

# City of Key West, Florida

# Stormwater Rate Study Presentation

## July 16, 2013



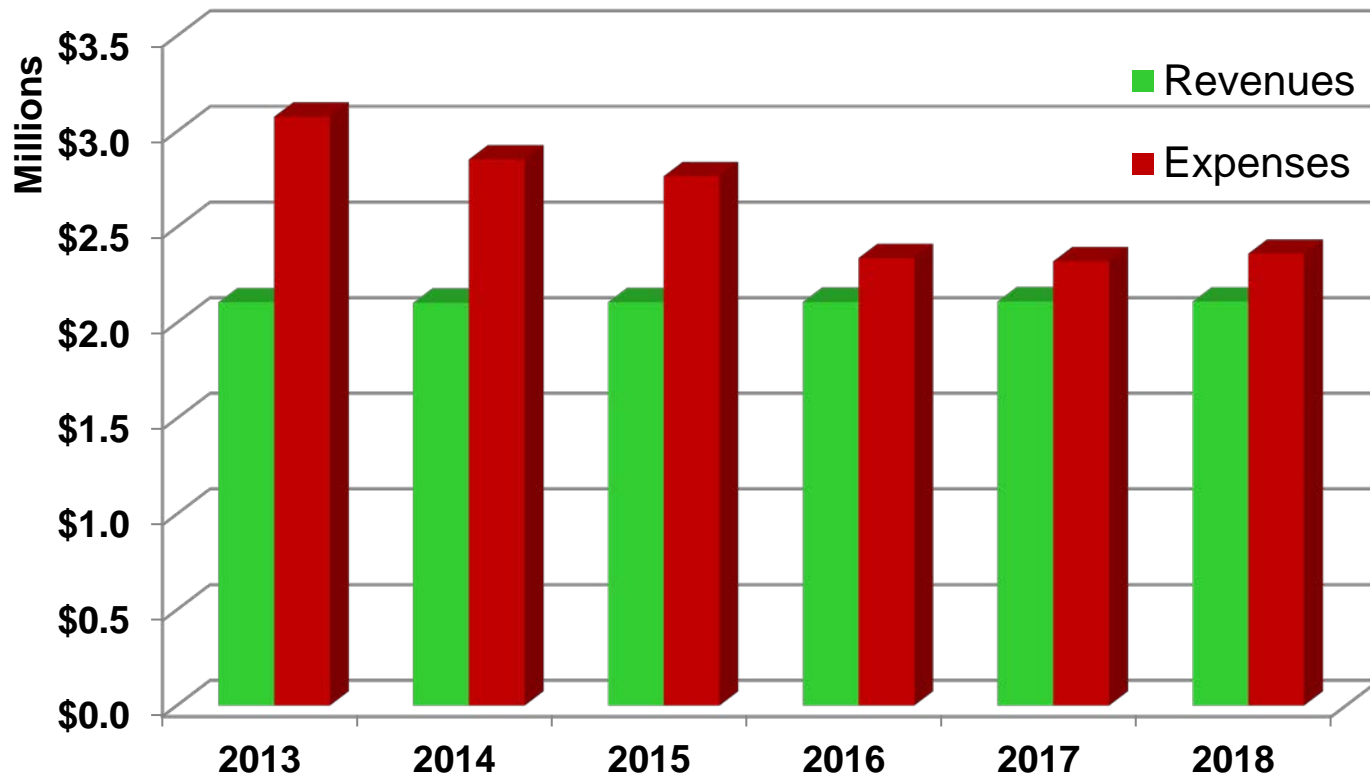


# Existing Stormwater Fee Structure

## Stormwater Fee

- \$7.80 Per ESU / Month
- \$93.60 per ESU / Year

# Revenues and Expenses – Stormwater Fund Without Fee Adjustment



# Capital Improvement Projects

- East Front Street Project
  - Construction of infrastructure to intercept stormwater before it enters the low elevation Front St. basin
  - Includes 5 new gravity wells
  - Replaces outfall underneath aquarium with new upsized Mallory Square outfall
  - Project will repair Duval St. inlets to intercept more sheet flow
  - \$3.7 million total cost
  - 75% Grant Funded



