

M E M O R A N D U M

To: Howard Tipton, Town Manager
From: Charles Mopps, Assistant Public Works Director
Report date: March 7, 2023
Meeting date: March 20, 2023
Subject: Canal Navigation Maintenance Program Update

Recommended Action

None, informational only.

Background

At the February 18, 2020, Regular Workshop Meeting, staff presented a review of Canal Projects and the Town's history of attempting to develop a Canal Dredging Program with recommended next steps in the development of a program, summarized as follows:

1. Verify existing inventory of canals - Classify canals as public versus private
2. Determine regional (Localized) or global (Town-wide) approach
3. Establish service levels
4. Develop a financial model estimating annual costs and over the long term
5. Utilize existing funds for development

At the March 22, 2021, Regular Workshop Meeting, staff updated the Commission on further development of the program including the determination that the Town canals generally fall into one of three (3) categories:

- Access channels, generally perpendicular to the island, providing access to the Bay and Intercoastal Waterway (similar to an arterial roadway).
- Perimeter channels, generally parallel to the island, connecting to and collecting from residential canals, restaurants, and commercial marinas to the rest of the island and to the bay access channels (similar to a collector roadway).
- Local, residential canals, typically dead end, and serving a specific group of residences (similar to a dead-end local roadway).

Staff also discussed the history of the Town's efforts on attempting to develop a Navigation Maintenance Program, we discussed Navigation Maintenance Program Management approaches, and highlighted various funding approaches for the program. At that meeting consensus was given to hire a consultant to move the program forward.

Taylor Engineering (Taylor) and its subcontractor, Government Services Group (GSG) was retained to assist the Town in the development of an assessment program(s) to fund localized canal navigation maintenance and capital improvements that will be collected on the November 2024 tax bill. At the March 20, 2023, Town Commission Regular Workshop Meeting, Taylor and GSG will present the results of the tasks performed to date and the path forward to developing and implementing this program.

Phase I efforts are complete. These efforts included the review of Town provided information detailing the assessment process for the Town's beach nourishment program and underground utility program. Taylor developed a GIS database to inventory the individual canals and classify them as public or private ownership, and by use (access channels, perimeter channels and local canals). Taylor segregated these canals into seven groups that will facilitate maintenance logistics. The results of these efforts were discussed with Town staff to help develop a path forward to develop a funding program to ensure the continued maintenance of the navigation components of the canal system.

Phase II will develop the funding program. This will include estimating navigation maintenance costs and determining applicable methodology to distribute the costs to the appropriate canal groups. Taylor and GSG will use these costs to determine preliminary revenue requirements and proforma schedule of rates. Community outreach will include initial and assessment workshops, subgroup meetings and final memorandum presentations to the Town Commission.

Phase III will include program implementation and will run into 2024. Significant tasks will include updating preliminary assessment rolls, ordinance development, developing assessment resolutions, assisting with the rate adoption process, and creating final assessment rolls. Finally, using the final assessment rolls, GSG will certify, export and transmit the final assessment rolls to the Sarasota and Manatee County Tax Collectors by September 15, 2024.

Next Steps

Move forward with both Phases 2 and 3 of the Funding Program Development.

Staff Recommendation

None, informational only.

Attachments

- A. Summary of the March 20, 2023, presentation
- B. PowerPoint Presentation

**Presentation Summary Memo**

To: Charlie Mopps,
Assistant Public Works Director
Town of Longboat Key Public Works

From: Terry Cake, P.E., Senior Project Engineer

Date: March 7, 2023

Re: Longboat Key Funding Program for Canal Maintenance

The Town of Longboat Key, Florida seeks to develop its Canal Navigation Maintenance and Management Plan for future maintenance dredging needs to support navigation within its 81 access, perimeter, and local canals. Taylor Engineering (Taylor) and its subcontractor, Government Services Group (GSG) propose to assist the Town in the development of an assessment program(s) to fund localized canal navigation maintenance and capital improvements that will be collected on the November 2024 tax bill. At the March 20th Town Commission Workshop, Taylor and GSG will present the results of the tasks performed to date and the path forward to developing and implementing this program.

