

CITY OF TAMPA

STORMWATER FUNDING PROGRAM

PHASE II REPORT

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TABLE OF CONTENTS

	<u>Page</u>
Executive Summary	
Introduction.....	i
Objectives	ii
Apportionment Methodology.....	iii
Preliminary Rates and Classifications	v
Remaining Issues	viii
Funding Report	
Introduction.....	1
Objectives	2
Study Methodology	3
Research and Analysis.....	3
Overview of City’s Stormwater System.....	5
Overview of City’s Stormwater Department	6
Assessable Cost Calculations	10
Special Benefit Assumptions	15
Government Fee Assumptions	16
Cost Apportionment Assumptions	16
Parcel Apportionment Assumptions	16
Parcel Apportionment.....	17
Rate Classes	18
Preliminary Rates	21

APPENDICES

- Appendix A Letter from KCA
- Appendix B Hillsborough County Department of Revenue Use Codes

INDEX OF TABLES AND FIGURES

<u>Tables</u>	<u>Page</u>
Table 1	Total Number of ESFIAs by Rate Classvi
Table 2	Preliminary Rates: Fiscal Year 2003-04 100% of Costs = \$13,726,568.....vii
Table 3	Preliminary Rates: Fiscal Year 2003-04 19% of Costs = \$2,627,460vii
Table 4	Representative Stormwater Charges for Rate Classesviii
Table 5	Stormwater Basins and Sub Areas 5
Table 6	City Organizational Chart..... 7
Table 7	Stormwater Department Organizational Chart 8
Table 8	Stormwater Budgets – Fiscal Years 1999-2000 through 2002-03 10
Table 9	Stormwater Utility Tax Projects Fiscal Year 2002-03 11
Table 10	Cost Calculations City of Tampa Stormwater Department Fiscal Year 2003-04..... 11
Table 11	Total Number of ESFIAs by Rate Class21
Table 12	Preliminary Rates: Fiscal Year 2003-04 100% of Costs = \$13,726,568.....21
Table 13	Preliminary Rates: Fiscal Year 2003-04 19% of Costs = \$2,627,46022
Table 14	Representative Stormwater Charges for Rate Classes22

EXECUTIVE SUMMARY

INTRODUCTION

Government Services Group, Inc. (GSG) specializes in government finance and taxation issues, in working with cities, counties, special districts, and state agencies, to develop unique funding and service delivery solutions for critical infrastructure and service needs. Nabors, Giblin & Nickerson, P.A. (NG&N) is a law firm dedicated to the representation of local governments on issues of finance and taxation. Both firms have developed extensive experience in structuring and implementing alternative revenue sources in Florida.

The City of Tampa (City) has entered into a professional services agreement with GSG and NG&N to provide specialized services in the development and implementation of an alternative revenue source funding program to fund stormwater services within the incorporated area of the City (Stormwater Funding Project). Phase I of the project was completed in July 2003 and a Phase I Memorandum was presented to the City Council on July 24, 2003. The Phase I project included the following objectives:

- Clarify City Objectives
- Evaluate Existing Data and Information to Determine Utilization
- Identify Engineering Scope of Work
- Identify Data Needs: (Impervious Area)
- Identify Billing and Collection Mechanisms
- Proposed Phase II Scope of Work

The objective of Phase II of the Stormwater Funding Project is to develop and implement a stormwater assessment program to fund the City's provision of stormwater services to non-government property commencing Fiscal Year 2003-04 that will be collected on the tax bill in November 2003 (Stormwater Assessment), and develop and implement a stormwater utility fee to fund the City's provision of stormwater services to government property commencing Fiscal Year 2003-04 that will be collected pursuant to a separate billing mechanism (Stormwater Fee; collectively the Stormwater Assessment and Stormwater Fee will be referred to as Stormwater Charges). This document is the Phase II Stormwater Funding Report (Funding Report), which is one of the project deliverables specified in the scope of services that is incorporated in the professional services agreement between the City and GSG/NG&N.

The work effort, documented by this Funding Report, focused on the calculation of assessment and fee rates and classifications required to fully fund the identified costs to provide stormwater services within the City for Fiscal Year 2003-04. However, the City has the choice of funding all or only a portion of these costs based on policy direction. In addition, the work effort recorded in this Report required the identification of the full costs of stormwater services (minus all revenues) and the allocation of those costs to properties that specially benefit from the provision of such stormwater services or demand such stormwater services from the City.

In early 2003, the City of Tampa (City) had initiated the process of developing and implementing a stormwater assessment program for Fiscal Year 2003-04 based on the assessment methodology currently used by Hillsborough County and intended to collect the proposed stormwater assessment on the ad valorem tax bill to be mailed in November 2003. A first reading of an ordinance creating a mechanism for a non-ad valorem assessment or other fees to partially fund the stormwater management system was held in March 2003. In late April 2003, the newly installed City administration determined that the City staff and elected officials needed to clarify its goals and directives regarding the proposed stormwater management program (Stormwater Program) prior to the proposed implementation in Fiscal Year 2003-04. Consequently, the second reading of the stormwater ordinance was not held.

As a result, the City entered into an agreement with NG&N and GSG to conduct an analysis of the City of Tampa's proposed Stormwater Program in Phase I of this project. The Phase I Memorandum recommended that the City should move forward with implementing an alternative funding program to fund all or a portion of the Fiscal Year 2003-04 operations and maintenance costs of the existing stormwater facilities.

OBJECTIVES

Accordingly, the City retained GSG and NG&N to develop an annual recurring special assessment program for non-government property and a corresponding stormwater fee program that together are capable of funding all of the properly attributable costs associated with providing stormwater services, commencing Fiscal Year 2003-04. Additionally, the stormwater assessment must be capable of being collected using the ad valorem collection process provided in section 197.3632, Florida Statutes (Uniform Method).

The Uniform Method requires the use of data that is available on the ad valorem tax roll. Accordingly, the challenge for the City is to develop a non-ad valorem assessment program which uses property information that is or will be on the ad valorem tax roll. To this end, GSG and NG&N have been charged to fully cost the services to be provided by the City to non-government property, develop a fair and reasonable apportionment methodology for such assessable costs, and determine assessment rates and parcel classifications that are accurate, fair and reasonable.

The stormwater non-ad valorem assessments must meet the Florida case law requirements for a valid special assessment. These requirements are:

- The service provided must confer a special benefit to the property being assessed and,
- The costs assessed must be fairly and reasonably apportioned among the properties that receive the special benefit.

The Stormwater Fees imposed against government property must meet the Florida case law for a valid stormwater utility fee. A stormwater utility may charge for the services and products it provides to its users, provided the charge must be reasonably related to the cost of the service or product and must be just and equitable. At the City's discretion, stormwater utility fees can be designed to recover both operations and maintenance costs and costs for anticipated future capital outlay that are properly attributable to government property within the City.

The work effort of this project required the evaluation of data obtained from the City to develop a stormwater funding program that focuses upon the proposed Fiscal Year 2003-04 cost calculations.

The objectives of this initial effort were to:

- Provide an inventory of the stormwater services that the City provides and will provide in the future.
- Determine the full costs of providing stormwater services within the incorporated area of the City.
- Review such final cost determination with the City to determine which elements provide the requisite special benefit to the assessed properties.
- Determine the relative benefit anticipated to be derived by properties within the City from the delivery of stormwater services.
- Recommend the fair and reasonable apportionment of costs among government and non-government properties.
- Recommend the fair and reasonable apportionment of costs among both government and non-government parcels that are benefited.
- Calculate assessment rates and parcel classifications for Fiscal Year 2003-04 based on the proposed Fiscal Year 2003-04 cost calculations.
- Calculate fee rates for Fiscal Year 2003-04 based on the proposed Fiscal Year 2003-04 cost calculations.
- Ensure that the recommended assessment rates and parcel classifications conform to the statutory requirements of the Uniform Method.

APPORTIONMENT METHODOLOGY

NG&N has had substantial involvement in the development, review and analysis of the proposed apportionment methodology and deliverables relative to the legal tests required in Florida for a valid special assessment that is to be collected under the Uniform Method and a valid stormwater utility fee.

Because of the nature of stormwater and the types of stormwater management services provided by the City, the methodology to develop a Stormwater Assessment for non-government property and the methodology to develop an equitable Stormwater Fee for government property is identical. The impervious area methodology is a valid means of determining both the special benefit provided to property and a valid means of demonstrating a reasonable relationship between government property and the cost of stormwater management services provided thereto. Accordingly, this Stormwater Funding Report recommends an identical methodology to develop both Stormwater Charges.

The recommended stormwater services apportionment methodology allocates costs on the basis of the anticipated demand for stormwater services by categories of real property use as identified on the real property assessment roll prepared for the levy of ad valorem taxes. The stormwater costs are allocated among real property use categories based upon the impervious area of the properties.

