

Storm Water Assessment Rate Study



Prepared for:

**City of New Port Richey
Florida**

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Storm Water Assessment Rate Study



AYRES
ASSOCIATES

3433 Oakwood Hills Parkway
Eau Claire, WI 54701-7698
715.834.3161 • Fax: 715.831.7500
www.AyresAssociates.com

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Introduction

The City of New Port Richey has retained Ayres Associates to review and update the Storm Water Assessment Study utilized to determine the applicable assessment rates necessary to fund their Storm Water Utility. The previous Storm Water Assessment Rate Study was prepared by Government Services Group in May of 2012. That report covered a 5-year projection through Fiscal Year 2016-17 (FY 17).

Scope of Services: Study Update

- **Project Initiation** – Evaluate data and information regarding the provision of storm water services and facilities in the City including, but not limited to engineering information, public works data, existing legal documents and reports.
- **Review the Current Methodology** – Review documents and information relative to the current rate structure of the existing storm water assessment program and discuss with staff any problems or concerns with the current methodology; provide recommendations to update the current assessment rate methodology, if applicable.
- **Identify Full Costs (Revenue Requirements) of the Storm Water Program** – Evaluate the full cost of the storm water management system using the City’s most current financial information and the storm water planning documents, which will include (i) the costs of maintaining and operating the City’s storm water system based on the level of funding required by the City, (ii) the costs of capital projects, debt service and required reserves, (iii) indirect and/or administrative costs and (iv) billing and collection costs associated with the Uniform Method of collection; develop projections for annual revenue requirements for the City’s storm water operations and maintenance, capital projects, debt service and required reserve and determine a method of increasing revenue and adjustments of assessment rates on an annual basis or as desired by the City.
- **Evaluate Vacant Lands** – Evaluate the magnitude that storm water generated by vacant lands is contributing to the storm water system. Based on that impact assign ERU’s.
- **Calculate Preliminary Proforma Schedule of Rates** – Using the total units derived from the preliminary assessment roll developed by the City and the inclusion of the additional vacant land units, calculate a proforma schedule of rates based on the apportionment methodology and revenue requirements for the assessment program.
- **Address Issues** – Research and present recommendations on any outstanding issues that may arise from the assessment program.
- **Prepare and Present Assessment Report** – Prepare a draft report that includes documentation of the storm water costs and proforma rates; After City staff review, prepare and present the final version of the Assessment Report.

Overview of City's Existing Storm Water Rates and Apportionment Methodology

Existing Storm Water Assessment Rates

The City initially implemented a storm water utility fee in 2001 which was collected on the Tax Bill. The fees charged were based on an Equivalent Residential Unit (ERU) whereby an ERU equals an average number of square feet of impervious area.

The storm water assessment rates adopted in 2001 were \$40.32 per ERU. In Fiscal Year 2011-12, the storm water assessments generated approximately \$525,000 in revenue; however, the City's storm water expenditures for that year were approximately \$825,020 thus creating an operating deficit. If 100% of those expenses were funded by the storm water utility, the rate would have been \$61.35 per ERU.

In 2012 the City reviewed the utility rates and costs, and developed a 5 year projection of revenue and expenses, whereby the rate necessary to cover the projected costs was **\$77.36 per ERU**. That rate was adopted and has not changed since that time. In Fiscal Year 2016-17 (FY 17) the revenue expected to be generated by this rate is \$1,047,099. The anticipated expenditures for budget year 2016-17 was \$1,238,380.

In addition to budgeted storm water assessments, additional revenues are sought through outside funding sources in order to be able to do large capital expenditure projects. The existing storm water budgets allocate an average of \$200,000 annually for infrastructure maintenance and betterment projects.

Existing Apportionment Methodology

The City's existing apportionment methodology consists of an impervious area model which is the most common rate model. The impervious area model is based on the observation that storm water runoff is largely related to the amount of impervious surface on a specific parcel. A given parcel's share of costs is proportionate to the impervious surface of the parcel relative to that generated by a typical base unit (i.e. Equivalent Residential Unit (ERU)). The impervious area model has a solid theoretical base - on most parcels the amount of impervious area is clearly the primary determinant regarding the quantity of runoff generated and, to a lesser degree, the potential amount of non-point source pollutants that could originate on that parcel. This methodology does not take into account that undeveloped parcels, though to a lesser degree than developed parcels, still contribute runoff and non-point source pollutants to the storm water system.

