

City of Key West, Florida

Stormwater Rate Study Presentation

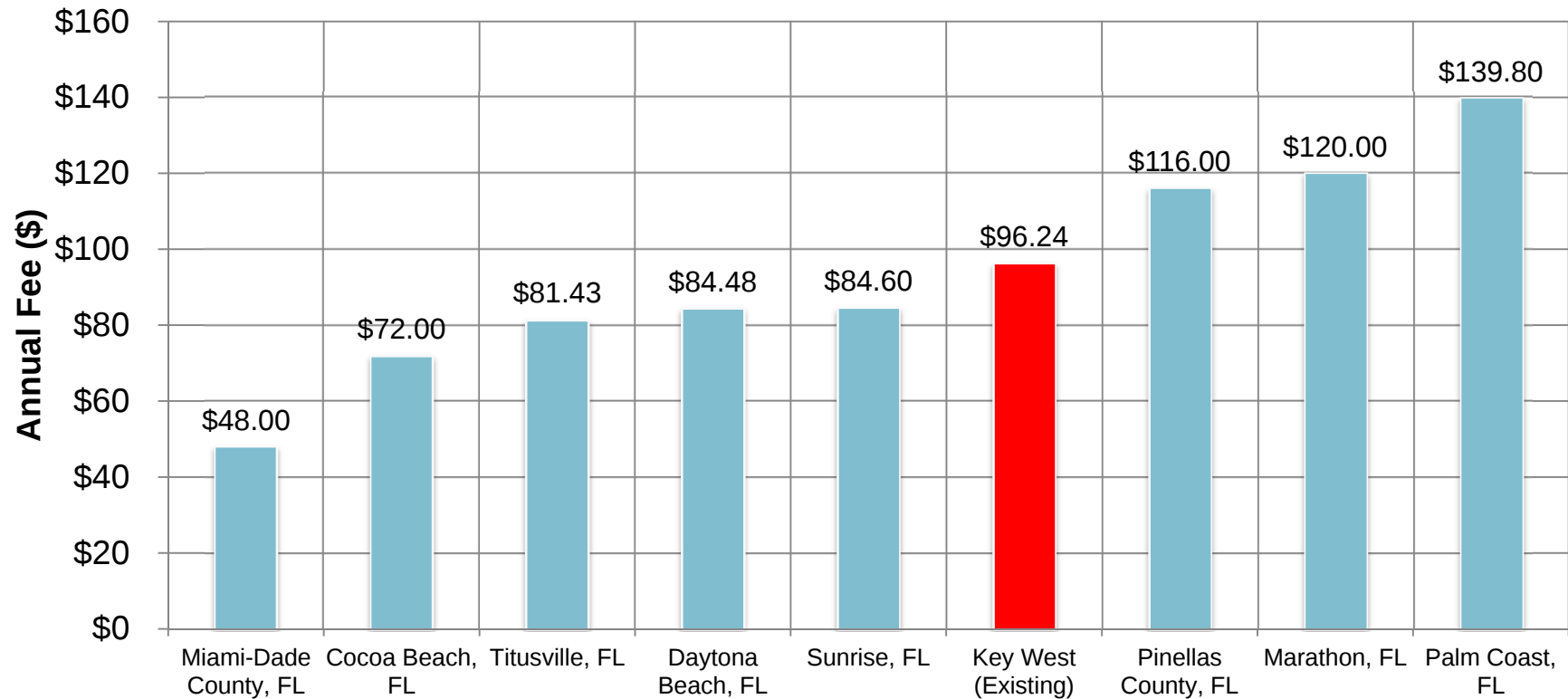
July 21, 2015



