

City of Key West, Florida

Stormwater Rate Study Presentation

July 24, 2012

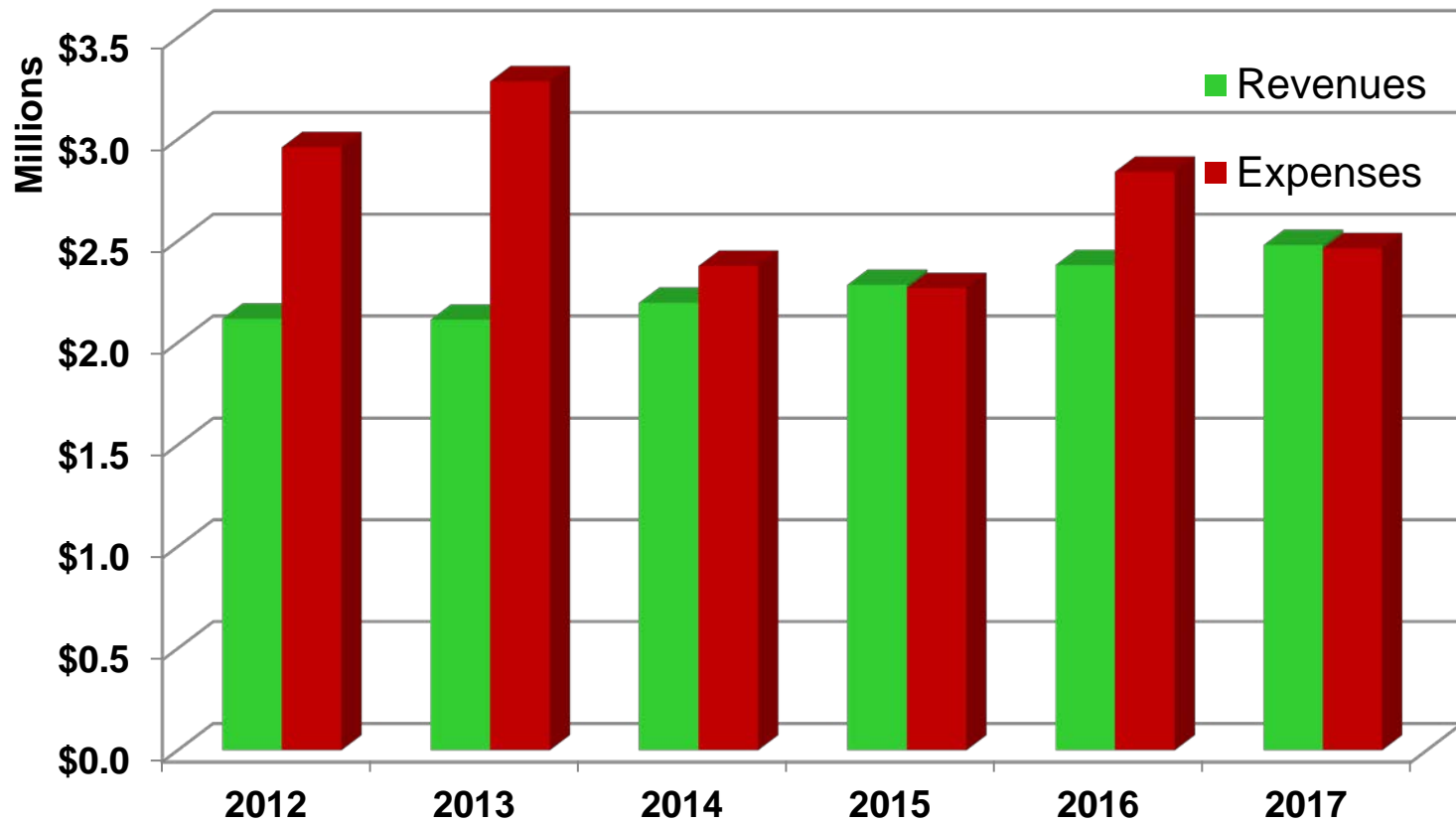


Existing Stormwater Fee Structure

Stormwater Fee

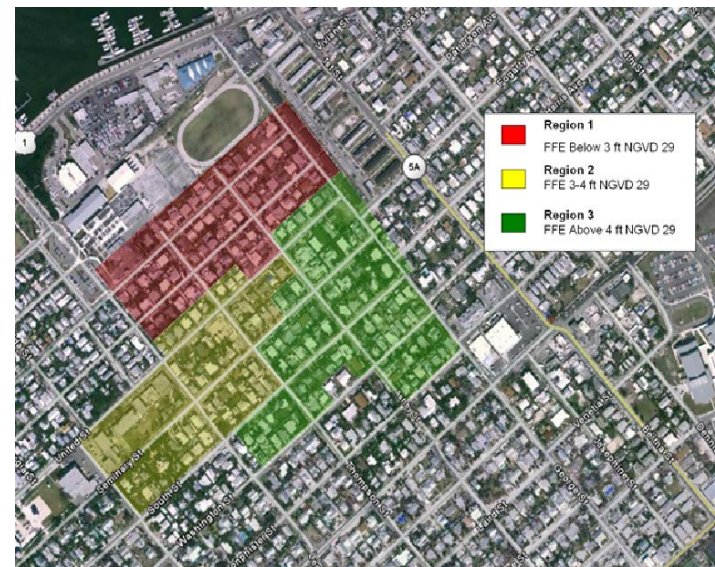
- \$7.68 Per ESU / Month
- \$92.16 per ESU / Year

Revenues and Expenses – Stormwater Fund Without Fee Adjustment



Capital Improvement Projects

- George Street Pump Station Outfall
 - Construction of two pump assisted wells at Catherine and Ashby Streets, along with a generator and outfall pipeline.
 - Addresses area of severe flooding in the City where the elevation is low and there is tidal influence.
 - \$3.7 million cost remaining
 - 75% Grant Funded