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Town of Longboat Key Project Update

Canal Navigation Maintenance Funding Program



Project Team

- Taylor Engineering
 - Terence Cake, P.E. - Project Manager
 - Jim Marino, P.E., D.CE - Senior Advisor
 - Cliff Truitt, P.E., D.CE – Senior Advisor
 - Pat Lawson, GISP, CFM – GIS Analyst
- Anser Advisory (formerly known as Government Services Group)
 - Sandi Neubarth, Sr. Project Manager/Assistant Director
 - Shane Black, Project Manager
 - Rashad Sapp, Sr. Data Analyst
 - Allan Hernandez, Data Analyst



TAYLOR ENGINEERING, INC.

Delivering Leading-Edge Solutions

Background

- Plan for sustainable canal funded program
 - Long term solution
 - 2021 Strategic Plan Initiatives
- Important Element of Island Amenities and Ambiance
 - Waterway and bay access for navigation and recreation
 - General benefit
 - Localized benefit
- Inventory (81)
 - Collected canal and Property Appraiser Data
 - Developed GIS database
 - Field Investigation
 - Preliminary depth
 - Sediment Characteristics
 - Maximize Historic Permitted Depths

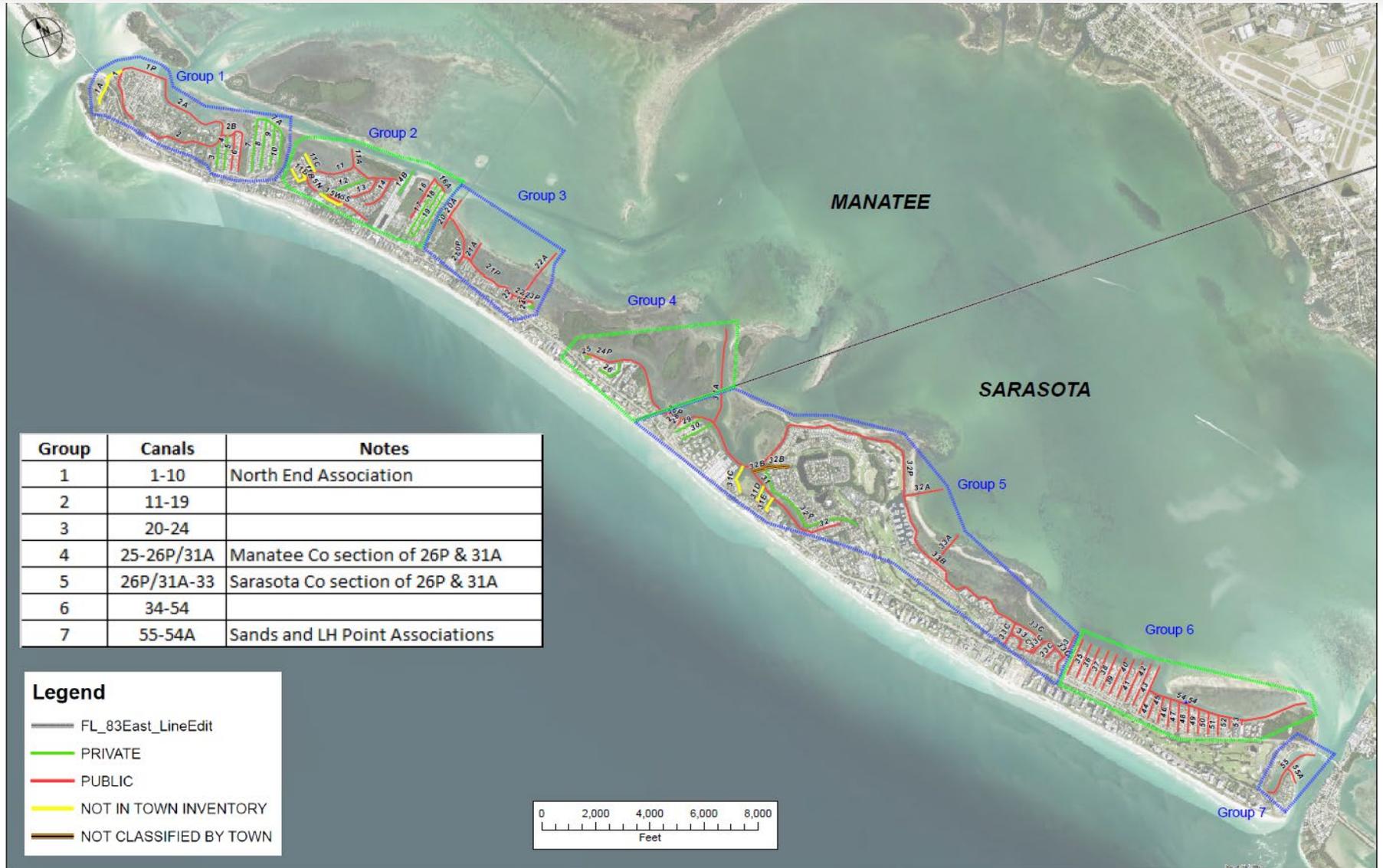


Preliminary Canal Groupings

- Seven Groups developed based on
 - Location
 - Construction Logistics
 - Homeowners Groups
 - Manatee v Sarasota County
 - Staff Review and Input
- May be revised once analysis of services/improvements is conducted

Group	Canals	Notes
1	1-10	North End Association
2	11-19	
3	20-24	
4	25-26P/31A	Manatee Co section of 26P & 31A
5	26P/31A-33	Sarasota Co section of 26P & 31A
6	34-54	
7	55-54A	Sands and LH Point Associations

Preliminary Canal Groupings





Project Approach

Phase 1 – Funding Options – **Complete**

