

RESOLUTION 17-32


A RESOLUTION OF THE CITY OF PANAMA CITY BEACH, FLORIDA, APPROVING AN AGREEMENT WITH ENNEAD LLC AND PUBLIC UTILITY MANAGEMENT AND PLANNING SERVICES, INC., FOR ANALYSIS OF THE CITY'S EXISTING STORMWATER NON-AD VALOREM FUNDING PROGRAM AND UPDATE TO THE STORMWATER RATE STUDY; AND PROVIDING AN IMMEDIATELY EFFECTIVE DATE.

BE IT RESOLVED that the appropriate officers of the City are authorized but not required to execute and deliver on behalf of the City that certain Agreement between the City and Ennead LLC, and Public Utility Management and Planning Services, Inc. relating to the analysis of the City's existing Stormwater Non-Ad Valorem funding program and update to the Stormwater rate study, in the basic amount of \$29,500, in substantially the form attached and presented to the Council today, draft dated February 1, 2017, with such changes, insertions or omissions as may be approved by the City Manager, whose execution of such agreement shall be conclusive evidence of such approval.


THIS RESOLUTION shall be effective immediately upon passage.

PASSED in regular session this 9th day of February, 2017.

CITY OF PANAMA CITY BEACH

By: 
Mike Thomas, Mayor

ATTEST:


Diane Fowler, City Clerk



CITY OF PANAMA CITY BEACH AGENDA ITEM SUMMARY

1. DEPARTMENT MAKING REQUEST/NAME:

Stormwater/Kelly Jenkins

2. MEETING DATE:

02/09/2017

3. REQUESTED MOTION/ACTION:

Approve agreement for the update to the City's Stormwater Assessment Program with Ennead LLC and Public Utility Management and Planning Services, in the amount of \$29,500.00.

4. AGENDA

PRESENTATION
PUBLIC HEARING
CONSENT
REGULAR

5. IS THIS ITEM BUDGETED (IF APPLICABLE)? YES NO N/A
BUDGET AMENDMENT OR N/A

DETAILED BUDGET AMENDMENT ATTACHED YES NO N/A

6. BACKGROUND: (WHY IS THE ACTION NECESSARY, WHAT GOAL WILL BE ACHIEVED)

Staff requested a proposal from its stormwater utility consultant, Ennead LLC, to provide an analysis of our existing program and rates.

The original stormwater rate study was completed by Ennead LLC "Ennead" and Public Utility Management and Planning Services "PUMPS" in 2006. Ennead performs our annual filing of the stormwater TRIM to the County for our existing stormwater program and is most familiar with our system. We have asked them to look at the methodology we use to perform calculations for our collections and to update our rate study. Rate recommendations are typically based on a 5 year forecast and therefore we are well overdue for this study. Funds are available in the current year's stormwater budget to complete this work.

Attached is a copy of the proposal and associated information (Exhibit A). Staff recommends approval of this agreement with Ennead and PUMPS.



February 1, 2017

Ms. Kelly Jenkins, P.E.
City Engineer
110 S. Arnold Parkway
Panama City Beach, FL 32413

Subject: City of Panama City Beach, Florida
A Proposal to provide an updated Stormwater Rate Study

Dear Ms. Jenkins:

Ennead LLC ("Ennead") and Public Utility Management and Planning Services, Inc. ("PUMPS") would be pleased to provide for the update of the Stormwater Rate Study, originally submitted to the City of Panama City Beach (the "City") in August 2005. The project includes the review of the existing Stormwater Non-ad Valorem ("NAV") funding program, a submittal of recommendations designed to update and refine the existing Stormwater NAV Assessment Program and subsequent updates to the program to be made at the direction of City Council.

This proposal presents the tasks necessary to review the underlying data supporting the funding program and the resulting update to the Stormwater Rate Study. This proposal is based on certain assumptions made as a result of our conversations about this project. The time frame for the implementation of this project precedes the development of the TRIM Notice File by a minimum of 60 days. Although a work schedule, list of tasks and estimated fees is offered at this time, we are able to adjust the schedule and level of participation as deemed necessary by City staff. Following a general description of the project, please find:

Attachment A	Services Offered and Estimated Fees
Attachment B	Schedule of Deliverables
Attachment C	Consultant's Hourly Rates
Attachment D	Agreement

All work performed by Ennead and PUMPS would reflect the funding strategy and policy goals set by the City, legal documents prepared by the City's attorney, and deliverables conforming with the requirements of 197.3632 F.S.

Background

In August 2005, PUMPS staff authored a Stormwater Rate Study, supported largely by data gathered and analyzed by Ennead. Recommendations formed in the rate study were presented to the City, leading to the adoption of legal documents prepared by the City's Attorney, Harrison, Sale, et al.