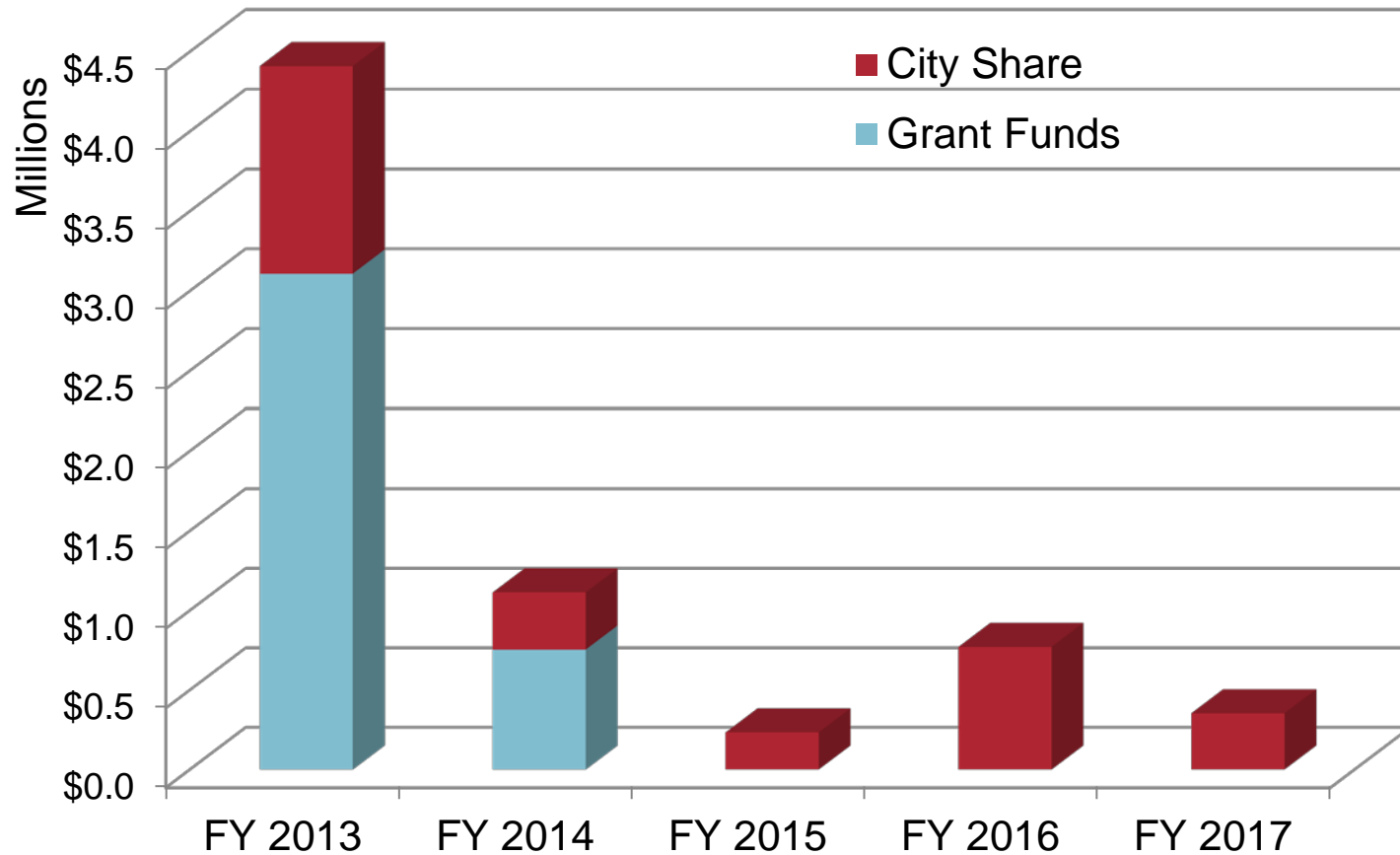


Capital Improvement Projects

- 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 Street inlets to intercept more sheet flow
 - \$2.4 million total cost
 - 75% Grant Funded