Existing Sewer Fee Structure

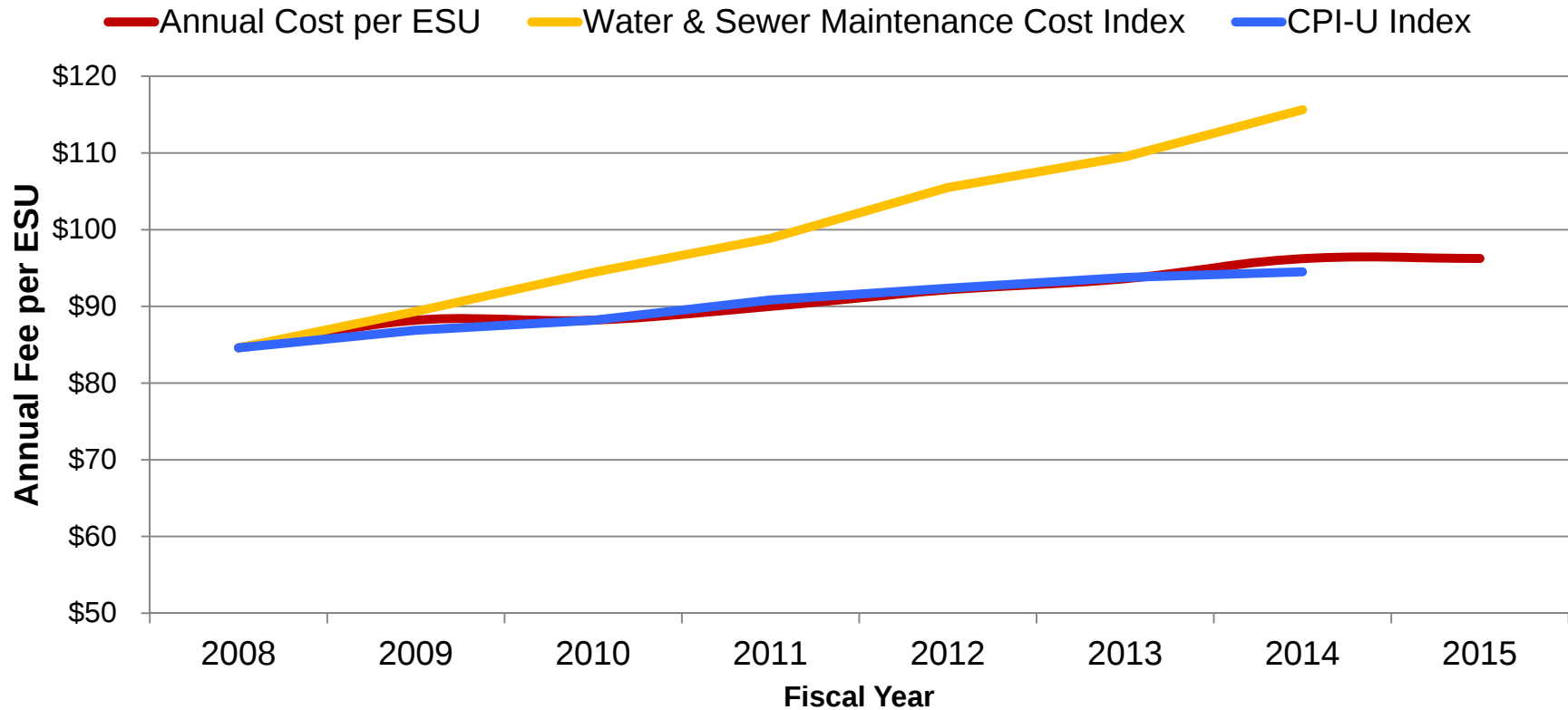
Stormwater Fee =
\$96.24 per ESU per year

Stormwater Fee Comparison



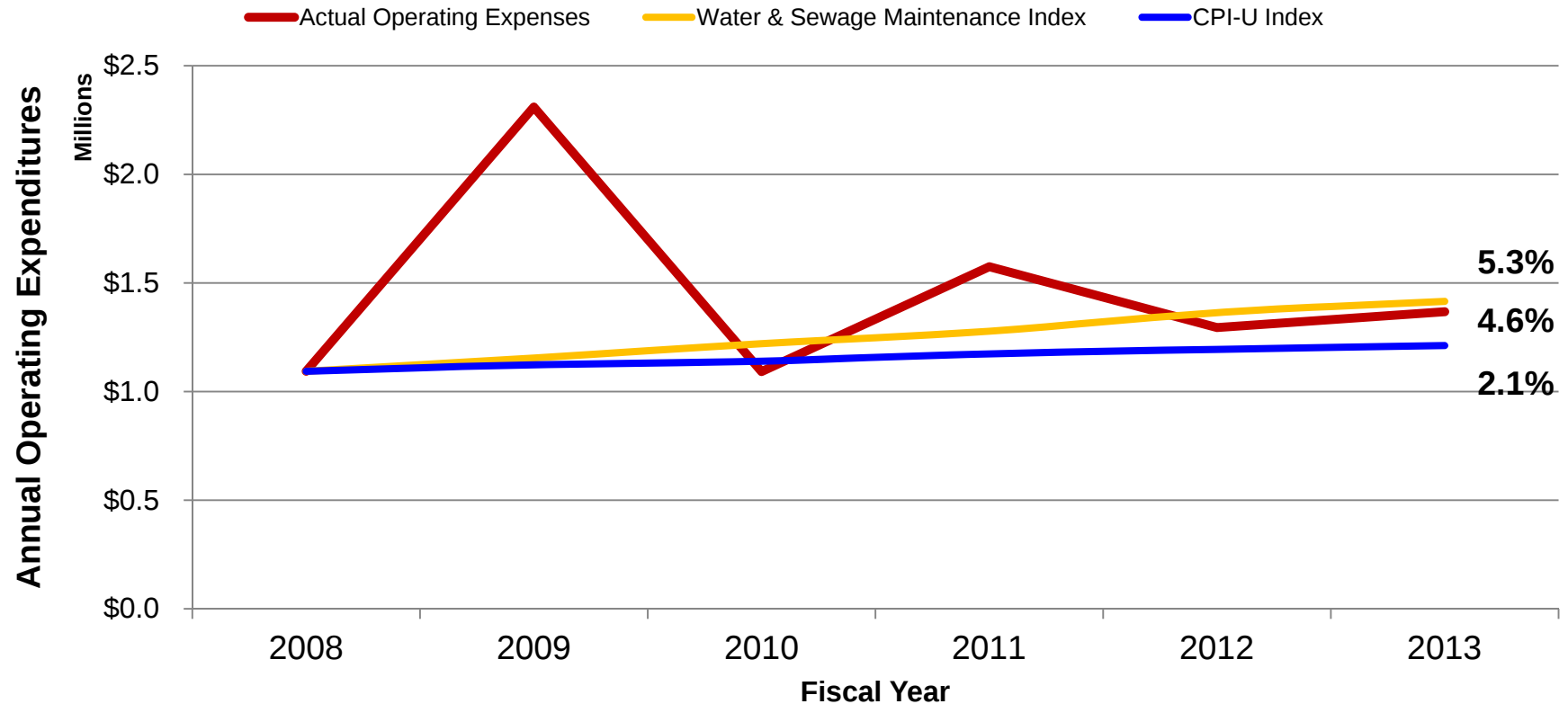
-Represents the annual fee associated with one residential unit.

Historical Annual Fee per ESU



Annual Fee per ESU	2008	2009	2010	2011	2012	2013	2014	2015
\$ Change	-	\$3.60	\$0.00	\$1.80	\$2.16	\$1.44	\$2.64	\$0.00
% Change	-	4.3%	0.0%	2.0%	2.4%	1.6%	2.8%	0.0%

Historical Operating Costs



-Operating costs include amounts transferred to other funds.

Capital Improvement Plan

Description	City Share						Grant	Total
	2015	2016	2017	2018	2019	2020	Funding	
Duval/WH/Simonton-E. Front St Basin	\$ 926,092	\$ -	\$ -	\$ -	\$ -	\$ -	\$2,778,275	\$ 3,704,367
George St. Pump Asst. Outfall	753,742	-	-	-	-	-	1,857,680	2,611,422
Mitigation/Flow Improvement	300,000	-	-	-	55,000	55,000	-	410,000
Dennis St Pump and Outfall	-	290,500	-	-	-	-	539,500	830,000
Harris and 10th Ave. Outfall Project	-	217,000	-	-	-	-	403,000	620,000
Misc. Stormwater Projects	80,000	80,000	82,800	85,698	88,697	91,802	-	508,997
Patricia & Ashby Neighborhood Piping	-	-	315,000	210,000	-	-	975,000	1,500,000
Fogarty and 3rd St. Pump Station	-	-	-	-	462,000	462,000	1,716,000	2,640,000
Total	\$2,059,834	\$587,500	\$397,800	\$295,698	\$605,697	\$608,802	\$8,269,455	\$12,824,786

