



Fort Lauderdale, FL

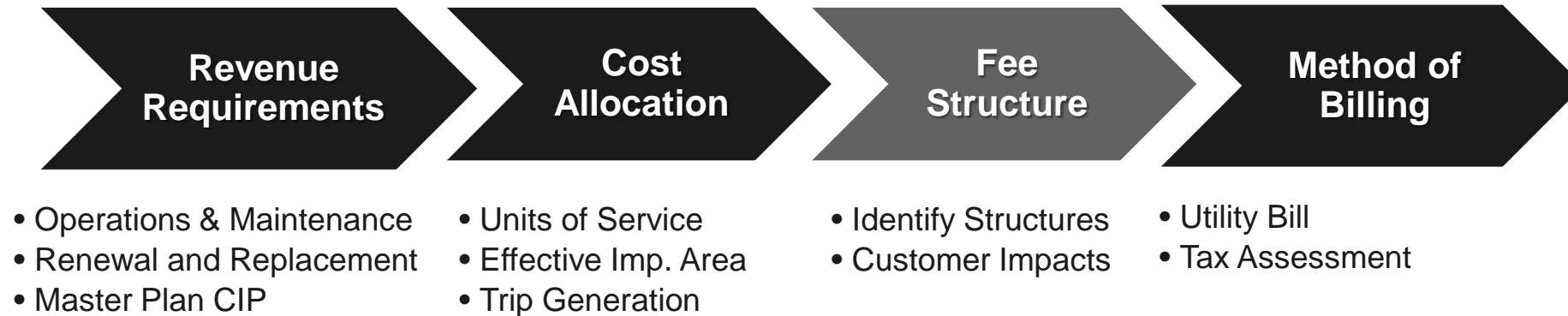
Stormwater Rate Study

Fee Work Session

November 19, 2019



# Core Elements of the Study



# Project Timeline

2016

- Stormwater fee study analysis completed, and initial results presented.
- Trip generation and fee zones introduced as potential fee structures.

2017

- Refined version of fees presented to City Commission, which considered a hybrid approach between trip generation and the current structure.
- **City of Fort Lauderdale Infrastructure Task Force Committee-** Recommended the City Commission consider adopting a new stormwater rate methodology based upon the trip generation cost apportionment and to consider using the bond validation process immediately thereafter to validate the methodology.

2018

- **Budget Advisory Board-**Recommended that the City Commission change the methodology used for stormwater charges from using impervious surface to a trip generation model.
- City Commission provided direction to investigate hybrid structure further.
- Significant challenges arose regarding the ability to charge an updated fee using current billing data.

2019

# Revenue Requirements

# Near Term Needs of the Stormwater Utility

The Utility delivers service through three key areas:

- Operations and Maintenance (O&M) **\$11.5M** — **Funded**
- Renewal and Replacement Capital Projects **\$4M** — **Funded**
- Phase 1 Master Plan Capital Projects **\$200M** — **Unfunded**
  - *Edgewood*
  - *River Oak*
  - *Dorsey Riverbend*
  - *Durrs Area*
  - *Progresso*
  - *Victoria Park*
  - *Southeast Isles*

**Goal:** Ensure the Stormwater Utility has the resources needed to invest in and maintain the stormwater system that protects the City.

# Diagnostic Scenario

FAMS-XL

FT. LAUDERDALE STORMWATER



CALC SAVE CTRL LAST OVR

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2023	FY 2028
Stormwater Revenue Plan	0.00%	16.67%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	16.67%	16.67%
Senior-Lien DSC	0.00	2.86	0.82	0.60	0.52	0.44	0.37	0.17	0.11	0.07	0.05		