CIP Project Funding Summary - Significant Funding with Grants

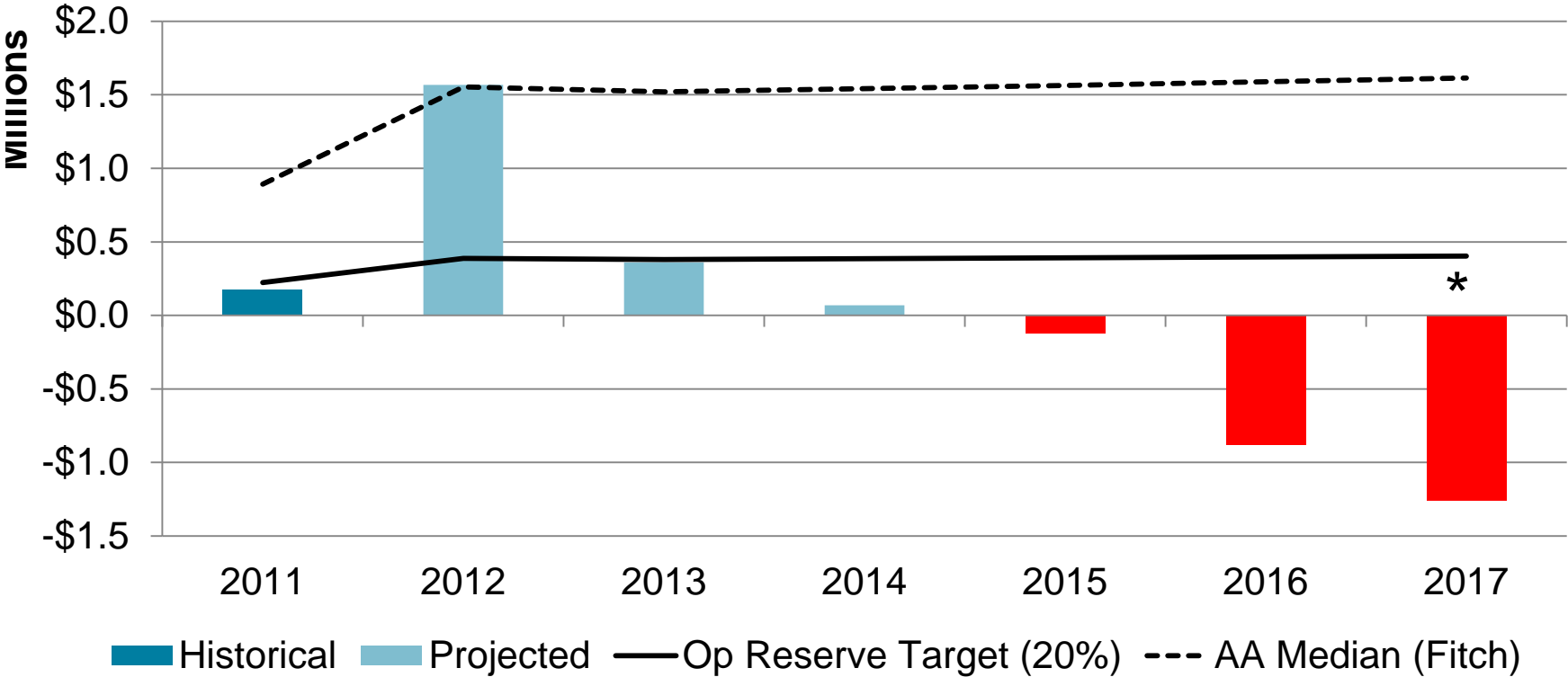


Stormwater Rate Scenarios

1. No Rate Increases Over Next 5 years
2. Inflationary Rate Adjustments Each Year Over Next 5 Years
3. Higher Than Inflationary Increases Each Year Over Next 5 Years
4. No Rate Increase in Until FY17. One Big Step Increase in FY17.

