MEMORANDUM

TO: Mayor England
   Vice Mayor Kostka
   Commissioner George
   Commissioner Samora
   Commissioner Rumrell

FROM: Max Royle, City Manager

DATE: July 27, 2020

SUBJECT: Solid Waste Non-Ad Valorem Assessment: Request for Approval of Interlocal Agreement with The Tax Collector

Attached as pages 1-11 is Resolution 20-17, exhibits and related information for the interlocal agreement with the Tax Collector. The City Attorney prepared the Resolution and the agreement. The agreement states the provisions governing the collection of the non-ad valorem assessment for solid waste by the Tax Collector. The City Commission in 2011 approved a similar agreement for the non-ad valorem assessment that provided revenue to pay the costs for just the disposal of household solid waste. The non-ad valorem assessment that you recently approved will pay the costs for both the collection and disposal of household waste, as well as the collection of recyclables.

ACTION REQUESTED

It is that you approve Resolution 20-17.
Resolution No. 20-17


WHEREAS, the City Commission of Saint Augustine Beach, Florida ("Board") enacted Resolution 20-17, creating a Solid Waste Non-Ad Valorem Assessment; and

WHEREAS, Resolution 20-17 provides for the collection of the levied assessments by the Tax Collector in accordance with Florida Statute 197.3632; and

WHEREAS, Florida Statute 197.3632 requires a written agreement attached hereto as Exhibit "A", incorporated by reference and made a part hereof, with the Tax Collector for the collection of the non-ad valorem assessments pursuant to the City of Saint Augustine Beach, Florida Code Article II. Solid Waste Non-Ad Valorem Special Assessment and the reimbursement of administrative costs associated with those collections. Said reimbursement is defined in the agreement as 2% of payments received by the Tax Collector.

NOW, THEREFORE BE IT RESOLVED BY THE CITY COMMISSIONERS OF THE CITY OF ST. AUGUSTINE BEACH, FLORIDA, as follows:

Section 1. The above recitals are incorporated by reference into the body of this Resolution and such recitals are adopted as findings of fact.

Section 2. The Commission hereby approves the Agreement with the Tax Collector attached hereto and authorizes the Mayor of the City to execute said Agreement.

Section 3. The Clerk of the Court of St. Johns County, Florida is instructed to record the original Agreement in the Public Records of St. Johns County, Florida.

Section 4. To the extent that there are typographical and/or administrative errors that do not change the tone, tenor, or concept of this Resolution, then this Resolution may be revised without subsequent approval by the City Commissioners.

PASSED AND ADOPTED, this 3rd day of August 2020.
CITY OF SAINT AUGUSTINE BEACH

By: ____________________________
   Max Royle, City Manager

ATTEST:

CITY CLERK FOR THE CITY OF ST. AUGUSTINE BEACH

By: ____________________________
   Beverly Raddatz, City Clerk

CITY OF SAINT AUGUSTINE BEACH

By: ____________________________
   Margaret England, Mayor
This Agreement is entered into this 3rd day of August 2020 between the City of Saint Augustine Beach, Florida (the City), a political subdivision of the state of Florida, and the Tax Collector of St. Johns County, Florida (the Tax Collector).

In consideration of the representations and agreements set forth below the parties agree as follows:

1. The Tax Collector shall perform such duties and tasks as may be required of him in order for the City to implement and use Section 197.3632, Florida Statutes, (Uniform method for levy, collection and enforcement of non-ad valorem assessments) in order to levy and collect the Solid Waste Non-Ad Valorem Assessment against the real property located within the City of Saint Augustine Beach, Florida created by City of Saint Augustine Beach Resolution 20-17, as authorized by City of Saint Augustine Beach in its Code Article II. Solid Waste Non-Ad Valorem Special Assessment.

2. The City shall reimburse the Tax Collector for all necessary administrative costs incurred by him under Section 197.3632, Florida Statutes, and to include, but not be limited to those costs associated with personnel, forms, supplies, data processing, computer equipment, postage, and programming. The County will compensate the Tax Collector an amount equal to two percent (2%) of the balance collected as commission pursuant to Section 192.091(2)(b), Florida Statutes, as opted by the Tax Collector on an annual basis during the term of this Agreement.

3. The City represents that it has complied with all necessary or desired requirements of Section 197.3632(3), Florida Statutes, and that copies of the adopted resolution have been mailed to the St. Johns County Property Appraiser, the St. Johns County Tax Collector and the Florida Department of Revenue by ____________(date). A depiction of the property subject to the levy of the MSBU referenced in this Agreement and the Resolution of the County approving these assessments, and Minutes of the Meeting setting the rates are attached hereto and incorporated herein by reference as Exhibit "A", Exhibit "B" Exhibit "C", respectively.

