

## **Rotonda Sands and Rotonda Meadows MSBUs for utilities expansion**

### **Background**

In February 2006, the Charlotte County Board of County Commissioners (CCBCC) approved the creation of four Municipal Benefit Service Units (MSBUs) for sewer expansion. At the request of numerous Rotonda-area property owners, two of these MSBUs are Rotonda Sands and Rotonda Meadows. On April 25, the BCC approved the initial resolution for these four MSBUs, including estimated costs.

Charlotte County Utilities (CCU) is attempting to secure State Revolving Fund (SRF) funding for the Rotonda Sands and Meadows expansion projects. If successful, the SRF funding would finance the upfront costs of the projects, and these funds would be repaid by the affected property owners through the MSBUs.

Boyle Engineering, an engineering consulting firm, was awarded the contract for the design of the Rotonda Sands and Meadows sewer and reclaimed water expansion projects. The preliminary design is nearly complete and a draft report has been submitted to the Florida Department of Environmental Protection (FDEP) in support of the SRF application.

The County is currently negotiating the final design phase, which will be followed by permitting and then construction. If funding is received and the project is approved by the CCBCC, final design could begin as soon as July/August 2006. In the best-case scenario, construction in Rotonda Sands would begin in July 2007 and could be finished as early as April 2008. Depending on the contractor(s) selected and their timetable(s), both Sands and Meadows could be constructed simultaneously; otherwise, Sands will be completed before Meadows, as the Charlotte County Public Works (CCPW) department has scheduled a paving project for Rotonda Sands to begin in 2008, with Rotonda Meadows to follow in 2010.

Ultimately, CCU's goal is to proceed with these expansion projects as rapidly and economically as possible.

Preliminary design plans call for the installation of sewer and reclaimed water infrastructure throughout Rotonda Sands and Meadows. Sewer and reclaimed water connections would be provided for each residential lot.

The infrastructure would consist of 4, 6, and 8-inch lines. The preliminary plan is to lay these lines five feet apart in the same trench, which will help keep the project costs as low as possible.

### **What is a Municipal Service Benefit Unit (MSBU)?**

MSBUs are created by County ordinance as a funding mechanism to provide specific services to defined areas. The major benefit is that the costs for services within a specific area are evenly assessed on each property within the benefit unit. In the case of Rotonda

Sands and Rotonda Meadows, MSBUs have been created specifically to fund the installation of sewer and reclaimed water infrastructure in these developments.

In an MSBU, revenue is derived from non-ad valorem assessments (literally, “no value,” meaning the assessment is not based on the value of the individual properties). This assessment is certified to the tax collector for collection and appears on your tax bill as a separate line item. All monies collected within a specific MSBU must be spent within that MSBU. Funds cannot be transferred or spent on a different area.

The annual cost of the projects in each MSBU is divided by the total number of Equivalent Residential Units (ERUs) within that MSBU, resulting in an assessment per ERU. ERUs may be calculated based on front footage, lots, acreage or value. The method used for each MSBU is defined in its resolution.

### **What is Low Pressure Sewer (LPS)?**

The Low Pressure Sewer (LPS) system consists of a holding tank and a small, submersible pump. A typical residential LPS tank is 900 gallons. The tank is installed in the property’s yard, below the ground surface. Wastewater from the tank is pumped automatically through a small pressure line that transports it to a lift station and then pumps it to the wastewater plant for treatment.

After much research, Charlotte County selected LPS over gravity sewer for the Rotonda MSBUs in an effort to keep costs lower for affected property owners. Because each LPS unit includes its own small pump, this minimizes the number of lift stations required, thus reducing overall project costs.

As part of the Rotonda Sands and Meadows MSBUs, the County will install all necessary wastewater collection infrastructures, including a connection point for each property. Each property owner will be responsible for the installation of an individual LPS system, which CCU will maintain as part of its wastewater system. CCU will provide a list of approved LPS contractors and will inspect and approve all work once the installation is complete. Once installed, CCU will be responsible for all future maintenance and repairs to the LPS system. Even during the warranty period, CCU will work directly with the installer so you do not have to.

Among other requirements, an LPS holding tank must be located in the front of the house, opposite the driveway and at least five feet from the house. If you plan to build before the utilities infrastructure is in place, please have your builder contact the CCU Engineering department so we can work together to ensure your system is installed in a manner that will allow it to be converted to LPS in the future.

Your builder will negotiate with the LPS installer, but, in today’s dollars, a new LPS installation would cost between \$2,800 and \$3,500. Based on escalating construction costs, this number could change over time.

Retrofits: For developed properties, CCU will work with homeowners to convert the existing septic system to an LPS system. Once the homeowner pays the CCU connection fees, CCU will make an appointment to inspect your system and see what is needed. The actual retrofit process should take no more than a few hours and there should be no system downtime unless we have to replace the tank.

