

Sponsored by: Puto

**CITY OF MARATHON, FLORIDA
RESOLUTION 2006-081**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AUTHORIZING A PROFESSIONAL SERVICES AGREEMENT WITH GOVERNMENT SERVICES GROUP, INC. (“GSG”) FOR THE DEVELOPMENT AND IMPLEMENTATION OF A WASTEWATER NON-AD VALOREM ASSESSMENT: PROVIDING FOR CONFLICTS, SEVERABILITY AND EFFECTIVE DATE.

WHEREAS, the City of Marathon desires to impose special assessments to fund a wastewater utility program for Fiscal Year 2006-2007; and

WHEREAS, the City now intends to impose a wastewater assessment in the City which will be collected on the tax bill in November of each year; and

WHEREAS, GSG is well qualified and experience in assisting local governments with the development and implementation of non-ad valorem assessments and have agreed to make themselves available to provide professional services to assist the City in accomplishing the Wastewater Assessment project for Fiscal Year 2006-2007;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, THAT:

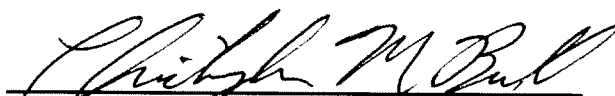
Section 1. The above recitals are true and correct and incorporated herein.

Section 2. Council authorizes the professional services agreement with Government Services Group, Inc. (“GSG”) which is included as Exhibit A to this resolution and incorporated herein by reference.

Section 3. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED by the City Council of the city of Marathon, Florida, this 13th day of June, 2006.

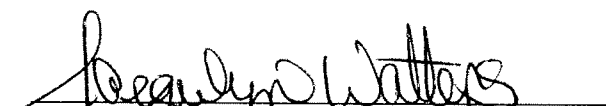
THE CITY OF MARATHON, FLORIDA



Christopher M. Bull, Mayor

AYES: Mearns, Tempest, Worthington, Bull
NOES: None
ABSENT: Pinkus
ABSTAIN: None

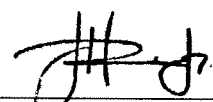
ATTEST:



Jacquelyn L. Walters, Acting City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:



City Attorney



GOVERNMENT SERVICES GROUP, INC.

public sector
funding & service
solutions

June 5, 2006

Via Electronic Transfer

Mr. Mike Puto
City Manager
City of Marathon
10045-55 Overseas Highway
Marathon, FL 33050

Re: Work Plans for (1) Development of Wastewater Assessment Ordinance, (2) Implementation of Non-Ad Valorem Assessment Program for Wastewater Improvements in the Little Venice Wastewater Treatment System and (3) Development and Implementation of a City-Wide Non-Ad Valorem Assessment Program for Wastewater Planning and Design

Dear Mike:

This correspondence is written to present a scope of services and fee for Government Services Group, Inc. (GSG) and Nabors, Giblin & Nickerson, P.A. (NG&N) to provide specialized assistance to the City of Marathon (City) and its staff in the development of a wastewater assessment ordinance, (2) implementation of non-ad valorem assessment program for wastewater improvements in the Little Venice Wastewater Treatment System and (3) development and implementation of a City-wide non-ad valorem assessment program for wastewater planning and design. We understand that the City intends to adopt an assessment ordinance which will provide for the imposition of wastewater assessments beginning in Fiscal Year 2006-07 and in future years as service areas are identified and come on-line. The City also intends to replace the assessment in the Little Venice Wastewater Treatment System (Little Venice System) that is currently levied by the Florida Keys Aqueduct Authority (FKAA) by a City-imposed assessment program based on the existing methodology being used in the Little Venice System. Finally, the City may decide to develop an assessment program to replace the funding currently provided by the Monroe County (County) Municipal Service Taxing Unit (MSTU) for planning and design of future wastewater treatment systems in the City (Planning and Design Assessment).