Existing Parcel Apportionment

The City's parcel apportionment is accomplished through the development of a base-billing unit, called an Equivalent Residential Unit (ERU). Based on URS, Inc.'s June 2001 Storm Water Utility Implementation Program, Technical Memorandum Change Order 1 Parcel Characterization (Technical Memorandum), the **ERU value is equal to 2,629 square feet** which represents the average amount of impervious area for single family parcels in the City.

Existing Rate Classes

Each property use within the City on the ad valorem tax roll was assigned by the City to a rate class based on its assignment of use by the Pasco County Property Appraiser or verification of use obtained through field research. A listing of Class Codes and associated property use category is provided as Appendix A.

Using the Class Codes, the specific methodology for the parcel apportionment within each category of property use is generally described below.

Single Family Residential Parcels – Single family residential parcels, are parcels to which the Property Appraiser assigned a Use Code 01, 02, 04, 09 or 28. All single family residential parcels were assigned one (1) ERU per dwelling unit. Mobile home and RV parks were assigned 1 ERU per individual site within the park.

General Parcels – General parcels are all other parcels with improvements which were not classified as single family residential parcels or undeveloped parcels. Impervious areas for all general parcels were computed as the sum of the structure area and the pavement area. The number of ERUs attributable to each General Parcel is determined by dividing the impervious area of the General Parcel by the ERU value identified in the Existing Parcel Apportionment section above.

Undeveloped Parcels – Undeveloped parcels are not currently being charged a storm water assessment unless there are impervious areas present on the parcel. If there are impervious surfaces on an undeveloped parcel, the parcel is then treated as a General Parcel for storm water purposes.

Storm Water Programs in Florida

Source: Florida Storm Water Association 2016 Storm Water Utility Report Narrative

“In 2016, Florida had 67 counties and over 410 cities. It is difficult to determine exactly how many storm water utilities exist in the state, but FSA’s best estimate is that there were approximately 165 local governments that established storm water utilities pursuant to Chapter 403, Florida Statutes, or their own home rule powers. One hundred and twenty-four storm water utilities responded to the 2016 survey questionnaire. FSA expects the number of storm water utilities to continue to increase for several reasons:

- *The Florida Supreme Court has consistently upheld the validity of such fees;*
- *There is (generally) more public support for funding programs with user fees as opposed to ad valorem or other general taxes; and,*
- *The process of implementing the multi-billion dollar Total Maximum Daily Loads and Numeric Nutrient Criteria programs in Florida is now beginning to take full effect.*

Also, to the extent that recently adopted measures reduce the amount of property tax revenues available in the city or county general fund, local governments will be more inclined to consider storm water user fees or increases therein as a way to fund water quality programs. As one might expect, service areas dedicated exclusively to the city constituted a significant majority of storm water utilities in part reflecting the relative ease of attaching a user charge onto an existing billing mechanism. Most storm

water utilities are located within a department of public works and have used impervious area as the basis for calculating the fee.

As in earlier surveys, revenue generated from storm water utilities represents a significant source of funds to address storm water pollution and flooding problems, but it still falls short of being able to address long-term, capital needs. Most jurisdictions report that utility charges are adequate to meet most administrative costs but not for needs associated with capital improvement programs. Whether storm water utility fees can be raised at a rate to keep pace with the costs of TMDLs remains to be seen.”