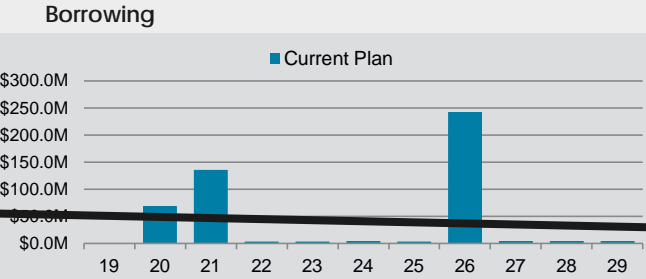
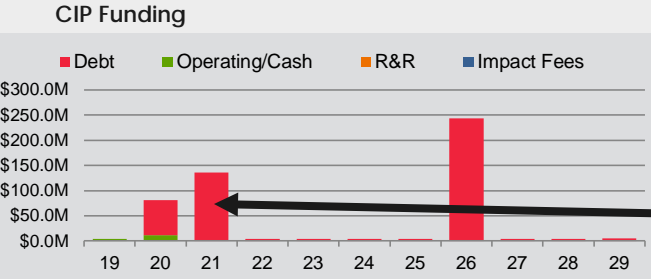
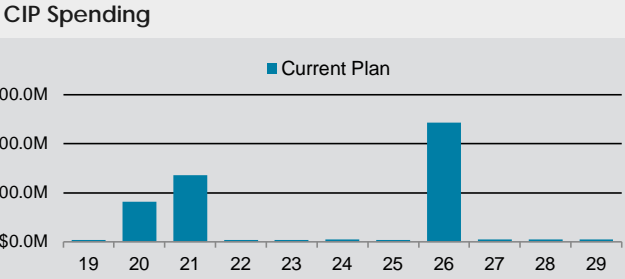
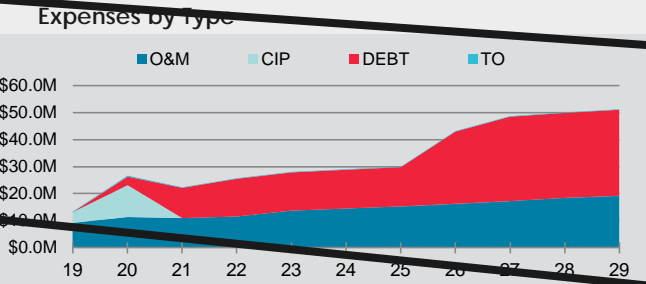
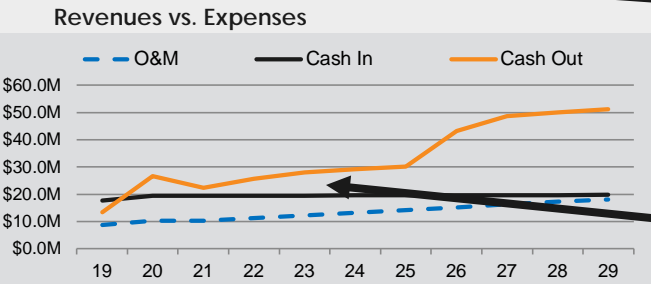
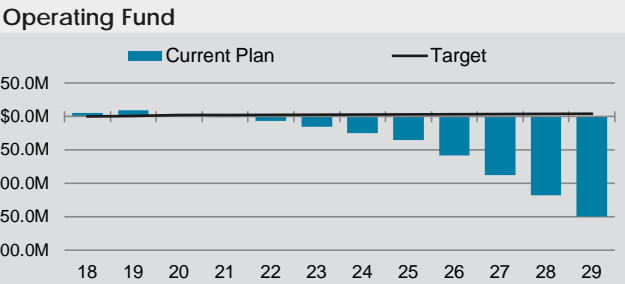
Scenario Manager

Current  
Revenue Level

Impaired  
Coverage

Deficit Spending

Debt Financing



# Required Revenue Adjustments

FAMS-XL

FT. LAUDERDALE STORMWATER

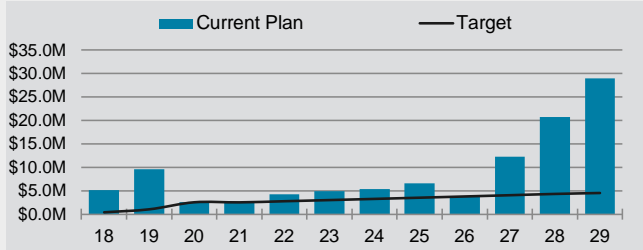


CALC SAVE CTRL LAST OVR

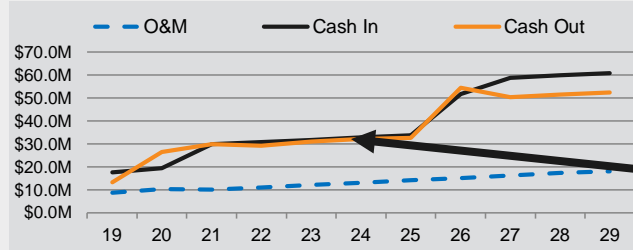
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2023	FY 2028
Stormwater Revenue Plan	0.00%	16.67%	54.00%	3.02%	2.91%	2.87%	2.79%	53.01%	37.68%	3.02%	1.83%	90.49%	345.12%
Senior-Lien DSC	0.00	2.86	1.82	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50		

