

Agenda Item 11A

To: The Honorable Mayor and City Commissioners

From: William Watts, City Manager

Date: June 15, 2026

Subject: Read by title only and adopt Ordinance No. 26-2282, revising water and wastewater utility rates and fees.

Introduction:

This agenda item presents for second reading and adoption of an ordinance amending Chapter 90 and Appendix B of the Longwood City Code relating to water and wastewater utility rates, fees, billing practices, collection procedures, and utility account administration. The ordinance also adopts annual indexed rate adjustments for utility rates beginning in Fiscal Year 2030.

Background/Discussion:

The City owns and operates its municipal water and wastewater utility systems and periodically evaluates utility rates, fees, and operational policies to ensure the long-term financial sustainability of the utility enterprise system. The City Commission previously authorized a comprehensive Water and Wastewater Rate Study, which determined that revisions to existing rates and fees are necessary to support ongoing operations, maintenance, regulatory compliance, and future capital infrastructure needs.

The proposed ordinance implements recommendations stemming from the rate study and establishes revised utility policies intended to improve administrative efficiency, strengthen collections procedures, and support future capital improvements, including funding associated with a new water treatment plant.

Key provisions of the ordinance include:

- Adoption of revised water and wastewater utility rates and fees through amendments to Appendix B of the City Code.
- Establishment of annual automatic utility rate indexing adjustments beginning October 1, 2030, tied to the Consumer Price Index (CPI), capped annually at five percent (5%).
- Amendments to utility connection and metering requirements, including authorization for the City to require master meters for certain apartment complexes when deemed in the best interest of the City.
- Revisions to utility collection procedures, late fees, payment plans, utility disconnections, lien procedures, and dispute resolution processes.

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- Authorization for the City to address delinquent utility accounts involving related business entities and establish enhanced collection enforcement mechanisms.

The ordinance also formalizes administrative authority for implementation of utility billing and collections policies and clarifies access rights necessary for maintenance and disconnection of utility services.

Pursuant to Section 180.136, Florida Statutes, the City has provided notice to utility customers regarding the proposed rate increases through the utility billing process and additional public notice regarding the Commission meeting at which the ordinance will be considered.

Budget Impact:

The proposed ordinance will increase utility revenues necessary to support operational costs, future capital improvements, debt obligations, and long-term utility system sustainability. The annual CPI indexing mechanism is intended to help offset inflationary impacts on utility operations and reduce the need for large periodic rate adjustments.

Recommendation:

The City Manager, Director of Financial Services, and Public Works Director recommend the City Commission adopt Ordinance No. 26-2282.

REQUESTED MOTION/ACTION:

I move to adopt Ordinance No. 26-2282 as presented.

Prepared By:

William Watts, City Manager

Reviewed By:

William Watts, City Manager

Attachments:

1. Ordinance No. 26-2282