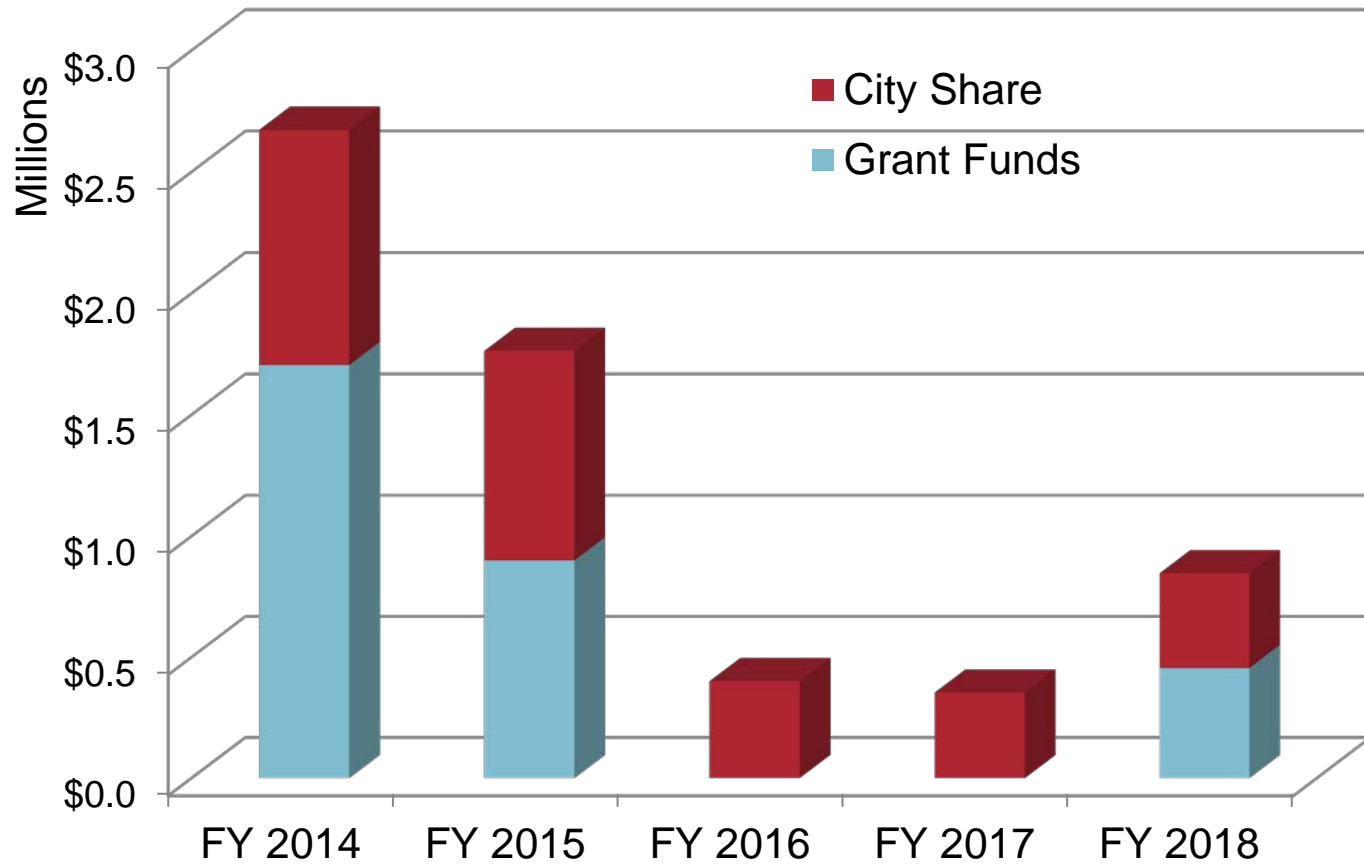
# Capital Improvement Projects

- Simonton St Pump Station Emergency Outfall Project
  - Construction of emergency outfall and generator to existing pump station
  - Estimated \$730,000 construction cost
  - Staff is seeking grant funding assistance
  - Project is currently under design