Scenario 1 – No Rate Increases 2013-2017

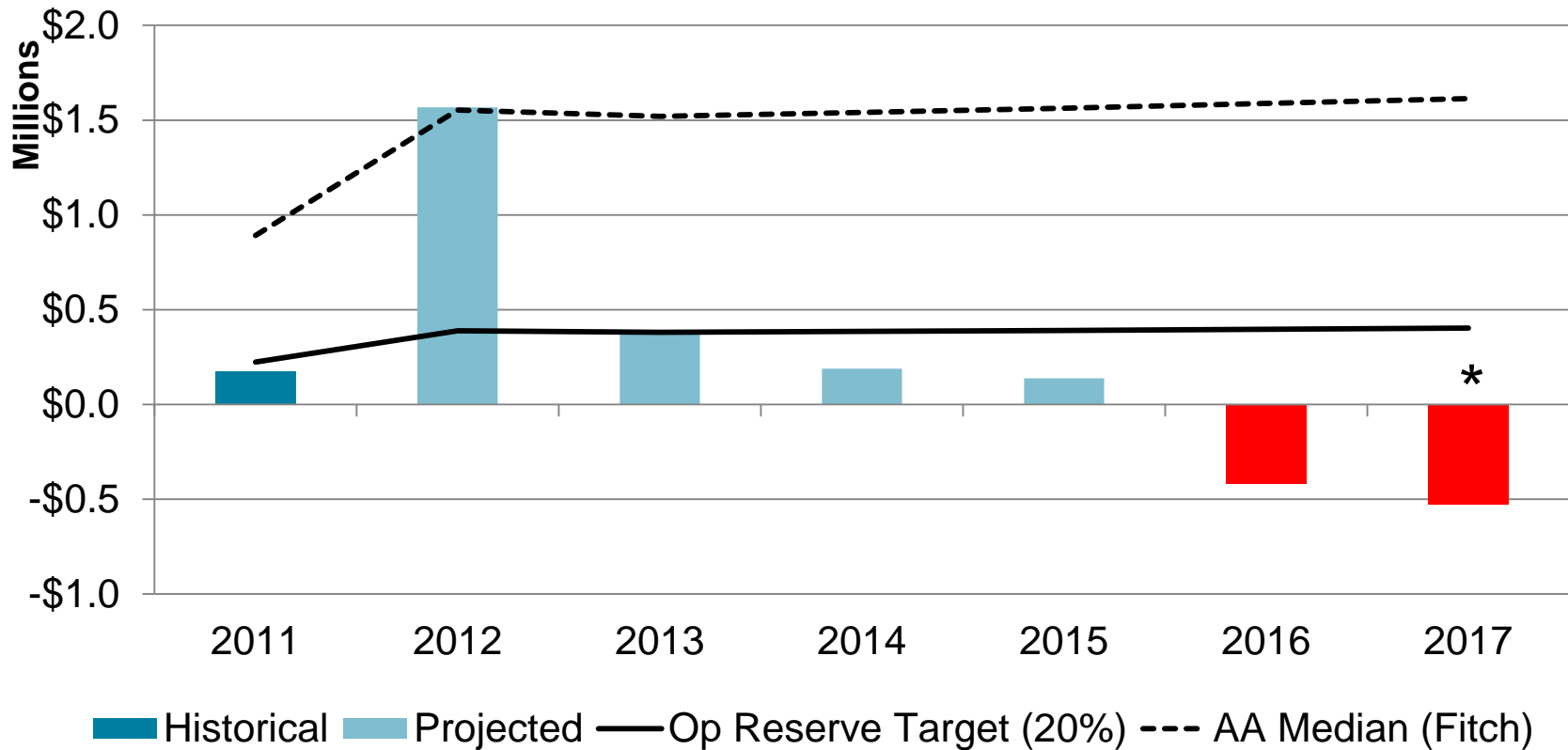
Cash Reserves



* Negative reserve is primarily due to uncertainty on grant funding for future projects.

Scenario 2 – Inflationary Rate Increases (Each Year)

