

City of North Port
Department of Public Works
Road and Drainage District Assessment
Methodology Enhancement Report

AUGUST 2008

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Introduction

GSG is a consulting firm located in Tallahassee and Orlando that specializes in government finance and taxation issues by working with cities, counties, special districts, and state agencies, to develop unique funding and service delivery solutions for critical infrastructure and service needs. The firm has developed extensive experience in structuring and implementing alternative revenue sources in Florida

Last fiscal year, the City of North Port, Department of Public Works (Department) engaged Government Services Group, Inc. (GSG) to review their existing assessment program for the Road and Drainage District (District). The Department also contracted with Public Resources Management Group, Inc. (PRMG) for services related to determining the road and drainage costs.

This fiscal year, the Department engaged GSG to look at some possible revisions to the assessment methodology that was enacted last year. The Department specifically asked GSG to address perceived parity issues among different property types. PRMG was once again engaged by the Department to provide revised costs of service for the Department's road and drainage operations.

BACKGROUND

Tables 1 and 2 show the net revenue requirements and rate calculations that resulted from the analysis that GSG conducted for Fiscal Year 2007-08.

Table 1
Fiscal Year 2007-08 Net Revenue Requirements (\$13,216,000)

	Amount	Percentage
Base Administrative Services	\$2,321,300	17.6%
Base Road Services	\$1,167,931	8.8%
Enhanced Road Services	\$1,187,144	9.0%
Rights-of-Way Mowing	\$1,993,704	15.1%
Base Drainage Services	\$3,763,184	28.5%
Enhanced Drainage Services	\$2,782,737	21.1%
Net Assessment Requirements	\$13,216,000	100.0%

Source: City of North Port Road and Drainage Assessment Program Report, August 2007

Table 2
Fiscal Year 2007-08 Final Rate Calculations

	Base Administrative Services	Base Road Services	Enhanced Road Services	Rights-of-Way Mowing	Base Drainage Services	Enhanced Drainage Services
Calculation Basis	Per PARCEL	Per ERU	Per ERU	Per Parcel	Per EDU	Per EDU
Net Revenue Requirement	\$2,321,300	\$1,167,931	\$1,187,144	\$1,993,704	\$3,763,184	\$2,782,737
Number of Parcels	72,159			49,824		
Number of ERUs		82,709	79,590			
Number of EDUs					123,613	118,312
Fiscal Year 2007-08 Rates	\$34	\$15	\$16	\$42	\$33	\$25

Source: City of North Port Road and Drainage Assessment Program Report, August 2007

STUDY METHODOLOGY

GSG performed the following tasks in revising the assessment program methodology for this fiscal year:

- Obtained and evaluated updated data and information related to the existing road and drainage assessment program.
- Received updated information from PRMG to evaluate the full cost of the road and drainage management system using the Department's most current financial information. The cost analysis included: (i) the costs of maintaining and operating the City's road and drainage system based on the level of funding required by the Department, (ii) indirect and/or administrative costs and (iii) billing and collection costs associated with the tax bill collection method.
- Met with Department staff to update the geographic benefit areas that exist within the Department for each service component based on levels of service, activity areas or other criteria.
- Using the current ad valorem tax roll, the current special assessment roll, the levels of service, and the identified benefit areas, GSG developed a revised method of apportioning the costs for each service component.
- Determined preliminary billing units and updated the database that matches the requirements of the recommended rate model.
- Calculated pro forma assessment rates for each service component identified during the program review. Pro forma rates were determined by dividing the number of billing units for each service component into the various revenue scenarios based on the apportionment methodology.
- Participated in three workshops with City Commission to determine policy direction for apportionment methodology.
- Prepared an Assessment Methodology Enhancement Report that documented the revised costs, apportionment methodologies, pro forma assessment rates and recommendations on implementation.

