



LEGISLATIVE MEMORANDUM

TO: Honorable Mayor and Members of the City Council

FROM: Suzanne Sherman, City Manager

THRU: Thomas Marinelli, Acting Utilities Director

DATE: July 11, 2024

RE: Consideration to apply for a Water Quality Improvement Grant from Florida Department of Environmental Protection

SUMMARY:

The Utilities Department is requesting authorization to apply for grant funding from the Florida Department of Environmental Protection (FDEP) Water Quality Improvement Grant Program. The FDEP is accepting project proposals for Fiscal Year 2024-2025 for water-related projects that will protect and restore Florida's water resources. The grant application deadline is July 15th, 2024.

There are several Water Quality Improvement Grants available to address wastewater and are intended to reduce the nutrient loading in water bodies, to include the Indian River Lagoon (IRL). Eligible programs include septic-to-sewer conversions.

The Utilities Department is requesting Council's authorization to apply for a grant under the the Water Quality Improvement Grant Program in the amount of \$5 million to support septic-to-sewer conversions in for households in Palm Bay which are currently on septic where City sewer is available. This effort is in accordance with the City's Mandatory Connection Ordinance 2023-101 and will aid households with the cost of connection. It is estimated that approximately 300-400 households may be assisted if grant funds are awarded. The FDEP will consider and prioritize projects based on criteria that show a reduction in nutrient load, project readiness, and are cost-effective. While matching funds are not always required, the City intends to note the utilities-related fee waivers (valued at \$2-2.5 million) as authorized by City Council in an effort to submit a competitive grant application.

REQUESTING DEPARTMENTS:

Utilities Department

FISCAL IMPACT:

If grant funds are awarded, the Utilities Department will have a loss of revenue from waived utilities-related impact fees and main line extension charges, approximately \$5,670 household.

STAFF RECOMMENDATION:

Motion to authorize the City to submit a grant application to the Florida Department of Environmental Protection's Water Quality Improvement Grant Program; and to authorize the City Manager to execute the grant agreement, if awarded.

ATTACHMENTS: