

RESOLUTION NO. 2017- 2408

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, APPROVING AND ADOPTING WATER AND SEWER RATES AND SERVICE CHARGES EFFECTIVE OCTOBER 1, 2017; PROVIDING FOR AUTHORIZATION AND IMPLEMENTATION; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on May 10, 2016, the Town Commission of the Town of Surfside (“Town”) adopted Resolution No. 16-2375 approving Black & Veatch to review and analyze the Town’s current water, sewer, and stormwater rates and to develop a series of rate adjustments to meet the requirement for each utility for the next five fiscal years; and

WHEREAS, the Black & Veatch Water/Sewer and Stormwater Rate Study dated July 11, 2017 is attached hereto as Exhibit “A” (“Rate Study”); and

WHEREAS, the Rate Study and five-year financial forecast, covering the period from fiscal years 2016/17 through 2020/21 was developed to estimate the necessary revenue adjustments for the Town’s utilities in order to continue funding annual operations and maintenance expenses, debt service on two outstanding loans, meet the debt service coverage ratio requirements of the loans, and maintain a fund balance for reserve requirements; and

WHEREAS, the Rate Study concluded that the water, sewer and stormwater utility revenues from existing rates will not be sufficient to meet anticipated costs over the five-year study period, thereby necessitating revenue adjustments to meet projected costs; and

WHEREAS, the Town last revised and adopted water and sewer rates and service charges in 2010, and has been able to maintain rates and charges steady without increases to customers for the past seven years as a result of a new utility system that provided significant savings and efficient operations enabling the Town to absorb annual increases in water purchases and sewage disposal costs from the Town’s wholesale providers; and

WHEREAS, the Town amended portions of Chapter 78, Article II (Water Service) and Article III (Sewer and Sewage Disposal) to provide that water and sewer rates and service charges may be established by resolution of the Town Commission; and

WHEREAS, it is necessary for the Town to adjust and increase water rates and service charges as set forth in Exhibit “B” attached hereto, and sewer rates and service charges as set forth in Exhibit “C” attached hereto, in order to meet projected utility costs and expenses for the next five years; and

WHEREAS, the Town has provided notice of the proposed adjustments and increase of water and sewer rates to its customers through the Town's Utility Department's billing process pursuant to Section 180.136, Florida Statutes; and

WHEREAS, such water and sewer rates and service charges, as increased, shall be effective October 1, 2017 and shall be reflected on all customer bills beginning with the billing cycle in December, 2017; and

WHEREAS, the Town Commission finds that the adjustment and increase in water and sewer rates and service charges is necessary and in the best interest and welfare of the Town.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

Section 1. Recitals Adopted. That the above-stated recitals are hereby adopted and confirmed.

Section 2. Water and Sewer Rates and Service Charges Approved and Adopted. Effective October 1, 2017, the rates and service charges for water service shall be as set forth in Exhibit "B" attached hereto and are hereby approved and adopted. Effective October 1, 2017, the rates and service charges for sewer service shall be as set forth in Exhibit "C" attached hereto and are hereby approved and adopted.

Section 3. Authorization; Implementation. The Town Manager and Town Officials are authorized to take any and all action necessary to implement the water and sewer rate and service charge adjustments and the purposes of this Resolution.

Section 4. Repeal of Conflicting Provisions. All resolutions or previous rates or service charges for water and sewer service, or parts thereof, in conflict with this Resolution and the revised rates and service charges approved and adopted herein, are hereby repealed to the extent of any conflict.

Section 5. Effective Date. That this Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED on this 14th day of November, 2017.

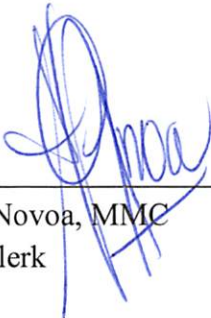
Motion By: Commissioner Karukin

Second By: Commissioner Gieldhinsky

FINAL VOTE ON ADOPTION

| | |
|---------------------------------|------------|
| Commissioner Daniel Gielchinsky | <u>yes</u> |
| Commissioner Michael Karukin | <u>yes</u> |
| Commissioner Tina Paul | <u>yes</u> |
| Vice Mayor Barry Cohen | <u>yes</u> |
| Mayor Daniel Dietch | <u>yes</u> |

Attest:



Sandra Novoa, MMC
Town Clerk



Daniel Dietch, Mayor

Approved as to Form and Legal Sufficiency:



Weiss Serota Helfman Cole & Bierman, P.L.
Town Attorney

EXHIBIT "A"

RATE STUDY

**AVAILABLE IN THE
TOWN CLERK'S
OFFICE**

EXHIBIT "B"

WATER RATES AND SERVICE CHARGES

Bi-Monthly Water Base Charge (Service Charge):

