

**Revised**  
**MEMORANDUM**

**TO:** Honorable Mayor and City Council Members

**PREPARED BY:** Chester Murray, Interim City Manager 

**DATE:** December 1, 2008, Revised December 5, 2008

**SUBJECT:** **Discussion of Sparkman Avenue Special Assessment District**

**PURPOSE**

To discuss the creation of a special assessment district (SAD) for the extension of Sparkman Avenue from the Sparkman Avenue terminus to Rhode Island Avenue as depicted on the attached map and to authorize the execution of a contract with Government Services group, Inc., to assist with the development of an assessment program via Resolution 517-08.

**BACKGROUND**

As was discussed in the previous Resolution 512-08 agenda item, if a developer desires to make an improvement for their development, the owners could seek the City's involvement through the special assessment program. Improvements in a new development could be completed before the developer's sale of individual lots and the assessment would be in place when the lots were sold. The City would be intricately involved in the construction of the improvements, thereby "fronting" the money for the cost of the improvements, and then collecting the annual assessments every year to reimburse the City.

As the Council is aware, the Manatee Cove Elementary and the River Springs Middle School opened in 2007 and 2008 respectively. The High School, which is currently under construction, will open in either August of 2009 or January of 2010. Certain road improvements have been made over the past two years to provide access to these schools, of which, West Rhode Island is considered to be the main access to the three schools, and is currently under construction. Other completed road improvements include, (1) the construction of Scholars Path, and (2) the West Ohio extension.

A fourth very important segment to link Ohio Avenue with Rhode Island was proposed to be built when the Sparkman Ridge subdivision is constructed in order to provide adequate traffic circulation from Rhode Island. However, due to the current housing decline, it may be several years before this necessary link is established. Staff believes that the Sparkman Avenue extension to Rhode Island is a special assessment district project that affects the health, safety or welfare of our residents.

**RECOMMENDATION**

Staff recommends approval of Resolution 517-08.