Accumulating runoff from developed property must be managed in an organized manner if owners are to enjoy the full use of their property. The burden of managing this cumulating stormwater falls to the community. Stormwater facilities must be maintained, replaced or constructed to reduce the impact of runoff. Each developed or altered parcel that is connected to the stormwater system benefits from this investment. The group of parcels receiving a benefit, or having an expectation of receiving a benefit from the City's stormwater program comprise the City's stormwater service area. A special assessment is a charge placed on non-government property in the stormwater service area to recover the cost to the community of treating the stormwater runoff generated by that parcel. Similarly, a stormwater utility fee is a charge imposed against government property to pay for the stormwater services provided to said property.

The amount of runoff generated by a parcel and sent to the stormwater system represents that parcel's proportionate share of the burden of creating and maintaining the stormwater system. The amount of runoff from a 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 charged to the parcel.

A base-billing unit, called an Equivalent Square Feet of Impervious Area (ESFIA), is used to determine the stormwater charges. An ESFIA is the amount of impervious area associated with the typical single-family residence. The ad valorem tax roll information and data collection efforts by the City indicated that the ESFIA value is 3,310 square feet.

A reduction, in the form of a mitigation credit, is available to properties that have privately maintained stormwater facilities that perform as originally designed and permitted. The City Council will set the stormwater rate in terms of dollars per ESFIA per year. A bill is calculated by multiplying the number of ESFIAs on the parcel by the rate per ESFIA.

The apportionment methodology for both the stormwater assessment and the stormwater fee recommended by GSG and NG&N includes the following components:

- The use of impervious area in the calculation of relative runoff;
- The incorporation of the following rate classes: single family residential, multi-family residential parcels, condominiums, and general parcels;
- Within the single family residential rate class, the incorporation of rate tiers to be assigned to single family residential properties based on the footprint square footage of the dwelling units located on the property (i.e., small, medium, large and very large residential parcels);
- Within the multi-family residential rate class (for duplexes, tri-plexes and quadraplexes with two or less buildings), the incorporation of rate tiers based on the footprint square footage located on the property (i.e., small, medium and large multi-family parcels);
- For all other multi-family properties, treatment as a general parcel, with actual impervious area calculated for each parcel of property;
- For condominium parcels, the impervious area of the condominium complex will be divided by the equivalent residential unit value and then further divided by the total number of condominium parcels.
- For general parcels (all other parcels not classified above), the impervious area of the parcel will be divided by the equivalent residential unit value.
- The incorporation of mitigation credits for stormwater facilities that: 1) perform to original design standards, and 2) are maintained by entities other than the City; and,
- The incorporation of a review procedure, providing for a systematic, consistently applied, timely, case-by-case review of the calculation of billing units on specific parcels at the request of the property owner.

**PRELIMINARY RATES
AND CLASSIFICATIONS**

This section of the Executive Summary includes the recommended parcel classifications and preliminary rates as calculated within this Funding Report.

The City Stormwater cost calculations in this Report are primarily based on information supplied by the City. The cost projections developed by GSG are designed to forecast preliminary assessment and fee rates for Fiscal Year 2003-04.

Proceeds from a stormwater special assessment and fee program can only be used for stormwater management purposes. If the City elects to impose an assessment or fee, it may at its discretion:

- Fund 100 percent of the full stormwater management program operating costs (including overhead costs),
- Fund any portion of any eligible cost element.

The stormwater charge may be estimated to recover 100 percent of the stormwater operational and maintenance costs, or it may be estimated to supplement to any extent desired, the existing funding sources.

Table 1 details the estimated billing units allocated to each rate category, based on an equivalent square feet of impervious area. The Equivalent Square Feet of Impervious Area (ESFIA) is the amount of impervious area (hard surface through which water does not readily percolate) associated with the median single-family residence in Tampa. The ESFIA value was determined from ad valorem tax roll data and from digitizing a randomly selected set of single-family residential properties. The estimate of the total number of ESFIAs in the City is also based on Property Appraiser data and supplemental data collection.

**TABLE 1
TOTAL NUMBER OF ESFIAs
BY RATE CLASS**

Rate Class	Total Number of Parcels	Total Number of ESFIAs
Single Family Residential		
<i>Small</i>	26,509	16,170
<i>Medium</i>	41,355	41,355
<i>Large</i>	12,283	20,390
<i>Very Large</i>	1,311	3,697
Multi-Family Residential**		
<i>Small</i>	514	226
<i>Medium</i>	2,190	2,212
<i>Large</i>	292	657
Condominiums	[TO BE DETERMINED]	[TO BE DETERMINED]
General Parcels (including other multi-family parcels)	[TO BE DETERMINED]	134,248
Total	84,454	218,955

**Multi-Family Residential means a parcel with a DOR code of 08, which contains no more than two buildings with no more than four dwelling units per building

Source: City of Tampa Preliminary Assessment Roll

Preliminary analysis indicates that approximately 120,000 improved parcels are located in the stormwater service area. This analysis is the result of the number of parcels in the City's stormwater service area that have been determined to contain an impervious area value exceeding 100 square feet, according to current Property Appraiser records.

The stormwater service area includes only those parcels that are hydrologically connected to the City's stormwater system. The service area extends throughout the entire City.

Table 2 depicts the proposed assessment and fee rates for Fiscal Year 2003-04 based on 100 percent of the cost calculations and the total number of ESFIAs within the City.

**TABLE 2
PRELIMINARY RATES
FISCAL YEAR 2003-04
100% OF COSTS = \$13,726,568**

	Fiscal Year 2003-04 Budget
Total Assessment Funding Requirement	\$13,726,568
Total Number of ESFIAs	218,955
Annual Rate Per ESFIA	\$ 62.69
Monthly Rate Per ESFIA	\$ 5.22

Source: City of Tampa Preliminary Assessment Roll

Table 3 depicts the proposed rates for Fiscal Year 2003-04, if the City Council decides to charge \$1 per month per ESFIA (or \$12 per year) for the medium single-family residential properties. These rates generate approximately 19 percent of the cost calculations.

**TABLE 3
PRELIMINARY RATES
FISCAL YEAR 2003-04
19% OF COSTS = \$2,627,460**

	Fiscal Year 2003-04 Budget
Total Assessment Funding Requirement	\$ 2,627,460
Total Number of ESFIAs	218,955
Annual Rate Per ESFIA	\$ 12.00
Monthly Rate Per ESFIA	\$ 1.00

Source: City of Tampa Preliminary Assessment Roll

Table 4 illustrates representative examples of stormwater charges for various types of properties based on the rates shown in Tables 2 and 3.

**TABLE 4
REPRESENTATIVE STORMWATER CHARGES FOR RATE CLASSES**

Rate Class	Total Number of ESFIAs	Annual Assessment Amounts @ 100%	Annual Assessment Amounts @ 19%
Single Family Residential			
<i>Small</i>	0.61	\$ 38.24	\$ 7.32
<i>Medium</i>	1.00	\$ 62.69	\$ 12.00
<i>Large</i>	1.66	\$ 104.07	\$ 19.92
<i>Very Large</i>	2.82	\$ 176.79	\$ 33.84
Multi-Family Residential**			
<i>Small</i>	0.44	\$ 27.58	\$ 5.28
<i>Medium</i>	1.01	\$ 63.32	\$ 12.12
<i>Large</i>	2.25	\$ 141.05	\$ 27.00
Condominiums	[TO BE DETERMINED]	[TO BE DETERMINED]	[TO BE DETERMINED]
General Parcels			
<i>Impervious Area = 1,000 sq ft</i>	0.30	\$ 18.94	\$ 3.63
<i>Impervious Area = 5,000 sq ft</i>	1.51	\$ 94.70	\$ 18.13
<i>Impervious Area = 10,000 sq ft</i>	3.02	\$ 189.40	\$ 36.25
<i>Impervious Area = 50,000 sq ft</i>	15.11	\$ 946.98	\$ 181.27
<i>Impervious Area = 100,000 sq ft</i>	30.21	\$ 1,893.96	\$ 362.54

**Multi-Family Residential means a parcel with a DOR code of 08, which contains no more than two buildings with no more than four dwelling units per building

REMAINING ISSUES

GSG and NG&N have identified the following issues that require further consideration with respect to the preliminary rates that are developed and presented in this Funding Report.

Issue 1: Collection of Assessments from Governmental Property

A special assessment can be imposed against governmental property to pay for the benefits that such property receives. However, as to each level of government, differing concepts of immunity and other statutory provisions or case law may prevent collection or frustrate special assessment imposition. In addition, Florida case law is clear that the payment of such assessments cannot be enforced by a lien against the public property. Rather, the enforcement remedy would be a judicial action to compel payment. A collateral issue in enforcing payment is the legislative authorization of the public agency to pay the charge or special assessment imposed. Thus, the law establishing the expenditure authority of the specific governmental or public agency or its appropriation

discretion must be examined to determine whether the governmental unit has the authority to pay a charge or assessment for stormwater services provided by the City.

From a collection standpoint, there are two methods to bill governmental property. Each governmental unit should either be sent a separate bill or the stormwater charge could be collected on the City's utility bill. In either case, no attempt should be made to collect the special assessment using the Uniform Method.

