

TOWN OF PALM BEACH

Information for Special Town Council Meeting on: September 13, 2018

TO: Mayor and Town Council

VIA: Kirk W. Blouin, Town Manager

FROM: H. Paul Brazil, P.E., Director of Public Works

RE: Non-Ad Valorem Assessment Rates for Commercial Solid Waste Collection - Adoption of Assessment Roll and Service Assessments for FY2019
Resolution No. 122-2018

DATE: August 21, 2018

STAFF RECOMMENDATION

Town staff recommends Town Council adopt Resolution No. 122-2018, which is the Annual Assessment Rate Resolution for the proposed Non-Ad Valorem Service Assessments for the Commercial Solid Waste Collection rates in FY2019.

GENERAL INFORMATION

The Non-Ad Valorem Assessment process that causes special assessments implemented by the Town to appear on a property owner's property tax bill, dovetails with the statewide budget and millage rate adoption schedule. Accordingly, it is time to begin the final steps of implementing the FY2019 proposed service assessments for the collection of commercial solid waste that will appear on a property owner's tax bill mailed on or about November 1. By adopting Resolution No. 122-2018, you will be concluding a process whereby each affected property owner was advised of the amount of their proposed service assessment and the date, time, and place of this public hearing to adopt the final assessment and associated assessment roll on the Property Appraiser's TRIM notice issued in late August of this year and by letter from the Town in late August.

The Commercial Solid Waste Collection Non-Ad Valorem Assessment for FY2019 uses a rate analysis methodology by the Town using the Palm Beach County Solid Waste Authority's reporting and is calculated as follows.

Service for 5-day customers	\$ 363,178
Service for 7-day customers	\$ 362,505
Service for apartments	\$ 112,435
Total Assessment Revenues	\$ 838,118
Total Direct Cost for Commercial Solid Waste Collection	\$ 500,044
Disposal Cost (\$42/ton collected)	\$ 301,154
Total Net Cost	\$ 801,198

To employ a defensible assessment methodology to ensure that property owners are only paying costs in proportion to the benefits they derive from the services or costs related to the services, we use the methodology developed in 2003 which was previously found by the Town Council to provide benefits from the services that were/are in proportion to the assessments to be allocated to each benefitted property and that the apportionment of the special benefits to each benefitted property is fair and reasonable.

In order to place assessments on the property tax bill, which virtually assures that the Town will receive payment and avoid having to create an internal billing and collection function, a number of steps are required to be taken in coordination with the Tax Collector and Property Appraiser. The Tax Collector charges a fee for the work they undertake on the Town's behalf that is one percent (1%) of the value of the assessments. These costs are passed on to a property owner being assessed. In addition, since a property owner can receive a four percent (4%) discount for early payment of their property tax bill in November of each year, the assessments have to be adjusted upward by like amount to ensure the sum needed to pay expenses is realized in full. All totaled, for every \$100 in assessments the Town needs to collect, the assessment will be approximately \$105 in order to net the \$100 needed.

The additional five percent (5%) is attributable as follows:

- Tax Collector – 1%
- Potential early property tax bill payment discount – 4%
- Total – 5%

The Town's proposed FY2019 net assessment of \$801,198 is derived by reducing the required gross total assessment of \$838,118 by these factors.

Resolution No. 122-2018 implements the intended assessments for FY2019. The Resolution, among other things:

- References the properties to be assessed;
- References past Town Council actions to properly effectuate Commercial Solid Waste Collection Assessments;
- Adopts the updated assessment roll for the fiscal year commencing on October 1, 2018;
- Reimposes the assessments;
- Provides for Proof of Publication;
- If applicable, provides an executed Affidavit of Mailing executed by staff;
- Provides a Certificate to Non-Ad Valorem Assessment Roll for the Mayor to sign and be transmitted to the Tax Collector of Palm Beach County.

Non-Ad Valorem Assessment rates for the commercial solid waste collection services are as follows:

	<u>FY2018</u>	<u>FY2019</u>
1. Apartments	\$ 13.30/Unit/Month	\$ 12.7716/Unit/Month
2. Low Volume (5 day)	\$ 0.029/SF/Year	\$ 0.029/SF/Year
3. Medium Volume (5 day)	\$ 0.194/SF/Year	\$ 0.195/SF/Year
4. High Volume (5 day)	\$ 0.849/SF/Year	\$ 0.855/SF/Year
5. Low Volume (7 day)	\$ 0.036/SF/Year	\$ 0.037/SF/Year
6. Medium Volume (7 day)	\$ 0.241/SF/Year	\$ 0.247/SF/Year
7. High Volume (7 day)	\$ 1.055/SF/Year	\$ 1.079/SF/Year

FUNDING/FISCAL IMPACT

This is a “zero-sum” initiative, in that revenues are intended to balance/offset the costs. It is anticipated that this action will provide and generate the requisite funding. All direct costs borne by the Town to accomplish this service are paid for by the properties benefitting, as opposed to all property owners in Town.

