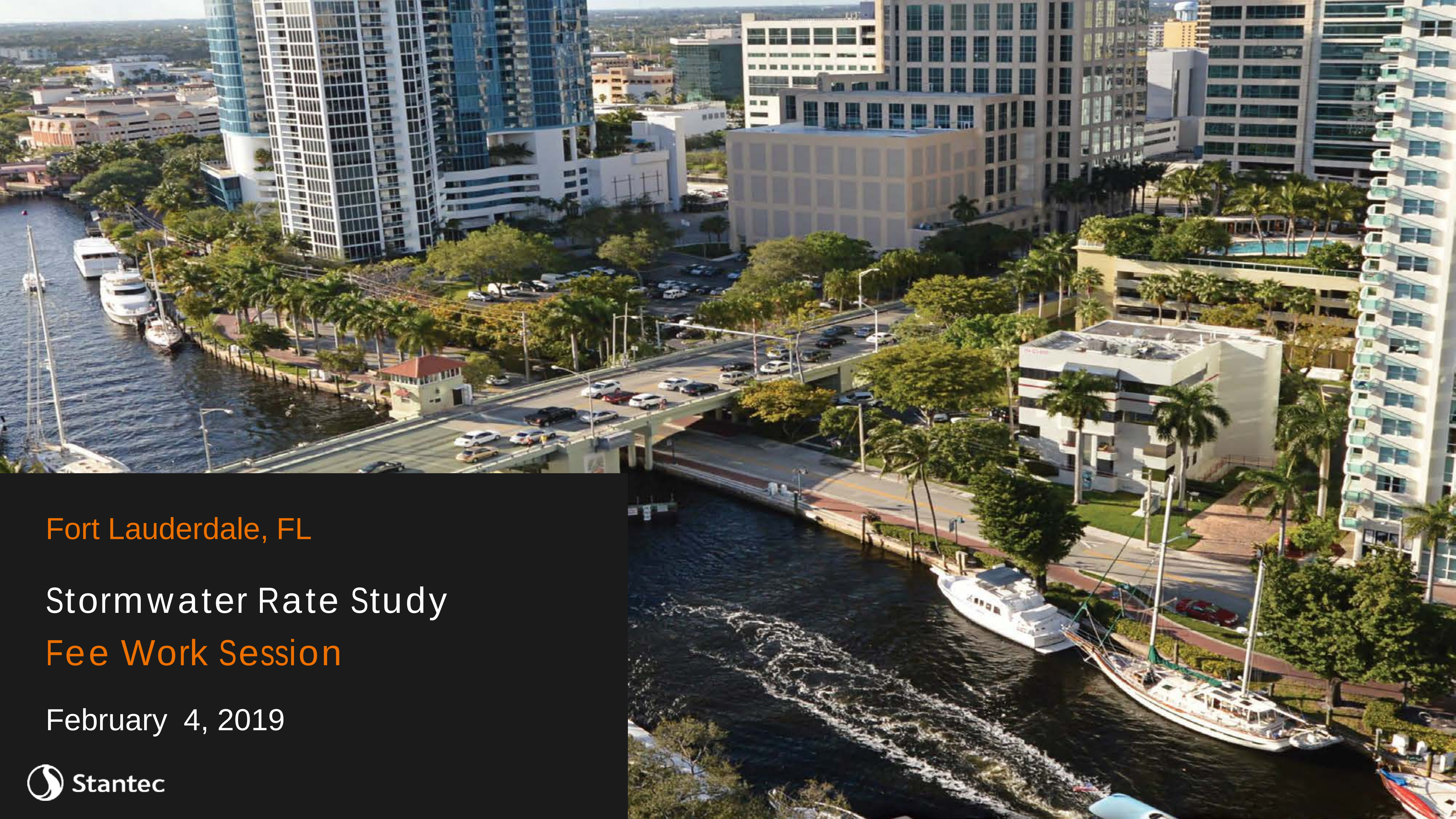


Fort Lauderdale, FL

Stormwater Rate Study

Fee Work Session

February 4, 2019

Stantec

Core Elements of the Study

Revenue Requirements
- Operations & Maintenance
- Renewal and Replacement
- Master Plan CIP

Cost Allocation
- Units of Service
- Effective Imp. Area
- Trip Generation

Fee Structure
- Identify Structures
- Customer Impacts

Method of Billing
- Utility Bill
- Tax Assessment

Historical 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.

