

Memorandum



Date: February 26, 2025

To: Honorable Chairman Anthony Rodriguez
and Members, Board of County Commissioners

From: Daniella Levine Cava *Daniella Levine Cava*
Mayor

Subject: Progress Report on the Implementation of the Development Required Infrastructure Policy (DRIP) Criteria -- Directive No. 241791

Agenda Item No. 2(B)(2)
March 18, 2025

Executive Summary

On September 17, 2024, the Board of County Commissioners approved Resolution No. R-821-24, sponsored by Commissioner Raquel Regalado, which established the Development Required Infrastructure Policy (DRIP). This policy aims to address the need for water and sewer infrastructure upgrades in rapidly developing areas while streamlining the processes to support new developments and reduce the burden on individual developers. Further, the resolution directed the County Mayor or County Mayor's designee to develop specific criteria for implementing DRIP and to submit these criteria to the Board. This memorandum provides a progress report, detailing the actions taken to advance the implementation of the DRIP.

The Miami-Dade Water and Sewer Department (WASD) has identified five high-priority areas—Wynwood, Midtown, Edgewater, Brickell, and Downtown—where infrastructure capacity is insufficient to support ongoing development. Additional areas will be prioritized annually through a "heat map" that tracks development trends. To expedite implementation, WASD is utilizing existing Professional Services Agreements (PSAs) for design work and expects to secure new PSAs within 12 months. A streamlined permitting process, coordinated with the Regulatory Economic Resources Department (RER), will fast-track DRIP projects, with progress tracked in the e-Builder system. Funding for DRIP includes \$40 million allocated for the program, with annual expenditures capped at \$5 million, drawing from renewal and replacement funds and plant expansion funds as appropriate. As of this report, three developments in the prioritized areas have expressed interest in joining DRIP, with preliminary meetings completed and projects ready for implementation.

Status

The Resolution established that DRIP be developed and implemented in accordance with the following criteria:

1) The Miami-Dade Water and Sewer Department (the "Department") will create a prioritized list of areas where it will implement this Policy:

The Department is currently evaluating the areas of the County with the most development occurring and areas where development is expected to increase due to available growth potential either due to being underdeveloped sites or where there are incentives for higher-density redevelopment, such as rapid transit zones. These areas may have infrastructure that lacks adequate capacity. Currently, five areas have been identified where gravity sewer upgrades are required likely to be required and could be eligible for DRIP. Three of the identified areas are in District 3—Wynwood, Midtown and Edgewater. The other two identified areas are in District 5—Brickell and Downtown. All five areas are

experiencing significant development and redevelopment that exceed the capacity of the existing infrastructure.

Prioritization of these areas will be an ongoing process, as multiple variables can impact where development or redevelopment occurs. WASD will work closely with the Department of Transportation and Public Works (DTPW), RER, and municipalities to update trends as they become available. A yearly “heat map” report will be developed to highlight areas with the largest number of development opportunities. For instance, it is anticipated that Little River and other communities within District 2 will become candidates for redevelopment once the Connect 2 Protect Program provides sewer services to these areas.

As additional areas and needs are identified, the Department will prioritize them based on the goals and objectives outlined in the Comprehensive Development Master Plan (CDMP) Adopted Components, particularly Element V for Water and Sewer. Prioritization will also consider any additional policy decisions made through the CDMP process, the level of potential development or redevelopment in the area, and the age and condition of existing infrastructure.

2) *Through the County’s Procurement Process, the Department will procure contracts with a group of design consultants:*

WASD intends to implement DRIP as soon as possible, given the urgency of infrastructure improvements. Therefore, while a new solicitation is being procured for a group of design consultants, WASD plans to utilize available Professional Services Agreements that were competitively selected for the design of water mains, wastewater force mains, and gravity sewers. These contracts are currently being used for capital improvement projects; however, it is within their scope to help execute DRIP. WASD anticipates that the new PSAs for DRIP will be selected within 12 months.