TOWN ATTORNEY REVIEW

This Resolution has been reviewed by the Town Attorney for legal form and sufficiency. This Resolution was prepared in a format consistent with that developed by the law firm of Nabors, Giblin, and Nickerson, which previously prepared the Town’s ordinances that established Chapter 90 of the Town Code pertaining to special assessments.

Attachment

cc: Jane Struder, Director of Finance
Eric B. Brown, P.E., Assistant Director of Public Works
John C. Randolph, Town Attorney
Chester Purves, Services Division Manager
Dean Mealy, Purchasing Manager

RESOLUTION NO. 122-2018

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, PALM BEACH COUNTY, FLORIDA, RELATING TO THE COLLECTION AND DISPOSAL OF COMMERCIAL SOLID WASTE; ESTABLISHING THE SOLID WASTE COST AND RATE OF ASSESSMENT; IMPOSING SOLID WASTE SERVICE ASSESSMENTS AGAINST CERTAIN ASSESSED PROPERTY LOCATED WITHIN THE TOWN OF PALM BEACH; APPROVING THE UPDATED SOLID WASTE ASSESSMENT ROLL; CONFIRMING THE PRELIMINARY RATE RESOLUTION; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

* * * * *

WHEREAS, Chapter 90 of the Town of Palm Beach Code of Ordinances (the "Code") authorizes the imposition of annual Solid Waste Service Assessments for Solid Waste collection and disposal services, facilities or programs against certain Assessed Property throughout the Town; and

WHEREAS, the imposition of a Solid Waste Service Assessment for Solid Waste collection and disposal services, facilities or programs for each Fiscal Year is an equitable and efficient method of allocating and apportioning Solid Waste Cost among parcels of Assessed Property; and

WHEREAS, the Town Council desires to impose an assessment program for Solid Waste collection and disposal services, facilities or programs throughout the Town using the tax bill collection method for the Fiscal Year beginning on October 1, 2018; and

WHEREAS, the Town Council, on July 09, 2018, adopted Resolution No. 087-2018 (the Preliminary Rate Resolution), containing a brief and general description of the Solid Waste collection and disposal services, facilities or programs to be provided to Assessed Property, describing the method of apportioning the Solid Waste Cost to compute the Solid Waste Service Assessment for Solid Waste collection and disposal services, facilities or programs against Apartments and Commercial Property, designating a rate of assessment, and directing preparation of

the Assessment Roll and provision of the notice required by the Code; and

WHEREAS, pursuant to the provisions of the Code, the Town Council is required to confirm or repeal the Preliminary Rate Resolution, with such amendments as the Town Council deems appropriate, after hearing comments and objections of all interested parties; and

WHEREAS, the Assessment Roll has heretofore been made available for inspection by the public, as required by the Code; and

WHEREAS, notice of a public hearing has been published and, as required by the terms of the Code, mailed to each Owner of Apartments and Commercial Property proposed to be assessed notifying such Owners of their opportunity to be heard; an affidavit regarding the notice mailed to each Owner of Apartments and Commercial Property being attached hereto as Appendix A and the proof of publication being attached hereto as Appendix B; and

WHEREAS, a public hearing was held on September 13, 2018, and comments and objections of all interested persons have been heard and considered as required by the terms of the Code.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF PALM BEACH, FLORIDA, AS FOLLOWS:

SECTION 1. AUTHORITY. This resolution is adopted pursuant to the provisions of the Code; the Initial Assessment Resolution (Resolution No. 25-03); the Final Assessment Resolution (Resolution No. 44-03); the Preliminary Rate Resolution (Resolution No. 087-2018); the Town of Palm Beach Charter; sections 166.021 and 166.041, Florida Statutes; and other applicable provisions of law.

SECTION 2. DEFINITIONS AND INTERPRETATION. This resolution constitutes the Annual Rate Resolution as defined in the Code. All capitalized terms in this resolution shall have

the meanings defined in the Code, Section 102-1 of the Town of Palm Beach Code of Ordinances, the Initial Assessment Resolution, the Final Assessment Resolution, and the Preliminary Rate Resolution No. 107-2017.

SECTION 3. IMPOSITION OF SOLID WASTE SERVICE ASSESSMENTS.

(A) The parcels of Assessed Property described in the Solid Waste Assessment Roll, which is hereby approved, are hereby found to be specially benefited by the provision of Solid Waste collection and disposal services, facilities or programs described in the Preliminary Rate Resolution, in the amount of the Solid Waste Service Assessment set forth in the Solid Waste Assessment Roll, a copy of which was present at the above referenced public hearing and is incorporated herein by reference.