Scenario Manager

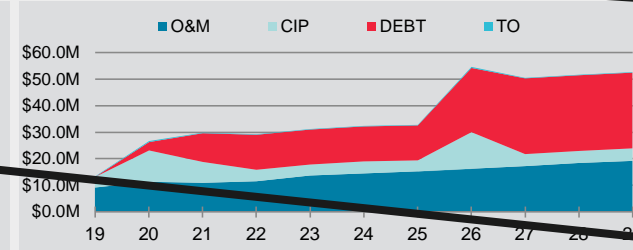
Operating Fund



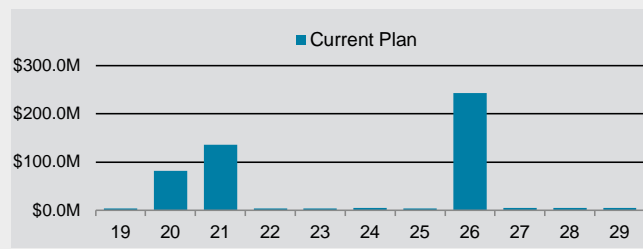
Revenues vs. Expenses



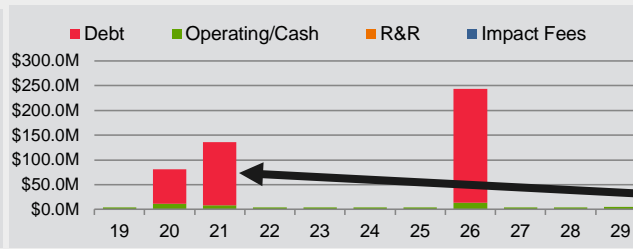
Expenses by Type



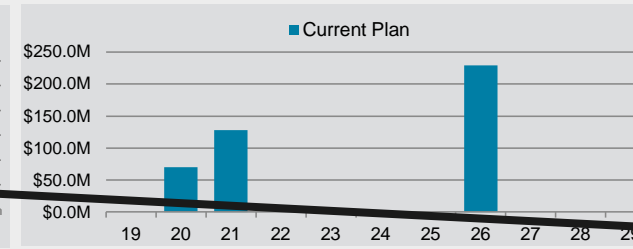
CIP Spending



CIP Funding



Borrowing



54% More  
Revenue  
Required

Proper  
Coverage

Balanced Cash  
Flow

Debt Financing

# Cost Allocation



# Options for Stormwater Cost Allocations

Recovery Basis

## Method for Measured Units on Parcel

Taxable Value

Dwelling Units

Gross Area

Pervious Area

Impervious Area

Trip Generation



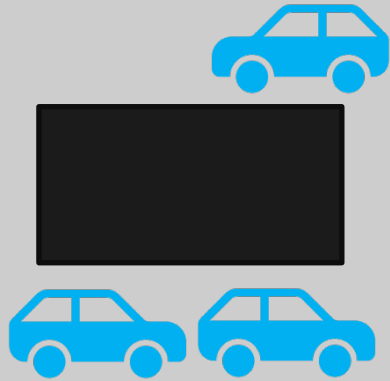
# ITE Trip Generation Rates & Specific Parcel Benefit

## Single Family (1 ERU)



9.52  
trips  
per  
day

## Gas Station/ Convenience Store (89 ERUs per 1,000SF)



845.60  
trips per  
1,000SF  
per day

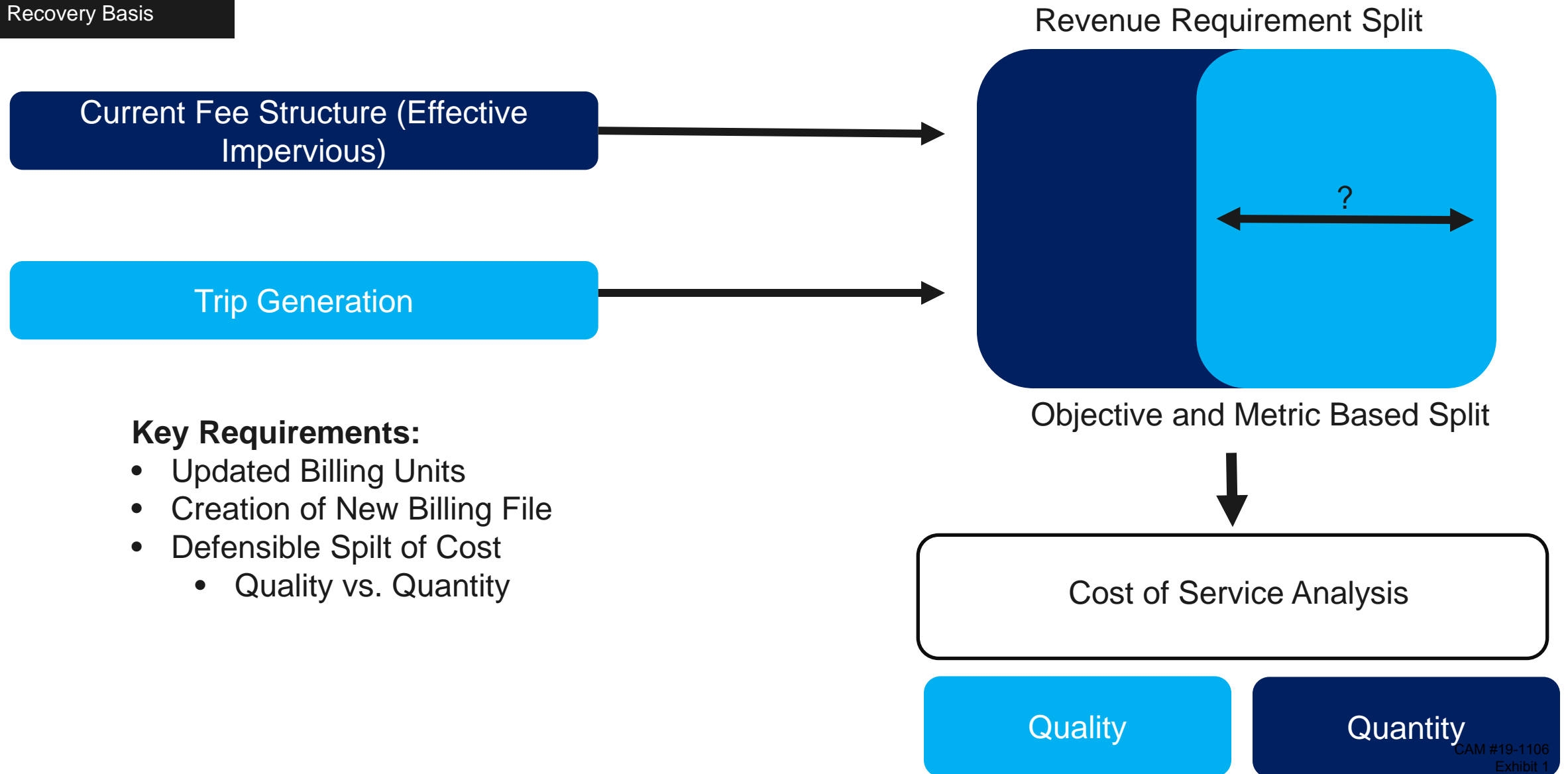
## Supermarket (11 ERUs per 1,000SF)



