

ECUA GENERAL RESOLUTION NO. GR21-15

A GENERAL RESOLUTION TO THE GRINDER PUMP REIMBURSEMENT PROGRAM RELATIVE TO INNERARITY ISLAND SEWER SYSTEM CUSTOMERS; AUTHORIZING THE EXECUTIVE DIRECTOR TO DISTRIBUTE FUNDS PER THE BOARD'S DECISION; AND AUTHORIZING A BUDGET TRANSFER OF \$120,000 FROM CIP PROJECT CS317 SEWER EXPANSION PROGRAM TO CIP PROJECT CS318 – NON GRAVITY SEWER CONNECTIONS.

BE IT RESOLVED BY THE EMERALD COAST UTILITIES AUTHORITY:

- WHEREAS, the Innerarity Island Sewer System is a private utility system located on Innerarity Island, at the terminus of Innerarity Point Road; and
- WHEREAS, the Circuit Court appointed Escambia County as the "Receiver" of the private utility system in March of 2014 due the death of the owner; and
- WHEREAS, the County and the Emerald Coast Utilities Authority (hereinafter "ECUA") agreed that once the water and sewer system were repaired and improved to meet ECUA standards, the water and sewer systems would be accepted by ECUA for ownership and maintenance; and
- WHEREAS, the ECUA Board approved an Interlocal agreement in May 17, 2018, for Escambia County's funding for a project to repair the water and sewer systems and bring them up to ECUA standards; and
- WHEREAS, the projects were funded through a Municipal Service Benefit Unit (MSBU) to be repaid by the involved property owners; and
- WHEREAS, the water system has since been improved and accepted by ECUA; and
- WHEREAS, the existing sewer system on Innerarity Island, excluding Russell Bayou, is currently being replaced with a low-pressure sewer system; and
- WHEREAS, the sewer system requires the installation of individual pumping stations (grinder pumps) on each lot to connect each home to the sewer collection main located in the right-of-way; and
- WHEREAS, to further benefit the environment and public health, sewer service will also be provided in the area of North Shore Drive to promote the abandonment of the existing septic systems; and

- WHEREAS, excluding approximately 100 vacant lots that have been chosen by the Innerarity Island Homeowner's Association (HOA) to not be sold and reserved as conservation, there are approximately 500 parcels that are impacted by this project; and
- WHEREAS, ECUA has a current program wherein the policy provides for the reimbursement of up to \$1,500 reserved for only those individuals that choose to install a grinder pump that allows for the abandonment of an existing septic tank system; and
- WHEREAS, the Innerarity Island HOA Board has requested that all owners that were converted from gravity sewer to low pressure sewer to also be eligible for the reimbursement, arguing that the use of a grinder pump was not a decision made by owners that currently utilize the existing gravity collection system; and
- WHEREAS, there are approximately 170 owners / parcels of the 500 parcels noted herein that were transferred from gravity sewer and placed on the low-pressure sewer system with grinder pumps that do not qualify for the grinder pump reimbursement program but the HOA would like the ECUA Board to consider an exemption for; and
- WHEREAS, there are 24 owners / parcels, mainly located in the North Shore Drive area, that have elected to switch from septic to sewer as part of this project and do qualify for the grinder pump reimbursement program; and
- WHEREAS, there are approximately 20 owners / parcels that have chosen to remain on their septic system and may be eligible to be reimbursed for the installation of a grinder pump if they connect to the low-pressure sewer system in the future using the regular application of the reimbursement program; and
- WHEREAS, there are approximately 150 vacant lots that can be developed in the future and are not eligible to be reimbursed for the installation of a grinder pump if they connect to the low-pressure sewer system; and
- WHEREAS, there are approximately 130 lots that were previously on gravity sewer that will remain on gravity sewer and are not eligible for the grinder pump reimbursement program; and
- WHEREAS, the Innerarity Island HOA/residents did not exercise their option to allow development on select vacant lots which may have resulted in a significant reduction of the per-resident MSBU amount; and

WHEREAS, providing an exception to the grinder pump reimbursement policy may be considered as subsidizing development because this was a privately-owned sanitary sewer collection system considered subsidizing development because the old sewer system was privately owned and maintained; and

WHEREAS, upgrading the gravity sewer mains and lift stations in select areas of the old sanitary sewer collection system to meet ECUA standards would have been significantly greater than the cost of a low pressure system and would not be eligible for the grinder pump reimbursement; and

WHEREAS, for the reasons stated hereinabove, the ECUA staff do not recommend the Board providing an exception to the grinder pump reimbursement policy; and

NOW THEREFORE, be it resolved by the Emerald Coast Utilities Authority:

SECTION 1. That the Board approve an exception to the grinder pump reimbursement policy to reimburse those property owners that were transferred from gravity sewer and placed onto the new low-pressure sewer system with grinder pumps; and

SECTION 2. That the Board approve a budget transfer of \$120,000 from CIP Project CS317 Sewer Expansion Program to CIP Project CS318 – Non Gravity Sewer Connections to fund the grinder pump reimbursement requests; and

SECTION 3. This General Resolution shall take effect upon adoption.

Approved as to form:

Adopted on:

ECUA General Counsel

ATTEST:

Amanda Miller, Administrative Coordinator

Lois Benson, Board Chairman

Date: February 23, 2021
Account Number: CS318 – Non-Gravity Sewer Connections
Amount: TBD
Type of Resolution: General Resolution

EXPLANATION TO ECUA BOARD

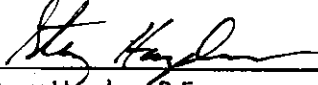
Originating Department: Engineering

PURPOSE: The purpose of this Board item is to consider a request made by the Innerarity Island Homeowner's Association to provide for an exception of the current grinder pump reimbursement policy, which stipulates its use for septic to sewer conversion customers only.

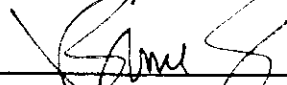
REMARKS: The grinder pump reimbursement policy provides for the reimbursement of the cost of a grinder pump system for those customers who are currently on private disposal (septic) systems only. The selection of a low-pressure sewer system to serve a large portion of the Innerarity Island customers was substantially less costly than the replacement of the gravity collection system, thereby saving each property owner potentially thousands of dollars. In addition, deviating from the current policy could be construed as ECUA subsidizing private development and placing the burden of this unfortunate situation on the ECUA ratepayers at-large. For these reasons, the staff does not recommend the above policy change being requested by the Innerarity Island Homeowner's Association.

There are approximately \$180,000 in CIP CS318 – Non Gravity Sewer Connections that may be used for grinder pump reimbursements, which is adequate for reimbursing the 24 customers that are eligible for the program. Should the Board waive the current grinder pump reimbursement policy to allow its application to the approximate 170 customers who transitioned from gravity to the new low pressure system, the Board will need to authorize a budget transfer in the amount of \$120,000 from CIP CS317 Sewer Expansion to CS318 – Non-Gravity Sewer Connections. However, this significant unanticipated expenditure from the sewer expansion program may cause a funding shortage for upcoming sewer expansion projects.

Submitted by:


Stacy Hayden, P.E.
Director of Engineering

Reviewed by:

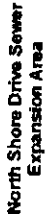

J. Bruce Woody, P.E., M.P.A.
Executive Director

Keith Fell, P.E.
Manager of Engineering Projects

Attachment: Exhibit A – Project Location Map (Black and White)
Exhibit B – Project Location Map (Color) – *Handout*

EXHIBIT A

(Black and White)



**Russell
Bayou Area**

NOI

Not To Scale

Date: 2/4/2021



Sewer Connections List