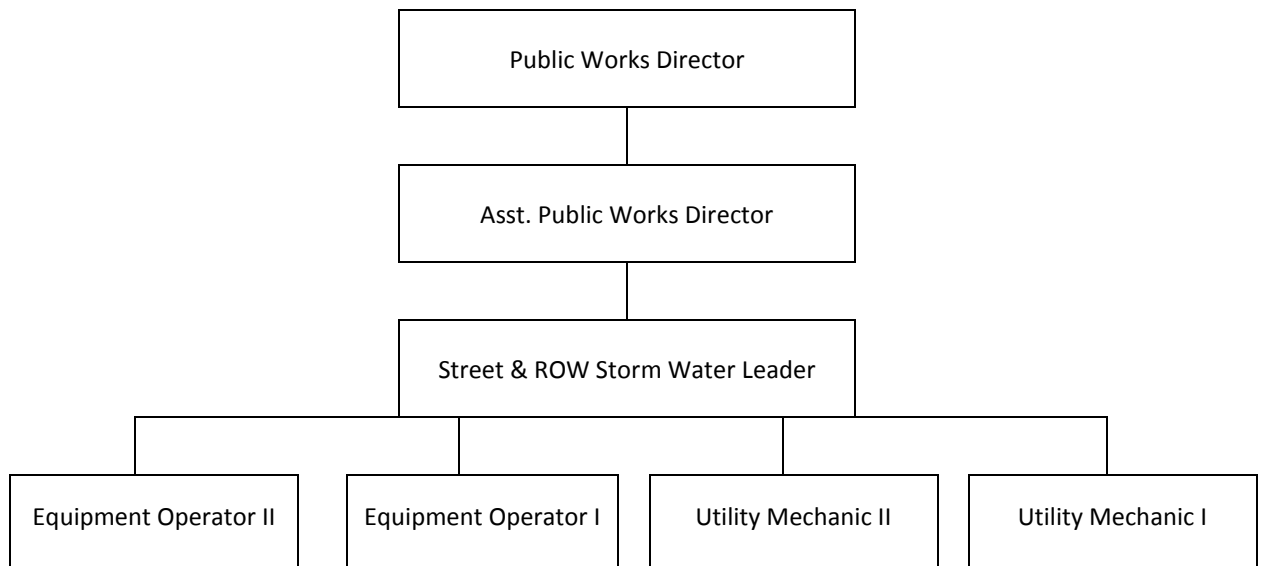
The City, in order to comply with the new nutrient limitation mandates of the National Pollutant Discharge Elimination System (NPDES) permit, utilizes the storm water utility to administer the policies and ordinances necessary.

In 2011, approximately 59% of the survey respondents did not charge undeveloped parcels. That percentage is declining. The 2016 survey results showed only approximately 55% of the respondents did not charge undeveloped parcels, meaning that more and more utilities are charging both developed and undeveloped parcels.

Service Description and Cost Calculations

Storm water services are currently provided to residential and non-residential properties within the City. Storm water services are provided through the City's Public Works Department and consists of five full-time employees dedicated to the provision of storm water services throughout the City. The following is an organizational chart for the City's Storm Water Utility.

City of New Port Richey, Florida Storm Water Utility Organizational Chart



Assessable Cost Calculations

To develop a 5-year proforma assessable budget, Ayres utilized the City's Fiscal Year 2016-2017 (FY 17) Storm Water Utility Fund Budget as well as the Capital Improvement Program Storm Water Utility Fund 5-year FY 18 – FY 22 Revenue and Expense Model.

The total assessable cost calculations were developed using the following assumptions:

Expenditures

- Begin with Fiscal Year 2016-17 (FY 17) Storm Water Utility Fund Budget provided by the City.
 - Increase personnel services 2.5% annually.
 - Increase operating expenses 3% annually.
- The infrastructure maintenance and betterment projects are contingent upon the City's ability to obtain additional outside funding to help defray costs. This amount from the utility is budgeted to increase each year for a five year average of \$339,400 annually.
- Indirect Costs are transfers to the General Fund for costs due to administration, legal and other support services provided to the storm water utility by other City departments.
 - This cost is budgeted at \$130,000 annually.
- The City has no existing storm water utility debt service.
- The contingency reserves are set to resume in FY 18 and increase 2.5% annually.
- The Renewal & Replacement (R&R) reserve is based on the Equipment Purchases annualized costs in the Capital Improvement Program (CIP).

Revenues

- Revenues are shown as a reduction in the total assessable expenditures. Due to current and historic low interest rates, interest revenues are shown as remaining constant.
- The City has no recurring grants. Grants have historically been project specific. The following grants have been utilized to provide funding for capital projects: Penny for Pasco (P4P), and South West Florida Water Management District Cooperative Funding Grant (SWFWMD).

Miscellaneous Assessment Expenditures

- The Miscellaneous Assessment Expenditures portion of the budget include costs associated with this Rate Study, implementation costs and annual program maintenance. These costs are reimbursable through the assessment program.
- Pursuant to section 197.3632, Florida Statutes, the tax collector and property appraiser may each enter into an agreement with the local government for reimbursement of necessary administrative costs incurred from the collection of the non-ad valorem assessment. Accordingly, if any such fee(s) is charged, the fee may be recouped as an add-on to the total assessable costs for the year.
 - Collection Costs (TC) reflects reimbursement for the collection costs associated with the non-ad valorem assessment incurred by the Tax Collector (TC). Pursuant to section 197.3632, Florida Statutes, a municipal government shall only compensate the tax collector for the actual costs of collecting the non-ad valorem assessments, not to exceed 2%, on the amount of special assessments collected and remitted. The collection cost has been assumed to be 2%.