4. The parties agree that the non-ad valorem assessments shall be levied using the uniform method provided for in Section 197.3632, Florida Statutes, and shall be included in the combined notice for ad valorem taxes and non-ad valorem assessments provided for in Section 197.3635, Florida Statutes.

5. The parties agree that the non-ad valorem assessments collected pursuant to Section 197.3632, Florida Statutes, shall be subject to the collection procedures provided for in Chapter 197, Florida Statutes, for ad valorem taxes, including discount for early payment, prepayment by installment method, deferred payment, penalty for delinquent payment and issuance and sale of tax certificates and tax deeds for nonpayment.

6. The City represents that it has complied with all necessary laws and regulations of the State of Florida and the City of Saint Augustine Beach, Florida necessary for the passage of the non-ad valorem assessment referenced in this Agreement and for its collection by the Tax Collector.
7. In the event this non-ad valorem assessment or any portion thereof should be found or
determined to be unlawful or unconstitutional, or if any type of refund is ordered or required to
be made by the Tax Collector, the City agrees to provide the funds necessary for any such
refund, and, further, to reimburse the Tax Collector for any and all necessary administration
costs incurred by him for said refund. Administrative costs shall include, but not be limited to,
those costs associated with personnel, forms, supplies, data processing, computer equipment,
postage and programming.

This Agreement is entered into as of the date first written above.

TAX COLLECTOR OF ST. JOHNS COUNTY, FLORIDA

______________________________
Dennis W. Hollingsworth, Tax Collector

CITY OF SAINT AUGUSTINE BEACH  CITY OF SAINT AUGUSTINE BEACH

By: ________________________________  By: ________________________________

Margaret England, Mayor  Max Royle, City Manager

(SEAL)

ATTEST:

By: ________________________________

Clerk for City of Saint Augustine Beach, FL
Exhibit “A” to Agreement – Depiction of Assessment Area

CITY OF
ST. AUGUSTINE BEACH
RESOLUTION 19-13

CITY OF ST. AUGUSTINE BEACH
ST. JOHNS COUNTY

RE: EXPRESSING THE INTENT OF THE CITY OF ST. AUGUSTINE BEACH TO USE THE UNIFORM METHOD FOR THE LEVY, COLLECTION, AND ENFORCEMENT OF NON-AD VALOREM ASSESSMENT PROVIDED FOR IN CHAPTER 197, FLORIDA STATUTES, SECTION 197.3632, FOR THE PROVISION OF DISPOSAL OF SOLID WASTE; PROVIDING THAT THE NON-AD VALOREM ASSESSMENT SHALL BE INCLUDED IN THE COMBINED NOTICE FOR AD VALOREM TAXES AND NON-AD VALOREM ASSESSMENTS PROVIDED IN CHAPTER 197, FLORIDA STATUTES, SECTION 197.3635; PROVIDING THAT THE NON-AD VALOREM ASSESSMENT SHALL BE COLLECTED IN THE SAME MANNER AS AD VALOREM TAXES; PROVIDING THAT THIS NON-AD VALOREM ASSESSMENT IS NEEDED IN ORDER TO DISPOSE OF SOLID WASTE WITH THE CORPORATE LIMITS OF THE CITY OF ST. AUGUSTINE BEACH; PROVIDING FOR THE LEGAL DESCRIPTION OF THE CORPORATE LIMITS OF THE CITY OF ST. AUGUSTINE BEACH WHICH SHALL BE SUBJECT TO THE NON-AD VALOREM LEVY; PROVIDING THAT THE PUBLIC HEARING ON THIS RESOLUTION WAS DULY ADVERTISED; PROVIDING THAT THE CLERK OF THE CITY OF ST. AUGUSTINE BEACH SHALL MAIL CERTIFIED COPIES OF THIS RESOLUTION; AND PROVIDING FOR AN EFFECTIVE DATE.

The City Commission of St. Augustine Beach, St. Johns County, Florida in regular meeting duly assembled on Monday, December 2, 2019, resolves as follows:

WHEREAS, by the authority created in Chapter 166, Florida Statutes, Section 166.021, and within Section 2 (b), Article VIII, of the Constitution of the State of Florida, municipalities have the governmental, corporate, and proprietary power to conduct municipal government, perform municipal functions, and render municipal services and may exercise any power for municipal purposes, except as expressly prohibited by law; and

WHEREAS, such statutory and constitutional authorization includes the ability to levy a special assessment for the provision of disposal of solid waste within the corporate limits of the City of St. Augustine Beach; and

