

**CITY COUNCIL SOLID WASTE FEES WORKSHOP
CITY OF ATLANTIS
260 Orange Tree Drive
March 3, 2021
7:00 p.m.**

This meeting will be held in person and on Webex.com

See page 2 for attendance and public comment instructions

AGENDA

- 1. Call to Order**
- 2. Roll Call** Mayor Michael LaCoursiere
Vice Mayor Allan Kaulbach
Councilor Keller Lanahan
Councilor Guy Motzer
Councilor Peter Shapiro
- 3. Review and Discussion of Collection of Solid Waste Fees**
- 4. Adjourn**

Note: If a person decides to appeal any decision made by the above City Council with respect to any matter considered at such meeting, he will need a record of the proceedings, and for such purpose, he may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. The City of Atlantis does not provide such a record.

ADA Notice: The Atlantis Council Chambers is equipped with hearing assistance devices. The City of Atlantis will provide upon request (48-hour notice required), a sign language interpreter for public meetings.

**CITY COUNCIL STRATEGIC PLANNING WORKSHOP
CITY OF ATLANTIS
In person and via teleconference on Webex.com
March 3, 2021**

How to attend this Council Meeting

In person

The City Council will meet in person (HOWEVER, one or more Councilors may participate remotely via Webex) for this meeting. Due to CDC social distancing guidelines, there will be limited seating available in the City Council chambers for the public, which will be available on a first come, first served basis. The City will not provide face coverings; please bring your own.

By telephone

Dial 408-418-9388
Enter Access Code 132 681 7179
Phone password: 96757467

On your computer

Email the City Clerk at kpuhalainen@atlantisfl.gov to be added to the attendee list. You will receive an invitation via email with the sign-in instructions.

OR

Go to www.webex.com and click on 'Join' in the upper right-hand corner.
Enter access code 132 681 7179
Enter password workshop0303

Comments from Members of the Public

Any member of the public wishing to comment publicly on any matter, including on items on the agenda, may submit comments by noon on meeting day by email to the City Clerk at kpuhalainen@atlantisfl.gov. All comments submitted by email that, if read orally, are three minutes or less shall be read into the record. All comments submitted by email shall be made part of the public record.



Brian R. Moree
CITY MANAGER



MEMORANDUM

To: Mayor and City Council

From: Brian R. Moree, City Manager *Brian R. Moree*

Re: Solid Waste Fee Analysis – March 2021

Date: March 3, 2021

Agenda Item: Solid Waste Fee – Millage Tax Rate Reduction

Summary:

The City presently funds solid waste collection through general fund ad valorem revenue. The City may assess either a non-ad valorem assessment or apportioned fee for service to residential accounts within our corporate boundaries. Based on an average annual contracted expense of \$488,000, the revenue projection is to match the annual expense and provide a corresponding reduction in millage (i.e., \$488,000 or 8 tenths of a mill)

Staff has analyzed the financial impact to both residents and the City of transferring solid waste collection charges from ad valorem to a fee-based method.

The attached spreadsheet provides a summary of our analysis. A narrative is provided below.

Residential Service Units

There are 1,224 residential units within the city. Solid waste collection services are provided to these units under a 6-year contract with WastePro. Approximately, 1,039 units receive backdoor/sidedoor collection services. The remaining 185 units are multi-family condos and receive container (dumpster) service.

Annual Solid Waste Collection Expense

The existing collection service contract expenses are detailed by fiscal year, cumulative, and average annual.

Residential Collection Fee (Per Unit/Monthly)

The proposed monthly collection service fee is listed by the service provided for backdoor/sidedoor and containerized units.

Millage Tax Rate Reduction – FY 2021

A detailed analysis is provided for fiscal year 2021. As the city proposes to reduce the tax rate in conjunction with introducing the new service fee, we compared the fee implementation expense versus the reduced tax rate. The comparison uses the present assessed value of residential units in the city, as provided by the Palm Beach County Property Appraiser. Assessed value is divided in to \$100,000 increments. It should be noted that the increments are wide, and our comparison is point specific. As an example, the comparison for the \$300,000 is specific for that exact amount but the range for that increment is \$300,000 to \$399,999. The number of units within an assessed value increment is provided for the range. The proposed reduction in the millage tax rate is represented as the annual millage rate difference in a comparison to the current and proposed reduced tax rate. The proposed collection fee is represented as \$448 annually for backdoor/sidedoor service and \$126 for containerized service. A comparison is detailed of both the annual and monthly difference between the service fee versus the reduced tax rate. The comparison provides the monetary amount for the specific increment and average amount across the range. The final category details the percentage of the units versus the total within the assessed value range. In the \$200,000 increment range there are 340 units that receive backdoor service and 102 units that receive containerized service.

Millage Tax Rate Reduction – FY 2026

The solid waste collection annual charges were averaged for the remaining term of the contract and the proposed monthly fees are represented as a fixed amount through 2026. Subsequently, we completed the same analysis for 2026 as was detailed in the preceding paragraph. The assumptions for 2026 include a 2% annual increase in assessed value for residential units, which is below the statutory cap of 3% for homesteaded property, the historical annual increase in community average assessed value, and discounts for the sale of any property with adjusted assessed value over 2%. The comparison does not evaluate for the timing or depth of a real estate market decline during this period.

The final chart compares the analysis for 2021 and 2026

Recommendation:

Staff recommends approval of solid waste collection fees and a corresponding reduction in the millage tax rate to be included in the draft budget for fiscal year 2021-2022.