# CIP Project Funding Summary - Significant Funding with Grants



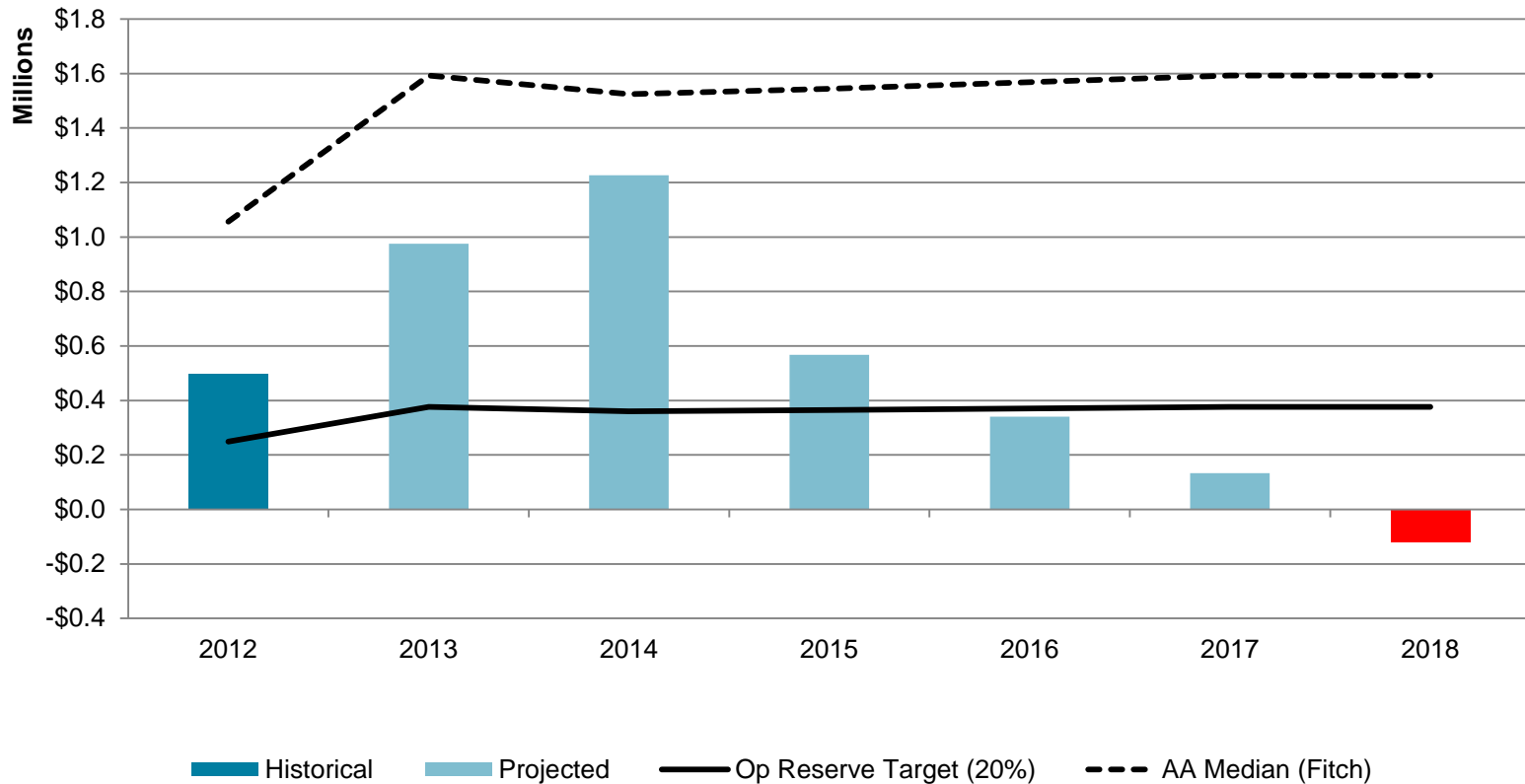


# Stormwater Rate Scenarios

1. No Rate Increases Over Next 5 years, with One-Time Tax Transfer
2. No Rate Increases Over Next 5 years, without One-Time Tax Transfer
3. No Rate Increases in 2014, with One-Time Tax Transfer
4. No Rate Increases in 2014, with One-Time Tax Transfer
5. Inflationary Rate Adjustments Each Year Over Next 5 Years, with One-Time Tax Transfer
6. Inflationary Rate Adjustments Each Year Over Next 5 Years, without One-Time Tax Transfer