Summary of Stakeholder Outreach

2019/ 2020

- Presentation to the **City Commission** Nov 19th regarding the updated hybrid methodology. Direction for further outreach received.
- Presentation to the **City of Fort Lauderdale Infrastructure Task Force Committee** Dec 2th regarding the updated hybrid methodology.
- Presentation to the **Council of Civic Associations** Jan 14th regarding the updated hybrid methodology, endorsement from the group received.

Today

- Presentation to the **City Commission** regarding the updated hybrid methodology and seeking Commission direction.

2020

- **Pending Commission Direction** Finalization of the plan of finance, updated parcel data, and final stormwater fees. Notice to all parcel owners of a new special assessment.

2020 Nov

- Fees issued on tax bill

Steps to Finalize Fees Upon Acceptance of Methodology

- Finalization of the plan of finance
  - Coverage target
  - Exact debt service for the $200M
- Updated tax roll for FY 2021
  - Land uses
  - Parel Specific Billing Units
- **Fees presented herein are indicative and will be updated to reflect the most current data**

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.

Revenue Sufficiency Analysis

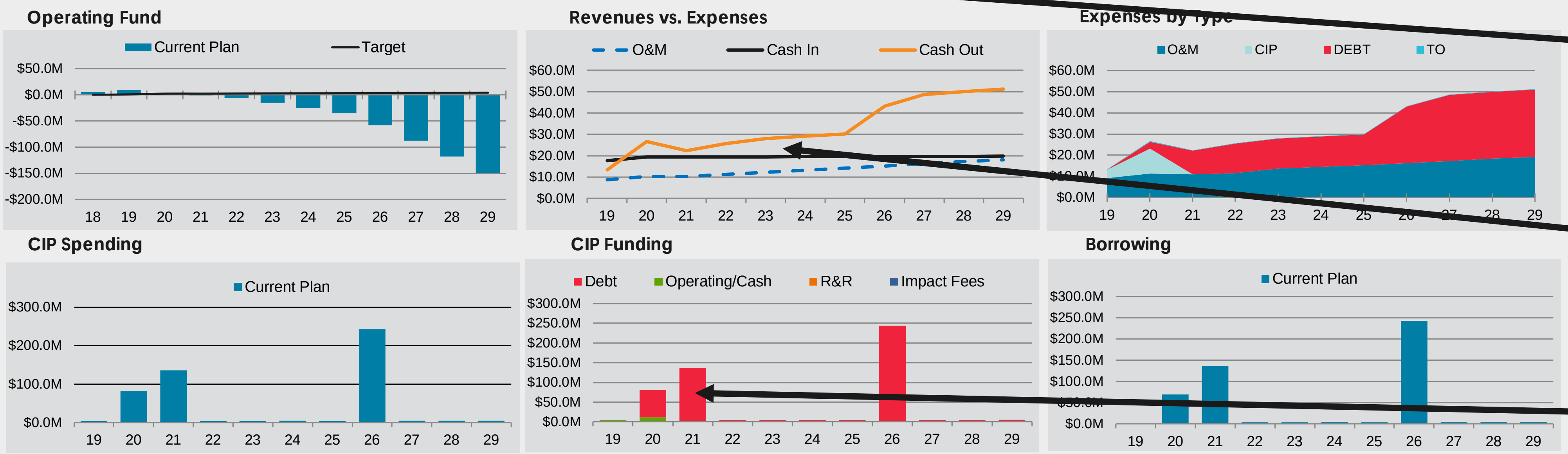
Diagnostic Scenario

FAMS-XL | **FT. LAUDERDALE STORMWATER**

Stantec