- Property Appraiser Costs are the costs for services relating to providing notice of the storm water assessment in the annual TRIM notices.
- Statutory Discount reflects a 95% collection of the Storm Water Assessment to cover the 4% statutory discount allowed by the Uniform Method and 1% reserve for under collection. Accordingly, the statutory discount is budgeted at 5% of the total assessable costs.

Table 1 shows the City's Fiscal Year 2016-17 Storm Water Utility Operating Fund Budget.

Table 1 – City Storm Water Utility Operating Fund Fiscal Year 2016-2017 (FY 17) Budget

Expenditures		Budget FY 17
Code	Personnel Services	
12-99	Regular Full-Time Wages	137,230
14-11	Overtime Wages	12,160
15-11	Employee Incentives	250
15-16	Health Insurance Waiver Stipend	-
15-22	Education Incentive Pay	600
15-27	Standby Time	7,140
15-29	Meal Allowance	-
21-11	Social Security Matching	12,180
22-11	Florida Retirement System	11,770
23-11	Health Insurance	37,290
23-12	Life Insurance	250
23-13	Accidental Death & Disab Insurance	100
23-15	Net OPEB Obligation Expense	-
24-33	Workers Comp - Irrigation Workers/Oper/Drivers (0251)	8,470
Total Personnel Services		227,440
Operating Expenses		
31-29	Engineering Services - Misc	35,000
31-99	Professional Services - Misc	35,000
34-33	Lawn Maintenance	50,000
34-38	Lab Test	10,000
34-99	Contractual Services - Misc	35,000
40-11	Travel & Training	2,390
41-21	Telephone - Local	1,300
41-34	Data Lines	2,000
41-41	Pager Services	100
42-11	Postage	50
43-11	Electric - City Facilities	14,240
43-31	Trash Removal	12,500
43-73	Street Light Fee	40
43-81	Stormwater Assessment	80
44-19	Rent - Equipment/Software	5,000
45-11	Liability Insurance - Comp. General	3,330
45-21	Building & Contents Insurance	3,300
45-22	Pollution Insurance	4,400
45-23	Automobile & Truck Insurance	750
46-11	Maintenance & Repairs - Bldg & Grounds	15,000

Table 1 – City Storm Water Utility Operating Fund Fiscal Year 2016-2017 (FY 17) Budget (Continued)

Operating Expenses		Budget FY 17
46-21	Maintenance & Repairs - Equipment	400
46-31	Maintenance & Repairs - Central Garage	7,500
49-83	Permit Fees	2,500
49-99	Other Current Charges - Misc	2,000
51-11	Office Supplies - General	1,000
51-21	Maps & Charts	300
51-41	Small Tools & Implements	7,000
52-11	Fuel	20,000
52-25	Software License Support	400
52-31	Clothing & Apparel	1,500
52-43	Computer/Operating Supply	1,400
52-47	First Aid Supplies	200
52-89	Automotive Parts	20,000
52-99	Operating Supplies - Misc	13,800
53-21	Signs & Sign Material	5,000
53-31	Pipe/Culvert Material	10,000
53-41	Sod/Seed	10,000
53-99	Road Materials - Misc	10,000
54-11	Dues & Memberships	200
54-61	Books & Publications	200
Total Operating Expenses		342,880
Transfers		
91-51	Transfer to General Fund	329,030
91-52	Transfer to Street Improvement Fund	56,030
91-53	Transfer to Capital Improvement Fund	283,000
Total Transfer		668,060
Total Stormwater Utility Fund		1,238,380

Table 2 shows the City's Five (5) Year Capital Improvement Program Summary for Fiscal Years 2017-18 (FY 18) through 2021-22 (FY 22).

