the construction contract.

FISCAL IMPACT:

RECOMMENDATION

- a. None, as the cost of the project will be paid for by the benefitted property owners of the Palm Lake Park Water Main Municipal Service Benefit Unit
- b. The Utilities Division of the Utilities/Solid Waste Department proposes to provide internal financing to property owners @ 4.00% interest for 15 years from reserves of the Department.
- c. Public Works portion of the force main scope is \$178,847 of Franchise Fees from CIP Activity #101771.

ALTERNATIVE RECOMMENDATIONS

None

DOCUMENT(S) REQUIRING ACTION:

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| <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 checked="" type="checkbox"/> Resolution | |

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