

M E M O R A N D U M

To: Howard Tipton, Town Manager
From: Charles Mopps, Assistant Public Works Director
Report date: October 11, 2024
Meeting date: October 21, 2024
Subject: Canal Navigation Maintenance Program Update

Recommended Action

Provide direction to Town Manager.

Background

Prior briefings

At the June 17, 2024, Regular Workshop, the project team provided an update regarding the Canal Navigation Maintenance Program. During this meeting, staff received the following directions from the Commission:

- Advance program planning and tools including:
 - Maintenance costs
 - Strategize project sequencing
 - Develop project one
- Develop financing and assessment strategy.

The Town has continued to engage engineering consultant, First Line Coastal (First Line), to assist staff in completing the directed work. Town staff and the consultants will provide an update on the work in progress of the programmatic tools, update on the strategies for the assessment program, and review estimated costs related to proposed funding districts.

Next Steps

The following is the staff's assessment of next step actions for continued program development:

- Continue assessment program development
- Continue project design
- Continue maintenance cost estimates
- Meet legal requirements for the establishment of the Districts.

In order to meet the County's deadlines for the implementation of a dedicated mill rate for the FY2026 tax bills, we are bringing forward an Ordinance to establish an Ad Valorem District coterminous with the Town's boundaries, to the November and December Regular Meetings for first and second readings.

In addition, a Resolution providing our Notice of Intent to Use the Uniform Method of Collection will need to be adopted by December 2024 and requires advertising on four (4) Friday's prior/up to the Public Hearing (Nov 8, 15, 22, 29).

Failure to meet these deadlines could result in the postponement of the non-ad valorem assessments until FY2027 tax bills.

Staff Recommendation

Staff will be requesting direction from the Commission regarding:

- Feedback and/or finalization of the program funding assessments

Attachments

PowerPoint Presentation

Canal Navigation Maintenance Program Update

Town Commission Workshop
October 21, 2024



Overview of previous update

New programmatic tools

- Island-wide baseline survey
- Canal sheet planning & discussion tool
- Production-based dredge estimating model
- Advanced design, adjustable as needed
- Boat view

Programmatic cost reductions

- Initial construction cost estimate reduced by \$7.55M



Guidance from commission

- Proceed with updated strategy
- Advance program planning and tools
 - Maintenance costs
 - Strategize project sequencing
 - Develop project one (most needed)
 - Initiate monitoring plan
- Develop financing and assessment strategy



Order of Brief

1. Update on programmatic tools
2. Review Costs
3. Beneficial use material
4. Assessment Program Formulation
 1. Funding Categories
 2. District Updates
 3. Assessment Methodologies
 4. Costs per zone (ad-valorem and non ad-valorem)



TOWN OF LONGBOAT KEY

Our consultants



FIRST LINE
COASTAL

Mark Stroik

Founding Partner and Project
Manager



WILLDAN

Tara Hollis

Finance Consultant





Advancing program planning & tools

Update on programmatic tools

- Navigation assessment and Canal Sheets
- Estimating model and design tools
- Boat view
- Website access





