



Item No. 2b

# AGENDA ITEM MEMORADUM

**Town Manager's Office**

*Connie Hoffmann*

Department

Department Director

COMMISSION MEETING DATE (*) - 7:00 PM	Deadline to Town Clerk
<input type="checkbox"/> Jan 10, 2012	Dec 30 <sup>th</sup>
<input checked="" type="checkbox"/> Jan 19, 2012 WORKSHOP ON SEWER SYSTEM ISSUES	Jan 6
<input type="checkbox"/> Jan 24, 2012	Jan 13
<input type="checkbox"/> Feb14, 2012	Feb 3
<input type="checkbox"/> Feb 28, 2012	Feb 17

\*Subject to Change

- Presentation     Reports     Consent     Ordinance  
 Resolution     Quasi-Judicial     Old Business     New Business

FY2011 DESIGNATED HIGH PRIORITY ITEM - PRIORITY TOPIC

**SUBJECT TITLE: Further Discussion of Sewer Rate Issues**

**EXPLANATION:** This item will be completed and posted on the website on Tuesday, January 17<sup>th</sup>.

**RECOMMENDATION**

**EXHIBITS:**

**FISCAL IMPACT AND APPROPRIATION OF FUNDS:**

Reviewed by Town Attorney  
 Yes     No

Town Manager Initials CH

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## Memorandum

**Date:** January 17, 2012

**To:** Mayor Roseann Minnet  
Vice Mayor Stuart Dodd  
Commissioner Birute Clottey  
Commissioner Scot Sasser  
Commissioner Chris Vincent

**From:** Connie Hoffmann, Town Manager 

**Subject:** Sewer Rates

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When we discussed the issue of the sewer rates as they relate to hotels in December, the Vice Mayor requested that I address a number of items for this report. I have tried to address the information he requested and also respond to some of the concerns that hotelier Mr. Franczak raised. In addition, I want to alert you to an operating expense issue that has arisen.

This report covers a lot of ground and these issues are complicated.

I. THE MASTER SEWER AGREEMENT WITH POMPANO BEACH

The Vice Mayor requested that I provide copies of this agreement. The original agreement and the 2007 amendment are attached as **Exhibit 1**.

II. SEWER FUND REVENUES & EXPENDITURES

Last Fiscal Year

As you will recall, in the summer of 2010, a few months after I was hired as Interim Town Manager, I reported to you that the Sewer Fund would not produce enough revenues to cover its expenses that fiscal year. The FY 2010 audit confirmed that the Sewer Fund operating expenses exceeded revenues and ate into the fund's cash balance by \$166,512, reducing it from \$1.583 million the prior year to \$1.42 million on September 30, 2010.

We advised that, if sewer rates were not increased, we would be looking at a \$400,000+ operating deficit in the Sewer Fund in the upcoming year. In December 2010, the Commission made several decisions to improve the financial condition of the Sewer Fund:

- 1) Increased the Town's sewer rates in an amount sufficient to not only cover annual expenses, but also to build up the cash balance in the fund. The latter decision was based on concern that the Town has an aging sewer system and might be facing substantial capital costs to repair.
- 2) Directed that the four Sea Ranch Condominiums start being billed directly by Pompano Beach for their sewer service from Pompano, rather than routing those bills through the Town and being billed at the (then lower) Town sewer rates.
- 3) Proceed with an engineering analysis of the condition of the Town's sewer system and develop cost estimates of the capital repairs necessary and a time schedule to make the needed repairs.

As a result of the rate increase decision and the Commission's direction to move the Sea Ranch Condos to direct billing from Pompano, rather than see the undesignated cash balance in the Sewer Fund decline further, the cash balance increased to approximately \$1.6 million by fiscal year end. And we did not need to draw down the \$416,000 from the cash balance in the fund that the budget assumed we need to, had we not raised rates.

In response to the Vice Mayor's request, the minutes from the Commission discussions held in 2009 and 2010 about the rate increase are attached as **Exhibit 2**.

#### Current Fiscal Year

Last year we had four months of revenue under the old rates, and eight months of revenue under the new rates. This year, we will have the benefit of twelve months under the new rates. However, we budgeted for revenues to be lower than what we actually collected last year. That seems illogical, but it isn't because we are no longer cycling the four Sea Ranch Condos through our revenues/expenditures now that they are on direct billing from Pompano. That impacted our total revenues since those are such large buildings. It also impacts our expenses, since we are no longer paying Pompano for their sewer service. As a result, we anticipated in the budget that our payments to Pompano for sewer service would decrease this fiscal year.

We budgeted to receive \$1,152,500 in revenue from sewer rates, late payment penalties and interest. **Revenues so far this year are on target.**

The expenditure budget in the Sewer Fund this year is as follows:

Payments to Pompano Beach for sewer services	\$ 600,000
Personnel Costs	\$ 87,375
Sewer Evaluation Study	\$ 48,000
Other consultant assistance	\$ 12,000
Insurance	\$ 9,713
Sewer Line Maintenance (Televising & repairing lines)	\$ 80,000
Pump Station Operation & Maintenance	\$ 36,000
Emergency Repairs	\$ 25,000
Capital Repairs & Rehab of the Sewer Infrastructure	\$ 200,472
Contingency	<u>\$ 53,940</u>
Total	\$1,152,500

- **Payments to Pompano in the first quarter of the current fiscal year have exceeded our budget for the period.** We expected to pay Pompano \$160,500 in the first three months; they've billed us \$184,000. The bills for service in October and November were abnormally high. The bill for December dropped but was still more than we budgeted for.

We have uncovered two reasons for this. The biggest one is the methodology we used to project the expense this year. The new Finance Director was not aware that we had received an \$81,000 credit from Pompano last year for four years of overcharges for the Sea Ranch Condos, so he did not factor that credit out of the base numbers he used to do the budget projections. So we now know we under-budgeted the expense by that \$81,000. We can cover \$79,000 of that by moving the funds from the Sewer Fund contingency account and the emergency repairs account to the Pompano service account.

Another factor in the increased expenses was the heavy rains we experienced in October and November which increased the flows due to infiltration into the sewer system. Infiltration is caused when storm water and ground water get into the sewer

pipes. Storm water enters the sewer system through manholes and through cracks or leaks in the sewer pipes. That water ends up becoming part of the wastewater flow that is transmitted to Pompano and ultimately to Broward County for treatment, so we pay for it in the volume charges we pay Pompano. (It also will eventually impact our fixed rate from Pompano, too.)

If you look at the chart on page 15 of the King Engineering report, you will see that our daily flows normally run from 500,000 to 750,000 gallons per day, varying by the season and weather conditions. Looking at that same table, you will see that our flow volume spiked several times in October, likely due to infiltration from the large amount of rain we experienced that month.. We would have to analyze the detailed flow data for each day to determine how much the impact was on our bill.

After the rain deluge experienced in the early morning hours of November 1<sup>st</sup>, the Town's streets were flooded and huge volumes of water entered the system through infiltration. To make matters worse, the storm occurred during seasonally high tides and we assume there was a high tidal inflow into the ground water, too. As a result, our pump station measured flows of 1.9 million gallons for that single day, which triggered a penalty clause in the master sewer agreement we have with Pompano.

The Pompano agreement provides that on any day that the Town's wastewater flow exceeds 1.25 million gallons, the volumetric rate we pay Pompano for the flow in excess of 1.25 million doubles. November 1, 2011 is the only time that has only occurred in the past two years. The volume charges for that single day were approximately \$4,888 versus a more normal daily volume charge of \$1,150.

Our October and November bills illustrate why it is so important that we do the rehab and repairs to the sewer lines King Engineering has recommended to substantially reduce infiltration into the system.

On a related note, two of the engineering firms we have under contract (King and Mathews) recently advised us to install rain guards on the manholes to reduce rainwater seepage through them. Municipal Services Director Don Prince jumped on that recommendation, ordered the guards, and his staff has installed them already.

We would have to do a detailed analysis of the Fort Lauderdale billing records for our accounts to determine if something else is playing into the increases we are experiencing.

- We have received **Pompano's rate adjustment letter for this calendar year** and they are increasing our monthly fixed charges by 9.5% and our volumetric charges by 7.05%

effective this month. We assumed a Pompano rate increase of that magnitude in budgeting, but with the October to December billings we have experienced we are wary. I am going to ask the Finance Director to take a detailed look the data for October through December and get the January data too before we make any projections about what we think the full fiscal year expenses will be.

If you look at the table on page 14 of the King Engineering report, you will see that both the fixed component and the volumetric component of the Master Sewer Rate that Pompano charges us have increased steadily in the past four years. I think we can assume those rates will continue to increase in the coming years.

- We expect to spend the entire budget for **Sewer Line Maintenance**. As explained in the agenda cover on the King Engineering Evaluation Report, our contractor, Tele Vac has already begun televising the lateral lines as recommended by King. If Tele Vac can do all of the laterals this fiscal year, we will have to transfer more money into this account from the contingency account.
- The \$200,000 budgeted for **Capital Repairs to the Sewer Infrastructure** will be spent in entirety, as discussed in the next section.

### III. EVALUATION OF THE SEWER SYTEM & ANTICIPATED SEWER FUND CAPITAL EXPENSES

The report from King Engineering Associates on the condition of the sewer system indicates the Town should spend approximately \$930,400 for gravity sewer line rehab/repairs and will likely need to spend \$95,000 for the installation of new cleanout boxes in the lateral lines over the next two years. (The latter estimate assumes that 30% of the laterals will need new cleanout boxes.) As mentioned earlier, we budgeted \$200,000 for capital repairs this year, knowing we would need to draw additional funds from the cash balance in the Sewer Fund once the engineering evaluation of the system was completed. We now know we will need at least \$825,000 from that source to make those repairs.

Once the gravity line repairs are made, the Town should experience a reduction in the infiltration rates, which should reduce our wastewater flows to Pompano and save us money.

An unknown expense is what costs might be required to repair lateral lines. King recommended, and we have already directed our contractor to start, televising the laterals to determine what condition they are in. In the Ten Year CIP King produced, those costs are noted as "To Be Determined".

King indicates that the Town's two lift stations will require significant expenses to overhaul in about ten years.

#### IV. RATE STRUCTURE ISSUES

##### Correction to Last Month's Analysis

Mr. Franczak advised me and you in an email several weeks ago of a mathematical error in the report I sent you last month that occurred in the table on hotel sewer charges. I thank him for calling that to our attention and apologize for the error. It occurred when I changed the time frame of the months being analyzed, but failed to make sure the resulting change in a formula in a spreadsheet was copied to all of the examples. **Exhibit 3** is the original analysis with the corrections shown. Fortunately, the important comparison in that table – the overall cost increase the hotel properties experienced as a result of the sewer rate increase- was not affected by that mathematical error.

##### Comparison of Cost per Gallon between Different Classes of Customers in LBTS

The Vice Mayor asked for a comparison of what customers in different types of buildings pay in sewer rates per 1,000 gallons. There is an obvious answer to this:

All classes of customers pay \$3.46 per 1,000 gallons, but residential customers pay only on the first 10,000 gallons of usage per unit per month.

However, I think the Vice Mayor was looking at an equity issue and asking that we combine the fixed charges and the volumetric charges and divide them by the # of gallons used to determine the "real" price they are paying per gallon. I suspect that if we analyzed all of the single family residence customers we could develop a reasonable average of what they pay per gallon. A single family home with 10,000 gallons of use would pay \$4.95 as their "real price per thousand gallons". Among other classes of customers there will be great variation. Using the same examples we looked at in December, the hotels ranged from \$7.82 to \$12.72 for the eight month period we looked at. The multi-family residential buildings we looked at ranged from \$5.82 to \$14.67. Large restaurants would fare well in that analysis – two of the largest restaurants in Town were around \$3.56 per gallon and \$3.49.

These results would suggest that the variations are too dramatic and we need to look at a different way of setting the fixed component of the sewer rate. (The last section of this memo provides some suggestions from a rate consultant that could reduce the disparity.)

### Why Is There a Fixed Component to Sewer Rates?

The reason for the fixed portion of a sewer rate structure – whether it be calculated by meter size or by the number of units in a building – is twofold: 1) to cover the costs of being ready to meet the potential demand for service from that customer, and 2) to assure that there is steady income to cover the fixed costs of operating a sewer system. In our case, many of those costs are not under our control, but are dictated by the City of Pompano Beach (who transmits our wastewater over miles of their sewer lines and through their lift stations) and Broward County (who treats and disposes LBTS's wastewater). Our sewer agreement with Pompano, in fact, addresses this issue of potential demand by stating that the maximum capacity that Pompano is required to handle for LBTS is 1.5 million gallons per day. Broward County actually charges Pompano something called a "Reserved Capacity Charge" and Pompano passes a proportional part of that cost onto LBTS each month.

### Comparison of Pompano, Fort Lauderdale, and LBTS Sewer Rates

As you know, we switched from using meter size (the Fort Lauderdale approach) to the Pompano approach of using the number of units in a building as the determinant of the fixed portion sewer rates.

The Vice Mayor asked for information on both Pompano Beach's and Fort Lauderdale's sewer rates compared to LBTS' sewer rates. The sections of the Pompano and Fort Lauderdale sewer rates as currently codified are attached as Exhibits 4 and 5 to this report. Fort Lauderdale's rate structure is complex and they have a sliding volumetric rate to encourage water conservation that penalizes customers for greater consumption. They also charge a much higher volume rate to commercial customers than residential customers.

Since Fort Lauderdale bases most of the fixed component of their rate structure on meter size, I made some assumptions regarding the range of meter sizes that various classes of customers could have in the following chart comparing the three cities' rates. Lauderdale's rate structure is so complex, I hope I have interpreted it correctly.

<b>COMPARISON OF SEWER RATES</b>			
	<b>Fort Lauderdale</b>	<b>Pompano</b>	<b>LBTS</b>
<b>Single Family Res. Fixed Amount</b>	\$7.76-\$34.63	\$ 11.91	\$ 14.89
Volume Rate: 0 - 3,000 gallons	\$ 2.86	\$ 2.77	\$ 3.46
4,000 - 10,000	\$ 6.33	\$2.77	\$ 3.46
10,000- 20,000	\$ 6.33	no charge	no charge
Max per unit	\$ 116.19	\$ 27.77	\$ 34.60
<b>Multi-Family Res. Fixed Amount</b>	\$17.66-?	\$ 11.41	\$ 14.26
Volume Rate: 0 - 1,000 gallons	\$ 2.86	\$ 2.77	\$ 3.46
2,000 - 8,000	\$ 6.33	\$ 2.77	\$ 3.46
9,000-10,000		\$ 2.77	\$ 3.46
Max per unit	\$ 47.17	\$ 27.70	\$ 34.60
if individually metered, diff volume charges up to 20,000	\$2.86- \$6.33		
Max per unit	\$ 116.19	\$ 27.70	\$ 34.60
<b>Commercial Fixed Amount</b>	\$7.76-\$2,308	\$ 13.06	\$ 16.33
Volume Rate	\$ 5.09	\$ 2.77	\$ 3.46
Max Volume Charge p unit	none	none	none

The reason our rates are different from Pompano's sewer rates is because we adopted the rates they charge LBTS residents in the north end of our Town, i.e. the Pompano rates plus the 25% surcharge they charge to any customer located outside of their municipal boundaries.

The Vice Mayor asked that I present an analysis of the three cities' rates if one added up all the components of the rates and converted it to a cost per thousand gallons. There are too many different variables between the rate structures of Fort Lauderdale and the other two cities, and too many variables in individual customers' monthly bills for me to do such an analysis. We can generalize and say that a LBTS business with the same consumption and the same number of units as a Pompano Beach business would pay 25% more than the Pompano business, but I could not tell you how that translated into a price per thousand gallons without seeing their actual bills. Comparisons between a Fort Lauderdale business and an LBTS business would have to be done on properties with the same number of units and with identical consumption. I don't believe there is a way to generalize about Fort Lauderdale's rates versus LBTS', except for a comparison of the "average" single family home. That would require analysis of data from Fort Lauderdale's billing records.

## Different Rate Structure Options

In December, I suggested some options the Commission may wish to consider. They were:

1. If the Commission wishes to look at the issue of large commercial users with high consumption, we can engage the services of a utility rate consultant to suggest how we might deal with that issue.
2. We could also consider putting hotels in a separate classification and charge them the same fixed monthly component as we do multi-family accounts. That would reduce their monthly per unit fixed fee from \$16.33 to \$14.26. A hotel with 25 units would see a decrease of \$621 per year.
3. We could create a completely different rate structure for hotels.
4. We might consider going back to the prior structure of having the fixed rate component be based on meter size, but we would need to have a utility rate consultant evaluate how to do that and still generate the revenue we need to cover costs.

The per gallon comparison numbers I cited earlier would suggest that Option # 2 would not reduce the disparity significantly. Option # 3 doesn't solve the disparity we saw among multi-family residential buildings.

As a result, I called Mike Burton of Burton & Associates, a well-known utility rate consultant who has done work for the Town in the past, for his input on additional options for determining the fixed component of the rate structure. He advised that most cities that base the fixed component of their rate structure on the number of units do that for residential properties, but treat commercial properties differently. He advised that cities do generally treat hotels as commercial properties.

He suggested we consider several things:

- 1) Have a fixed customer charge built into every customer's rate which represents the cost for billing services (i.e. reading the meter, billing and collection services, all of which are done for LBTS via a contract with Fort Lauderdale). This would recognize that the cost for meter reading and billing is meter-based and not unit-based.
- 2) Do an analysis of the maximum volumetric demand placed on the sewer system by various classes of customers (i.e. rental apartments, condominiums, hotels, restaurants, etc) and compare them to single-family homes in order to determine what they should pay as the fixed component of the sewer rates. He feels this is a more equitable way of dealing with the issue of demand on the system, than the more common practice of charging one fixed component rate for all commercial users. He suggests this approach also be considered for different classes of multi-family properties.

Mr. Burton advised that cities are often reluctant to incorporate the second approach into their rate system because it requires a good deal of analysis but he noted that it might be manageable for us because we do not have a large number of sewer customers.

Whatever changes we make to the rate structure must produce sufficient revenue to cover our costs. Whether we need to generate some revenue to go towards capital reserves will depend a great deal on the extent to which the analysis of the lateral lines indicates repairs are needed.

**It is my recommendation that we bring in a rate consultant to make recommendations on modifying the rate structure.**



MARY L. CHAMBERS  
City Clerk

**Exhibit 1**  
**Pompano Master Wastewater Agreement**

100 West Atlantic Boulevard  
Pompano Beach, Florida 33060  
www.mypompanobeach.org



Phone: 954-786-4611

City of Pompano Beach, Florida

Fax: 954-786-4095

December 26, 2007

*AG 2007-42*

The Honorable Oliver Parker  
Mayor/Town Manager  
Town of Lauderdale-By-The-Sea  
4501 Ocean Drive  
Lauderdale-By-The-Sea, Florida 33308

RE: City of Pompano Beach Resolution No. 2008-77

Dear Mr. Parker:

Enclosed, please find a copy of Resolution No. 2008-77 together with an **original Wastewater Service Agreement between the City of Pompano Beach and the Town of Lauderdale-By-The-Sea for your records.**

Should you have any questions or require additional information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in cursive script, appearing to read "Mary L. Chambers".

