



City of North Port

4970 CITY HALL BLVD
NORTH PORT, FL 34286

Meeting Minutes - Final Road and Drainage District Governing Body

Wednesday, June 13, 2018

1:00 PM

Special Meeting - Sufficiency and Future Projections for Road and Drainage District

MINUTES APPROVED AT THE 07-24-2018 MEETING.

CALL TO ORDER/ROLL CALL

The North Port Road and Drainage District Special Meeting was called to order at 1:02 p.m. in City Chambers by Mayor Carusone.

Present: Mayor Carusone; Vice-Mayor Yates; Commissioners, Hanks, Luke and McDowell, City Manager Lear; Assistant City Attorney Golen; City Clerk Adkins; Recording Secretary Hale and Interim Police Chief Morales.

The Pledge of Allegiance was led by the Commission.

1. APPROVAL OF AGENDA – COMMISSION

A motion was made by Commissioner Hanks, seconded by Vice-Mayor Yates, to approve the Agenda. The motion carried by the following vote:

Yes: 5 - Mayor Carusone, Vice-Mayor Yates, Commissioner Hanks, Commissioner McDowell and Commissioner Luke

2. PUBLIC COMMENT:

Public comment was held 1:04 p.m. - 1:07 p.m.

Richard Dycus: mowing.

3. DISCUSSION ITEMS:

A. [18-388](#)

Continue Road and Drainage Assessment Methodology Discussion

City Manager Lear and Public Works Director Bellia gave an overview of the item. Stantec Senior Financial Analyst Patrick Luce, Stantec Financial Analyst Morgan Brosch, Assistant Public Works Director Bramble, Public Works Business Manager Malingowski and Operations and Maintenance Manager Speake provided a PowerPoint presentation.

ROAD AND DRAINAGE ASSESSMENT

Discussion ensued: (1) the objective is to have City-wide functional drainage; (2) different reasons for drainage problems and how they are handled were explained; (3) the City is responsible for mowing all vacant lots; (4) swales are mowed six-times per year for the sides, and should be twice a year in the center; (5) when it's wet the swale sides are still

mowed, but not the bottom centers; (6) concern was expressed that improved property is cited for growth over 12-inches in the swales, yet there is growth over 12-inches in vacant lots to be maintained by the City, improved and vacant properties are being treated differently; (7) Public Works reviews complaints about growth in the swales and advises Code Enforcement if mowing can't be done due to the water level, and they ask that the owner be given additional time to mow; (8) some areas are being maintained by property owners, including vacant lots, because the City or their contractors are not mowing; (9) the priority for the two road-side boom mowers are road signs and corners, for safety purposes; (10) residents can call Public Works and request a schedule for swale mowing of vacant lots; (11) it was noted that oversight is important and that trees are growing in the swales; (12) citations are issued to improved property owners for trees in the swales, and this typically results in the City removing the trees, regrading the swale and laying sod; (13) the improved property owners in the Estates have stated they are unable to mow the swales due to the steepness and they are willing to pay a City program for mowing; (14) concern was expressed that actions need to be taken sooner to handle the swales before they become a serious problem and expense; (15) the objective is to control the flow of stormwater drainage coming through the City, 60-70% of the deeper swales are not being maintained, implementing Option 3 would make the City responsible for mowing, this would help to establish a proactive system maintaining the swales rather than the current reactionary system; (16) it was suggested that Code Enforcement monitor swales at least twice a year during fall and winter to make the swales more manageable during the wetter season; (17) Option 3 would be a Road and Drainage assessment with a cost increase of \$13 for the agricultural lots in the Estates, and there would not be a mowing charge for the Estates; (18) Option 3 costs for the Estates would be based on acreage, not parcel or linear foot; (19) the center swales would be mowed twice a year in the Estates; (20) it was suggested to have a hybrid system allowing residents to request the additional assessment to have the City mow in areas with deep swales; (21) it was explained individual assessments would be too costly; (22) the Ordinance provides that the City may assist with mowing steep slope areas for property owners who cannot do it themselves and there isn't a charge, currently the City provides swale mowing for six residents; (23) a suggestion was made to change the ordinance to address drainage issues and possibly require piping for steep slope areas; (24) new construction with more than a 3:1 slope is required to have pipe; (25) it was suggested that individuals who need City assistance to mow should have the special assessment added; (26) it was clarified that Option 3 will be used for the 2019 assessments, and residents who request mowing assistance will be advised that they will be added to the 2020 assessment; (27) it was summarized that all agricultural areas in the Estates would be charged an additional \$13.19 per year under Road and Drainage, per three acres, for improved and vacant lots, and that the City will mow the swale sides six-times per year and the bottom swales twice a year; (28) improved lots not in the Estates, who meet the criteria set in the ordinance, may request City swale mowing and would be assessed the mowing charge; (29) it was suggested that the ordinance be changed to: [a] show the cost of mowing and state that the assessment will be added to the tax bill; [b] must be a permanent request with a minimum three-year period; [c] that the mowing schedule will be six side cuts and two bottom cuts per year; (30) the Drainage cost increase for standard lots, excluding the Estates, will be \$4; (31) the drainage cost for a three-acre lot in the Estates would go from \$233.52 to \$246.71; (32) a suggestion was made to use Option 3B, making the mowing charges based on linear feet and not by the lot, excluding the Estates; (33) concern was expressed that using Option 3B the charge for vacant lots in the Estates will go down and outside of the Estates the cost will go up, and it is the Estates where the services are being provided; (34) the cost of a slope mower was added to Option 3B and was not included in Alternative B; (35) two slope mowers are owned and operated by the City for mowing the swale centers, in the Estates the contractor mows