Next Steps

Phase 2

- Study, Methodology and Rates
- Implementation

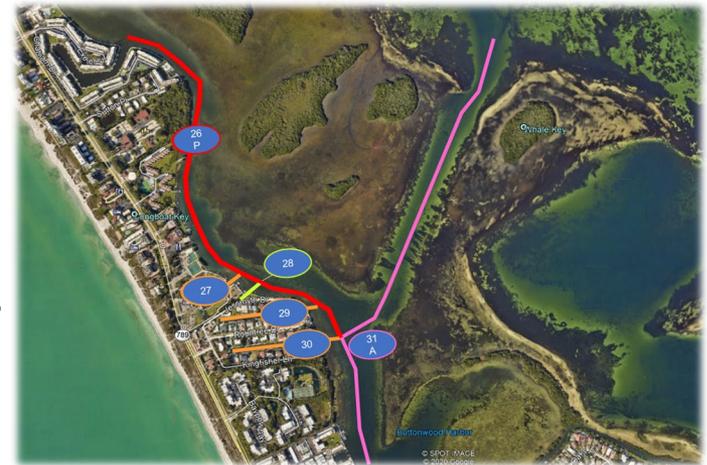


• Perimeter and Access Channels

- Ad Valorem Property Taxes – General Fund
 - Based on taxable value of properties
 - Charter limitation of 5 mills
 - Currently at 1.99 mills
 - Uniformly applied
 - Public purpose
- Infrastructure Surtax - \$1.5 million (2025-2039) Sarasota only
- Grants

• Localize Canals

- Home Rule Revenue Source
 - Non-ad Valorem Special Assessments



What is a Special Assessment?

Charge imposed against real property to pay for essential services and capital infrastructure.

Case Law Requirements

1. Special Benefit to Property
2. Fair and Reasonable Apportionment





Phase 2

Project Approach - Study, Methodology, and Rates

- Development of Canal Navigation Assessment Funding Program(s)
 - Determine Canal Services and Improvements
 - Estimated Costs of Services and Improvements
 - Determine Benefit of Services and Improvements
 - General Public Purpose
 - Specific Parcel Benefit
 - Develop Apportionment Methodology
 - Develop Preliminary Assessment Roll Database
 - Apply Apportionment Methodology to Database
 - Calculate Rates
 - Prepare and Present Proposed Canal Assessment Program(s)
 - Community Outreach and Educational Efforts

Perimeter and Access Channels

Data Components (Public Purpose Benefit)

1. Identify Services Provided and Infrastructure Improvements
 - Annual maintenance services
 - Immediate capital infrastructure needs
 - Strategic Plan for future capital needs
2. Determine Cost of Services and Infrastructure
3. Identify Taxable Values
4. Determine millage rate