Table 2 – City Five (5) Year Capital Improvement Program Summary

	FY 18	FY 19	FY 20	FY 21	FY 22	5-Year
	FY 2017-18	FY 2018-19	FY2019-20	FY2020-21	FY 2021-22	Average
63-XX Flood Control						
Flood Control/Water Quality Projects	317,000	330,000	340,000	350,000	360,000	339,400
TOTAL	317,000	330,000	340,000	350,000	360,000	339,400
64-13 Data Processing Equipment						
Laptop Computer	-	-	-	2,400	-	480
Desktop Computer	-	-	2,800	-	-	560
Total	-	-	2,800	2,400	0	1,040
64-15 Trucks and Trailers						
(#114) Service Truck w/Crane (R&R)	5,000	5,000	5,000	5,000	5,000	5,000
(#110) Service Truck w/ Liftgate (R&R)	5,000	5,000	5,000	5,000	5,000	5,000
(#96) Flatbed (R&R)	5,000	5,000	5,000	5,000	5,000	5,000
Vacuum Line Cleaning Truck (R&R)	50,000	50,000	50,000	50,000	50,000	50,000
(#69) Water Tanker Truck (R&R)	7,000	7,000	7,000	7,000	7,000	7,000
Total	72,000	72,000	72,000	72,000	72,000	72,000
64-16 Heavy Equipment						
(#11) Clam Shell (R&R)	5,000	5,000	5,000	5,000	5,000	5,000
(#102) Street Sweeper (R&R)	17,500	17,500	17,500	17,500	17,500	17,500
Total	22,500	22,500	22,500	22,500	22,500	22,500
64-31 Special Purpose Equipment						
Sand Bag Station (R&R)	10,000	-	-	-	-	2,000
Portable Pumping System (R&R)	3,000	3,000	3,000	3,000	3,000	3,000
Total	13,000	3,000	3,000	3,000	3,000	5,000
TOTAL STORMWATER UTILITY CIP	424,500	427,500	440,300	449,900	457,500	439,940

Table 3 shows the five-year proforma assessable budget based on the above stated assumptions for the provision of storm water services in the City.

Table 3 – Storm Water Five – Year Proforma Assessable Budget FY 18 through FY 22

	FY 17 Budget FY 2016-17	FY 18 FY 2017-18	FY 19 FY 2018-19	FY 20 FY2019-20	FY 21 FY2020-21	FY 22 FY 2021-22	5-Year Average
Expenditure Summary							
Personal Services	227,440	233,126	238,954	244,928	251,051	257,327	245,077
Operating Expenses	342,880	353,166	363,761	374,674	385,914	397,492	375,002
Infrastructure Maintenance & Betterment	283,000	317,000	330,000	340,000	350,000	360,000	339,400
Indirect Costs	329,030	130,000	130,000	130,000	130,000	130,000	130,000
Existing Debt Service	-	-	-	-	-	-	-
Reserves	-	15,000	15,375	15,759	16,153	16,557	15,769
R&R Reserves	-	107,500	97,500	97,500	97,500	97,500	99,500
TOTAL EXPENDITURES	1,182,350	1,155,792	1,175,591	1,202,862	1,230,619	1,258,877	1,204,748
Revenue							
Interest S.B.A.	500	500	500	500	500	500	500
Interest FMIvt	450	450	450	450	450	450	450
TOTAL REVENUES	950	950	950	950	950	950	950
TOTAL EXPENDITURES	1,182,350	1,155,792	1,175,591	1,202,862	1,230,619	1,258,877	1,204,748
TOTAL REVENUES	950	950	950	950	950	950	950
TOTAL NET EXPENDITURES	1,181,400	1,154,842	1,174,641	1,201,912	1,229,669	1,257,927	1,203,798
Miscellaneous Assessment Expenditures							
Study Costs	19,420	-	-	-	-	-	-
Annual Assessment Roll Maintenance	2,500	2,500	2,500	2,500	2,500	2,500	2,500
First Class Notices	10,000	-	-	-	-	-	-
Collection Costs (TC)	26,096	24,892	25,318	25,905	26,501	27,109	25,945
Property Appraiser Costs	150	150	150	150	150	150	150
Statutory Discount (4% early payment & 1% non-collection)	65,240	62,231	63,295	64,761	66,254	67,773	64,863
Total Misc. Assessment Expenditures	123,406	89,773	91,263	93,316	95,405	97,532	93,458
TOTAL ASSESSABLE COSTS	1,304,806	1,244,615	1,265,904	1,295,228	1,325,074	1,355,459	1,297,256

Determination of Storm Water Services Demand

Special Assessment Benefit Assumptions

The following assumptions support a finding that the storm water services provided by the City provide a special benefit to the assessed parcels.

- The provision of storm water management services and the availability and use of facilities or improvements by owner and occupants of such property to properly and safely detain, retain, convey or treat storm water 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 storm water runoff and accumulation associated 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 such as Pithlachascotee River and Orange Lake.