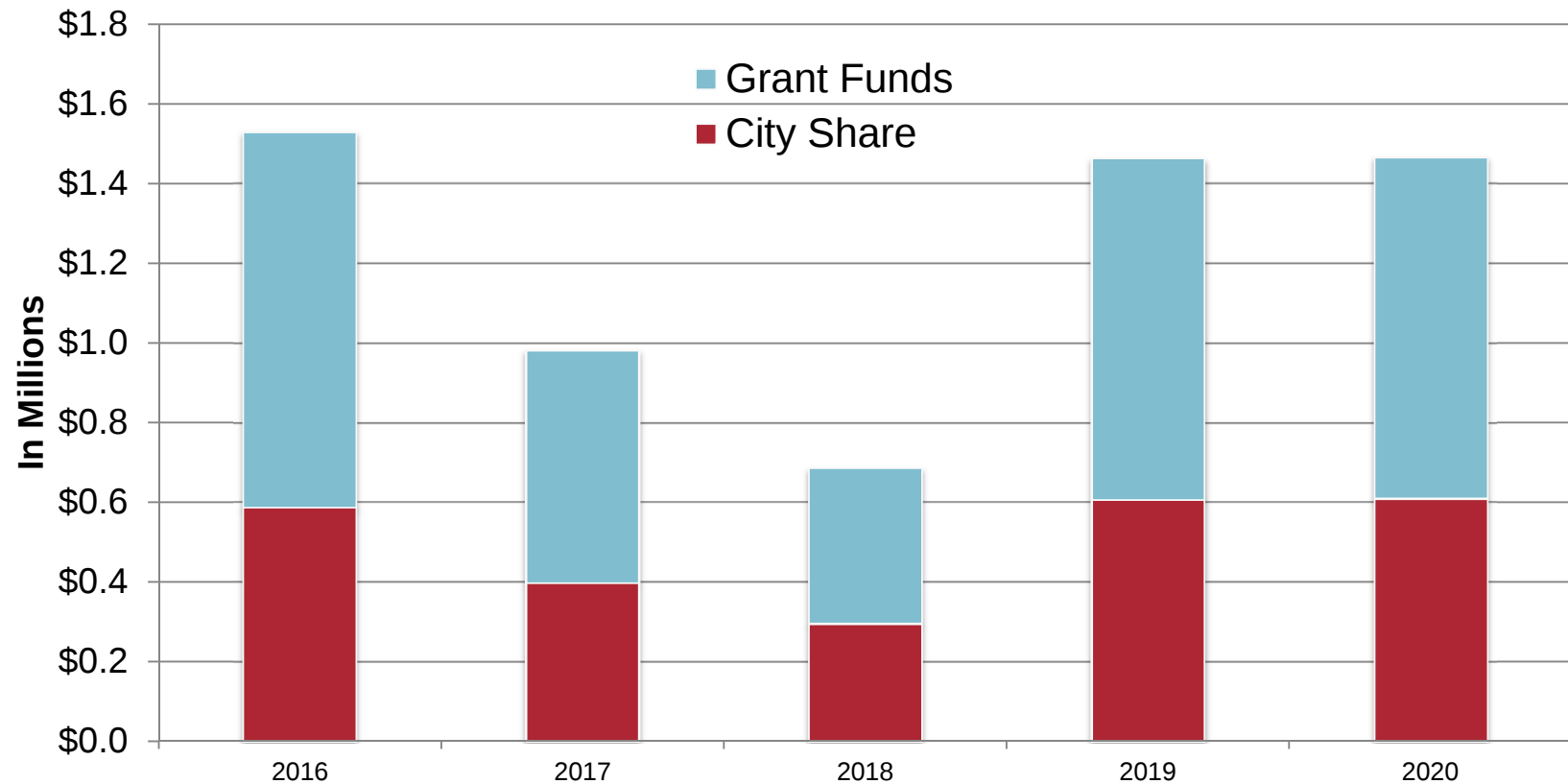
Capital Improvement Projects (2016)

- Dennis Street Pump and Outfall
 - Project cost: \$830,000 (65% Grant)
 - Install pump station to relieve flooding by connecting into the Patricia St. wells and outfall system
 - Design 2016, construction 2016/2017

Capital Improvement Projects (2016)

- Harris and 10th Avenue Outfall Project
 - Project cost: \$610,000 (65% Grant)
 - Storm inlets intersection connecting to 18" outfall into the salt pond system
 - Project timeline: Completion in 2016