Mary L. Chambers, CMC  
City Clerk

MLC/sm  
Enclosure(s)

**CITY OF POMPANO BEACH**  
**Broward County, Florida**

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA, APPROVING AND AUTHORIZING THE PROPER CITY OFFICIALS TO EXECUTE A WASTEWATER SERVICE AGREEMENT BETWEEN THE CITY OF POMPANO BEACH AND THE TOWN OF LAUDERDALE-BY-THE-SEA; PROVIDING AN EFFECTIVE DATE.**

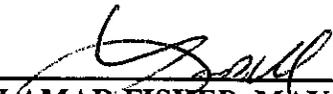
**BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF POMPANO BEACH, FLORIDA:**

**SECTION 1.** That a Wastewater Service Agreement between the City of Pompano Beach and the Town of Lauderdale-By-The-Sea, a copy of which Agreement is attached hereto and incorporated by reference as if set forth in full, is hereby approved.

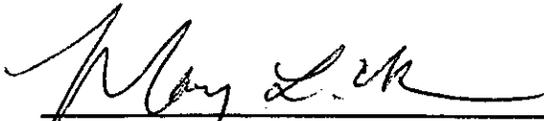
**SECTION 2.** That the proper City officials are hereby authorized to execute said Agreement between the City of Pompano Beach and the Town of Lauderdale-By-The-Sea.

**SECTION 3.** This Resolution shall become effective upon passage.

**PASSED AND ADOPTED** this 11<sup>th</sup> day of December, 2007.

  
\_\_\_\_\_  
**LAMAR FISHER, MAYOR**

**ATTEST:**

  
\_\_\_\_\_  
**MARY L. CHAMBERS, CITY CLERK**

## WASTEWATER SERVICE AGREEMENT

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THIS AGREEMENT, made and entered into this 13<sup>th</sup> day of November 2007, by and between the CITY OF POMPANO BEACH, Florida, a municipal corporation of the State of Florida, hereinafter called "City" and the TOWN OF LAUDERDALE-BY-THE-SEA, a municipal corporation of the State of Florida, hereinafter referred to as the "Town";

### WITNESSETH:

WHEREAS, the City and the Town previously entered into a 40 year Sewer Service Agreement dated July 14, 1966 through July 13, 2006, which supplied the Town with a method for disposing of sanitary wastewater collected through a wastewater disposal system, which included two Lift Stations; LS #12 (formerly #21) presently located at 251 N. Pompano Beach Boulevard, Pompano Beach and LS #24 (formerly LBTS Master) presently located at 4413 Seagrape Drive in Lauderdale-by-the-Sea; and

WHEREAS, the City furnished said wastewater collection and disposal system, including a capacity to accommodate the needs and requirements of the Town; and

WHEREAS, the City and the Town are desirous of continuing the agreement which has been extended by the City and Town to provide an adequate time period to enact a new, long-term agreement.

NOW, THEREFORE, in consideration of the mutual covenants and agreements herein contained and by the parties hereto to be kept and performed, it is agreed as follows:

1. The City does hereby agree to allow the Town to remain connected by force main and other required appurtenances thereto, to Master Lift Station #12 and the Town agrees that during the term of this Agreement it shall use the City's sanitary wastewater facilities for the

disposal of all wastewater from the Town. Transmission and delivery of all of the City's wastewater, together with that of the Town, is to the Broward County Treatment Facility. Should said force main not contain sufficient capacity to accommodate future connections from potential customers in the Town, the Town shall be responsible for any and all costs to upgrade the force main.

2. Any facilities required to be constructed hereby by the Town, shall be subject to approval by the City's Engineer and Utilities Department and shall be subject to and in accord with the City's present and future ordinances, including City permits and inspection fees which the Town shall procure and pay for, and shall be in accord with usual City specifications. Said facilities shall be constructed only upon property dedicated to the public use; and in the event the City deems it necessary to acquire an easement or other interest in the property within which it is proposed to construct said facilities, such easement or other interest shall be acquired and paid for by the Town; and, further, if the same be located outside the present municipal limits of the Town, such easement or other interest in property shall be conveyed by Town to City by an appropriate instrument of conveyance. Town shall provide City with full and free access to the lift stations addressed in this Agreement to render services thereon, and will otherwise provide a safe workplace for City's employees to, from and within all lift stations.

3. The Town shall maintain adequate wastewater pumps, grinding equipment and chemical feeding equipment in the Town's Master Lift Station #24 to pump the wastewater into the treatment facilities of the City's Master Lift Station #12. All grinding, metering, chemical feeding and pumping equipment shall be maintained and kept operational so as to feed sufficient chemicals therein to reduce septicity in the wastewater reaching the Master Lift Station of the City to the standard required by the Utilities Department. No industrial wastes shall be put into the Town's collection system or the force main by either the Town or any use of the Town's

collection system, as defined in the City's Code of Ordinance and the Large User Agreement with Broward County. Personnel of the City shall be provided free access to the pumping station of the Town to determine that the requirements hereof are being met on a continuing basis.

4. The City shall establish rates to be charged to the Town by the City for the services provided. The methodology for these services are detailed on Schedule A, attached hereto. The Town shall be billed monthly, said bills shall be payable within fifteen (15) days of the date thereof. Adjustment to the above methodology will occur annually, as set forth in Chapter 50, "Water," of the City's Code of Ordinances.

5. In addition to an availability charge, the Town shall pay to the City a charge per thousand gallons based on the amount of sewage the Town delivers to the City's wastewater system, which charge shall include the Town's proportionate share of the operating and maintenance cost of the City's transmission facilities, a surcharge which shall represent payment in lieu of taxes to the City, and the cost of treatment of the Town's sewage, which cost shall be the same as that charged the City by Broward County. The charges per thousand gallons established shall apply from zero to 1.25 million gallons of wastewater per day. The charge shall be doubled for all wastewater in excess of 1.25 million gallons per day and shall be based on each single day's wastewater quantity. The maximum capacity required to be provided for hereunder by the City to the Town shall not exceed one million five hundred thousand gallons per day.

6. The term of this Agreement shall be fifteen (15) years, with option for renewal every five (5) years. The Renewal option is considered to be automatically in effect unless either party notifies the other in writing of their intention to not renew said Agreement, sixty (60) days prior to its expiration date.

7. The Town and each and every user of the collection system shall be subject to the same provision, penalties, rules and regulations as regular City users are, and the use thereof shall be subject to all applicable ordinances which now exist or which may subsequently be enacted, all such ordinances being incorporated herein by reference and made a part of this Agreement. Any violation of such provisions, rules, regulations or ordinance by the Town or any users of the Town's collection system as aforesaid shall constitute a breach of this Agreement and shall be grounds for cancellation of same by the City; provided, however, that the City shall notify the Town in writing of any such violation and the Town shall have thirty (30) days from the date of such notification to cease or cause to be ceased any such violation. The Town covenants and agrees that it will adopt its own rules, regulations and ordinances as the same may be required to insure the compliance with the provisions of this paragraph by the users of its collection system.

8. The Town agrees that for any construction required it will procure and pay for all necessary permits, inspection fees, and other costs normally and usually charge by the City, in addition to such similar costs and charges as may be required by Broward County. This also applies to renovation of existing structures or connections where the size of the domestic water connection increases by 1" or more, as this will place an added demand on the wastewater system. Regulations by Broward County or the Florida DEP, would supersede this sizing requirement.

9. The Town agrees that it will not connect nor allow any connection to any portion of its wastewater collection system constructed within its present municipal limits by any such properties, persons, buildings or structures outside of such municipal limits without prior permission and approval of the City and any revenue derived from any such connection shall

belong to and be the property of the City without any payment of any kind whatsoever to the Town.

10. Any temporary cessation of disposal of wastewater caused by an Act of God, fire, strike, casualty, necessary maintenance work, break-down of or injury to machinery, pumps or pipe, lines, civil or military authority, insurrection or riot, shall not constitute a breach of this Agreement on the part of the City and the City shall not be liable to the Town or its residents for any damage resulting from such cessation of disposal. In the event of a catastrophic event, City shall make every reasonable effort to keep Town on line. Town shall pay all related time and material expenses incurred as a result of this effort.

11. This Agreement shall be binding upon the successors and assigns of the parties hereto and may be enforced by an action in equity for specific performance of the terms and conditions hereof insofar as the same require the performance of acts other than the payment of money.

12. Any notice required to be given hereunder shall be considered to have been properly given if the same has been sent in writing, by certified or registered mail, to:

City Manager  
City of Pompano Beach  
Post Office Box 1300  
Pompano Beach, FL 33061

Mayor/Town Manager  
Town of Lauderdale-by-the-Sea  
4501 Ocean Drive  
Lauderdale-by-the-Sea, FL 33308

13. The Town agrees that upon the expiration of its present Agreement with the City of Fort Lauderdale it will purchase water from the City of Pompano Beach if it determines such purchase will be economically advantageous to it and if it determines the quality of the water offered by the City is equal to or better than the water provided by the City of Fort Lauderdale.

14. The Town agrees to indemnify, hold and save harmless the City from any judgments and costs and expenses to the City incurred by it in any litigation to which it may become a party, as either plaintiff or defendant, which said costs and expenses shall include reasonable attorneys' fees in both the trial court and any appellate court to which the matter may be appealed, resulting from the effects of the improper introduction by the Town or any users for the Town's collection system into the City's Wastewater collections system or any portion or part thereof of any solid liquid, gas or other effluent, which may cause damage either within or without the City's Wastewater collection system, and appurtenances thereto, including, but not limited, to fish kills, undesirable floating matter and explosions.

15. City shall furnish all maintenance labor, services, tools, and materials to regularly and systematically examine, clean, lubricate, adjust equipment and monitor telemetry data at the following two Lauderdale-by-the-Sea lift stations:

Lift Station #24 – presently located at Hibiscus Avenue/Commercial Blvd.

Lift Station #25 – presently located at Hibiscus Avenue/Allenwood Drive

City is responsible to make only those adjustments and repairs which are necessary due to ordinary wear and tear. City is not obligated to make adjustments, repairs or replacements necessitated by any other cause, including, but not limited to, accidents, vandalism or misuses of the equipment. Cost of this maintenance service is factored into Section 4. City specifically exempts from this service the calibration, repair and replacement of flow meters and SCADA system. City shall perform repairs on the two lift stations upon the Town's request. City will assume no responsibility for the expense and labor for repairs and replacement parts, electrical power, or for maintenance and repair of the two lift station structures. This work will be performed and billed on a time and materials basis and paid in accordance with the City ordinances. City will perform all maintenance work during regular work hours, 7:00 AM to 3:30

PM, on regular working days, Monday through Friday. Should the Town request examinations, cleaning, lubrication, adjustments, repairs replacements or emergency services at other times, the Town will compensate the City for any overtime expenses incurred. City will not be responsible for any loss, damage, detention or delay caused by labor disputes, fire, explosion, theft, earthquake, severe or unusual weather conditions, shortage of material, unavailability of material from usual sources, embargo, mischievous mischief, war, acts of God, wastewater spills or discharges resulting from infrastructures not associated with the two lift stations or any other cause beyond City's reasonable control and duties set forth herein. This Section of the Agreement may be terminated at any time without cause by either party, upon sixty (60) days written notice to the other party.

16. The City shall make staff available to the Town, whenever possible, to address wastewater emergencies. The Town recognizes that the City's first obligation is to serve the City's Utilities system. Staff will only be made available if the City system is not in distress. Such assistance will be provided under the general direction of the Town, who will have ultimate responsibility for utilities in the area. The City will be compensated for staff's actual expense for labor and benefits. Vehicles will be charged at the most recent FEMA rate. An additional 25% for services outside of City limits will be added. The total charge will be included in the Town's monthly invoice.

17. The parties shall defend and indemnify each other, to the extent allowed by law, and save each other harmless from and against any and all claims, suits, actions, damages and causes of action arising during the term of this Agreement caused by any action, neglect, erosion or mission of the other party relating to bodily injury, loss of life or damage to property sustained in, about, or upon the two lift stations or the improvements placed thereon, and to indemnify each other to the extent allowed by law, from claims resulting from any negligent acts of the

other party during the term of this Agreement, the parties further agree to indemnify and save each other harmless to the extent allowed by law, from and against all costs, attorney's fees, expenses and liabilities incurred in and about any such claim, investigation thereof, or the defense of any judgment or decrees, which may be entered therein as a result of the foregoing.

18. Any modification of the terms of this Agreement shall be in writing and upon approval of both Town and City utilizing the procedures necessary to authorize said modification pursuant to the requirements of each municipality, which shall be equal in dignity to the procedures utilized for approval of this Agreement.

**IN WITNESS WHEREOF**, the parties hereto have set their hands and affixed their corporate seals the day and year first above written.

"TOWN":

ATTEST:

TOWN OF LAUDERDALE-BY-THE-SEA

June White  
Town Clerk

By: Oliver Parker  
Mayor Oliver Parker

APPROVED as to form:

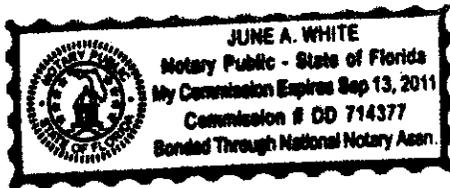
James A. Cherof  
for JAMES A. CHEROF, Town Attorney

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 13<sup>th</sup> day of November, 2007 by Oliver Parker, as Mayor of the Town of Lauderdale-By-The-Sea, Florida, a municipal corporation, on behalf of the municipal corporation, who is personally known to me.

NOTARY'S SEAL:

June A. White  
NOTARY PUBLIC, STATE OF FLORIDA  
JUNE A. WHITE  
(Name of Acknowledger Typed, Printed or Stamped)  
DD 714377  
Commission Number



**"CITY":**

**CITY OF POMPANO BEACH**

**Witnesses:**

*J. J. Jantelo*  
Signature of Witness

Carol Cantu  
Print Name of Witness

*Shelley R. Bartholomew*  
Signature of Witness

Shelley R. Bartholomew  
Print Name of Witness

By: *Lamar Fisher*  
Lamar Fisher, Mayor

By: *Keith Chadwell*  
Keith Chadwell, City Manager

**Attest:**

*Mary L. Chambers*  
Mary L. Chambers, City Clerk

(SEAL)

**Approved As To Form By:**

*Gordon B. Linn*  
Gordon B. Linn, City Attorney

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 17th day of December, 2007 by Lamar Fisher as Mayor of the City of Pompano Beach, Florida, a municipal corporation, on behalf of the municipal corporation, who is personally known to me.

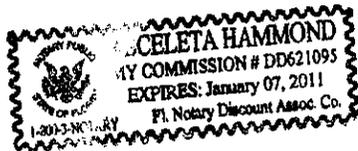
**NOTARY'S SEAL:**

*Asceleta Hammond*  
NOTARY PUBLIC, STATE OF FLORIDA

Asceleta Hammond

(Name of Acknowledger Typed, Printed or Stamped)

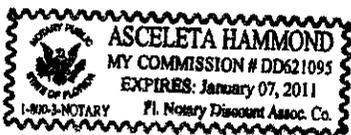
Commission Number



STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 17th day of December, 2007 by Keith Chadwell, as City Manager of the City of Pompano Beach, Florida, a municipal corporation, on behalf of the municipal corporation, who is personally known to me.

NOTARY'S SEAL:



Asceletha Hammond  
NOTARY PUBLIC, STATE OF FLORIDA

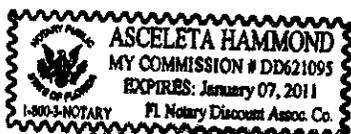
Asceletha Hammond  
(Name of Acknowledger Typed, Printed or Stamped)

\_\_\_\_\_  
Commission Number

STATE OF FLORIDA  
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 17th day of December, 2007 by Mary L. Chambers as City Clerk of the City of Pompano Beach, Florida, a municipal corporation, on behalf of the municipal corporation, who is personally known to me.

NOTARY'S SEAL:



Asceletha Hammond  
NOTARY PUBLIC, STATE OF FLORIDA

Asceletha Hammond  
(Name of Acknowledger Typed, Printed or Stamped)

\_\_\_\_\_  
Commission Number

MEB/jrm  
7/2/07 (2007-1584  
l:agr/utility/wastewater service agreement

## SCHEDULE A

The following terms used in this Schedule are defined as follows:

- Availability Charge – represents debt service costs for Lift Station #12 and the A1A Force Main allocated to LBS.
- Wastewater Treatment Charge – represents a) the volumetric rate charged by Broward County for wastewater treatment at the Regional Wastewater Treatment Plant; b) a Reserved Capacity Charge to recover debt service costs for the regional plant; and c) a Broward County True-Up Charge to make adjustments for the over- or under-recovery of cost paid to Broward County in the previous year.
- Lift Station #12 O&M Charge – represents costs associated with the operation and maintenance of Lift Station #12 (“LS12”), including electrical, chemical, pumping and general and administrative expenses incurred for the operation of LS12. This cost component also includes a 25% surcharge.
- True-Up Amount – represents an adjustment between the City and LBS calculated based on the actual revenues received from LBS compared to the actual costs incurred from the prior year.

**SCHEDULE A**

Calculation Methodology for LBS Wholesale Wastewater Treatment Rate

I.	Fixed Charge Components – Annual Cost	
	Availability Charge:	
	Lift Station #12 (1)	\$ 17,922.57
	AIA Force Main (2)	16,942.25
	Broward County Reserved Capacity Charge (3)	155,582.70
	Broward County True-Up Charge (prior year) (4)	
	LBS True-up from Prior Year (5)	
	<b>Subtotal: Fixed Annual Charge</b>	<b>\$</b>

**CALCULATED MONTHLY CHARGE**

II.	Volumetric Charge Components – Annual Cost	
	Lift Station #12 Costs:	
	Electrical (6)	\$
	Chemical (7)	
	Personnel – WW Pumping (8)	
	Other WW Pumping (9)	
	Administrative/General Expense (10)	
		\$
	Plus 25% Surcharge	
	<b>Subtotal: LS #12 Costs</b>	<b>\$</b>

Estimated Flow (based on 3 year average) (in kgal)

LS #12 Volumetric Rate (\$/kgal) (11)	\$
Broward County Rate	\$
Plus IR&R Charge	
Subtotal: Broward County Rate (12)	\$

**TOTAL VOLUMETRIC RATE (per 1,000 gal)**

Total Annual Cost	\$
Total Monthly Cost	\$
Total Annual Cost converted to a Volumetric Rate	\$

## SCHEDULE A

- (1) Calculated based on construction costs of \$964,820 amortized at approximately 4.11% over 20 years to generate annual payment amounts of \$71,690.28. Of this amount, 25% is allocated to LBS, per the contract, based on 1.5 MGD of capacity allocated to LBS out of a total capacity at the pump station of 6.0 MGD. The interest rate is consistent with the 1993 Bonds used to finance the project.
- (2) Calculated based on a total project cost of \$542,331, of which 50% is allocated to LBS per contract. The payment stream is based on an amortization of cost at 4.65% over 30 years.
- (3) This charge is based on the fixed charge for wastewater treatment debt service, including an IR&R factor (presently 2.5%), charged by Broward County. This charge is currently \$10,372.18 per month per MGD of reserved capacity. LBS is allocated 1.25 MGD of Pompano's available reserved capacity.
- (4) This is the amount of LBS's share of the true-up charge calculated by Broward County in each year. LBS's share is determined by multiplying the total true-up amount for Pompano Beach by the percentage determined by dividing LBS's metered flows by the total flows delivered by Pompano Beach to Broward County from 2 years prior. For FY 2007, the total true-up charge was \$5078.27, which was multiplied by 4.18% based on FY 2005 flows. It is not possible to forecast the magnitude of any true-up amounts in future years.
- (5) This is the amount determined by comparing actual revenues received from LBS with actual costs incurred for the prior year. The LBS true-up would only address costs recovered from the volumetric charge components for the LS#12 costs. It is not possible to forecast the magnitude of any true-up amounts in future years.
- (6) LBS's share of Electrical costs for LS#12 is calculated for each budget year by taking the budgeted amount for Total Pumping Electrical costs and multiplying by the percentage derived by dividing the most recent prior year's actual electrical costs for LS#12 by the actual Total Pumping Electrical costs for that year.
- (7) LBS's share of Chemical costs for LS#12 is calculated for each budget year by multiplying the budgeted amount for Total Chemical costs by LBS's share of total flows at LS#12 based on a three-year average of total flows and LBS flows.
- (8) LBS's share of Personnel Pumping costs for LS#12 is calculated for each budget year by multiplying the sum of the budgeted amounts for Pumping Personnel and Pumping Internal Services by the same percentage used for electrical costs.
- (9) LBS's share of Other Pumping costs for LS#12 is calculated for each budget year by multiplying the budgeted amounts for Other Pumping costs by the same flow based percentage factor used for chemical costs.
- (10) LBS's share of Administration and General Expenses for LS#12 is calculated for each budget year by multiplying the sum of the budgeted amounts for Sewer Administration and General Plant Expenses by three factors: (a) the ratio of pumping expenses to the sum of pumping expenses and transmission expenses; (b) the ratio of LS#12 flows to total flow delivered to Broward Co. for treatment; and by (c) the ratio of LBS flows to total LS#12 flows. The net effect of the three factors is a composite factor.
- (11) Calculated by dividing the subtotal for LS#12 costs, including a 25% surcharge, by the estimated flows for LBS based on the three-year average.
- (12) The Broward County Rate for wastewater treatment is treated as a pass-through cost to LBS based on the billable flows delivered and metered each month.