the flat area along the road; (36) the contractor will mow the center of the swales if they are dry, if the centers are wet the City will use the slope mower; (37) when the contract is up for renewal, wet/dry cut language will be included in the contract; (38) concern was expressed that the City isn't mowing to the same standard as required of the improved property owner; (39) responsibility of maintaining the right-of-way was explained; (40) the City is unable to mow approximately 80% of the full rights-of-way due to impinging growth; (41) it was suggested to review the expenses and revenues for using a hybrid of services; (42) the City will be vertical mowing all areas twice a year and a schedule is being developed; (43) Staff is proposing a tree crew in the upcoming budget; (44) it was clarified that Alternative A and B no longer apply if using a hybrid Option 3; (45) last year's figures were used for the presentation and there may be a slight change to the cost once the plan is finalized; (46) concern was expressed that moving mowing costs to drainage specifically for the Estates will have other property owners paying more and not getting the benefit of the non-ad valorem assessment to their property, it also creates two standards for mowing costs; (47) mowing costs for a standard vacant lot will be reduced .41 cents, and drainage fees will increase \$4.38; (48) all mowing, vertical and finished, are included in the cost; (49) mowing costs in the Estates will be moved to tertiary drainage and apportioned by acreage, those without tertiary will not be assessed; (50) it was suggested the cost be split apportionately over all components, tertiary, secondary and primary, because the drainage flow effects everyone; (51) the cost for Option 3 is \$288,703 which includes increasing service for the Estates, expanding services in the City will increase the cost; (52) a summary of hybrid Option 3 was restated.

There was a consensus to mow all rights-of-way within North Port Estates, North Port Estates First Addition and North Port Estates Second Addition. Any other property may be mowed by request, with a charge and a changing of the current ordinance that addresses mowing, charging for the cut, submitting to X amount of years, meeting certain criteria, and will be the same level of service as the Estates, and charge to primary, secondary and tertiary as an increase to service.

Discussion continued: (1) currently the mowing fee for vacant lots is the same cost regardless of the frontage; (2) changing the cost of mowing to linear frontage on the right-of-way is more fair and equitable; (3) concern was expressed for mowing and drainage fees increasing; (4) it was explained that the mowing costs for a standard lot will go down .41 cents but costs will increase for acreage of the larger areas; (5) frontage mowing will be based on 80 linear feet being equal to one unit, drainage is based on acreage.

There was a consensus to change to linear frontage.

Recess: 3:30 p.m. - 3:47 p.m.

4. PUBLIC COMMENT:

Public comment was held 3:48 p.m. - 3:51 p.m.

Richard Dycus: drainage.

Discussion ensued: (1) it was explained that the City will provide the design and piping for side outfalls only, the property owner would pay for installation, the Code requires full-frontage piping if elevation factors cause the front swale to have a sloping ratio greater than 3:1, and that would be done at the owner's expense; (2) impact fees must be used to increase the level of service such as new development, not to provide maintenance; (3) Road and Drainage has an impact fee for transportation and that is used for roads; (4) it was suggested Staff research the possibility of having an impact fee for drainage.

18-388

Continue Road and Drainage Assessment Methodology Discussion

REVENUE SUFFICIENCY ANALYSIS

Discussion ensued: (1) it was clarified that road frontage will be used for linear mowing charges; (2) the escalation on surtax is based on projects needed and district funding of the total project cost; (3) costs have risen approximately 3%, and revenues were increased 4.5% in the prior study to capture growth and maintenance; (4) non-assessment revenues are conservatively projected to remain flat with some growth to the gas tax and a transportation tax; (5) the cumulative new debt service on the State Infrastructure Bank (SIB) loan would be an interest payment only for 2019, then principal and interest each year after; (6) it was explained that the additional surtax in the presentation would be from redistribution of surtax funds between districts; (7) there could be a new surtax cycle in 2024 and that is dependent on the referendum in 2022-2023.

Commissioner Hanks left the meeting at 4:00 p.m.

