



VILLAGE OF KEY BISCAYNE

Office of the Village Manager

MEMORANDUM

Village Council
Franklin H. Caplan, *Mayor*
Michael E. Kelly, *Vice Mayor*
Michael W. Davey
Enrique Garcia
Robert Gusman
Mayra P. Lindsay
James S. Taintor

DATE: June 28, 2011
TO: Honorable Mayor and Members of the Village Council
FROM: Genaro "Chip" Iglesias, Village Manager
RE: Stormwater Fee Adjustments

A large, stylized handwritten signature in black ink, which appears to be "Chip" Iglesias, is written over the "FROM" and "RE" lines of the memorandum.

RECOMMENDATION

It is recommended that Council provide Village staff direction on processing the under billed, unbilled and overbilled stormwater accounts.

BACKGROUND

On September 7, 2010, the Village Council authorized Burton and Associates to conduct a Stormwater Rate Study. The rate study included a review of the existing stormwater charges, review of long term stormwater debt service, review of stormwater capital improvements and projections of revenue and expenditures for the next five years. Village staff provided Burton and Associates all necessary information to conduct the study. As part of the Study, the Village requested an analysis from Miami Dade Water and Sewer Department (MDWASD) that identified all properties in the Village that are billed and not being billed stormwater charges. Upon receipt of the requested information, village staff conducted a preliminary investigation of all Village properties to confirm the properties that had not previously been billed the stormwater fee and should be added to the stormwater fee billing roll. During the course of this investigation, several properties were also identified that appear to have been overbilled for some years. Burton and Associates conducted a review of the findings to verify the billing adjustments.

On March 8, 2011, the Village Council approved a rate increase from \$5.00 to \$8.90 per ERU for multi-family and from \$7.50 to \$13.35 per ERU for single family.

Under billed/Unbilled Accounts

Staff review found that some properties were either under billed or unbilled. These properties include single family homes, shopping centers and multi-family buildings. Staff has provided and instructed MDWASD to begin billing an additional 842.65 ERU's (\$134,992.72 per year at the current rate). The statute of limitations to collect on back

bills is 4 years. Should Council decide to back bill these accounts the Village would collect \$297,615.71 (at the previous rate of \$5 per ERU for multi-family and \$7.50 per ERU for single family).

Overbilled

Village staff determined that a commercial property was overbilled 116.60 ERU's (\$10,494 per year). Based upon review of the potential over collection of revenue from the commercial parcels identified by staff, the total amount of over collection over the past four (4) years is approximately \$42,000. At this time is not possible to determine which specific parcels should be adjusted without significant additional investigation. This is because these are sub-parcels on one master parcel and some sub-parcels have no stormwater fee while others have a stormwater fee. This configuration indicates that some sub-parcels must be master metered utility accounts and their stormwater fee includes the fee for the other sub-parcels on their master meter. However, it is not possible to tell these specific relationships from stormwater billing data provided by MDWASD. Therefore, additional research, including possible field investigations, is required to determine which of these sub-parcels are being overcharged and how much of the total overcharge is for each sub-parcel.

As of April 2011, collection of stormwater fees on this property has been temporarily halted. The statute of limitations to refund these accounts is 4 years.

Storm Water Fee Adjustments

Description	Units	Unbilled and Under Billed Accounts	Over Billed Accounts (1)	Net Total	Future (2)
WASD 2010 Billing	ERU	121.30	225.29	346.59	0.00
Adjusted Billing for 2011	ERU	962.95	108.69	1,071.64	
Net Change of Adjustment	ERU	842.65	(116.60)	726.05	110.00
Net Collection Fees Change @ \$7.50	\$	\$ 75,838.61	\$ (10,494.00)	\$ 65,344.61	\$ 9,900.00
Net Collection Fees Change @ \$13.35	\$	\$ 134,992.72	\$ (18,679.32)	\$ 116,313.40	\$ 17,622.00
Billing Adjustment in the last 4 years (3)	\$	\$ 297,615.71	\$ (41,976.00)	\$ 255,639.71	

Notes:

(1) Fee distribution inside the property will require review of By-laws and coordination with Condo management and WASD. Fee payments halted until reimbursement process is resolved.

(2) Future fees are based on 165 condos at Sonesta. There are few undeveloped residential sites.

