Title: Ordinance No. 2026-10 Amending Chapter 30, Section 30.18, Wastewater Treatment Rates and Fees (Public Works)

Meeting Date: May 11, 2026

Section: Ordinances/1st Read

Contact: Marjorie Briones, Michelle Rhoades

District: ALL

Fiscal Impact: Fiscal Impact Statement Attached

Summary: Ordinance No. 2026-10 will revise residential and commercial wastewater rates and fees to ensure adequate and sustainable funding for the City's sanitary sewer system. The City has completed a comprehensive Wastewater Utility Rate Study which concluded the operating costs for the City's sanitary sewer system have increased by 102% since fiscal year 2009, and the current rates are not keeping up with inflation.

The updated rates are designed to serve the public health, safety and welfare by supporting essential services including operations, maintenance, capital improvements, renewals and replacement. Rates are set in accordance with industry standards and cost-of-service methodologies to equitably distribute costs among customers while minimizing administrative burden. If adopted, the revised rates will generate a dedicated revenue stream sufficient to meet the programs current and long-term operational and capital needs.

Recommended Action: Approve Ordinance No. 2026-10 on first reading and request Mayor and City Clerk present the draft ordinance for second reading and public hearing at the next regular City Council meeting.

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ORLANDO, FLORIDA, RELATING TO REGULATION OF SEWER USE; AMENDING CHAPTER 30, ENTITLED REGULATION OF SEWER USE AND RATES, TO REVISE WASTEWATER TREATMENT RATES AND FEES; PROVIDING FOR SEVERABILITY, CODIFICATION, CORRECTION OF SCRIVENER'S ERRORS, AND AN EFFECTIVE DATE.

WHEREAS, Chapter 30 of the Orlando City Code provides for the regulation of sewer use and rates in the City of Orlando ("City"), including the establishment of rates, fees and charges to be paid for the use of the City's sewer system; and

WHEREAS, the City has an obligation to adequately plan and provide efficient, environmentally acceptable sanitary sewer system; and

WHEREAS, the City has completed a comprehensive Wastewater Utility Rate Study ("Rate Study"); and

WHEREAS, the Rate Study concluded the operating costs for the City's sanitary sewer system have increased by 102% since fiscal year 2009, and the current residential and commercial sewer system rates are not keeping up with inflation; and

WHEREAS, in addition to the applicable wastewater treatment rates and fees, the City currently imposes a twenty-five percent (25%) surcharge on customers located outside the corporate limits of the City. In accordance with the 2026 amendments to Chapter 180, *Florida Statutes*, such surcharge shall cease on July 1, 2029; and

WHEREAS, the City has determined it is necessary to revise the wastewater treatment rates and fees for each dwelling unit, business establishment, church, hospital and every other type of private or public building, structure or activity producing wastewater or wastes; and

WHEREAS, the Orlando City Council hereby finds and declares that this ordinance is in the best interest of the public health, safety, and welfare.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF ORLANDO, FLORIDA:

CHAPTER 30, AMENDED. Chapter 30, Regulation of Sewer Use and Rates, is hereby amended as follows:

Chapter 30 – REGULATION OF SEWER USE AND RATES

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Sec. 30.18. Wastewater Treatment Rates and Fees.

1. *General.* A uniform schedule of rates has been established for the use of the services and facilities of the municipal sanitary sewer system by each dwelling unit, business establishment, church, hospital and every other type of private or public building, structure or activity producing wastewater or wastes. Effective starting on ~~October 1, 2009~~ October 1, 2026 through September 30, 2030, the monthly rates

CODING: Words ~~stricken~~ are deletions; words underlined are additions; **** denote omitted text.

for users of the City's sanitary sewer system are detailed in the remainder of this section.

2. *Rates within City Limits.*

(a) Living Quarters:

(i) Single-Family Living Units*

~~$3.28~~$6.77 per 1,000 gallons of metered water up to a maximum of ~~$45.92~~$94.78 for 14,000 gallons, plus a capacity charge of ~~$13.62~~$28.03, resulting in a total maximum of ~~$59.54~~$122.81.

Effective Date	**Oct 1, 2027**	**Oct 1, 2028**	**Oct 1, 2029**
Rate Adjustments	9.50%	9.50%	7.5%
Base Fee (Capacity Charge)	$30.69	$33.61	$36.13
Usage Fee (Commodity Charge) per 1,000 gallons (up to 14,000 gallons)	$7.41	$8.11	$8.72
Total Maximum Bill	$134.43	$147.15	$158.21

(ii) Multiple-Family Living Units**

(a) Efficiency and One Bedroom Units

~~$27.40~~$50.20 flat rate per unit if certified by property owner. This rate will take effect only after certification by the property owner and there will be no retroactivity credit. Rate is comprised of ~~$3.28~~$6.77 per 1,000 gallons for ~~4,200~~3,275 gallons, plus a capacity charge of ~~$13.62~~$28.03.