Cost Apportionment Assumptions

The cost apportionment exercise addresses two fundamental questions; Who pays; and for what services?

Defining the benefit or service area is a geographically precise process. Based on a parcel specific evaluation, it was determined that the entire geographic area of the City benefits from the storm water management services.

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 amount of runoff generated by a parcel and sent to the storm water system represents that parcel’s proportionate share of the burden of creating and maintaining the storm water system.
 - The amount of runoff from a developed parcel is largely determined by the amount of impervious area (hard surfaces through which water does not easily pass) contained on a parcel – the more the impervious area, the more the runoff, the more the cost of treatment and the more the charge to the parcel.
 - The amount of runoff from an undeveloped parcel (though less than a developed parcel) is largely determined by the size of the parcel.
 - the larger the parcel, the more the runoff, the more the cost of treatment and the more the charge to the parcel.
- The value of the parcel does not determine the scope of the required storm water management services. The potential demand for storm water services by developed property is driven by either the amount of impervious area located on a developed parcel or the size of an undeveloped parcel.
- Apportioning the assessed costs for storm water services attributable to the single family residential property use category on a per parcel basis is a fair and reasonable method of parcel apportionment based upon statistical data contained in the Technical Memorandum and in this study.

Proposed Developed Parcel Apportionment

Parcel apportionment is accomplished through the development of a base billing unit, called an Equivalent Residential Unit (ERU). An ERU is a measure that serves as a common index to compare runoff generated by different sized properties with different storm water generation characteristics. The ERU value for developed parcels of 2,629 square feet of impervious area as defined in the Technical Memorandum is still a valid measure and no change is proposed.

Proposed Undeveloped Parcel Apportionment

The City has recognized that undeveloped parcels also contribute to the storm water systems. This is to a lesser degree since the impervious area is less, but nonetheless, runoff and non-point source pollutants are still generated by undeveloped properties which the storm water utility must account for. A common nationwide recognized storm water software program HydroCAD, developed by HydroCAD Software Solutions, LLC, is based on the United States Department of Agriculture (USDA) Urban Hydrology for Small Watersheds Technical Release 55 (TR55). The following is an excerpt from the preface of this document – *“TR-55 presents simplified procedures to calculate storm runoff volume, peak rate of discharge, hydrographs, and storage volumes required for floodwater reservoirs. These procedures are applicable in small watersheds, especially urbanizing watersheds, in the United States. First issued by the Soil Conservation Service (SCS) in January 1975, TR-55 incorporates current SCS procedures”*. This document has been the standard for estimating runoff volumes and rates.

Utilizing the methodology of TR55, one can estimate the runoff for a typical single family residential parcel as well as from a undeveloped parcel. The following is a summary of that evaluation for the City of New Port Richey.

Average Residential Parcel Size – Utilizing the year end 2016 Pasco County tax roll database for the City of New Port Richey, the total number of single family residential parcels (see Rate Class category below for Use Codes) is 5,479 parcels. The tax roll shows that the total square footage of those parcels is 39,470,942 square feet. Dividing these two numbers shows that the average residential parcel size is **7,204 square feet**.

Dividing the average residential impervious area (see Developed Parcel Apportionment above) by the average residential parcel size equals 36.5% impervious.

TR55 developed standard Curve Numbers (CN) for various land covers based on the specific hydrologic soil group (Type A – Type D) developed by the Soil Conservation Service (SCS). According to the SCS Soil Survey for Florida, The City of New Port Richey is predominately dominated by Type A soils. Fully Developed Urban Area Residential Districts with ¼ acre lot size, 38% imperviousness, Type A soils, have a CN of 61. Conversely, Fully Developed Urban Area Open Spaces with grass cover >75%, Type A soils, have a CN of 39.

Time of concentration is defined as the time required for runoff to travel from the most hydrologically distant point of an area to the point of collection. Conservatively assuming an average residential lot is approximately 120 feet deep, the time of concentration for sheet flow through mowed grass is 12 minutes.

Rainfall events typical for the region and storm intensity are then used to predict the runoff. In 2014, the National Oceanic and Atmospheric Association (NOAA) updated the rainfall tables to more accurately reflect the intensity and magnitude of the typical model storm (ATLAS14). For this evaluation, the ATLAS14 rainfall table for Pasco County Florida was used.

