



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: Gabriel Bowden, Utilities Director

DATE: November 7, 2024

RE: Consideration of an additional grant funding request from Save Our Indian River Lagoon Project Plan from Brevard County for 'City of Palm Bay Septic to Sewer Project Area – Zone A' (SOIRL Project 2016-39 - \$247,612).

SUMMARY:

The Utilities Department is seeking Council's authorization to request additional funding from Save Our Indian River Lagoon Project Plan (SOIRLPP) grant from Brevard County. In 2016, the City of Palm Bay was awarded \$2,569,644 in SOIRL grant funds for the 'City of Palm Bay Septic to Sewer Project Area – Zone A' (SOIRL Project No. 2016-39). SOIRL grant awards are calculated by the dollar value per pound of nitrogen multiplied by the total pounds of nitrogen. The 2016-dollar value per pound of total nitrogen was \$1,203. Zone A is projected to produce approximately 2,136 pounds of total nitrogen per year. Zone A, as depicted in the attached map, is adjacent to Turkey Creek and contains 77 residential lots currently on septic. The grant project application included funding the expansion of sewer to the area and converting all 77 properties from septic to sewer, reducing the total nitrogen load by approximately 2,136 pounds annually. The total estimated cost of construction was just under \$4 million, with the City contributing a cost-share for the balance. The original grant award was later amended to account for the updated to reflect the 2018-dollar value per pound of total nitrogen, which increased to \$1,437, bringing the City's SOIRL grant award to \$3,069,432, as reflected in the 2018 update to the SOIRL Project Plan. The City's total cost-share was amended to \$1,082,840.

Brevard County recently updated the SOIRL Project Plan to reflect 2024 figures. The 2024 SOIRL Plan Update provided a dollar value per pound of total nitrogen of \$1,553, bringing the City's SOIRL grant award to \$3,317,208, an increase of \$247,612. Staff is seeking Council's authorization to submit a grant application requesting an increase in the amount of \$247,612 for SOIRL Project No. 2016-39, 'City of Palm Bay Septic to Sewer Project Area – Zone A'. The 2024 SOIRL Plan Update also included the estimated cost of inflation for each construction project, increasing the City's total cost-share to \$1,582,792. The 2024 total estimated construction cost for

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Zone A is \$4.9 million (SOIRL grant plus City cost-share). This was presented to the SOIRL Citizen Oversight Committee on October 18, 2024.

Due to the total nitrogen reduction of this project, this is a priority project of SOIRL. This project also support the City of Palm Bay's Onsite Sewage Treatment and Disposal System Remediation Plan.

It is important to note that prior to City Council's adoption of the Mandatory Connection Ordinance 2023-101, the City had not executed a grant agreement. The Utilities Department wishes to pursue execute a grant agreement and request additional funding under the original grant application as described above.

REQUESTING DEPARTMENTS:

Utilities

FISCAL IMPACT:

The City's total cost share amount will be \$1,582,792, which includes the additional \$247,612 needed, to be funded by Utilities Fund Undesignated Fund Balance, account number 421-0000-392-3006.

STAFF RECOMMENDATION:

Motion to 1) approve applying for the additional SOIRLPP grant funds from Brevard County; and 2) authorize the City Manager to execute the grant agreement.

ATTACHMENTS:

1. MAP – Zone A, City of Palm Bay Septic to Sewer Project Area (SOIRL).