Effective Date	**Oct 1, 2027**	**Oct 1, 2028**	**Oct 1, 2029**
Rate Adjustments	9.50%	9.50%	7.5%
Flat Fee (Per Unit) (Assumes 3,275 Gallons)	$54.96	$60.17	$64.69

(b) Two or More Bedrooms

~~$33.30~~$61.03 flat rate per unit. Rate is comprised of ~~$3.28~~$6.77 per 1,000 gallons for ~~6,000~~4,875 gallons, plus a capacity charge of ~~$13.62~~$28.03.

Effective Date	**Oct 1, 2027**	**Oct 1, 2028**	**Oct 1, 2029**
Rate Adjustments	9.50%	9.50%	7.5%

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Flat Fee (Per Unit) (Assumes 4,875 Gallons)	$66.81	$73.15	$78.64

(iii) Multiple-Family Living Units***

~~$3.28~~$6.77 per 1,000 gallons of metered water with no cap on usage, plus a capacity charge of ~~$13.62~~$28.03 for each ERC or portion thereof rounded to the nearest 0.1 unit.

Effective Date	**Oct 1, 2027**	**Oct 1, 2028**	**Oct 1, 2029**
Rate Adjustments	9.50%	9.50%	7.5%
Base Fee (Capacity Charge)	$30.69	$33.61	$36.13
Usage Fee (Commodity Charge) per 1,000 gallons (No Cap)	$7.41	$8.11	$8.72

(b) Commercial, Institutional, Churches and Others

~~$3.28~~$6.77 per 1,000 gallons of metered water with no cap on usage, plus a capacity charge of ~~$13.62~~$28.03 ~~for each ERC or portion thereof rounded to the nearest 0.1 unit~~. Capacity charge for each ERC or portion thereof, rounded to the nearest 0.1 unit.

Effective Date	**Oct 1, 2027**	**Oct 1, 2028**	**Oct 1, 2029**
Rate Adjustments	9.50%	9.50%	7.5%
Base Fee (Capacity Charge)	$30.69	$33.61	$36.13
Usage Fee (Commodity Charge) per 1,000 gallons (No Cap)	$7.41	$8.11	$8.72

* All classifications if served by an individual water meter, including single-family dwellings, apartments, condominiums, town houses, mobile homes, etc.
** All classifications if served by a common water meter including apartments, condominiums, townhouses, mobile homes, etc.
*** Master meter.

3. *Rates in Unincorporated Areas.* ~~The rate schedule in (2) above shall not preclude the City Council from assessing a higher sewer service charge for users outside the corporate limits of the City, provided that such service charges comply with applicable State laws and regulations.~~ Customers located outside the corporate limits of the City shall be charged the rates set forth above in the applicable rate schedule within Section 30.18.2, plus a twenty-five percent (25%) surcharge. The twenty-five percent (25%) surcharge shall cease on July 1, 2029.
~~(a) Living Quarters:~~
~~(i) Single-Family Living Units*~~

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~~$4.10 per 1,000 gallons of metered water with a maximum of $57.40 for 14,000 gallons, plus a capacity charge of $17.02, resulting in a total maximum of $74.42.~~

~~(ii) Multiple-Family Living Units**~~

~~(a) Efficiency or One Bedroom Units~~

~~$34.24 flat rate per unit if certified by property owner. This rate will take effect only after certification by the property owner and there will be no retroactivity credit. Rate is comprised of $4.10 per 1,000 gallons for 4,200 gallons, plus a capacity charge of $17.02.~~

~~(b) Two or More Bedroom Units~~

~~$41.62 flat rate per unit. Rate is comprised of $4.10 per 1,000 gallons for 6,000 gallons, plus a capacity charge of $17.02.~~

~~(c) Multiple-Family Living Units***~~

~~$4.10 per 1,000 gallons of metered water with no cap on usage, plus a capacity charge of $17.02 for each ERC or portion thereof, rounded to the nearest 0.1 unit.~~

~~* All classifications if served by an individual water meter, including single-family dwellings, apartments, condominiums, townhouses, mobile homes, etc.~~

~~** All classifications if served by a common water meter including apartments, condominiums, townhouses, mobile homes, etc.~~

~~*** Master meter~~

~~(b) Commercial, Institutional, Churches and Others~~

~~$4.10 per 1,000 gallons of metered water with no cap on usage, plus a capacity charge of $17.02 for each ERC or portion thereof, rounded to the nearest 0.1 unit.~~

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12. *Other Miscellaneous Provisions.*

(a) It shall be unlawful for any person to tap, cut or in any way use any building sewer, other public sewer or part of the sanitary sewerage system or utility, without a written permit issued by the Director of Public Works and without the payment of all rates and charges required by the City for the use of such utility.