The objective of all of these projects are to develop non-ad valorem assessments based on public policy set forth by the City's elected officials within the constraints of readily available data and case law precedent. To accomplish this objective, we will focus on the following tasks:

- For the Little Venice system and the Planning and Design Assessment, provision of implementation services aimed at developing legally defensible methods of apportionment conducive to use with the City's ad valorem tax roll database;
- Development of the implementation documentation for the annual collection method which meets all case law and statutory requirements; and

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280 Wekiva Springs Rd. | Protegrity Plaza, Suite 203 | Longwood FL 32779 | T 407.629.6900 | F 407.629.6963

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- Development of an assessment roll conducive to collecting the annual assessments and capable of being efficiently updated and used in subsequent years.

The proposed workplan is designed to develop the following deliverables during this project:

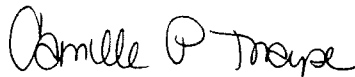
- A home rule assessment ordinance which will provide for the imposition of wastewater assessments beginning in Fiscal Year 2006-07 and in future years as service areas are identified and come on-line;
- All implementing resolutions for the annual assessment program;
- The statutorily required notice and billing documentation required for utilization of the tax bill collection method for the annual assessment program;
- Billing algorithms necessary to calculate the wastewater assessments pursuant to the approved methodologies;
- The final wastewater assessment rates; and
- An assessment roll in an electronic format capable of merging with the County's real property assessment roll in conformity with the requirements of the utilization of the tax bill collection method for Fiscal Year 2006-07.

Attached as Appendix A is a work plan which articulates the services required by the firms to assist you in implementing a non-ad valorem assessment program in a manner that is conducive to the imposition and collection of the assessments via the ad valorem tax bill pursuant to the uniform method of collection in section 197.3632, Florida Statutes. Appendix B is a list of project deliverables, delivery schedule and payment schedule. Upon Notice to Proceed we will provide a detailed critical events calendar and a schedule for project deliverables tailored to the specific circumstances unique to the City.

The professional fees to assist the City in developing and implementing the contemplated assessment program do not include litigation defense services. However, we do all of our work in developing and implementing assessment programs with an eye on potential legal challenges in an attempt to maximize both the efficiency and the effectiveness of any defense. In the event there is a challenge, we would be available, on an hourly basis, to assist the City in its defense.

We look forward to working with the City on this very important project. If you or any other City officials have any questions, please feel free to telephone me.

Sincerely,



Camille P. Tharpe

Enclosures

cc: Crystie Carey, NG&N

Appendix A

SCOPE OF SERVICES

Scope of Services

PREPARATION OF HOME RULE ASSESSMENT ORDINANCE

Task 1: **Draft the Wastewater Assessment Ordinance** NG&N will draft a home rule assessment ordinance which provides the City with the flexibility to impose and collect wastewater assessments using the tax bill collection method.

LITTLE VENICE SYSTEM ASSESSMENT PROGRAM

Task 1: **Create preliminary assessment roll** Using the tax roll files and the assessment database from FCAA, GSG will create a preliminary assessment roll.

Task 2: **Apply the assessment rates** Using the preliminary assessment roll, GSG will apply the existing assessment rates using the existing apportionment methodology for the assessment program.

Task 3: **Draft and edit the Initial Assessment Resolution** NG&N will draft the initial assessment resolution(s) that conform to the wastewater assessment ordinance to impose the wastewater assessments to implement the City's policy decisions and existing methodology.

Task 4: **Draft and edit the Final Assessment Resolution** NG&N will draft the final assessment resolution(s) that conform to the wastewater assessment ordinance to impose the wastewater assessment and adopt final assessment rates.

Task 5: **Assist In Rate Adoption Process** Advise and assist with the legal requirements for the adoption of the final assessment rate resolution(s) and certification of the assessment roll(s) in accordance with Section 197.3632, Florida Statutes including: (a) the development of the first class notice and its distribution, (b) publication of the public hearing, (c) and attendance at the public hearing.