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

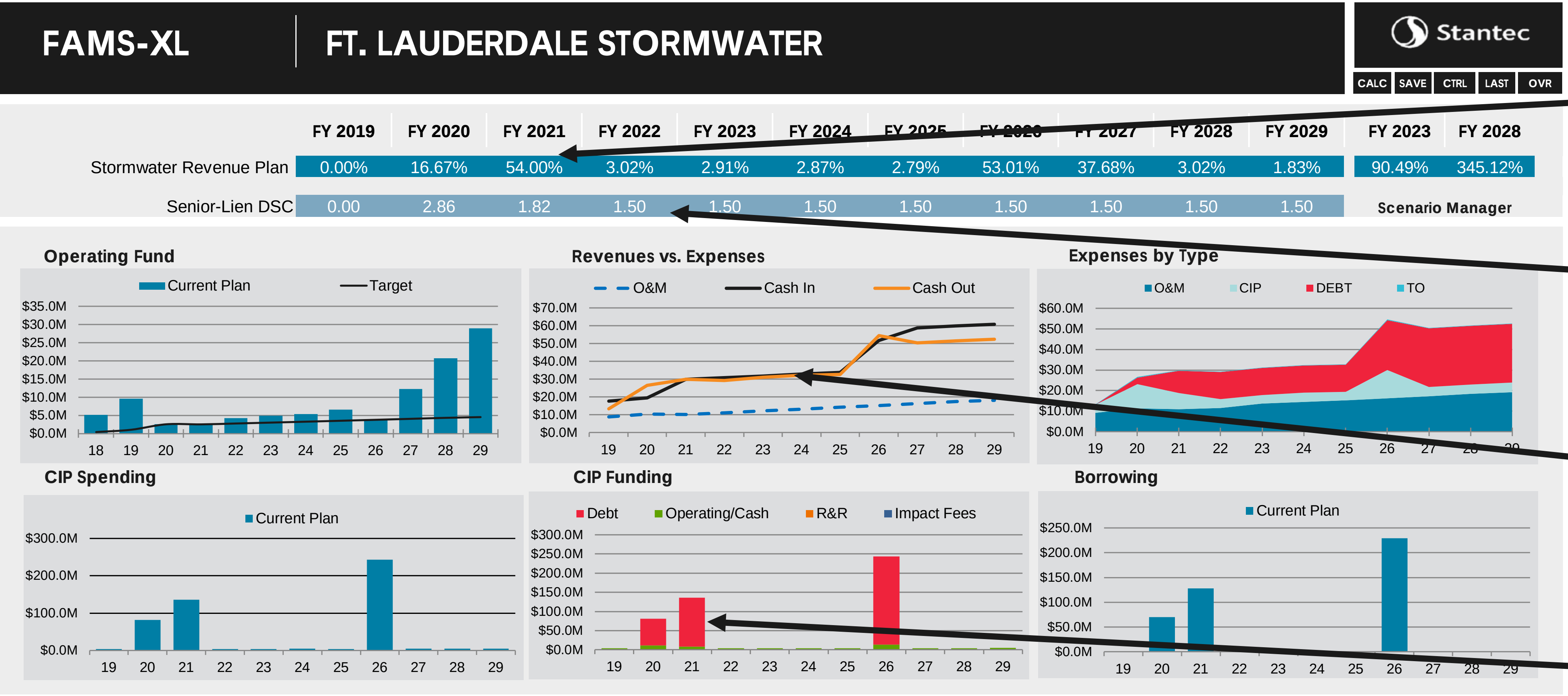
Impaired Coverage

Deficit Spending

Debt Financing

Revenue Sufficiency Analysis

Required Revenue Adjustments



54% More Revenue Required

Proper Coverage

Balanced Cash Flow

Debt Financing

Cost Allocation

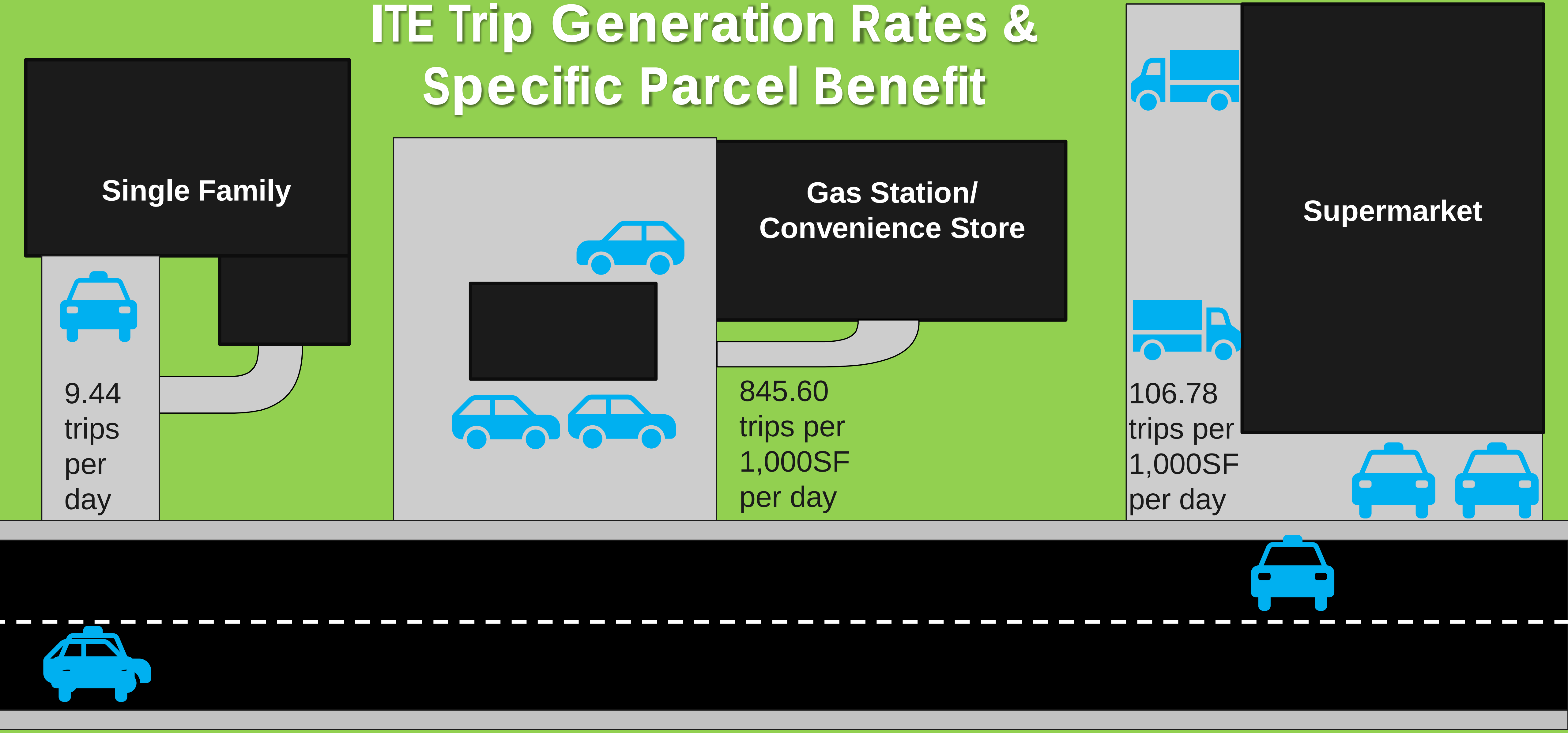
Recovery Basis

Options for Stormwater Cost Allocations

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



The Hybrid Model

Current Fee Structure (Effective Impervious)

Trip Generation

Revenue Requirement Split

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Objective and Metric Based Split

