

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Jimmy L. Morales, City Manager
DATE: October 18, 2017

10:45 a.m. Second Reading Public Hearing

SUBJECT: AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING THE CODE OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING ARTICLE IV - FEES, CHARGES, RATES AND BILLING PROCEDURE; DIVISION 1 - GENERALLY; SEC. 110-171 - RATE INDEXING; AND "APPENDIX A - FEE SCHEDULE" TO AMEND THE STORMWATER FEE SCHEDULE TO INCLUDE AN ADJUSTMENT FOR CONSUMER PRICE INDEX (CPI); PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

RECOMMENDATION

The Administration recommends approving the Ordinance

ANALYSIS

The City of Miami Beach has the authority to enact laws which promote the public health, safety and general welfare of its citizens. Furthermore, its City Code of Ordinances contains fees for stormwater, and other services to cover the costs of implementing these regulations.

To allow for the cost of inflation in calculating the stormwater fee so that the City's program does not become deficient, and to ensure rate stabilization consistent with the cost of providing service to properly fund the City's Stormwater Management program, the Administration seeks to amend Chapter 110, Section 110-171, and Appendix A, "Fee Schedule," to codify an annual fee increase according to the Consumer Price Index (CPI).

The proposed change to the stormwater fee was discussed at the July 28, 2017 Finance and Citywide Projects Committee at which time the Committee recommended approval of the proposed CPI amendment. At its September 13, 2017 meeting, the City Commission read the Ordinance title into the record and recommended moving forward with a Second Reading Public Hearing.

The amendments set forth below are necessary to accomplish these objectives.

SECTION 1. Chapter 110, entitled "Utilities," Article IV entitled "Fees, Charges, Rates And Billing Procedure", Division 1, entitled "Generally," at Section 110-171, entitled "Rate Indexing," of the Code of the City of Miami Beach is hereby amended as follows:

CHAPTER 110
UTILITIES
ARTICLE IV. - FEES, CHARGES, RATES AND BILLING PROCEDURE[2]

DIVISION 1. - GENERALLY

Sec. 110-171. – Rate indexing.

(a) Water and sewer rates. Except as otherwise provided in this subsection, the monthly user rates established in subsections 110-167(a) for the water system and 110-168(a) for the sanitary sewer system (collectively, the "Applicable Rates") as shown on Attachment Schedule A and as may be further adjusted automatically in the future by implementation of the provisions of this section and which are then in effect shall be increased by the City each year by applying the price index factor established for that year in accordance with this subsection (the "Price Index Factor") to the then Applicable Rates to offset the effects of inflation on the cost of operating and maintaining the system. The Rate Index shall never be less than 0.0%. All Applicable Rates so adjusted (the "Indexed Rates") shall be implemented by the City.

* * *

(b) Stormwater rates. Except as otherwise provided in this subsection, the monthly user rates established in section 110-109 for the stormwater system as shown on Schedule A and as may be further adjusted automatically in the future by implementation of the provisions of this section and which are then in effect shall be increased by the City each year by applying the Consumer Price Index (CPI) established for that year in accordance with the CPI, as defined below, to the then stormwater rate to offset the effects of inflation on the cost of operating and maintaining the system. The CPI shall never be less than 0.0%.

The Consumer Price Index (CPI)- All Urban Consumers. Miami-Fort Lauderdale, as published by Bureau of Labor Statistics as reported for the month of April of the current year compared to the index reported for the immediately preceding month of April. By way of example, the CPI published by Bureau of Labor Statistics - All Urban Consumers, Miami-Fort Lauderdale, as of April 2017, is 2.8 percent.

* * *

SECTION 2. Appendix A, entitled "Fee Schedule", of the Code of the City of Miami Beach is hereby amended as follows:

APPENDIX A - FEE SCHEDULE
FEE SCHEDULE

This appendix includes all fees and charges established by the City Commission that are referred to in the indicated sections of the Code of Ordinances:

* * *

110-109(c)

Stormwater utility service charge effective with billings on or after the following dates shall be as follows:

October 1, 2000	\$3.25	
October 1, 2001	\$4.00	
October 1, 2002	\$5.50	
October 1, 2003	\$5.80	
October 1, 2004	\$5.80	
October 1, 2005	\$5.80	
October 1, 2008	\$7.42	
October 1, 2009	\$9.06	
October 1, 2014	\$16.67	
October 1, 2016	\$22.67	
October 1, 2017	\$22.67	plus CPI (Consumer Price Index pursuant to Sec. 110-171(b)).

Article IV. Fees, Charges, Rates and Billing Procedure Division 2. Rates,
Fees and Charges 110-166(a) Minimum service charge:

SECTION 3. REPEALER.

All ordinances or parts of ordinances and all section and parts of sections in conflict herewith be and the same are hereby repealed.

SECTION 4. CODIFICATION.

It is the intention of the City Commission, and it is hereby ordained that the provisions of this ordinance shall become and be made part of the Code of the City of Miami Beach as amended; that the sections of this ordinance may be renumbered or relettered to accomplish such intention; and that the word "ordinance" may be changed to "section" or other appropriate word.

SECTION 5. SEVERABILITY.

If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

SECTION 6. EFFECTIVE DATE.

This Ordinance shall take effect ten days following adoption.