Description of Services

In order to provide an updated cost analysis of the Road and Drainage District, PRMG was engaged by the Department to determine the projected assessment requirements and to allocate those costs across the various services provided by the District. As part of that analysis, PRMG and Department staff revised the detailed list of services performed by each of the Departments four Divisions. Services performed by the Road Section include: road maintenance by Department staff; traffic control devices (signs, curb painting, school zone marking); debris removal by Department staff and service contract; and mowing of rights-of-way by Department staff and service contract. Services performed by the Drainage Section include: primary and secondary drainage maintenance; maintenance of sidewalks and other concrete structures; and pipe replacement. Services provided by the Waterways and Structures Section includes: bridge maintenance; water control structures, mowing of drainage areas by Department staff and service contract; and control of aquatic vegetation. Services provided by the Infrastructure Management Division include: infrastructure evaluation of roads and drainage systems, development plan review; contract administration; system support services; and right-of-way permit processing.

BASE ADMINISTRATIVE SERVICES

Base administrative services are classified as those core support functions that are spread across all services provided by the Road and Drainage District. These include: Rights-of-way inspections, infrastructure evaluations of roads and drainage systems, development plan review, contract administration, system support services, and rights-of-way permit processing. These functions are integral to the daily support and operations of the Road and Drainage District and as such it is determined that the benefit to all parcels from Base Administrative services is proportional to that parcels benefit from base road and/or base drainage services.

BASE ROAD SERVICES

Base Road services are performed on all arterial and collector roads. Services include the repair of potholes and street areas up to 100 feet by 200 feet and the rehabilitation of roads based on priorities and criteria as determined by the Department's Road Pavement Management Committee as well as the maintenance of bridges. Work is performed by Department staff and also through contracted services. There are 816 total road miles within the City, with 25 miles of arterials and 115 miles of collectors. For purposes of calculating the assessment portion of Base Road Services, a ratio of the cost to maintain arterial and collectors to cost to maintain total road miles was used to create a factor of 29.88% against the total road maintenance budget. In addition, the full cost of sidewalk maintenance and debris removal by Department staff and by contract is included as these are considered base services. It is determined that there is a benefit to all parcels for Base Road services.

ENHANCED ROAD SERVICES

Enhanced Road services are performed on all local roads. Services include the repair of potholes and street areas up to 100 feet by 200 feet and the rehabilitation of roads based on priorities and criteria as outlined by the Department's Pavement Management Committee. Work is performed by Department staff and also through contracted services. There are 816 total road miles within the City, with 676 miles of local roads. For purposes of calculating the assessment portion of secondary road maintenance, a ratio of the cost to maintain local roads to the cost to maintain total road miles was used to create a factor of 70.12% against the total road maintenance budget.

RIGHTS-OF-WAY MOWING

This service includes mowing of rights-of-way on unimproved properties by Department staff and service contract within the City. The Department maintains a proactive schedule of all rights-of-way mowing.

BASE DRAINAGE SERVICES

Base Drainage services include the maintenance of water control structures, rehabilitation of canals and retention ditches, storm water drainage, culvert replacement, mowing of drainage areas, and control of aquatic vegetation. It is determined that Base Drainage services benefit all parcels.

ENHANCED DRAINAGE SERVICES

Enhanced Drainage services include the maintenance and re-grading of swales and other secondary drainage components. These primary drainage systems are the initial sources of water control. It is determined that Enhanced Drainage services benefit all parcels except those located within Limited Service Areas as defined in this report.

Assessable Cost Calculations

The updated cost information provided by PRMG on behalf of the Department provides the basis for the assessable cost calculations performed by GSG.

Table 3 below reflects the Fiscal Year 2008-09 net revenue requirements by the six (6) core components as identified in the Description of Services section of this report

Table 3
Fiscal Year 2008-09 Net Revenue Requirements (\$13,175,100)

	Amount	Percentage
Base Administrative Services	\$1,288,053	9.8%
Base Road Services	\$1,896,866	14.4%
Enhanced Road Services	\$2,114,522	16.0%
Rights-of-Way Mowing	\$2,112,345	16.0%
Base Drainage Services	\$3,702,768	28.1%
Enhanced Drainage Services	\$2,060,546	15.6%
Net Assessment Requirements	\$13,175,100	100%

Source: City of North Port

Apportionment Methodology

METHODOLOGY REVISIONS

Below are the primary revisions made to the methodology this fiscal year and incorporated in this memorandum.