EXAMPLE: FOR COMPARISON PURPOSES ONLY – this page will not be included in the Agreement.

Calculated and Projected Wholesale Rate for Lauderdale-by-the-Sea Summary

	Notes	Fiscal Year		
		2007	2008	2009
<b>I. Fixed Charge Components - Annual Cost</b>				
Availability Charge				
Lift Station #12	(1)	\$ 17,922.57	\$ 17,922.57	\$ 17,922.57
A1A Force Main	(2)	16,942.25	16,942.25	16,942.25
Broward County Reserved Capacity Charge	(3)	155,582.70	155,582.70	155,582.70
Broward County True-Up Charge (prior year)	(4)	212.12	TBD	TBD
LBS True-up from Prior Year	(5)	12,783.31	TBD	TBD
<b>Subtotal: Fixed Annual Charges</b>		<b>\$ 203,442.95</b>	<b>\$ 190,447.52</b>	<b>\$ 190,447.52</b>
<b>Calculated Monthly Charges</b>		<b>\$ 16,953.58</b>	<b>\$ 15,870.63</b>	<b>\$ 15,870.63</b>

**II. Volumetric Charge Components - Annual Cost**

Lift Station #12 Costs:

LS#12 Electrical	(6)	\$ 13,241.29	\$ 14,416.46	\$ 14,921.03
LS#12 Chemical	(7)	40,893.06	44,522.31	46,080.59
LS#12 Personnel Pumping	(8)	41,461.85	45,458.10	47,381.35
LS#12 Other Pumping	(9)	7,270.92	7,777.45	8,049.66
LS#12 Admin. & General Expense	(10)	26,026.41	27,834.94	28,804.63
		<b>\$ 128,893.54</b>	<b>\$ 140,009.26</b>	<b>\$ 145,237.26</b>
Plus 25% Surcharge		32,223.38	35,002.31	36,309.32
<b>Subtotal: LS# 12 Costs</b>		<b>\$ 161,116.92</b>	<b>\$ 175,011.57</b>	<b>\$ 181,546.58</b>
Estimated Flow (based on 3-year average)	(in kgal)	220,444	207,811	207,811
LS#21 Volumetric Rate (\$/kgal)	(11)	\$ 0.731	\$ 0.842	\$ 0.874
Broward County Rate		\$ 0.689	\$ 0.689	\$ 0.689
Plus: IR&R Charge of 2.5%		\$ 0.017	\$ 0.017	\$ 0.017
<b>Subtotal: Broward County Rate (\$/kgal)</b>	(12)	<b>\$ 0.706</b>	<b>\$ 0.706</b>	<b>\$ 0.706</b>
<b>Total Volumetric Rate per 1,000 gallons</b>		<b>\$ 1.437</b>	<b>\$ 1.548</b>	<b>\$ 1.580</b>

Total Projected Annual Cost	\$ 520,242.93	\$ 512,220.41	\$ 518,755.42
Total Projected Monthly Cost	\$ 43,353.58	\$ 42,685.03	\$ 43,229.62
Total Annual Cost converted to a Volumetric Rate (For comparison purposes only.)	\$ 2.360	\$ 2.465	\$ 2.496

Don Prince)

This item was approved on consent.

**10. ORDINANCES - PUBLIC COMMENTS**

**a. Ordinances 1st Reading**

There were no Ordinances on 1st reading.

**b. Ordinances 2nd Reading**

- i. Ordinance 2010-20: AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," OF THE TOWN'S CODE OF ORDINANCES BY AMENDING ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES" TO ADOPT REVISIONS TO THE SCHEDULE OF RATES AND CHARGES FOR SANITARY SEWAGE COLLECTION, TRANSMISSION AND DISPOSAL SERVICE; AMENDING SECTION 20-22 "PROHIBITED DISCHARGES, PENALTY" TO SPECIFY ADDITIONAL MATERIALS THAT MAY NOT BE DISPOSED INTO THE SANITARY SEWER SYSTEM; CREATING SECTION 20-23 "DEFINITIONS" TO PROVIDE DEFINITIONS FOR ARTICLE II; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE Approved 1st reading at the December 7, 2010 Commission meeting

Attorney Trevarthen read Ordinance 2010-20 by title.

Mayor Minnet inquired of the history regarding the sewer system in regards to multiple water management between the City of Fort Lauderdale and the City of Pompano Beach.

Town Manager Hoffmann explained that the Town-owned sewer system was located from Pine Avenue south and built in the early 1960's. She added that the Town did not own a sewer treatment plant and therefore entered into a Master Sewer Agreement with the City of Pompano Beach to transmit the wastewater north to the City of Pompano Beach, who sent it on to the County's water treatment plant on Copans Road. Town Manager Hoffmann said that the Town projected the City of Pompano Beach would charge the Town \$680,000 to carry our wastewater away in 2011. She said in addition to the City of Pompano Beach charges, the Town had to maintain the sewer system within the Town including 2 lift stations that forced the water into the City of Pompano Beach's system. Town Manager Hoffmann said the Town also paid for the maintenance of the sewage pipes with an approximate cost of \$300,000 per year. She added that \$64,000 annually went into a fund to replace the aging infrastructure. Town Manager Hoffmann explained that Sea Ranch Condominiums received sewer service directly from the City of Pompano Beach, but for the last ten (10) years the City of Pompano Beach sent the bill to the Town and the Town paid the sewer bills for the Sea

Ranch Condominium; the Town then billed Sea Ranch Condominium the Town's sewer rate which historically, was lower than the City of Pompano Beach's sewer rate. Town Manager Hoffmann explained that the Town had not raised the sewer rate since 2002 and therefore the costs increased. She added that a significant increase took place when the City of Pompano Beach changed the way they billed the Town and none of the cost were passed on. Town Manager Hoffmann stated that if the Town's sewer rates were not raised the Town's sewer system would operate under a \$400,000 loss, which would draw down the money in reserve. She added that the Sewer Fund balance of approximately \$1.5 million was there to replace the aging sewer system and at the current sewer rate, that amount would drop to \$1 million. Town Manager Hoffmann said that in order to make up the shortfall the Town would have to adopt the City of Pompano Beach's rate structure, in which Ordinance 2010-20 did. Town Manager Hoffmann pointed out that the commercial rate per "structure" was an error in the Ordinance and should read per commercial "unit". She noted that the Notice was mailed with the correct language; commercial rate per "unit".

Mayor Minnet opened the meeting for public comments.

David Devons, Sea Ranch Club resident, stated that the cost to the condominium would double and they would have to find the funds to implement a special assessment. He asked whether it was possible to increase the sewer rates over a period of four (4) years. He asked what the reserve requirement was and inquired as to how many years it would take to meet the requirement. Town Manager Hoffmann said there was no defined construction or replacement reserve. She added that the Town had not done a study on the condition of the sewer system, but a study should be completed by this time next year.

Pat Pererro inquired of the dollar amount that Sea Ranch Club was subsidized over the years and asked whether any of that money could be reimbursed. Town Manager Hoffmann stated that the Town had not done an analysis to obtain the amount.

Reggie Black said he was not in a position to challenge the increase; however the timing was poor. He said the increase affected the condominium budget that was completed a few months ago. Mr. Black believed a phase-in process would be very helpful.

James Northrup asked whether a notice would be mailed informing him of the cost. Town Manager Hoffmann explained that she could not give him the cost without knowing the meter size, or volume usage. She advised Mr. Northrup to contact her office for further assistance.

Dan Russo said he would appreciate it if the Town phased in the increase over time.

George Hunsaker believed there was a false logic in the sewer rate structure. He said that a unit in the condominium did not equate to a single family unit. Mr. Hunsaker explained that the Poinciana by the Sea Condominium, consisting of 96 units, had only

50% of the units occupied year round; 25% were seasonal and the other 25% were only occupied a few weeks out of the year. He explained further that 96 single family units required approximately 2400 feet of sewer pipe, while Poinciana by the Sea Condominium only required 200 feet of sewer pipe. Mr. Hunsaker said that the average water consumption per unit at Poinciana by the Sea Condominium was approximately 3,000 gallons vs. 5,000 gallons for a single family unit. Mr. Hunsaker stated that with the proposed sewer rate increase their fees would double and requested that the increase be phased in over a 3 year period, with one (1) increase effective February 1, 2011 another effective October 1, 2011 and the 3rd effective October 1, 2012. Mr. Hunsaker pointed out that property taxes paid for the installation of sewers north of Pine Avenue and west of A1A. He asked that everyone's taxes provide some of the reserve needed for the maintenance of sewers in the south part of Town.

Former Mayor Oliver Parker recalled that the last sewer rate increase was in 2004. He stated that even if he was wrong in his recollection, the last sewer rate was sufficient in that there was no deficit in the sewer costs until 2009. Former Mayor Parker said that between 2001 and 2008, when he left office, the sewer rate generated enough income, not only to pay off sewer costs, but also to create a \$1.6 million surplus to repair and/or replace the sewers. He added that according to the recent documents 2010 was the first year of the deficit that ate up \$100,000 of the \$1.6 million surplus, leaving \$1.5 million at the start of this fiscal year. He believed that with the \$40,000-\$60,000 raised annually in sewer rates and the \$1.3 million in expenses an approximate deficit of 45% remained, yet the Town intended to raise rates 100%. Former Mayor Parker stated that in his condominium the rate increase would actually be 150% as the per unit water usage was overestimated. He explained if the sewer rate was raised only 45% there would be a \$100,000 shortfall that could be drawn from the \$1.5 million surplus. Former Mayor Parker further explained that if the rate was raised over the next three (3) years the Town could get themselves where they want to be without crunching people during a recession. He pointed out that if the Town's projected increase went into effect, the Town would make \$700,000 this year, over and above the sewer costs, and the following year the Town would make \$1.1 million per year.

Former Mayor Parker also pointed out that no one subsidized the Sea Ranch Condominium's sewer fee. He explained that when the Sea Ranch Condominium came into the Town along with Sea Ranch Lakes North, the condominiums requested that they be treated like everyone else in the Town. Former Mayor Parker added that they wanted four (4) things at the same cost that was charged to Town residents: 1) buoys in the north; 2) beach cleaning; 3) Town to assume a unified sewer service; and 4) two (2) additional deputies. Mr. Parker said the Town attempted to negotiate with the City of Pompano Beach to have the Town's contract cover the four (4) condominiums and the City of Pompano Beach refused, therefore the Town assumed the liability, basically having the condominiums' contracts assigned to the Town. He added that was when the City of Pompano Beach stopped billing the condominiums and began billing the Town, and in turn, the Town billed the condominiums for their sewer service. Former Mayor Parker stated that because of the annexation of the four (4) condominiums the millage

rate went from 4.9 to 4. He added that, as a result of the annexation, the Town's net profit was \$900,000 a year.

Town Manager Hoffmann said she did not know where Former Mayor Parker came up with the \$750,000 figure. She explained that the rate hike would cover the operating costs, place approximately \$100,000 into the reserve, pay \$50,000 for a study for the sewer system and also pay for \$55,000 in repairs to the existing sewer system. Commissioner Clotey requested that the Town Attorney address the legality of Former Mayor Parker's statement regarding the annexation agreement. Attorney Trevarthen stated that based on the Town Manager's investigation of this issue, a written agreement that bound the Town into paying the sewer fees to the City of Pompano Beach for the Sea Ranch Condominium was nowhere to be found, and based on that, Attorney Trevarthen did not believe the Town was legally obligated.

Commissioner Clotey asked through the Chair, where the former Mayor Parker obtained his information. Former Mayor Parker explained that the November Workshop minutes stated that the Commission discussed granting that should the Sea Ranch Condominium come into Town, their sewer rates would be equalized to the Town's sewer rates. He believed that if a written agreement could not be produced it could be proven by a pattern of behavior.

Myra Sullivan requested that the sewer increase be spread out as it was difficult to have a budget and not produce what was promised.

Marie Chiarello asked whether the Town entered into an agreement when the north end of Town annexed into Town to pay for the Palm Club sewers. She believed an agreement was an agreement.

Ron Piersante said he did not understand his \$39 water bill. He said water charge was \$9 and the sewer charge was \$15. He thought that the first \$3,000 gallons were free. Mr. Piersante asked why he paid more for the sewer than the water. Town Manager Hoffmann said she would review his bill and give him an answer.

With no one else wishing to speak, Mayor Minnet closed the public comment portion of the meeting.

Mayor Minnet reminded everyone that the millage rate was not raised because the Commission knew that the sewer rate increase was coming.

Commissioner Vincent stated that not a single person objected to the sewer rate increase and commended everyone for their understanding. He said, however he did hear an overwhelming public consensus to spread the increase out over time. Commissioner Clotey requested pulling the commercial structure section of the ordinance as many hotels would be affected. Town Manager Hoffmann said she had not received any calls from a commercial property owner and was concerned that they did not understand the impact the increase would have on them. She asked whether

additional efforts should be made to make them aware. Town Manager Hoffmann asked whether they should defer the adoption of the rate increase until the commercial property owners could present their views and if so, go forward with the adoption of the volume increase to residential property owners. She added that she and the Town Attorney prepared two (2) Ordinances; one with the residential rate increase and the volume increase only, and the other with the commercial rate increase clarified.

Commissioner Clotey said that the sewers in the north part of Town were obtained through the taxpayers of the entire Town. She believed that the surcharge that would be applied to the southern part of Town, and going into the reserve to rebuild the infrastructure was unfair. Commissioner Clotey believed it should be absorbed by every property owner in Town. She added that it was about principal, not money, but she would vote for the increase as it was needed.

Vice Mayor Dodd stated that this Commission inherited the problem. He did not believe one part of Town should pay for the sewers for another part of Town; everyone should pay an equal amount. Vice Mayor Dodd stated that to increase the rate over a period of time may result in an increase in the millage rate to cover the shortfall. Vice Mayor Dodd stated that Sea Ranch Condominiums asked to pay the same sewer rate as the south end of Town. He believed the Town was honoring that request by charging a rate town wide, affecting both the north and south ends of Town. He clarified further that the rate that the Sea Ranch Condominiums would pay would be the same as the south end of Town. Vice Mayor Dodd stated that he would not condone the use of other resident's money to phase in the increase.

Commissioner Sasser stated that this Commission inherited this issue. He said he did not want make these type of decisions even though they had to be made. Commissioner Sasser said that the money was not paid to the City of Pompano Beach by the Sea Ranch Condominiums and was still paid by the Town. He added that residents put the money into the reserve account and therefore, it was not necessarily the Town's money to pay for the Sea Ranch Condominiums subsidy. Commissioner Sasser realized that the Sea Ranch Condominiums did not request the subsidy; however, as a Commissioner, he had to base his decision based on the entire Town. He said that the Town was not in charge of the sewer rates from the City of Pompano Beach and believed that everybody should pay the same amount that the City of Pompano Beach charged.

Mayor Minnet agreed that this Commission inherited this issue. She said the Commission had to be equitable. Mayor Minnet stated that the entire community benefited from the annexation and therefore, needed to quickly move forward as one community.

Commissioner Sasser questioned when the Commission and/or the Town Manager would address the issue as to where Sea Ranch Condominiums belonged. Mayor Minnet stated that it would be addressed under Old Business 14b.

Commissioner Clotey questioned whether the hook up charge for commercial properties within the ordinance would be removed for now. Mayor Minnet stated that there were two (2) ordinances before the Commission: commercial rate clarification and residential rate increase only.

Town Manager Hoffmann stated the "residential rate increase only" ordinance was really a "residential rate increase only plus volumetric charge for all, commercial and residential".

Commissioner Clotey believed there was some confusion that a fifty (50) unit hotel would have to pay the hook up charge the same as a fifty (50) unit condominium. She added that the hotel is not full all year as some condominiums were not. Commissioner Clotey believed that was an issue for discussion.

Commissioner Vincent questioned whether the Town would still be equitable if the Commission moved forward with a split ordinance and raised the sewer rates for single family residential and delayed raising the sewer rates on commercial properties.

Mayor Minnet asked whether the commercial properties and condominiums were billed the appropriate rate under the current structure. Town Manager Hoffmann stated that under the current rate structure the base rate was based on the size of the pipe that came into the property owner's meter, and then \$3.00 per 1,000 gallons for volume usage. She added that there was a cap for volume usage for residential properties but not for commercial properties. Town Manager Hoffmann explained that what was proposed was a complete change in the structure, and instead of paying based on meter size, a base fee would be paid for every unit whether it was residential or commercial.

Commissioner Sasser made a motion to approve Ordinance 2010-20 with the commercial rate clarification on second reading. Vice Mayor Dodd seconded the motion. The motion carried 4 - 1. Commissioner Clotey voted no.

- ii. Ordinance 2011-01: AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING SECTION 30-272 "SETBACKS," IN THE B-1 DISTRICT, OF THE CODE OF ORDINANCES TO AMEND PARKING REQUIREMENTS; AMENDING SECTION 30-318 "MINIMUM PARKING REQUIREMENTS," TO REVISE PARKING REQUIREMENTS FOR PLACES OF PUBLIC ASSEMBLY, RESTAURANTS AND THEATRES; AMENDING SECTION 30-321 "MODIFICATION OF PARKING REQUIREMENTS," TO PROVIDE PROCEDURES FOR MODIFICATION OF MINIMUM PARKING REQUIREMENTS; PROVIDING FOR SEVERABILITY, CONFLICTS, CODIFICATION, AND AN EFFECTIVE DATE Approved 1st reading at the January 11, 2011 Special Meeting

Town Attorney Trevarthen clarified the City of Pompano Beach sewer rate structure would be used in place of any classification not addressed in the ordinance.