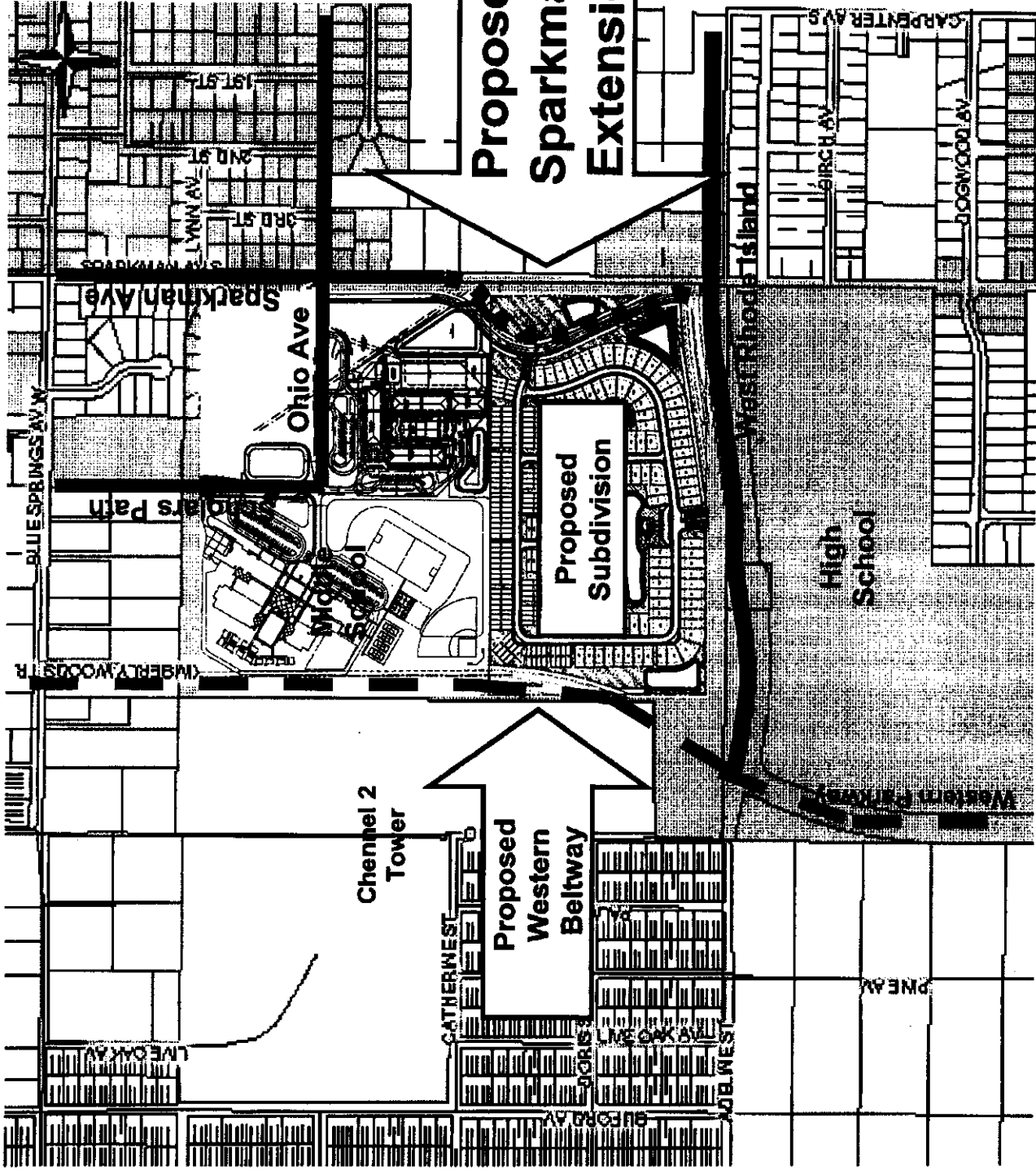
**Proposed  
Sparkman  
Extension**

**Proposed  
Subdivision**

**Chenel 2  
Tower**

**Proposed  
Western  
Beltway**

**High  
School**



**RESOLUTION NO. 517-08**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ORANGE CITY, FLORIDA, AUTHORIZING THE INTERIM CITY MANAGER TO EXECUTE AN AGREEMENT WITH GOVERNMENT SERVICES GROUP INC. TO ASSIST THE CITY AND ITS STAFF WITH THE DEVELOPMENT OF AN ASSESSMENT PROGRAM FOR INFRASTRUCTURE IMPROVEMENTS RELATED TO SPARKMAN RIDGE; AND PROVIDING FOR AN EFFECTIVE DATE.**

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**WHEREAS**, the City Council has determined the it is in the best interest of its citizens to develop an assessment program to fund infrastructure improvements related to the Sparkman Ridge Residential Planned Unit Development (Sparkman Ridge PUD); and

**WHEREAS**, the contract with Government Services Group Inc. provides for legal services from Nabors, Giblin & Nickerson, P.A., and

**WHEREAS**, after careful consideration the City Council has determined that the City should retain the services of Government Services Group Inc. to assist the City and its staff with the implementation of an assessment program for the road and utility construction related to the Sparkman Ridge PUD.

**NOW, THEREFORE, BE IT RESOLVED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF ORANGE CITY, FLORIDA:**

**SECTION 1.** The City Council of the City of Orange City, Florida hereby authorizes the Interim City Manager to execute an agreement with Government Services Group Inc. to assist in the development of an assessment program.

**SECTION 3.** A copy of the agreement for services is attached to this resolution as Exhibit "A".

**SECTION 4.** That this resolution shall take effect immediately upon its adoption by the City Council of the City of Orange City, Florida.

**ROLL CALL VOTE AS FOLLOWS:**

Jim Mahoney	_____	Donald C. Sherrill	_____
Donald Sandford	_____	Tom Abraham	_____
Tom Laputka	_____	Jeff H. Allebach, Vice Mayor	_____
Harley Strickland, Mayor	_____		

ADOPTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2008.