- Allocations between budget components were revised.
 - Bridge maintenance was moved from Base Drainage to Base Roads.
- Reviewed and revised the properties included in Limited Service Areas.
- Identified non-benefited government properties.
- Base Administrative Services budget is now split into two components based on the proportion of the Base Roads Budget to the Base Drainage Budget as seen below.

Table 4
Base Road & Drainage Services Budget Proportions

Component	Amount	Percentage
Roads	\$1,896,866	33.87%
Drainage	\$3,702,768	66.13%
Total	\$5,599,634	100%

Table 5
Base Administrative Services Budget Split

Base Administrative Services Budget	Component	Percentage	Budget Split
\$1,288,053	Roads	33.87%	\$436,326
	Drainage	66.13%	\$851,727
Total		100%	\$1,288,053

- Base Administrative Services apportionment is now based on Road ERUs and Drainage Billing Units as opposed to parcels.
- Base & Enhanced Drainage Billing Units are now based on acreage with a minimum of one Billing Unit per parcel.
- Base and Enhanced Drainage budgets are now split between Residential and Non-Residential property categories using the proportion of Residential to Non-Residential EDU's for both Base and Enhanced Drainage under last year's methodology, which accounted for land area permeability, as seen below.

Table 6
Fiscal Year 2007-08 Drainage EDU's

	Property Type	Number of EDU's	Percent of EDU's
Base	Residential	61,937.47	73.44%
	Non-Residential	22,397.21	26.56%
Enhanced	Residential	56,472.3	75.51%
	Non-Residential	18,320	24.49%

Source: City of North Port Road and Drainage Assessment Program Report, August 2007

Table 7
Fiscal Year 2008-09 Drainage Services Budget Allocation

	Total Budget	Property Type	Percent of EDU's	Budget Allocation
Base	\$3,702,768	Residential	73.44%	\$2,719,404.19
		Non-Residential	26.56%	\$983,363.81
Enhanced	\$2,060,546	Residential	75.51%	\$1,555,825.56
		Non-Residential	24.49%	\$504,720.44

SPECIAL BENEFIT ASSUMPTIONS

The following assumptions support a finding that the road and drainage services provided by the Department provide a special benefit to the assessed parcels.

- The provision of road and drainage management services and the availability and use of facilities or improvements by owners and occupants of such property to properly and safely detain, retain, convey or treat road and drainage discharged from such property;
- Stabilization of or the increase of property values;
- Increased safety and better access to property;
- Improved appearance;
- Rendering property more adaptable to a current or reasonably foreseeable new and higher use;
- Alleviation of the burdens caused by road and drainage runoff and accumulation attendant with the present or projected use of property; and
- Fostering the enhancement of environmentally responsible use and enjoyment of the natural resources within the City.

From this analysis, it was concluded that having road and drainage services, such as those provided in the City of North Port, enhances and strengthens the relationship of such services to the use and enjoyment of the parcels of property in the area and, ultimately, the property values within the area.

PARCEL COMPOSITION

GSG's analysis of parcel information from the Sarasota County Property Appraiser's Office indicates that approximately 72,400 parcels are located in the City's geographic limits. Each parcel, included on the ad valorem tax roll, is assigned a four digit property use code (DOR Code) by the Sarasota County Property Appraiser, based on the Florida Department of Revenue (DOR) property use codes listed in Rule 12D-8.008, Florida Administrative Code. For assessment purposes, each DOR Code and those parcels assigned with that DOR Code are included in a property use category reflecting the common, basic use of those parcels.

COST APPORTIONMENT ASSUMPTIONS

The cost apportionment exercise addresses two fundamental questions:

- Who pays?
- For what services?

As part of the methodology enhancements for this fiscal year GSG met with Department staff to better determine the Limited Service Areas or areas that received a reduced level of service. Based on those meetings, a service matrix was created which reflects the level of service provided to each of the identified communities. A list of each Limited Service Area and the corresponding level of service can be found in Table 8.