CONCLUSION

The Administration recommends approving the Ordinance on Second Reading Public Hearing

Legislative Tracking

Public Works

Sponsor

Vice-Mayor Ricky Arriola and Co-sponsored by Commissioner John Elizabeth Aleman

ATTACHMENTS:

Description

- Form approved Ordinance

Stormwater Rate Ordinance

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING THE CODE OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING ARTICLE IV. - FEES, CHARGES, RATES AND BILLING PROCEDURE; DIVISION 1. – GENERALLY; SEC. 110-171. – RATE INDEXING; AND “APPENDIX A – FEE SCHEDULE” TO AMEND THE STORMWATER FEE SCHEDULE TO INCLUDE AN ADJUSTMENT FOR CONSUMER PRICE INDEX (CPI); PROVIDING FOR REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

WHEREAS, the City of Miami Beach has the authority to enact laws which promote the public health, safety and general welfare of its citizens; and

WHEREAS, the City Code of Ordinances contains fees for stormwater, and other services to cover the costs of implementing the regulations contained therein; and

WHEREAS, to properly fund the City's stormwater management program, the City seeks to amend Chapter 110, Section 110-171, and Appendix A, "Fee Schedule," to codify the Consumer Price Index (CPI), to allow for the cost of inflation in calculating the stormwater fee so that the City's program does not become deficient, and to ensure rate stabilization consistent with the cost of providing service; and

WHEREAS, the proposed change to the stormwater fee went to the July 28, 2017 Finance and Citywide Projects Committee at which time the Committee recommended approval of the proposed CPI amendment; and

WHEREAS, the amendments set forth below are necessary to accomplish the above objectives.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA:

SECTION 1. Chapter 110, entitled "Utilities," Article IV entitled "Fees, Charges, Rates And Billing Procedure", Division 1, entitled "Generally," at Section 110-171, entitled "Rate Indexing," of the Code of the City of Miami Beach is hereby amended as follows:

**CHAPTER 110
UTILITIES**

ARTICLE IV. - FEES, CHARGES, RATES AND BILLING PROCEDURE

DIVISION 1. - GENERALLY

Sec. 110-171. – Rate indexing.

(a) Water and sewer rates. Except as otherwise provided in this subsection, the monthly user rates established in subsections 110-167(a) for the water system and 110-168(a) for the sanitary sewer system (collectively, the "Applicable Rates") as shown on Attachment Schedule A and as may be further adjusted automatically in the future by implementation of the provisions of this section and

which are then in effect shall be increased by the City each year by applying the price index factor established for that year in accordance with this subsection (the "Price Index Factor") to the then Applicable Rates to offset the effects of inflation on the cost of operating and maintaining the system. The Rate Index shall never be less than 0.0%. All Applicable Rates so adjusted (the "Indexed Rates") shall be implemented by the City.

* * *

(b) Stormwater rates. Except as otherwise provided in this subsection, the monthly user rates established in section 110-109 for the stormwater system as shown on Schedule A and as may be further adjusted automatically in the future by implementation of the provisions of this section and which are then in effect shall be increased by the City each year by applying the Consumer Price Index (CPI) established for that year in accordance with the CPI, as defined below, to the then stormwater rate to offset the effects of inflation on the cost of operating and maintaining the system. The CPI shall never be less than 0.0%.

The Consumer Price Index (CPI)- All Urban Consumers, Miami-Fort Lauderdale, as published by Bureau of Labor Statistics as reported for the month of April of the current year compared to the index reported for the immediately preceding month of April. By way of example, the CPI published by Bureau of Labor Statistics - All Urban Consumers, Miami-Fort Lauderdale, as of April 2017, is 2.8 percent.

* * *

SECTION 2. Appendix A, entitled "Fee Schedule," of the Code of the City of Miami Beach is hereby amended as follows:

APPENDIX A - FEE SCHEDULE

FEE SCHEDULE

This appendix includes all fees and charges established by the City Commission that are referred to in the indicated sections of the Code of Ordinances:

* * *

110-109(c)	Stormwater utility service charge effective with billings on or after the following dates shall be as follows:	Amount of Fee
	October 1, 2000	3.25
	October 1, 2001	4.00
	October 1, 2002	5.50
	October 1, 2003	5.80
	October 1, 2004	5.80
	October 1, 2005	5.80
	October 1, 2008	7.42
	October 1, 2009	9.06
	October 1, 2014	16.67

	October 1, 2016	22.67
	<u>October 1, 2017</u>	<u>\$22.67, plus CPI (Consumer Price Index pursuant to Sec. 110- 171(b)).</u>
	* * *	*

SECTION 3. REPEALER.

All ordinances or parts of ordinances and all section and parts of sections in conflict herewith be and the same are hereby repealed.

SECTION 4. CODIFICATION.

It is the intention of the City Commission, and it is hereby ordained that the provisions of this ordinance shall become and be made part of the Code of the City of Miami Beach as amended; that the sections of this ordinance may be renumbered or relettered to accomplish such intention; and that the word "ordinance" may be changed to "section" or other appropriate word.

SECTION 5. SEVERABILITY.

If any section, subsection, clause or provision of this Ordinance is held invalid, the remainder shall not be affected by such invalidity.

SECTION 6. EFFECTIVE DATE.

This Ordinance shall take effect ten days following adoption.

PASSED and ADOPTED this _____ day of September, 2017.

ATTEST:

Philip Levine, Mayor

Rafael E. Granado, City Clerk

APPROVED AS TO
FORM AND LANGUAGE
& FOR EXECUTION

[Signature] _____ 8/29/17
City Attorney Date

First Reading: _____, 2017

Second Reading: _____, 2017

Underscore denotes new language

~~Strikethrough~~ denotes deleted language

[Sponsored by Vice Mayor Ricky Arriola]