

Meeting Date: July 26, 2016



Agenda Item #: 7B

CITY COUNCIL AGENDA ITEM

Contact Name: Christine Davis

Department Director: Christine Davis

Department/Contact #: 386-775-5432

City Manager: Dale Arrington

Type of Item:

☐ Public Hearing

☐ Ordinance First Reading

☐ Ordinance Second Reading

☐ Workshop

☒ Resolution

☐ Discussion & Action

☐ Consent Agenda

☒ Council Approval

Subject: Resolution 832-16 Preliminary Rate Resolution for the Stormwater Service Assessment

BACKGROUND:

The City Council adopted Ordinance No. 211, which provides for the collection of service assessment fees through the non-ad valorem portion of the tax bill. Each year the City must certify the non-ad valorem assessment roll(s) to Volusia County.

The preliminary rate Resolution No. 832-16 serves to establish the "maximum" rate. The revenue generated from the stormwater service assessment is designated to be expensed for the costs associated with implementing the stormwater capital improvement program (100% capital financing), stormwater operation and maintenance (O&M) program, and to fund a stormwater O&M reserve.

Fiscal year 15/16 (tax year 2015), the preliminary tax roll was \$581,707 with an Equivalent Benefit Unit (EBU) rate of \$11.61. Fiscal year 16/17 (tax year 2016), the preliminary tax roll was revised to include the automatic annual adjustment of 4% and is not to exceed \$610,000. This changes the EBU rate from \$11.61 to \$12.07. The average number of residential EBUs is five. Last year the EBU rate of \$11.61 generated an average annual assessment of \$58.05 annually, or \$4.84 monthly. With the 2016 EBU rate of \$12.07, the average annual assessment fee will be \$60.38, or \$5.03 monthly.

As a result of the Volusia County property appraiser and revenue departments implementing the Non-Ad Valorem Assessment fee (NAVA), staff is recommending that the stormwater assessment program initially absorb the fee. If we were to elect to pass the NAVA fee on to the program, every property would need to be issued a Notice to Property Owner. This process is costly (when considering staff time and mailing costs). It is estimated that the NAVA fee will result in a revenue reduction of \$4,032 for tax year 2016.

The City will certify the final assessment roll at the Council meeting on September 14, 2016.

COUNCIL DISTRICT:

Citywide

RECOMMENDATIONS:

Staff recommends Council approve Resolution No. 832-16 adopting the Preliminary Rate Resolution for the fiscal year 16/17 (tax year 2016) Stormwater Service Assessment.

ATTACHMENTS:

Resolution 832-16

FINANCIAL IMPACT:

Projected special assessment stormwater revenue \$610,000.

STRATEGIC PLAN:

Goal: Infrastructure; Provide high quality public services and facilities.

Reviewed by City Attorney:

Reviewed by Finance Dept.:

Reviewed by:

1st Discussion Date:

2nd Discussion Date:

3rd Discussion Date:

Other Discussion Date:

CITY OF ORANGE CITY, FLORIDA

**PRELIMINARY RATE RESOLUTION
FOR STORMWATER SERVICE ASSESSMENTS**

RESOLUTION NO. 832-16

ADOPTED JULY 26, 2016

TABLE OF CONTENTS

	PAGE
SECTION 1.	AUTHORITY.....1
SECTION 2.	PURPOSE AND DEFINITIONS.....1
SECTION 3.	PROVISION AND FUNDING OF STORMWATER MANAGEMENT SERVICES.....2
SECTION 4.	IMPOSITION AND COMPUTATION OF STORMWATER SERVICE ASSESSMENTS.....3
SECTION 5.	LEGISLATIVE FINDINGS.....3
SECTION 6.	DETERMINATION OF NET EBU's.....4
SECTION 7.	MITIGATION CREDIT POLICY.....4
SECTION 8.	ANNUAL STORMWATER SERVICE ASSESSMENT ROLL.....4
SECTION 9.	METHOD OF COLLECTION.....4
SECTION 10.	PUBLIC HEARING.....5
SECTION 11.	NOTICE BY PUBLICATION.....5
SECTION 12.	NOTICE BY MAIL.....5
SECTION 13.	EFFECTIVE DATE.....5