These curve numbers along with the time of concentration, the average residential parcel size, and the rainfall table are used in the HydroCAD model to predict the runoff from the average residential parcel and an equivalent size undeveloped parcel for various typical storm event. Table 4 below shows the comparison based on these storm events.

Table 4 – Storm Water Runoff Summary

Storm	1-Year	2-Year	5-Year	10-Year	25-Year	50-Year	100-Year	Total
Rainfall (Inches)	4.25	5.00	6.75	8.00	9.00	10.00	11.50	
Average Residential Runoff (cubic feet)	506	742	1386	1904	2343	2800	3511	13192
Average Undeveloped Runoff (cubic feet)	31	94	348	606	850	1122	1576	4627
Percent of Residential	6%	13%	25%	32%	36%	40%	45%	35%

Undeveloped Parcel Runoff Percentage – Based on the sum of all the storm events, an equivalent size undeveloped parcel will contribute approximately **35 percent** of the runoff of an average residential parcel.

Proposed Rate Classes

Using the data from the Pasco County Tax Rolls, there are approximately 7,481 parcels within the City, each with a unique property use code as assigned by the Pasco County Property Appraiser. The City has then assigned a Rate Class Code to each of the parcels based on that use code. A listing of Rate Class Codes and associated property use categories is provided as Appendix A.

Using the Rate Class Codes, the specific methodology for the parcel apportionment within each category of property use is generally described below.

Single family Residential Parcels – Single family residential parcels are parcels to which the Property Appraiser has assigned a Use Code 01, 02, 04, 09 or 28. All single family residential parcels are assigned one (1) ERU per dwelling unit. Mobile home and RV parks are charged 1 ERU per individual site within the park.

General Parcels – General parcels are all other parcels not classified as single family residential parcel, undeveloped parcels or not charged parcels. Impervious areas for all general parcels are computed as the sum of the structure area and the pavement area. The number of ERUs attributable to each General Parcel is determined by dividing the impervious area of the General Parcel by the ERU value defined in the Proposed Developed Parcel Apportionment section above.

Undeveloped Parcels – Undeveloped parcels are vacant parcels to which the Property Appraiser has assigned a Use Code of 00, 10, 40, or 70. The number of ERUs attributable to each Undeveloped Parcel is determined by dividing the total area of the parcel by the Average Residential Parcel size and then multiplying that by the Undeveloped Parcel Runoff Percentage.

Not Charged – Not Charged parcels are those parcels to which the Property Appraiser has assigned a Use Code of 94, 95, 96, or 99. These codes will not be utilized in ERU calculations or storm water assessments.

Based on the foregoing methodology, Table 5 provides the total number of ERUs by rate class.

Table 5 – Total Number of ERU’s by Rate Class

Rate Class	Parcel Count	ERUs
Single Family Residential Parcels	5,479	6,355
General Parcels	1,319	7,050
Undeveloped Parcels	643	2,812
Not Charged	40	-
Total	7,481	16,216

Source: Utility Assessment Roll and Pasco County Parcel Data Roll

Preliminary Storm Water Assessment Rates

Based on the costs of providing storm water services and the number of ERUs, Table 6 summarizes the recommended storm water rates after application of the storm water methodology for Fiscal Year 2017-18 at 100 percent of the assessable costs.

Table 6 – Preliminary Rates Fiscal Year 2017-18 (FY 18)

100% of Assessable Costs =	\$	1,244,615
Total Assessable Costs	\$	1,244,615
Total Number of ERU's		16,216
Rate Per ERU	\$	76.75

Table 7 reflects the annual rates at 100 percent of the 5 year average assessable costs.

Table 7 – Preliminary Rates 5-Year Average

100% of Assessable Costs =	\$	1,297,256
Total Assessable Costs	\$	1,297,256
Total Number of ERU's		16,216
Rate Per ERU	\$	80.00

Table 8 reflects the rates at 100 percent of Fiscal Years 2017-18 through 2021-22 assessable costs.