Capital Improvement Plan - Funding Summary



Key Metrics to Consider

- Revenues Sufficient to Cover Expenses

- Cash Balance

Minimum Target = 20 – 25% of Operating Expenses
for Working Capital

Fee Scenarios FY2016-2020

Scenario 1:

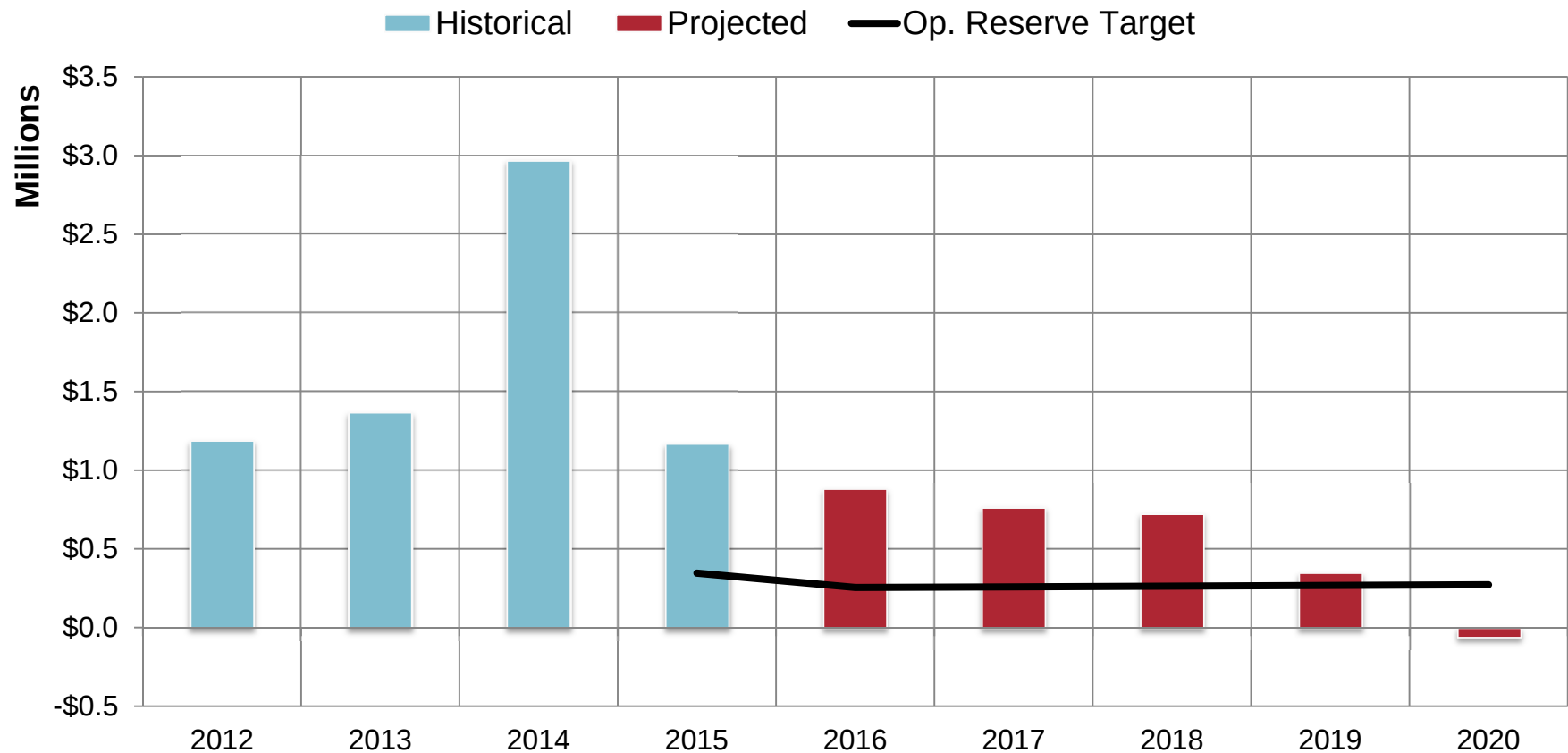
No Fee Increases FY2016-2020

Scenario 2:

Moderate Fee Increases
FY2016-2020

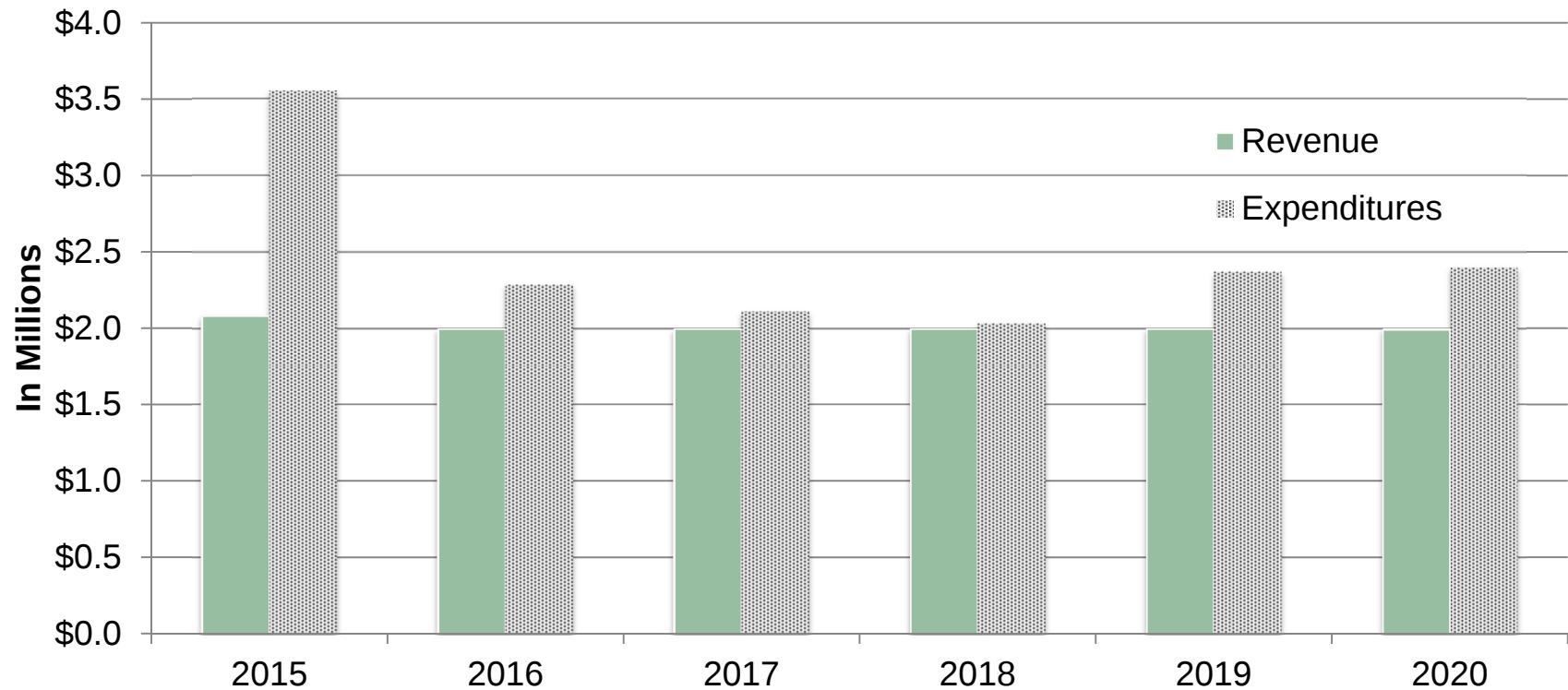
Scenario 1: No Fee Increases

Cash Balance (Year End)