WHEREAS, Chapter 197, Florida Statutes, Section 197.3632, sets forth the required procedure to be followed by a local government in order to elect the use of the uniform method of levying, collecting, and enforcing non-ad valorem assessments; and
WHEREAS, the City Commission held a public hearing on this Resolution on December 2, 2019, after advertising in The St. Augustine Record for four (4) consecutive weeks on November 1, 2019, November 8, 2019, November 15, 2019, and November 22, 2019, as required by Chapter 197, Florida Statutes, Section 197.3632(3)(a); and

WHEREAS, the City Commission has determined it serves the health, safety, and general welfare of the residents of the City of St. Augustine Beach to utilize the uniform method of collection for non-ad valorem assessments for the provision of disposal of solid waste within the corporate limits; and

WHEREAS, assessment for the provision of disposal of solid waste has been heretofore assessed and collected by St. Johns County, Florida through an interlocal agreement and the City of St. Augustine Beach intends to take over the assessment and no longer defer this power to St. Johns County.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF ST. AUGUSTINE BEACH, FLORIDA, AS FOLLOWS:

Section 1. Intent to Use Uniform Method. The City Commission of the City of St. Augustine Beach intends to use the uniform method for the levy, collection, and enforcement of non-ad valorem assessments for the provision of disposal of solid waste within the corporate limits of the City of St. Augustine Beach, pursuant to Chapter 197, Florida Statutes, Section 197.3632 and 197.3635.

Section 2. Need for Levy. The levy of non-ad valorem assessment for the provision of disposal of solid waste is necessary in order to fund a comprehensive, coordinated, economical, and efficient disposal of solid waste program within the corporate limits of the City of St. Augustine Beach.

Section 3. Legal Description of Area Subject to Levy. The incorporated area of the City of St. Augustine Beach shall be subject to the levy and collection of the non-ad valorem assessment and is legally described in Section 1-2 of Article 1 of the Charter of the City of St. Augustine Beach and in official documents in the possession of the Clerk of the City of St. Augustine Beach. Said legal description is attached hereto and incorporated herein as Exhibit "A."

Section 4. Combined Notice for Ad Valorem Taxes and Non-Ad Valorem Assessments. The non-ad valorem assessment that shall be levied using the uniform method provided for in Chapter 197, Florida Statutes, Section 197.3632, shall be included in the combined notice for ad valorem taxes and non-ad valorem assessments provided for in Chapter 197, Florida Statutes, Section 197.3635.

Section 5. Non-Ad Valorem Assessment Subject to Collection Procedures for Ad Valorem Taxes. The non-ad valorem assessment collected pursuant to Chapter 197, Florida Statutes, Section 197.3632, shall be subject to the collection procedures provided for in Chapters 197, Florida Statutes, for ad valorem taxes and includes discount for early payment, prepayment by installment method, deferred payments, penalty for delinquent payment, and issuance and sale of tax certificates and tax deeds for nonpayment.

Section 6. Public Hearing on Non-Ad Valorem Assessment Roll. The City Commission shall adopt a non-ad valorem assessment roll of the property to be assessed within the corporate limits of the City of St. Augustine Beach at a public hearing held between January 6, 2020, and September 7, 2020.
Section 7. Copy of Resolution. The Clerk of the City of St. Augustine Beach is hereby directed to mail a certified copy of this Resolution by United States mail to the St. Johns County Property Appraiser, the St. Johns County Tax Collector, and the State of Florida Department of Revenue by January 1, 2020.

RESOLVED AND DONE, this 2nd day of December by the City Commission of the City of St. Augustine Beach, St. Johns County, Florida.

Undine C. George, Mayor

ATTEST:

Max Royle, City Manager
MINUTES FROM JULY 6, 2020 MEETING SETTING RATES

I. PUBLIC HEARING CONCERNING THE SETTING OF FEES FOR THE NON-AD VALOREM ASSESSMENT FOR THE COLLECTION AND DISPOSAL OF HOUSEHOLD WASTE, YARD TRASH/SPECIAL WASTE AND RECYCLABLES

Mayor England introduced Item IV and asked Public Works Director Tredik for his report.

1. Introduction and Explanation by Bill Tredik, Public Works Director

Public Works Director Tredik showed a PowerPoint (Exhibit 1) of the history of this item. The current non-ad valorem tax was established in 2012 at $74 per year, which only pays for a portion of the costs. The rest of the costs are paid out the General Fund. In September 2019, the costs were $460 per year. On April 29, 2020, he did a reanalysis of the City costs and found the total rate was $330. He explained that the St. Johns County Tax Collector did not tell the City that the non-ad valorem tax could go into effect in 2021, if the City decides that. He said if the Commission wants to decrease the tax by 2.5% to start the non-ad valorem in 2021, that could be an option. He then stated the corrected costs.