DISCUSSION AND STAFF DIRECTION

Residential Service Units

Unit Type	Number of Units
Single Family	943
Multi-Family (4 or less)	96
Multi-Family (5 or more)	185
Total Residential	1224

Annual Solid Waste Collection Expense

Transition	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
4/01/19 - 09/30/20	10/01/20 - 09/30/21	10/01/21 - 09/30/22	10/01/22 - 09/30/23	10/01/23 - 09/30/24	10/01/24 - 09/30/25	10/01/25 - 09/30/26
\$437,127.12	\$447,026.16	\$460,436.94	\$474,250.05	\$488,477.55	\$503,131.88	\$518,225.84
Total Cumulative 10/01/2021 - 09/30/2026						\$2,444,522.26
Annual Average 10/01/2021 - 09/30/2026						\$488,904.45

Residential Collection Fee (Per Unit)(Monthly)

Service	Backdoor/Sidedoor Service	Containerized Service
Solid Waste	\$19.53	\$6.98
Vegetative Waste	\$7.31	XXXXXXXXXX
Recycling	\$10.51	\$3.52
Total	\$37.35	\$10.50

Units by Fee Type	
Residential Backdoor Service	Containerized Service
1,039	185
Monthly Revenue	Monthly Revenue
\$38,806.65	\$1,942.50
Total Monthly	\$40,749.15
Total Annual	\$488,989.80

Single Family Annual Fee	Containerized Annual Fee
\$448.20	\$126.00

Millage Tax Rate Reduction - FY 2021

Assessed Value	Units by Assessed Value	Millage Rate 7.61 (Current)	Millage Rate 6.8 (Reduced)	Millage Rate Difference (Annual)	Proposed Solid Waste Fee (Annual)	Millage vs Fee Difference (Annual)	Millage vs Fee Value Average (Annual)	Millage vs Fee Value Average (Monthly)	Percentage of Total Units (2021)
\$800,000	7	\$6,088	\$5,440	\$648	\$448	-\$200	-\$200+	-\$17	0.57%
\$700,000	15	\$5,327	\$4,760	\$567	\$448	-\$119	-\$159	-\$13	1.22%
\$600,000	37	\$4,566	\$4,080	\$486	\$448	-\$38	-\$78	-\$7	3.00%
\$550,000	31	\$4,186	\$3,740	\$446	\$448	\$3	-\$18	-\$1	2.51%
\$500,000	48	\$3,805	\$3,400	\$405	\$448	\$43	\$23	\$2	3.89%
\$400,000	212	\$3,044	\$2,720	\$324	\$448	\$124	\$84	\$7	17.17%
\$300,000	349	\$2,283	\$2,040	\$243	\$448	\$205	\$165	\$14	28.27%
\$200,000	442	\$1,522	\$1,360	\$162	\$448(340) \$126(102)	\$286(340) -\$36(102)	\$245(340) -\$36(102)	\$20(340) -\$3(102)	27.54% / 8.26%
\$150,000	83	\$1,142	\$1,020	\$122	\$126	\$4	\$4	\$0.33	6.72%

Backdoor Service Break Point

Containerized Service

Millage Tax Rate Reduction - FY 2026

Assessed Value	Units by Assessed Value	Millage Rate 7.61 (Current)	Millage Rate 6.8 (Reduced)	Millage Rate Difference (Annual)	Proposed Solid Waste Fee (Annual)	Millage vs Fee Difference (Annual)	Millage vs Fee Value Average (Annual)	Millage vs Fee Value Average (Monthly)	Percentage of Total Units (2021)
\$800,000	7	\$6,088	\$5,440	\$715	\$448	-\$267	-\$200+	-\$22	0.57%
\$700,000	15	\$5,327	\$4,760	\$626	\$448	-\$178	-\$222	-\$19	1.22%
\$600,000	37	\$4,566	\$4,080	\$537	\$448	-\$89	-\$133	-\$11	3.00%
\$550,000	31	\$4,186	\$3,740	\$492	\$448	-\$44	-\$66	-\$6	2.51%
\$500,000	48	\$3,805	\$3,400	\$447	\$448	\$1	-\$21	-\$2	3.89%
\$400,000	212	\$3,044	\$2,720	\$358	\$448	\$90	\$46	\$4	17.17%
\$300,000	349	\$2,283	\$2,040	\$268	\$448	\$180	\$135	\$11	28.27%
\$200,000	442	\$1,522	\$1,360	\$179	\$448(340) \$126(102)	\$269(340) -\$53(102)	\$224(340) -\$36(102)	\$18(340) -\$3(102)	27.54% / 8.26%
\$150,000	83	\$1,142	\$1,020	\$135	\$126	-\$9	-\$9	-\$0.75	6.72%

Backdoor Service Break Point

Containerized Service

	Result	Monthly Average Amount (Fiscal Year)		Percentage of Residents
		2021	2026	
\$800,000	Decrease	-\$17	-\$22	0.57%
\$700,000	Decrease	-\$13	-\$19	1.22%
\$600,000	Decrease	-\$7	-\$11	3.00%
\$550,000	Decrease	-\$1	-\$6	2.51%
\$500,000	Decrease/Increase	\$2	-\$2	3.89%
\$400,000	Increase	\$7	\$4	17.17%
\$300,000	Increase	\$14	\$11	28.17%
\$200,000	Decrease/Increase	\$20/- \$3	\$18/- \$3	27.54%/8.26%
\$150,000	Decrease/Increase	\$1	-\$1	6.72%