



City Commission Agenda Cover Memorandum

Originating Department: Public Utilities (PU)	Meeting Type: Regular Agenda Date: 08/31/2015	Advertised: Required?: <input type="radio"/> Yes <input checked="" type="radio"/> No	ACM#: 20497
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Subject:

Resolution No. 270-15 establishing rates for bulk/wholesale water and wastewater services.

Ordinance/Resolution:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, ESTABLISHING RATES FOR BULK / WHOLESALE WATER AND WASTEWATER SERVICE; AMENDING AND REPLACING RESOLUTION NO. 245-10; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Staff Recommended Motion:

Approve Resolution No. 270-15.

Background:

On June 28, 2010, the City Commission approved Resolution No. 245-10 establishing bulk/wholesale water and wastewater rates for the City of West Palm Beach. Those rates were a result of a bulk/wholesale rate analysis performed by the City's rate consultant Public Resources Management Group, Inc. (PRMG) completed in March of 2010. The Public Utilities Department recently had PRMG update the bulk/wholesale rate analysis. This update was completed in June of 2015. This Resolution No. 270-15 establishes the updated bulk/wholesale rates in accordance with the new study and replaces the prior rate Resolution No: 245-10 which provided for individual agreements.

The City presently has only two bulk/wholesale customers. Palm Beach County purchases bulk/wholesale water for the purpose of providing water to their retail customers in Bayhill Estates off of Northlake Blvd. and the Solid Waste Authority purchases bulk/wholesale water for use by their pelletizer facility. The changes in the bulk/wholesale rates from 2010 to 2015 will not materially change the total revenue received from these two customers. The current revenue received from these two customers is approximately \$460,000.00 per year.

Fiscal Note

Current Year: \$460,000.00	Annualized: \$460,000.00	Budgeted: Fully Budgeted	Unbudgeted:	Funding Source: Other: Water & Sewer Operating Fund (450 Fund).
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Comment: The revenue generated by the new rates will be approximately equal the revenue received in FY 2014/2015.

Electronic Attachments: [Click here for assistance with naming convention.](#)

Is this ACM related to a **Grant**? Yes No

Is this ACM related to **Housing**? Yes No

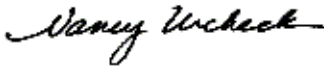
Originating Department - Approved by: Richard Williams on 08/18/2015



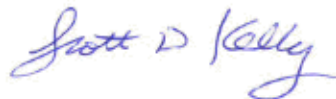
08/18/2015 Finance Department



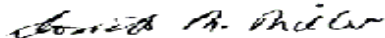
08/18/2015 City Attorney's Department



08/18/2015 Asst. City Administrator



08/18/2015 City Administrator



[Return to Agenda](#)

RESOLUTION NO. 270-15

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, ESTABLISHING RATES FOR BULK / WHOLESALE WATER AND WASTEWATER SERVICE; AMENDING AND REPLACING RESOLUTION NO. 245-10; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, Chapter 90, Section 2 of the Code of Ordinances of the City of West Palm Beach, Florida, provides that the City Commission may establish by resolution reasonable fees and charges to be charged to the consumers of the water and wastewater services based on the cost of providing such services; and

WHEREAS, the City Commission last established service fees for bulk/wholesale water and wastewater service by Resolution No. 245-10; and

WHEREAS, the Public Utilities Department utilized the services of Public Resources Management Group, Inc., to update the 2009 study of the City's bulk / wholesale water and wastewater rates and fees and the cost of providing such services. The updated study was completed as of June 2015; and

WHEREAS, based on such study, the City Commission of the City of West Palm Beach desires to amend its bulk / wholesale water and wastewater rates and fees;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF WEST PALM BEACH, FLORIDA, that:

SECTION 1: Bulk/wholesale water and wastewater service shall, except as otherwise provided in this Resolution, be billed per one thousand gallons of usage at the following rates:

Bulk / wholesale Water service	\$3.81 per 1,000 gallons
Bulk / wholesale Waste water service	\$3.43 per 1,000 gallons

SECTION 2: The rates in this Resolution shall apply for bulk/wholesale water and wastewater service, except as otherwise negotiated and provided in an Interlocal Agreement duly approved by the City Commission and executed by the City.

SECTION 3: This Resolution shall amend and replace Resolution No. 245-10 as of the effective date of this Resolution No. 270-15 and shall thereafter govern and control the rates for bulk/wholesale water and wastewater service.

SECTION 4: This Resolution shall take effect October 1, 2015.

RESOLUTION NO. 270-15