ATTEST:

AUTHENTICATED:

\_\_\_\_\_  
Deborah J. Renner, CMC, City Clerk

\_\_\_\_\_  
Harley Strickland, Mayor

This Resolution approved  
as to form and legal sufficiency:

\_\_\_\_\_  
W. E. Reischmann, City Attorney



GOVERNMENT SERVICES GROUP, INC.

public sector  
*funding & service*  
solutions

November 5, 2008

**VIA ELECTRONIC TRANSMISSION**

Chester Murray  
City Manager  
Orange City  
205 East Graves Avenue  
Orange City, Florida 32763

**Re: Orange City (City) Proposed Assessment Program for Sparkman Ridge Residential Planned Unit Development Infrastructure Improvements**

Dear Chester,

Based on the information provided by City staff, this correspondence is written to present a proposal for Government Services Group, Inc. (GSG) and Nabors, Giblin & Nickerson, P.A. (NG&N) to assist the City of Orange City (City) and its staff in the development of an assessment program to fund the proposed infrastructure improvements related to the Sparkman Ridge Residential Planned Unit Development (Sparkman PUD).

Accordingly, enclosed as Appendix A is a proposed scope of services, fees, deliverables and payment schedule for GSG and NG&N to assist the City in the development and implementation of assessment program for the proposed infrastructure improvements. The attached scope of services assumes that the City will provide the data required to analyze the proposed assessment program and develop the assessment methodology, will provide necessary staff support to conduct any field research of the data contained on the ad valorem tax roll, and will provide swift policy direction regarding various components of the methodology and proposed rate structures.

Our objective is to assist the City as it initiates the proposed project improvements. We are available to answer questions and provide guidance at your convenience so the City's administration and elected officials can make an informed decision on how to proceed with this project in both short and long terms.

Chester Murray  
November 5, 2008  
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We look forward to working with Orange City on this very important project. If you have any questions, please do not hesitate to contact me.

Sincerely,



Camille P. Tharpe  
Senior Vice President

/cpt

Enclosures

cc: Christine Davis  
Heather Encinosa, NG&N  
Crystie Carey, NG&N

**ACCEPTED AND AGREED TO:**

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**City of Orange City**

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**Date**

EXHIBIT "A"

# APPENDIX A

SCOPE OF SERVICES

# SCOPE OF SERVICES

- Task 1. Evaluate proposed projects; determine and obtain the necessary data.** Evaluate the proposed infrastructure improvement projects with the assistance of the City staff and obtain the data and information necessary to develop assessment methodology approaches. Such data may include the GIS database, tax roll information, other non-ad valorem tax based revenue information for the properties in the area and land-use data.
- Task 2. Locate the proposed projects and determine the benefited properties.** Using the GIS database, determine the preliminary location of the proposed projects to serve as basis for identifying geographic areas benefited by the projects. GSG will develop a GIS-based boundary description of the benefit areas.
- Task 3. Develop preliminary assessment methodology.** Using the data and criteria established by City staff and officials, GSG will develop a preliminary assessment methodology based on the proposed project, its location and properties benefited by the project. The 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 4. Create a preliminary assessment database.** Using the boundary descriptions and the most current ad valorem tax roll, create a preliminary assessment database. Augment the database with other pertinent data determined to support the apportionment methodology.
- Task 5. Determine the assessment revenue requirements.** Review the funding requirements of the proposed project, including debt service requirements. Based on these funding requirements, determine the total assessment revenue requirements for the proposed project including program implementation costs and annual costs.
- Task 6. Calculate a proforma schedule of rates.** Apply the preliminary apportionment methodology to the preliminary assessment database to test the data validity and sufficiency. Modify the database and/or revise the apportionment methodology as necessary. Calculate a proforma schedule of rates based on the apportionment methodology and revenue requirements for the assessment program. Provide alternative revenue scenarios if required.
- Task 7. Prepare and present an assessment memorandum.** Prepare and present an assessment memorandum which identifies the proposed project, describes the benefit areas, provide a description of the apportionment methodology including all underlying assumptions, assessment rate calculations and an implementation schedule in conformance with the Uniform Method of collection.