# Scenario 1 – No Rate Increases 2014-2018 (with one-time tax transfer)

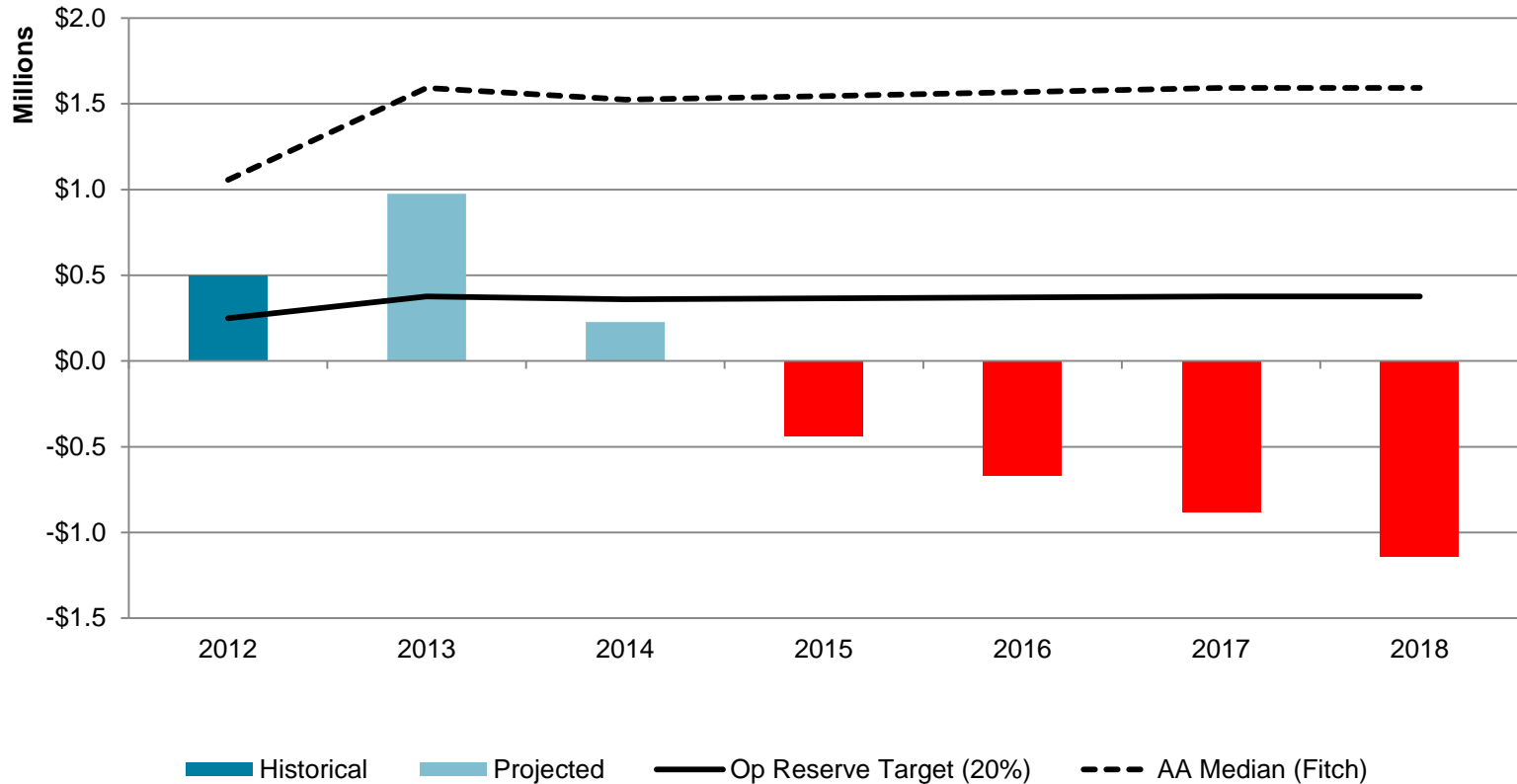
## Cash Reserves





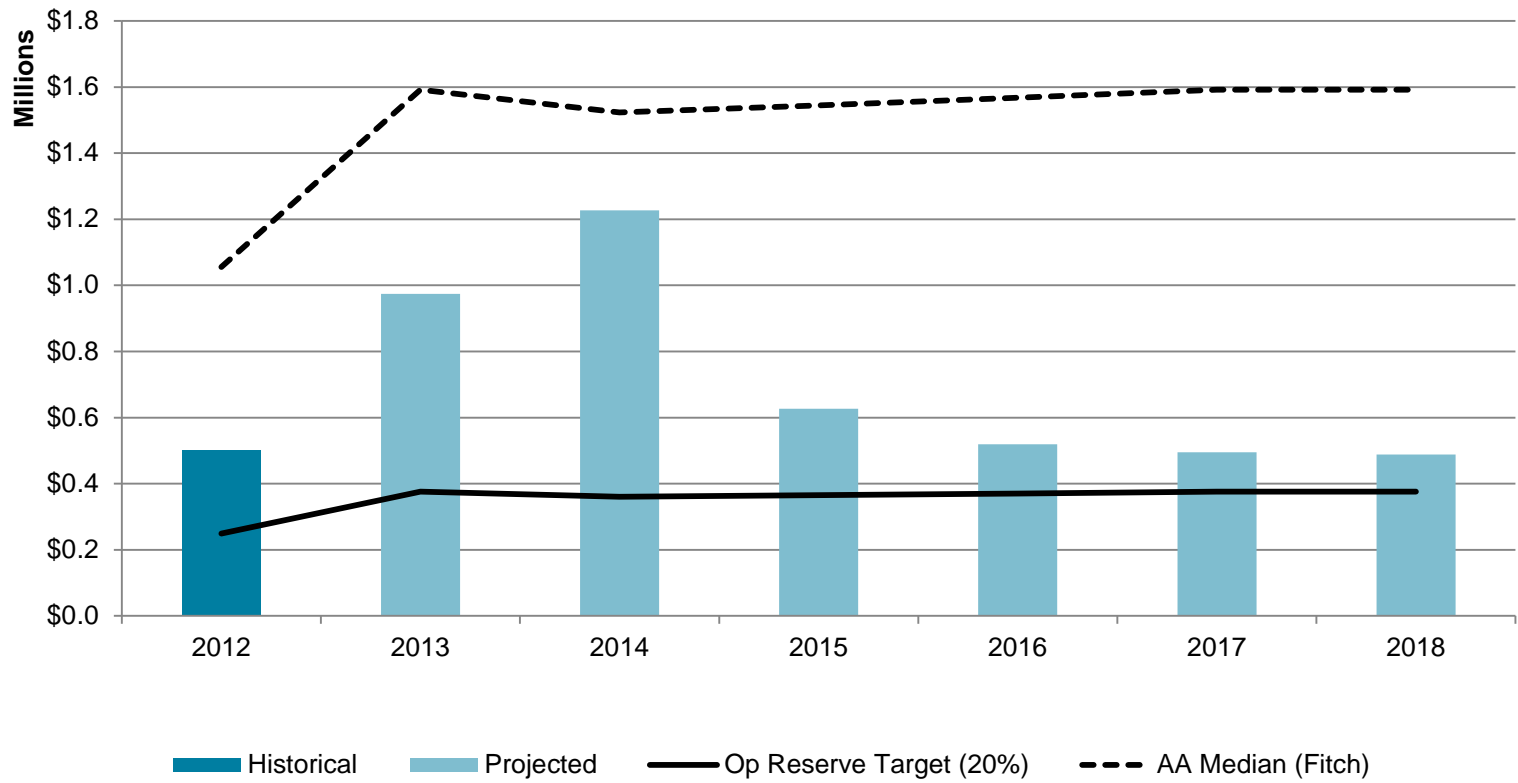
# Scenario 2 – No Rate Increases 2014-2018 (without one-time tax transfer)