(b) Billing for sewer services as specified in this Chapter, shall be accomplished in such manner as the City Council shall from time to time arrange and determine.

(c) Billing for surcharges or credit reductions for abnormal strength compatible wastes, as provided by this Chapter, shall be computed and processed by the Director of Public Works, and coordinated through the Chief Financial Officer.

(d) Private wells that contribute discharge to the municipal sewer system shall be metered at the expense of the property owner and such meter shall be made available for reading and billing purposes.

(e) Beginning October 1, 2030, t~~T~~he wastewater monthly user rate shall be automatically increased each year in ~~September~~ October by 5.0 percent unless specific action is taken by City Council to prevent said increase from being implemented.

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~~(f) In September 2010, a supplementary rate increase of 5.0 percent shall be added to the automatic increase programmed for that year. In September 2011, a supplementary rate increase of 3.0 percent shall be added to the automatic increase programmed for that year~~.

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SECTION 2. SEVERABILITY. If any clause or provision of this ordinance or its application to any person or circumstance is held invalid, the invalidity does not affect other clauses, provisions or applications of this ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are severable.

SECTION 3. CODIFICATION. The City Clerk and the City Attorney shall cause the Code of the City of Orlando, Florida, to be amended as provided by this ordinance and may renumber, re-letter, and rearrange the codified parts of this ordinance if necessary to facilitate the finding of the law.

SECTION 4. SCRIVENER'S ERROR. The City Attorney may correct scrivener's errors found in this ordinance by filing a corrected copy of this ordinance with the City Clerk.

SECTION 5. EFFECTIVE DATE. This ordinance takes effect on October 1, 2026.

DONE, THE FIRST READING, by the City Council of the City of Orlando, Florida, at a regular meeting, the _____ day of _____, 2026.

DONE, THE PUBLIC NOTICE, in a newspaper of general circulation in the City of Orlando, Florida, by the city clerk of the City of Orlando, Florida, the _____ day of _____, 2026

DONE, THE SECOND READING AND PUBLIC HEARING, AND ENACTED ON FINAL PASSAGE, by an affirmative vote of a majority of a quorum present of the City Council of the City of Orlando, Florida, at a regular meeting, the _____ day of _____, 2026.

BY THE MAYOR OF THE CITY OF ORLANDO, FLORIDA:

_____
Mayor

ATTEST, BY THE CLERK OF THE CITY COUNCIL OF THE CITY OF ORLANDO, FLORIDA:

_____
City Clerk

_____
Print Name

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THIS ORDINANCE DRAFTED BY AND
APPROVED AS TO FORM AND LEGALITY
FOR THE USE AND RELIANCE OF THE
CITY OF ORLANDO, FLORIDA:

_____
Assistant City Attorney

_____
Print Name

Business Impact Estimate

This form should be included in the agenda packet for the item under which the proposed ordinance is to be considered and must be posted on the City's website by the time notice of the proposed ordinance is published.

Proposed ordinance's title/reference:
Ordinance No. 2026-10, AMENDING CHAPTER 30, CITY CODE, WASTEWATER UTILITY CODE BY AMENDING SECTION 30.18, CITY CODE, TO MODIFY THE BASIS ON WHICH THE WASTEWATER SERVICE CHARGE IS CALCULATED AND TO PROVIDE FOR INCREASES IN THE CHARGE AND APPLICABLE RATE.

This Business Impact Estimate is provided in accordance with section 166.041(4), Florida Statutes. If one or more boxes are checked below, a business impact estimate is not required by state law[1] for the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
☐ The proposed ordinance relates to the issuance or refinancing of debt;
☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
☒ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant or other financial assistance accepted by the municipal government;
☐ The proposed ordinance is an emergency ordinance;
☐ The ordinance relates to procurement; or
☐ The proposed ordinance is enacted to implement the following:
   a. Part II of Chapter 163, Florida Statutes, relating to growth policy, county and municipal planning, and land development regulation, including zoning, development orders, development agreements and development permits;
   b. Sections 190.005 and 190.046, Florida Statutes, regarding community development districts;
   c. Section 553.73, Florida Statutes, relating to the Florida Building Code; or
   d. Section 633.202, Florida Statutes, relating to the Florida Fire Prevention Code.

In accordance with the provisions of controlling law, the City of Orlando hereby publishes the following information:

[1] See Section 166.041(4)(c), Florida Statutes.