If the stormwater charge is to be collected on the utility bill or by a separate billing mechanism, it may be structured as a fee and the stormwater demand for all governmental property and for each owner will need to be analyzed. The proportionate share of the billable costs for each owner of governmental property will then be applied to the total billable costs attributed to the government property classification to determine the stormwater fee for each owner.

Issue 2: Mitigation Credits and Net Revenue

Mitigation credits may apply to parcels that have provided on-site, man-made stormwater management facilities. They may be applied as simple factors multiplied against the ESFIAs. Any mitigation credits granted by the City will result in a decrease in the amount of the total revenue generated by the City. No estimate of the impact of the mitigation credits has been included within this Funding Report.

Issue 3: Impervious Area Data Collection for Condominium Parcels and General Parcels

A majority of the information used for the development of the stormwater charges was provided by the Property Appraiser's office by agreement with the City. Because of the accelerated timeframe for developing the revised stormwater funding program in time for collection on the ad valorem tax bill for Fiscal Year 2003-04, the analysis of the Condominium Parcels and a small percentage of the General Parcels has not been completed at this time and could not be included in the Funding Report. However, this data will be developed prior to the issuance of the first class notices on August 21, 2003 and these parcels will be included in the funding program. The development of this data may result in modifications to the preliminary information provided within this Funding Report.

STORMWATER SERVICES FUNDING REPORT

INTRODUCTION

Government Services Group, Inc. (GSG) specializes in government finance and taxation issues, in working with cities, counties, special districts, and state agencies, to develop unique funding and service delivery solutions for critical infrastructure and service needs. Nabors, Giblin & Nickerson, P.A. (NG&N), a law firm dedicated to the representation of local governments on issues of finance and taxation. Both firms have developed extensive experience in structuring and implementing alternative revenue sources in Florida.

The City of Tampa (City) has entered into a professional services agreement with GSG and NG&N to provide specialized services in the development and implementation of an alternative revenue source funding program to fund stormwater services within the City (Stormwater Funding Project).

Also as part of this project, GSG and NG&N were assisted by Kisinger Campo & Associates Corporation (KCA). KCA provided an analysis of the benefits derived by properties from the provision of stormwater services. KCA also assisted the City in developing the credit mitigation policy and procedures.

The objective of the Stormwater Funding Project was to develop and implement a stormwater assessment program to fund the City's provision of stormwater services to non-government property commencing Fiscal Year 2003-04 that will be collected on the tax bill in November 2003 (Stormwater Assessment), and develop and implement a stormwater utility fee to fund the City's provision of stormwater services to government property commencing Fiscal Year 2003-04 that will be collected pursuant to a separate billing mechanism (Stormwater Fee; collectively the Stormwater Assessment and Stormwater Fee will be referred to as Stormwater Charges). This document is the Phase II Stormwater Funding Report (Funding Report), which is one of the project deliverables specified in the scope of services that is incorporated in the professional services agreement between the City and GSG/NG&N.

The development of the methodology contained within this Funding Report for calculating the stormwater charges for each property use category included the following steps:

- The full costs to provide stormwater services were functionalized and identified.
- A parcel apportionment methodology was developed based on the amount of impervious area per parcel.
- Rates per ESFIA were calculated.

The goals of this study were as follows:

- To use the City's adopted budget for Fiscal Year 2002-03 and the proposed budget for Fiscal Year 2003-04 to determine the costs for stormwater services for Fiscal Year 2003-04.
- To determine a consistent, feasible and legally sufficient special assessment methodology and calculate special assessments that are capable of collection as a non-ad valorem assessment using the ad valorem collection process provided in the Uniform Method.
- To determine a consistent, equitable and legally sufficient utility fee to recover the cost of stormwater services provided to government property.
- To apply the methodology and develop preliminary rates.

OBJECTIVES

In order to achieve the study goals, a number of objectives were accomplished as follows:

- Provide an inventory of the stormwater services that the City provides and will provide in the future.
- Determine the full costs of providing stormwater services within the incorporated area of the City.
- Review such final cost determination with the City to determine which elements provide the requisite special benefit to the assessed properties.
- Determine the relative benefit anticipated to be derived by properties within the City from the delivery of stormwater services.
- Recommend the fair and reasonable apportionment of costs among government and non-government properties.
- Recommend the fair and reasonable apportionment of costs among both government and non-government parcels that are benefited.
- Calculate assessment rates and parcel classifications for Fiscal Year 2003-04 based on the proposed Fiscal Year 2003-04 cost calculations.
- Calculate fee rates for Fiscal Year 2003-04 based on the proposed Fiscal Year 2003-04 cost calculations.
- Ensure that the recommended assessment rates and parcel classifications conform to the statutory requirements of the Uniform Method.

STUDY METHODOLOGY

GSG performed the following tasks in accomplishing the project objectives in Phase I and II of the project:

- Undertook extensive data collection and a detailed research process to identify the operations and funding of stormwater services within the City;
- Conducted extensive interviews with City staff to identify all services and costs in the City Stormwater Department;
- Prepared a Phase I Memorandum with recommendations for Phase II;
- Analyzed the proposed Fiscal Year 2003-04 cost calculations, both expenditures and revenues;
- Compared the expenditure requirement with anticipated revenues to develop a funding requirement line item for the Fiscal Year 2003-04 budgets.
- Identified the stormwater billing database requirements and determined the actual base billing units; and
- Distributed the funding requirement for Fiscal Year 2003-04 based upon the recommended parcel apportionment to determine preliminary assessment rates for stormwater services against non-government property and preliminary Stormwater Fee rates to recover the cost of stormwater services provided to government property in the City for Fiscal Year 2003-04.

RESEARCH AND ANALYSIS

The recommendations found in this Funding Report were formulated after a study of the unique stormwater issues faced by the City of Tampa. Resources used by GSG and NG&N include:

- Meetings with City staff and members of GSG/NG&N;
- City of Tampa FAACS Assets by Location Report (5/14/03)
- Full Cost Allocation Plan for the City of Tampa, Florida (by Maximus)
- Stormwater Management In House Support Summary (9/30/02)
- Capital Costs Reimbursement and Overhead Stormwater (11/19/02)
- City of Tampa Salary Projection Report (4/11/03)
- City of Tampa Recommended Capital Improvement Budget FY2003
- City of Tampa Recommended Annual Budget FY2003
- Draft Stormwater Utility Ordinance (Tampa)
- Tampa Comprehensive Plan: Stormwater Management (Adopted by Tampa City Council 1/29/98)
- City of Tampa Code: Chapter 21 Stormwater
- Stormwater Flooding Relief Projects (5/03)

- State of Florida Municipal Separate Storm Sewer System Permit (draft)
- City of Tampa Stormwater Technical Standards Manual for Private Development
- City of Tampa Stormwater Technical Standards Manual for Public Development
- Residential Canal Dredging Manual (prepared by GEE & Jenson E-A-P, Inc. 5/00)
- Lake Kipling/Dundee Canal Maintenance Dredging Sediment Volume/Source Report (Boyle Engineering, 8/02)
- Spring Lake Canal Maintenance Dredging Sediment Volume/Source Report (Boyle Engineering, 8/02)
- Neptune Canal Maintenance Dredging Sediment Volume/Source Report (Boyle Engineering, 8/02)

NG&N has had substantial involvement in the development, review and analysis of the proposed apportionment methodology and deliverables relative to the legal tests required in Florida for a valid special assessment that is to be collected under the Uniform Method and a valid stormwater utility fee.

SERVICE DESCRIPTION AND COST CALCULATIONS

**OVERVIEW OF CITY'S
STORMWATER SYSTEM**

The City of Tampa stormwater system serves 103 square miles in the City and extends into Hillsborough County. Areas outside of the City include Curiosity Creek Basin, Duck Pond Basin, the area upstream of the New Tampa area and the area within the vicinity of Interstate 4 in the eastern portion of the City. In some instances, the City and Hillsborough County may share a portion of the costs associated with projects in these areas. The City's stormwater system includes 365 miles of stormwater mains, 180 miles of ditches, 104 retention ponds and 21,000 curb miles of annual street sweeping.

The City is divided into five major basins determined by the area's primary receiving water. These five basins are further divided into thirty-nine sub-areas. These sub-areas have been further divided because most have more than one outfall. Table 5 illustrates the major basins and their respective sub-areas.

**TABLE 5
STORMWATER BASINS AND SUB AREAS**

Hillsborough Bay Basin	01 – Ybor City 02 – Davis Islands 03 – Palma Ceia 04 – Upper Bayshore 05 – Lower Bayshore 06 – Ballast Point 07 – Interbay South 08 – Spanish Town Creek
McKay Bay Basin	09 – 29th Street Outfall 10 – 43 rd Street Outfall
Old Tampa Bay Basin	11 – Horizon Park 12 – Drew Park 13 – Lemon Street 14 – Cleveland Street 15 – Dundee River 16 – Westshore 17 – Gandy Boulevard 18 – Port Tampa
Upper Hillsborough River	19 – River Grove 20 – Temple Crest 21 – Takomah Trail 22 – Duck Pond

TABLE 5 (cont.)