## Cash Reserves



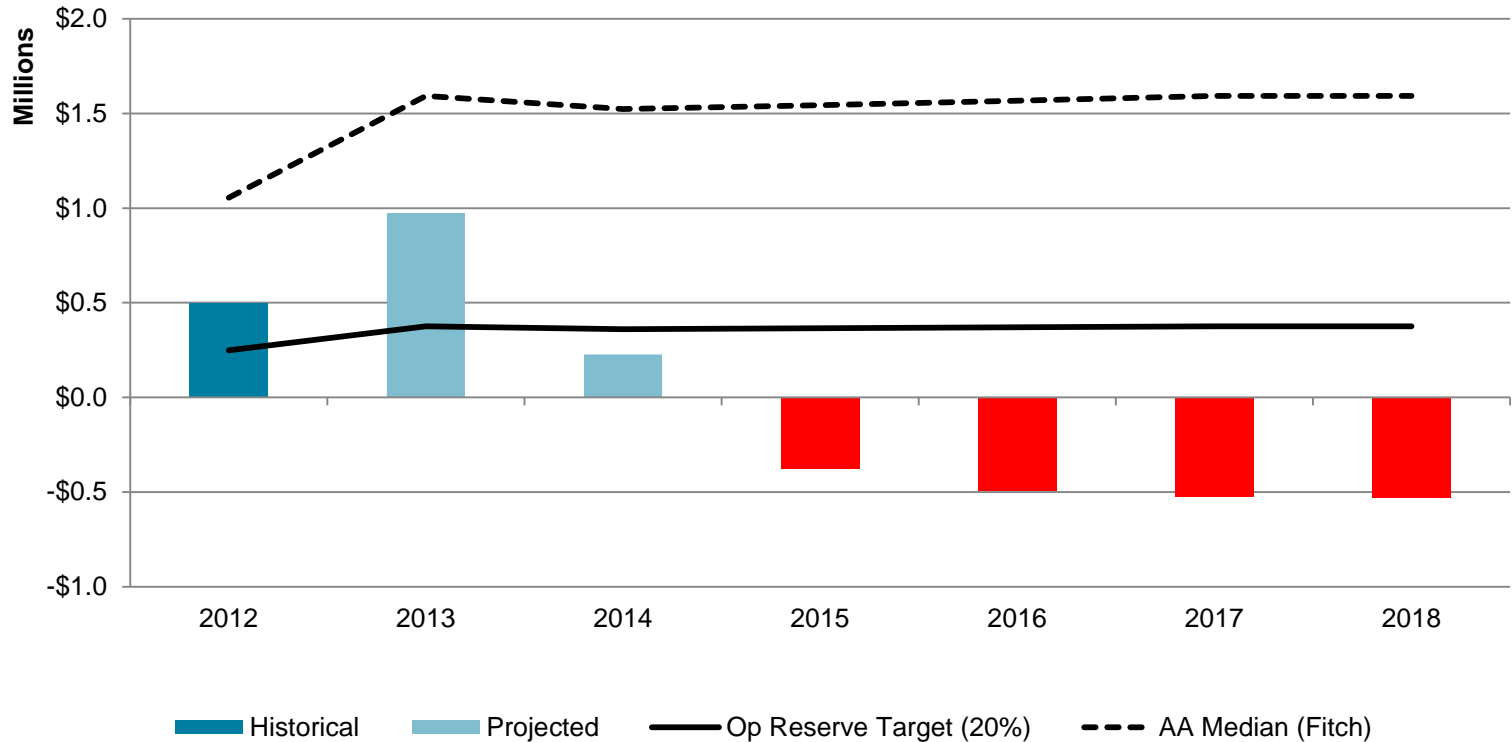
# Scenario 3 – No Rate Increase in 2014, inflationary increases thereafter (with one-time tax transfer)