APPENDICES

APPENDIX A	FORM OF NOTICE TO BE PUBLISHED.....A-1
APPENDIX B	FORM OF NOTICE TO BE MAILED.....B-1

RESOLUTION NO. 832-16

A RESOLUTION OF THE CITY OF ORANGE CITY, FLORIDA, RELATING TO THE PROVISION OF STORMWATER MANAGEMENT SERVICES; ESTIMATING THE COST OF STORMWATER MANAGEMENT SERVICES PROVIDED BY THE CITY; ESTABLISHING THE METHOD OF CHARGING THE COST OF STORMWATER MANAGEMENT SERVICES AGAINST THE REAL PROPERTY THAT WILL BE BENEFITED AND SERVED THEREBY; DIRECTING THE ASSESSMENT COORDINATOR TO PREPARE OR DIRECT THE PREPARATION OF AN UPDATED STORMWATER SERVICE ASSESSMENT ROLL BASED UPON THE METHODOLOGY SET FORTH HEREIN; ESTABLISHING A PUBLIC HEARING FOR THE PROPOSED STORMWATER SERVICE ASSESSMENTS AND DIRECTING THE PROVISION OF NOTICE IN CONNECTION THEREWITH; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ORANGE CITY, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY. This resolution is adopted pursuant to the provisions of Ordinance No. 211 (the "Ordinance"), the Initial Assessment Resolution (Resolution No. 781-15), the Final Assessment Resolution (Resolution No. 782-15), Article VIII, section 1(g), Florida Constitution, the Orange City Charter, sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

SECTION 2. PURPOSE AND DEFINITIONS.

(A) This resolution constitutes the Preliminary Rate Resolution as defined in the Ordinance; it initiates the annual process for updating the Stormwater Service Assessment Roll and directs the reimposition of Stormwater Service Assessments for the Fiscal Year beginning October 1, 2016.

(B) All capitalized words and terms not otherwise defined herein shall have the meanings set forth in the Ordinance, the Initial Assessment Resolution and the Final Assessment Resolution.

(C) Unless the context indicates otherwise, words importing the singular number include the plural number, and vice versa; the terms "hereof," "hereby," "herein," "hereto," "hereunder" and similar terms refer to this resolution; and the term "hereafter" means after, and the term "heretofore" means before, the effective date of this resolution. Words of any gender include the correlative words of the other genders, unless the sense indicates otherwise.

SECTION 3. PROVISION AND FUNDING OF STORMWATER MANAGEMENT SERVICES.

(A) Upon the imposition of Stormwater Service Assessments for Stormwater Management Services against Assessed Property located within the City, the City shall provide Stormwater Management Services to such Assessed Property. All or any portion of the Stormwater Management Service Cost to provide such Stormwater Management Services shall be funded from proceeds of the Stormwater Service Assessments. The remaining cost, if any, required to provide Stormwater Management Services shall be funded by legally available City revenues.

(B) The City may also acquire and construct Stormwater Improvements to assist and facilitate the provision of Stormwater Management Services within the City.

(C) It is hereby ascertained, determined, and declared each parcel of Assessed Property located within the City will be benefited by the City's provision of Stormwater Management Services in an amount not less than the Stormwater Service Assessment imposed against such Tax Parcel, computed in the manner set forth in this Preliminary

Rate Resolution.

SECTION 4. IMPOSITION AND COMPUTATION OF STORMWATER SERVICE ASSESSMENTS.

(A) The estimated Stormwater Management Service Cost for the Fiscal Year beginning on October 1, 2016 is \$610,000.00.

(B) A Stormwater Service Assessment shall be imposed against all Assessed Property within the City, except Exempt Property and Excluded Property. The estimated Stormwater Management Service Cost shall be assessed against all such Tax Parcels at a rate of assessment based upon the special benefit accruing to such Assessed Property from the City's provision of Stormwater Management Services, measured by the number of EBUs attributable to each Tax Parcel.