Lower Hillsborough River	23 – North Tampa 24 – Forest Hills 25 – Northwest Tampa 26 – Sulphur Springs 27 – Kirby Creek 28 – Oak Grove 29 – Wellswood 30 – St. Joseph's 31 – West Tampa 32 – Downtown 33 – Tampa Heights 34 – University of Tampa 35 – Sunshine Park 36 – Hillsborough Avenue 37 – River Bend 38 – Seminole Heights 39 – Seaboard Coastline
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A stormwater study has been performed for portions of the sub areas highlighted above

Source: City of Tampa

**OVERVIEW OF CITY'S
STORMWATER
DEPARTMENT**

Until May 2003, various divisions within the Wastewater Department provided the City's stormwater management services. Stormwater personnel were responsible for the planning, design, construction, operations and maintenance of the City's stormwater system. The Wastewater Department historically provided approximately \$500,000 annually in support services for the Stormwater Department; these support services consisted of in-house design, inspection and drafting for the Capital Improvement Program (approximately \$325,000) and administrative, planning and project management support (approximately \$175,000). The Stormwater Department also historically provided approximately \$200,000 annually in similar support for wastewater capital projects and other services. In addition, personnel located at Business and Housing Development provided permitting and inspection duties that support stormwater goals. For Fiscal Year 2002-03, there were 91 budgeted positions in the Stormwater Department within the following five areas:

- Accounting (2)
- Planning (3)
- Operations (74)
- Engineering (4)
- Construction Services (8)

Table 6 illustrates the City's organizational structure.

**TABLE 6
CITY ORGANIZATIONAL CHART**

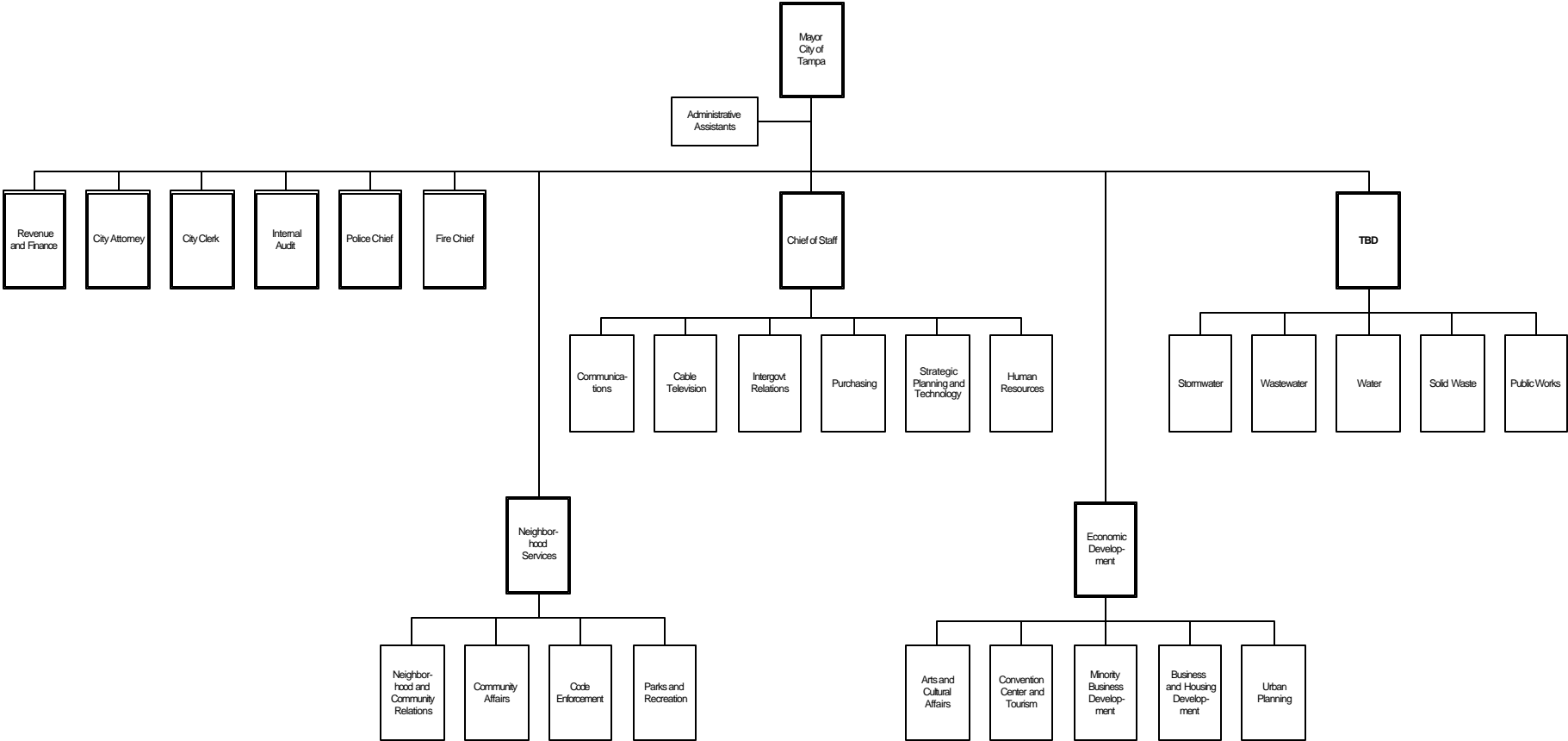
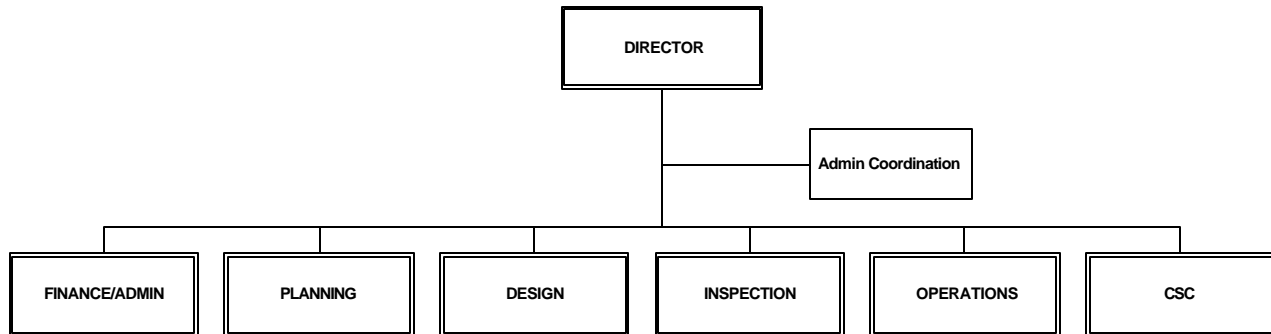


Table 7 illustrates the organizational chart for the Stormwater Department.

**TABLE 7
STORMWATER DEPARTMENT
ORGANIZATIONAL CHART**



Source: City of Tampa

Historically, the City’s approach to achieving its stormwater management goals has been guided by a combination of regulatory and capital improvements initiatives. In 1988, the City Council adopted the Stormwater Management Ordinance, which was codified as Chapter 21 of the City Code, to administer earthwork and drainage systems. Among other items, the ordinance includes permit requirements and authorizes the establishment of a Technical Standards Manual to set the requirements necessary for the issuance of a stormwater permit.

The original Technical Standards Manual was adopted in 1988. Those portions regulating public improvements are still in use, though not formally adopted. The City adopted a new Technical Standards Manual for Private Development in 1996. Both manuals include the requirements for the development of a comprehensive site drainage plan, required calculations and necessary agency and environmental approvals to be obtained for public and private developments. Also addressed in the manuals are design standards, construction methodology and permit requirements for detention/retention ponds and other types of excavations.

In 1998, the City Council adopted the current Stormwater Management Element (Element) of the Tampa Comprehensive Plan to address stormwater quantity, water quality, system maintenance and finance concerns through the Comprehensive Plan process mandated by the Growth Management Act.

There is a classification system based on three levels of stormwater protection during a five-year storm event. This classification system includes:

Service Level A – This is the most advanced level of stormwater protection available and comprises the complete removal of stormwater from street surfaces during the design rainfall event.

Service Level B – Level B is the next level of protection and comprises the prevention of significant levels of yard flooding but includes some flooding of street and yard areas. The impacts on residents in Level B service areas are primarily nuisance flooding problems related to temporary impassability of streets. There is no flooding of structures.

Service Level C – The Level of Service C standard is the minimum level of stormwater protection that can be provided and comprises the prevention of flooding in structures or appurtenant components of residential, commercial or institutional structures. This level of service allows for temporary ponding in streets and yards, but precludes the flooding of structures.