Cost of Service Analysis

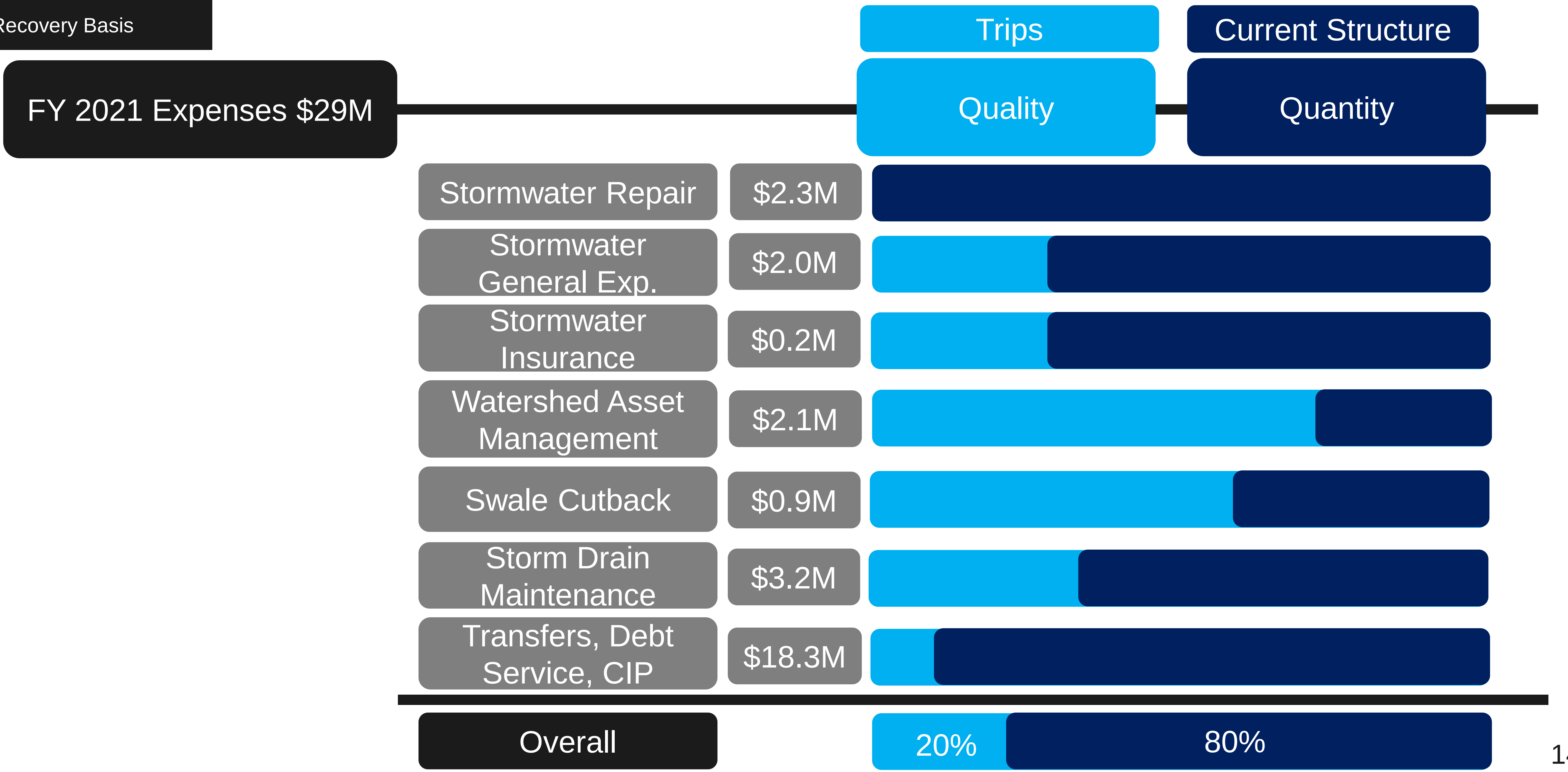
Quality

Quantity

Key Requirements:

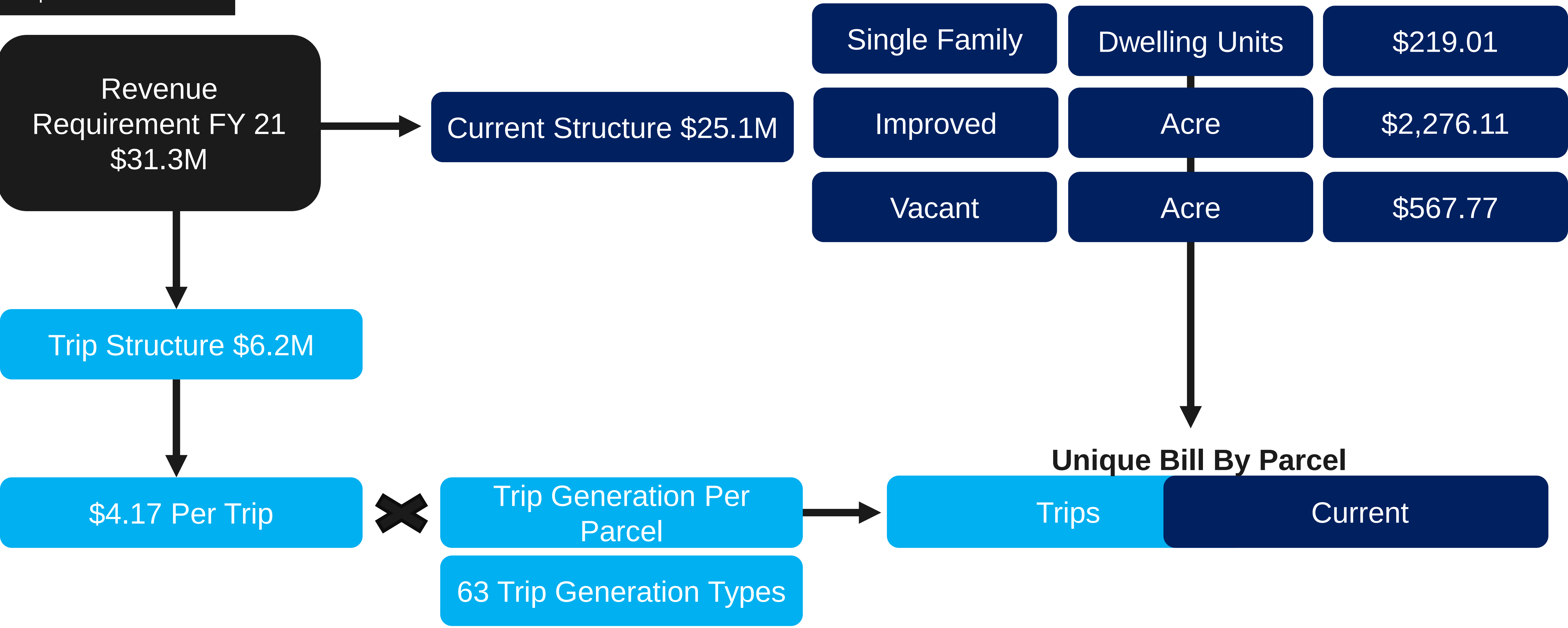
- Updated Billing Units
- Creation of New Billing File
- Defensible Spilt of Cost
  - Quality vs. Quantity