\$



Non-ad Valorem Special Assessment

Data Components (Localized Benefit Canals)

1. Identify Service Provided and Infrastructure Improvements
 - Annual maintenance services
 - Immediate capital infrastructure needs
 - Strategic Plan for future capital needs
2. Determine Cost of Services and Infrastructure
 - Develop multi-year assessable budget
3. Identify Benefitted Parcels
 - Individual canals
 - Canal groupings
 - Modifications as needed
 - Other
4. Develop Apportionment Methodology
 - Fair and reasonable allocation of costs to properties



Canal Non-Ad Valorem Special Assessment Apportionment Methodology

Examples

- Property Uses
 - Commercial
 - Marinas
 - Restaurants
 - Residential
- Type of services/improvements required
- Allocation of Costs
 - Waterfront Footage
 - Per parcel
 - Equivalent Residential Unit (ERU)
 - Billing unit based on typical residential parcel
 - Boat slips or allowable boat slips
 - Abutting vs. non-abutting parcels
 - Combination of Factors



Phase 2 – Program Development Schedule

Event	Duration	Estimated Schedule
Notice to Proceed		March 2023
Determine Canal Services and Improvements	60-120 days	April – July 2023
Develop Estimated Costs	60-120 days	April - July 2023
Develop Preliminary Assessment Roll Database	30-60 days	August - October 2023
Determine Benefit of Services and Improvements	90-120 days	August - October 2023
Develop Apportionment Methodology	90-120 days	September – December 2023
Apply Apportionment Methodology to Database	30 days	September -- December 2023
Calculate Rates	30 days	October - December 2023
Prepare and Present Canal Assessment Program(s)		November 2023 – January 2024
Community Outreach and Educational Efforts	On-going	On-going

Program Implementation – 2024

- Adopt Resolution of Intent
 - Allows Town to use tax bill collection method
 - Must be adopted by December 31, 2023, for November 2024 tax bill
- Utilize Procedural Ordinance (ORD2015-30)
 - Authorizes Town to impose assessments
 - Establishes procedures and standards for imposing canal assessments
 - Provides method of collection (ARTICLE III)
 - Tax bill
 - Separate bill
 - Other
 - Establishes ability to create canal assessment programs



FISCAL SUSTAINABILITY

Maintain a healthy financial environment by balancing needs and project initiatives with affordability.

- Establish funding methodology for canals and long-range navigational maintenance program (FY23)

Program Implementation – 2024

- Utilize Procedural Ordinance(ORD2015-30-continued)
 - Ordinance Does Not:
 - Establish benefit area/boundaries
 - Provide apportionment methodology
 - Determine assessment rates
 - Impose canal assessments
 - Require Town to impose canal assessments
- Adopt Initial Assessment Resolution(s)
 - Establishes benefit area/boundaries
 - Provides apportionment methodology
 - Determines preliminary rates
 - Sets public hearing
 - Directs the mailing of first-class notices to all affected property owners
 - Directs published notice

Program Implementation – 2024

- Update Preliminary Assessment Roll(s)
 - Update roll(s) developed during study (2023) with updated parcel data
 - Apply rates adopted in initial assessment resolution
- Mail First Class Notices
- Publish Notice of Public Hearing
- Adopt Final Assessment Resolution(s) (Public Hearing)
 - Establishes the assessment rates for upcoming fiscal year
 - Imposes canal assessments against benefitted properties
 - Authorizes Tax Collector to collect assessments on tax bill
- Create Final Assessment Roll(s)
 - Apply final adopted rates to preliminary roll(s)
- Certify, Export and Transmit the Final Assessment Roll(s)
- Tax Bills Mailed

Program Implementation Schedule

Event	Duration	Estimated Schedule
Advertise Resolution of Intent	30-45 days	Must be published in newspaper 1 x week for 4 weeks
Adopt Resolution of Intent		By December 31, 2023
Adopt Initial Assessment Resolution	30-60 days	March – June 2024
Update Preliminary Roll	30-60 days	March -- July 2024
Mail First Class Notices	30-45 days	April – July 2024
Publish Notice	30-45 days	April – July 2024
Adopt Final Assessment Resolution	30-60 days	May - July 2024
Create Final Assessment Roll(s)	30-60 days	August - September 2024
Certify, Export and Transmit the Final Assessment Roll(s)	20 days	By September 15, 2024
Tax Bills Mailed		November 2024