The long-term goal and objective of the Stormwater Management Element is to provide a minimum of Level of Service C flood protection to the citizens of Tampa through the implementation of an intensive capital improvement program emphasizing infrastructure rehabilitation and maintenance, as well as the construction of new systems.

Currently, over 94 percent of the City is at Level C or better; the City's goal is that by 2015, approximately 98 percent of the City will be at a minimum of Level C. The Stormwater Management Element also recommends that the fully funded Capital Improvement Plan include the implementation of master basin plans, a rehabilitation and maintenance program and an on-going capital improvements projects program. The Element recommends the exploration of assessment districts, basin fees, tax increment financing and a stormwater utility to fund stormwater management services.

The City has developed a methodology to determine and prioritize stormwater drainage needs. Stormwater concerns are brought to the Stormwater Division's attention and are first investigated by personnel. Concerns that can be addressed by maintenance of existing facilities are referred to operations. Concerns that require structural improvements are further evaluated in-house by stormwater personnel and preliminary project solutions are developed. These solutions are evaluated based on the level of engineering and costs. Problems that can be resolved in an immediate timeframe and with minimum expenditures are placed and prioritized within the minor capital improvement program.

The projects that require large expenditures usually lead to master basin plans to determine the best solution. This process analyzes the drainage system for a large basin in detail and identifies the projects that will resolve the problems. The projects identified in the master basin plan are then evaluated and incorporated into the major capital improvement project list.

From these master plans, proposed projects are defined and included in the City's Capital Improvement Plan. Each of these capital projects is evaluated in relation to other projects on the list to determine the ability of the project to alleviate the problems. The evaluation is based on issues such as sequencing difficulties of the improvements

in the basin, funding sources and their timing, system failure, land acquisition constraints and improvements by outside agencies.

The stormwater Capital Improvement Plan can be divided into two components: the capital program and the ongoing programs. The capital program addresses the implementation of the master basin plan improvements and site-specific improvements for localized problems that require a capital expenditure. The ongoing programs address those areas that have long-term stormwater needs such as stormwater projects that require limited funds but immediate action. The ongoing programs also contain the maintenance programs such as storm sewer rehabilitation, retention pond reconstruction and other projects that maintain the efficiency of the existing stormwater systems.

**ASSESSABLE COST
CALCULATIONS**

Historically, funding for the ongoing annual operations and maintenance services was provided by the General Fund. Table 8 provides the actual and budgeted allocations for stormwater services for Fiscal Years 1999-2000 through 2002-03.

**TABLE 8
STORMWATER BUDGETS
FISCAL YEARS 1999-2000 THROUGH 2002-03**

Resources	Actual FY 2000	Actual FY 2001	Budgeted FY 2002	Projected FY 2002	Adopted FY 2003
Personnel	\$ 3,719,742	\$3,906,574	\$ 4,212,006	\$ 4,176,325	\$4,381,421
Operating	3,432,601	3,670,972	2,693,772	2,667,240	1,981,304
Total Operating Budget	7,152,343	7,577,546	6,905,778	6,843,565	6,362,725
Capital	45,895	91,824	41,748	41,405	41,405
Total Budget	\$ 7,198,238	\$7,669,370	\$ 6,947,526	\$ 6,884,970	\$6,404,130

Source: City of Tampa FY 2002-03 Operating Budget

In addition to the annual operating budget, the following projects illustrated in Table 9 were included in the Fiscal Year 2002-03 budget and were funded by the Utility Tax Fund.

**TABLE 9
STORMWATER UTILITY TAX PROJECTS
FISCAL YEAR 2002-03**

Project	Cost
Stormwater Improvements	\$ 1,685,000
Hamilton Avenue Ditch Replacement	\$ 1,025,000
Rowlett Park Ditch Rehabilitation	\$ 350,000
Rome Avenue: Cypress Street to Laural Street Pipe Rehabilitation	\$ 295,000
Sediment Processing Pilot Projects	\$ 200,000
Ojus/Takomah Trail Retention Pond Reconstruction	\$ 170,000
109th and North Boulevard Tank Replacement	\$ 100,000
Total	\$ 3,825,000

Source: City of Tampa FY 2002-03 Operating Budget

Based on the Fiscal Year 2002-03 adopted budget and the Fiscal Year 2003-04 proposed budget, Table 10 shows the projection of the full cost of the Stormwater Funding Program for Fiscal Year 2003-04.

**TABLE 10
COST CALCULATIONS
CITY OF TAMPA STORMWATER DEPARTMENT
FISCAL YEAR 2003-04**

DESCRIPTION	REQUESTED FY2004	ASSESSABLE COSTS	REMAINING COSTS
OPERATING BUDGET			
Total Personnel	\$ 4,721,441	\$ 4,721,441	\$ -
Total Operating	2,110,530	2,110,530	-
Total Capital	41,405	41,405	-
TOTAL OPERATING BUDGET	\$ 6,873,376	\$ 6,873,376	\$ -
BUDGET ENHANCEMENTS			
Administrative Costs	\$ 855,000	\$ 855,000	\$ -
Canal, NPDES and Environmental Projects	850,000	850,000	-
Capital Operations Projects	1,695,000	1,695,000	-
Relocation of Pipes Under Structures	100,000	100,000	-
TOTAL BUDGET ENHANCEMENTS	\$ 3,500,000	\$ 3,500,000	\$ -

TABLE 10 (cont.)

DESCRIPTION	REQUESTED	ASSESSABLE	REMAINING
	FY2004	COSTS	COSTS
UTILITY TAX PROJECTS			
Stormwater Improvements	\$ 955,000	\$ 955,000	\$ -
Forest Hills Drainage Improvements	175,000	0	175,000
South Court Drive	135,000	0	135,000
Acline Drive at 50th Street	200,000	0	200,000
2946 West Columbus Drive	200,000	0	200,000
Flooding Relief Projects	1,285,000	1,285,000	-
Bayside Drive: Idlewood to Swann	123,000	0	123,000
Ybor Outfall Flood Control	400,000	0	400,000
21st Avenue: 42nd Street to 46th Street	310,000	0	310,000
TOTAL UTILITY TAX PROJECTS	\$ 3,783,000	\$ 2,240,000	\$ 1,543,000
TOTAL STORMWATER SERVICES BUDGET			
	\$ 14,156,376	\$ 12,613,376	\$ 1,543,000
PROGRAM COSTS			
Annual Program Maintenance		40,000	
Notification Costs		150,000	
Statutory Discount		654,044	
Collection Costs		269,148	
TOTAL PROGRAM COSTS		\$ 1,113,192	
TOTAL COSTS			
		\$ 13,726,568	

Source: City of Tampa

The cost calculations contain assumptions for the purpose of this Funding Report.

- The total operating budget for the Stormwater Department provides services to all geographic areas of the City.
- The “Budget Enhancements” section of the budget illustrates the proposed additional stormwater services that will be provided to all geographic areas of the City because of the new, dedicated funding source.

These enhancements include the following:

- Additional administrative costs, the addition of new program staff (Assistant City Attorney, engineer, drafting technicians), planning and prioritization for capital and environmental programs, Wastewater Department support costs and miscellaneous contract services.

- National Pollutant Discharge Elimination System (NPDES) program and permitting requirements, environmental programs, the pilot installation of filtration devices at identified outfalls, stormwater retrofit projects, matching City funding for environmental grants and canal improvements and the addition of one environmental engineer.
- Construction of capital operations projects to rehabilitate and replace conveyance systems.
- Relocation of stormwater pipes under residential structures. The majority of these pipes were constructed in the City's peninsula prior to annexation in 1953. They were installed without the benefit of as-built plans, easements or future development considerations. These pipe systems potentially threaten foundations due to age and structural deficiencies, are difficult to maintain, and are inadequately sized for current requirements. Plans call for removal of these pipes where possible, grouting those pipes that can't be removed to prevent future collapse, and relocation of these systems to easements to facilitate ease of maintenance.
- The "Utility Tax Projects" section of the budget allocates the costs of those projects that are deemed to benefit the entire geographic area of the City. Costs associated with specific projects that benefit areas less than citywide must be funded from other legally available revenue sources.
 - Within the "Stormwater Improvements" section of the Utility Tax Projects, these revenues provide for planning, design and construction of capital improvement projects to rehabilitate and retrofit storm sewers. Funding also provides for pond fencing and beautification, consulting and testing services, and concrete structures and curbing. Minor stormwater improvements are an integral part of the City of Tampa's drainage system. Improving these systems is a crucial part of the City's master drainage plan.
 - Within the "Flooding Relief Projects" section of the Utility Tax Projects, flooding problems at various locations throughout the City are addressed. Eighteen of the less costly solutions to isolated flooding are combined into one contract, thus benefiting from the economy of scale. Plans will be developed and bid to a contractor, who will construct them sequentially. All of the problems to be addressed by this project are high on the Stormwater Department's list of priority flooding-relief locations.