Table 8
Limited Service Areas

	Base Administrative Services – Roads	Base Administrative Services - Drainage	Base Road Services	Enhanced Road Services	Rights-of- Way Mowing	Base Drainage Services	Enhanced Drainage Services
Bobcat Trail	X	X	X			X	
Charleston Park	X	X	X			X	
Charleston Park Villas	X	X	X			X	
Duck Key	X	X	X	X		X	
Emerald Oaks	X	X	X			X	
Gran Paradiso	X		X				
Grande Court Apts	X	X	X			X	
Grove Park Villas Apts	X	X	X			X	
Heron Creek	X	X	X			X	
Holiday Park	X	X	X			X	
Lake Geraldine	X		X				
Lakeside Plantation	X	X	X	X		X	
Largo Preserve	X	X	X			X	
Pickwick Gardens	X	X	X			X	
Riley Chase Apts	X	X	X			X	
Sabal Trace	X	X	X			X	
Talon Bay	X	X	X			X	
Thomas Ranch	X		X				
Toledo Club Apartments	X	X	X			X	
Turn Berry Trace	X	X	X			X	
Victoria Pointe Apts	X	X	X			X	
West Village Imp Dist	X		X	X			
Willow Creek Apts	X	X	X			X	
Woodlands CDD	X	X	X			X	

Source: City of North Port

PARCEL APPORTIONMENT ASSUMPTIONS

Parcel apportionment focuses on the question, “How is each parcel’s share of recoverable costs to be determined?” The following assumptions support findings that the recommended parcel apportionment is fair, reasonable, and equitable.

- The value of the parcel does not determine the scope of the required road and drainage management services. The potential demand for road and drainage services by property is driven by the other parcel characteristics within property use categories.
- Apportioning the assessed costs for road and drainage services attributable to the various property use categories on a per parcel basis using specific parcel characteristics is required to avoid cost inefficiency and unnecessary administration and is a fair and reasonable method of parcel apportionment based upon available data.

- The proportionate number of trips generated by a parcel represents that parcel's proportionate share of the burden of creating and maintaining the road system.
- The amount of runoff generated by a parcel and sent to the drainage system represents a portion of that parcel's proportionate share of the burden of creating and maintaining the drainage system. However, there is also a portion of the burden that is created by each parcel regardless of its size.

APPORTIONMENT METHODOLOGY OVERVIEW

Each assessed parcel must receive a special benefit that equals or exceeds the amount of the special assessment actually imposed on the parcel. For the base administrative component, each parcel will receive a benefit proportionally equal to the benefit received from base roads services and/or base drainage services. For the road components of the apportionment methodology; dependent upon each parcel's property use category and the number of lots, acreage, number of dwelling units, amount of building area and number of trips generated by the property use; each parcel will benefit in varying degrees. For the right-of-way mowing component, each unimproved parcel will benefit equally from the service and therefore each unimproved parcel is assigned one (1) unit. For the drainage components of the apportionment methodology; dependent upon each parcel's property use category, acreage, or number of dwelling units, each parcel will benefit in varying degrees.

ROAD APPORTIONMENT METHODOLOGY

For road maintenance services involving mixed property uses, an apportionment methodology that uses trip generation rates by property uses and the building improvement sizes (or equivalent) to allocate benefits is typical. An analysis of the number of trips to be generated by each property use is based on the trip generation information from the Institute of Transportation Engineers (ITE) manual (7th edition).

CALCULATION OF ROAD EQUIVALENT RESIDENTIAL UNITS (ERUs)

The average trip generation per day for single family residential uses is 9.57 trips per day per dwelling unit. The Road Apportionment Methodology will apportion the road maintenance service costs using an equivalent residential unit (ERU) based on the average number of trips generated by the property each day compared to the average number of trips generated by a single family dwelling unit per day. Table 9 below shows the ERU that will be the basis for apportioning the base and enhanced road costs to each benefited parcel of property.

