



Town Commission Agenda Item Report

Meeting Date: December 9, 2025

Submitted By: Lucila Lang, Finance Director

Submitting Department: Finance

Item Type: Ordinance

Agenda Section: ORDINANCES 1st Reading

Subject Title: ORDINANCE 2025-05: AN ORDINANCE OF THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES," OF THE TOWN'S CODE OF ORDINANCES BY AMENDING TO AMEND/ADOPT REVISIONS TO THE SCHEDULE OF RATES AND CHARGES FOR SANITARY SEWER COLLECTION, TRANSMISSION, AND DISPOSAL SERVICE; PROVIDING FOR CODIFICATION, SEVERABILITY, CONFLICTS, AND AN EFFECTIVE DATE.

Explanation: Currently, the Town of Lauderdale-By-The-Sea sewer rates are charged only to those residents that are served by the Town-owned sewer system (roughly all areas of Town south of Pine Ave). The Town transmits its wastewater to Pompano Beach, and we have a Master Sewer Agreement with them under which we are charged for transmission, treatment and disposal of the wastewater we send them.

The Wastewater Service Agreement between the City of Pompano Beach and the Town of Lauderdale-By-The-Sea stipulates an annual recalculation of the monthly and volumetric rates. For calendar year 2026, we experienced increases of 2.2% to the monthly fixed fee and 4.3% to the volumetric rate.

Without an increase to the Town's sewer rates, the Sewer Fund will operate at a deficit this year as it did in FY24 and will continue to negatively impact reserves. The existing sewer system is over 50 years old, and the Town needs to keep a reasonable fund balance for significant capital expenses.

Below you will find the recommended rate increases for this year and examples of the effect that the increase will have on a single-family resident, multi-family and commercial properties. It is important to keep in mind that this change in rates does not yield the benefit of a full year of rate increases, as the Town was notified in November of a rate increase effective January 1. The Town will begin seeing the additional revenue within 60 days of passage of the 2nd reading of the ordinance.

This increase will allow us to keep up with expenses as well as continue capital improvements to the system. Last fiscal year, staff only expended 23% (approximately \$48k) of the amount budgeted (\$200k) for this purpose in order to keep costs in line. While a year or two of deferred maintenance isn't detrimental to the system, we want to ensure that this is not a common occurrence going forward.

<u>Service</u>	<u>Base Rate</u>	<u>% Increase</u>	<u>\$ Increase</u>	<u>New Rate</u>	<u>Consumption Rate</u>	<u>% Increase</u>	<u>\$ Increase</u>	<u>New Rate</u>
Single Family	\$14.76	6%	\$0.89	\$15.65	\$8.84	6%	\$0.53	\$9.37
Multi-Family	\$ 8.51	6%	\$0.51	\$ 9.02	\$8.84	6%	\$0.53	\$9.37
Commercial	\$14.76	6%	\$0.89	\$15.65	\$8.84	6%	\$0.53	\$9.37
Customer Service/Administrative Charge	\$ 2.16	6%	\$0.13	\$ 2.29				

SINGLE FAMILY HOME	
Based on consumption of 9,000 gallons for the month:	
Current Charges:	\$ 96.48
New charges with 6% increase:	\$102.27
Impact of Increase:	\$ 5.79
MULTI FAMILY-34 Units	
Based on consumption of 270,000 gallons for the month:	
Current Charges:	\$2,678.30
New charges with 6% increase:	\$2,839.00
Impact of Increase:	\$ 160.70
COMMERCIAL PROPERTY-11 Units	
Based on consumption of 85,000 gallons for the month:	
Current Charges:	\$ 915.92
New charges with 6% increase:	\$ 970.88
Impact of Increase:	\$ 54.96

Recommendation: Approve First Reading of Ordinance 2025-05 amending the Town code to reflect the new rates and charges for the sanitary sewer system.

Exhibits:

1. Ordinance 2025-05 Sewer Rates Updated

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WHEREAS, the Town Commission desires to amend its Code of Ordinances to increase the sanitary sewer rates that are charged to properties connected to the Town’s sewer system; and

WHEREAS, the new sewer rates shall be effective commencing the first day of the water service billing cycle that begins in February 2026, provided that the City of Fort Lauderdale is able to timely implement the changes; otherwise, the new sewer rates shall be effective commencing the first day of the water service billing cycle that begins in March 2026.

Section 1. Recitals. The foregoing “Whereas” clauses are ratified and incorporated as the legislative intent of this Ordinance

Sec. 20-19. Rates and Charges.

(b) *Amounts of rates and charges.*

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(1) *Monthly base facility charge per single-family unit:*

~~\$14.76~~ \$15.65 effective ~~05/2025~~. 02/2026.

(2) *Monthly base facility charge per multi-family unit, including duplexes:*

~~\$8.51~~ \$9.02 effective ~~05/2025~~. 02/2026.

(3) *Monthly base facility charge per commercial customer:*

~~\$14.76~~ \$15.65 effective ~~05/2025~~. 02/2026.

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(4) *Consumption rate charged per 1,000 gallons of water usage:*

All customer classes:

~~\$8.84~~ \$9.37 effective ~~05/2025~~. 02/2026.

Residential units will not be charged a consumption rate for usage in excess of 10,000 gallons per month.

(5) *Monthly customer service/administration charge per meter:*

All customer classes:

~~\$2.16~~ \$2.29 effective ~~05/2025~~. 02/2026.

* * *

Section 3. Codification. This Ordinance shall be codified in accordance with the foregoing.

It is the intention of the Town Commission that the provisions of this Ordinance shall become and be made a part of the Town of Lauderdale-By-The-Sea Code of Ordinances; and that the sections of this Ordinance may be renumbered or re-lettered and the word “ordinance” may be changed to “section”, “article” or such other appropriate word or phrase in order to accomplish such intentions.

Section 4. Severability. If any section, sentence, clause, or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Ordinance.

Section 5. Conflicting Ordinances. All prior ordinances or resolutions or parts thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 6. Effective Date. This Ordinance shall become effective upon adoption on second reading, and the new sewer rates shall be effective commencing the first day of the water

service billing cycle that begins in February, 2026, provided that the City of Fort Lauderdale is able to timely implement the changes; otherwise, the new sewer rates shall be effective commencing the first day of the water service billing cycle that begins in March, 2026.

Passed on the first reading, this ____ day of _____, 2025.

Passed on the second reading, this ____ day of _____, 2026.

MAYOR EDMUND MALKOON

	First Reading	Second Reading
Mayor Malkoon	_____	_____
Vice-Mayor Strauss	_____	_____
Commissioner Pouloupoulos	_____	_____
Commissioner Denapoli	_____	_____
Commissioner Graziano	_____	_____

ATTEST:

Acting Town Clerk, Courtney Easley

(CORPORATE SEAL)

APPROVED AS TO FORM:

Susan L. Trevarthen, Town Attorney