(3) Statute of limitation in years = 4

Revised with Burton Assoc. 2/22/2011 and updated 4/14/11

STORMWATER ADJUSTMENTS BY TYPE

UNBILLED

Type of Customer	Number of facilities	Amount
Single Family Residential	28	\$ 9,360.00
Multifamily	5	\$ 141,131.30
Commercial/Institutional	9	\$ 89,262.77
Total		\$ 239,754.07

UNDERBILLED

Type of Customer	Number of facilities	Amount
Single Family Residential	0	
Multifamily	2	\$ 34,080.00
Commercial/Institutional	3	\$ 23,781.64
Total		\$ 57,861.64

OVERBILLED

Type of Customer	Number of facilities	Amount
Single Family Residential	0	
Multifamily	0	
Commercial/Institutional	1	\$ 42,000.00
Total		\$ 42,000.00

**Unbilled Property File by Folio
WASD New Billing Report**

Premise Address	Folio #	# of Dwelli ng Units	Add. WASD ERU	COMMENTS	WASD ERU's from	WASD ERU to	% Imper vious Area	Monthly Additional Payment	Total Annual Payment @ \$121.50/year	Unbille d Years	Unbilled Amounts in Last 4 Years @ \$90.00 /year	Underbilled	Unbilled
685 HARBOR LN	2452050011330	1	1.00	Year built 3/10/2006	0	1		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
695 HARBOR DR	2452050011400	1	1.00	Year Built 2001	0	1		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
274 W MASHTA DR	2452050013040	1	1.00	Under Construction	0	1		\$ 10.13	\$ 121.50	0			\$ -
650 S MASHTA DR	2452050080310	1	1.00	Year Built 2001	0	1		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
610 S MASHTA DR	2452050090130	2	1.00	Year Built 1969	0	1		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
471 N MASHTA DR	2452050170020	1	1.00	Built 2002 Not in WASD bill not storm water billing for 200	0	1		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
200 SUNRISE DR	2452050180001	13	8.67	Sunrise (Bahama House South	0	8.67		\$ 87.79	\$ 1,053.00	4	\$ 3,120.00		\$ 3,120.00
240 CAPE FLORIDA DR	2452050240300	0	1.00	Year Built 2010 Not in WASD bi	0	1		\$ 10.13	\$ 121.50	0	\$ -		\$ -
230 CAPE FLORIDA DR	2452050240310	1	1.00	Shown in Prperty tax as 220 Caj	0	1		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
455 GRAND BAY DR	2452050610001	189	126.00	Year built 2001	0	126.00		\$ 1,276.38	\$ 15,309.00	4	\$ 45,360.00		\$ 45,360.00
415 GRAND BAY DR	2452050460030	0	0.00	415 IS CHARGED IN 425 Grand t	0	0		\$ -	\$ -	4			\$ -
425 GRAND BAY DR N	2452050460040	0	44.85	Year built 1997	0	44.85	70%	\$ 454.31	\$ 5,449.06	4	\$ 16,145.37		\$ 16,145.37
750 Crandon Blvd	2452040020090		27.58	Year built 2003	0	27.58	80%	\$ 279.36	\$ 3,350.69	4	\$ 9,927.98		\$ 9,927.98
750 Crandon Blvd	2452040020090		27.58	Year built 2003	0	27.58	80%	\$ 279.36	\$ 3,350.69	4	\$ 9,927.98		\$ 9,927.98
791 CRANDON BLVD	2452050640001	111	74.00	Year built 2001	0	74.00		\$ 749.62	\$ 8,991.00	4	\$ 26,640.00		\$ 26,640.00
799 CRANDON BLVD	2452050660001	112	45.67	Year built 2001	29	74.67		\$ 462.60	\$ 9,072.00	4	\$ 16,440.00	\$ 16,440.00	
721 CRANDON BLVD	2452050670001	39	26.00	Year Built 2002	0	26.00		\$ 263.38	\$ 3,159.00	4	\$ 9,360.00		\$ 9,360.00
765 CRANDON BLVD	2452040020090	75	49.00	Year built 2002	1	50.00		\$ 496.37	\$ 6,075.00	4	\$ 17,640.00	\$ 17,640.00	
455 GRAND BAY DR	2452050460010	0	138.71	Year Built 2001	0	138.71	60%	\$ 1,405.10	\$ 16,852.94	4	\$ 49,934.63		\$ 49,934.63
230 CRANDON BLVD	2442320020070	0	44.65	Not in WASD bill	0	44.65	90%	\$ 452.34	\$ 5,425.43	4	\$ 16,075.35		\$ 16,075.35
200 CRANDON BLVD	2442320020090	0	34.03	Year built 2007	0	34.03	90%	\$ 344.70	\$ 4,134.37	4	\$ 12,249.97		\$ 12,249.97
299 CRANDON BLVD	2442320020125		15.69	Library	0	15.69	50%	\$ 158.94	\$ 1,906.34	4	\$ 5,648.40		\$ 5,648.40
301 OCEAN DR	2442320020160	55	62.56	Silver Sands	0	62.56	60%	\$ 633.76	\$ 7,601.35	4	\$ 19,800.00		\$ 19,800.00
580 CRANDON BLVD	2452050010010	0	9.84	Year Built 2010	0	9.84	90%	\$ 99.71	\$ 1,195.88	1	\$ 885.84		\$ 885.84
8 TURTLE WALK	2452050470040	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
12 TURTLE WALK	2452050470060	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00

