



COUNCIL AGENDA STATEMENT

Meeting Date: March 8, 2022
To: Honorable Mayor & Members of the City Council
From: Daniel Saus, Utilities Director
Through: George Garrett, City Manager

Agenda Item: **Resolution 2022-25**, Amending Resolution 2008-96, Table 6, “Initial Prepayment Amounts” for new sewer connections; Authorizing The City Manager To Administer the Updated Assessment Charges; And Providing An Effective Date

BACKGROUND & JUSTIFICATION:

On June 24, 2008, the City Council passed Resolution 2008-96 the Utility Assessment Program. Resolution 2008-96 laid out the assessment plan for City which allowed the city to finance and construct the centralized sewer system now in place serving all the city with advanced wastewater treatment services.

Staff recommends that the existing assessment schedule adopted in Resolution 2008-96 Table 6 (Exhibit “A”), be amended to include an updated assessment amount as shown in Raftelis’ 2021 Wastewater Connection Fee Study, Table 6, dated March 26, 2021 (Exhibit “B”) with the ability to adjust these amounts annually as directed by the City Council. before October 1st of each year. If Council approves an increase at that time then the rate shall be increased by the greater of 1) the Consumer Price Index for all urban consumers (CPI-U) in the Miami Fort Lauderdale, Florida area as published by the Bureau of Labor Statistics for the prior 12 months ending the June of the same year, or 2) 1.0%. Rates shall be rounded to the nearest \$0.01.

With the adoption of Resolution 2022-25 the City Council would modify Table 6 Initial Pre-payment amount to reflect the amount recommended in Exhibit B of \$12,340.00 for any newly assessed EDU’s being added to the centralized wastewater treatment system.

CONSISTENCY CHECKLIST:

	Yes	No
1. Comprehensive Plan	<u>X</u>	_____
2. Other – 2010 Sewer Mandate	<u>X</u>	_____
3. Not applicable	_____	_____

FISCAL NOTE:

Approval of this resolution will amend the fee per EDU to \$12,340.

RECOMMENDATION:

Approval of Resolution.

Sponsored By: Garrett

**CITY OF MARATHON, FLORIDA
RESOLUTION NO. 2022-25**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, MODIFYING RESOLUTION 2008-96, TABLE 6, "INITIAL PREPAYMENT AMOUNTS" AND AUTHORIZING THE CITY MANAGER TO ADMINISTER THE UPDATED ASSESSMENT CHARGES; ACCORDINGLY, AND PROVIDING FOR AN EFFECTIVE DATE 90 DAYS AFTER THE ADOPTION OF THIS RESOLUTION.

WHEREAS, the City Council of the City of Marathon, Florida passed Resolution 2008-96 on June 24, 2008 which includes Table 6 (Exhibit "A") establishing the Initial Wastewater Assessment amounts, and

WHEREAS, the City retained Raftelis to complete a Wastewater Connection Fee Study which was completed March 21, 2021 includes an update Table 6 (Exhibit "B") , and

WHEREAS, the City Council desires to adjust the Wastewater Assessment Initial Prepayment Amounts shown in Table 6 of Exhibit "A" to the recommended amount of \$12,340.00 as shown in Exhibit "B" of Raftelis' Report.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein.

Section 2. The City shall adjust the Wastewater Assessment Initial Prepayment Amounts as described in Exhibit "A", Table 6 with the ability to adjust these amounts annually as directed by the City Council. Before October 1st of each year, beginning October 1, 2022, the Wastewater Assessment Initial Prepayment Amounts shall be reviewed and staff will recommend to Council if an increase is needed for the following fiscal year. If Council approves an increase at that time then the rates shall be increased by the greater of 1) the Consumer Price Index for all urban consumers (CPI-U) in the Miami Fort Lauderdale, Florida area as published by the Bureau of Labor Statistics for the prior 12 months ending the June of the same year, or 2) 1.0%. Rates shall be rounded to the nearest \$0.01.

Section 3. This resolution shall take effect 90 days after adoption.

**PASSED AND APROVED BY THE CITY COUNCIL OF THE CITY OF
MARATHON, FLORIDA, THIS 8TH DAY OF MARCH 2022.**

THE CITY OF MARATHON, FLORIDA

John Bartus, Mayor

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:

Steven Williams, City Attorney

EXHIBIT "A"

Extracted From Adopted Resolution 2008-96

Table 6
Initial Prepayment Amounts

Item	Treatment/Transmission (EDUs)	Collection (Connections)	Total
Capital Costs (Includes Construction and Mailing Costs)	\$44,395,950	\$4,698,751	\$49,094,701
Number of Billing Units	9,485	4,483	
Initial Prepayment/Unit	\$4,681	\$1,049	\$5,730

Source: Financing Assumptions

EXHIBIT "B"

Extracted from Raftelis' March 2021 Report

Table 6: Wastewater Connection Fee Calculation

Description	Treatment	Transmission	Total
RCNLD of Existing Facilities	\$14,927,510	\$29,515,930	\$44,443,440
NPV of Financing Costs [1]	609,910	1,205,960	1,815,870
Less: User Fee Credit	(172,290)	(340,670)	(512,960)
Total Costs Recovered	\$15,365,130	\$30,381,220	\$45,746,350
Permitted Capacity (MGD)	0.619	0.619	0.619
Unit Cost per Gallon	\$24.82	\$49.08	\$73.90
Level of Service (gpd)	167	167	167
Calculated Fee per EDU	\$4,145.36	\$8,196.55	\$12,341.91
Calculated Fee per EDU (Rounded)	\$4,140.00	\$8,190.00	\$12,340.00