Task 6: **Certify the assessment roll** GSG will create the final assessment roll and test the files to ensure that they will merge with the Monroe County ad valorem tax roll in conformance with the Uniform Method requirements. GSG will certify the assessment rolls by September 15, 2006.

PLANNING AND DESIGN ASSESSMENT

Task 1: **Evaluate proposed projects and services; determine and obtain the necessary data** Evaluate the proposed projects and services and with the assistance of the City staff, determine and obtain the data and information necessary to develop an assessment methodology approach. Such data may include any existing GIS data, tax roll information, utility billing records, cost information as provided by the project engineer and land-use data.

- Task 2: Develop a preliminary assessment methodology** Using the data and criteria established by the City staff and engineer, GSG and NG&N will develop a preliminary assessment methodology based on the proposed projects, their location and properties benefited by the projects. This methodology may require the development of capacity figures for each potential parcel. If detailed data is not available, GSG will use current land-use information.
- Task 3: Develop the assessment billing and collection database** Using the boundary description of the benefit area, GSG will obtain the tax roll files to:
- Import the ad valorem tax roll data to develop a preliminary electronic database of properties based on their assignments of use by the Property Appraiser.
 - Obtain necessary information related to the methodology and apportionment of costs to be used for the assessment program.
 - Merge the requisite databases into a preliminary electronic database of property uses to comport with the requirements of the assessment methodology.
 - Use a series of queries and selection criteria to validate the common characteristics among the properties and identify properties requiring further evaluation and field work analysis.
 - Assign billing units based on the proposed assessment methodology.
- Task 4: Determine the assessment revenue requirements for the assessment program** Work with the City to review the funding requirements of the proposed projects and services. Based on these funding requirements, determine the total assessment revenue requirements for the proposed projects including program implementation costs and annual costs.
- Task 5: Create preliminary assessment roll** Using the tax rolls files and the assessment database created in the prior tasks, GSG will create a preliminary assessment roll.
- Determine parcels to be included within the assessment program.
 - Apply apportionment methodology to assessment database to test the data validity and legal sufficiency.
- Task 6: Calculate preliminary proforma assessment rates** Using the preliminary assessment roll, GSG will develop and apply the schedule of rates for the assessment program using the apportionment methodology for the assessment program.
- Task 7: Draft and edit the Initial Assessment Resolution** NG&N will draft the initial assessment resolution(s) that conform to the wastewater assessment ordinance to impose the wastewater assessments to implement the City's policy decisions and proposed methodology.
- Task 8: Draft and edit the Final Assessment Resolution** NG&N will draft the final assessment resolution(s) that conform to the wastewater assessment ordinance to impose the wastewater assessment and adopt final assessment rates.
- Task 9: Assist in Rate Adoption Process** Advise and assist with the legal requirements for the adoption of the final assessment rate resolution(s) and certification of the assessment roll(s) in accordance with Section 197.3632, Florida Statutes including: (a) the development of the first class notice and its distribution, (b) publication of the public hearing, and (c) attendance at the public hearing.

Task 10: Certify the assessment roll GSG will create the final assessment roll and test the files to ensure that they will merge with the Monroe County ad valorem tax roll in conformance with the Uniform Method requirements. GSG will certify the assessment rolls by September 15, 2006.

FEE AND COSTS

For services provided by GSG and NG&N, the lump sum fee for the proposed scope of services is the following:

- Home Rule Ordinance: \$9,000. This lump sum fee for professional services includes one trip to the City by NG&N to present the Assessment Ordinance. Fifty percent of the payment will be due on August 1, 2006 and fifty percent of the payment will be due on September 1, 2006 assuming notice to proceed occurs by June 15, 2006.
- Little Venice System: \$25,500. This lump sum fee for professional services includes two trips to the City by GSG and/or NG&N staff to present the Initial Assessment Resolution and assist in the final rate adoption process. Fifty percent of the payment will be due on September 1, 2006 and fifty percent of the payment will be due on October 1, 2006 assuming notice to proceed occurs by June 15, 2006.
- Planning and Design Assessment: \$47,375. This lump sum fee for professional services includes an aggregate of three total on-site visits to the City by GSG and/or NG&N staff, including at least two meetings with City elected officials to present the Initial Assessment Resolution and assist in the final rate adoption process.

