



# STAFF REPORT

## CITY OF GREEN COVE SPRINGS, FLORIDA

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**TO:** City Council Regular Session **MEETING DATE:** March 12, 2024  
**FROM:** Scott Schultz, Assistant Water Utilities Director  
**SUBJECT:** City Council approval of, and authorization for the mayor to execute, a contract between Sundew Mitigation Bank, LLC and the City for purchase of mitigation credits (property) for release of conservation property from the St. Johns River Water Management District, to replace a sewer force main, or convert from force main to gravity sewer, for Lift Station # 318 / Shinnecock, in Magnolia Point. The cost of the 0.69 credits (approximately 0.21 acres) is \$34,500.00.

### BACKGROUND

On 8/21/2018 Council ratified the submittal by staff for an HMGP grant application for installation of a generator and other improvements at Lift Station #6. The total estimated cost of the project was \$107,400.00. The City has received a grant amount of \$80,550.00, or 75% of the project cost. This project must be complete by December 31, 2021.

On 2/4/2020 Council approved of and authorized the mayor to execute the actual contract.

On 11/17/2020 Council approved the purchase of the generator, for which the city had received a cash advance for 75% of the purchase price.

During the planning stages staff discovered that there was an opportunity to possibly convert the lift station to a gravity sewer system, eliminating the station and the mechanical / electrical components entirely.

On March 15, 2022, Council approved Contract Modification #1 to extend the contract expiration date for staff to further analyze the conversion to gravity or complete the project as originally approved.

After further evaluation, staff attempted to convert the HMGP project from lift station improvements and purchase of a generator to conversion of the system from force main to gravity. Due to the length of the permitting process to excavate in an established conservation zone where the force main is located, HMGP did not agree to the change and staff decided to complete the project as originally planned while continuing to prepare for possible elimination of the station.

During continued evaluation staff discovered that the utility easement through the conservation zone was never recorded. Staff completed a survey, and an analysis of environmental impact to the conservation zone, which was the determinant as to the amount of land that had to be mitigated to perform any work in the utility easement.

On 7/25/2022 Council approved, and the mayor executed, a mitigation contract with TGC Sundew / Nochaway, LLC. After almost two additional years of painful negotiations with SJRWMD staff are close to completing the transaction. However, a check request was issued in July of 2022 but somehow

the payment was never received by Sundew. This is causing the re-negotiation and reissuing of the mitigation contract.

Upon approval and purchase of this mitigation contract, all the criteria for staff to request a release of the easement through the conservation zone from SJRWMD will be complete. This release is required for repair of the existing force main or conversion of the force main to gravity sewer.

The City Attorney has reviewed the referenced contract.

#### **FISCAL IMPACT**

\$34,500.00 from the Wastewater Department Capital Improvement Program (CIP) budget.

#### **RECOMMENDATION**

Approve of, and authorize the mayor to execute, a contract between Sundew Mitigation Bank, LLC and the City for purchase of mitigation credits (property) for release of conservation property from the St. Johns River Water Management District, to replace a sewer force main, or convert from force main to gravity sewer, for Lift Station # 318 / Shinnecock, in Magnolia Point. The cost of the 0.69 credits (approximately 0.21 acres) is \$34,500.00.