CITY OF ORLANDO

1. Summary of the proposed ordinance (must include a statement of the public purpose, such as serving the public health, safety, morals and welfare):

The proposed ordinance establishes revised wastewater service rates to ensure adequate and sustainable funding for the City's Wastewater Management Program. The updated rates are designed to serve the public health, safety, and welfare by supporting essential services including facility inspections, operations and maintenance, capital renewals and replacements, and targeted capital improvements to reduce sanitary sewer overflows, inflow, and infiltration. Rates are set in accordance with industry standards to equitably distribute costs among customers while minimizing administrative burden. If adopted, the revised rates will generate a dedicated revenue stream sufficient to meet the program's current and long-term operational and capital needs.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City of Orlando, if any:
(a) An estimate of direct compliance costs that businesses may reasonably incur; There are no direct compliance costs to the business.
(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible. The impact on businesses would be the adjustment in the proposed fees. Those proposed fee adjustments are shown below:

Description	FY 2027	FY 2028	FY 2029	FY 2030
Effective Date	10/1/2026	10/1/2027	10/1/2028	10/1/2029
Rate Adjustments	9.50%	9.50%	9.50%	7.50%
COMMERCIAL *(COMMERCIAL, INDUSTRIAL, MASTER METER)*				
Commercial (Inside City Limits)				
Base Capacity Charge	$28.03	$30.69	$33.61	$36.13
Commodity Charge	6.77	7.41	8.11	8.72
Commercial (Outside City Limits)				
Base Capacity Charge	$35.04	$38.37	$42.02	$45.17
Commodity Charge	8.46	9.26	10.14	10.90

(c) An estimate of the City of Orlando's regulatory costs, including estimated revenues from any new charges or fees to cover such costs.

There are no regulatory costs related to businesses or commercial accounts arising from new charges or fees.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

92,213 Commercial ERCs

4. Additional information the governing body deems useful (if any):
Statement about benefit of rate increase to the community (Marjorie)
[*You may wish to include in this section the methodology or data used to prepare the Business Impact Estimate. For example: City of Orlando staff solicited comments from businesses in the city as to the potential impact of the proposed ordinance by contacting the chamber of commerce, social media posting, direct mail or direct email, posting on city website, public workshop, etc. You may also wish to include efforts made to reduce the potential fiscal impact on businesses. You may also wish to state here that the proposed ordinance is a generally applicable ordinance that applies to all persons similarly situated (individuals as well as businesses) and, therefore, the proposed ordinance does not affect only businesses*).

The Wastewater rate adjustment will support the City's Wastewater Management program by providing staffing, maintenance activities, and future capital needs. The proposed adjustment will provide the Wastewater Management Program with sufficient revenue to fund the capital improvement program, field operations and maintenance, and support services needs to ensure regulatory compliance and maintain and enhance the Wastewater services provided by the City.

CITY OF ORLANDO

Fiscal Impact Statement

Indicate the **Total Fiscal Impact** of the action requested, including personnel, operating, and capital costs. Indicate costs for the current fiscal year and annualized costs. Include all related costs necessary to place the asset in service.

Description: Ordinance amending the Water Reclamation Utility Section of City Code (Chapter 30) to update the residential and commercial rates charged to customers.

Expenses

Will the action be funded from the Department's current year budget? ☐ Yes ☒ No

If No, please identify how this action will be funded, including any proposed Budget Resolution Committee (BRC) action(s). Future Water Reclamation Fund budgets will account for any changes in approved rates

	Current Fiscal Year Cost Estimate	Estimated Annualized Cost Thereafter
Personnel		
Operating/Capital		
Total Amount	N/A	N/A

Comments (optional): (enter text here)

Revenues

What is the source of any revenue and the estimated amount? City's commercial and Residential accounts Amount $13,103,946

Is this recurring revenue? ☒ Yes ☐ No

Comments (optional): The figure above reflects only the additional revenue anticipated from this ordinance for next year (FY27); however, the ordinance will have financial impacts over multiple years. Based on the proposed rates, the total Wastewater use and fees for residential and commercial customers citywide is projected to generate approximately $136,209,726 in FY27, $150,595,494 in FY28, $166,379,164 in FY29, and $180,331,422 in FY30 and subsequent years. All revenues will be deposited into the Water Reclamation Fund for related uses.

Funding

Expenses/Revenues will be recorded to:

	Source #1	Source #2	Source #3
Fund	4100_F Water Reclamation Revenue Fund	(enter text here)	(enter text here)
Department /Division	Public Works/Water Reclamation	(enter text here)	(enter text here)
Cost Center/Project/Grant	WAS0002_C	(enter text here)	(enter text here)
Total Amount	$13,103,946	$0	$0