Cost Allocation



Fee Structure

Updated Fees

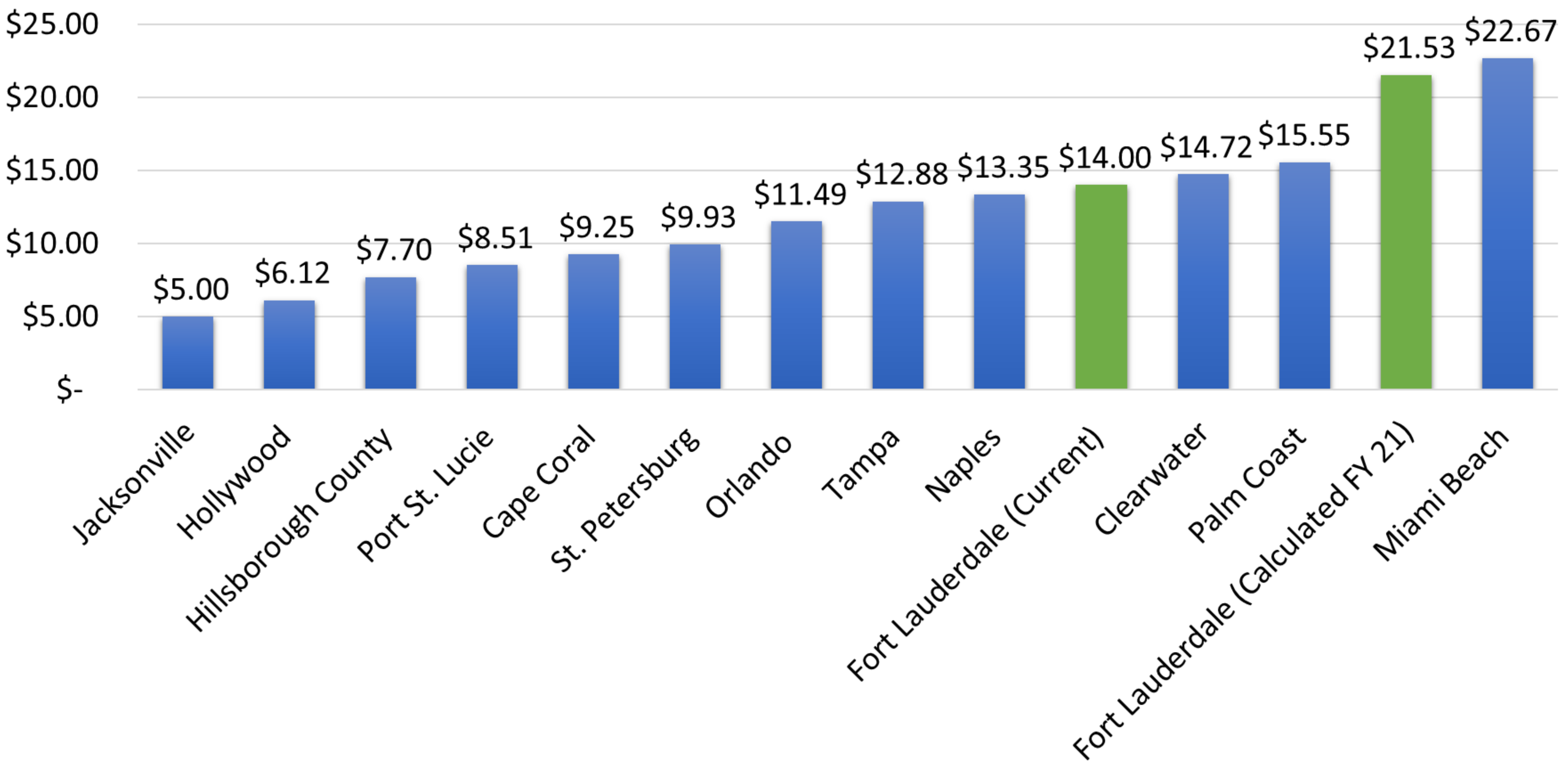


Single Family Home (1 Dwelling Unit)

	Annual	Monthly
Current:	$168.00	$14.00
Calculated:	$258.37	$21.53
Change:	$90.37	$7.53

	Trip Generation	Current Structure
Bill Proportion:	15%	85%

Single Family Fee Survey



Condo Example (Dwelling Unit)

110 Units

Current:	$42.55	$3.55
Calculated:	$75.75	$6.31
Change:	$33.20	$2.76

	Trip Generation	Current Structure
Bill Proportion:	14%	86%

Updated Fees

Church Example (SQFT)

Building 20,901 SQFT
Parcel 36,750 SQFT

	Annual	Monthly
Current:	$1,428.71	$119.06
Calculated:	$2,526.03	$210.50
Change:	$1,097.32	$91.44

	Trip Generation	Current Structure
Bill Proportion:	14%	86%

Commercial Example (SQFT)

Building 120,158 SQFT
Parcel 82,526 SQFT

	Annual	Monthly
Current:	$3,208.30	$267.36
Calculated:	$22,503.23	$1,875.27
Change:	$19,294.93	$1,607.91

	Trip Generation	Current Structure
Bill Proportion:	81%	19%

Reminder of Next Steps to Finalize Fees

- Finalization of the plan of finance
  - Coverage target
  - Exact debt service for the $200M