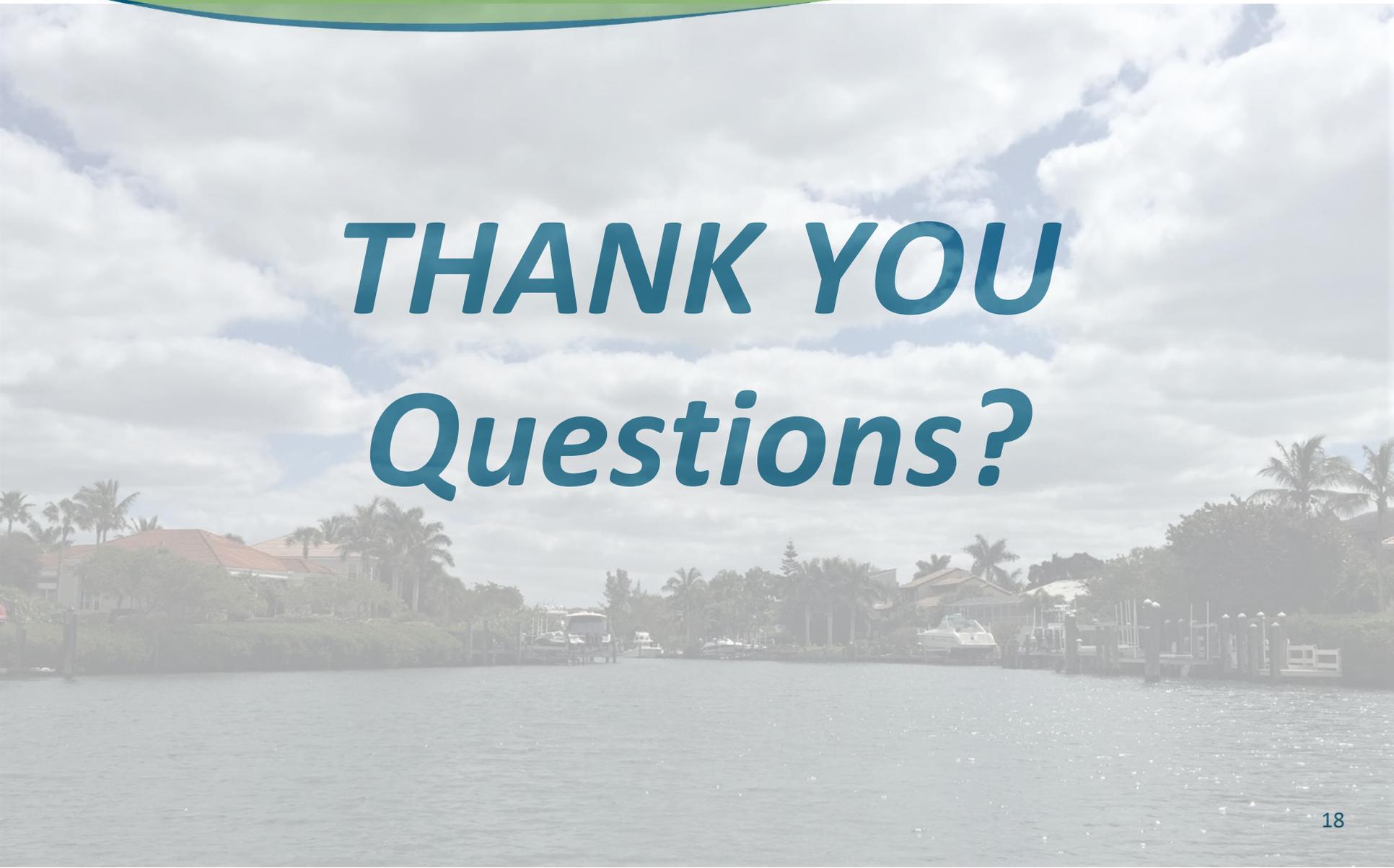


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THANK YOU
Questions?



End of Agenda Item