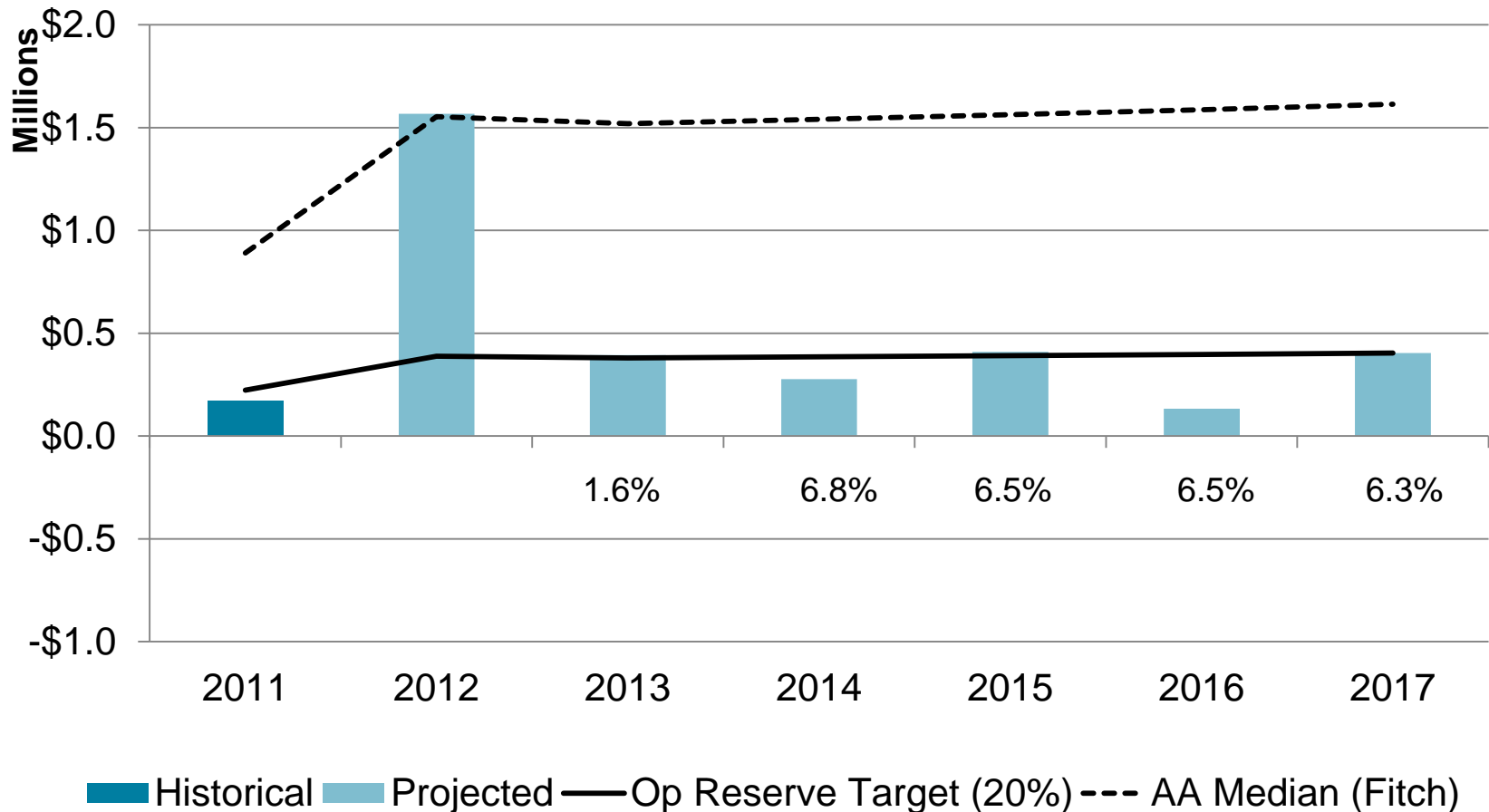
Cash Reserves



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