Review of programmatic costs

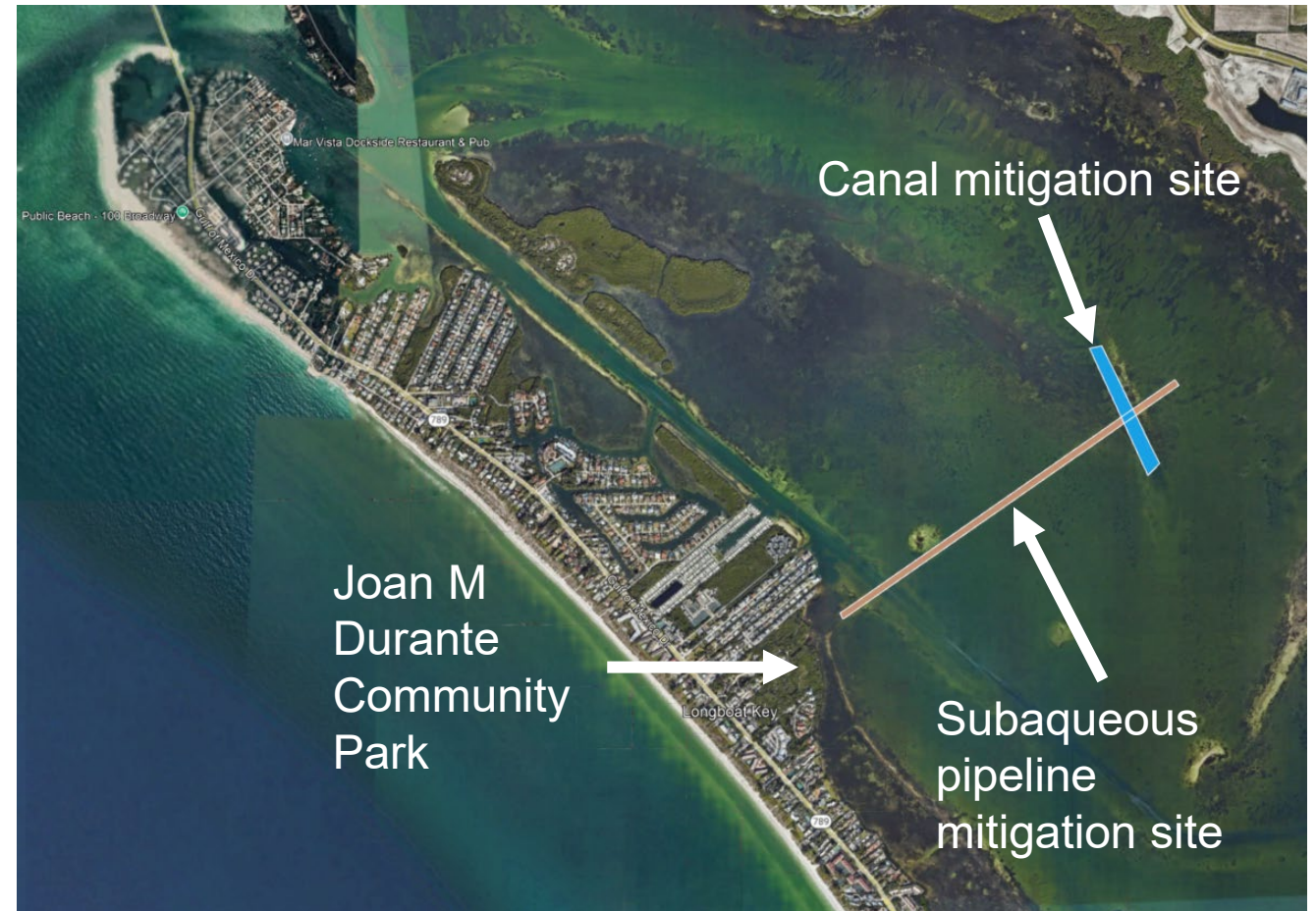
Category	2023 Update	Advanced Update
Dredging Cost	\$ 12,030,000	\$ 3,680,000
Permit, Design, Management	\$ 1,860,000	\$ 900,000
2025 Dredging Cost	\$ 13,890,000	\$ 4,580,000
Mitigation Cost	\$ 1,020,000	\$ 3,600,000
Adjustment for 2028	\$ 1,890,000	\$ 1,070,000
Initial Construction Estimated Cost (2028)	\$ 16,800,000	\$ 9,250,000
20 yr Maintenance Cost	Not Determined	Under Development
Additional Project Cost Savings	Not Determined	Under Development





Subaqueous pipeline install

- Requires ~ 40K CY of suitable fill material
- Beneficial Use of Dredge Material (BUDM)
- Material compatibility
- Pairing design processes





Review previous discussions

- Canals split into 3 funding categories
 1. General Benefit
 2. Shared Benefit
 3. Direct Benefit
- Direct Benefit Districts (updates on following slides)
 - Split the island into 7 original geographic groups
- Waterway access unit (WAU) (updates on following slides)
 - Defined as a dock, boat slip, lift, private boat ramp, etc., that waterfront properties use as waterway access.



Current Scope

- New project team integration
 - First Line Coastal – Coastal Engineering SME
 - Willdan Financial – Finance SME
- Updated assessment methodology
- Public outreach
- Implementation



Direct Benefit Districts (Canal Groupings)

- Island split into six (6) separate districts based on:
 - Location
 - Construction / Maintenance Logistics
 - Homeowners Groups
 - Staff Review and Input





Funding Categories

- Canals split into 3 funding categories
 1. **General Benefit** – access channels.
Ad Valorem Assessment: island-wide for canals used by all residents of the island (main roads)
 2. **Shared Benefit** – arterial channels.
Ad Valorem and Non-Ad Valorem Assessment: both used holistically by perimeter boating and also have a direct benefit to canal fronting properties with a dock/frontage on the same canal
 3. **Direct Benefit** – localized canals and canal fronting properties.
Non-Ad Valorem Assessment: Canals used primarily by abutting residents (neighborhoods)