ENNEAD LLC

Implementation followed and subsequent annual assessment support has been provided by Ennead; including preparation of TRIM Notice files and delivery of Final Rolls to be certified to the County in September of each year.

Task 1 Review and Update of General Rate Study Parameters

Ennead has maintained data records for all tax parcels since the program's inception, and is uniquely aware of the rate structure and apportionment methodology. Over time, development activity has impacted the distribution of impervious area to differing types of land uses. The quality and quantity of data now available may impact the methodology originally established. This rate study will include a review of original program algorithms, which may lead to the refinement of data and rate calculations.

The primary source of parcel data that underlies the assessment program is the Bay County Property Appraiser's ("BCPA") office. Additional data, such as impervious area developed by either Ennead or collected from other sources may be used to supplement the data derived from BCPA records.

Other factors affect the assessment charges. For that reason, Ennead and PUMPS would review exempt parcels, by exemption category and all parcels receiving a mitigation credit. The current application process and application forms will be analyzed for compliance with existing mitigation credit policy and legal authority.

Task 2 Review Program Funding Requirements and Prioritize Future Capital Projects

City Stormwater Staff will provide Fred Bloetscher, P.E., and PhD. (PUMPS) with all current and proposed Stormwater management budget reports and schedules. Staff will also provide a list of equipment with associated condition assessment and replacement schedule and a detailed break-down of all personnel who will be paid from Stormwater Management Program funds.

Dr. Bloetscher will schedule a two- or three-day site visit, meeting with the City Engineer to identify and prioritize anticipated capital projects and stormwater program requirements set by local, state and federal agencies.

Dr. Bloetscher's findings will be included in the Rate Study Report.

Task 3 Review of Single-Family Rate Class and the Equivalent Residential Unit ("ERU") Value

Ennead would review the median residential impervious area value through the measurement of a statistically valid number of randomly-sampled residential parcels. Ennead would work with the City's Attorney and/or City staff to determine if an adjustment to the equivalent residential billing unit ("ERU") is appropriate.

Task 4 Review of Condominium Rate Class and Measurement of Condominiums

Data to be collected in this study would include, but is not limited to, impervious area associated with each condominium development. Condominium developments would be measured digitally with associated polygons and database files made available to the City at the conclusion



of the project. The total number of verifiable residential condominium units would be established, and those parcels within the condominium development that have other uses would be identified and coded appropriately. Algorithms in eUtility would be updated to reflect the correct ERU to be assigned to each condominium tax parcel.

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Task 5 Review of Non-Residential Rate Classes

A sample set of non-residential tax parcels will be digitally measured to verify that the current ERU value assigned to them is accurate. This effort may show that additional measurement is recommended, but the scope of that task cannot be determined at this time, and is not included in this contract.

Task 6 Presentation of Rate Study and Pro Forma Rates to the City

Documentation and record-keeping plays an important role in providing legal sufficiency for an assessment program. Working collaboratively, Ennead and PUMPS would determine the total number of billing units following the completion of tasks described above, would present proposed Pro Forma Rate options and potential new revenue, and would update rates adopted by the City in the eUtility database, so that all records are available for use in the 2017 TRIM Notice File.

Best Regards,

ENNEAD LLC

Camilla Augustine, Owner
Client Services Director



ATTACHMENT A

Services Offered and Estimated Fees

Project Management	\$1,000
<ul style="list-style-type: none">• Participation in a “kick-off” phone conference (one hour)• Three (3) half-day “day” trips to the City of Panama City Beach, if required, to meet with City staff (Stormwater and Building Department) and/or City Attorney and Bay County Property Appraiser’s staff	
<i>Deliverables: Critical Events Calendars for delivery of Phase 1 recommendations</i>	
Task 1 Review and Update of General Rate Study Parameters	\$3,500
<ul style="list-style-type: none">• Identification of all sources available to include, but not limited to County data files,• Analysis of the parcel information associated with the 19,448 parcels assessed within the City of Panama City Beach in 2016• Review of Administrative Portion of the Rate-consideration of components• Detailed Frequency of distribution of land use classes and grouping of land use classes into discrete rate classes• Analysis of the cost of extending exempt status to specific rate classes• Identification of land use classes that are not appropriately assessed, as necessary• Update mitigation credit policy if changes are required as identified by City Engineering staff	
Task 2 Review Program Funding Requirements and Prioritize Future Capital Projects	\$6,450
<ul style="list-style-type: none">• Review current and proposed Stormwater budget with assistance of City staff• Review administrative costs, equipment needs, equipment assessment• Assist City with prioritization of capital projects and develop long-term program goals	
<i>Travel: One two or three day visit Deliverables: Critical Events Calendars for delivery of Phase 1 recommendations</i>	
Task 3 Review of Single-Family Rate Class and the “ERU” Value	\$4,500
<ul style="list-style-type: none">• Identify a random statistically-valid sample set of single-family residential tax parcels• Measure impervious area using polygons and compare values to that found in the BCPA records• Work with the City and City’s Attorney to determine if an adjustment to the equivalent residential Unit is appropriate.• Estimate how different ERU values would impact ERUs assigned to tax parcels in non-residential rate classes	