Commissioner George asked if the revenues would be collected this year would that be for FY 20-21 budget. She asked if this would be a one-year acceleration.

Finance Director Douylliez advised yes, that the non-ad valorem taxes would be billed in November 2020.

Commissioner Rumrell had no comments.

Commissioner Samora had no comments.

Vice Mayor Kostka had no comments.

Mayor England explained that the reason for the non-ad valorem tax is to right size our customers by reworking the fees, moving the large scale customers to dumpsters, moving short-term rentals and transient rentals to commercial rates, and reducing the costs from $480 to $330. She advised that the Commission has received and read the emails.

City Clerk Raddatz advised there were only a few and they were mostly about the size of the recyclable containers.

2. Public Comment

Mayor England opened the Public Comments section. The following addressed the Commission:
Nicholas Binder, 232 Big Magnolia Court, St. Augustine Beach, FL, advised that the $74 tax assessment was what the County was asking for in 2012; explained that smaller homes will be paying less ad valorem tax than non-ad valorem tax; renters already have contracted rates will go up in 2021 for an average of $100 for the year; containers fees will eventually increase to $375; and he previously requested a table on ad valorem versus non-ad valorem if costs were going to be increased.

Mayor England closed the Public Comments section and moved on to Item 3.

3. Discussion by the Commission and Setting Rates for Fiscal Year 2021

Mayor England introduced Item 3 and asked the Commission to discuss the rate setting for Fiscal Year 2021.

Commissioner Samora thanked and appreciated the staff for working so hard on this item. He said that this is the correct structure, even if this is not a perfect system. This gets the City closer to paying fees on services that are being provided. The notice covers half the costs this year and will increase each year. A $200,000 home would be assessed approximately $35 a year more in non-ad valorem tax and only is half the costs for the services being provided. He advised that he supports starting the tax in 2021 and not decreasing the non-ad valorem total rate of $178. He commented that one of the reasons why the City is in this situation was because the tax was never changed in eight years, which the City codes says that the fees were to keep up with the services provided.

Mayor England asked Commission if the Commission wants $178 or $165.

Commissioner Rumrell agreed with Commissioner Samora’s comments. He explained that if the City residents were charged for the last eight years the City would not be in the same situation. He advised that he could not quantify how much trash each house puts out and the methodology that staff presented makes more sense than counting the trash. He believes that the City staff can do a more efficient service and at a cheaper rate than Advanced Disposal regarding recycling and will be looking to have the City’s staff do the recycling as well in the future.

Commissioner George opposed to adding a non-ad valorem fee on principle but supports the methodology. Staff has done a lot of good work on this methodology. She commented that the Commission did get some public comments against this going into effect this year because of COVID-19 and the economic hardships.

Vice Mayor Kostka shared Commissioner George and Mr. Binder’s comments. She did not agree that one size fits all with fees and would like this tax to be an ad valorem tax instead of non-ad valorem tax. She was concerned about the economic effect of COVID-19 and would like to cut back the amount for 2021 to $165. She thanked staff for all their hard work.
Mayor England commented that the Commission has worked hard on the methodology and having the commercial fees not being less than residential fees. She explained that the millage rate has not increased in a few years and supports the non-ad valorem tax starting this year and the fee to be $178. She asked staff to investigate creating a procedure for hardship cases.

Finance Director Douylliez advised that there is nothing in the code to allow for hardship cases and that due to HIPPA the Health Department would have to research the claims as they do for the County. She advised that a committee would have to be developed to vote on whether to grant them or not.

Mayor England requested staff to investigate how the County does their hardship cases and report back to the Commission.

**Motion:** to correct an error of the ranges to effect the Commission's intent more accurately. The ranges on the non-ad valorem collections would be a minimum of $75 and maximum of $175, the range of the non-ad valorem disposal would be a minimum of $50 and maximum of $150, and the range of the non-ad valorem recycling would be a minimum of 50 to a maximum of 50. **Moved by** Commissioner Samora, **Seconded by** Mayor England.

Roll Call was as followed:

- Mayor England: Yes
- Vice Mayor Kostka: Yes
- Commissioner George: No
- Commissioner Rumrell: Yes
- Commissioner Samora: Yes

**Motion passed 4 to 1.**

**Motion:** to assess the non-ad valorem taxes as noticed this year in the amount of collection non-ad valorem at $87, disposal non-ad valorem at $67 and recycling non-ad valorem at $24 for a total of $178. **Moved by** Commissioner Samora, **Seconded by** Mayor England.

Roll Call was as followed:

- Mayor England: Yes
- Vice Mayor Kostka: No
- Commissioner George: No
- Commissioner Rumrell: Yes
- Commissioner Samora: Yes

**Motion passed 3 to 2.**