ORDINANCE 2010 – 20

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**AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," OF THE TOWN'S CODE OF ORDINANCES BY AMENDING ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES" TO ADOPT REVISIONS TO THE SCHEDULE OF RATES AND CHARGES FOR SANITARY SEWAGE COLLECTION, TRANSMISSION AND DISPOSAL SERVICE; AMENDING SECTION 20-22 "PROHIBITED DISCHARGES, PENALTY" TO SPECIFY ADDITIONAL MATERIALS THAT MAY NOT BE DISPOSED INTO THE SANITARY SEWER SYSTEM; CREATING SECTION 20-23 "DEFINITIONS" TO PROVIDE DEFINITIONS FOR ARTICLE II; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.**

**WHEREAS,** the Town Commission has identified the need to amend its Code of Ordinances to increase the sanitary sewer rates that are charged to properties connected to the Town's sewer system, to fully cover the costs of collecting and treating sewage, provide for maintenance and improvements to the sewage collection system, and for other related purposes; and

**WHEREAS,** because all of the sewage collected by the Town is sent to the City of Pompano Beach for transmission to Broward County for treatment, the Town seeks to further amend its Code of Ordinances to incorporate relevant prohibitions and requirements for disposal of certain materials into the sewage system and relevant definitions; and

**WHEREAS,** the sewer rate increase shall be applied to consumption beginning in February 2011.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AS FOLLOWS:**

**SECTION 1. Recitals.** The foregoing "Whereas" clauses are ratified and confirmed as being true, correct and reflective of the legislative intent underlying this Ordinance and are hereby made a specific part of this Ordinance.

ORDINANCE 2010-20

33 SECTION 2. Amending Section 20-19. Section 20-19 "Rates and Charges" of Article  
34 II "Sanitary Sewer System" of Chapter 20 "Utilities" is hereby amended as follows:

35 Sec. 20-19. Rates and Charges.

36 (a) *Established.* There is hereby levied and established a schedule ~~or system~~ of rates  
37 and charges for sanitary sewage disposal services against each and every person, firm,  
38 partnership, corporation or other legal entity owning or using any buildings or structures in the  
39 Town inhabited or used by human beings as a place of residence, business or otherwise.

40  
41 (b) *Amounts of rates and charges.*

42 ~~Monthly base charge:~~

43 ~~All Single family and duplexes:~~

44 ~~All customers<sup>1</sup>~~

45  
46 (1) Monthly service charge per single-family unit ..... \$7.60-14.89

47  
48 ~~Multi-family and commercial:~~

49 ~~Meter Size~~

50 ~~5/8 x 3/4 ..... 7.60~~

51 ~~3/4" ..... 19.00~~

52 ~~1.0" ..... 38.00~~

53 ~~1.5" ..... 60.00~~

54 ~~2.0" ..... 121.60~~

55 ~~4.0" ..... 190.00~~

56 ~~6.0" ..... 265.00~~

57  
58 (2) Monthly service charge per multi-family unit, including duplexes:.....\$14.26

59  
60 (3) Monthly service charge per commercial structure: ..... \$16.33

61  
62 (4) Consumption rate charged per 1,000 gallons of water usage:

63  
64 ~~All customer classes<sup>2</sup> ..... 3.00~~ \$3.46

65 ~~All residential units will not be charged a consumption rate for usage in excess of~~  
66 10,000 gallons per month

67  
68 ~~1. Includes 2,000 gallons per month~~

69 ~~2. Single family and duplexes capped at 12,000 gallons per month~~

70  
71 SECTION 3. Amending Section 20-22. Section 20-22 "Prohibited discharges, penalty"

72 of Article II "Sanitary Sewer System" of Chapter 20 "Utilities" is hereby amended as follows:

73

ORDINANCE 2010-20

74 **Sec. 20-22. Prohibited discharges, penalty.**

75 (a) *Use prohibited.* It shall be unlawful for any person to discharge or cause to be  
76 discharged into the sanitary sewerage system any of the following:

77  
78 (1) Septic tank sludge or effluent from a tank truck into a street manhole or by direct  
79 connection from a septic tank or drainfield to the sanitary sewerage system of the Town;

80  
81 (2) Any flammable, explosive or combustible liquid, solid, or gas such as gasoline,  
82 benzene, naphtha, fuel oil, oil, cleaning fluids or other materials of this nature;

83  
84 (3) Any stormwater, surface water, ground water, roof runoff, subsurface drainage,  
85 uncontaminated cooling water, or unpolluted industrial process waters to any sanitary  
86 sewer;

87  
88 (4) Any waters or wastes containing toxic or poisonous solids, liquids, or gases in  
89 sufficient quantity, either singly or by interaction with other wastes, to injure or interfere  
90 with any wastewater treatment process, constitute a hazard to humans or animals, create a  
91 public nuisance, or create any hazard in the receiving wastewater treatment plant,  
92 including but not limited to cyanides in excess of 2 mg/l as CN (cyanide) in the wastes as  
93 discharged to the city sewer;

94  
95 (5) Any waters or wastes having a pH lower than 5.5, or having any other corrosive  
96 property capable of causing damage or hazard to structures, equipment, or Town  
97 personnel or contractors that work with the wastewater system;

98  
99 (6) Solid or viscous substances in quantities or of a size capable of causing  
100 obstruction to the flow in sewers or other interference with the proper operation of the  
101 wastewater system such as, but not limited to, ashes, cinders, sand, mud, straw, wood or  
102 metal shavings, metal, glass, rags, feathers, tar, plastics, wood, unground garbage, whole  
103 blood, paunch manure, hair and flesh, entrails, and paper dishes, cups, milk containers,  
104 and the like, either whole or ground by garbage grinders.

105 (b) No person shall discharge or cause to be discharged the following described  
106 substances, materials, waters, or wastes if it appears likely in the opinion of the Director that the  
107 wastes can harm either the wastewater system, wastewater treatment process, or equipment, have  
108 an adverse effect on the receiving stream, or can otherwise endanger life, limb, public property,  
109 or constitute a nuisance. In forming his opinion as to the acceptability of these wastes, the  
110 Director will give consideration to such factors as the quantities of subject wastes in relation to  
111 flows and velocities in the wastewater system, materials of construction of the wastewater  
112 system, nature of the wastewater treatment process, capacity of the wastewater treatment plant,  
113 degree of treatability of wastes in the wastewater treatment plant, and other pertinent factors.  
114 Combined sewage systems are prohibited in the Town. The substances prohibited are as follows:

115 (1) Any liquid or vapor having a temperature higher than 150°F. or 65°C;

ORDINANCE 2010-20

116 (2) Any water or waste containing fats, wax, grease, or oil, whether emulsified or not,  
117 in excess of 100 mg/l or containing substances which may solidify or become viscous at  
118 temperatures between 32°F. and 150°F. (0°C. and 65°C.):

119 (3) Any garbage that has not been properly shredded;

120 (4) Any waters or wastes containing strong acid iron pickling wastes or concentrated  
121 plating solutions, whether neutralized or not;

122 (5) Any water or wastes containing iron, chromium, copper, zinc, and similar  
123 objectionable or toxic substances, or wastes exerting an excessive chlorine requirement,  
124 to a degree that any such material received in the composite wastewater at the wastewater  
125 treatment works exceeds the limits established by the Director for these materials;

126 (6) Any waters or wastes containing phenols or other taste- or odor-producing  
127 substances, in such concentrations exceeding limits established by the Director as  
128 necessary, after treatment of the composite wastewater, to meet the requirements of the  
129 state, federal, or other public agencies of jurisdiction for discharge to the receiving  
130 waters;

131 (7) Any radioactive wastes or isotopes of half-life or concentration as may exceed  
132 limits established by the Director in compliance with applicable state or federal  
133 regulations;

134 (8) Any waters or wastes having a pH in excess of 9.5;

135 (9) Materials which exert or cause the following:

136 (aa) Unusual concentrations of inert suspended solids (such as, but not limited to,  
137 Fullers earth, lime slurries, and lime residues) or of dissolved solids (such as, but not  
138 limited to, sodium chloride and sodium sulfate);

139 (bb) Excessive discoloration (such as, but not limited to, dye wastes and vegetable  
140 tanning solutions);

141 (cc) Unusual BOD, chemical oxygen demand, or chlorine requirements in such  
142 quantities as to constitute a significant load on the wastewater treatment works; and

143 (10) Waters or wastes containing substances which are not amenable to treatment or  
144 reduction by the wastewater treatment processes employed, or are amenable to treatment  
145 only to the degree that the wastewater treatment plant effluent cannot meet the  
146 requirements of other agencies having jurisdiction over discharge to the receiving waters.

147 ~~(b)(c)~~ The discharge of any of such foreign or prohibited matter in the manner stated in  
148 this section or in any manner whatsoever shall constitute an offense and be punishable in the  
149 manner set forth in section 1-12. A separate offense shall be deemed committed upon each

ORDINANCE 2010-20

150 occasion of such discharging of foreign or prohibited matter and upon each day during or on  
151 which a violation occurs or continues.

152 (d) All flows shall comply with Broward County ordinances and Town pre-treatment  
153 policies.

154 (e) If any waters or wastes are discharged, or are proposed to be discharged to the  
155 Town wastewater system, which contain the substances or possess the characteristics enumerated  
156 in this section and which, in the judgment of the Director, may have a deleterious effect upon the  
157 wastewater system, processes, equipment, or receiving waters, or which otherwise create a  
158 hazard to life or constitute a public nuisance, the Director may do any one or more of the  
159 following:

160 (1) Reject the wastes;

161 (2) Require pretreatment to an acceptable condition for discharge to the Town  
162 wastewater system;

163 (3) Require control over the quantities and rates of discharge;

164 (4) Require payment to cover the added cost of handling and treating the wastes not  
165 covered by existing wastewater charges;

166 (5) If the Director permits the pretreatment or equalization of waste flows, the design  
167 and installation of the plants and equipment shall be subject to the review and approval of  
168 the Director, and subject to the requirements of all applicable codes, ordinances, and  
169 laws.

170 (f) Grease, oil, and sand interceptors shall be provided by the property owner or lessee  
171 when, in the opinion of the Director, they are necessary for the proper handling of liquid wastes  
172 containing grease in excessive amounts, or any flammable wastes, sand, or other harmful  
173 ingredients. However, these interceptors shall not be required for private living quarters or  
174 dwelling units. All interceptors shall be of a type and capacity approved by the Director, and be  
175 located so as to be readily and easily accessible for cleaning and inspection.

176 (g) Where preliminary treatment or flow-equalizing facilities are provided for any  
177 waters or wastes, they shall be maintained continuously in satisfactory and effective operation by  
178 the owner at his or her expense.

179 (h) When required by the Director, the owner of any property serviced by a building  
180 wastewater system carrying industrial wastes shall install a suitable control manhole, together  
181 with the necessary meters and other appurtenances in the building wastewater system to facilitate  
182 observation, sampling, and measurement of the wastes. The manhole, when required, shall be  
183 accessibly and safely located, and shall be constructed in accordance with plans submitted to the  
184 Town Engineer for review and approved by the Director. The manhole shall be installed by the

ORDINANCE 2010-20

185 owner at his or her expense, and shall be maintained by the owner so as to be safe and accessible  
186 at all times.

187 (i) All measurements, tests, and analyses of the characteristics of waters and wastes to  
188 which reference is made in this section shall be determined in accordance with the latest edition  
189 of "Standard Methods for the Examination of Water and Wastewater," published by the  
190 American Public Health Association, and shall be determined at the control manhole provided,  
191 or upon suitable samples taken at the control manhole. In the event no special manhole has been  
192 required, the control manhole shall be considered to be the nearest downstream manhole in the  
193 Town's wastewater system to the point at which the building wastewater system is connected.  
194 Sampling shall be carried out by customarily accepted methods to reflect the effect of  
195 constituents upon the wastewater works and to determine the existence of hazards to life, limb,  
196 and property. The particular analyses involved will determine whether a 24-hour composite of  
197 all outfalls of a premise is appropriate or whether a grab sample or samples should be taken.  
198 BOD and suspended solid analyses may be obtained from 24-hour composites of all outfalls.  
199 Levels of pH are determined from periodic grab samples.

200 SECTION 4. Creating Section 20-23. Section 20-23 "Definitions" of Article II  
201 "Sanitary Sewer System" of Chapter 20 "Utilities" is hereby created as follows:

202 **Sec. 20-23. Definitions.**

203 (a) For the purpose of this article, the following definitions shall apply unless the context  
204 clearly indicates or requires a different meaning:

205  
206 BOD or BIOCHEMICAL OXYGEN DEMAND. The quantity of oxygen utilized in the  
207 biochemical oxidation of organic matter under standard laboratory procedure in five days  
208 at 20°C expressed in milligrams per liter.

209  
210 COMBINED SEWAGE. A combination of the water-carried wastes from residences,  
211 business buildings, institutions, and industrial establishments, together with any ground,  
212 surface, and storm waters as may be present.

213  
214 DIRECTOR. The Director of Municipal Services or designee.

215  
216 GARBAGE. Solid wastes from the domestic and commercial preparation, cooking, and  
217 dispensing of food, and from the handling, storage, and sale of produce.

218  
219 INDUSTRIAL WASTES. The liquid wastes from industrial manufacturing processes,  
220 trade, or business as distinct from sanitary wastewater.

221  
222 LATERAL. The extension from the building infrastructure to the wastewater system or  
223 other place of disposal.

ORDINANCE 2010-20

225 pH. The logarithm of the reciprocal of the weight of hydrogen ions in grams per liter of  
226 solution.

227  
228 PRETREATMENT. Program that protects the city's wastewater collection system,  
229 Broward County's treatment plant, as well as the environment, by preventing toxic  
230 pollutants and dangerous substances from entering into the city sanitary wastewater  
231 system.

232  
233 PROPERLY SHREDDED GARBAGE. The wastes from the preparation, cooking, and  
234 dispensing of food that have been shredded to such a degree that all particles will be  
235 carried freely under the flow conditions normally prevailing in Town sewers, with no  
236 particle greater than ½ inch (1.27 centimeters) in any dimension.

237  
238 SANITARY SEWER. A sewer which carries sewage and to which storm, surface, and  
239 ground waters are not intentionally admitted.

240  
241 SEWER. A pipe or conduit for carrying wastewater.

242  
243 STORMWATER. Run off resulting from precipitation.

244  
245 SURFACE WATER. Water that remains on the surface of the ground, including rivers,  
246 lakes, reservoirs, streams, wetlands, impoundments, seas and estuaries.

247  
248 SUSPENDED SOLIDS. Solids that either float on the surface of, or are in suspension in  
249 water, wastewater, or other liquids, and which are measured by laboratory filtering.

250  
251 WASTEWATER. Water carried wastes from residences, business buildings, institutions  
252 and industrial establishments.

253  
254 WASTEWATER TREATMENT PLANT. The Broward County North Regional Plant  
255 that treats the wastewater flows from the Town.

256  
257 **SECTION 5. Severability.** If any section, sentence, clause, or phrase of this Ordinance  
258 is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding  
259 shall in no way affect the validity of the remaining portions of this Ordinance.

260 **SECTION 6. Conflicts.** All prior ordinances or resolutions or parts thereof in conflict  
261 herewith are hereby repealed to the extent of such conflict.

262 **SECTION 7. Effective Date.** This Ordinance shall become effective in the sewer  
263 billing cycle that starts in February 2011.

**ORDINANCE 2010-20**

264 Passed on the first reading, this \_\_\_\_ day of \_\_\_\_\_, 2010.

265

266 Passed and adopted on the second reading, this \_\_\_\_ day of \_\_\_\_\_, 2011.

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\_\_\_\_\_  
Mayor Roseann Minnet

272

273

First Reading

Second Reading

274

275 Mayor Minnet

\_\_\_\_\_

\_\_\_\_\_

276 Vice-Mayor Dodd

\_\_\_\_\_

\_\_\_\_\_

277 Commissioner Clottey

\_\_\_\_\_

\_\_\_\_\_

278 Commissioner Sasser

\_\_\_\_\_

\_\_\_\_\_

279 Commissioner Vincent

\_\_\_\_\_

\_\_\_\_\_

280 Attest:

281 \_\_\_\_\_

282 Town Clerk, June White

283 (CORPORATE SEAL)

284

285 Approved as to form:

286

287

288 \_\_\_\_\_  
Town Attorney, Susan L. Trevarthen

meters could be removed. He added that it cleaned up the look of the sidewalk and increased the width of the sidewalk. Assistant Town Manager Bentley stated that staff was using a 2008 bid from the Lee County Parks Department, renewed annually, and advised that it met the piggyback requirement. He added that the current price was based on the 2008 bid and the company offered an additional 5% discount, equal to approximately \$2,900 for orders before the end of the year. Assistant Town Manager Bentley stated that staff could do research within the next 10 days and look to see if there was a lower price available. He added that if a lower alternative for obtaining the equipment was not found then staff would go ahead and make the purchase and pursue the credit card processing separately. Assistant Town Manager Bentley added that some cities found that 40% to 50% of the transactions were by credit card.

Assistant Town Manager Bentley stated that the machines could increase revenues and decrease parking citations which would make the parking experience better for the customer. He added that all meters would be networked together so that if someone needed to put more money on their space, they could do it at any master meter. Assistant Town Manager Bentley stated that credit card usage was not available in the El Prado lot. He added that the equipment would be ordered sometime next week.

Vice Mayor Dodd believed the green parking machines was a great idea as it brought flexibility to Town.

Commissioner Sasser made a motion to approve, contingent upon research in an attempt to reduce the price. Vice Mayor Dodd seconded the motion. The motion carried 5 - 0.

- g. Commission Approval of two (2) Hardship Permit Applications (Town Clerk June White) \* Basin Drive LLC \* Sea Spray Inn

10. ORDINANCES - PUBLIC COMMENTS

1. Ordinances 1st Reading

- i. Ordinance 2010-20: AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," OF THE TOWN'S CODE OF ORDINANCES BY AMENDING ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES" TO ADOPT REVISIONS TO THE SCHEDULE OF RATES AND CHARGES FOR SANITARY SEWAGE COLLECTION, TRANSMISSION AND DISPOSAL SERVICE; AMENDING SECTION 20-22 "PROHIBITED DISCHARGES, PENALTY" TO SPECIFY ADDITIONAL MATERIALS THAT MAY NOT BE DISPOSED INTO THE SANITARY SEWER SYSTEM; CREATING SECTION 20-23 "DEFINITIONS" TO PROVIDE DEFINITIONS FOR ARTICLE II; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.

Attorney Trevarthen read Ordinance 2010-20 by title.

Mayor Minnet asked whether staff wished to give a presentation prior to public comments. Town Manager Hoffmann stated that staff realized the simplest way to accomplish the objectives set forth by the Commission was to adopt the City of Pompano Beach's rate structure. PowerPoint slides that illustrated the proposed rates are attached hereto as part of these minutes.

