

MINUTES
CITY OF KEY COLONY BEACH JOINT WORKSHOP
COMMISSION AND UTILITY BOARD – STORMWATER FUNDING
Wednesday, October 1, 2008 9:30 a.m. City Hall Conference Room

The joint workshop of the Key Colony Beach City Commission and Utility Board was called to order at 9:30 a.m. by Mayor Sutton. *Present were:* Mayor Ron Sutton, Vice-Mayor Rusty Stevens, Commissioner Jeff Vorick, Commissioner Geraldine Zahn, Commissioner Tucker DeGraw, Utility Board Chair Glenda Keach, and Members: John Grimes, Ron Geipe, Tom Moore, Steve Flood. *Also Present:* Building Official Edward Borysiewicz, Plant Operator Dave Evans, Utility Board Clerk Pat Britske and City Clerk Vickie Bollinger. Public: 0

Mayor Sutton stated the workshop was being held at the request of the Utility Board to discuss stormwater funding options for the city. During budget workshops the commission discussed ways to fund future stormwater projects. A stormwater reserve of \$25,000 was established as part of the General Fund budget for next fiscal year. The commission also agreed to discuss this issue with the Utility Board since they are designated as the Stormwater Utility Board for the city.

Mayor Sutton stated he met with the Board and they had many questions about their involvement with stormwater projects, how much money was needed and how to establish the amount to be paid. The Mayor stated he had suggested a flat fee per residence/business similar to the wastewater billing. If \$40 were added to the sewer bill each quarter for stormwater, in a year's time over \$225,000 would be raised.

The Commission, Utility Board members and others discussed:

- Fee could be based on lot size, per lot, lot frontage on street, property taxes.
- This is for construction and installation.
- Resolution 2002-10 states the city will implement stormwater user fees for maintenance and recovery of capital costs.
- City has a stormwater master plan to implement a stormwater system and it is about 50% complete.
- The CDBG grant to be used on 1st through 5th Street does not require matching funds. The recent project on 9th and 10th Street cost over \$600,000 which the city paid half and a SFWMD grant paid half.
- Stormwater improvements must be completed by 2018 (or so) – state deadline.
- City needs to avoid future funding challenges like we had this year. Grants will be used as much as possible, but we need financial planning to be sure we can meet state deadlines.
- Maintenance dollars will be needed to keep the system clean and operational.
- Add this item to the budget and assess through property taxes. It is too late for this fiscal year. This plan would have to wait one full year to implement.
- Collection would be easier through taxes than quarterly billing with the sewer bill.
- Communication with citizens will be absolutely critical.
- Once the entire system is completed it will have to be maintained and repaired.
- City code states that sewer funding cannot be used for stormwater. City could set-up a special reserve to be used only for stormwater.
- City codes are enacted by the commission and they can be changed by this or future commissions, so those funds could be used for any purpose.

- This system is to drain stormwater from public property – the streets and rights-of-way -- not private property.
- Determining the pervious and impervious area for each residence or commercial property would not be cost effective, nor would it be easy to maintain.
- City needs a simple, straightforward system that can be easily understood and managed.
- Different fees could be charged for different sized lots or for commercial properties.
- Stormwater on public property affects everyone equally. Taxable value is not a good way to assess fees. We all use the roads and want them to be free from flooding.
- Mosquito control uses taxable value, but mosquitoes are everywhere. Owners of properties with higher taxable values pay more for fire protection too.
- Commercial properties and some residences are almost completely paved and those properties drain onto public property.
- City code requires property owners to maintain some stormwater runoff on their property.
- Since streets are paid for by tax dollars, then stormwater could be too.
- It may be more acceptable to citizens to pay through property taxes.
- The city is experiencing some collection problems with sewer bills; the stormwater billing will also have these problems.
- We may save money doing a few large projects rather than many smaller ones.
- Future funding could come from grants or a loan. If we use a loan, the fees collected would be used to repay the loan.
- On the last project, it was reported the engineer said that the design was for city streets and rights-of-way. However, private property could not be totally ignored and some allowances were made for runoff from private property.
- The city has a manual for establishing a stormwater utility but it is 10 years old. It may be helpful to follow the recommendations in the manual.
- There may be legal issues to consider. It was reported that Key West experienced lawsuits regarding their stormwater. Attorney Wright should be asked to check on this so we don't have the same problems.
- Other cities could be contacted for information on their stormwater utilities.
- Stormwater improvements are mandated by state and federal governments.
- Use of property taxes will place more burden on homesteaded properties; flat fees per residence or a tiered approved may be more balanced.

Mayor Sutton stated he will meet with Attorney Wright and ask him to research the legal issues of how to assess fees and any lawsuits. Once we have Attorney Wright's input, the Utility Board will resume discussion and make a recommendation to the city commission.

The workshop adjourned at 10:35 a.m.

Vickie L. Bollinger, City Clerk