



Legislation Details (With Text)

File #: 21-526 **Version:** 1 **Name:**
Type: Resolution **Status:** City Business
File created: 7/28/2021 **In control:** City Council
On agenda: 9/14/2021 **Final action:**
Title: Accept Stantec's FY 2021 Water/Sewer Revenue Utility Revenue Sufficiency Analysis - Final Report and Approve a Resolution Amending the Utility Handbook's Policies and Procedures. (Finance Director)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Stantec - cocoa_fy21_final_report_20210908.pdf, 2. Resolution 2021- XXX Utility Handbook.pdf, 3. Exhibit A 1000.4 - City of Cocoa Utilities Handbook ADA DRAFT.pdf, 4. 1001A.FY21.1 - Schedule A - Utility Rates, Fees, & Charges.pdf, 5. 1001A.FY22.0 - Schedule A - Utility Rates Fees Charges.pdf, 6. 1001A.FY23.0 - Schedule A - Utility Rates, Fees, & Charges - Copy.pdf, 7. 1001A.FY24.0 - Schedule A - Utility Rates, Fees, & Charges - Copy.pdf, 8. 1001A.FY25.0 - Schedule A - Utility Rates, Fees, & Charges - Copy.pdf, 9. 1001B.FY21.1 - Schedule B - Miscellaneous Rates, Fees, & Charges.pdf, 10. 1001B.FY22.0 - Schedule B - Miscellaneous Rates Fees Charges.pdf, 11. 1001B.FY23.0 - Schedule B - Miscellaneous Rates, Fees, & Charges.pdf, 12. 1001B.FY24.0 - Schedule B - Miscellaneous Rates, Fees, & Charges.pdf, 13. 1001B.FY25.0 - Schedule B - Miscellaneous Rates, Fees, & Charges.pdf

Date	Ver.	Action By	Action	Result
------	------	-----------	--------	--------

CITY COUNCIL AGENDA ITEM

Memo Date: July 28, 2021
Agenda Date: September 14, 2021
Prepared By: Lora Howell, Deputy Finance Director
Through: Rebecca Bowman, MBA, CGFO, CGFM, Finance Director

Requested Action:
Accept Stantec's FY 2021 Water/Sewer Revenue Utility Revenue Sufficiency Analysis - Final Report and Approve a Resolution Amending the Utility Handbook's Policies and Procedures.

BACKGROUND:

At the beginning of the annual budget process, the City of Cocoa entered into an agreement with Stantec Consulting Services to conduct the Water and Sewer Revenue Sufficiency Analysis. Through analyzing the FY21 actual revenues and the projected expenses, as well as the Capital Improvement Projects (CIP) for FY22, the findings of the study are that the City should implement the previously approved and scheduled 4% increase to Water/Sewer, Hydrants and Fire lines as outlined in Resolution 2021-016, beginning October 1, 2021. In doing so, updating Schedules A & B in the Utility Handbook.

Schedule A and Schedule B of the Utility Handbook, (Utility Rates, Fees, and Charges and

Miscellaneous Charges) have been attached in accordance and were previously adopted by the City Council by Resolution 2021-016 and the rates, fees and charges adopted by the Resolution are subject to an automatic rate increase of 4%. Schedule A and B with respect to rates and fees are not being amended by this Resolution.

Staff has also reviewed the Utility Handbook and updated some policies and procedures in the Utility Handbook, for clarification purposes. Below are the highlighted procedural changes within the attached document:

- Unauthorized connections to fire protection systems will be considered tampering/thief.
- Same day service requests must be made before 12:00PM.
- Outstanding balances of \$1,500 or greater, will require the account stay in the owner's name.
- City of Cocoa Senior and Disabled Citizens, may apply for a \$2.00 monthly discount on Garbage Service (previously \$1.00).
- Projects with no activity for three years and have pre-paid impact fees, connection fees, deposits and other utility related development costs resulting in credit balances, will be refunded after 3 years from the last payment.
- Schedule B Miscellaneous Rates, Fees and Charges: Sewer Impact Fees was scheduled to increase October 1, 2021 to \$2,500. However, in accordance with Florida Statutes, 163.318, increases to Impact Fees cap at 50%, and must be implemented in four equal installments. Therefore, each October 1 for the next four years, the Cocoa Sewer Impact Fee will increase by \$156.00 up to \$1,875.00.

STRATEGIC PLAN CONNECTION:

Fiscal Sustainability is a part of the City's strategic plan. A complete Rate Study should be conducted every 5-10 years.

BUDGETARY IMPACT:

PREVIOUS ACTION:

In Fiscal Year 2020 a full rate study began and concluded March of 2021. Through Resolution 2021-016 the Utility Handbook and rate schedules were updated.

RECOMMENDED MOTION:

Accept Stantec's FY 2021 Water/Sewer Revenue Utility Revenue Sufficiency Analysis - Final Report and Approve a Resolution Amending the Utility Handbook's Policies and Procedures.