## Cash Reserves



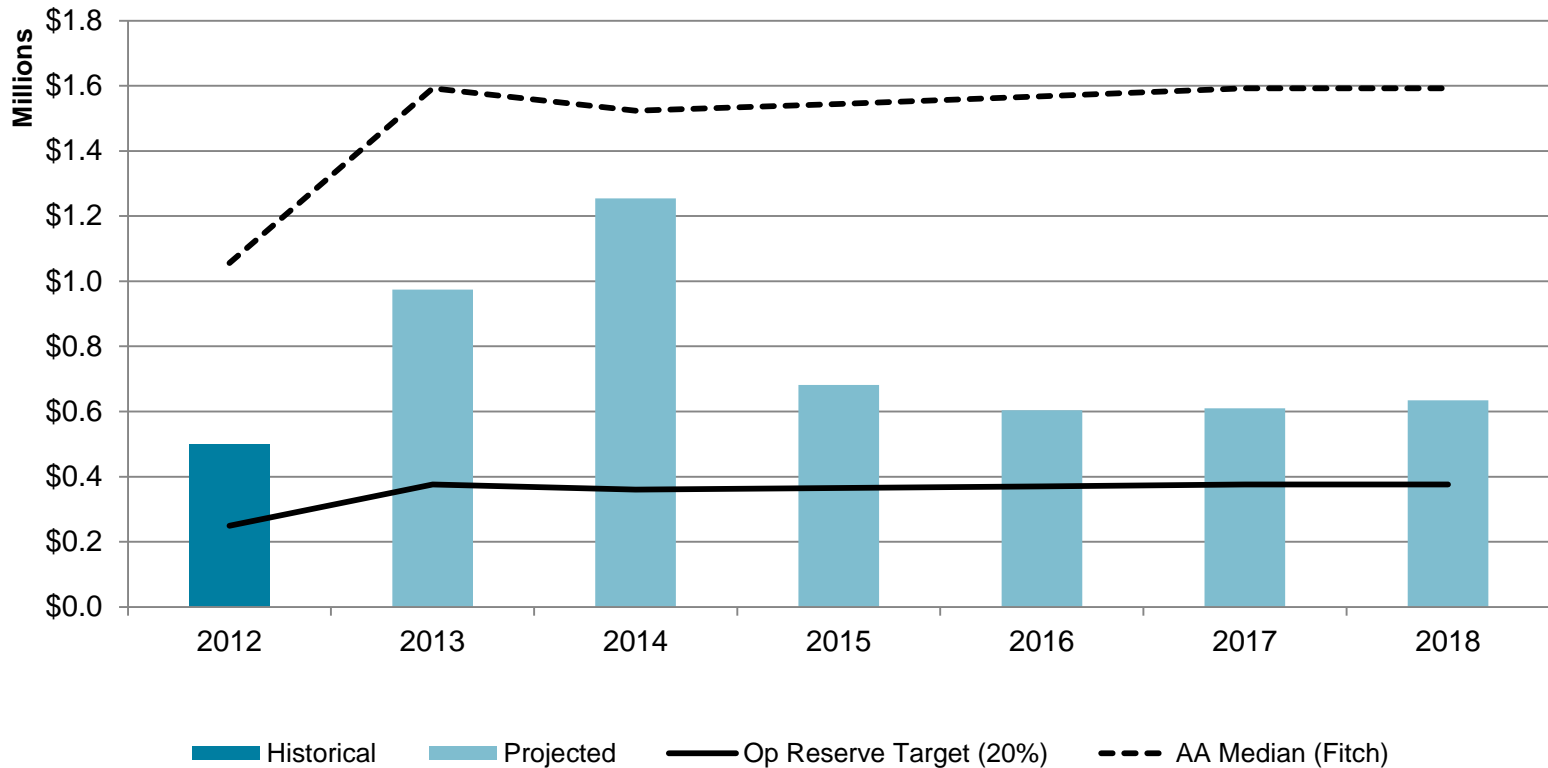
# Scenario 4 – No Rate Increase in 2014, inflationary increases thereafter (without one-time tax transfer)