Table 9
Road Component ERUs

DOR Code	Property Use Description	Road ERU
0000	RESIDENTIAL - VACANT	1
0010	VACANT MULTI-FAMILY	0.45
010X	RESIDENTIAL - SINGLE FAMILY-MIXED IMPROVEMENTS	1
010Y	RESIDENTIAL - SINGLE FAMILY-MULTI IMPROVEMENT	1
0100	RESIDENTIAL - SINGLE FAMILY	1
0110	RESIDENTIAL - SINGLE FAMILY CONTAINING APARTMENT	1
0200	RESIDENTIAL - MOBILE HOME	0.5
0320	RESIDENTIAL MULTI FAMILY 20 - 49 UNITS	0.45
0390	RESIDENTIAL MULTI FAMILY-100 OR MORE UNITS	0.45
039X	MULTI FAMILY => 100 UNITS, MIXED USE	0.45
0400	CONDOMINIUM - VACANT LAND-RESIDENTIAL	0.07
0404	CONDOMINIUM - MID RISE 2-6 STORIES	0.07
0410	CONDO - VACANT COMMERCIAL	0.17
0411	CONDOMINIUM - RETAIL	4.25
0418	CONDOMINIUM - OFFICE, NON-MEDICAL	1.15
0448	CONDOMINIUM - SERVICE WAREHOUSE	0.52
0820	MULTI FAMILY/LESS THAN 10 UNITS/DUPLEX	0.44
1000	COMMERCIAL - VACANT	0.17
1100	COMMERCIAL - STORES-ONE STORY	4.25
1110	COMM'L-STRIP STORES-ONE STORY/LESS THAN 10,000 SF	4.25
111X	COMM'L-STRIP STORES-ONE STORY/LESS THAN 10,000 SF	4.25
1120	COMM'L-STRIP STORES-ONE STORY/=>10,000 AND <30,000	4.25
1140	COMMERCIAL-STORES-1/STORY/ CONVENIENCE-WITH GAS	17.61
1300	COMMERCIAL - DEPARTMENT STORE/FREESTANDING	5.92
1600	COMM'L-COMMUNITY SC/100K-450K SF/SUPRMKT-DEPT STR	5.92
1620	COMM'L-COMMUNITY NEIGHBORHOOD CTRS/30K-100K SF	4.49
164X	COMM'L-COMMUNITY MULTI STY STRIP STORES/<10,000 SF	4.49
1700	COMM'L/OFFICE BLDG-1 STY/SINGLE TENANT <10,000 SF	1.15
1720	COMM'L/OFFICE BLD-1 STY/MULTI TENANT <10,000 SF	1.15
172X	COMM'L/OFFICE BLD-1 STY/MULTI TENANT <10,000 SF -	1.15
1810	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT <10,000 SF	1.15
181X	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT <10,000 SF	1.15
183X	COMM'L-OFC BLDG/MULTI STY-MULTI TENANT=>10,000 SF-	1.15
1910	COMMERCIAL-MEDICAL PROF BLDS/1 STY-SINGLE TENANT <	1.15
1920	COMMERCIAL-MEDICAL PROF BLDS/1 STY-MULTI TENANT <1	1.15
192X	COMML-MED PROF BLDS/1 STY-MULTI TENANT <10,000 SF-	1.15
1930	COMM'L-MED PROF BLDS/1 STY-SINGLE/MULTI TENANT =>1	1.15
1950	MEDICAL, VETERINARY-RELATED	1.15
2100	COMMERCIAL - RESTAURANTS/FULL SERVICE	9.4
2210	COMM'L/RESTAURANTS/FAST FOOD W/DRIVE-THRU WINDOW	51.84
2220	COMML/RESTAURANTS-FAST FOOD WITHOUT DRIVE THRU WIN	51.84
2300	COMML-FINANCIAL INSTS(BANKS, S&L/MTG CO, CREDIT SE	16.35
2640	COMMERCIAL-SERVICE STATION/CAR WASH-SELF SERVICE	17.61

