



Flagler County Board of County Commissioners Workshop Agenda

Monday, January 11, 2021 • 1:00 p.m.
(Special Meeting to Follow)

Government Services Complex, 1769 E. Moody Blvd., Bldg 2, Board Chambers, Bunnell, FL 32110

1. Call to Order
2. Pledge to the Flag and Moment of Silence
3. Welcome: Flagler County Board Chair
4. Marineland Acres Project Discussion with Palm Coast City Manager
5. Public Comment
6. Adjournment

While this is a workshop only and no decisions are expected to be made by any of the governmental bodies, if a person decides to appeal any matter that may be discussed for a future proceeding, a record of the workshop may be needed and, for such purposes, the person may need to ensure that a verbatim record of the workshop is made.

In accordance with the Americans with Disabilities Act, persons needing assistance to participate in this meeting should contact the (386) 313-4001 at least 48 hours prior to the meeting.



city of PALM COAST

Office of the City Manager

160 Lake Avenue
Palm Coast, FL 32164
386-986-3710

November 30, 2020

Hon. Chairman Donald O'Brien
Flagler County BOCC
1769 E. Moody Blvd, Bldg 2
Bunnell, FL 32110

RE: Marineland Acres Utility Relocation Project

Hon. Chairman and Commissioners:

I am writing in regard to the Marineland Acres Utility Relocation project. As you are aware the City of Palm Coast, through its approved service territory area provides potable water service to the unincorporated area known as Marineland Acres. The City of Palm Coast is requesting the consideration of additional options that would satisfy the project cost in the most fair and equitable manner possible. Herein I propose two options, however, your staff might have additional proposals.

First, as this drainage project has now expanded to include transportation elements, the City of Palm Coast would fully support and join with Flagler County in petitioning FDOT and/or the RTCTPO for additional funding and consideration to assist in the expanded scope.

Second, the formation of a Special Assessment District for the express purpose of funding the utility relocation costs.

I would like to acknowledge a few points underlying this request:

1. This project services a limited area, with a specific and limited benefit directly and only to the property owners of Marineland Acres. The system wide utility receives no benefit from this project. No other water or road system users either in Palm Coast or Flagler County benefit from this project.
2. The existing utility infrastructure is well within its useful service life and is only contemplated being moved as a result of a limited benefit and geographically specific project.
3. The Utility rates assessed at the statutorily permitted 125% of the base rate do not cover the cost of this project. Best estimate calculations show that if the entirety of the excess rate was apportioned for payment of the relocation expenses, and no interest accrued, it would take in excess of 60-years to repay the expenses associated with this discretionary utility move. This burden would fall upon every ratepayer in the system.



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November 30, 2020

A commonly used model for evaluating the appropriateness and fairness of the expenditure of funds for limited benefit projects, and the one guiding my opinion and request, is the application of the Pareto Efficiency Criterion. Simply defined, a project is deemed "efficient" and an appropriate use of system wide funds if economic changes can make one individual better off without making at least one other individual worse off.

It is my opinion that under this evaluation, and without seeking additional project funding assistance and/or the establishment of a Special Assessment District to directly cover these project costs, every City of Palm Coast Utility Customer (which includes many City and County Users) would be subsidizing the cost of a project that has no system wide benefit and, thus failing the Pareto Efficiency evaluation.

The City stands ready to assist with technical, legal and lobbying resources to seek additional funding dollars for this project.

Similarly, The City has evaluated several possible assessment scenarios and has found that if the approximate 360 property owners of this subdivision were assessed an apportioned share for the enhancements to their properties, the cost (for a 1-million dollar project) could be as little as \$140 per lot, per year for the repayment life.

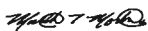
The City has a discrete fiduciary responsibility to the approximately 47,500 ratepayers who depend on transparent rate setting and consistency, the quality of our CIP and Capital Spending Forecasting, and our ability to plan for and reserve appropriate capital to cover unforeseen emergencies.

I would be happy to attend a BOCC meeting to further discuss this request, present information to you and answer any questions you may have. I am confident that working together, with the best interests of all the rate and tax payers in Flagler County in mind, we can find more appropriate funding and reduce, to the maximum extent possible, the cost burden on county and city citizens.

Very Truly Yours,

Matthew T Morton

Matthew Morton
City Manager

Signature: 

Email: mmorton@palmcoastgov.com






CM Ltr-Marineland Acres, County Ltr, 11.30.20

Final Audit Report

2020-12-03

Created:	2020-12-03
By:	Kendra Iannotti (Klannotti@palmcoastgov.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAuSipzYQBUxUP9F44w9ML72I0vtHBzDrW

"CM Ltr-Marineland Acres, County Ltr, 11.30.20" History

-  Document created by Kendra Iannotti (Klannotti@palmcoastgov.com)
2020-12-03 - 8:43:49 PM GMT - IP address: 204.145.118.4
-  Document emailed to Matt Morton (mmorton@palmcoastgov.com) for signature
2020-12-03 - 8:44:14 PM GMT
-  Email viewed by Matt Morton (mmorton@palmcoastgov.com)
2020-12-03 - 8:46:05 PM GMT - IP address: 204.145.118.4
-  Document e-signed by Matt Morton (mmorton@palmcoastgov.com)
Signature Date: 2020-12-03 - 8:46:20 PM GMT - Time Source: server - IP address: 204.145.118.4
-  Agreement completed.
2020-12-03 - 8:46:20 PM GMT

Jerry Cameron

From: Matthew Morton <MMorton@palmcoastgov.com>
Sent: Tuesday, October 13, 2020 3:22 PM
To: Jerry Cameron
Subject: Marine land Acres Costing

This email originated outside the Flagler County email system. DO NOT click any links or open any attachments unless you know the sender and know the content is safe.

Marineland Acres Project

-Total anticipated cost for this project – 1.5 Million (estimated) but unknown

-At the 25% (125% utility rate) - Currently equates to about 8-10 dollars (60 year repayment) if that was the only expense.

-County only can assess (make special assessment)

-Statutory limit of 25% of rates (where we already are) = takes 60 years to repay the capital outlay causing a negative equity to general ratepayers

Special Assessment Scenarios:

For a 1.5 million project:-

- 1. \$316 or less per year, per lot (for developed lots only) for 20-years**
- 2. \$208.00 per year if all lots are included**

For a 1 million project

- 1. \$210 per year per lot (only developed lots)**
- 2. \$140 per year per lot for all lots**

PLEASE NOTE: Florida has a very broad public records law. Most written communications to or from City of Palm Coast officials and employees regarding public business are public records available to the public and media upon request. Your e-mail communications may be subject to public disclosure.



Flagler County Board of County Commissioners Special Meeting Agenda

Monday, January 11, 2021 Following Workshop

Government Services Complex, 1769 E. Moody Blvd., Bldg 2, Board Chambers, Bunnell, FL 32110

1. Call to Order
2. Public Comment
3. Approval of Advisory Board Sections
4. Adjournment

Section 286.0105, Florida Statutes states that if a person decides to appeal any decision made by a board agency, or commission with respect to any matter considered at a meeting or hearing, he or she will need a record of the proceedings, and that, 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.