Town Manager Hoffmann explained that the rate for single family and duplexes was \$7.60 as their base charge with an additional \$3.00 for every 1,000 gallons of water used. She added that under the current rate, single family and duplexes had the first 2,000 gallons of water included in the \$7.60 rate capped at 12,000 gallons. She added that under the Pompano Beach rate structure the rate for a single family went to \$14.89 and an additional \$3.46 per 1,000 gallons of water usage; Pompano Beach did not give a 2,000 gallon credit in their rate but was capped at 10,000 gallons.

Town Manager Hoffmann stated that multi-family unit rates were based on meter size and under the Pompano Beach rate structure every multi-family unit paid \$14.26 per unit and every Commercial entity paid \$16.33 per unit.

Town Manager Hoffmann said that if the rate structure was adopted it would allow enough revenue to put money back in the fund balance. Consultant Kathie Margolies said that the amount of the transfer to the Capital Reserve this year was approximately \$16,700 and for the next fiscal year it would be a little over \$100,000. Town Manager Hoffmann noted that the sewer infrastructure was over 40 years old and an engineering study was scheduled next year to see what condition it was in and the possible costs involved to restore, or to replace the system. She added that the sewer system was completely televised / analyzed over the past year and that data would be useful to the engineering firm doing the study.

Mayor Minnet opened the meeting for public comments. With no one wishing to speak, Mayor Minnet closed the public comment portion of the meeting.

Mayor Minnet said the sewer rates had not been increased in nine (9) years. She was concerned that there were residents that had not heard about the proposed increase. Mayor Minnet believed staff needed to reach as many residents as possible. She said that the residents needed to understand that the rate increase was necessary and not something the Commission wanted to do.

Commissioner Sasser noted that nothing was included to care of an eventual replacement of the sewer system. He asked whether there would be a surplus at the end of the year that would go toward replacement. Town Manager Hoffmann confirmed that the surplus would go into the sewer fund balance. She added that the funds collected this year and next year would be inadequate to replace the system, but would be available for use should an emergency arise.

Vice Mayor Dodd made a motion to adopt Ordinance 2010-20 on first reading. Commissioner Vincent seconded the motion. The motion carried 5 - 0.

Town Manager Hoffmann stated that staff would be sending postcards to every sewer customer of the Town of Lauderdale-By-The-Sea and not to the City of Pompano Beach customers. She added that the postcard would state the date of the public hearing, in January 2011 at the 2nd reading of the Ordinance and an email address would be provided for customers to request the actual analysis for the proposed sewer rates.

Mayor Minnet recessed the meeting at 8:10 p.m. and reconvened at 8:20 p.m.

**2. Ordinances 2nd Reading**

- i. Ordinance 2010-18: AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING SECTION 30-313(31) "ACCESSORY BUILDINGS AND STRUCTURES," OF THE CODE OF ORDINANCES TO AMEND REQUIREMENTS FOR SHEDS, STORAGE BUILDINGS AND OTHER ACCESSORY BUILDINGS AND STRUCTURES; PROVIDING FOR SEVERABILITY, CONFLICTS, CODIFICATION, AND AN EFFECTIVE DATE Approved 1st reading at the October 12, 2010 Commission meeting and forwarded to the November 22, 2010 Roundtable for further discussion by Vice Mayor Dodd

Attorney Trevarthen read Ordinance 2010-18 by title.

Mayor Minnet noted that Vice Mayor Dodd had submitted a proposed amendment to the Ordinance that would address the issuance of a fine should the shed not be removed in the event of a storm.

He recommended approval with the addition to impose a realistic fine.

Mayor Minnet opened the meeting for public comments. With no one wishing to speak, Mayor Minnet closed the public comment portion of the meeting.

Commissioner Sasser believed it was a great idea but was concerned as to when someone would need to comply. Development Services Director Bowman advised that once the hurricane warning was issued that would be when someone must comply. Commissioner Sasser preferred that the Ordinance clearly stated within 24 or 48 hours after a hurricane warning was issued the resident must comply.

Commissioner Vincent said he had reservations with passing the Ordinance as he believed it was government breathing down resident's necks. He said the elderly and out-of-towners needed to be considered along with guidelines regarding the height and placement of sheds. Commissioner Vincent believed the Ordinance was too lax and that Commission needed to take a good look at the Ordinance as they may be moving too fast.



AGENDA ITEM REQUEST FORM

Item No. 10.1.i

Town Manager
Department Submitting Request

Connie Hoffmann
Dept Head's Signature

REG COMMISSION DEADLINE TO
Meeting Dates 7:00PM Town Clerk

ROUNDTABLE DEADLINE TO
Meeting Dates 7:00PM Town Clerk

- Oct 12, 2010 Oct 1 (5:00 pm)
Nov 9, 2010\* Oct 29 (5:00 pm)
Dec 7, 2010 Dec 3 (5:00 pm)
Jan 11, 2011 Dec 31 (5:00 pm)
Feb 8, 2011 Jan 28 (5:00 pm)
Mar 8, 2011 Feb 25 (5:00 pm)

- Oct 26, 2010 Oct 15 (5:00 pm)
Nov 23, 2010\* Nov 12 (5:00 pm)
Dec 28, 2010\* Dec 17 (5:00 pm)
Jan 25, 2011 Jan 14 (5:00 pm)
Feb 22, 2011 Feb 11 (5:00 pm)
Mar 22, 2011 Mar 11 (5:00 pm)

\*Subject to Change

- Presentation Reports Consent Ordinance
Resolution Quasi Judicial Old Business New Business

SUBJECT TITLE: FIRST READING AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," OF THE TOWN'S CODE OF ORDINANCES BY AMENDING ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES" TO ADOPT REVISIONS TO THE SCHEDULE OF RATES AND CHARGES FOR SANITARY SEWAGE COLLECTION, TRANSMISSION AND DISPOSAL SERVICE; AMENDING SECTION 20-22 "PROHIBITED DISCHARGES, PENALTY" TO SPECIFY ADDITIONAL MATERIALS THAT MAY NOT BE DISPOSED INTO THE SANITARY SEWER SYSTEM; CREATING SECTION 20-23 "DEFINITION" TO PROVIDE FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE

EXPLANATION: The Town has not raised sewer rates charged to customers of the Town-owned sewer system for nine years. After discussion at two meetings, the Town Commission instructed staff to develop new rates, consistent with the Pompano Beach sewer rates that many Town residents already pay. The proposed ordinance adopts the Pompano Beach rate structure. That rate structure differs substantially from the Town's current rate structure in that the base charge is per household or commercial unit rather than by meter size, single family and duplex households do not receive an allowance of 2,000 gallons in the base rate, and the volumetric flow rate is higher in Pompano (\$3.46 versus \$3.00 in LBTS).

When reviewing Pompano's code we saw that they had much more extensive restrictions on what can be dumped into the wastewater system than Lauderdale-by-the-Sea has in our code and we believe it is advisable to incorporate those provisions in our code. We have incorporated those changes in this proposed ordinance.

If the ordinance is adopted, the new rates would take effect with the first billing cycle in February 2011 (i.e. based on February consumption). The City of Fort Lauderdale handles billing for the Town and they require thirty days notice to implement the change in their billing program.

State law requires that we notify all Town sewer customers of the time and date of a public hearing on the proposed rates. The Town Attorney has advised that the notice can be sent out prior to second reading of the ordinance in January and staff will take care of sending that notice in early January as, given the holiday season, we are afraid it will be overlooked by our customers if mailed in December.

RECOMMENDATION: Adopt the ordinance on first reading.

EXHIBITS: Memo dated December 3, 2010 from Town Manager
Sewer Fund Financial Projections and supporting documents with effect of rate increase

10/7/2010



# AGENDA ITEM REQUEST FORM

Item No. \_\_\_\_\_

**Town Manager**  
Department Submitting Request

**Connie Hoffmann**  
Dept Head's Signature

### FISCAL IMPACT AND APPROPRIATION OF FUNDS:

- Amount \$ \_\_\_\_\_
- Acct # \_\_\_\_\_
- Transfer of funds required
- From Acct # \_\_\_\_\_

Reviewed by Town Attorney  
 Yes     No

Town Manager Initials CH

10/7/2010

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**ORDINANCE 2010 – 20**

**AN ORDINANCE OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AMENDING CHAPTER 20, "UTILITIES," OF THE TOWN'S CODE OF ORDINANCES BY AMENDING ARTICLE II, "SANITARY SEWER SYSTEM," SECTION 20-19 "RATES AND CHARGES" TO ADOPT REVISIONS TO THE SCHEDULE OF RATES AND CHARGES FOR SANITARY SEWAGE COLLECTION, TRANSMISSION AND DISPOSAL SERVICE; AMENDING SECTION 20-22 "PROHIBITED DISCHARGES, PENALTY" TO SPECIFY ADDITIONAL MATERIALS THAT MAY NOT BE DISPOSED INTO THE SANITARY SEWER SYSTEM; CREATING SECTION 20-23 "DEFINITIONS" TO PROVIDE DEFINITIONS FOR ARTICLE II; AND PROVIDING FOR SEVERABILITY, CONFLICTS AND AN EFFECTIVE DATE.**

**WHEREAS,** the Town Commission has identified the need to amend its Code of Ordinances to increase the sanitary sewer rates that are charged to properties connected to the Town's sewer system, to fully cover the costs of collecting and treating sewage, provide for maintenance and improvements to the sewage collection system, and for other related purposes; and

**WHEREAS,** because all of the sewage collected by the Town is sent to the City of Pompano Beach for transmission to Broward County for treatment, the Town seeks to further amend its Code of Ordinances to incorporate relevant prohibitions and requirements for disposal of certain materials into the sewage system and relevant definitions; and

**WHEREAS,** the sewer rate increase shall be applied to consumption beginning in February 2011.

**NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COMMISSION OF THE TOWN OF LAUDERDALE-BY-THE-SEA, FLORIDA, AS FOLLOWS:**

**SECTION 1. Recitals.** The foregoing "Whereas" clauses are ratified and confirmed as being true, correct and reflective of the legislative intent underlying this Ordinance and are hereby made a specific part of this Ordinance.

27

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33 SECTION 2. Amending Section 20-19. Section 20-19 "Rates and Charges" of Article  
34 II "Sanitary Sewer System" of Chapter 20 "Utilities" is hereby amended as follows:

35 Sec. 20-19. Rates and Charges.

36 (a) *Established.* There is hereby levied and established a schedule ~~or system~~ of rates  
37 and charges for sanitary sewage disposal services against each and every person, firm,  
38 partnership, corporation or other legal entity owning or using any buildings or structures in the  
39 Town inhabited or used by human beings as a place of residence, business or otherwise.

40  
41 (b) *Amounts of rates and charges.*

42 ~~Monthly base charge:~~

43 ~~All Single family and duplexes:~~

44 ~~All customers<sup>1</sup>~~

45  
46 (1) Monthly service charge per single-family unit ..... \$7.60-14.89

47  
48 ~~Multi-family and commercial:~~

49 ~~Meter Size~~

50 ~~5/8 x 3/4 ..... 7.60~~

51 ~~3/4" ..... 19.00~~

52 ~~1.0" ..... 38.00~~

53 ~~1.5" ..... 60.00~~

54 ~~2.0" ..... 121.60~~

55 ~~4.0" ..... 190.00~~

56 ~~6.0" ..... 265.00~~

57  
58 (2) Monthly service charge per multi-family unit, including duplexes:.....\$14.26

59  
60 (3) Monthly service charge per commercial structure: ..... \$16.33

61  
62 (4) Consumption rate charged per 1,000 gallons of water usage:

63  
64 ~~All customer classes<sup>2</sup> ..... 3.00-3.46~~

65 All residential units will not be charged a consumption rate for usage in excess of  
66 10,000 gallons per month

67  
68 ~~1. Includes 2,000 gallons per month~~

69 ~~2. Single family and duplexes capped at 12,000 gallons per month~~

70  
71 SECTION 3. Amending Section 20-22. Section 20-22 "Prohibited discharges, penalty"

72 of Article II "Sanitary Sewer System" of Chapter 20 "Utilities" is hereby amended as follows:

73

74 **Sec. 20-22. Prohibited discharges, penalty.**

75 (a) *Use prohibited.* It shall be unlawful for any person to discharge or cause to be  
76 discharged into the sanitary sewerage system any of the following:

77  
78 (1) Septic tank sludge or effluent from a tank truck into a street manhole or by direct  
79 connection from a septic tank or drainfield to the sanitary sewerage system of the Town;

80  
81 (2) Any flammable, explosive or combustible liquid, solid, or gas such as gasoline,  
82 benzene, naphtha, fuel oil, oil, cleaning fluids or other materials of this nature;

83  
84 (3) Any stormwater, surface water, ground water, roof runoff, subsurface drainage,  
85 uncontaminated cooling water, or unpolluted industrial process waters to any sanitary  
86 sewer;

87  
88 (4) Any waters or wastes containing toxic or poisonous solids, liquids, or gases in  
89 sufficient quantity, either singly or by interaction with other wastes, to injure or interfere  
90 with any wastewater treatment process, constitute a hazard to humans or animals, create a  
91 public nuisance, or create any hazard in the receiving wastewater treatment plant,  
92 including but not limited to cyanides in excess of 2 mg/l as CN (cyanide) in the wastes as  
93 discharged to the city sewer;

94  
95 (5) Any waters or wastes having a pH lower than 5.5, or having any other corrosive  
96 property capable of causing damage or hazard to structures, equipment, or Town  
97 personnel or contractors that work with the wastewater system;

98  
99 (6) Solid or viscous substances in quantities or of a size capable of causing  
100 obstruction to the flow in sewers or other interference with the proper operation of the  
101 wastewater system such as, but not limited to, ashes, cinders, sand, mud, straw, wood or  
102 metal shavings, metal, glass, rags, feathers, tar, plastics, wood, unground garbage, whole  
103 blood, paunch manure, hair and flesh, entrails, and paper dishes, cups, milk containers,  
104 and the like, either whole or ground by garbage grinders.

105 (b) No person shall discharge or cause to be discharged the following described  
106 substances, materials, waters, or wastes if it appears likely in the opinion of the Director that the  
107 wastes can harm either the wastewater system, wastewater treatment process, or equipment, have  
108 an adverse effect on the receiving stream, or can otherwise endanger life, limb, public property,  
109 or constitute a nuisance. In forming his opinion as to the acceptability of these wastes, the  
110 Director will give consideration to such factors as the quantities of subject wastes in relation to  
111 flows and velocities in the wastewater system, materials of construction of the wastewater  
112 system, nature of the wastewater treatment process, capacity of the wastewater treatment plant,  
113 degree of treatability of wastes in the wastewater treatment plant, and other pertinent factors.  
114 Combined sewage systems are prohibited in the Town. The substances prohibited are as follows:

115 (1) Any liquid or vapor having a temperature higher than 150°F. or 65°C;

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116 (2) Any water or waste containing fats, wax, grease, or oil, whether emulsified or not,  
117 in excess of 100 mg/l or containing substances which may solidify or become viscous at  
118 temperatures between 32°F. and 150°F. (0°C. and 65°C.);

119 (3) Any garbage that has not been properly shredded;

120 (4) Any waters or wastes containing strong acid iron pickling wastes or concentrated  
121 plating solutions, whether neutralized or not;

122 (5) Any water or wastes containing iron, chromium, copper, zinc, and similar  
123 objectionable or toxic substances, or wastes exerting an excessive chlorine requirement,  
124 to a degree that any such material received in the composite wastewater at the wastewater  
125 treatment works exceeds the limits established by the Director for these materials;

126 (6) Any waters or wastes containing phenols or other taste- or odor-producing  
127 substances, in such concentrations exceeding limits established by the Director as  
128 necessary, after treatment of the composite wastewater, to meet the requirements of the  
129 state, federal, or other public agencies of jurisdiction for discharge to the receiving  
130 waters;

131 (7) Any radioactive wastes or isotopes of half-life or concentration as may exceed  
132 limits established by the Director in compliance with applicable state or federal  
133 regulations;

134 (8) Any waters or wastes having a pH in excess of 9.5;

135 (9) Materials which exert or cause the following:

136 (aa) Unusual concentrations of inert suspended solids (such as, but not limited to,  
137 Fullers earth, lime slurries, and lime residues) or of dissolved solids (such as, but not  
138 limited to, sodium chloride and sodium sulfate);

139 (bb) Excessive discoloration (such as, but not limited to, dye wastes and vegetable  
140 tanning solutions);

141 (cc) Unusual BOD, chemical oxygen demand, or chlorine requirements in such  
142 quantities as to constitute a significant load on the wastewater treatment works; and

143 (10) Waters or wastes containing substances which are not amenable to treatment or  
144 reduction by the wastewater treatment processes employed, or are amenable to treatment  
145 only to the degree that the wastewater treatment plant effluent cannot meet the  
146 requirements of other agencies having jurisdiction over discharge to the receiving waters.

147 ~~(b)(c)~~ The discharge of any of such foreign or prohibited matter in the manner stated in  
148 this section or in any manner whatsoever shall constitute an offense and be punishable in the  
149 manner set forth in section 1-12. A separate offense shall be deemed committed upon each

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150 occasion of such discharging of foreign or prohibited matter and upon each day during or on  
151 which a violation occurs or continues.

152 (d) All flows shall comply with Broward County ordinances and Town pre-treatment  
153 policies.

154 (e) If any waters or wastes are discharged, or are proposed to be discharged to the  
155 Town wastewater system, which contain the substances or possess the characteristics enumerated  
156 in this section and which, in the judgment of the Director, may have a deleterious effect upon the  
157 wastewater system, processes, equipment, or receiving waters, or which otherwise create a  
158 hazard to life or constitute a public nuisance, the Director may do any one or more of the  
159 following:

160 (1) Reject the wastes;

161 (2) Require pretreatment to an acceptable condition for discharge to the Town  
162 wastewater system;

163 (3) Require control over the quantities and rates of discharge;

164 (4) Require payment to cover the added cost of handling and treating the wastes not  
165 covered by existing wastewater charges;

166 (5) If the Director permits the pretreatment or equalization of waste flows, the design  
167 and installation of the plants and equipment shall be subject to the review and approval of  
168 the Director, and subject to the requirements of all applicable codes, ordinances, and  
169 laws.

170 (f) Grease, oil, and sand interceptors shall be provided by the property owner or lessee  
171 when, in the opinion of the Director, they are necessary for the proper handling of liquid wastes  
172 containing grease in excessive amounts, or any flammable wastes, sand, or other harmful  
173 ingredients. However, these interceptors shall not be required for private living quarters or  
174 dwelling units. All interceptors shall be of a type and capacity approved by the Director, and be  
175 located so as to be readily and easily accessible for cleaning and inspection.

176 (g) Where preliminary treatment or flow-equalizing facilities are provided for any  
177 waters or wastes, they shall be maintained continuously in satisfactory and effective operation by  
178 the owner at his or her expense.

179 (h) When required by the Director, the owner of any property serviced by a building  
180 wastewater system carrying industrial wastes shall install a suitable control manhole, together  
181 with the necessary meters and other appurtenances in the building wastewater system to facilitate  
182 observation, sampling, and measurement of the wastes. The manhole, when required, shall be  
183 accessibly and safely located, and shall be constructed in accordance with plans submitted to the  
184 Town Engineer for review and approved by the Director. The manhole shall be installed by the

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185 owner at his or her expense, and shall be maintained by the owner so as to be safe and accessible  
186 at all times.

