

## **Town of Lake Park Town Commission**

## **Agenda Request Form**

Meeting Date:		May 18, 2023		
Originating Department:		Public Works		
Agenda Title:		Follow-Up Meeting Associated with the 2023 Stormwater Utility Rate Analysis.		
Approved by Town Manager: John D'Agostino Digitally signed by John D'Agostino Disc en-John D'Agostino D'Ag				
Cost of Item:	N/A	Funding Source:		N/A
Account Number:	N/A		Finance Signature:	N/A
Advertised:	N/A			
Date:	N/A		Newspaper:	N/A
Attachments:	Agenda Request Form (ARF) PowerPoint Presentation			
Please initial one:				
M	Yes, I have notified everyone			
	Not applicable in this case			

## **Background\Summary Explanation:**

The Town is required to operate a Stormwater Utility (the "utility" or "system") to manage and treat stormwater runoff prior to discharge into the Lake Worth Lagoon, which is designated as a protected water body by the Florida Department of Environmental Protection (FDEP). The utility also protects public and private property from flooding.

The Stormwater system consists mostly of grassed roadside swales for conveyance of stormwater runoff to catch basins and underground structures and pipes that ultimately outfall to the lagoon.

At present time, over 20% of the system's infrastructure has exceeded its recommended service life and the remaining system components' structural condition is deteriorating rapidly.

Additionally, consistent increases in land and water temperatures, and in the severity and frequency of weather events and other environmental stressors, continue to pose a challenge to the Stormwater system's capacity to handle storm events of both small and large magnitude.

Moreover, the utility operates as a self-supporting enterprise fund, but has historically used operating reserves to cover actual expenses that exceeded the budget amounts. Also, the utility experiences frequent operational disruptions due to staffing shortages and an aging fleet.

To continue to address these concerns, in January 2023, the Town Commission engaged with financial consultant Raftelis to conduct a comprehensive fiscal analysis of the Stormwater Utility.

The primary objectives of the analysis are as follows:

- Develop a funding strategy to pay for stormwater system operations, maintenance and capital repairs & upgrades
  - Emphasis on replacement of aging fleet and funding capital improvements to meet the drainage needs of the service area
    - Historically, stormwater rates were only established to recover operating expenses without any additional revenues for capital improvements
- Estimate revenue requirements to be recovered from stormwater rates
- Identify the need for future rate adjustments

Finally, during the follow-up public meeting scheduled for May 18, 2023, Town and Raftelis Staffs will present information regarding the state of the Stormwater utility as well as present the findings and recommendations associated with improving the utility's operation and fiscal standing.

**Recommended Motion:** There is no motion associated with this Agenda item. For discussion only.