Within the “Program Costs” section of the budget, the following assumptions were made:

- The line item “Annual Program Maintenance” reflects the costs for the City to engage outside consultants to assist in updating the stormwater roll each year. The City may decide to use City staff to conduct the update.
- The line item “Notification Costs” are the costs associated with the first class mailed notices for affected property owners and are based on a cost of \$1.25 per parcel.
- The line item “Statutory Discount” reflects the 95 percent collection of the stormwater revenues. The five percent discount also provides the funds to cover the statutory discount allowed by the tax bill collection method.
- The line item “Collection Costs” reflects the two percent fee for the Tax Collector to collect the assessments on the tax bill and a two percent fee to recover the costs associated with the separate billing of the stormwater fees.

DETERMINATION OF STORMWATER SERVICES DEMAND

SPECIAL BENEFIT ASSUMPTIONS

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

- The provision of stormwater management services and the availability and use of facilities or improvements by owners and occupants of such property to properly and safely detain, retain, convey or treat stormwater 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 stormwater runoff and accumulation attendant 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.

KCA has conducted an analysis of the benefits derived by properties from the provision of stormwater services. For all property uses, KCA analyzed whether stormwater services such as those provided within the City of Tampa would have a beneficial impact on properties in the area. The results of this analysis are documented in correspondence to the City dated August 2003, and provided as Appendix A.

To answer the question as to whether or not such services have a beneficial impact on properties in the area, KCA reviewed the proposed special benefit assumptions described within this Report. Investigations were made into other areas with and without stormwater services.

From this analysis, it was concluded that having stormwater services, such as those provided in the City of Tampa, enhances and strengthens the relationship of such services to the use and enjoyment of the parcels of property in the area and, ultimately, the property values within the area. However, KCA did not attempt to quantify such an impact. Instead, KCA concluded that there appears to be a positive and certain influence on properties in areas where such stormwater services are provided.

**GOVERNMENT FEE
ASSUMPTIONS**

The following assumptions support a finding that government property within the City demands and uses the stormwater services provided by the City.

- The City's stormwater utility provides services and facilities to improved government property by treating and controlling contaminated stormwater generated by improvements constructed on government property.
- Government property creates a stormwater burden that must be managed by the City through the collection, storage, control, treatment, and conveyance of stormwater generated by such improved government property.
- The stormwater fee charged to government property as calculated pursuant to the methodology presented in this Funding Report bears a reasonable relationship to the City's cost of providing stormwater services to government property and is fair and equitable.

KCA also conducted an analysis of whether or not such stormwater fees bear a reasonable relationship to the City's cost of providing stormwater services to government properties in the area. However, KCA did not attempt to quantify such an impact. Instead, KCA concluded that there appears to be a reasonable relationship between the stormwater fees and the City's cost of providing stormwater services to government properties in the area.

**COST APPORTIONMENT
ASSUMPTIONS**

The cost apportionment exercise addresses two fundamental questions:

- Who pays?
- For what services?

Defining the benefit or service area is a geographically precise process. Using the hydrologic connection test, the City staff, GSG and KCA evaluated a map of the City and determined, at the parcel level of detail, which parcels are served by stormwater management services and which are not. Based on the evaluation, it was determined that the entire geographic area of the City benefits from the stormwater 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 stormwater system represents that parcel's proportionate share of the burden of creating and maintaining the stormwater system. The amount of runoff from a 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 value of the parcel does not determine the scope of the required stormwater management services. The potential demand for stormwater services by developed property is driven by the amount of impervious area located on the parcel.
- Apportioning the costs for stormwater services attributable to Government Property based on the amount of impervious area contained on each parcel of Government Property is a fair and reasonable method of determining a reasonable and equitable fee for the stormwater services provided to and demanded by government property.
- Apportioning the assessed costs for stormwater services attributable to the single family residential property use category on a per ESFIA basis within tiers is required to avoid cost inefficiency and unnecessary administration and is a fair and reasonable method of parcel apportionment based upon statistical data.
- Apportioning the assessed costs for stormwater services attributable to duplexes, triplexes and quadraplexes with two or less buildings on a per ESFIA basis within tiers is required to avoid cost inefficiency and unnecessary administration and is a fair and reasonable method of parcel apportionment based upon statistical data.
- The building footprint of each single-family parcel constitutes a reasonable proxy for impervious area. It has been determined that one ESFIA of impervious area equates to a building footprint of approximately 1,667 square feet.

**PARCEL
APPORTIONMENT**

Parcel apportionment is accomplished through the development of a base-billing unit, called an Equivalent Square Feet of Impervious Area (ESFIA). An ESFIA is a measure that serves as a common index to compare runoff generated by different sized properties with different stormwater generation characteristics. It is the stormwater billing unit equivalent of a kilowatt-hour.

The base-billing unit is defined as the runoff generated by the “typical” single-family residence in the community, measured in terms of the median square feet of impervious area. The ad valorem tax roll information and data collection efforts by the City indicated that the ESFIA value is 3,310 square feet of impervious area. For Tampa, four rate tiers for single-family residences were used. In addition, three rate tiers were used for all multi-family properties with DOR code 08, which contain no more than two buildings with no more than four dwelling units.

RATE CLASSES

Using the data from the most recent working files on the real property tax roll, there are approximately 120,000 parcels to be assessed within the incorporated area of the City on the real property ad valorem tax roll.

Each property use within the City on the ad valorem tax roll was assigned to a rate class based on its assignment of use by the Hillsborough County Property Appraiser or verification of use obtained through field research. The number used by the Property Appraiser assigns four digits based on the Florida Department of Revenue (DOR) property use codes reflected in Rule 12D-8.008, Florida Administrative Code; however, GSG used the first two digits to determine property use. A listing of DOR codes and associated property use categories is provided as Appendix B.

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

Single Family Parcels – Single-family residential parcels are parcels to which the Property Appraiser has assigned a DOR code 01. The City has computed the ESFIA value of 3,310 as the impervious area for the median single-family parcel within the City. However, since it is impossible to measure all of the single-family parcels within the City, the City has determined that an average single-family parcel with 3,310 square of impervious area typically has a building footprint of 1,667 square feet. Accordingly, the number of ESFIAs attributable to each Medium Single Family Parcel is one (1) ESFIA.

Single-family residential parcels can be categorized into one of four residential billing tiers based on the estimated amount of impervious area associated with each parcel (imputed by using the building footprint of the parcel).

- **Small Single Family Parcel** – means a single-family parcel with a building footprint between 100 and 1,300 square feet (inclusive). The City has computed an average building footprint of 1,023 square feet for the typical small single-family parcel within the City. The number of ESFIAs attributable to each Small Single Family Parcel is computed by dividing the average building footprint of a typical small single-family parcel (1,023 square feet) by the average building footprint of all single-family parcels (1,667 square feet). Therefore, the number of ESFIAs attributable to each Small Single Family Parcel is 0.61 ESFIAs.
- **Medium Single Family Parcel** – means a single-family parcel with a building footprint area between 1,301 and 2,200 square feet (inclusive). The number of ESFIAs attributable to each Medium Single Family Parcel is 1.0 ESFIA.
- **Large Single Family Parcel** – means a single-family parcel with a building footprint between 2,201 and 4,000 square feet (inclusive). The City has computed an average building footprint of 2,762 square feet for the typical large single-family

parcel within the City. The number of ESFIAs attributable to each Large Single Family Parcel is computed by dividing the average building footprint of a typical large single-family parcel (2,762 square feet) by the average building footprint of all single-family parcels (1,667 square feet). Therefore, the number of ESFIAs attributable to each Large Single Family Parcel is 1.66 ESFIAs.

- Very Large Single Family Parcel – means a single-family parcel with a building footprint area greater than 4000 square feet. The City has computed an average building footprint of 4,701 square feet for the typical very large single-family parcel within the City. The number of ESFIAs attributable to each Very Large Single Family Parcel is computed by dividing the average building footprint of a typical very large single-family parcel (4,701 square feet) by the average building footprint of all single-family parcels (1,667 square feet). Therefore, the number of ESFIAs attributable to each Large Single Family Parcel is 2.82 ESFIAs.

Multi-Family Parcels – Multi-family residential parcels are parcels to which the Property Appraiser has assigned a DOR code 08 which contain no more than two buildings with no more than four dwelling units per building. However, it is impossible to measure all of the multi-family parcels within the City. Accordingly, the number of ESFIAs attributable to each Multi-Family Parcel will be based on the building footprint of the parcel.

Multi-family residential parcels can be categorized into one of three billing tiers based on the estimated amount of impervious area associated with each parcel (imputed by using the building footprint of the parcel).