Meetings in excess of those contemplated may be arranged at our standard hourly rates.

The lump sum fee does not include the costs of producing and mailing the statutorily required first class notices for Fiscal Year 2006-07, which will depend on the number of assessable parcels of property within the area. Mailing and production costs average approximately \$1.25 per parcel, with the amount due and payable at the time of the adoption of the authorizing resolution.

The lump sum fee also does not include the development of an assessment roll maintenance and customer service support system. Because of the complexity of this project, the City staff may want to develop customer service interface functions and address all report requirements. Information about these services is provided in the next section.

The lump sum fee also does not include communication services related to the proposed wastewater assessment program. The most successful community education plans account for the public's concerns and expectations regarding the proposed assessment program. Research indicates that the general public will, in fact, embrace the wastewater assessment concept and its associated fee schedule as important and necessary if they are engaged properly from the project onset. Information about these services is provided in the next section.

ADDITIONAL SERVICES

ONLINE ASSESSMENT DATA MANAGEMENT SERVICE

GSG's Online Assessment Data Management Service is a web-based utility that can be tailored to the City's assessment programs, allowing the remote management and viewing of assessment program data. By using this service, County staff can generate reports and readily lookup and access assessment information, both current and historic, at the parcel level. Because the data and application are hosted by GSG, the City receives the benefit of the data service, without the overhead of dedicated technical staff and data processing hardware, storage and support.

COMMUNICATION SERVICES

GSG proposes to establish a consistent, comprehensive communication plan for the wastewater assessment program beginning with day one of the project. This means that all project decisions will include a measure of public interest and support prior to adoption—effectively incorporating the public's voice in every aspect of the project management.

The philosophy behind our communication approach is based on nation-wide best practices and firmly rooted in academic research. We sincerely believe that the best communication plan is built upon a solid understanding of the public's perceptions about the usefulness of the wastewater project. What's more, we believe these perceptions must be the benchmark of our success and serve as one of the final determinants of the wastewater assessment's accomplishment.

The communication plan starts and ends with community input. From stakeholder groups to public surveys, GSG is committed to ensuring the wastewater assessment recommendations not only meet the City's needs, but also exceed your community's expectations.

ANNUAL UPDATES

On a recurring basis, the firms shall also be available to assist the City in the annual update of the City's assessment programs for a fee to be determined upon completion of this project. Such annual update assistance would include assisting in the revisions to the assessment roll to correlate with changes to the ad valorem tax roll, facilitating the public notice requirements of the tax bill collection method including notice to property owners with property use changes, assistance with any transitional or interim assessments for omitted properties, and monitoring of the apportionment methodology relative to continued defensibility.

OTHER SERVICES

In recognition that GSG and NG&N are organizations dedicated to providing specialized assistance to local governments in developing innovative and efficient solutions to public sector issues, the firms shall, on an hourly or negotiated fee basis, also be available to provide additional services to the City on finance, revenue or other local governmental matters. Such services may be provided under a written change order, extension to this scope of services, or by separate agreement mutually acceptable to the parties.

Appendix B

PROJECT DELIVERABLES

DELIVERABLES SCHEDULE

| Event | Date |
|--------------------------------|-------------------------|
| Notice to Proceed | June 2006 |
| Assessment Ordinance | July- August 2006 |
| Develop Database | July 2006 |
| Develop Revenue Requirements | July 2006 |
| Develop Methodology | July 2006 |
| Initial Assessment Resolution | July - August 2006 |
| First Class Mailed Notice | July - August 2006 |
| Published Notice | July - August 2006 |
| Public Hearing | August - September 2006 |
| Certification to Tax Collector | by September 15, 2006 |