## Cash Reserves



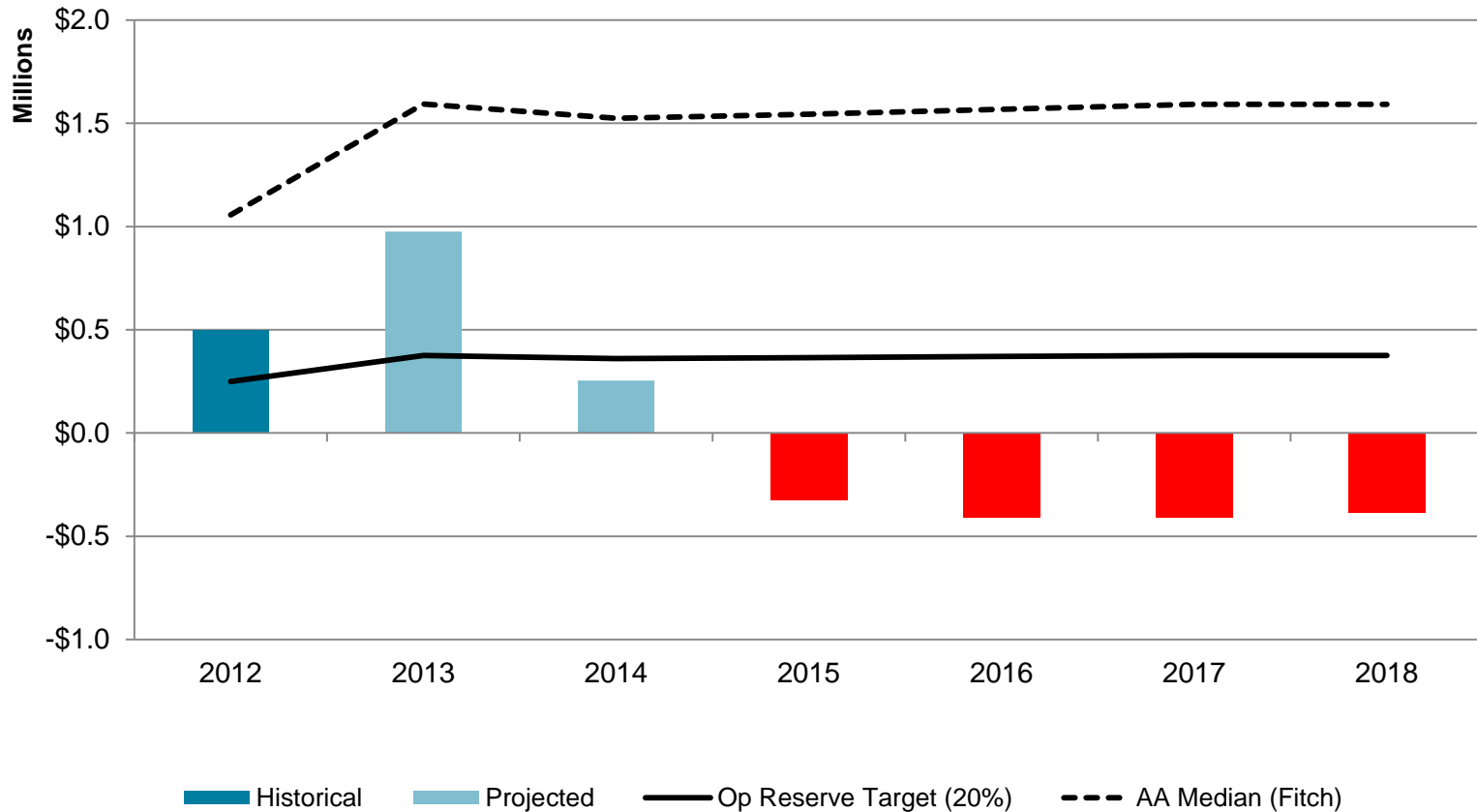
# Scenario 5 – Inflationary Increases (with one-time tax transfer)

## Cash Reserves



# Scenario 5 – Inflationary Rate Increases (without one-time tax transfer)

## Cash Reserves





# Recommendations

1. Adopt an inflationary Stormwater Fee increase of 1.3% for FY2014
  - Supports capital program funding
  - Maintain reserves within policy range for 2014
2. Continue to monitor several factors prior to making additional adjustments
  - Ability to obtain grant funding for the capital program
  - Fee collection rates as billing goes back on the tax rolls.