Revenues and Expenses

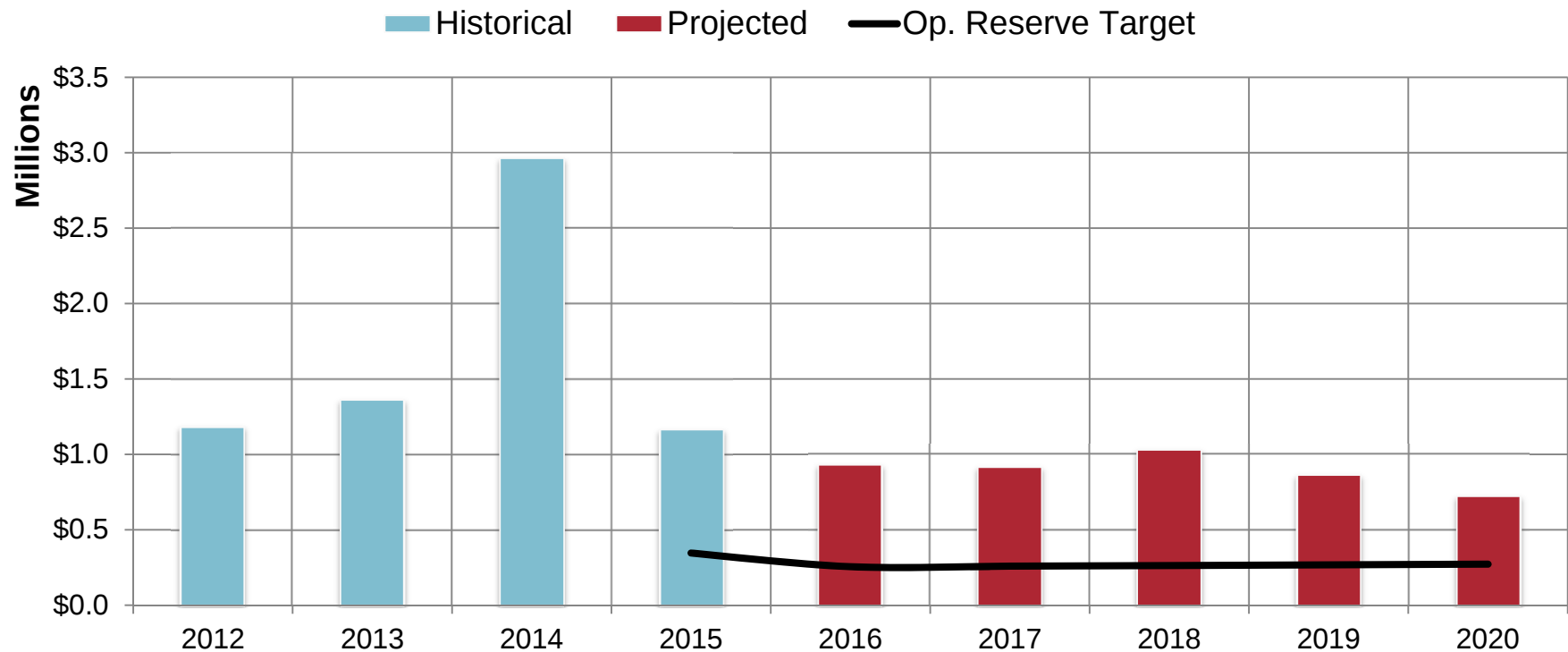
-Stormwater Fund Without Fee Adjustment



-FY2015 and FY2016 shown as budgeted; FY2016-FY2020 shown as projected..

Scenario 2: Moderate Fee Increases

Cash Balance (Year End)