187 (i) All measurements, tests, and analyses of the characteristics of waters and wastes to  
188 which reference is made in this section shall be determined in accordance with the latest edition  
189 of "Standard Methods for the Examination of Water and Wastewater," published by the  
190 American Public Health Association, and shall be determined at the control manhole provided,  
191 or upon suitable samples taken at the control manhole. In the event no special manhole has been  
192 required, the control manhole shall be considered to be the nearest downstream manhole in the  
193 Town's wastewater system to the point at which the building wastewater system is connected.  
194 Sampling shall be carried out by customarily accepted methods to reflect the effect of  
195 constituents upon the wastewater works and to determine the existence of hazards to life, limb,  
196 and property. The particular analyses involved will determine whether a 24-hour composite of  
197 all outfalls of a premise is appropriate or whether a grab sample or samples should be taken.  
198 BOD and suspended solid analyses may be obtained from 24-hour composites of all outfalls.  
199 Levels of pH are determined from periodic grab samples.

200 **SECTION 4. Creating Section 20-23.** Section 20-23 "Definitions" of Article II  
201 "Sanitary Sewer System" of Chapter 20 "Utilities" is hereby created as follows:

202 **Sec. 20-23. Definitions.**

203 (a) For the purpose of this article, the following definitions shall apply unless the context  
204 clearly indicates or requires a different meaning:

205  
206 BOD or BIOCHEMICAL OXYGEN DEMAND. The quantity of oxygen utilized in the  
207 biochemical oxidation of organic matter under standard laboratory procedure in five days  
208 at 20°C expressed in milligrams per liter.

209  
210 COMBINED SEWAGE. A combination of the water-carried wastes from residences,  
211 business buildings, institutions, and industrial establishments, together with any ground,  
212 surface, and storm waters as may be present.

213  
214 DIRECTOR. The Director of Municipal Services or designee.

215  
216 GARBAGE. Solid wastes from the domestic and commercial preparation, cooking, and  
217 dispensing of food, and from the handling, storage, and sale of produce.

218  
219 INDUSTRIAL WASTES. The liquid wastes from industrial manufacturing processes,  
220 trade, or business as distinct from sanitary wastewater.

221  
222 LATERAL. The extension from the building infrastructure to the wastewater system or  
223 other place of disposal.

224

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225 pH. The logarithm of the reciprocal of the weight of hydrogen ions in grams per liter of  
226 solution.

227  
228 PRETREATMENT. Program that protects the city's wastewater collection system,  
229 Broward County's treatment plant, as well as the environment, by preventing toxic  
230 pollutants and dangerous substances from entering into the city sanitary wastewater  
231 system.

232  
233 PROPERLY SHREDDED GARBAGE. The wastes from the preparation, cooking, and  
234 dispensing of food that have been shredded to such a degree that all particles will be  
235 carried freely under the flow conditions normally prevailing in Town sewers, with no  
236 particle greater than ½ inch (1.27 centimeters) in any dimension.

237  
238 SANITARY SEWER. A sewer which carries sewage and to which storm, surface, and  
239 ground waters are not intentionally admitted.

240  
241 SEWER. A pipe or conduit for carrying wastewater.

242  
243 STORMWATER. Run off resulting from precipitation.

244  
245 SURFACE WATER. Water that remains on the surface of the ground, including rivers,  
246 lakes, reservoirs, streams, wetlands, impoundments, seas and estuaries.

247  
248 SUSPENDED SOLIDS. Solids that either float on the surface of, or are in suspension in  
249 water, wastewater, or other liquids, and which are measured by laboratory filtering.

250  
251 WASTEWATER. Water carried wastes from residences, business buildings, institutions  
252 and industrial establishments.

253  
254 WASTEWATER TREATMENT PLANT. The Broward County North Regional Plant  
255 that treats the wastewater flows from the Town.

256  
257 **SECTION 5. Severability.** If any section, sentence, clause, or phrase of this Ordinance  
258 is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding  
259 shall in no way affect the validity of the remaining portions of this Ordinance.

260 **SECTION 6. Conflicts.** All prior ordinances or resolutions or parts thereof in conflict  
261 herewith are hereby repealed to the extent of such conflict.

262 **SECTION 7. Effective Date.** This Ordinance shall become effective in the sewer  
263 billing cycle that starts in February 2011.

**ORDINANCE 2010-20**

264 Passed on the first reading, this \_\_\_\_ day of \_\_\_\_\_, 2010.

265

266 Passed and adopted on the second reading, this \_\_\_\_ day of \_\_\_\_\_, 2011.

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\_\_\_\_\_  
Mayor Roseann Minnet

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273

First Reading

Second Reading

274

275

Mayor Minnet

\_\_\_\_\_

\_\_\_\_\_

276

Vice-Mayor Dodd

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\_\_\_\_\_

277

Commissioner Clotney

\_\_\_\_\_

\_\_\_\_\_

278

Commissioner Sasser

\_\_\_\_\_

\_\_\_\_\_

279

Commissioner Vincent

\_\_\_\_\_

\_\_\_\_\_

280

Attest:

281

\_\_\_\_\_  
Town Clerk, June White  
(CORPORATE SEAL)

284

285

Approved as to form:

286

287

288

\_\_\_\_\_  
Town Attorney, Susan L. Trevarthen

# Town of Lauderdale-by-the-Sea

## OFFICE OF THE TOWN MANAGER

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### Memorandum

**Date:** November 30, 2010

**To:** Mayor Roseann Minnet  
Commissioner Stuart Dodd  
Commissioner Birute Clottey  
Commissioner Scot Sasser  
Commissioner Chris Vincent

**From:** Connie Hoffmann, Town Manager 

**Subject:** Sewer Rates

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At the November 22<sup>nd</sup> Roundtable, the Commission asked to see two more options on the sewer rates:

- 1) The effect of adopting the Pompano rate structure for both availability and flow.
- 2) An option that raised enough revenue to completely cover operating expenses in FY 2010/2011 despite the fact that the rate increase would only be in effect for three quarters of the year.

By adopting the Pompano Beach rate structure for all rate classifications (single family, multifamily and commercial) and raising the volumetric flow charge from our \$3.00 per 1,000 gallons to Pompano's \$3.46 per 1,000 gallons, we achieve the second option.

The ordinance presented for your consideration on first reading adopts the Pompano rate structure and volumetric flow charge. It also eliminates our practice of including the first 2,000 gallons in the base rate for single family households and duplexes and reduces the maximum volumetric flow charge to 10,000 gallons, as opposed to our current limit of 12,000 gallons. These changes were included to be completely consistent with Pompano's rate structure.

If these rates are adopted, we would eliminate the operating loss in the current fiscal year, assuming Fort Lauderdale can change their billing program in time to be effective with the bills for February usage. We estimate that we would also be able to restore approximately \$13,000 to the fund balance. With a full year's implementation the following year, assuming a 7% increase in expenses, the operating loss would be eliminated and we would generate \$11,000 to the fund balance.

Adoption of the Pompano rates, including flow for residential properties would result in the following increase in the monthly sewer bills:

\$16.51 (+73%) for a single family home that averages 7,000 gallons of water consumption

\$31.52 (+100%) for a duplex that averages 10,000 gallons of water of consumption. (This figure assumes a single bill for the duplex.)

\$12.50 (+66%) for a multi-family property with 15 units that use approximately 5,000 gallons of water per unit per month

\$14.13 (+81%) for a multi-family property with 25 units that use approximately 5,000 gallons of water per unit per month

\$14.13 (+81%) for a multi-family property with 50 units that use approximately 5,000 gallons of water per unit per month

\$14.66 (+87%) for a multi-family property with 100 units that use approximately 5,000 gallons of water per unit per month

\$15.61 (+ 98%) for a multi-family property with 200 units that use approximately 5,000 gallons of water per unit per month

To be consistent with the Pompano fee structure, the current scenario changes the Commercial properties rates to a per unit rate. This scenario produces a decrease in the portion of the bill that is the availability rate (\$12,262 total) for all properties with the exception of those with 5/8" meters. The increase in the flow rate (30,648) will mitigate the loss.

The increase in the meter rate scenario for commercial properties previously presented, increased the rate by 27% and increased revenues by \$19,971 for 8 months, or 27,573 annually

Attached you will find tables that show:

- The budget impact and the impact on fund balance of the rate hike.
- The new rates compared to the existing rates.
- Detail on the impact of the increase on a "typical" monthly bill for various categories of households.

At the Roundtable the Commission asked for clarification on several questions.

**1. What does Fort Lauderdale charge us to bill? (Sasser)**

The charge as of September 2010 is \$716.45 per month.

**2. Who owns the infrastructure between Sea Ranch Condos and the Pompano force main? (Sasser)**

Sea Ranch Club Condos owns the infrastructure.

**3. What has been the history of sewer rate increased by Pompano? (Vincent)**

Sewer Rates	2002	11/1/03	10/1/06	10/1/07	10/1/08	9/18/10	1/1/11
Single Family Availability	10.11	13.20	13.20	13.20	13.20	13.99	14.89
Multi Family Avail. Per unit	9.69	12.65	12.65	12.65	12.65	13.41	14.26
Commercial Avail. Per unit	11.09	14.48	14.48	14.48	14.48	15.34	16.32
Flow per 1,000 gallons	1.81	2.36	2.51	2.68	2.85	3.08	3.46

**4. Does the Master Agreement between the Town and Pompano provide for a 25% surcharge? (Sasser - after the meeting)**

The 25% surcharge is only applied to the volumetric flow of wastewater that goes through Lift Station #12. There are other fees that Pompano charges us to which the 25% surcharge is not applied.

<b>SEWER FUND FINANCIAL PROJECTIONS</b>				
	<b>FY09/10</b>	<b>FY10/11 Projection no rate increase</b>	<b>FY10/11 w Full Rate Increase for 8 mos plus flow increase</b>	<b>FY 11 with fu plus flow</b>
<b>Revenues</b>				
Sewer Service Charges	982,491	976,300	1,384,522	
Misc Revs	3,938	3,000	3,000	
<b>Total Revenues</b>	<b>986,429</b>	<b>979,300</b>	<b>1,387,522</b>	
<b>Expenditures</b>				
Personnel Costs	61,687	68,748	68,748	
Professional Services	13,009	50,000	50,000	
Sewer/Wastewater Fees (assumes 20% increase 1/2011 & 7% increase in 2012)	864,955	1,000,000	1,000,000	
Utilities	14,930	14,000	14,000	
Auto, Prop & Liab Insurance	5,578	5,500	5,500	
Workers Comp Insurance	4,044	2,000	2,000	
Sewer Line Maint	69,701	80,000	80,000	
Pump Sta Maintenance	17,435	25,000	25,000	
Contingency	-	15,000	15,000	
Printing & Binding	-	250	250	
Postage	-	250	250	
Operating Supplies/Misc	425	2,000	2,000	
Depreciation	52,916	58,000	58,000	
Sewer Repairs		50,000	50,000	
<b>Total Expenditures</b>	<b>1,104,680</b>	<b>1,370,748</b>	<b>1,370,748</b>	
Operating Loss	118,251	391,448		
Projected Fund Balance	1,495,695	1,104,247	1,512,469	

# REVENUE IMPACT ANALYSIS OF SEWER RATE SCENARIO

	LBTS Current	Convert to Per Unit Feb '11	Annualized Revenue
<b>Residential Rate Analysis</b>			
<b>Single Family</b>			
<b>Base Charge</b>	7.60	14.89	14.89
518 accounts/mo	3,936.80	7,713.02	7,713.02
per year	47,241.60	77,451.36	92,556.24
Increase		<u>30,209.76</u>	<u>45,314.64</u>
<b>Duplex</b>			
<b>Base Charge</b>	7.60	14.26	
86 accounts/ 172 units /mo	653.60	2,452.72	
per year	7,843.20	22,236.16	29,432.64
Increase		<u>14,392.96</u>	<u>21,589.44</u>
<b>Multi-Family</b>			
<b>Base Charge '5/8"</b>	7.60	14.26	
12 meters/46units /mo	91.20	655.96	
per year	1,094.40	5,612.48	7,871.52
Increase		<u>4,518.08</u>	<u>6,777.12</u>
<b>Base Charge-1"</b>	38.00	14.26	
72 meters/348 units /mo	2,736.00	4,962.48	
per year	32,832.00	50,643.84	59,549.76
Increase		<u>17,811.84</u>	<u>26,717.76</u>
<b>Base Charge-1.5"</b>	60.80	14.26	
35 meters/330units /mo	2,128.00	4,705.80	
per year	25,536.00	46,158.40	56,469.60
Increase		<u>20,622.40</u>	<u>30,933.60</u>
<b>Base Charge-2"</b>	121.60	14.26	
23 meters/572 units /mo	2,796.80	8,156.72	
per year	33,561.60	76,440.96	97,880.64
Increase		<u>42,879.36</u>	<u>64,319.04</u>
<b>Base Charge-4"</b>	190.00	14.26	
9 meters/ 1462units /mo	1,710.00	20,848.12	
per year	20,520.00	173,624.96	250,177.44
Increase		<u>153,104.96</u>	<u>229,657.44</u>
<b>Total Per Year</b>	<b>168,628.80</b>		
<b>Per Month</b>	<b>56,209.60</b>		
Total w 8 mo inc		<u>452,168.16</u>	
Total w 12 mo inc			<u>593,937.84</u>
<b>Residential Revenue Increase</b>		<u>283,539.36</u>	<u>425,309.04</u>

# REVENUE IMPACT ANALYSIS OF SEWER RATE SCENARIO

Commercial Accounts	LBTS Current	Convert to Per Unit Feb '11	
5/8"	7.60	16.33	
42 meters/45units/mo	319.20	734.85	
per year	3,830.40	<u>7,155.60</u>	<u>8,818.20</u>
Increase		<u>3,325.20</u>	<u>4,987.80</u>
3/4"	19.00	16.33	
1meter/month	19.00	16.33	
per year	228.00	<u>206.64</u>	<u>195.96</u>
Increase		<u>(21.36)</u>	<u>(32.04)</u>
1"	38.00	16.33	
59 meters/136unis/mo	2,242.00	2,220.88	
per year	26,904.00	<u>26,735.04</u>	<u>26,650.56</u>
Increase		<u>(168.96)</u>	<u>(253.44)</u>
1.5"	60.80	16.33	
59 meters /210units/mo	3,587.20	3,429.30	
per year	43,046.40	<u>41,783.20</u>	<u>41,151.60</u>
Increase		<u>(1,263.20)</u>	<u>(1,894.80)</u>
2"	121.60	16.33	
16/meters /63unitsmo	1,945.60	1,028.79	
per year	23,347.20	<u>16,012.72</u>	<u>12,345.48</u>
Increase		<u>(7,334.48)</u>	<u>(11,001.72)</u>
4"	190.00	16.33	
2/meters/2units/mo	380.00	32.66	
per year	4,560.00	<u>1,781.28</u>	<u>391.92</u>
Increase		<u>(2,778.72)</u>	<u>(4,168.08)</u>
<b>Total Per Year</b>	<b>101,916.00</b>		
total w 8 mo inc		93,674.48	
total w 12 mo inc		<u>89,553.72</u>	
<b>Commercial Revenue Increase</b>		<u>(8,241.52)</u> <u>(12,362.28)</u>	
<b>Cumulative Total</b>	<b>270,544.80</b>	<b>545,842.64</b> <b>683,491.56</b>	
<b>TOTAL INCREASE</b>	<b>-</b>	<u><b>275,297.84</b></u> <u><b>412,946.76</b></u>	

## **IMPACT OF NEW SEWER RATES ON DIFFERENT CATEGORIES OF CUSTOMERS**

We finally got some information from Fort Lauderdale that indicates that average consumption per single family household this past summer was around 7,000 gallons, so we are using that figure in our assumptions regarding the rate impact on single family homes.

**CURRENT RATES: A SINGLE FAMILY HOME** currently pays a base rate of \$7.60 which includes 2,000 gallons of usage and the standard volumetric charge for the additional gallons used. We've received some information from Fort Lauderdale that indicates that average consumption per single family household this past summer was around 7,000 gallons. So, assuming that consumption rate, the current average monthly sewer bill would be \$22.60 (\$7.60 + volumetric charge of \$15)

**CURRENT BILL:** \$22.60 per household

**WITH PROPOSED RATE INCREASE:** \$14.89 base + volumetric charge of \$24.22 = \$39.11

(The proposed rate charges for all volume; there is no credit for the first 2,000 gallons any longer)

**MONTHLY \$ INCREASE:** \$16.51 (73% increase)

**CURRENT RATES: A DUPLEX** with a single meter is currently paying the same base rate as a single family home. Base rate of \$7.60 + \$24 for volume (assumes both sides of the duplex use 5,000 gallons since there is less lawn to water at a duplex) = \$31.60

**CURRENT RATE:** \$31.60 per duplex (15.80 per household)

**PROPOSED RATE INCREASE:** Under the Pompano rate system a duplex is treated as two units at the multi-family rate. \$14.26 base X 2 units = 28.52 + volumetric charge for 10,000 gallons (\$34.60) = \$63.12 per duplex, \$31.56 per household

**MONTHLY \$ INCREASE (FOR BOTH UNITS COMBINED) -** \$31.52 (100% increase)

**CURRENT RATES: A CONDOMINIUM WITH 15 UNITS** with a 1 1/2 " meter and 75,000 gallons of water use would pay a monthly sewer bill of \$285.80 (60.80 for the meter + \$225 for the volume). That equates to \$19.05 per unit

**CURRENT RATE:** \$19.05 per household

**PROPOSED RATE INCREASE:** \$14.26 base X 15 units = \$213.79 + \$259.50 volumetric charge = \$473.29, or \$31.55 per household

**MONTHLY \$ INCREASE PER UNIT - \$12.50 (66% increase)**

**CURRENT RATES: A CONDOMINIUM WITH 25 UNITS** with a 1 1/2 " meter and 125,000 gallons of water use would pay a monthly sewer bill of \$435.80 (60.80 for the meter + \$375 for the volume). That equates to \$17.43 per unit

**CURRENT RATE:** \$17.43 per household

**PROPOSED RATE INCREASE:** \$14.26 base X 25 units = \$356.50+ \$ 432.50 volumetric charge for 10,000 gallons = \$789.00 or \$31.56 per household

**MONTHLY \$ INCREASE PER UNIT - \$14.13 (81% increase)**

**CURRENT RATES: A CONDOMINIUM WITH 50 UNITS** with a 2 " meter and 250,000 gallons of water use (average household consumption of 5,000 gallons) would pay a monthly sewer bill of \$871.60 (121.60 for the meter + \$750 for the volume). That equates to \$17.43 per unit

**CURRENT RATE:** \$17.43 per household

**PROPOSED RATE INCREASE:** \$14.26 base X 50 units = \$713 + \$865 volumetric charge = \$1578 = \$31.56 per household

**MONTHLY \$ INCREASE PER UNIT - \$14.13 (81% increase)**

**CURRENT RATES: A condominium with 100 units with a 4 " meter and 500,000 gallons of water use would pay a monthly sewer bill of \$16.90 per unit (\$190 for the meter + \$1,500 for the volume = \$1690)**