102.24  
trips per  
1,000SF  
per day



# The Hybrid Model



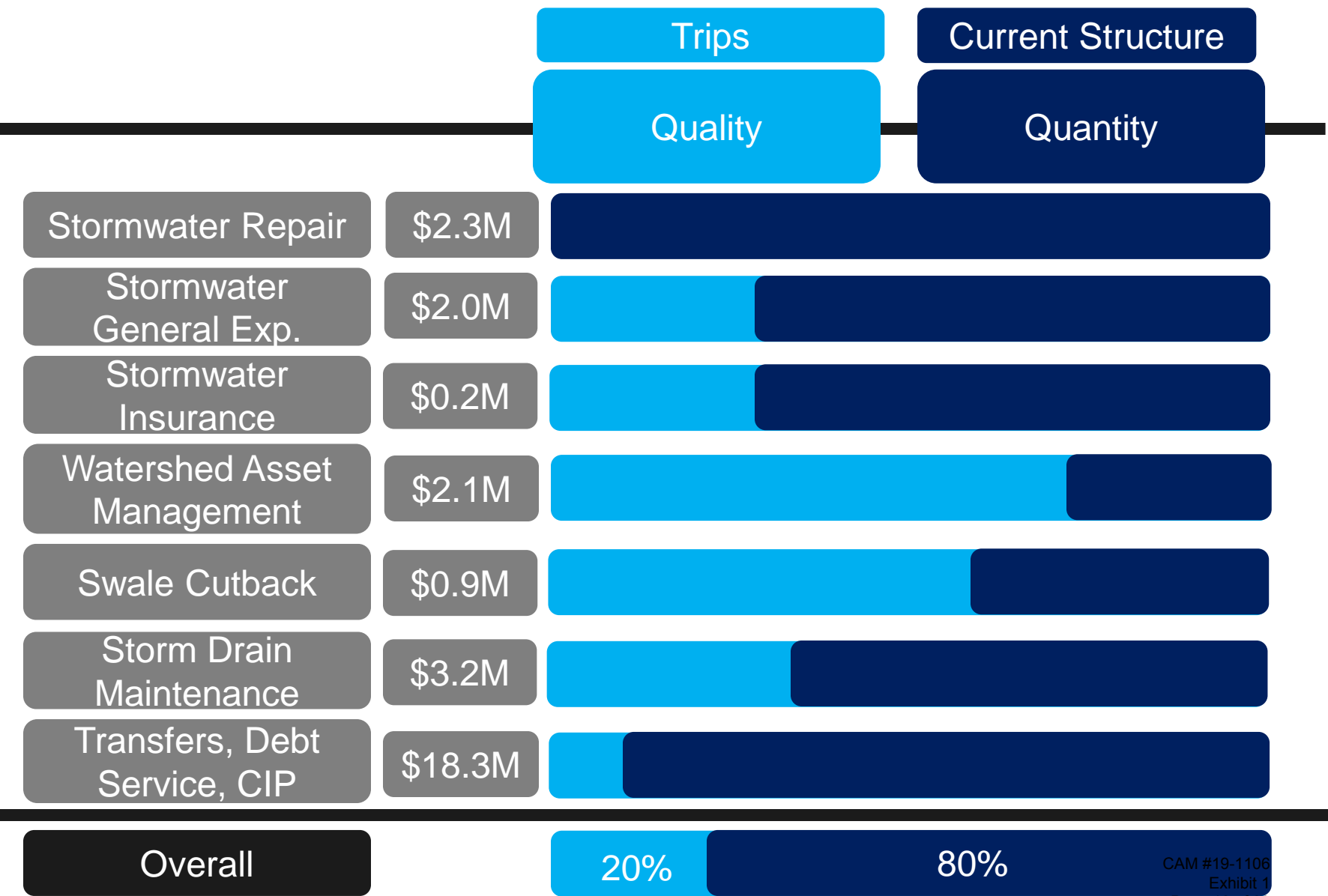
## Key Requirements:

- Updated Billing Units
- Creation of New Billing File
- Defensible Split of Cost
  - Quality vs. Quantity

# Cost Allocation

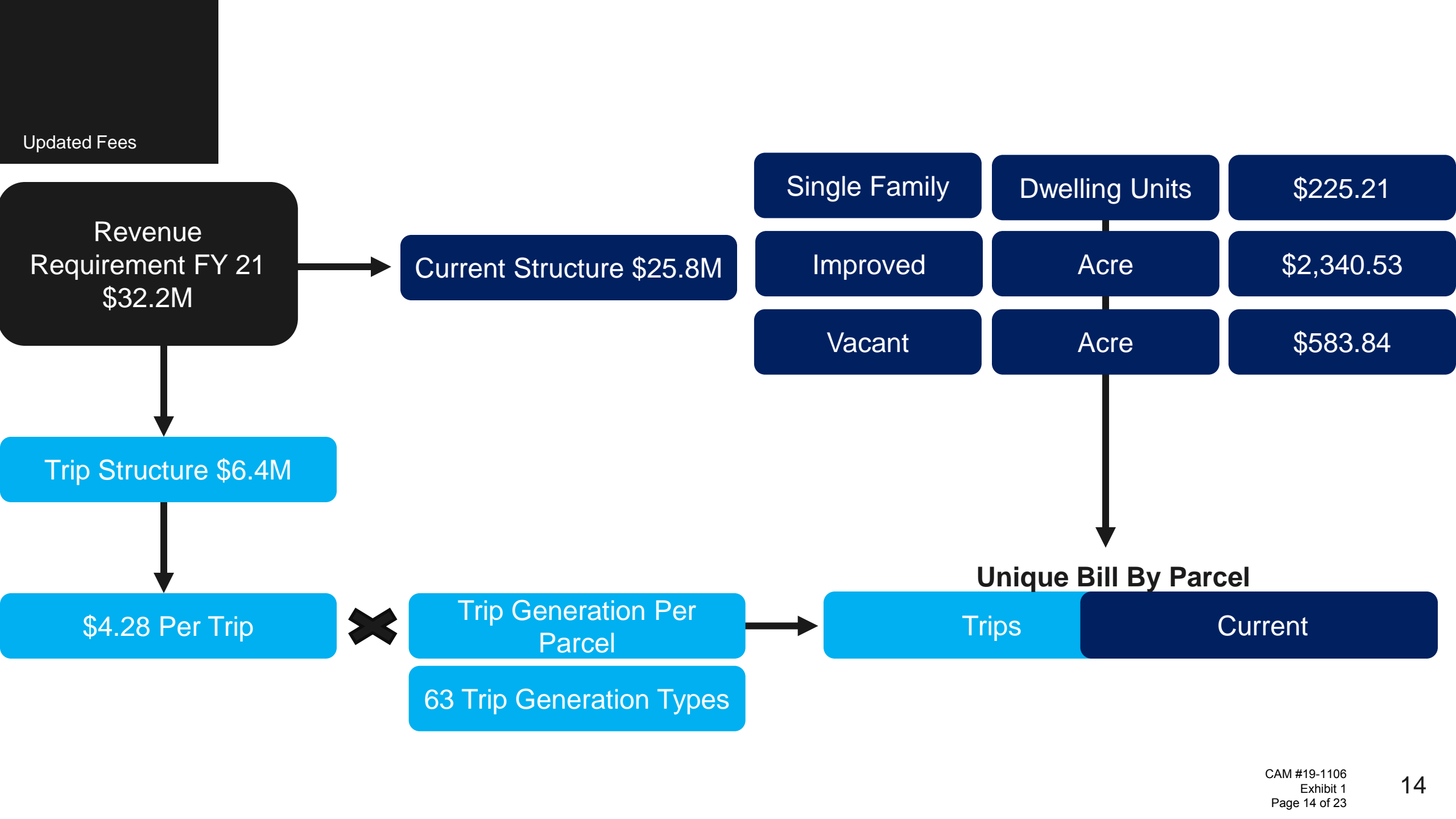
Recovery Basis

FY 2021 Expenses \$29M




# Fee Structure





Single Family Home (1 Dwelling Unit)