Today, a retrofit would cost approximately \$2,000, but this cost could fluctuate considerably over time. As part of the retrofit, the homeowner would also be responsible for contracting an electrician to create a dedicated circuit for the LPS control panel (approximately \$350), and for required permitting costs.

Each LPS system includes an alarm to alert the customer if there is a problem. If the alarm sounds, the resident is asked to push the reset button located on the control panel and call the number on the control panel. A CCU LPS technician is immediately dispatched to investigate the cause of the alarm and make any necessary repairs. In the event of a power failure, the LPS pump will not operate. However, reserve capacity in the holding tank allows up to one day of normal water usage. If a long-term power failure should occur, the ability to use the system will be reduced and continued use could result in a back up of sewage into the house.

#### **What is reclaimed water and why do we need it?**

Reclaimed or reuse water is wastewater that has been treated to make it safe for non-potable use, such as irrigation. CCU operates four water reclamation facilities, or wastewater plants, two of which, Rotonda and West Port, are located in West County. These plants will serve the Rotonda Sands and Meadows developments, both for wastewater treatment and to provide reclaimed water for irrigation.

Boyle Engineering is currently designing the expansion of CCU's Rotonda plant to 2 million gallons per day (MGD) capacity. Construction is expected to begin in September 2006 and be completed by December 2007. As part of the plant expansion, the plant is being converted to a membrane filtration system that will produce better quality reclaimed water.

Following a recent expansion, CCU's West Port is currently permitted for 1.2 MGD capacity. The plants are interconnected, allowing CCU to send excess wastewater flows from Rotonda to West Port as needed, taking advantage of the excess capacity at West Port. Additionally, CCU has an agreement with Englewood Water District, which allows EWD to accept and treat wastewater flows from CCU. EWD may also provide reclaimed water for CCU customers in the future.

As part of the design plan for Rotonda Sands and Meadows utility infrastructure, a reclaimed water connection would be included for each property. It would be the responsibility of the individual property owner to install and maintain a compatible irrigation system to distribute the reclaimed water.

Lawn irrigation accounts for the largest percentage of most customers' water usage. Gallon for gallon, reclaimed water is significantly less costly than potable water. Water is one of our most precious natural resources, particularly in Southwest Florida. Reclaimed water customers can be proud to practice good water conservation while realizing potential savings on their utility bills.

The installation of reclaimed water infrastructure accounts for a significant portion of the costs for the Rotonda Sands and Meadows MSBU projects. One reason this service was included in the MSBU is to help secure the State Revolving Fund (SRF) funding, which is necessary to finance these projects. If approved, SRF funding will cover the upfront costs of these projects, allowing property owners to spread the payment amount over a 20-year period, if desired. Without SRF funding, CCU would be unable to fund these MSBUs. On prior projects associated with SRF funding, CCU has been encouraged to include reclaimed water.

**What are the estimated costs of this project?**

Costs provided at this time are preliminary and subject to change based on interest rates, the securing of SRF funding and escalating construction costs, among other things. The estimated total project costs were approved by the BCC at its April 25 meeting.

For **Rotonda Sands**, the total project costs for sewer and reclaimed water are estimated at \$31.5 million (including interest over 20 years). If this figure remains unchanged, the cost to individual property owners would be \$625.51 per year for 20 years, levied as an MSBU assessment on the tax bill.

For **Rotonda Meadows**, the total project costs for sewer and reclaimed water are estimated at \$30 million (including interest over 20 years). If this figure remains unchanged, the cost to individual property owners would be \$560.86 per year for 20 years, levied as an MSBU assessment on the tax bill.

**Can I pay my portion up-front? What are my payment options?**

We recognize that many property owners would prefer to pay their assessment up front and in full, to avoid the accumulation of interest charges. For the Rotonda Sands and Meadows MSBUs, property owners will be required to pay the first year's assessment, including interest, through their tax bill. After the first year, prepayments will be allowed for those interested; property owners will be allowed to pay the balance in full and without interest charges on the remaining portion.

After the first year, the County will have a better idea of the actual project costs, including interest rates, as well as design, construction and materials costs. This will allow us to more accurately calculate the total cost per property owner to avoid having to process additional payments or refunds when the true costs are realized.

**Important dates:**

As part of the MSBU process, public hearings are held to allow property owners to express their opinions about the project to the Charlotte County Board of County

Commissioners. We encourage you to attend. Ultimately, it is the CBBCC that must vote to approve or deny these projects, thus, if you have something to say, it is important that the Commissioners have the opportunity to hear from you.

**MSBU Public Hearing**

Thursday, July 13, 5:01 p.m.

Lemon Bay High School, Englewood

If you have any further questions about the Rotonda Sands and Meadows utilities expansion projects, please contact Leigh Sprimont, CCU Community Relations Manager, at (941) 764-4520 or via e-mail at [leigh.sprimont@charlottefl.com](mailto:leigh.sprimont@charlottefl.com).