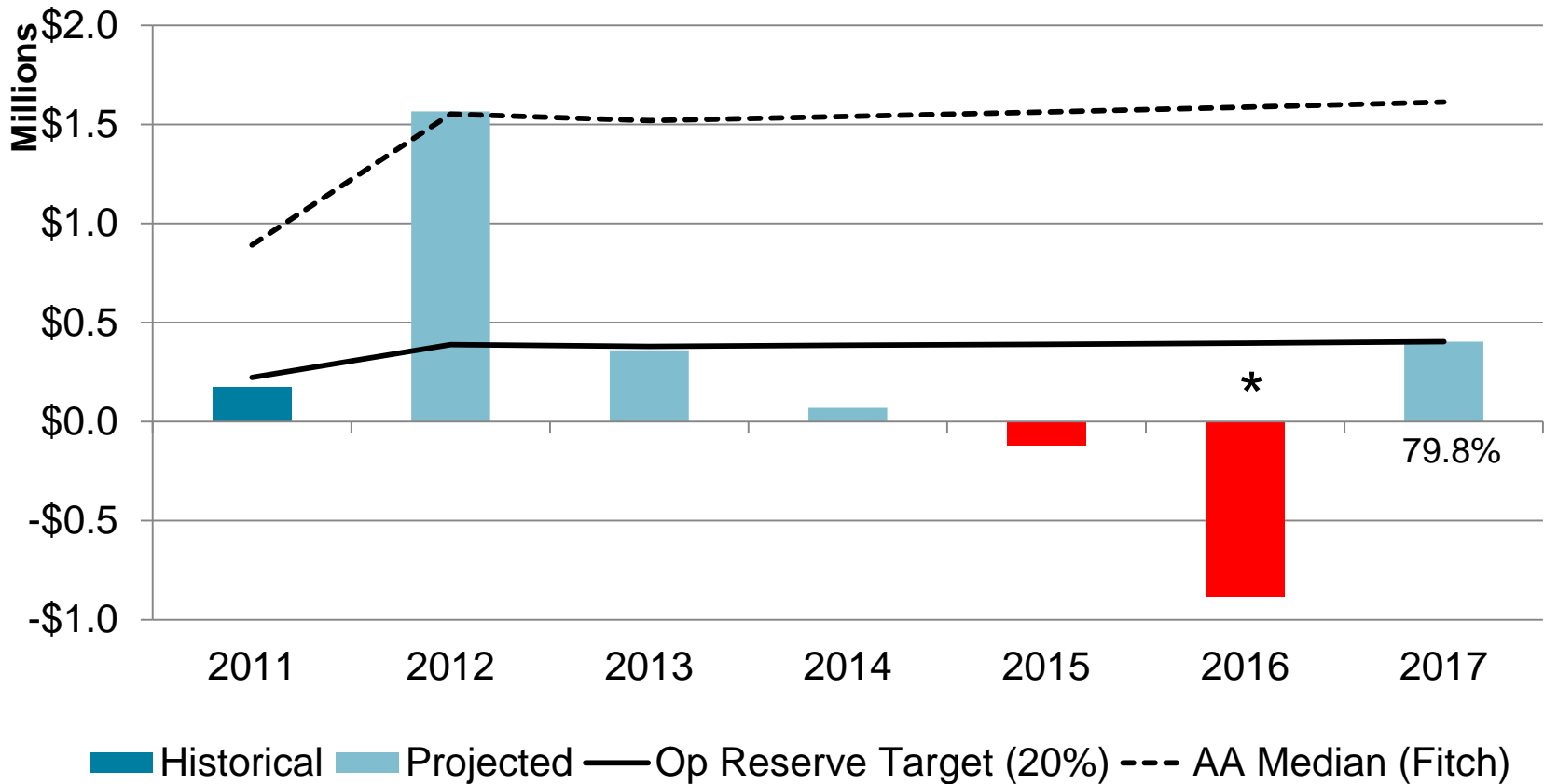
Scenario 3 – Higher Than Inflationary Rate Increases (Each Year)