DOR Code	Property Use Description	Road ERU
2710	COMMERCIAL-AUTO SALES (USED)	3.92
2720	COMM'L-AUTO REPAIR/SERV & BODY SHPS/COMMERCIAL GAR	0.31
2800	COMMERCIAL - PARKING LOTS(COMMERCIAL OR PATRON)	0
3300	COMMERCIAL - NIGHTCLUBS/COCKTAIL LOUNGES/BARS	1.18
3500	COMMERCIAL-TOURIST ATTRACTIONS/PERMANENT EXHIBITS,	0.48
3820	COMMERCIAL-GOLF COURSES/SEMI-PRIVATE	0.53
382X	GOLF COURSES, SEMI PRIVATE, MIXED USE	0.53
3890	COMMERCIAL-GOLF COURSES/DRIVING RANGE	0.53
391X	COMMERCIAL-HOTELS/MOTELS/LODGING(1-40 UNITS) - MIX	0.85
4000	INDUSTRIAL - VACANT LAND	0.09
4100	INDUSTRIAL - MANUFACTURING/LIGHT	0.73
4110	INDUSTRIAL-MANUFACTURING/ENGINEERING OR SCIENTIFIC	0.73
4200	INDUSTRIAL - HEAVY	0.09
4300	INDUSTRIAL - LUMBER YARD	0.52
4800	INDUSTRIAL - WAREHOUSE	0.52
480X	INDUSTRIAL - WAREHOUSE - MIXED USE	0.52
4810	INDUSTRIAL-WAREHOUSE AND SALES MIXED USE	0.52
481X	INDUSTRIAL-WAREHOUSE AND SALES MIXED USE - MIXED	0.52
4820	INDUSTRIAL-WAREHOUSE AND OFFICE MIXED USE	0.52
4860	INDUSTRIAL-WAREHOUSE - MINI-STORAGE	0.13
4870	INDUSTRIAL-WAREHOUSE/FLEX SPACE/OVERHEAD DOOR FRON	0.52
4900	IND'L-OPEN STORAGE/MATERIALS/EQUIPMENT/BLDG SUPPLI	0.52
490X	IND'L-OPEN STRG/MATERIALS/EQUIP/BLDG SUPPLIES/FUEL	0.52
4910	INDUSTRIAL-OPEN JUNK YEAR OR RECYCLING (NOT AUTO)	0.52
6200	AGRICULTURAL - GRAZING LAND SOIL CAPABILITY CLASS	1
6930	AGRICULTURAL-ORNAMENTALS/HORSE BREEDING	1
7000	INSTITUTIONAL- VACANT INSTITUTIONAL	0.02
7100	INSTITUTIONAL - CHURCHES	3.83
7200	INSTITUTIONAL - SCHOOL (PRIVATE)	1.25
7400	INSTITUTIONAL-HOME FOR THE AGED/ASSISTED LIVING/AC	0.02
740X	INSTITUTIONAL/HOME FOR THE AGED/ACLF/ASSISTED CARE	0.02
7500	INSTITUTIONAL-ORPHANAGES/NON-PROFIT/CHARITABLE SER	0.02
7600	INSTITUTIONAL - MORTUARY	0.02
7700	SERVICE CLUB	0.17
7720	COMMUNITY CENTER	0.17
7750	UNION HALL, OTHER	0.17
7800	INSTITUTIONAL - NURSING HOMES/CCRC/SANITARIUMS	0.02
8200	GOVERNMENTAL - FOREST	1
8210	GOVERNMENTAL - PARKS	1
8220	GOVERNMENTAL - RECREATIONAL AREA	1
8300	GOVERNMENTAL - PUBLIC SCHOOL (BOARD OF PUBLIC INST	1.25
8400	GOVERNMENTAL - COLLEGE (PUBLIC)	1.25
8600	GOV'T-CO(OTHER THAN SCHLS/COLEGS/HOSP)INC NON-MUNI	2.61
8700	GOVERNMENTAL - STATE (OTHER THAN MILITARY,FOREST,P	2.61

DOR Code	Property Use Description	Road ERU
8800	GOVERNMENTAL - FEDERAL (OTHER THAN MILITARY,FOREST	2.61
8900	GOVERNMENTAL - MUNICIPAL (OTHER THAN PARKS,REC ARE	2.61
9000	MISCELLANEOUS- LEASEHOLD INTEREST (GOV OWNED LEASE	0
9100	MISCELLANEOUS- UTILITY – GAS	0
9110	MISCELLANEOUS- UTILITY – ELECTRIC	0
9120	MISCELLANEOUS- UTILITY – TELEPHONE	0
9150	MISCELLANEOUS- UTILITY - WATER AND SEWER	0
9300	MISCELLANEOUS-SUBSURFACE RIGHTS	0
9400	MISCELLANEOUS- RIGHT-OF-WAY,STREETS,ROADS,IRR CANAL	0
9500	MISCELLANEOUS- RIVERS AND LAKES	0
9600	MISCELLANEOUS- SOLID WASTE	0
9620	MISCELLANEOUS- DRAINAGE RESERVOIR	0
9900	MISCELLANEOUS- ACREAGE NOT ZONED AGRICULTURAL	1