Discussion continued: (1) restricted funds such as impact fees are used before surtax fees; (2) a Price Boulevard bond could free up funds for Road and Drainage to use on other projects, depending on the payment source for the bond debt; (3) the previous road bond was for \$43,000,000 over 26-years as a special capital assessment at a cost of \$46 per parcel for property owners; (4) after discussion of Price Boulevard project Phases previously set, it was suggested that Staff research when the project was changed to one Phase from Sumter Boulevard to Toledo Blade Boulevard because it is relevant to Metropolitan Planning Organization (MPO) funding; (5) it was clarified that the approximate \$40,000,000 cost for the Price Boulevard project is based on Sumter Boulevard to Toledo Blade Boulevard, and that construction may be completed in Phases; (6) the requested revenue rate increase for fiscal year 2019 operations is 4.9%, and the 4.5% annual rate request is projected for future years for planning purposes; (7) 4.9% would be approximately a \$7.00 increase on taxes for a typical lot, and would be in addition to the increase for the mowing and drainage fees; (8) the 4.9% increase is needed for revenue, and is not a 4.9% rate increase; (9) concern was expressed that costs are broken down between roads, drainage and mowing, but revenues are being requested as one amount, revenue should also be broken down for roads, drainage and mowing.

COST APPORTIONMENT

Discussion continued: (1) it was noted that the 4.9% increase will be apportioned based on the Cost Apportionment Study and direction received on the mowing methodology; (2) it was explained that the basis of the reapportionment is to correctly allocate costs for roads, drainage and mowing; (3) concerns were expressed to keep within the adopted methodology of breaking out the costs, and to identify current costs for each portion and not overcharge for services; (4) it was noted that the new methodology accounted for changes in the department, procedures and new projects and will be reviewed annually; (5) if the Price Boulevard project was moved to a bond, and the district surtax remains the same, there would be a draw down with no need for an increase in revenue for 2019 or 2020 and reserves would be maintained, in 2021 revenues would need to be added for the water control structures and bridge projects; (6) using a 4.5% rate increase will maintain target levels through 2022; (7) it was summarized that 4.5% is a minimal increase to maintain the level of service, Price Boulevard can be moved to a bond, and standard surtax for the department is sufficient; (8) 4.5% would be approximately a \$5.00-\$6.00 increase on taxes for a typical lot; (9) a 1% growth factor was used in the calculations for

roads, and none for drainage and mowing; (10) with new improvements coming from West Villages, road and drainage should be reviewed annually; (11) using 4.5% instead of 4.9% will not remove any projects, it will be a slight draw down of the fund balance, and the fund balance is over the 25% target; (12) the cost and design of the Price Boulevard project is needed to have a bond request on the ballot; (13) the Price Boulevard project can be bonded in its entirety at one time, but the project must be completed in less than five-years; (14) a suggestion was made to have the City's financial advisor come in and discuss the options for funding and repayment of the Price Boulevard project; (15) there are various options for funding the Price Boulevard project and they do not need to be included in the Road and Drainage District budget at this time; (16) it was suggested that the Road and Drainage surtax remain the same; (17) Staff will provide the Commission with a spreadsheet showing how surtax is allocated to the different departments and their use; (18) it was explained that the additional surtax funds being requested are for the water control structures and bridge projects; (19) it was noted that approving additional surtax funds for Road and Drainage is taking surtax funding away from other departments.

There was a consensus to have the City Manager come back with alternatives for the Price Boulevard project.

Discussion continued: (1) the changes would be a 4.5% revenue increase plus the mowing, which overall is approximately a \$12-annual assessment increase per parcel; (2) concern was expressed that an automatic rate increase should not be approved, costs should be justified, that the City has infrastructure that needs to be replaced and taxpayers are paying for that replacement, that we need to be doing that with existing assets and facilities, and that setting an automatic rate for ten years is not justified; (3) the rate increase considers infrastructure that needs maintaining and replacing, and maintaining a level of service with costs that increase on an annual basis; (4) a key part of the increased level of service is for water control structures that have been specifically planned out for the next three to five years, and additional surtax was requested to pay for those projects.

There was a consensus to approve a 4.5% annual rate increase for the Road and Drainage district and to re-evaluate annually.

Discussion continued: (1) in summary, more information is needed regarding surtax before the Commission can make a decision allowing the surtax increase, and a workshop is needed regarding borrowing versus bonding for the Price Boulevard project; (2) it was suggested that Staff provide line-item detail of how costs are allocated for the 4.5% increase.

There was a consensus that Staff provide line-item detail of how costs are allocated for the 4.5% increase.

Discussion continued: (1) it was suggested Staff provide projected revenues and expenses for the hybrid mowing and drainage assessment; (2) because of the change of methodology, Road and Drainage does not have a not-to-exceed resolution; (3) public notice will be given soon to conduct a public hearing similar to a not-to-exceed rate; (4) due to the change in methodology, Road and Drainage will be mailing out a notice separate from the Truth in Millage (TRIM) notice.

5. COMMISSION COMMUNICATIONS:

There were no Commission Communications.

6. ADMINISTRATIVE AND LEGAL REPORTS:

There were no Administrative or Legal Reports.

7. ADJOURNMENT:

Mayor Carusone adjourned the North Port Road and Drainage District Special Meeting at 5:32 p.m.

City of North Port, Florida
As the Governing Body of the Road and Drainage District

By: _____
Vanessa Carusone, Mayor

Attest: _____
Patsy C. Adkins, MMC, City Clerk

Minutes approved at the Road and Drainage District Regular Meeting this ____ day of _____, 2018.