**Canal Funding designations are still under review*



Develop apportionment methodology (items considered)

- Property uses
 - Single-family residential
 - Multi-family and condominiums
 - Homeowners/Condominium Associations
 - Non-residential
 - Boathouse and individually deeded boat slip
 - Abutting and non-abutting parcels
- Benefit/billing units
 - Dwelling units
 - Equivalent Residential Unit (ERU)
 - Waterfront footage
 - Water Access Units (WAU)
 - Docks, boat slips, other
 - Private boat ramp
 - Other



Apportionment methodology (initial developments)

- Single-family residential – 1 ERU per parcel which is equivalent to 1 Water Access Unit
- Condominium, COA, HOA – Total WAU per condo/COA/HOA divided by the total number of condos/units
- Non-residential – Total WAUs
- Boathouse and individual boat slips with separate Parcel IDs
– 1 WAU per Parcel ID

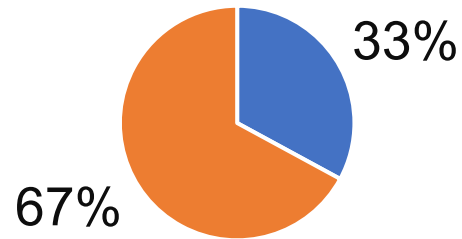


Assessment program formulation

Distribution of estimated costs

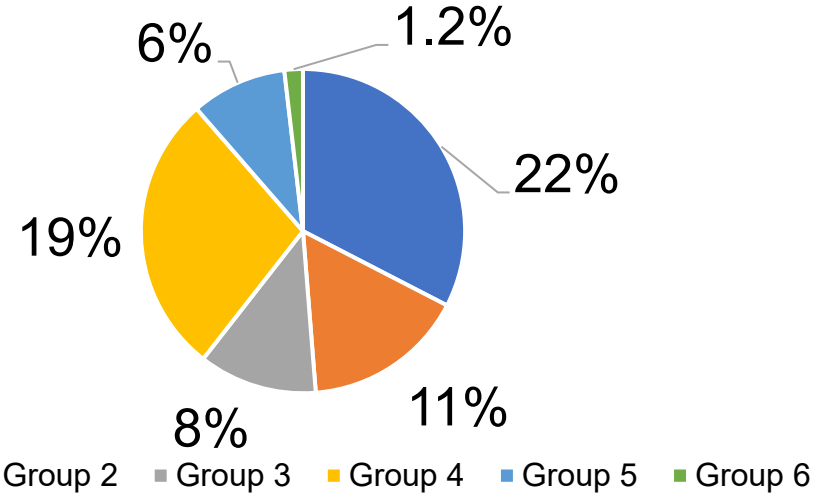
Initial construction estimated cost (2028) = \$ 9,250,000

Distribution by Funding Category



- Ad Valorem (General Benefit)
- Non-Ad Valorem (Direct Benefit)

Direct Benefit Distribution by Group



- Group 1
- Group 2
- Group 3
- Group 4
- Group 5
- Group 6





Assessment implementation

Assessment implementation schedule

- For a dedicated mill rate, County's need Ordinance by March 2025 to go on the FY26 TRIM.
- Resolution of Notice of Intent to Use Uniform Method of Collection required by December 2024.

Event	Date
Workshop of assessment with Commission	10/21/2024
Workshop of assessment with Commission	11/12/2024
Ordinance Establishing Ad Valorem District (First Reading)	12/2/2024
Ad: Public Notice of Intent to Use Uniform Method of Collection (Assessments) in Newspaper	Ad to be Run 4 Fridays prior/up to Public hearing: Nov 8, 15, 22, 29
Resolution: Electing To Use Uniform Method of Collection	12/2/2024
Ordinance Establishing Ad Valorem District (Second Reading)	1/6/2025
Public Meetings	January 2025 – March 2025



Presentation recap

- Updates to Direct Benefit Districts (canal groupings)
- Initial development of apportionment methodology
- Cost distribution by group
- Current timeline and county deadlines

Next steps

- November 12th workshop
 - Maintenance cost development
 - Specific costs per district
 - Update to BUDM
- Impacts from Hurricanes Helene and Milton



Questions?

End of Agenda Item