- Updated tax roll for FY 2021
  - Land uses
  - Parel Specific Billing Units

Method of Billing

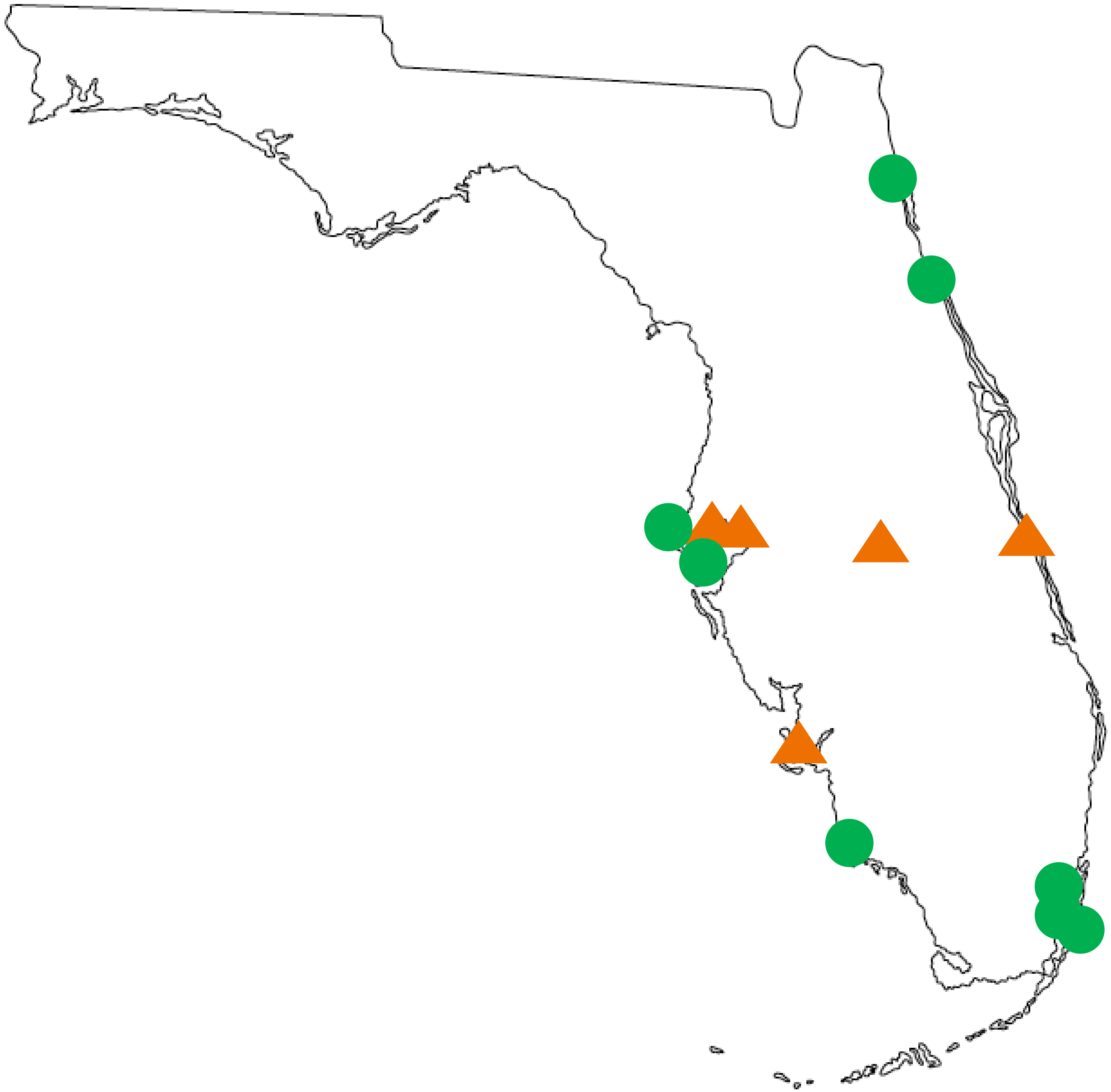
Stormwater Revenue Collection Method

	Utility Billing – Current City Method	Non-Ad Valorem Assessment (Recommended)
PRO	Easier to Change the Fee	Greater Accuracy and More Equitable
		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	

Method of Collection

Comparable Municipal Survey

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



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Additional Questions/Discussion

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