# Recommendations

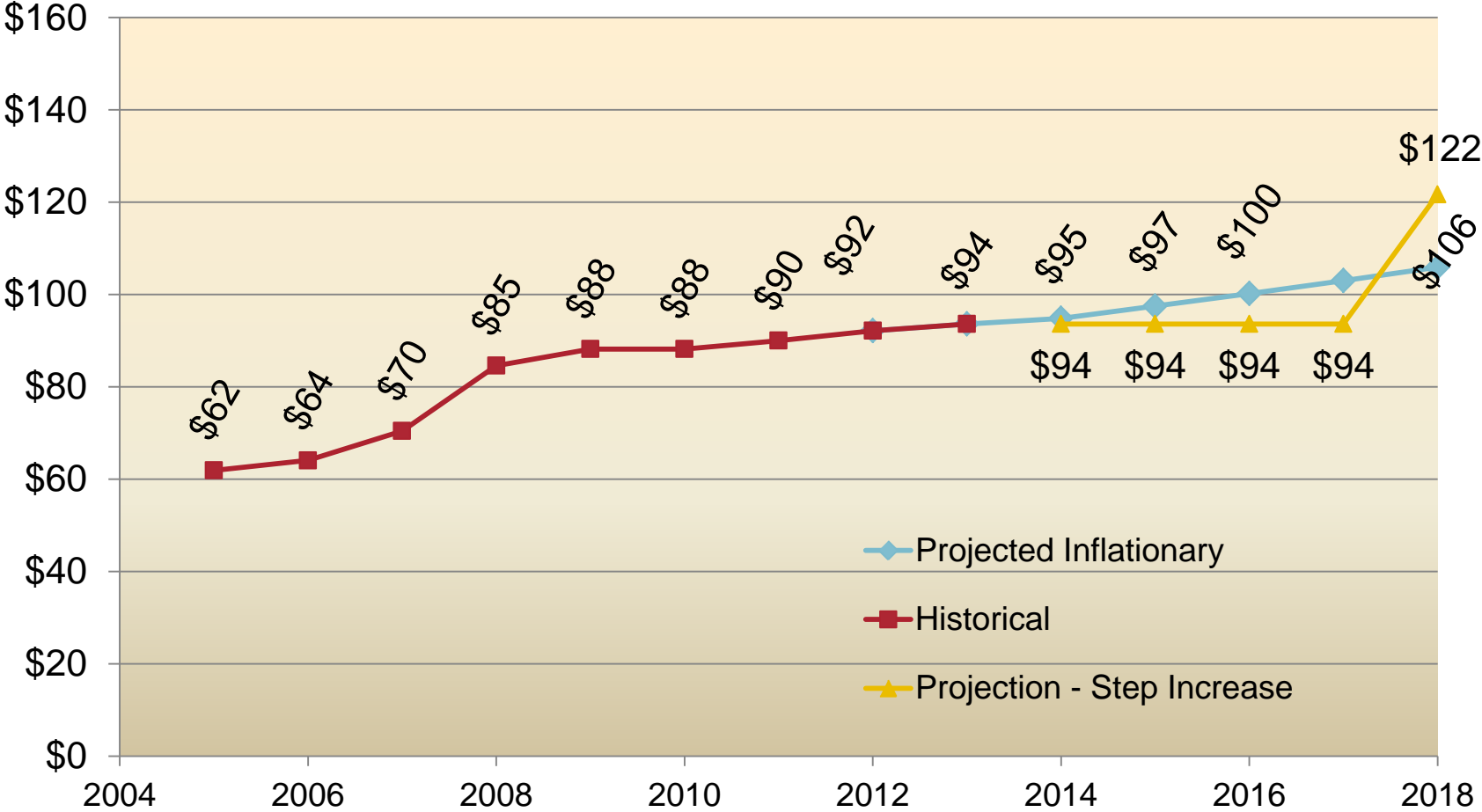
3. City will need to send initial assessment resolution information to all residents and businesses to establish a 5-year utility notice.

Proposed annual rates:

- FY 2015: \$97.47
- FY 2016: \$100.20
- FY 2017: \$103.01
- FY 2018: \$105.89

# Stormwater Fees per ESU

## Historical and Projected





# Typical Annual Stormwater Bills with Inflationary Increase in FY14

Line	Description	ESUs	Annual Stormwater Bill			
			Existing	Proposed	Increase	Increase
1	Casa Marina (Large Hotel)	200	\$18,720	\$18,960	<b>\$240.00</b>	1.3%
2	Days Inn (Medium Hotel)	78	\$7,301	\$7,394	<b>\$93.60</b>	1.3%
3	Silver Palms Inn (Small Hotel)	16	\$1,498	\$1,517	<b>\$19.20</b>	1.3%
4	Pilot House (Guest House)	5	\$468	\$474	<b>\$6.00</b>	1.3%
5	Benihana (Restaurant)	31	\$2,902	\$2,939	<b>\$37.20</b>	1.3%
6	Attorney	2	\$187	\$190	<b>\$2.40</b>	1.3%
7	Nautical Treasure (Downtown Shop)	2	\$187	\$190	<b>\$2.40</b>	1.3%
8	Key West Landrette (Laundry)	1	\$94	\$95	<b>\$1.20</b>	1.3%
9	Household (Typical Residential)	1	\$94	\$95	<b>\$1.20</b>	1.3%

# Questions?