Table 8 – Preliminary Rates Fiscal Years 2017-18 (FY 18) through 2021-22 (FY 22)

100% of Assessable Costs

	FY 17-18 Proforma Budget	FY 18-19 Proforma Budget	FY 19-20 Proforma Budget	FY 20-21 Proforma Budget	FY 21-22 Proforma Budget	5 Year Average Budget
Total Assessable Costs	\$ 1,244,615	\$ 1,265,904	\$ 1,295,228	\$ 1,325,074	\$ 1,355,459	\$ 1,297,256
Total Number of ERU's	16,216	16,216	16,216	16,216	16,216	16,216
Rate Per ERU	\$ 76.75	\$ 78.06	\$ 79.87	\$ 81.71	\$ 83.59	\$ 80.00
Collections						Total
Over/(Under) @ \$77.36	9,890	(11,399)	(40,722)	(70,569)	(100,953)	(42,751)
Over/(Under) @ \$80.00	52,701.15	31,413	2,089	(27,758)	(58,142)	61

Computation of Storm Water Charges

Parcel charges are calculated on a two-step basis:

- ERU –
 - The amount of developed impervious area relative to the base-billing unit is calculated by dividing the impervious area on a developed parcel by the ERU impervious value defined in the Proposed Developed Parcel Apportionment above;
 - The undeveloped parcel size relative to the base-billing unit is calculated by dividing the square footage of an undeveloped parcel by the Average Residential Parcel Size and then multiplying that by the Undeveloped Parcel Runoff Percentage.
- Mitigation Credits – This is necessary where simple impervious area or undeveloped parcel size does not adequately account for relative runoff for a give parcel. It is applied as simple factors multiplied against the ERUs.

Mitigation Credit

Mitigation credits reflect the fact that given two identically situated parcels with identical improvements, the parcel with on-site private storm water treatment facilities will generate less volume of runoff, runoff at a slower rate, and/ or less polluted runoff than the parcel without comparable facilities.

The City's current mitigation policy is outlined in the City's Storm Water Utility Service Charge Credit Technical Manual.

Methodology Revisions

Item 1: Acceptance of Undeveloped Parcel Methodology & Use Codes

Item 2: Treating Use Code 87 Other State as General instead of Not Charged

Implementation Schedule

To implement the updated storm water assessment rates and methodology presented in this Rate Study beginning in Fiscal Year 2017-18, the City of New Port Richey must complete the following tasks:

Critical Events Schedule

Event	Date
Workshop Re: Methodology and Rates	May 16, 2017
City Provides Direction on Rates	May 16, 2017
City Approves Final Rate Studies	June 20, 2017
City Passes Assessment Resolutions	September 2017
Appear on Residents' Tax Bill	October, 2017

Appendix A

Pasco County Use Codes vs Rate Class Codes

Pasco County Use Codes vs Rate Class Codes

Use Code	Description	Rate Class Code
00	Vacant Residential	Undeveloped
01	Single Family	Residential
02	Mobile Homes	Residential
03	Multi-Family - 5 or more units	General
04	Condominium	Residential
08	Multi-Family - less than 5 units	General
09	Residential Common Elements/Areas	Residential
10	Vacant Commercial	Undeveloped
11	Retail Stores, One Story, All Types	General
12	Stores, Office, SFR	General
13	Department Stores	General
14	Supermarket	General
16	Shopping Center Community	General
17	1 Story Office	General
18	Multi-Story Office	General
19	Professional Service Building	General
21	Restaurants	General
22	Drive-In Restaurants	General
23	Financial Institutions	General
25	Service Shops Non-Automotive	General
26	Service Stations	General
27	Auto Sales, Service, etc.	General
28	Rental MH/RV Park	Residential
29	Wholesale MFG., etc.	General
30	Florist, Greenhouses	General
32	Theaters, Enclosed	General
33	Night Clubs, Bars, etc.	General
39	Hotels, Motels	General
40	Vacant Industrial	Undeveloped
41	Light Manufacturing	General
48	Warehousing (Block or Metal)	General
70	Vacant Institutional	Undeveloped
71	Churches	General
72	Schools, Colleges, Private	General
73	Hospitals, Private	General
74	Homes for the Aged	General
76	Mortuaries, Cemeteries, etc.	General
77	Clubs, Lodges, Halls	General
78	Out Patient Clinics	General
82	Forests, Parks, etc.	General
83	Schools, Public	General
85	Hospitals, Public	General
86	Other County	General
87	Other State	General
88	Other Federal	General
89	Other Municipal	General
91	Utilities	General
94	Right-of-Way, Streets, Ditch	Not Charged
95	Rivers and Lakes, Submerged Lands	Not Charged
96	Sewage Disposal, Waste Lands, Swamp	Not Charged
99	Acreage not zoned agricultural – with/without extra features	Not Charged