- Task 8. Draft and edit the Initial Assessment Resolution.** NG&N will draft the initial assessment resolution(s) that conform to the City's assessment ordinance to impose the infrastructure assessments to implement the City's policy decisions and proposed methodology.
- Task 9. Draft and edit the Final Assessment Resolution.** NG&N will draft the final assessment resolution(s) that conform to the City's assessment ordinance to impose the infrastructure assessments and adopt final assessment rates.
- Task 10. Assist in notice process.** If requested by the City, GSG will prepare and mail the first class notices required by section 197.3632, Florida Statutes. The charge for this task is not included in the lump sum fee, and is detailed below under Fees and Costs.
- Task 11. Assist in rate adoption process.** GSG and NG&N will 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.
- Task 12. Assist in prepayment process.** GSG will advise and assist with the prepayment process including preparation and mailing of the prepayment notices and provision of a table or spreadsheet for City staff to track prepayments. The charge for processing prepayment notices is not included in the lump sum fee, and is detailed below under Fees and Costs.
- Task 13. Certify the assessment roll.** GSG will create and export the final assessment roll(s) and will transmit the roll(s) to the Volusia County Tax Collector in the prescribed electronic format by September 15, 2009.

## FEES AND COSTS

For services provided by GSG and NG&N, the lump sum fee for the proposed scope of services \$32,000 of which \$20,750 is for professional services rendered by GSG and \$11,250 is for professional services rendered by NG&N. Except as noted below, this lump sum fee includes reimbursement for all out-of-pocket expenses.

The lump sum fee for professional services includes three on-site visits by GSG staff and two on-site visits by NG&N to the City. The lump sum fee for professional services includes reimbursement for all travel-related out-of-pocket expenses, **except airfare, lodging, and ground transportation. These travel expenses will be billed at actual cost.** Any additional on-site meetings by GSG and NG&N staff may be arranged at our standard hourly rates provided below. All expenses related to these requested meetings will be billed in accordance with section 112.061, Florida Statutes. If necessary, in lieu of on-site visits, periodic telephone conference calls may be scheduled to discuss project status.

The standard hourly rates for GSG and NG&N are as follows:

**GOVERNMENT SERVICES GROUP, INC.**

Chief Executive Officer .....	\$225
Senior Vice President .....	\$175
Vice President .....	\$160
Senior Project Manager/Consultant/Project Coordinator.....	\$160
Consultant/Database Analyst/Technical Services .....	\$130
Administrative Support.....	\$ 50

**NABORS, GIBLIN & NICKERSON, P.A.**

Firm Partners .....	\$225
Firm Associates.....	\$200

The lump sum fee does not include the costs of producing and mailing the statutorily required first class notices or prepayment notices. Mailing and production costs depend on the number of assessable parcels of property within the assessment program area, but average approximately \$1.28 per parcel. Payment of mailing and production costs is due at the time of adoption of the initial assessment resolution or like document. For non-domestic notices, mailing charges will include the actual amount of postage beyond the domestic rate and if U.S. postage rates increase prior to mailing, the additional postage per notice will be charged. A \$400 setup fee is charged for mailings to less than 2,000 parcels.

The City is responsible for any and all newspaper publications, including, but not limited to, making arrangements for publications and any costs associated therewith.

The City is also responsible for any costs incurred to obtain information from the property appraiser or other public officials that is necessary for the assessment program.

**PAYMENT SCHEDULE**

The lump sum professional services fee for the proposed scope of services will be due based on the following payment schedule assuming notice to proceed occurs by November 15, 2008.

<b>Schedule</b>	<b>Payment</b>
December 2008	25% of lump sum fee
March 2009	25% of lump sum fee
July 2009	25% of lump sum fee
October 2009	25% of lump sum fee

**PROJECT DELIVERABLES**

<b>Deliverable</b>	<b>Date</b>
Project initiation	December 2008
Apportionment Methodology	January - February 2009
Assessment Memorandum	February - March 2009
Initial Assessment Resolution	February - May 2009
Mail Notices	February - July 2009
Final Assessment Resolution	March - August 2009
Prepayment Process	April - September 2009
Certify Assessment Roll	by September 15, 2009