

M E M O R A N D U M

To: Howard Tipton, Town Manager
From: Charles Mopps, Assistant Public Works Director
Report date: March 14, 2025
Meeting date: March 24, 2025
Subject: Canal Navigation Maintenance Program Update

Background

At the January 21, 2025, Regular Workshop, the project team provided a general update on the Canal Navigation Maintenance Program. Included in the update were discussions on progress and effort related to both the Beneficial Use Dredge Material (BUDM) and the programmatic tool development. The focus of the presentation targeted financial development timelines and funding methodologies.

Commission discussion and direction to the Town Manager included:

1. Adjust target implementation to 2026. (No taxes or collections in 2025).
2. Evaluate less complex funding methodologies.
 - a. Interest in the "Ad Valorem only" option.

Display results with an 80/20 (minimum) split between Waterway Access and Non-access properties, respectively.

The Town has continued to engage engineering consultant, First Line Coastal (First Line), to assist staff in completing the directed work. Town staff and the consultants will provide an update for less complex, 80/20 split funding methods including a presentation of the requested "ad valorem only" methodology. The analysis revealed that the "ad valorem only" methodology fails to fairly allocate cost amongst the various benefiting groups.

First Line will present an alternative 80/20 methodology that includes a single waterway access, a non-Ad Valorem district, and a Town-wide Ad Valorem assessment, that is recommended to support simplicity while also promoting fairness.

Next Steps

The following is staff's assessment of next step actions for continued program development:

- Select and advance allocation methodology
- Continue project design, including BUDM efforts
- Continue development and begin (or delay) public outreach.

Staff Recommendation

Staff will be requesting Commission direction regarding the recommended simplified funding method.

Attachments (Available in Town Clerk's Office)

PowerPoint Presentation

End of Agenda Item