[Per Section 78-27 (110-166(a)) of the Town Code]

| Meter Size | Current | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|-------------------|----------------|------------------|------------------|------------------|------------------|
| 5/8" | \$ 27.81 | 33.37 | + 5.0 % | + 5.0 % | + 3.0 % |
| 1" | \$ 40.45 | 48.54 | + 5.0 % | + 5.0 % | + 3.0 % |
| 1 ½" | \$ 61.52 | 73.82 | + 5.0 % | + 5.0 % | + 3.0 % |
| 2" | \$ 86.80 | 104.16 | + 5.0 % | + 5.0 % | + 3.0 % |
| 3" | \$ 145.79 | 174.95 | + 5.0 % | + 5.0 % | + 3.0 % |
| 4" | \$ 230.06 | 276.08 | + 5.0 % | + 5.0 % | + 3.0 % |
| 6" | \$ 440.75 | 528.90 | + 5.0 % | + 5.0 % | + 3.0 % |
| 8" | \$ 693.57 | 832.28 | + 5.0 % | + 5.0 % | + 3.0 % |

*** Increases in Base Charges for 2018/2019 and 2019/2020 shall be 5.0 %, and increases in Base Charges for 2020/2021 shall be 3.0 %.

Residential Customers – Water Consumption Charges:

(Per Section 78-27 of the Town Code)

| Description | Current | 2017/2018 | 2018/2019 | 2019/2020 | 2020/2021 |
|--------------------------------------|----------------|------------------|------------------|------------------|------------------|
| <u>Rate per 1,000 gallons</u> | | | | | |
| Block 1 (0-12,000 gallons) | \$ 2.97 | 3.56 | + 5.0 % | + 5.0 % | + 3.0 % |
| Block 2 (12,001–24,000 gallons) | \$ 3.56 | 4.28 | + 5.0 % | + 5.0 % | + 3.0 % |
| Block 3 (above 24,000 gallons) | \$ 5.94 | 7.13 | + 5.0 % | + 5.0 % | + 3.0 % |

*** Increases in Water Consumption Charges for 2018/2019 and 2019/2020 shall be 5.0 % annually, and increases in Water Consumption Charges for 2020/2021 shall be 3.0 %.

All Other Non-Residential Customers – Water Consumption Charges:

(Per Section 78-27 of the Town Code)

| <u>Description</u> | <u>Current</u> | <u>2017/2018</u> | <u>2018/2019</u> | <u>2019/2020</u> | <u>2020/2021</u> |
|-------------------------------|----------------|------------------|------------------|------------------|------------------|
| <u>Rate per 1,000 gallons</u> | | | | | |
| Uniform Rate | \$ 3.54 | 4.25 | + 5.0 % | + 5.0 % | + 3.0 % |

*** Increases in Water Consumption Charges for 2018/2019 and 2019/2020 shall be 5.0 % annually, and increases in Water Consumption Charges for 2020/2021 shall be 3.0 %.

Tapping Charges (New Water Service):

[Per Section 78-27 (110-166(d)) of the Town Code].

| | |
|--------------------------|------------------------|
| Up to 1" tap and service | \$ 350.00* |
| 1 ½" tap and service | \$ 500.00* |
| 2" tap and service | \$ 650.00 |
| Over 2" tap and service | Actual cost, plus 15 % |

*Additional Charge where a street, sidewalk, curb of gutter is cut Actual Cost of replacement, plus 15 %

Deposit/Application for Water Service:

[Per Section 78-27 (110-166(e)) of Town Code]

Minimum Guarantee Deposit:

| <u>Service</u> | <u>Owner, Per Meter</u> |
|----------------|-------------------------|
| 5/8" | \$ 160.00 |
| 1" | \$ 200.00 |
| 1 ½" | \$ 300.00 |
| 2" | \$ 400.00 |
| 3" | \$ 600.00 |
| 4" | \$ 800.00 |
| 6" | \$ 1,200.00 |
| 8" | \$ 1,600.00 |

Delinquent Accounts:

[Per Section 78-27 (110-192(a)) of Town Code]

\$25.00 for the first occurrence and then \$50.00 for the second and subsequent occurrence(s) within a rolling 12-month calendar period.

EXHIBIT "C"

SEWER RATES AND SERVICE CHARGES

Sewer Uniform Flow Rate (Service Charge) and Bi-Monthly Base (Fixed) Charge:

(Per Section 78-56 of the Town Code)

| <u>Description</u> | <u>Current</u> | <u>2017/2018</u> | <u>2018/2019</u> | <u>2019/2020</u> | <u>2020/2021</u> |
|-----------------------------------|----------------|------------------|------------------|------------------|------------------|
| <u>Rate per 1,000 gallons</u> | | | | | |
| Uniform Flow Rate | \$ 5.41 | 6.49 | + 10.00 % | + 10.00 % | + 10.00 % |
| Bi-Monthly Base (Fixed) Charge | \$ 6.88 | 8.26 | + 10.00 % | + 10.00 % | + 10.00 % |

*** Increases in Sewer Uniform Flow Rate (Service Charge) for 2018/2019, 2019/2020 and 2020/2021 shall be 10.0 % annually.