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Services Offered and Estimated Fees

- Enter impervious areas associated with all rate classes in Ennead's eUtility application

Task 4 Review of Condominium Rate Class and Measurement of Condominiums **\$7,300**

- Identify condominium developments and develop impervious area values for buildings, parking, and extra features using digital measurements. This will be accomplished by creating impervious area polygons displayed over cadastral and digital aerial photos.
- Identify condominium unit ERUs based on the development impervious and the number of units in that development
- Identify condominium units that may be commercial uses, but indicate condominium use
- Assign mitigation credits to each qualifying condominium, as appropriate

Task 5 Review of Non-Residential Rate Classes **\$3,500**

- Measure a sample set of impervious area associated with all rate classes in Ennead's eUtility application

A sample set of non-residential tax parcels will be digitally measured to verify that the current ERU value assigned to them is accurate. This effort may show that additional measurement is recommended, but the scope of that task cannot be determined at this time, and is not included in this contract.

Task 6 Presentation of Rate Study and Pro Forma Rates to the City **\$3,250**

- Matrix Report indicating alternative revenue based on various ERU-based assessments
- Develop a new Frequency of Distribution of Revenue by rate class using current rates and new condominium ERU assignments
- Collect input from City Staff and City Attorney verifying ERU rate for FY 2017-2018
- One (1) trip to attend public meeting or meet with Staff to present Final Report recommendations

Deliverable: Final Report including Pro Forma

Data Acquisition Expenses are not anticipated.

Out-of-pocket expenses incurred to acquire digital parcel maps; aerial photogrammetry and data files are not anticipated.



ATTACHMENT B
Schedule of Deliverables

(The following schedule is based on a Notice to Proceed dated approximately February 24, 2017. It is to be used for planning purposes only.)

February 24	Notice to Proceed
February 27	Phone call to schedule Kick-off Phone Conference (deliver list of needed documents to the City)
March	Ennead begins review of rate study parameters
March	PUMPS (Dr. Bloetscher, P.E.) to schedule meetings with City staff to determine program needs and prioritize capital projects
March	Review single-family residential ERU value
March - April	Prepare list of condominium development parent parcels for use by PUMPS. Set-up aerials and cadastral layer in preparation of digital measurement of condominium developments
April	Review condominium development findings Review sample set of non-residential rate classes and compare to values in Bay County P.A. records
April – May 15	Develop Pro Forma, Prepare Rate Study, schedule presentation of documents to the City



APPENDIX C
Stormwater Utility Consulting Services
Direct Labor Rates for Municipal Clients

Team Member Title	Direct Labor Hourly Rate (*)
Project Director/Senior Programmer	\$150.00
Professional Engineer	\$225.00
Technical Support, GIS Digitizing, Clerical	\$60.00

(*) Direct labor hourly rates effective through December 31, 2017; rates may be adjusted by five percent (5%) annually for invoices rendered after December 1 of each year thereafter until project completion or as mutually agreed between parties.



**APPENDIX D
Agreement**

Work Order Agreement between PANAMA CITY BEACH and ENNEAD LLC
(Public Utility Management and Planning Services, Inc.
is a Florida Corporation and Sub-contractor to Ennead LLC)

Panama City Beach Stormwater NAV Assessment Program Review and Rate Study

This Agreement is based on the Scope of Services and Estimated Fees (Attachment A) and Ennead LLC's Hourly Fee Schedule (Attachment C). The Not-to-Exceed Fee of \$29,500.00 includes all work as described in Tasks 1 through 6. Additional Services would be provided at the City's request, at Ennead's hourly rates, as shown in Attachment C.

Proof of Ennead's insurance coverage will be emailed under separate cover, indicating the City as an additionally insured entity. Again we appreciate the opportunity to submit this proposal to you and look forward to being involved in this important project.

SUBMITTED BY:

ACCEPTED BY:

ENNEAD LLC

PANAMA CITY BEACH

Camilla Augustine 2/1/2017
Camilla A. Augustine, Owner

_____ Date

Title _____
For Panama City Beach