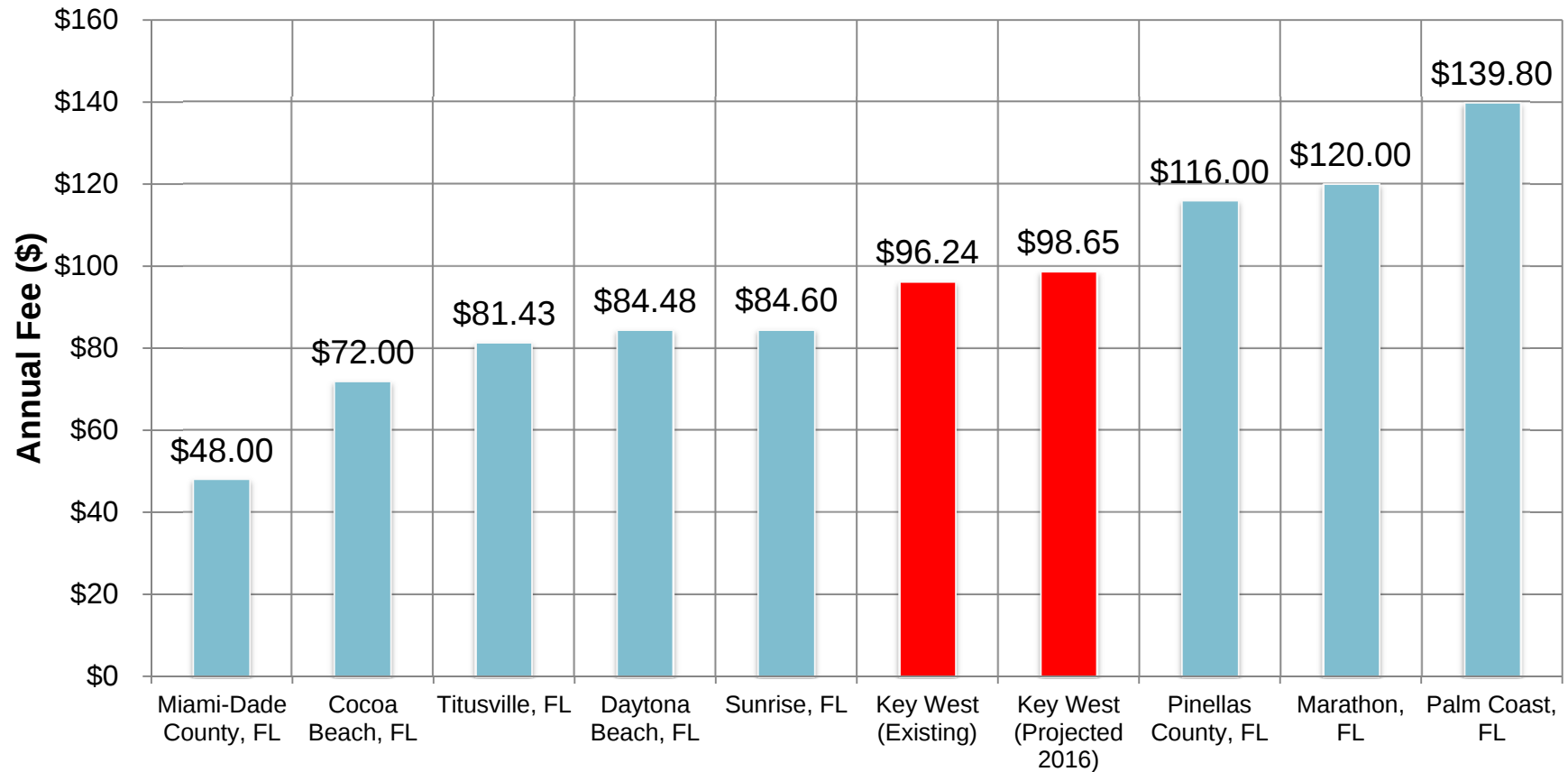
Fee Increases				
2016	2017	2018	2019	2020
2.5%	2.5%	2.5%	2.5%	2.5%

Recommendations

Adopt a Stormwater Fee increase of 2.5% for FY2016

- Supports capital program funding
- Maintains cash position over three year period

Stormwater Fee Comparison



-Represents the annual fee associated with one residential unit.

Recommendations

Proposed Annual Stormwater Fees (per ESU)

- FY2016 - \$98.65
- FY2017 - \$101.12
- FY2018 - \$103.65
- FY2019 - \$106.24
- FY2020 - \$108.90

Typical Annual Stormwater Bills

-Based on 2.5% Increase in FY2016

			Annual Stormwater Bill			
Line	Customer	ESU's	Existing	Proposed	(\$) Increase	(%) Increase
1	Casa Marina (Large Hotel)	200	\$19,248.00	\$19,730.00	\$482.00	2.5%
2	Days Inn (Medium Hotel)	78	\$7,506.72	\$7,694.70	\$187.98	2.5%
3	El Rancho (Small Hotel)	16	\$1,539.84	\$1,578.40	\$38.56	2.5%
4	Pilot House (Guest House)	5	\$481.20	\$493.25	\$12.05	2.5%
5	Benihana (Restaurant)	31	\$2,983.44	\$3,058.15	\$74.71	2.5%
6	Attorney	2	\$192.48	\$197.30	\$4.82	2.5%
7	Nautical Treasure (Downtown Shop)	2	\$192.48	\$197.30	\$4.82	2.5%
8	Key West Landrette (Laundry)	1	\$96.24	\$98.65	\$2.41	2.5%
9	Household (Typical Residential)	1	\$96.24	\$98.65	\$2.41	2.5%

Questions?

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