



Agenda Report

2725 Judge Fran Jamieson
Way
Viera, FL 32940

Consent

F.1.

11/12/2024

Subject:

Save Our Indian River Lagoon Contingency Fund Request for three septic to sewer conversion projects: Sykes Creek Zone M, Sykes Creek Zone N and Sykes Creek Zone T (District 2)

Fiscal Impact:

\$4,571,256 from Save Our Indian River Lagoon Contingency Funds

Dept/Office:

Natural Resources Management

Requested Action:

It is requested the Board authorize funding increases and authorize the County Manager to execute associated budget changes for the Sykes Creek Zones M, N and T Septic to Sewer Projects from the Save Our Indian River Lagoon Contingency Fund

Summary Explanation and Background:

The Sykes Creek Zones M, N and T Septic to Sewer Projects were included in the original Save Our Indian River Lagoon (SOIRL) Project Plan in 2016. They will convert 295 homes from septic systems to vacuum sewer service, stopping 7,942 pounds of excess nitrogen loading from polluting the Banana River annually. (See attached maps for locations on Merritt Island).

The SOIRL cost share for these projects was approved at \$1500 per pound. Adjustments for inflation were approved in the 2024 Plan Update, bringing the total previously approved SOIRL Cost Share to \$14,230,801.

In anticipation of a funding shortfall, staff have proactively secured an additional \$17,968,834 through multiple grants and funding agreements for these projects. Thus, the combined total revenue currently available for the projects is \$32,199,635.

To date, \$1,951,600 has been spent on design, permitting and land acquisition for these three projects.

The project was recently bid with a sole bid received in the amount of \$32,210,465. Staff is negotiating possible cost reductions with the contractor. Additionally, approximately \$2M is needed for construction inspection and oversight expenses. Thus, the total expense for the projects is anticipated to be \$36,162,065.

Given the currently available grants, SOIRL funds etc. the construction bid, and the estimated inspection / oversight expenses, the total estimated shortfall for the projects (construction, inspections, and oversight) is \$3,962,430.

To facilitate completion of all three contracts / projects staff requested that the Citizen Oversight Committee approve a 5% draw (\$711,540) from the SOIRL contingency fund as additional funding for the projects.

Also, as an additional source of funds for the shortfall for these projects, currently, there is another pending grant award of \$3,859,716. However, the contract for this grant is not expected to be finalized until spring 2025. Recognizing this grant status, the Committee also agreed to front this additional grant share from the SOIRL contingency fund.

All funding and estimated expenses identified above also allow for approximately \$608,826 for currently unanticipated expenses during construction (less than 2% of the construction bid amount).

The Contingency Fund Reserve, per Section 5.1 of the Save Our Indian River Lagoon Project Plan, includes funds to account for the impact of inflation on project delivery costs. Contingency requests of \$200,000 or more require consideration by both the Citizen Oversight Committee and the County Commission. On October 18, 2024, The Citizen Oversight Committee voted to recommend approval of these contingency funding requests to the County Commission.

Clerk to the Board Instructions:

None



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November 13, 2024

M E M O R A N D U M

TO: Virginia Barker, Natural Resources Management Director

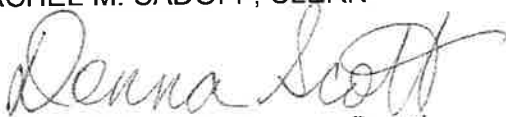
RE: Item F.1., Save Our Indian River Lagoon Contingency Fund Request for Three Septic to Sewer Conversion Projects: Sykes Creek Zone M, Sykes Creek Zone N, and Sykes Creek Zone T

The Board of County Commissioners, in regular session on November 12, 2024, authorized funding increases; and authorized the County Manager to execute associated Budget Change Requests for the Sykes Creek Zones M, N, and T Septic to Sewer Projects from the Save Our Indian River Lagoon Contingency Fund.

Your continued cooperation is always appreciated.

Sincerely,

BOARD OF COUNTY COMMISSIONERS
RACHEL M. SADOFF, CLERK

for: 
Kimberly Powell, Clerk to the Board

cc: County Manager
County Attorney
Finance
Budget

Sykes Creek Zones M, N and T Septic to Sewer Project