(C) For the Fiscal Year beginning October 1, 2016, the Stormwater Service Assessment will be computed for each Tax Parcel of Assessed Property located within the City by multiplying the number of EBUs attributable thereto by the per EBU rate of \$12.07; provided however, that the \$12.07 rate per EBU shall be reduced, if necessary, to ensure that the aggregate Stormwater Service Assessments within the City do not exceed the Stormwater Service Cost.

(D) As authorized in the Ordinance, the Maximum Stormwater Service Assessments that can, but are not required to, be assessed and apportioned among Assessed Property in future fiscal years without additional notice to Tax Parcel Owners as required by the Ordinance are hereby established as \$17.06 per EBU.

SECTION 5. LEGISLATIVE FINDINGS. The legislative findings embodied in the Ordinance, the Initial Assessment Resolution, and the Final Assessment Resolution are affirmed and incorporated herein by reference.

SECTION 6. DETERMINATION OF NET EBUs. The determination of EBUs embodied in Section 3.02 of the Initial Assessment Resolution is affirmed and incorporated herein by reference.

SECTION 7. MITIGATION CREDIT POLICY. The Council recognizes the benefits provided by privately maintained Stormwater mitigation facilities. Properties supporting private Stormwater mitigation facilities should be credited for the public benefits they provide. Accordingly, the number of EBUs otherwise attributable to such property shall be adjusted by a mitigation credit determined in accordance with a Mitigation Credit Policy and procedures that will be included in the Annual Rate Resolution.

SECTION 8. ANNUAL STORMWATER SERVICE ASSESSMENT ROLL.

(A) The Assessment Coordinator is hereby directed to prepare, or direct the preparation of, the Stormwater Service Assessment Roll for the Stormwater Service Assessment in the manner provided in the Ordinance and in accordance with this Preliminary Rate Resolution.

(B) A copy of this Preliminary Rate Resolution and the updated Stormwater Service Assessment Roll shall be maintained on file in the office of the Assessment Coordinator and open to public inspection. The foregoing shall not be construed to require that the Stormwater Service Assessment Roll be in printed form if the amount of the Stormwater Service Assessment for each Tax Parcel can be determined by use of an available computer terminal.

SECTION 9. METHOD OF COLLECTION. The Stormwater Service Assessments shall be collected from all Assessed Property pursuant to the Uniform Assessment Collection Act as provided in the Ordinance.

SECTION 10. PUBLIC HEARING. There is hereby established a public hearing to be held at 6:00 p.m. on September 14, 2016, in the City Council Chambers, 201 North Holly Avenue, Orange City, Florida, for the purpose of (A) receiving and considering any comments on the Stormwater Service Assessments from affected property owners and (B) authorizing the reimposition of such Stormwater Service Assessments for the Fiscal Year commencing October 1, 2016 and collecting such assessment on the same bill as ad valorem taxes.

SECTION 11. NOTICE BY PUBLICATION. The Assessment Coordinator shall publish a notice of the public hearing authorized by Section 10 hereof in the manner and the time provided in the Ordinance. The published notice shall be published no later than August 24, 2016 in substantially the form attached hereto as Appendix A.

SECTION 12. NOTICE BY MAIL. If the circumstances outlined in Section 3.08(C) of the Ordinance so require, the Assessment Coordinator shall, at the time and in the manner specified in the Ordinance, provide first class mailed notice of the public hearing authorized by Section 10 hereof to each property owner proposed to be assessed at the address indicated on the Tax Roll. The mailed notice shall be mailed no later than August 24, 2016 in substantially the form attached hereto as Appendix B.

SECTION 13. EFFECTIVE DATE. This resolution shall take effect immediately upon its adoption.

DULY ADOPTED this 26th day of July, 2016.

CITY OF ORANGE CITY, FLORIDA

Tom Laputka, Mayor

ROLL CALL VOTE AS FOLLOWS:

Gary A. Blair, Vice Mayor _____

Ron Saylor _____

Michael G. Wright _____

Tom Laputka, Mayor _____

O. William Crippen _____

Tom Abraham _____

Anthony Pupello _____

ADOPTED THIS 26TH DAY OF JULY, 2016.