Current:	Annual \$168.00	Monthly \$14.00
Calculated:	\$225.21	\$18.77
Change:	\$57.21	\$4.77

Trip Generation

Current Structure

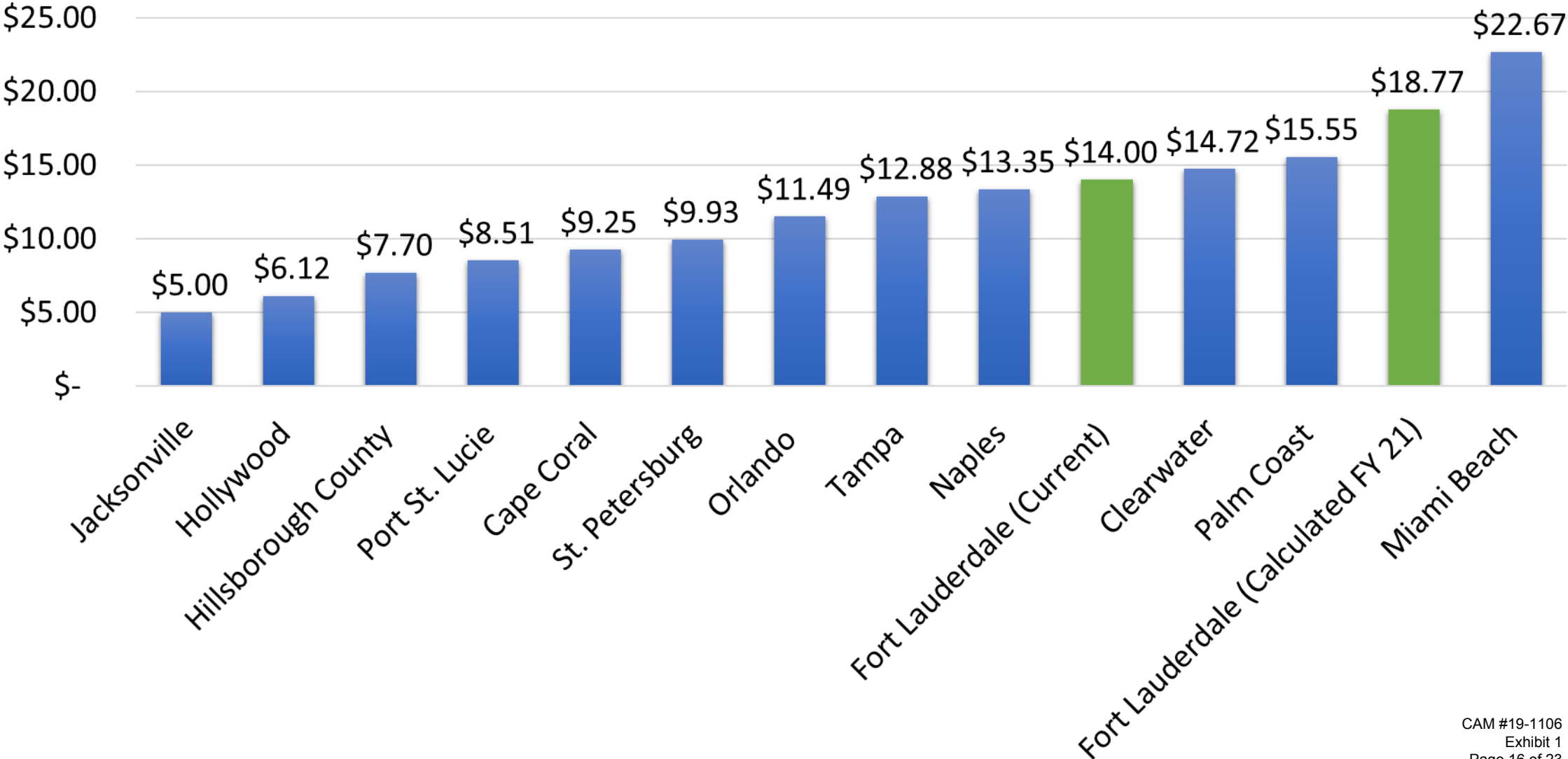
Bill Proportion:


15%

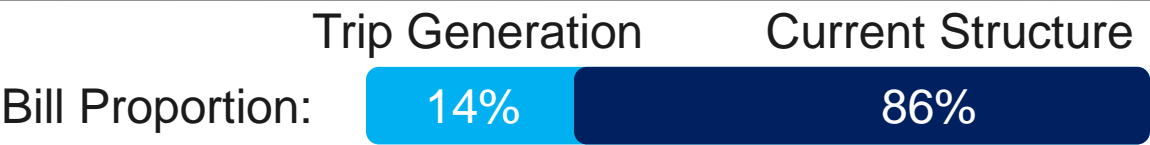
85%

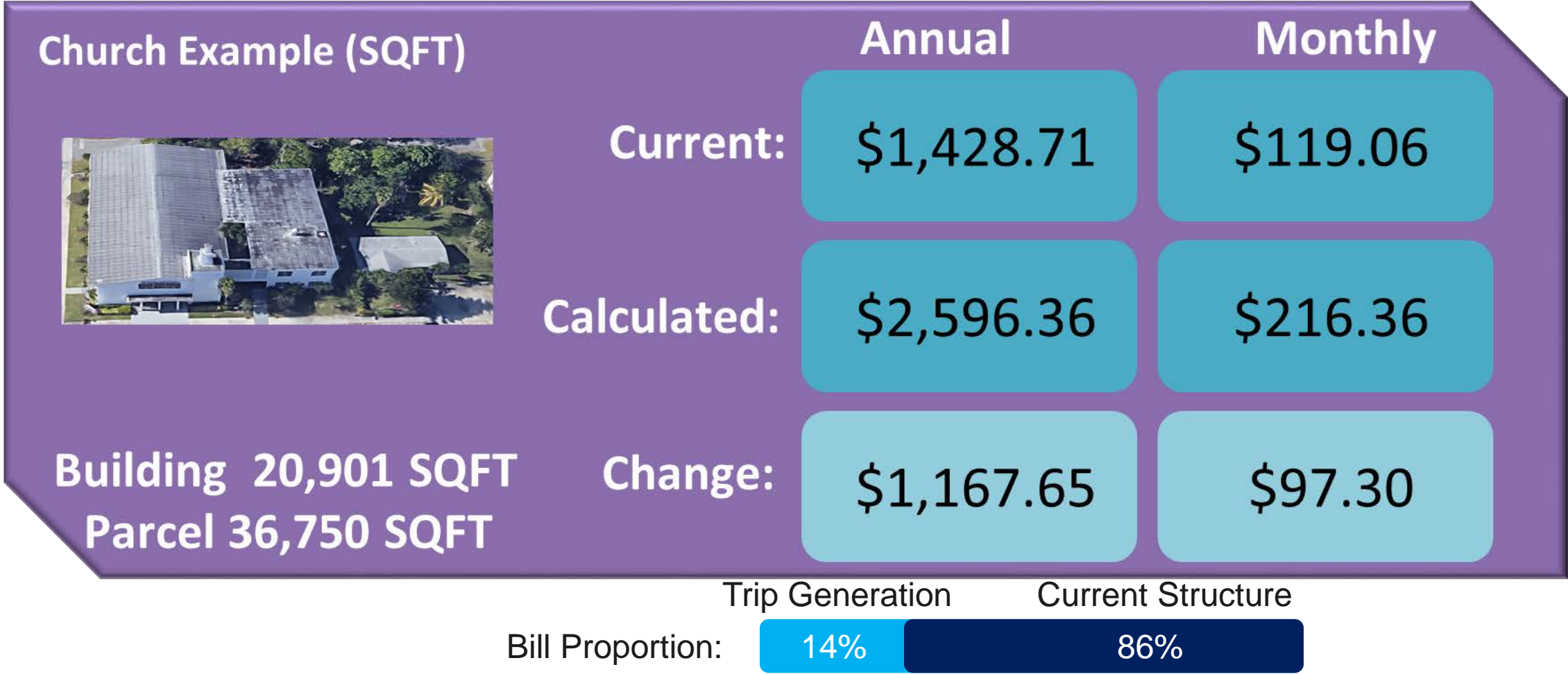
# Single Family Fee Survey

Updated Fees




Condo Example (Dwelling Unit)		Annual	Monthly
 110 Units	Current:	\$42.55	\$3.55
	Calculated:	\$77.86	\$6.49
	Change:	\$35.31	\$2.94





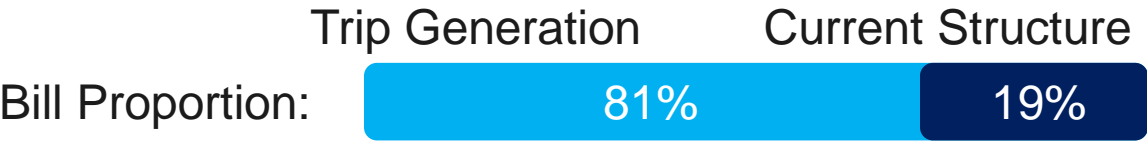




**Building 120,158 SQFT**  
**Parcel 82,526 SQFT**

**Commercial Example (SQFT)**

	Annual	Monthly
<b>Current:</b>	\$3,208.30	\$267.36
<b>Calculated:</b>	\$23,105.14	\$1,925.43
<b>Change:</b>	\$19,896.84	\$1,658.07