**CURRENT RATE: \$16.90 per household**

**PROPOSED RATE INCREASE: \$14.26 X 100 units = \$1426 + \$1730 volumetric charge = \$3156 = \$31.56 per household**

**MONTHLY \$ INCREASE PER UNIT - \$14.66 (87% increase)**

**CURRENT RATES: A condominium with 200 units with a 4 " meter and 1,000,000 gallons of water use would pay a monthly sewer bill of \$3,190 (190 for the meter + \$3,000 for the volume). That equates to \$15.95 per unit**

**CURRENT RATE: \$15.95 per household**

**PROPOSED RATE INCREASE: \$14.26base X 200 units = \$2852 + \$3460 volumetric charge = \$6312 = \$31.56 per household**

**MONTHLY \$ INCREASE PER UNIT - \$15.61 (98% increase)**

**Town Commission Roundtable Meeting Minutes  
November 22, 2010**

**Assistant Town Manager Bentley gave a PowerPoint presentation of the proposed sewer rates. He reviewed the Towns' current sewer rates and explained that the rates in north end of town provided by the City of Pompano Beach were 73% higher for single family homes. He added that the rates for multifamily were 40% higher than the Towns' rate. Assistant Town Manager Bentley explained that the City of Pompano Beach billed commercial properties per unit, unlike the Town which billed by the meter and flow rate.**

**Assistant Town Manager Bentley explained that if the Town chose to adopt a rate system similar to the City of Pompano Beach, the single family rate would increase from \$7.60 to \$14.89. He added that the 2000 gallon allowance would be removed and duplexes would transfer to multifamily. Assistant Town Manager Bentley advised that the multifamily meter rates would be converted to a unit rate of \$14.26. He added that that the commercial rate would increase by 27% with no change to the flow rate.**

**Assistant Town Manager Bentley explained that the proposed rates would generate almost enough revenue to balance out the fund. He clarified that the increase allowed for enough revenue to be collected in the remaining eight months of the year so that the fund was balanced the following year. Vice Mayor Dodd explained that he was in favor of setting a rate that generated a zero deficit for the current fiscal year, rather than a loss of \$63,000. He said the rate could be decreased the following year. Vice Mayor Dodd proposed that staff generate the numbers necessary to balance the current years' sewer budget.**

**Commissioner Clotey wanted to see the residents pay the true amount of their sewer bill. She reiterated that the Town should not be using reserve funds to pay for wastewater management. Commissioner Vincent clarified for the residents that the proposed rate would eliminate the 2000 gallon allowance currently in place. He added that the City of Pompano Beach may raise their rates again in the near future, and questioned whether the Town would raise the rates again. Commissioner Vincent wanted to see how the City of Pompano Beach raised their rates in the past eight years to get a better understanding of any changes the Town may need to make in the future.**

**Commissioner Sasser explained that the issue needed to be resolved. He said that there were other issues that needed to be addressed, and questioned why the Town did not charge the same rate to everyone. He proposed allowing the City of Pompano Beach to bill everyone in Town, and have revenues come back to the Town to fund any sewer repairs needed in the future.**

**Commissioner Sasser explained that Sea Ranch Condominiums sewers also needed to be addressed, as they were not under a contract with the Town or the City of Pompano Beach. He suggested that they be included in the contract with the municipality that owned the infrastructure.**

**Mayor Minnet said there was a consensus to move forward as quickly as possible so as to not diminish the reserve funds any further. Vice Mayor Dodd did not understand why the staff recommended maintaining the current flow rate when the Town was being charged the higher flow rate from the City of Pompano Beach. He reiterated that direction should be given to staff to come back with the figures necessary to balance the budget.**

**Commissioner Clotey explained that there were different charges for sewer service depending on the location in Town, due to the separate contracts in place. Assistant Town Manager Bentley explained that the City of Pompano Beach charged their established rate; however, the Town had a master agreement in place that allowed for the waste to be pumped through the City of Pompano Beach system and in turn the Town distributed the costs to the customers. He added that the City of Pompano Beach charged a higher user rate to the Town.**

**Commissioner Clotey reiterated that everyone should be charged the actual amount for their usage. She felt that the people in the south end of Town were being double taxed. Commissioner Clotey was concerned that there might not be enough time to accumulate the money necessary to replace the sewers in the south end of Town.**

**Mayor Minnet reminded the Commission that the sewer rate increase was one of the main reasons why the millage was kept at the same rate.**

**Commissioner Sasser questioned the role that the City of Fort Lauderdale played and the amount of revenue they collected regarding sewer service for the Town. Assistant Town Manager Bentley explained that they only handled the billing for the south end of Town. Mayor Minnet questioned whether the Town could take over the billing. Assistant Town Manager Bentley said that could not be done because the Town did not have the means to turn off the water.**

**Mayor Minnet reviewed the Commission options. Commissioner Clotey preferred the Town accept the losses for the current year and move forward with the increase. Commissioner Vincent agreed with Commissioner Clotey to have the Town incur the expenses in the first year. Vice Mayor Dodd and Commissioner Sasser preferred to begin billing the amount necessary to balance the budget at the end of the current year. Assistant Town Manager Bentley explained the options: 1) staff recommendations; 2) a change in the**

consumption rate to produce the revenue necessary to balance the budget; and 3) mirror the City of Pompano Beach sewer rates.

Commissioner Sasser reiterated that he wanted to find out whether Sea Ranch Condominiums had a service agreement directly with the City of Pompano Beach for sewers. Vice Mayor Dodd believed that was a separate issue that needed to be discussed by the Commission, at the next Roundtable meeting. The Commission agreed.

There was no further discussion.

f. Town Manager FY 2011 Performance Goals (Town Manager)

Vice Mayor Dodd stated that Town Manager Hoffmann was a true professional and did not believe this was top priority. Commissioner Sasser believed the most important item on the list was government efficiency. He added that the Town should operate within the budget.

There was Commission consensus to move item #21, Government efficiency, to item #1 on the list of Town Manager Performance goals.

There was no further discussion.

g. Parking Sponsorship Program (Assistant Town Manager Bud Bentley)

Assistant Town Manager Bentley explained that the program allowed a business to pay for a certain amount of meters which would be available to everyone. He said that in the case of the applicant, Bank United's meters would provide short term, thirty (30) minute parking. Assistant Town Manager Bentley added that the Town Manager needed authorization from the Commission to set parking time limits and establish the fee for the sponsored spaces.

Vice Mayor Dodd was in favor of the program and requested staff present the fee at the next Commission meeting for approval. Commissioner Clotey agreed with Vice Mayor Dodd. She questioned whether Parking Enforcement would regulate those time limits. Assistant Town Manager Bentley said that the bank would communicate with the Town to address those who abused the spaces.

There was Commission consensus to move forward and to have staff present recommendations at a meeting in January, 2011.

There was no further discussion.

h. Informal approval of FY 2011-2012 Community Development Block Grant (CDBG)

# Town of Lauderdale-by-the-Sea

## OFFICE OF THE TOWN MANAGER

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### Memorandum

**Date:** November 19, 2010

**To:** Mayor Roseann Minnet  
Commissioner Stuart Dodd  
Commissioner Birute Clottey  
Commissioner Scot Sasser  
Commissioner Chris Vincent

**From:** Connie Hoffmann, Town Manager 

**Subject:** Sewer Rates

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The Commission's instructions to me were to calculate the rate increases that would be needed to eliminate the operating loss in the sewer fund and begin setting aside funds for capital repairs and replacement.

The simplest way to achieve the Commission's objectives is to adopt the Pompano Beach rate structure for residential properties. In order to do that, we had to eliminate the 2,000 volume credit for single family homes which had a significant effect on their rates.

If these rates are adopted, we would not eliminate the operating loss in the current fiscal year because the rate increase would only be in effect for eight months, assuming we can give Fort Lauderdale sufficient notice to change the billing program effective with the bills for February usage. However, with a full year's implementation the following year, the operating loss would be eliminated (even assuming a 7% increase in expenses) but would generate only \$33,000 for the capital reserve.

Adoption of the Pompano rates for residential properties would result in the following increase in the monthly sewer bills:

\$13.29 (+58%) for a single family home that averages 7,000 gallons of water consumption

\$23.92 (+69%) for a duplex that averages 10,000 gallons of water of consumption. (This figure assumes a single bill for the duplex.)

**\$10.20 (+54%) for a multi-family property with 15 units that use approximately 5,000 gallons of water per unit per month**

**\$11.83 (+68%) for a multi-family property with 25 units that use approximately 5,000 gallons of water per unit per month**

**\$12.36 (+73%) for a multi-family property with 50 units that use approximately 5,000 gallons of water per unit per month**

**\$12.36 (+73%) for a multi-family property with 100 units that use approximately 5,000 gallons of water per unit per month**

**\$13.31 (+ 83%) for a multi-family property with 200 units that use approximately 5,000 gallons of water per unit per month**

**Commercial properties would experience about a 27% increase in their base rate, but not in their overall rate. We cannot calculate what the increase would be overall, because we do not have the volumetric consumption data for each commercial property. Our guess is that the volumetric consumption charges would be the more significant part of their total sewer bill.**

**Attached you will find tables that show:**

- The budget impact and the impact on fund balance of the rate hike.**
- The new rates compared to the existing rates.**
- Detail on the impact of the increase on a "typical" monthly bill for various categories of households.**

**On the budget sheet you will notice that last year's operating loss was less than expected due to higher revenues than we projected. As a result, we have increased the revenue projection for the current year by about \$25,000.**

	FY09/10	FY10/11 Projection no rate increase	FY10/11 w Full Rate Increase for 8 mos	FY 11/12 w rate increase
<b>Revenues</b>				
Sewer Service Charges	982,491	976,300	1,305,974	1,467,778
Misc Revs	3,938	3,000	3,000	3,000
<i>Total revenues</i>	<i>986,429</i>	<i>979,300</i>	<i>1,308,974</i>	<i>1,470,778</i>
<b>Expenditures</b>				
Personnel Costs	61,687	68,748	68,748	75,623
Professional Services	13,009	50,000	50,000	15,000
Sewer/Wastewater Fees (assumes 20% increase 1/2011 & 7% increase in 2012)	864,955	1,000,000	1,000,000	1,070,000
Utilities	14,930	14,000	14,000	15,400
Auto, Prop & Liab Insurance	5,578	5,500	5,500	6,050
Workers Comp Insurance	4,044	2,000	2,000	2,200
Sewer Line Maint	69,701	80,000	80,000	88,000
Pump Sta Maintenance	17,435	25,000	25,000	27,500
Contingency	-	15,000	15,000	16,500
Printing & Binding	-	250	250	275
Postage	-	250	250	275
Operating Supplies/Misc	425	2,000	2,000	2,200
Depreciation	52,916	58,000	58,000	63,800
Sewer Repairs	-	50,000	50,000	55,000
Transfer to Capital Reserve	-	-	-	32,955
<i>Total Expenditures</i>	<i>1,104,680</i>	<i>1,370,748</i>	<i>1,370,748</i>	<i>1,470,778</i>
Operating Loss	118,251	391,448	61,774	
Projected Fund Balance Capital Reserve	1,495,695	1,104,247	1,433,921	1,409,057 32,955

# REVENUE IMPACT ANALYSIS OF SEWER RATE SCENARIO

	LBTS Current	Convert to Per Unit Feb '11	Annualized Revenue
<b>Residential Rate Analysis</b>			
<u>Single Family</u>			
<u>Base Charge</u>	7.60	14.89	14.89
518 accounts/mo	3,936.80	7,713.02	7,713.02
per year	47,241.60	77,451.36	92,556.24
Increase		<u>30,209.76</u>	<u>45,314.64</u>
<u>Duplex</u>			
<u>Base Charge</u>	7.60	14.26	
86 accounts/ 172 units /mo	653.60	2,452.72	
per year	7,843.20	22,236.16	29,432.64
Increase		<u>14,392.96</u>	<u>21,589.44</u>
<u>Multi-Family</u>			
<u>Base Charge '5/8"</u>	7.60	14.26	
12 meters/46units /mo	91.20	655.96	
per year	1,094.40	5,612.48	7,871.52
Increase		<u>4,518.08</u>	<u>6,777.12</u>
<u>Base Charge-1"</u>	38.00	14.26	
72 meters/348 units /mo	2,736.00	4,962.48	
per year	32,832.00	50,643.84	59,549.76
Increase		<u>17,811.84</u>	<u>26,717.76</u>
<u>Base Charge-1.5"</u>	60.80	14.26	
35 meters/330units /mo	2,128.00	4,705.80	
per year	25,536.00	46,158.40	56,469.60
Increase		<u>20,622.40</u>	<u>30,933.60</u>
<u>Base Charge-2"</u>	121.60	14.26	
23 meters/572 units /mo	2,796.80	8,156.72	
per year	33,561.60	76,440.96	97,880.64
Increase		<u>42,879.36</u>	<u>64,319.04</u>
<u>Base Charge-4"</u>	190.00	14.26	
9 meters/ 1462units /mo	1,710.00	20,848.12	
per year	20,520.00	173,624.96	250,177.44
Increase		<u>153,104.96</u>	<u>229,657.44</u>
<b>Total Per Year</b>	<b>168,628.80</b>		
<b>Per Month</b>	<b>56,209.60</b>		
Total w 8 mo inc		<u>452,168.16</u>	
Total w 12 mo inc			<u>593,937.84</u>
<b>Residential Revenue Increase</b>		<u>283,539.36</u>	<u>425,309.04</u>

# REVENUE IMPACT ANALYSIS OF SEWER RATE SCENARIO

Commercial Accounts	LBTS Current	Convert to Per Unit Feb '11	
5/8" 42 meters/mo per year	7.60 319.20 3,830.40	9.66 405.72 4,609.08	4,868.64
Increase		<u>778.68</u>	<u>1,038.24</u>
3/4" 1meter/month per year	19.00 19.00 228.00	24.14 24.14 274.26	289.68
Increase		<u>46.26</u>	<u>61.68</u>
1" 59 meters/mo per year	38.00 2,242.00 26,904.00	48.28 2,848.52 31,756.16	34,182.24
Increase		<u>4,852.16</u>	<u>7,278.24</u>
1.5" 59 meters /mo per year	60.80 3,587.20 43,046.40	77.25 4,557.75 51,781.35	54,693.00
Increase		<u>8,734.95</u>	<u>11,646.60</u>
2" 16/meters /mo per year	121.60 1,945.60 23,347.20	154.49 2,471.84 28,083.36	29,662.08
Increase		<u>4,736.16</u>	<u>6,314.88</u>
4" 2/meters/mo per year	190.00 380.00 4,560.00	241.40 482.80 5,382.40	5,793.60
Increase		<u>822.40</u>	<u>1,233.60</u>
<b>Total Per Year</b>	<b>101,916.00</b>		
total w 8 mo inc		121,886.61	
total w 12 mo inc			<u>129,489.24</u>
<b>Commercial Revenue Increase</b>		<u>19,970.61</u>	<u>27,573.24</u>
<b>Cumulative Total</b>	<b>270,544.80</b>	<b>574,054.77</b>	<b>723,427.08</b>
<b>TOTAL INCREASE</b>	<b>-</b>	<u><u>303,509.97</u></u>	<u><u>452,882.28</u></u>

**IMPACT OF NEW SEWER RATES ON DIFFERENT CATEGORIES OF CUSTOMERS**

We finally got some information from Fort Lauderdale that indicates that average consumption per single family household this past summer was around 7,000 gallons, so we are using that figure in our assumptions regarding the rate impact on single family homes.

**CURRENT RATES:** A **SINGLE FAMILY HOME** currently pays a base rate of \$7.60 which includes 2,000 gallons of usage and the standard volumetric charge for the additional gallons used. We've received some information from Fort Lauderdale that indicates that average consumption per single family household this past summer was around 7,000 gallons. So, assuming that consumption rate, the **current average monthly sewer bill** would be \$22.60 (\$7.60 + volumetric charge of \$15)

**CURRENT BILL:** \$22.60 per household

**WITH PROPOSED RATE INCREASE:** \$14.89 base + volumetric charge of \$21 = \$35.89

(The proposed rate charges for all volume; there is no credit for the first 2,000 gallons any longer)

**MONTHLY \$ INCREASE:** \$13.29 ( a 58% increase)

**CURRENT RATES:** A **DUPLEX** with a single meter is currently paying the same base rate as a single family home. Base rate of \$7.60 + \$27 for volume (assumes both sides of the duplex use 5,000 gallons since there is less lawn to water at a duplex) = \$34.60

**CURRENT RATE:** \$34.60 per duplex (17.30 per household)

**PROPOSED RATE INCREASE:** Under the Pompano rate system a duplex is treated as two units at the multi-family rate. \$14.26 base X 2 units = 28.52 + volumetric charge for 10,000 gallons (\$30) = \$58.52 per duplex, \$29.26 per household

**MONTHLY \$ INCREASE (FOR BOTH UNITS COMBINED) - \$23.92 (a 69% increase)**

**CURRENT RATES: A CONDOMINIUM WITH 15 UNITS** with a 1 1/2 " meter and 75,000 gallons of water use would pay a monthly sewer bill of \$285.80 (60.80 for the meter + \$225 for the volume). That equates to \$19.05 per unit

**CURRENT RATE:** \$19.05 per household

**PROPOSED RATE INCREASE:** \$14.26 base X 15 units = \$213.79 + \$225 volumetric charge = \$438.79, or \$29.25 per household

**MONTHLY \$ INCREASE PER UNIT - \$10.20 (a 54% increase)**

**CURRENT RATES: A CONDOMINIUM WITH 25 UNITS** with a 1 1/2 " meter and 125,000 gallons of water use would pay a monthly sewer bill of \$435.80 (60.80 for the meter + \$375 for the volume). That equates to \$17.43 per unit

**CURRENT RATE:** \$17.43 per household

**PROPOSED RATE INCREASE:** \$14.26 base X 25 units = \$356.50+ \$ 375 volumetric charge for 10,000 gallons = \$731.50 or \$29.26 per household

**MONTHLY \$ INCREASE PER UNIT - \$11.83 (a 68% increase)**

**CURRENT RATES: A CONDOMINIUM WITH 50 UNITS** with a 2 " meter and 250,000 gallons of water use (average household consumption of 5,000 gallons) would pay a monthly sewer bill of \$871.60 (121.60 for the meter + \$750 for the volume). That equates to \$17.43 per unit

**CURRENT RATE:** \$17.43 per household

**PROPOSED RATE INCREASE:** \$14.26 base X 50 units = \$713 + \$ 750 volumetric charge = \$1463 = \$29.26 per household

**MONTHLY \$ INCREASE PER UNIT - \$11.83 (a 68% increase)**

**CURRENT RATES: A condominium with 100 units with a 4 " meter and 500,000 gallons of water use would pay a monthly sewer bill of \$16.90 per unit (\$190 for the meter + \$1,500 for the volume = \$1690)**

**CURRENT RATE: \$16.90 per household**

**PROPOSED RATE INCREASE: \$14.26 X 100 units = \$1426 + \$ 1500 volumetric charge = \$2926 = \$29.26 per household**

**MONTHLY \$ INCREASE PER UNIT - \$12.36 (a 73% increase)**

**CURRENT RATES: A condominium with 200 units with a 4 " meter and 1,000,000 gallons of water use would pay a monthly sewer bill of \$3,190 (190 for the meter + \$3,000 for the volume). That equates to \$15.95 per unit**

**CURRENT RATE: \$15.95 per household**

**PROPOSED RATE INCREASE: \$14.26base X 200 units = \$2852 + \$ 3000 volumetric charge = \$5852 = \$29.26 per household**

**MONTHLY \$ INCREASE PER UNIT - \$13.31 (an 83% increase)**



**AGENDA ITEM MEMO**  
CORRECTED VERSION

**Town Manager**

**Connie Hoffmann**

Department

Department Director

<b>COMMISSION MEETING DATE (*) - 7:00 PM</b>	<b>Deadline to Town Clerk</b>
<input checked="" type="checkbox"/> Dec 13, 2011	Dec 2 <sup>nd</sup>

\*Subject to Change

- |                                       |   |   |                                       |
|---------------------------------------|---|---|---------------------------------------|
| <input type="checkbox"/> Presentation | <input type="checkbox"/> Reports        | <input type="checkbox"/> Consent                    | <input type="checkbox"/> Ordinance    |
| <input type="checkbox"/> Resolution   | <input type="checkbox"/> Quasi-Judicial | <input checked="" type="checkbox"/> <b>Business</b> | <input type="checkbox"/> New Business |

**SUBJECT TITLE: IMPACT OF SEWER RATES ON HOTELS**

**EXPLANATION:** A local hotelier, Arthur Franczak, has voiced concerns with the impact of the change of the sewer service rate structure adopted last winter on the hotel industry in Lauderdale-by-the-Sea. He expressed concern about the cost impact, competitiveness with Pompano and Fort Lauderdale hotels, and the difference of the impact of the rate change on his hotel compared to a commercial restaurant in Town. I advised the Commission I would do some analysis on this matter and bring the results back to the Commission.

