



Legislation Text

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Urban Core Redevelopment Area Wastewater Master Plan - Funding Alternatives Referral Item #060659 (B)
Much of the urban core area in Gainesville, including most of the area encompassed by the City's four Community Redevelopment Districts, is served by the gravity sewer system connected to the Main Street Water Reclamation Facility. The gravity collection system serving the urban core provides reliable service and has adequate capacity for current wastewater customers, and for redevelopment projects which are currently proposed. However, future redevelopment in the urban core area may result in the need for major trunk main capacity upgrades in the gravity collection system. The City's wastewater extension policy requires that new developments pay the cost of capacity improvements needed to serve them. It was recognized that in some cases costs for major wastewater collection improvements could become an impediment to redevelopment in the redevelopment districts if funding mechanisms are not developed to assist in the costs for future capacity upgrades.

Staff has developed an urban core area wastewater collection master plan. The objectives of this plan are to: 1) Determine existing collection system capacities; 2) Determine available capacity for future growth/redevelopment; 3) Identify collection system capacity improvements, estimated costs and estimated timing; 4) Develop funding mechanisms to assist in paying for capacity improvements; and 5) Implement policies for funding these improvements.

The master plan is limited to trunk mains (pipes 12 inches and larger in diameter); costs for smaller "collector" upgrades and extensions will continue to be addressed under current policies.

On December 18, 2006 staff presented to the Community Redevelopment Agency (CRA) Board the results of the evaluations of system capacities, required improvements and estimated costs for improvements (Items 1-3 above), and presented a preliminary evaluation of potential funding alternatives. The CRA referred this item to the Regional Utility Committee (RUC) in order to develop specific recommendations for mechanisms and policies to assist in funding future capacity improvements (per Items 4 and 5 above).

GRU and General Government staffs coordinated to develop and evaluate funding alternatives. Staff presented these alternatives along with funding recommendations to RUC on March 13, 2007. RUC has accepted staff's recommendations with minor modifications.

City Commission hear a brief presentation from staff on the urban core wastewater collection system master plan and direct that, for projects in the urban core area only, GRU amend its existing sewer extension policy which requires developers to pay 100% of the cost of sewer improvements to provide capacity for new development. Amendments to GRU's extension policy are as follows: 1) General ratepayer funds will be used to make sewer improvements at locations in which capacity is constrained due to sewer slope; 2) The City Attorney be directed to prepare, and the City Clerk to advertise an ordinance to implement levelized connection charges to fund a portion of the cost of projects to increase trunk sewer capacity to accommodate new development in the urban core area; 3) The balance of the cost for capacity improvement projects in the urban core area will continue to be the responsibility of the developer without further use of utility funds; and 4) This item be removed from the referral list.

The estimated cost for future gravity trunk main wastewater collection system capacity upgrades over the next 5 to 10 years is approximately \$2 to \$4 million. The timing of construction and incurring of costs for these upgrades will be determined based on capacity needs of future redevelopment projects. No improvements are required based on the development projects that are proposed at this time. Staff will make budget recommendations for improvements as

timelines for capacity needs become better defined.

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Submitted by Regional Utilities Committee