(B) It is hereby ascertained, determined and declared that each parcel of Assessed Property within the Town of Palm Beach will be benefited by the Town's provision of Solid Waste collection and disposal services, facilities or programs in an amount not less than the Solid Waste Service Assessment for such parcel, computed in the manner set forth in this Resolution. Adoption of this Final Assessment Resolution constitutes a legislative determination that all parcels assessed derive a special benefit, as set forth in the Code, the Initial Assessment Resolution, the Final Assessment Resolution, and the Preliminary Rate Resolution from the Solid Waste collection and disposal services, facilities or programs to be provided and a legislative determination that the Solid Waste Service Assessments are fairly and reasonably apportioned among the Apartments and Commercial Property that receive the special benefit as set forth in the Preliminary Rate Resolution.

(C) The method for computing Solid Waste Service Assessments described in the Preliminary Rate Resolution is hereby approved.

(D) For the Fiscal Year beginning October 1, 2018, the Solid Waste Cost to be assessed

is \$838,118, with \$112,435 allocated to Apartments and \$725,683 allocated to Commercial Property. The Solid Waste Service Assessments to be assessed and apportioned among the Assessed Property to generate the Solid Waste Cost for the Fiscal Year beginning October 1, 2018, to fund Solid Waste collection and disposal services, facilities, and programs are hereby established as follows:

Property and Service Type	Annual Assessment Rate	Billing Unit
Apartments	\$153.26	Per Dwelling Unit
Commercial Property – 5 Day Service		
Low Volume	\$0.029	Per Square Foot
Medium Volume	\$0.195	Per Square Foot
High Volume	\$0.855	Per Square Foot
Commercial Property – 7 Day Service		
Low Volume	\$0.037	Per Square Foot
Medium Volume	\$0.247	Per Square Foot
High Volume	\$1.079	Per Square Foot

(E) Solid Waste Service Assessments for Solid Waste collection and disposal services, facilities or programs in the amounts set forth in the Solid Waste Assessment Roll, which is hereby approved, are hereby levied and imposed on all parcels of Assessed Property described in the Assessment Roll for the Fiscal Year beginning October 1, 2018.

(F) Any shortfall in the expected Solid Waste Service Assessment proceeds due to any reduction or exemption from payment of the Solid Waste Service Assessments required by law or authorized by the Town Council shall be supplemented by any legally available funds, or combination of such funds, and shall not be paid for by proceeds or funds derived from the Solid Waste Service Assessments.

(G) As authorized in Section 90-69 of the Code, interim Solid Waste Service Assessments are also levied and imposed against all Apartments and Commercial Property for which a Building Permit is issued after adoption of this Annual Rate Resolution based upon the rates of assessment

approved herein.

(H) Solid Waste Service Assessments shall constitute a lien upon the Assessed Property so assessed equal in rank and dignity with the liens of all state, county, district or municipal taxes and other non-ad valorem assessments. Except as otherwise provided by law, such lien shall be superior in dignity to all other liens, titles and claims, until paid.

(I) The Solid Waste Assessment Roll shall be delivered to the Tax Collector for collection using the tax bill collection method in the manner prescribed by the Ordinance. The Solid Waste Assessment Roll, as delivered to the Tax Collector, shall be accompanied by a Certificate to Non-Ad Valorem Assessment Roll in substantially the form attached hereto as Appendix C.

SECTION 4. CONFIRMATION OF PRELIMINARY RATE RESOLUTION. The Preliminary Rate Resolution is hereby confirmed.

SECTION 5. EFFECT OF ADOPTION OF RESOLUTION. The adoption of this Annual Rate Resolution shall be the final adjudication of the issues presented herein (including, but not limited to, the method of apportionment, the rate of assessment, the updated Assessment Roll and the levy and lien of the Solid Waste Service Assessments for Solid Waste collection and disposal services, facilities or programs) unless proper steps shall be initiated in a court of competent jurisdiction to secure relief within 20 days from the date of this Annual Rate Resolution.

SECTION 6. SEVERABILITY. If any clause, section or provision of this Resolution shall be declared unconstitutional or invalid for any reason or cause, the remaining portion of said Resolution shall remain in full force and effect and be valid as if such invalid portion thereof had not been incorporated herein.

SECTION 7. EFFECTIVE DATE. This resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED in a regular, adjourned session of the Town Council of the
Town of Palm Beach assembled this 13th day of September 2018.

Gail L. Coniglio, Mayor

ATTEST:

Kathleen Dominguez, Town Clerk