- SPD Project# E23WS04 – Non-Exclusive Professional Services Agreement for Engineering Design and Related Services for Water and Wastewater Infrastructure (Watermains, Forcemains, Gravity Sewers, and Water and Sewer Pump Stations); 4 contracts @ \$750,000
- SPD Project # E23WS02 - Non-Exclusive Professional Services Agreement for Engineering Design and Related Services for Water and Wastewater Infrastructure (Watermains, Forcemains, Gravity Sewers, and Water and Sewer Pump Stations); 4 Contracts @ \$3 million
- SPD Project # E23WS03 Non-Exclusive Professional Services Agreement for Engineering Design and Related Services for Water and Wastewater Infrastructure (Watermains, Forcemains, Gravity Sewers, and Water and Sewer Pump Stations); 10 contracts @ \$ 6 million

3) *Through the County’s Procurement Process the Department will create a pool of contractors, who will construct the upgraded infrastructure for those projects the Department is undertaking:*

The Department recommends utilizing the Miscellaneous Construction Contracts (MCC) Program managed by the Small Business Development Department (SBD). The MCC 7360 Emergency Response Team (ERT) Sub-Pool 4 and/or the 7360 ERT Sub-Pool 1 is comprised of previously vetted contractors that meet the Department’s minimum qualifications and experience for such work and are experienced in the subsurface conditions in Miami-Dade County (high water table, dewatering requirements, and geology).

Further coordination with SBD is expected to ensure that the procurement process is streamlined.

4) *The Department shall develop the methodology for calculating such charges and where applicable, shall incorporate such charges into the Department's standard developer agreement:*

The Department recommends the following cost sharing models:

- For water main improvements, costs would be recovered through construction connection charges in dollar per foot. The quantity of feet is based on the developer's frontage to the infrastructure being upgraded. The rates, as defined in the Rules and Regulations, were updated last year and confirmed to be sufficient.
 - 8-inch diameter water main: \$110/ft
 - 12-inch diameter water main: \$137/ft
 - 16-inch diameter water main: \$172/ft
- For wastewater (gravity sewer and force main) improvements, costs would be recovered through construction connection charges based on the following formula regardless of whether the development is abutting the improvement. If they are upstream and benefitting, the development would be required to contribute as follows:
Developer's Contribution = (A x C) / B, where:
 - A = Cost of the Infrastructure Upgrade
 - B = Increased Average Day Flow (ADF) Capacity (in gallons) due to Infrastructure Upgrade
 - C = Developer's calculated ADF (per Miami-Dade Code Chapter 24)

The Department will collect cost until the infrastructure improvement is fully paid. Additionally, the Department will incorporate such charges into the Department's standard developer agreement and the developers will pay for their prorated cost upon signing.

5) *County Mayor is directed to develop a streamlined permitting process for such projects, similar to the process available for affordable housing projects that was adopted in response to Resolution No. R-1079-19:*

WASD and RER met to coordinate the permitting process for DRIP projects. Both parties agreed to the following:

- DRIP projects will be identified by WASD
- DRIP projects will be designed by a consultant as assigned by WASD
- The WASD Project Manager will submit the approved (100%) design drawings to the permitting agencies (RER) for permit issuance
- DRIP projects will be tracked and expedited through the e-Builder system

6) *County Mayor or County Mayor's designee to identify sources of legally available funds for DRIP, and allocate such legally available funds in the Fiscal Year 2024-2025:*

The Department recommends utilizing renewal and replacement funds for the in-kind replacement (same diameter) and plant expansion funds for the added capacity to the system (e.g. from an existing 8-in pipe to 16-in pipe that will provide additional capacity to the system).

The Department's Bond Consultant, Arcadis, and the County Attorney's Office have provided their professional opinion that the use of funds contemplated above for the proposed Development Required

Infrastructure Policy is "consistent with the Master Bond Ordinance definition of uses of funds in the Plant Expansion Fund" and is permissible under the bond documents.

The Department recommends allocating \$40,000,000 to this program and to limit the annual expenditure to an amount not to exceed \$5,000,000 per year.

Results of DRIP

As of the date of this report, three developments have communicated to WASD their desire to enter into the DRIP; WASD has held preliminary meetings and is ready to move forward with implementation, as these developments are within the prioritized areas.

Pursuant to Ordinance No. 14-65, this report shall be placed on the next available Board meeting agenda. Should you require additional information, please contact Amanda Kinnick, Interim Director, Water and Sewer Department at Amanda.Kinnick@miamidade.gov.

cc:

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