



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#: 20498
---	--	--	------------------------------

Subject:

Resolution No. 271-15 deferring the rate increase in Water, Wastewater and Stormwater Fees for one (1) year.

Ordinance/Resolution:

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, DEFERRING THE RATE INCREASE FOR WATER AND WASTEWATER FEES ESTABLISHED BY RESOLUTION NO. 327-13; DELAYING THE RATE INCREASE FOR STORMWATER SERVICE FEES ESTABLISHED BY RESOLUTION NO. 328-13; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

Staff Recommended Motion:

Approve Resolution No. 271-15.

Background:

The current rate resolutions for water and wastewater fees and stormwater service fees are Resolutions No. 327-13 and Resolution No. 328-13, respectively, and were approved by the City Commission on December 9, 2013. Each of these Resolutions has a provision that on each October 1st, beginning on October 1st, 2014, rates would be automatically increased by 2.5% for water, 4.0% for wastewater (except for deposits, capacity charges, late payment fees, returned item fees and Section 13 reimbursement fees) and 3.0% for stormwater. Rate increases for FY2015 were delayed by the City Commission on September 29, 2014 by Resolution No. 236-14.

The City desires to delay the scheduled rate increases for an additional year while a capital plan for Public Utilities is to be determined, and evaluation of the rates to support such capital plan will then need to be performed.

Public Utilities staff and its rate consultant have determined that a delay in implementing rate increases until no later than October 1, 2016 will not affect the Utilities' ability to maintain its required Debt Service Coverage for FY 2015/2016. Staff is recommending that the automatic increases be delayed for one (1) additional year.

Fiscal Note

Current Year: Annualized: Budgeted: Unbudgeted: Funding Source:

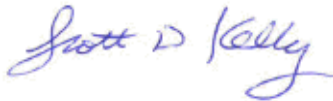
Comment: Because the automatic increases were not used to project the FY 2016 budget and debt service coverage, no adverse financial impact on the water & sewer and stormwater enterprise funds will occur.

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

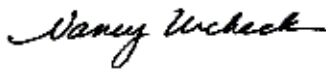
Originating Department - Approved by: Scott D Kelly on 08/18/2015



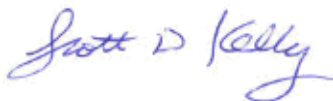
08/18/2015 Finance Department



08/18/2015 City Attorney's Department



08/18/2015 Asst. City Administrator



08/18/2015 City Administrator



[Return to Agenda](#)

RESOLUTION NO. 271-15

A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF WEST PALM BEACH, FLORIDA, DEFERRING THE RATE INCREASE FOR WATER AND WASTEWATER FEES ESTABLISHED BY RESOLUTION NO. 327-13; DEFERRING THE RATE INCREASE FOR STORMWATER SERVICE FEES ESTABLISHED BY RESOLUTION NO. 328-13; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, Resolution No. 327-13 established the current Water and Wastewater fees and charges for these utility systems, and remains in effect; and

WHEREAS, pursuant to Section 20 of Resolution No. 327-13, the rates and fees established by the Resolution will increase by two and one-half percent (2.5%) for water, and four percent (4%) for wastewater as of October 1, 2015 (except System Capacity Charges, Late Payment Fees, Deposits, and Returned Item Fees); and

WHEREAS, Resolution No. 328-13 established the Stormwater Management Service fees and charges, and remains in effect; and

WHEREAS, pursuant to Section 4 of Resolution No. 328-13, the stormwater utility rates established by the Resolution will increase by increased by three percent (3 %) as of October 1, 2015; and

WHEREAS, the City desires to defer the scheduled rate increases while a capital plan for Public Utilities is to be determined and evaluation of the rates to support such capital plan will then need to be performed;

WHEREAS, Public Utilities staff and its rate consultant have determined that a delay in implementing rate increases until no later than October 1, 2016 will not affect the Utilities' ability to maintain its required Debt Service Coverage for FY 2015/2016.

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

SECTION 1: The City Commission of the City of West Palm Beach, Florida hereby amends Resolution No. 327-13 to provide that the water and wastewater rate increases scheduled to be effective October 1, 2015, shall be deferred until October 1, 2016.

SECTION 2: The City Commission of the City of West Palm Beach, Florida hereby amends Resolution No. 328-13 to provide that the stormwater rate increases scheduled to be effective October 1, 2015, shall be deferred until October 1, 2016.

RESOLUTION NO. 271-15

SECTION 3: Except as temporarily amended by this Resolution, Resolution No. 327-13 and Resolution No. 328-13 shall remain in force and effect. All future scheduled rate increases shall occur as provided in these Resolutions, unless further action is taken by the City Commission.

SECTION 4: This Resolution shall take effect as provided by law.