



Brevard County Board of County Commissioners

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Legislation Text

File #: 3474, Version: 1

Subject:

Permission to Advertise the Utility Services Rate Resolution for Barefoot Bay encompassing the Barefoot Bay Water and Sewer District System

Fiscal Impact:

The following summarizes the requested rate adjustments:

- (1) As proposed the water and sewer user rates will be indexed as follows effective January 1 of each year: 2022 - 10.0%, 2023 - 13.0%, 2024 - 13.0%, 2025 - 13.0%. Subsequent years the water and sewer user rates shall be indexed automatically annually.

In addition to the proposed rate adjustments, the rate resolution has been modified to include an Exhibit A and B. Exhibit A contains rates, fees and charges where the cost has been adjusted but will remain fixed thereafter with no annual index adjustment. Exhibit B contains rates, fees, and charges where the costs have been adjusted and the costs will thereafter be indexed annually.

All rates, fees and charges per Exhibit B shall be indexed pursuant to the Consumer Price Index Sewer and Water Maintenance Index (S W M I)(U).

Dept/Office:

Utility Services Department

Requested Action:

There are three requests for Board direction how to proceed:

- (1) Permission to advertise for public hearing the attached rate resolution.
- (2) Direction from the Board on the means for advertisement:
 - a. Per FS 153.11(3)(a) and Section 98-185 of the County Code of Ordinance, the County rate resolution must be advertised 10 days before the hearing, and the public hearing must be held at a meeting starting no earlier than 5 p.m.
 - b. Direction from the Board on whether the advertisement for the public hearing is to be included on water & sewer bills.
- (3) Direction from the Board on whether the advertisement and rate resolution for Barefoot Bay is to be done concurrently with the County advertisement and rate resolution public hearing.

Summary Explanation and Background:

The Utility Services Department has conducted a needs and assessment of functionality, reliability and capacity of the entire utility facilities in order to meet the needs and demands driven by future utility connections and State and Federal regulations. Raftelis Financial Consultants, Inc., conducted a review of the

Department's revenue projections to the future investment required to be made to the water and sewer system. Our estimation of future investment over a 10 years period will be \$65M. This total investment includes the \$40M required in order to comply with F.S. 403.064.

The proposed rate adjustment will provide the funds necessary in order: (1) to provide investments to comply with F.S. 403.064 and 403.086 under Chapter 403 Environmental Control, (2) to replace treatment plant facilities that are beyond their useful life and increase capacity for future development in Barefoot Bay, (3) to provide funds to supplement future septic-to-sewer construction costs, and (4) to increase the operations and maintenance effort to continue reliability throughout the utility system.

Both F.S. 403.064 and 403.086 include language that violations are subject to administrative and civil penalties pursuant to FS 403.121, 403.131 and 403.141. Please see attached F.S. 403.064(17)(d) and 403.086(2)(7) related to violations and penalties.

Per State Law and County Ordinance referenced under Requested Action, these rate resolutions must be advertised for public hearing. The public hearing can be held at the December 7th Board meeting. If the rate resolutions are approved on that date, the revised rates would be implemented for the January billing cycle.

However, as an option, in addition to the advertisement for public hearing, we could also include a public hearing notice on the utility bills notifying all our Barefoot Bay water and sewer customers. Coordination with our Barefoot Bay office will be required resulting in additional time and the request for rate resolution approval be brought back at the January 2022 Board Meeting. In which case the resolution, if approved, would be implemented for the February 2022 billing cycle.

If it is the Board's direction to advertise the rate resolution public hearing utilizing the utility bills, the Barefoot Bay advertisement for public hearing can be accomplished in a shorter time frame compared to the County-wide rate advertisement for public hearing due to the notices on the Barefoot Bay utility bill is coordinated solely by County staff. In comparison, advertising the public hearing on the utility bills for the County rate resolution would require coordination with both the City of Melbourne and City of Cocoa since they provide the billing services for much of the County system (outside of Mims and Barefoot Bay). Both City Utility entities require a lead time of 45 to 60 days to correctly place notices on a portion of their water customer's utility bill. As a result, if this notice option is directed for the County system, the rate resolution approval would be brought back to the Board no sooner than the March 2022 Board meeting.

Thus, if the direction is to provide the additional notice in the utility bills and since the time frame associated with that effort is different for the Barefoot Bay system and the rest of the County system, staff seeks direction as to if the two separate public hearings should be performed on the same Board meeting. As an alternative Board direction could be to provide utility bill notices for all and to hold the Barefoot Bay public hearing as soon as practicable (anticipated to be January 2022) and for the rest of the County system as soon as practicable (anticipated to be March 2022). In which case the resolution, if approved, would be implemented for the April 2022 billing cycle.

Clerk to the Board Instructions:

E-mail clerk memo to rose.lyons@brevardfl.gov <<mailto:rose.lyons@brevardfl.gov>> and mail originals to the

Utility Services Department.