ATTEST:

AUTHENTICATED:

Gloria Thomas, CMC, City Clerk

Tom Laputka, Mayor

Approved as to form and legal sufficiency:

W. E. Reischmann, Jr., City Attorney

APPENDIX A
FORM OF NOTICE TO BE PUBLISHED

To Be Published by August 24, 2016

[MAP OF CITY]

**NOTICE OF HEARING TO IMPOSE AND PROVIDE FOR COLLECTION OF
NON-AD VALOREM ASSESSMENTS AND FEES**

The City Council of the City of Orange City (the "Council") will conduct a public hearing to consider the continued imposition of Stormwater Service Assessments within the City. The hearing will be held at 6:00 p.m., or as soon thereafter as the item can be heard, on September 14, 2016 in the City Council Chambers, 201 North Holly Avenue, Orange City, Florida. In accordance with the Americans with Disabilities Act, persons needing a special accommodation or an interpreter to participate in this proceeding should contact the City Manager's office at (386) 775-5408, at least seven days prior to the date of the hearing.

All affected property owners have a right to appear at the hearing and to file written objections with the City. All written objections to the non-ad valorem assessments must be filed with the City Council within twenty (20) days of this notice. Please include your name, parcel number, and the reason you object to the assessment on all written objections. Address all written objections as follows: Public Works Director, 205 East Graves Avenue, Orange City, Florida 32763. Any person wishing to appeal any decision of the Council with respect to any matter considered will need a record of the proceedings and may wish to ensure that a verbatim record of the proceedings is made.

The Stormwater Service Assessments will fund the City's cost to provide Stormwater Management Services in the City. The Stormwater Service Assessments are based upon the estimated amount of stormwater runoff generated by impervious surface

on the property. Impervious surfaces include the roof top, patios, driveways, parking lots and similar areas. The City has determined that the EBU value with the City is 500 square feet of impervious surface. The annual Stormwater Service Assessment rate for the upcoming Fiscal Year will be \$12.07 for each EBU. The maximum annual Stormwater Service Assessment rate that can be imposed without further notice for Fiscal Year 2016-17 and future fiscal years is \$17.06 per EBU for the above parcel.

Generally, the number of EBUs were calculated individually for each parcel of property by dividing the impervious surface area by 500 square feet. If a property owner applies and qualifies, credits for privately maintained Stormwater management facilities and other factors affecting the quantity or quality of Stormwater runoff will be applied, resulting in a reassignment of EBUs. A more specific description of the Stormwater Service Assessments is set forth in the Initial Assessment Resolution (Resolution No. 781-15), the Final Assessment Resolution (Resolution No. 782-15), and the Preliminary Rate Resolution (Resolution No. 832-16). Copies of these resolutions and the updated stormwater roll are available for inspection at the office of the City Manager at City Hall, 205 East Graves Avenue, Orange City, Florida. Additional information about the Stormwater Service Assessment, including the application for credits, is available at www.ourorangecity.com.

The Stormwater Service Assessment will be collected by the Tax Collector of Volusia County, pursuant to Chapter 197, Florida Statutes, on the tax bill to be mailed in November 2016.

Failure to pay the Stormwater Service Assessment will cause a tax certificate to be issued against the assessed property, which may result in a loss of title to your property.

If you have any questions, please contact the City Engineer at (386) 851-7525,
Monday through Friday between 8:30 a.m. and 5:00 p.m.

CITY OF ORANGE CITY, FLORIDA

APPENDIX B
FORM OF NOTICE TO BE MAILED

*******NOTICE TO PROPERTY OWNER*******

City of Orange City
205 East Graves Avenue
Orange City, FL 32763

CITY OF ORANGE CITY, FLORIDA

NOTICE OF PUBLIC HEARING FOR ADOPTION OF
STORMWATER SERVICE ASSESSMENT

NOTICE DATE: AUGUST 24, 2016

Owner Name
Address
Address
City, State Zip

Parcel I D#: _____
Legal Description: _____
Sequence Number: _____

NOTICE TO PROPERTY OWNER

Dear Property Owner:

The past decades have brought increased awareness of the detrimental environmental impacts associated with stormwater runoff from Assessed Property including degradation of Stormwater, land erosion, flooding and collection of standing water on streets and property. In response to public demand and increased federal regulations imposed by the U. S. Environmental Protection Agency's National Pollution Discharge Elimination System stormwater permitting program as implemented by the Florida Department of Environmental Protection, the City of Orange City is required to improve stormwater management services, which required a dedicated funding source for these services by creating a Stormwater assessment and fee program to generate revenues.