For both the Base Road Services and the Enhanced Road Services, the apportionment methodology is identical, using trip generation data as previously described. For those properties located in Limited Service Areas as defined in this report, only the Base Road Services charge will apply, with the exception of Duck Key and Lakeside Plantation. Total ERU assigned to each parcel will be calculated as shown below.

Unimproved Parcels

- Includes DOR codes 1000, 4000, 7000, 3820, 382X (golf courses)
- Parcel ERU = (Category ERU)(Acres)

Residential Parcels

- Vacant residential – DOR codes 0000 & 0010
 - Parcel ERU = (Category ERU)(1)
- Single family residential – DOR codes 0100, 010X, 010Y, 0110, & 0200
 - Parcel ERU = (Category ERU)(# of Dwelling Units)
- Duplexes – DOR code 0820
 - Parcel ERU = (Category ERU)(# of Dwelling Units)
- Residential condos – DOR code 0400 & 0404
 - Parcel ERU = (Category ERU)(1)
- Multi-family other than duplexes – DOR codes 0320, 0390, 039X, & 0820
 - Parcel ERU = (Category ERU)(# of Dwelling Units)

Non-Residential Parcels

- Commercial condos – DOR code 0410, 0411, 0418, 0419, & 0448
 - Parcel ERU = (Category ERU)(Total Complex Living Area Sq. Ft. / 1,000 / # of Parcels in Complex)
- All other commercial
 - Parcel ERU = (Category ERU)(Building Area Sq. Ft. / 1,000)

Acreage Parcels

- Includes DOR codes 5100, 5200, 5700, 5800, 5900, 6000, 6200, 6610, 6700, 6710, 6720, 6800, 6832, 6900, 8200, 8210, 821X, 8220, & 9900
 - Parcel ERU = 1

A minimum of 1 ERU will be assigned to each benefited property for both Base and Enhanced Drainage Services.

DRAINAGE APPORTIONMENT METHODOLOGY

The Department's current base drainage services include the maintenance of concrete structures and water control structures, rehabilitation of canals and retention ditches, culvert replacement, mowing of drainage areas, and control of aquatic vegetation. Current enhanced drainage services include the maintenance and re-grading of swales and other primary drainage components; these primary drainage systems are the initial sources of water control.

The special benefits provided by the drainage services to all property located within the City include, but are not limited to: (1) the enhancement of the availability and the use by the owners and occupants of property; (2) stabilization of or the increase of property values; (3) increased safety and better access to property; (4) improved appearance; (5) rendering property more adaptable to a current or reasonably foreseeable new and higher use; (6) alleviation of the burdens caused by runoff and accumulation attendant with the use of property.

The City is considering the establishment of a stormwater utility program in the future, and such stormwater utility charge may fund all or a portion of the current drainage services provided by the Department. In a stormwater utility program, the amount of runoff generated by a parcel and sent to the stormwater system represents that parcel's proportionate share of the burden of creating and maintaining the stormwater system. The amount of runoff from a parcel is largely determined by the amount of impervious and pervious areas for parcels of property. However, the database necessary to provide a consistent and reliable stormwater apportionment methodology and to impose charges for such services is not currently readily available.

Accordingly, the drainage assessments levied by the City until such data is available will be based on a two-step process that first allocates the drainage costs based on the relative proportion of land area permeability generated for Residential and Non-Residential Property categories, as discussed in Tables 6 and 7, and then

allocates the Residential and Non-Residential Property costs based on the number of acres attributable to each property category.