- Small Multi-Family Parcel – means a multi-family parcel with a building footprint between 100 and 1,000 square feet (inclusive). The City has computed an average building footprint of 727 square feet for the typical small multi-family parcel within the City. The number of ESFIAs attributable to each Small Multi-Family Parcel is computed by dividing the average building footprint of a typical small multi-family parcel (727 square feet) by the average building footprint of all single-family parcels (1,667 square feet). Therefore, the number of ESFIAs attributable to each Small Multi-Family Parcel is 0.44 ESFIAs.
- Medium Multi-Family Parcel – means a multi-family parcel with a building footprint between 1,001 and 3,000 square feet (inclusive). The City has computed an average building footprint of 1,685 square feet for the typical medium multi-family parcel within the City. The number of ESFIAs attributable to each Medium Multi-Family Parcel is computed by dividing the average building footprint of a typical medium multi-family parcel (1,685 square feet) by the average building footprint of all single-family parcels (1,667 square feet). Therefore, the number of ESFIAs attributable to each Medium Multi-Family Parcel is 1.01 ESFIAs.

- Large Multi-Family Parcel – means a multi-family parcel with a building footprint greater than 3,001 square feet (inclusive). The City has computed an average building footprint of 3,744 square feet for the typical large multi-family parcel within the City. The number of ESFIAs attributable to each Large Multi-family Parcel is computed by dividing the average building footprint of a typical large multi-family parcel (3,744 square feet) by the average building footprint of all single-family parcels (1,667 square feet). Therefore, the number of ESFIAs attributable to each Large Multi-family Parcel is 2.25 ESFIAs.

The remaining Multi-Family Parcels (i.e., all other parcels to which the Property Appraiser has assigned a DOR code 03 or 08, and not described above) will be treated as General Parcels in the manner described subsequently.

Condominium Parcels - Condominium parcels are parcels to which the Property Appraiser has assigned a DOR code of 04 or 05. The number of ESFIAs attributable to each Condominium Parcel is determined by dividing the impervious area of the condominium complex by the ESFIA value and dividing the result by the total number of Condominium Parcels.

General Parcels - General parcels are all other parcels not classified as (1) single family residential, (2) duplexes, triplexes or quadraplexes with two or less buildings, or (3) condominium parcels. General parcels include other multi-family properties not previously described. The number of ESFIAs attributable to each General Parcel is determined by dividing the impervious area of the General Parcel by the ESFIA value.

Based on the foregoing methodology, Table 11 provides the total number of ESFIAs by rate class.

**TABLE 11
TOTAL NUMBER OF ESFIAs BY RATE CLASS**

Rate Class	Total Number of Parcels	Total Number of ESFIAs
Single Family Residential		
<i>Small</i>	26,509	16,170
<i>Medium</i>	41,355	41,355
<i>Large</i>	12,283	20,390
<i>Very Large</i>	1,311	3,697
Multi-Family Residential**		
<i>Small</i>	514	226
<i>Medium</i>	2,190	2,212
<i>Large</i>	292	657
Condominiums	[TO BE DETERMINED]	[TO BE DETERMINED]
General Parcels (including other multi-family parcels)	[TO BE DETERMINED]	134,248
Total	84,454	218,955

**Multi-Family Residential means a parcel with a DOR code of 08, which contains no more than two buildings with no more than four dwelling units per building

Source: City of Tampa and Preliminary Assessment Roll

<p>PRELIMINARY RATES</p>

Based on the costs of providing stormwater services and the number of ESFIAs, Table 12 summarizes the recommended stormwater rates after application of the proposed stormwater methodology for Fiscal Year 2003-04 at 100 percent of the costs.

**TABLE 12
PRELIMINARY RATES
FISCAL YEAR 2003-04
100% OF COSTS = \$13,726,568**

	Fiscal Year 2003-04 Budget
Total Assessment Funding Requirement	\$13,726,568
Total Number of ESFIAs	218,955
Annual Rate Per ESFIA	\$ 62.69
Monthly Rate Per ESFIA	\$ 5.22

Source: City of Tampa and Preliminary Assessment Roll

Table 13 depicts the proposed stormwater rates for Fiscal Year 2003-04, if the City Council decides to charge \$1 per month per ESFIA (or \$12 per year) for the medium single-family residential properties. These rates generate approximately 19 percent of the cost calculations.

**TABLE 13
PRELIMINARY RATES
FISCAL YEAR 2003-04
19% OF COSTS = \$2,627,460**

	Fiscal Year 2003-04 Budget
Total Assessment Funding Requirement	\$ 2,627,460
Total Number of ESFIAs	218,955
Annual Rate Per ESFIA	\$ 12.00
Monthly Rate Per ESFIA	\$ 1.00

Source: City of Tampa and Preliminary Assessment Roll

Table 14 illustrates representative examples of stormwater charges for various types of properties based on the rates shown in Tables 12 and 13.

**TABLE 14
REPRESENTATIVE STORMWATER CHARGES FOR RATE CLASSES**

Rate Class	Total Number of ESFIAs	Annual Assessment Amounts @ 100%	Annual Assessment Amounts @ 19%
Single Family Residential			
<i>Small</i>	0.61	\$ 38.24	\$ 7.32
<i>Medium</i>	1.00	\$ 62.69	\$ 12.00
<i>Large</i>	1.66	\$ 104.07	\$ 19.92
<i>Very Large</i>	2.82	\$ 176.79	\$ 33.84
Multi-Family Residential**			
<i>Small</i>	0.44	\$ 27.58	\$ 5.28
<i>Medium</i>	1.01	\$ 63.32	\$ 12.12
<i>Large</i>	2.25	\$ 141.05	\$ 27.00
Condominiums	[TO BE DETERMINED]	[TO BE DETERMINED]	[TO BE DETERMINED]
General Parcels			
<i>Impervious Area = 1,000 sq ft</i>	0.30	\$ 18.94	\$ 3.63
<i>Impervious Area = 5,000 sq ft</i>	1.51	\$ 94.70	\$ 18.13
<i>Impervious Area = 10,000 sq ft</i>	3.02	\$ 189.40	\$ 36.25
<i>Impervious Area = 50,000 sq ft</i>	15.11	\$ 946.98	\$ 181.27
<i>Impervious Area = 100,000 sq ft</i>	30.21	\$ 1,893.96	\$ 362.54

**Multi-Family Residential means a parcel with a DOR code of 08, which contains no more than two buildings with no more than four dwelling units per building

COMPUTATION OF STORMWATER CHARGES

Parcel charges are calculated on a two-step basis:

- ESFIA - The amount of impervious area relative to the base-billing unit is calculated by dividing the impervious area on a parcel by the constant base billing unit amount; and
- Mitigation credits - This may be necessary where simple impervious area does not adequately account for relative runoff for a given parcel. It is applied as simple factors multiplied against the ESFIAs.

Mitigation Credit

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

Eligibility:

Parcels subject to a stormwater charge may be granted a mitigation credit based on one of the following factors:

1. No portion of the parcel drains to City right-of-way or any part of a stormwater system over which the City has maintenance responsibility.
2. Owner of parcel contributes monetarily to a Community Development District, Civic Association (Homeowners Association or Property Owners Association), or Special District which provides maintenance to non-City owned stormwater management facilities which accept drainage from City rights-of-way.
3. Parcel has a properly maintained and functional onsite stormwater management system which treats and/or attenuates stormwater prior to discharge to the City right-of-way or stormwater system. Proof of proper operation and maintenance may be required on a periodic basis.

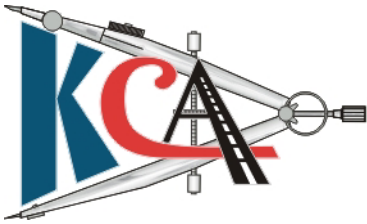
Rationale:

Mitigation credits may be granted to parcels whose offsite stormwater impacts on the City system are non-existent, are mitigated by a properly functioning and permitted stormwater system, or the parcel owner contributes to the maintenance of a private system which provides stormwater treatment and attenuation for runoff from public right-of-way. The basis for these credits is as follows:

1. Parcels which do not discharge to the City system do not impose direct stormwater maintenance burdens on the City's system.
2. Parcel owners which contribute to the maintenance of privately held stormwater management facilities that manage runoff from public rights-of-way offset some costs which might otherwise be borne by the City.
3. The City and the receiving waters receive benefits from privately-owned and maintained stormwater management facilities.
4. It is in the City's interest to encourage the proper operation and maintenance and continued existence of onsite stormwater management facilities.

A complete description of the City's mitigation policy will be provided in the Initial Assessment Resolution.

APPENDIX A
LETTER FROM KCA



Kisinger Campo & Associates Corp.

25 Years

engineering • inspection • planning

Allen Kisinger
1904-1981

August 4, 2003

Mr. R. Michael Salmon, P.E.
Director of Stormwater
City of Tampa, City Hall
306 E. Jackson Street, 6E
Tampa, FL 33605

Re: Review of Stormwater Charges

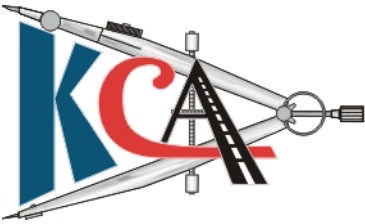
Dear Mr. Salmon and City Council Members:

Kisinger Campo and Associates (KCA) is a local civil engineering consulting firm with our corporate headquarters in the City of Tampa since our inception over 27 years ago. KCA has provided a wide range of engineering consulting services to the private sector, municipalities, and other governmental agencies throughout Florida. Our expertise includes bridge inspection, civil engineering, construction engineering inspection, environmental services, sanitary sewer and water utility design, roadway and transportation design, and stormwater and drainage design.