**Unbilled Property File by Folio
WASD New Billing Report**

Premise Address	Folio #	# of Dwelling Units	Add. WASD ERU	COMMENTS	WASD ERU from	WASD ERU to	% Imperious Area	Monthly Additional Payment	Total Annual Payment	Unbilled Years	Unbilled Amounts in Last 4 Years	Underbilled	Unbilled
16 TURTLE WALK	2452050470080	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
20 TURTLE WALK	2452050470100	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
22 TURTLE WALK	2452050470110	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
3 TURTLE WALK	2452050470430	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
5 TURTLE WALK	2452050470440	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
9 TURTLE WALK	2452050470460	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
11 TURTLE WALK	2452050470470	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
10 COCONUT LN	2452050470530	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
2 COCONUT LN	2452050470570	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
15 GRAND BAY ESTATES	2452050580020	1	0.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
29 GRAND BAY ESTATES	2452050580130	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
31 GRAND BAY ESTATES	2452050580150	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
42 GRAND BAY ESTATES	2452050580170	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
40 GRAND BAY ESTATES	2452050580180	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
38 GRAND BAY ESTATES	2452050580190	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
36 GRAND BAY ESTATES	2452050580200	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
800 MASHTA PL	2452060020030	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
678 FERNWOOD RD	2452050650020	1	1.00		0	1.00		\$ 10.13	\$ 121.50	4	\$ 360.00		\$ 360.00
87 Westwood Dr.	2452050010040		14.77	Not billed BellSouth Shown as separate 1 ERU bills for 14 units Harbor Shopping Center billed to individual	0	14.77	60%	\$ 149.66	\$ 1,795.01	4	\$ 5,318.56		\$ 5,318.56
71 HARBOR DR	2442320020040	0	25.76	tenants Underbilled 18 units at 3.25 ERU bill to Galleria main	14	39.76	90%	\$ 260.94	\$ 4,830.72	4	\$ 9,273.24	\$ 9,273.24	
328 CRANDON BLVD #103	2442320020132	0	17.52	account	58.5	76.02	90%	\$ 177.44	\$ 9,235.95	4	\$ 6,305.78	\$ 6,305.78	

**Unbilled Property File by Folio
WASD New Billing Report**

Premise Address	Folio #	# of Dwelling Units	Add. WASD ERU	COMMENTS	WASD ERU from	WASD ERU to	% Imperious Area	Monthly Additional Payment	Total Annual Payment	Unbilled Years	Unbilled Amounts in Last 4 Years	Underbilled	Unbilled
909 CRANDON BLVD	2452040150060	0	22.79	Includes the balance of underbilled amount	18.8	41.59	90%	\$ 230.81	\$ 5,052.58	4	\$ 8,202.61	\$ 8,202.61	
915 CRANDON BLVD	2452040150090	0	0.00	Not in WASD bill. Why 0.94? must be redistributed				\$ -	\$ -		\$ -		
919 CRANDON BLVD	2452040150120	0	0.00	Not in WASD bill. Why 0.94? must be redistributed				\$ -	\$ -		\$ -		
973 CRANDON BLVD	2452040150370	0	0.00	Not in WASD bill. Why 0.94? must be redistributed				\$ -	\$ -		\$ -		
Totals			842.65		121.30	963.95		\$ 8,536.09	\$ 117,120.51		\$ 297,615.71	\$ 57,861.64	\$ 239,754.07