CALCULATION OF DRAINAGE BILLING UNITS

Each tax parcel is assigned Drainage Billing Units using the acreage associated with each parcel. Based on analysis, 98% of the approximately 72,400 parcels within the City are less than or equal to 1.0 acre; therefore, a minimum of one (1) Drainage Billing Unit is assigned to each tax parcel less than or equal to 1.0 acre because the Department's drainage services are necessitated by the existence of the majority of the tax parcels of property in aggregate. Drainage Billing Units will be assigned to all benefited parcels of property as calculated below.

Residential & Non-Residential Parcels Except Condos

- Drainage Billing Units = parcel acres

Condos

- Drainage Billing Units = (Total Condo Complex Acres) / (# of Parcels)

CALCULATION OF BILLING UNITS

As previously described, each component was assessed on a per parcel, per Road ERU, or per Drainage Billing Unit basis as indicated in the Apportionment Methodology section of this report. Table 10 provides a summary of the total billing units by service component.

Table 10
Total Billing Units by Service Component

Base Administrative Services		Base Road Services	Enhanced Road Services	Rights-of-Way Mowing	Base Drainage Residential	Base Drainage Non-Residential	Enhanced Drainage Residential	Enhanced Drainage Non-Residential
Component 1 Per Road ERU	Component 2 Per Drainage Acre	Per Road ERU	Per Road ERU	Per Parcel	Per Drainage Billing Unit	Per Drainage Billing Unit	Per Drainage Billing Unit	Per Drainage Billing Unit
82,480.96	80,204.69	82,480.96	75,338.13	44,385.00	73,738.16	6,466.53	68,637.63	5,369.75

PRELIMINARY RATE CALCULATIONS

Once the total billing units for the road and drainage components were calculated, the next step was to determine the preliminary rate calculations. The preliminary rate calculations are based on the type and level of service provided to each parcel of property using the cost allocation methodology previously described and accounting for the Limited Service Areas. Table 11 provides the rate calculations for each component for Fiscal Year 2008-09.

Table 11
Fiscal Year 2008-09 Preliminary Rates

Base Administrative Services		Base Road Services	Enhanced Road Services	Rights-of-Way Mowing	Base Drainage Residential	Base Drainage Non-Residential	Enhanced Drainage Residential	Enhanced Drainage Non-Residential
Component 1 Per Road ERU	Component 2 Per Drainage Acre	Per Road ERU	Per Road ERU	Per Parcel	Per Drainage Billing Unit	Per Drainage Billing Unit	Per Drainage Billing Unit	Per Drainage Billing Unit
\$5.60	\$11.20	\$24.30	\$29.60	\$50.10	\$38.90	\$160.10	\$23.90	\$99.00

GOVERNMENT PROPERTY ASSUMPTIONS

The following assumptions support a finding that government property within the City demands and uses the Road and Drainage services provided by the Department.

- The Department provides services and facilities to government property by maintaining roads, treating and controlling contaminated stormwater generated by improvements constructed on government property.
- Government property creates a burden on the Department that must be managed by the Department through the maintenance of roads, as well as the collection, storage, control, treatment, and conveyance of stormwater generated by such government property.
- The Road and Drainage assessment charged to government property as calculated pursuant to the methodology presented in this Assessment Report bears a reasonable relationship to the Department's cost of providing road and drainage services to government property and is fair and equitable.

Outstanding Issues

GSG has identified the following issue that requires further consideration with respect to the preliminary rates that are developed and presented in this Report.

Issue 1: Collection of Assessments from Governmental Property. A special assessment can be imposed against governmental property to pay for the benefits that such property receives. However, as to each level of government, differing concepts of immunity and other statutory provisions or case law may prevent collection or frustrate special assessment imposition. In addition, Florida case law is clear that the payment of such assessments cannot be enforced by a lien against the public property. Rather, the enforcement remedy would be a judicial action to compel payment. A collateral issue in enforcing payment is the legislative authorization of the public agency to pay the charge or special assessment imposed. Thus, the law establishing the expenditure authority of the specific governmental or public agency or its appropriation discretion must be examined to determine whether the governmental unit has the authority to pay a charge or assessment for road and drainage services provided by the Department.