KCA was requested to review the rationale for the Stormwater Charges that have been proposed for the City of Tampa by Government Services Group, Inc. (GSG) and Nabors, Giblin, and Nickerson, P.A (NG&N). In the performance of this task, we have reviewed the Phase 1 Stormwater Assessment Program and Phase 2 Stormwater Funding Program Reports prepared by GSG, attended meetings with GSG and City Staff, reviewed stormwater management strategies in other Florida communities, and analyzed the overall approach proposed for the City of Tampa.

As local residents and members of the Tampa business community, KCA commends the City of Tampa for taking the first step in establishing a "user fee" utility system to optimize the operation, maintenance, and management of stormwater services. Local governments must address the cumulative impacts from the era in which previous stormwater systems were designed and built, coupled with the effects of steady population growth and development, and begin the arduous task of upgrades and rehabilitation. Municipalities are obligated to meet the stormwater management mandates of Florida and federal law, but are required to fund these improvements locally. Organizations accountable for, and specifically organized, to manage stormwater systems tend to deliver those services better than one charged with a variety of public work tasks.

Our professional opinion rendered herein is limited to the reasonableness regarding the accrual of benefits to real property owners resulting from the proposed stormwater assessment program, along with the methodology in which the property owners are asked to pay for these stormwater management services. The City of Tampa Stormwater Charges will provide for the funding of annual operation, maintenance, and management expenses that serves all property classifications within the City. A well maintained stormwater program will provide economic, public health, safety, and environmental benefits to property owners, occupants, residents, and others doing business in the City. A list of these potential benefits is attached.



25 Years

We have not attempted to quantify the financial benefits of the listed benefits to the citizens of Tampa at this time, as it is a complex assignment and subject to many assumptions. The initial approach recommended by GSG and NG&N for the City of Tampa's inaugural fiscal year is based upon an equitable sharing of the costs among properties which contribute to the need for stormwater management services, and correspondingly receive benefits from the efficient delivery of those services. This approach takes into account the varying degrees that commercial, industrial, and residential properties contribute to the need for stormwater maintenance services, which are directly related to the quantity, rate of discharge, and quality of the stormwater.

While the range of possible rate structures is virtually unlimited, the initial Stormwater Charges proposed for the City of Tampa are properly assigned and fairly distributed. For residential properties, the fees are based upon a defensible position of improved and impervious surface areas. The proposed tiers for small, medium, large, and very large residential parcels provides a reasonable solution to the wide variety of building and lot sizes that currently exist within the City, in relationship to their contribution to the amount of stormwater discharged to City maintained systems.

In our professional opinion, the initial Stormwater Assessment Program proposed for the City of Tampa by Government Services Group and Nabors, Giblin, and Nickerson fairly assigns the cost of the stormwater utility to the proper beneficiaries, based on their relative impacts to the City maintained stormwater system. Upon future development of an expanded data base, including the addition of accurate stormwater quality data, and the anticipated optimization of the stormwater utility functions, a refinement of the initial rate structure may be warranted sometime in the future.

Please do not hesitate to contact me at (813) 871-5331 if you have questions on these matters.

Sincerely,

Paul Hauck, P.E.
Manager, Special Projects



25 Years

Stormwater Program Benefits

A well managed stormwater program ensures that stormwater discharged from developed properties will be safely detained, retained, conveyed, and treated. The benefits are numerous, and include economic, health and safety, and environmental benefits to property owners and residents, including:

Health and Safety

- Maintains the availability and safe use of facilities by the owners and occupants by reducing the potential for flooding; and
- Increases the safety and accessibility to the local transportation systems by reducing the potential for flooding.

Economic Benefits

- Alleviates the financial burden on downstream developed properties caused by stormwater runoff and the accumulation of sediment and debris;
- Improves the function and aesthetics of drainage ditches, swales, culverts, and ponds, which help maintain, or potentially increase, property values;
- Increases the potential for developed properties to be integrated into future, higher use, community based plans, thereby increasing property values;
- Reduces potential for damage and repairs to public owned infrastructure, including roads, bridges, other transportation system assets, and utilities;
- Improves efficiency of stormwater maintenance staff and use of equipment due to planned regular maintenance, with reduced emergency and unscheduled maintenance activities; and
- Extends the life cycles of stormwater system components, reduces frequency of major repairs, and minimizes the stormwater utility costs borne by property owners and citizens of Tampa.

Environmental Benefits

- Maintains the quality of surface water resources within the stormwater service area, including bays, canals, estuaries, lakes, ponds, rivers, springs, and streams, for recreational use and enjoyment;
- Improves the quality of raw water supplied to potable water treatment plants which draw from local surface waters (Hillsborough River, Alafia River, Tampa Bypass Canal, and Tampa Bay); and
- Improves the quantity and quality of surface water which recharges the local surficial aquifer.

APPENDIX B
HILLSBOROUGH COUNTY DEPARTMENT OF REVENUE USE CODES

DOR Code	Description
00	VACANT RESIDENTIAL
01	SINGLE FAMILY IMPROVED
02	MOBILE HOME
03	MULTI FAMILY 10 OR MORE UNITS
04	CONDOMINIUM
05	COOPERATIVES
06	RETIREMENT HOMES
07	MISCELLANEOUS RESIDENTIAL
08	MULTI FAMILY LESS THAN 10 UNITS
09	UNDEFINED
10	VACANT COMMERCIAL
11	STORES 1 STORY
12	MIXED USE STORE/OFFICE/SFR
13	DEPARTMENT STORES
14	SUPERMARKETS
15	REGIONAL SHOPPING CTRS
16	COMMUNITY SHOPPING CTR
17	OFFICE 1 STORY
18	OFFICE MULTI-STORY
19	PROFESSIONAL SERVICES
20	AIRPORTS
21	RESTAURANTS
22	DRIVE-IN RESTAURANT
23	FINANCIAL INSTITUTIONS
24	INSURANCE COMPANIES
25	REPAIRS SVC
26	SERVICE STATIONS
27	AUTO SALES/SERVICE/RENTAL
28	PARKING LOTS
29	WHOLESALE OUTLETS
30	FLORIST/GREENHOUSE
31	DRIVE-IN THEATERS, STADIUMS
32	THEATER/AUDITORIUM (ENCL)
33	NIGHTCLUBS
34	BOWLING ALLEY, SKATING RINK
35	TOURIST ATTRACTION
36	CAMPS/CAMPGROUNDS
37	RACE TRACK; HORSE/DOG/AUTO
38	GOLF COURSE, DRIVING RANGE
39	HOTELS/MOTELS
40	VACANT INDUSTRIAL
41	LT MFG/SM MACH SHOP/PRINT
42	HEAVY IND
43	LUMBER YARD

DOR Code	Description
44	PACK PLANT
45	CANNERIES
46	FOOD PROCESSING
47	MINERAL PROCESSING
48	WAREHOUSING
49	OPEN STORAGE
50	IMPROVED AGRICULTURAL
51	CROPLAND
52	CROPLAND
53	CROPLANDS
54	TIMBERLAND
55	TIMBERLAND
56	TIMBERLAND
57	TIMBERLAND
58	TIMBERLAND
59	TIMBERLAND
60	GRAZING LAND
61	PASTURES NATIVE
62	PASTURES SEMI-IMPROVED
63	GRAZING LAND
64	PASTURES HORSES
65	PASTURES SWINE -SHEEP-GOATS
66	ORCHARD GROVES, CITRUS
67	POULTRY, BEES, TROPICAL FISH
68	DAIRIES
69	ORNAMENTALS, NURSERIES
70	VACANT INSTITUTIONAL
71	CHURCHES
72	PRIVATE SCHOOLS & COLLEGE
73	PRIVATE HOSPITALS
74	HOMES FOR THE AGED
75	ORPHANAGES
76	MORTUARIES/CEMETERIES
77	CLUBS, LODGES, UNION HALLS
78	SANITARIUMS
79	CULTURAL ORGANIZATIONS
80	UNDEFINED
81	MILITARY
82	FOREST/PARKS/RECREATIONAL
83	PUBLIC COUNTY SCHOOLS
84	COLLEGES
85	HOSPITALS
86	COUNTY
87	STATE

DOR Code	Description
88	FEDERAL
89	MUNICIPAL NOT PARKS
90	LEASEHOLD INTERESTS
91	UTILITIES
92	MINING LANDS
93	SUBSURFACE RIGHTS
94	RIGHT-OF-WAY, STREETS, ROADS, DITCHES, ETC
95	RIVERS & LAKES, SUBMERGED
96	SEWAGE DISP, BORROW PITS
97	OUTDOOR REC OR PARK
98	CENTRALLY ASSESSED
99	ACREAGE NON AGRICULTURAL