# Method of Billing

# Stormwater Revenue Collection Method

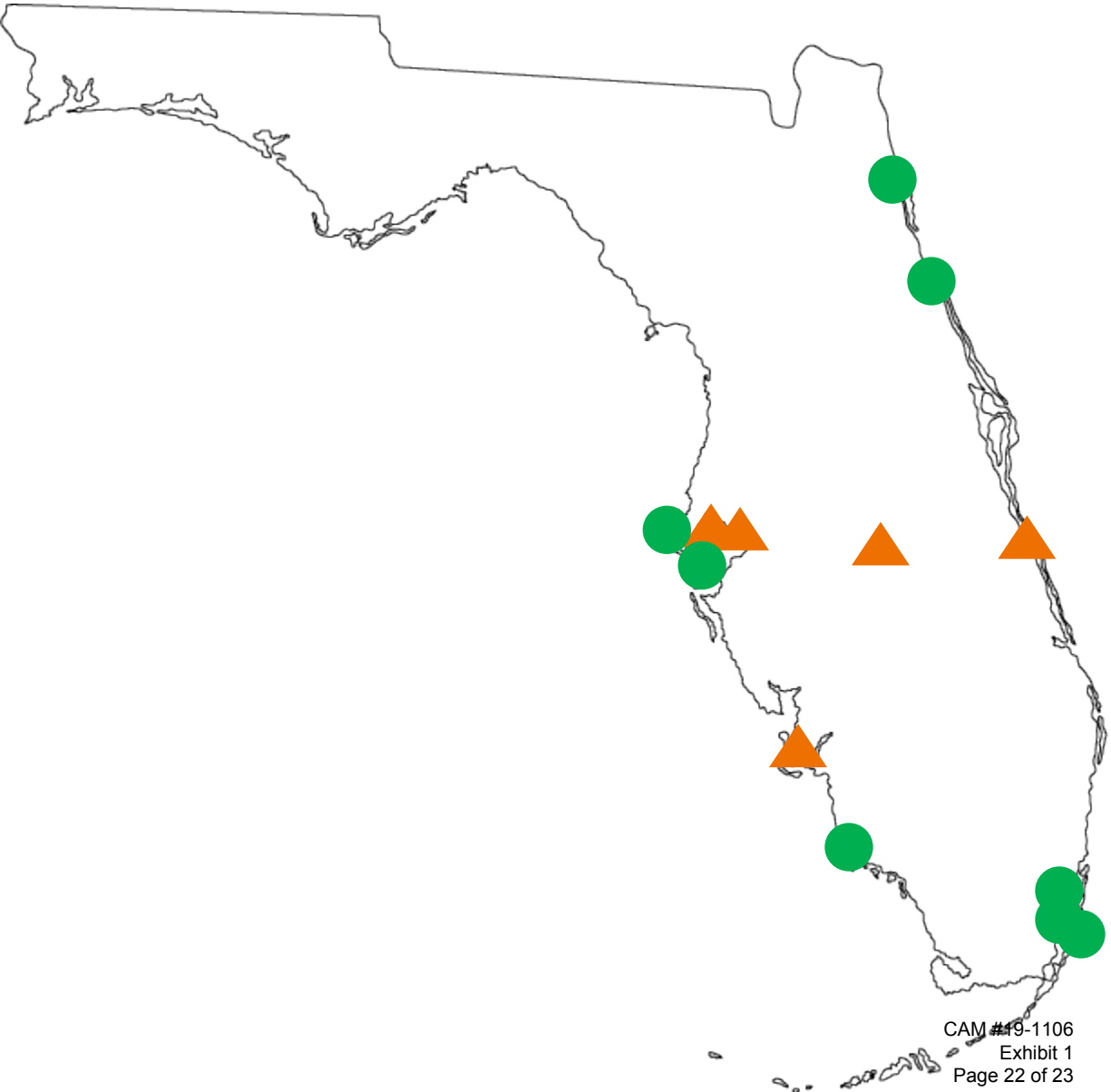
Recommended

PRO	Utility Billing – Current City Method	Non-Ad Valorem Assessment
	Easier to Change the Fee	Greater Accuracy and More Equitable
CON		High Collection Rate
		Lower Staff Administration
		Updated With Tax Roll
		Property Owner vs. Renter Paying
CON	Difficult to Manage and Update	Strict Timeline
	Collection Issues / Write-off	Public Notice
	Nonactive Utility Customers Are Not Billed/Paying Fee	Tax Collector Cost
	Reduced Revenue and Subsidized by Others	

# Comparable Municipal Survey

Method of Collection

Utility	Assessment 	Utility Bill 
Fort Lauderdale		X
Tampa	X	
St. Petersburg		X
Miami Beach		X
Palm Coast		X
City of Jacksonville		X
Hollywood		X
Cape Coral	X	
Hillsborough County	X	
Port St. Lucie	X	
Orlando	X	
Clearwater		X
Naples		X





Additional Questions/Discussion



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