Cash Reserves



Scenario 4 – No Rate Increase Until 2017

Cash Reserves



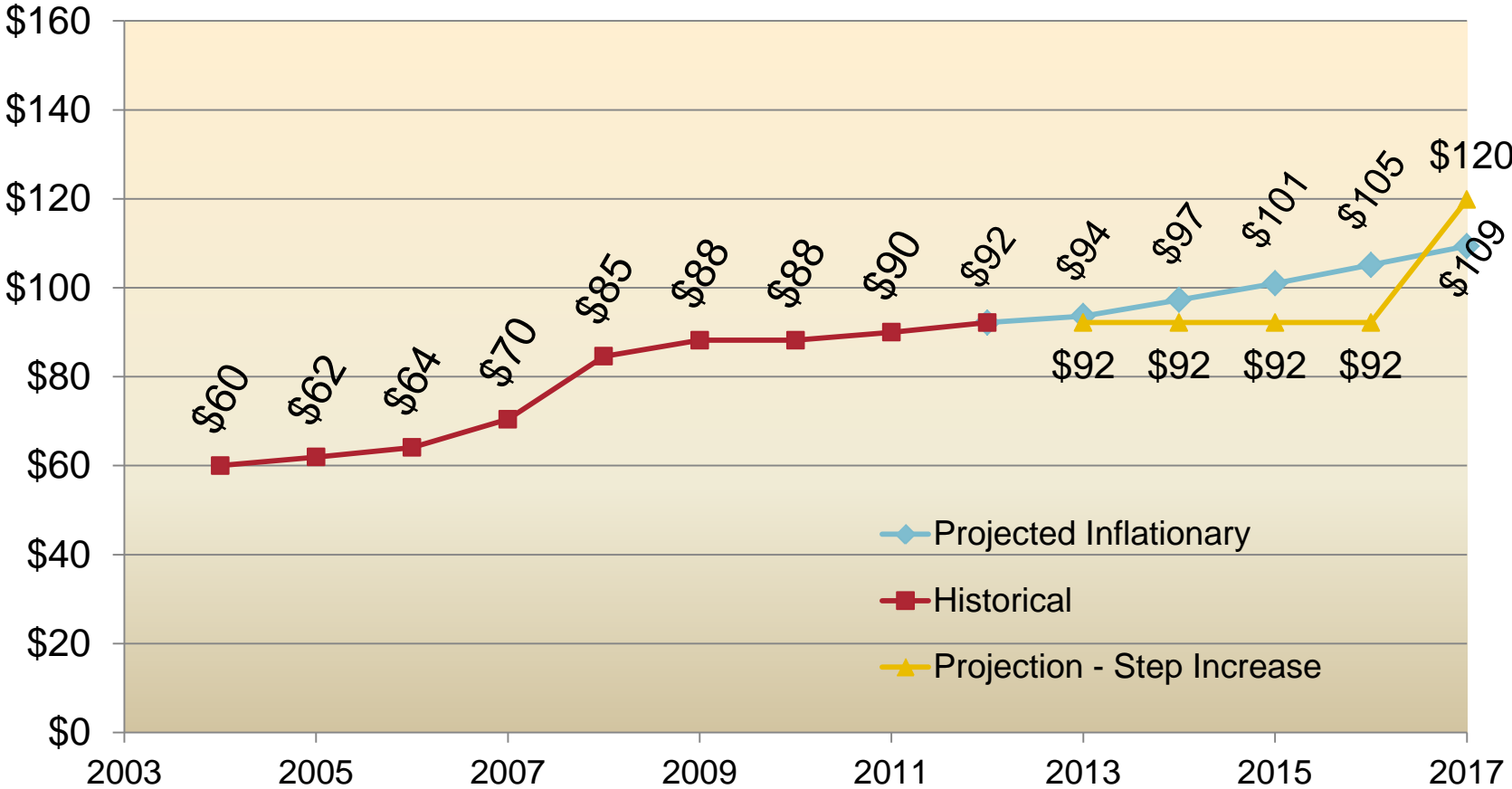
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Recommendations

1. Adopt an inflationary Stormwater Fee increase of 1.6% for FY2013
 - Supports capital program funding
 - Maintain reserves within policy range for 2013
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.

Stormwater Fees per ESU

Historical and Projected



Typical Monthly Stormwater Bills with Inflationary Increase in FY13

Line	Description	ESUs	Monthly Stormwater Bill			
			Existing	Proposed	Increase	Increase
1	Casa Marina (Large Hotel)	200	\$1,536	\$1,560	\$24.00	1.6%
2	Days Inn (Medium Hotel)	78	\$599	\$608	\$9.36	1.6%
3	El Rancho (Small Hotel)	16	\$123	\$125	\$1.92	1.6%
4	Pilot House (Guest House)	5	\$38.40	\$39.00	\$0.60	1.6%
5	Benihana (Restaurant)	31	\$238	\$242	\$3.72	1.6%
6	Attorney	2	\$15.36	\$15.60	\$0.24	1.6%
7	Nautical Treasure (Downtown Shop)	2	\$15.36	\$15.60	\$0.24	1.6%
8	Key West Landrette (Laundry)	1	\$7.68	\$7.80	\$0.12	1.6%
9	Household (Typical Residential)	1	\$7.68	\$7.80	\$0.12	1.6%

Questions?

