

Town Commission Agenda Item Report

Meeting Date: April 8, 2025

Submitted By: Ken Rubach, Deputy Town Manager/Public Works Director, Lucila Lang,

Finance Director

Submitting Department: Administration

Item Type: Ordinance

Agenda Section: ORDINANCES 1st Reading

Subject Title: Ordinance 2025-03: AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," OF THE TOWN'S CODE OF ORDINANCES BY AMENDING ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES"; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

Explanation: Currently, the Town of Lauderdale-By-The-Sea charges sewer rates only to residents served by the Town-owned sewer system, which includes most areas of the Town south of Pine Avenue. The Town transmits its wastewater to Pompano Beach under a Master Sewer Agreement, which covers transmission, treatment, and disposal costs. Those residents who live north of Pine Avenue are billed directly through Pompano Beach because we do not own the sewer system.

The Wastewater Service Agreement between the City of Pompano Beach and the Town of Lauderdale-By-The-Sea includes an annual recalculation of the monthly and volumetric rates. Since FY18, the fixed monthly fee has increased by 90.01% and the volumetric rate has increased by 45.55%. In calendar year 2025, the fixed monthly fee increased by 4% and the volumetric rate increased by 14%. There has been no increase to the Town's sewer rate since 2020, resulting in a deficit of \$183,642.35 in the Sewer Fund for the previous fiscal year.

If sewer rates are not increased, the Sewer Fund will continue to operate at a deficit this year as it did in FY24, further impacting the Town's reserves. The existing sewer system is over 50 years old, and it is crucial to maintain a reasonable fund balance to cover future capital expenses.

Below are the recommended rate increases for this year, along with examples of how the increase will affect single-family residents, multi-family properties, and commercial establishments. It is important to note that these rate changes will not generate a full-year increase, as the Town was notified in November of a Pompano Beach rate increase that took effect January 1. Notices about the proposed increases have been sent out in the residents'

utility bills and, additionally, a postcard has been sent with the proposed increases as well. If the increase is approved, the Town will begin seeing the additional revenue in May 2025.

Service Type	Base Rate	<u>Increase</u>	Proposed Amount		Consumption Rate	<u>Increase</u>	Proposed Amount
Single-Family	\$11.81	\$2.95/25%	\$14.76		\$6.80	\$2.04/30%	\$8.84
Multi-Family	\$4.86	\$3.65/75%	\$8.51	x #units	\$6.80	\$2.04/30%	\$8.84
Commercial	\$11.81	\$2.95/25%	\$14.76	x #units	\$6.80	\$2.04/30%	\$8.84
Customer Service/Admin Charge	\$1.73	\$.43/25%	\$2.16				

Recommendation: Approve First Reading of Ordinance 2025-03 amending the Town code to reflect the new rates and charges for the sanitary sewer system.

Exhibits:

1. Ordinance 2025-03 FY 25 Sewer Rates

1	ORDINANCE 2025-03
2	
3	AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-
4	THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," ARTICLE II, "SANITARY SEWER
5 6	"UTILITIES," ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES," OF
7	THE TOWN'S CODE OF ORDINANCES BY AMENDING TO
8	AMEND/ADOPT REVISIONS TO THE SCHEDULE OF
9	RATES AND CHARGES FOR SANITARY SEWER
10	COLLECTION, TRANSMISSION, AND DISPOSAL
11	SERVICE; PROVIDING FOR CODIFICATION,
12	SEVERABILITY, CONFLICTS, AND AN EFFECTIVE
13	DATE.
14 15	WHEREAS, the Town Commission desires to amend its Code of Ordinances to increase
16	the sanitary sewer rates that are charged to properties connected to the Town's sewer system; and
17	WHEREAS, notice of the proposed increase was provided to each customer through the
18	utility's billing process in compliance with Section 180.136, Florida Statutes, including the date,
19	time, and place of the Town Commission meeting at which the increase was considered; and
20	WHEREAS, the Town Commission desires to amend Chapter 20, "Utilities," Article II,
21	"Sanitary Sewer System," Section 20-19, "Rates and Charges," of the Town Code of Ordinances
22	to increase the sanitary sewer rates as set forth herein; and
23	WHEREAS, the new sewer rates shall be effective commencing the first day of the water
24	service billing cycle that begins in May 2025, provided that the City of Fort Lauderdale is able to
25	timely implement the changes; otherwise, the new sewer rates shall be effective commencing the
26	first day of the water service billing cycle that begins in June 2025; and
27	WHEREAS, the Town Commission finds that this Ordinance is in the best interests of the
28	Town and its residents.
29 30 31	NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AS FOLLOWS:

32	Section 1. Recitals. The foregoing "Whereas" clauses are ratified and incorporated as
33	the legislative intent of this Ordinance
34	Section 2. Amendment. Chapter 20, "Utilities," Article II, "Sanitary Sewer System,"
35	Section 20-19, "Rates and Charges," of the Town Code of Ordinances, is hereby amended to read
36	as follows¹:
37	Sec. 20-19. Rates and Charges.
38	* * *
39	(b) Amounts of rates and charges.
40	(1) Monthly base facility charge per single-family unit:
41	\$11.81 \$14.76 effective 03/2020 05/2025
42	(2) Monthly base facility charge per multi-family unit, including duplexes:
43	\$4.86 <u>\$8.51</u> effective <u>03/2020</u> <u>05/2025</u>
44	(3) Monthly base facility charge per commercial customer:
45	\$11.81 \$14.76 effective 03/2020 05/2025
46	* * *
47	(4) Consumption rate charged per 1,000 gallons of water usage:
48	All customer classes:
49	\$6.80 \$8.84 effective 03/2020 05/2025
50 51	Residential units will not be charged a consumption rate for usage in excess of 10,000 gallons per month.
52	(5) Monthly customer service/administration charge per meter:
53	All customer classes:
54	\$1.73 <u>\$2.16</u> effective <u>03/2020 05/2025</u>
55	* * *
56 57	Section 3. Codification. This Ordinance shall be codified in accordance with the foregoing.
58	It is the intention of the Town Commission that the provisions of this Ordinance shall become and be
59	made a part of the Town of Lauderdale-By-The-Sea Code of Ordinances; and that the sections of this

¹ Additions to existing text are shown in <u>underline</u>. Deletions are shown in strikethrough. Additions to existing text since 1st reading are shown in <u>double underline</u>. Deletions since 1st reading are shown in double strikethrough.

60	Ordinance may be renumbered or re-lettered and the word "ordinance" may be changed to "section"					
61	"article" or such other appropriate word or phrase in order to accomplish such intentions.					
62	Section 4. Severability. If any section, sentence, clause, or phrase of this Ordinance is hel					
63	to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no					
64	way affect the validity of the remaining portions of this Ordinance.					
65	Section 5. Conflicting Ordinances. All prior ordinances or resolutions or parts thereof in					
66	conflict herewith are hereby repealed to the extent of such conflict.					
67	Section 6. Effective Date. This Ordinance shall become effective upon adoption o					
68	second reading, and the new sewer rates shall be effective commencing the first day of the water					
69	service billing cycle that begins in May 2025, provided that the City of Fort Lauderdale is able to					
70	timely implement the changes; otherwise, the new sewer rates shall be effective commencing the					
71	first day of the water service billing cycle that begins in June 2025.					
72	Passed on the first reading, this day of, 2025.					
73	Passed on the second reading, this day of, 2025.					
74 75 76 77 78 79 80	MAYOR EDMUND MALKOON					
81 82						
82 83 84 85 86 87 88 89	First Reading Second Reading Mayor Malkoon Vice-Mayor Strauss Commissioner Poulopoulos Commissioner Denapoli Commissioner Graziano					
91	ATTEST:					

92	
93	
94	
95	Town Clerk Katrina Adler
96	
97	(CORPORATE SEAL)
98	
99	
100	APPROVED AS TO FORM:
101	
102	
103	
104	Susan L. Trevarthen, Town Attorney