The Stormwater Service Assessments are based upon the estimated amount of stormwater runoff generated by impervious surface on the property. Impervious surfaces include the roof top, patios, driveways, parking lots and similar areas. The City has determined that the EBU value with the City is 500 square feet of impervious surface. The annual Stormwater Service Assessment rate for the upcoming Fiscal Year and future fiscal years will be \$12.07 for each EBU. The maximum annual Stormwater Service Assessment rate that can be imposed without further notice for Fiscal Year 2016-17 and future fiscal years is \$17.06 per EBU for the above parcel.

Generally, the number of EBUs were calculated individually for each parcel of property by dividing the impervious surface area by 500 square feet. If a property owner applies and qualifies, credits for privately maintained Stormwater management facilities and other factors affecting the quantity or quality of Stormwater runoff will be applied, resulting in a reassignment of EBUs. A more specific description of the Stormwater Service Assessments is set forth in the Initial Assessment Resolution (Resolution No. 781-15), the Final Assessment Resolution (Resolution No. 782-15), and the Preliminary Rate Resolution (Resolution No. 832-16). Copies of these resolutions and the updated stormwater roll are available for inspection at the office of the City Manager at City Hall, 205 East Graves Avenue, Orange City, Florida. Additional information about the Stormwater Service Assessment, including the application for credits, is available at www.ourorangecity.com.

The number of EBUs has been calculated individually for each parcel of property by dividing the actual impervious surface area by 500 square feet. If you apply and qualify, credit for privately maintained stormwater management facilities and other factors affecting the quantity or quality of stormwater runoff will be applied, as applicable, resulting in the assignment of EBUs. Additionally, if you apply and qualify, certain Agricultural Property is granted a credit from payment of Stormwater Service Assessments pursuant to state law. The annual Stormwater Service Assessment rate for Fiscal Year 2016-17 years will be \$12.07 for each EBU. It is estimated that the City will collect \$610,000.00 from the Stormwater Service Assessments for Fiscal Year 2016-17.

The above referenced parcel has been assigned the following EBUs and assessment amounts:

Number of EBUs	
Annual Stormwater Service Assessment for FY 16-17	
Maximum Stormwater Service Assessment for future fiscal years	

The City of Orange City will hold a public hearing at 6:00 p.m., or as soon thereafter as the item can be heard, on September 14, 2016, in the City Council Chambers, 201 North Holly Avenue, Orange City, Florida. Comments will be received on the proposed Stormwater Service Assessments, including their collection on the ad valorem tax bill. You are invited to attend and participate in the hearing. You may also file written objections with the City within twenty (20) days of the date of this notice. Please include your name, parcel number, and the reason you object to the assessment on all written objections. Objections should be forwarded as follows: Public Works Director, 205 East Graves Avenue, Orange City, Florida 32763. If you decide to appeal any decision made by the City Council with respect to any matter considered at the hearing, you will need a record of the proceedings and may need to ensure that a verbatim record is made, including the testimony and evidence upon which the appeal is to be made. In accordance with the Americans with Disabilities Act, persons needing a special accommodation or an interpreter to participate in this proceeding should contact the City Manager at (386) 775-5408, at least seven days prior to the date of the hearing.

Because the Stormwater Service Assessment will be collected by the Tax Collector of Volusia County, pursuant to Chapter 197, Florida Statutes, failure to pay the Stormwater Service Assessment will cause a tax certificate to be issued against the assessed property, which may result in a loss of title to your property.

If there is a mistake on this notice it will be corrected. If you have any questions regarding the number of EBUs assigned to your property or the amount of the Stormwater Service Assessment, please contact the City Engineer by telephone at (386) 851-7525.

If you believe you may qualify for a mitigation credit for a privately maintained stormwater management facility or you believe your Agricultural Property is exempt from the Stormwater Service Assessment, please contact the City Engineer at (386) 851-7525.

*******THIS IS NOT A BILL*******