Sewer rates are always connected to water consumption. As you know, we switched last winter to the rate structure used by Pompano Beach which is comprised of 1) a fixed monthly rate based on the number of residential or business units served by a single meter, and 2) a charge based on consumption of water. That was a significant change from our prior practice of basing the fixed component of the sewer rates on the size of the meter serving the account. (The latter is the approach used by Fort Lauderdale.)

Because of the change in the structure of the rate system, almost every sewer account in Town larger than a single-family home or duplex was impacted differently by the new sewer rates. As we explained when the Commission adopted the new rate structure, the accounts with the most number of units would be most dramatically affected. And consumption varies quite dramatically from one account to another, so that affects the outcome.

These factors made the analysis difficult. We had Fort Lauderdale send us account data for all accounts classified as commercial or multi-family. (In doing this analysis I found that some hotels are misclassified in the Fort Lauderdale billing database system as multi-family and some condominiums are misclassified as commercial accounts. We will need to wade through correcting those accounts and see if we can determine how far back they were misclassified.) I felt it was not appropriate to look at the hotels only, when we know that multi-family customers were also deeply impacted by the new rate structure.

Finally I decided the best way to present you with an analysis that was comprehensible was to show you the impact the rate structure had 6 hotels of and four multi-family accounts of similar size in terms of number of units. To show you how the impact can vary considerably even among hotels with a similar number of units, I included examples of a hotel with 24 units, one with 26 units, and one with 28 units.

Non-hotel commercial accounts were all over the place, so I picked the three largest consumers of water for comparison purposes.



**Results of Analysis**

**Table 1 - Hotel Properties**

Sample Property	Meter Size	No. of Units	Consump (1,000)	Current Rates		If Old Rates		% Inc. + (-)
				Total Last 8 Months	Avg Per Unit / Month	Total Last 8 Months	Avg Per Unit / Month	
1. Ocean Dr.	1 1/2"	28	395	\$5,025	\$15 \$22	\$1,671	\$7 \$7.5	201%
2. Ocean Dr.	1 1/2"	26	434	\$4,898	\$16 \$23.5	\$1,788	\$6 \$9	174%
3. Ocean Dr.	1 1/2"	25	495	\$4,979	\$17 \$25	\$1,971	\$7 \$10	153%
4. Bougainvilla	5/8"	7	187	\$1,562	\$19 \$28	\$622	\$7 \$11	151%
5. Ocean Dr.	4"	149	4,461	\$34,900	\$29	\$14,903	\$13 \$12.50	134%
6. El Mar Dr.	2"	48	1,369	\$11,007	\$19 \$29	\$5,080	\$9 \$13	117%

**Table 2 - Multi-family Properties**

Sample Property	Meter Size	No. of Units	Consump (1,000 gal)	Current Rates		If Old Rates		% Inc. + (-)
				Total Last 8 Months	Avg Per Unit / Month	Total Last 8 Months	Avg Per Unit / Month	
1 Ocean Dr.	4"	150	1,336	\$19,596 (1)	\$19	\$5,338	\$5	267%
2. El Mar Dr.	2"	44	1,530	\$10,285	\$29	\$5,563	\$16	85%
3. Ocean Dr.	2"	24	589	\$4,776	\$25	\$2,740	\$14	74%
4. Seagrape	1-1/2"	7	362	\$2,108	\$38	\$1,572	\$28	34%

(1) only 7 months of data for this property

The tables above clearly show several things:

That high consumption can offset the impact of the base rate component. Low consumption makes the base rate component more impactful on the overall bill. That is illustrated by comparing the 149 room



hotel with high consumption to the 150 unit condo with much lower consumption. The hotel's bills went up 134% as a result of the new rates, while the condo's bills went up 267%.

It is also true for much smaller buildings – if you compare the 7 unit hotel (up 154%) to the 7 unit apartment building with double the consumption rate (up only 34%). The impact of meter size also factored into this example. The hotel has a smaller meter than the apartment building, so felt a greater impact from the per unit charges.

With the exception of the very large hotel, this limited analysis data suggest that hotels were hit harder on cost increases than were the multi-family accounts. However, I think it would be prudent to analyze more accounts before making that a definitive conclusion.

Table 3 Largest Consumption Non-Hotel Commercial Accounts

<b>Restaurant</b>	<b>Units</b>	<b>Meter</b>	<b>\$ Impact of Rate Change</b>	<b>% Increase/decrease in costs</b>	<b>Comsump In 8 months</b>
# 1	3	1 ½"	\$3,743	81%	1,377
# 2	1	2"	-\$208	-4%	1,379
# 3	1	2"	\$663	6%	3,271

The largest consumers of water of the non-hotel commercial accounts are all restaurants. The first one is odd in that it is listed as having three units and that is what caused it to have the larger increase in terms of both costs and percentage increase.

It is a concern to me that some of the highest consumers of water in Town pay such a small fixed component on their bill and experienced little financial impact when we changed the rate structure while other users experienced very significant increases in their bills.

Issue of Competitiveness of LBTS Hotels with Hotels in Pompano & Fort Lauderdale

Obviously, there are a lot more factors than the sewer bill cost factor to competitiveness. Mr. Franczak expressed several concerns, though, with regard to the sewer bills and competitiveness. One was that a sewer bill from a Pompano hotel that he looked at had lower rates than his hotel, although he thought we had "adopted Pompano's rates". I explained to him that we used Pompano's rate structure, but increased it by the 25% surcharge they impose on accounts outside their municipality, so our rates would be higher than what he saw on a Pompano hotel's bill. The 25% surcharge would also be a factor in comparing to a Fort Lauderdale hotel's bill but, middle-size and large LBTS hotels would also have a higher fixed charge than a Lauderdale hotel because Lauderdale's fixed component is based on meter size and not on number of hotel units. So it is accurate to say that LBTS hotels will have higher sewer bills than comparable sized hotels in our neighboring communities.

I illustrated in Table 4 for several LBTS hotels the increase in the daily cost per hotel room that resulted from the rate structure and rates we adopted last winter. Since hotels do not operate at capacity, I also



gave the impact if you assumed a 60% year-round occupancy rate. The Chamber of Commerce was unable to give me occupancy rates for LBTS hotels, so I just picked 60%.

**Table 4 - Hotel Properties**

Sample Property	No. of Units	Use (1,000)	Impact of Rate Change On	
			All Units	60% occupied
1. Ocean Dr.	28	395	\$0.50	\$0.83
2. Ocean Dr.	26	434	\$0.50	\$0.83
3. Ocean Dr.	25	495	\$0.50	\$0.84
4. Bougainvilla	7	187	\$0.56	\$0.93
5. Ocean Dr.	149	4,461	\$0.56	\$0.93
6 El Mar Dr.	48	1,369	\$0.51	\$0.86

**Some Options**

1.If the Commission wishes to look at the issue of large commercial consumption users (described in Table 3), we can engage the services of a utility rate consultant to suggest how we might deal with that issue.

2.We could also consider putting hotels in a separate classification and charge them the same fixed monthly component as we do multi-family accounts. That would reduce their monthly per unit fixed fee from \$16.33 to \$14.26. A hotel with 25 units would see a decrease of \$621 per year, which isn't very significant.

3.We could create a completely different rate structure for hotels, but other classes of customers would likely oppose that.

4.We might consider going back to the prior structure of having the fixed rate component be based on meter size, but we would need to have a utility rate consultant evaluate how to do that and still generate the revenue we need to cover costs. Next month we will receive the engineering firm's analysis of the repairs needed to our sewer infrastructure. From staff's recent discussions with them, it appears that the Sewer Fund reserve is more than ample to cover the cost of the needed capital repairs. Having that report will be important in any rate restructuring considerations.

**EXPECTED OUTCOME: Town Commission direction.**

Reviewed by Town Attorney  
 Yes  No

Town Manager Initials \_\_\_\_\_

**CHAPTER 51: SEWERS**

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Section

- 51.01 Definitions
- 51.02 Connection with system
- 51.03 Installation; connection charges
- 51.04 (Reserved)
- 51.05 Wastewater tariff
- 51.06 Time and method of payment
- 51.07 Use of city wastewater system
- 51.08 Damaging utility equipment
- 51.09 Inspection
- 51.10 Disposal into Atlantic Ocean
- 51.11 Capital recovery fees
- 51.99 Penalty

**§ 51.01 DEFINITIONS.**

For the purpose of this chapter the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**BOD or BIOCHEMICAL OXYGEN DEMAND.** The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five days at 20°C expressed in milligrams per liter.

**CITY SEWER.** A sewer in which all owners of abutting properties have equal rights, and is controlled by city authority.

**COMBINED SEWAGE.** A combination of the water-carried wastes from residences, business buildings, institutions, and industrial establishments, together with any ground, surface, and storm waters as may be present.

**DIRECTOR.** The Director of Utilities of the city or the Director's authorized deputy, agent, or representative.

**GARBAGE.** Solid wastes from the domestic and commercial preparation, cooking, and dispensing of food, and from the handling, storage, and sale of produce.

**INDUSTRIALWASTES.** The liquid wastes from industrial manufacturing processes, trade, or business as distinct from sanitary wastewater.

**NATURAL OUTLET.** Any outlet into a watercourse, pond, ditch, lake, or other body of surface or ground water.

**pH.** The logarithm of the reciprocal of the weight of hydrogen ions in grams per liter of solution.

**PRETREATMENT.** Program that protects the city's wastewater collection system, Broward County's treatment plant, as well as the environment, by preventing toxic pollutants and dangerous substances from entering into the city sanitary wastewater system.

**PROPERLY SHREDED GARBAGE.** The wastes from the preparation, cooking, and dispensing of food that have been shredded to such a degree that all particles will be carried freely under the flow conditions normally prevailing in city sewers, with no particle greater than ½ inch (1.27 centimeters) in any dimension.

**SANITARY SEWER.** A sewer which carries sewage and to which storm, surface, and ground waters are not intentionally admitted.

**SEWER.** A pipe or conduit for carrying wastewater.

**SEWER LATERAL.** The extension from the building infrastructure to the wastewater system or other place of disposal.

**SLUG.** Any discharge of water, wastewater, or industrial waste which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes, more than 5 times the average 24-hour concentration or flows during normal operation.

**STORMWATER.** Run off resulting from precipitation.

**SURFACE WATERS.** Water that remains on the surface of the ground, including rivers, lakes, reservoirs, streams, wetlands, impoundments, seas and estuaries.

**SUSPENDED SOLIDS.** Solids that either float on the surface of, or are in suspension in water, wastewater, or other liquids, and which are measured by laboratory filtering.

**WASTEWATER.** Water carried wastes from residences, business buildings, institutions and industrial establishments.

**WASTEWATER TREATMENT PLANT.** The Broward County North Regional Plant that treats the wastewater flows from the city.

**WATERCOURSE.** A channel in which a flow of water occurs, either continuously or intermittently.

('58Code, §49.23) (Ord.71-32, passed8-31-71; Am. Ord. 84-60, passed 6-5-84; Am. Ord. 2009-12, passed 11-25-08)

### § 51.02 CONNECTION WITH SYSTEM.

(A) The owner of the property, or the person in charge of or responsible for any property, upon which there exists a building or structure inhabited or used and located in the city, abuts or is within 200 feet of a sanitary wastewater main shall connect the building or structure with and use the services and facilities of the city wastewater system within 180 days of the date the sanitary wastewater main is constructed and available to the building or structure for use. The owner of property shall return the septic system in accordance with Broward County Environmental Protection Department and the city procedures.

(B) It shall be unlawful for any person to construct, install or repair septic tanks or other similar wastewater disposal system in or upon any property which abuts or is within 200 feet of a sanitary sewer main available to the property for use.

(1) It shall be unlawful for any person to drain, or cause to be drained, any wastewater into septic tanks or other similar wastewater disposal systems located in or upon any property which abuts or is within 200 feet of a sanitary wastewater main available to the property for use after the lapse of 180 days from the date the main has become available for use.

(2) It shall be unlawful for any person to place, deposit, or permit to be deposited in any unsanitary manner on public or private property within the city or in any area under the jurisdiction of the city, any human or animal excrement, garbage, or other objectionable waste.

(3) It shall be unlawful to discharge to any natural outlet within the city, or in any area under the jurisdiction of the city, any wastewater or other polluted waters.

(4) Except as otherwise provided in the city's building code ( Chapter 152) it shall be unlawful to construct or maintain any privy, privy vault, septic tank, cesspool, or other facility intended or used for the disposal of wastewater.

('58Code, § 49.18) (Ord.773, passed 9-11-62; Am. Ord. 64-47, passed3-10-64; Am.Ord.65-60, passed 7-19-65; Am. Ord.71-32, passed8-31-71; Am. Ord. 91-30, passed 1-29-91; Am. Ord. 92-03, passed 10-15-91; Am. Ord. 2009-12, passed 11-25-08)

### § 51.03 INSTALLATION; CONNECTION CHARGES.

(A) The cost of labor and materials for the construction and installation of the sewer lateral and the connection thereof to the city wastewater system shall be borne by the person causing the construction, installation, and connection and all construction, installation, and connections shall be made in accordance with the provisions of the city building code ( Chapter 152) and the provisions of other applicable ordinances. The city shall provide one wastewater lateral to the property line of the property owner desiring to make the connection.

(B) If after a wastewater collection system is installed, and a lot is subdivided, the owner of the property shall be responsible for each additional lateral. The city will not install water service to the sub-

divided lots until the wastewater connection has been installed and inspected.

('58Code, § 49.19) (Ord.773, passed 9-11-62; Am. Ord. 65-39, passed4-19-65; Am.Ord.65-47, passed 5-12-65; Am. Ord. 69-70, passed8-5-69; Am. Ord. 93-11, passed 11-24-92; Am. Ord. 2009-12, passed 11-25-08)

(C) When a private septic tank is damaged during installation of the sewer lateral, accidentally or from any other cause, it shall be pumped out by a licensed septic tank contractor and filled with material as provided by the Building Official.

('58 Code, § 49.20) (Ord. 773, passed 9-11-62; Am. Ord. 64-47, passed 3-10-64; Am. Ord. 2009-12, passed 11-25-08) Penalty, see § 51.99

#### § 51.04 (RESERVED).

#### § 51.05 WASTEWATER TARIFF.

(A) Basis of tariff. The costs of providing wastewater and related services will be recovered by the city through a system of rates and charges which shall include any and all applicable taxes. The revenue requirements to be recovered through wastewater rates shall be equal to the budgeted annual operating and maintenance expenses, debt interest, depreciation, and debt service coverage necessary to provide said wastewater services.

(B) Annual review. An independent qualified consultant shall, each year, review the adequacy of rates and services to comply with all water and wastewater bond covenants and required payments. In the event that such rates and charges as are specified below are reviewed and determined insufficient for the purpose of meeting the covenants of the bonds and recovering all costs of water service during the subsequent fiscal period, the consultant shall recommend adjustments to the wastewater tariff in accordance with the recognized industry rate-making practice.

(C) For the purpose of this chapter, the provisions set forth in § 50.03(C) shall apply.

(D) There is hereby levied and established a system of rates and charges against each and every person, firm, partnership, corporation, or other legal entity requiring sewer service in accordance with the following schedule:

- (1) Single-family residential classification.

Territory: Applicable within the incorporated limits of the city.

- (a) Monthly service charge:

Effective 9/3/2010      \$11.19

Effective 1/1/2011      \$11.91

- (b) Flow charge per 1,000 gallons:

<b><i>Charge Effective 9/3/10</i></b>	<b><i>Charge Effective 1/1/11</i></b>
\$2.46	\$2.77

(c) Maximum monthly billable flow: 10,000 gallons.

(2) Multiple-family residential classification.

Territory: Applicable within the incorporated limits of the city.

(a) Monthly service charge per unit:

Effective 9/3/2010	\$10.73
Effective 1/1/2011	\$11.41

(b) Flow charge per 1,000 gallons:

<b><i>Charge Effective 9/3/10</i></b>	<b><i>Charge Effective 1/1/11</i></b>
\$2.46	\$2.77

(c) Maximum monthly billable flow per unit: 10,000 gallons.

(3) Commercial classification.

Territory: Applicable within the incorporated limits of the city.

(a) Monthly service charge per unit:

Effective 9/3/2010	\$12.27
Effective 1/1/2011	\$13.06

(b) Flow charge per 1,000 gallons - all usage:

<b><i>Charge Effective 9/3/10</i></b>	<b><i>Charge Effective 1/1/11</i></b>
\$2.46	\$2.77

(4) Service outside city limits. All rates, charges, and deposits specified in this chapter will be increased by 25% for wastewater service outside of the incorporated limits of the city. Specific agreements with other governmental entities may govern the date and charges to be applied pursuant to such agreements.

(5) Service to Lauderdale-By-The-Sea. Services to the Town of Lauderdale-By-the-Sea, through their bulk lift station located at Sea Grape Drive and Commercial Boulevard, shall be governed by the wastewater service agreement between the city and the Town of Lauderdale-By-the-Sea.

(6) Service to the State of Florida Department of Transportation. For the wastewater transmission and disposal services provided by the city to the State of Florida Department of

Transportation, an availability charge of \$0.078 per 1,000 gallons plus a transmission and treatment charge of \$1.97 per 1,000 gallons will be in effect for all flow trunked by the city.

(7) Customer deposits. The city hereby institutes a customer deposit schedule based upon the need to retain a deposit from all new customers equal to three times the average monthly wastewater bill for each class of service, as follows:

- (a) Single-family residential classification: \$ 40.
- (b) Multiple-family residential classification: \$ 30 per unit.
- (c) Commercial classification.

1. Commercial business deposit per meter size:

Service Size (Inches)*	Deposit Amount
3/4	\$ 100
1	130
1½	160
2	260
3	1,000
4	1,270
6	1,910
8	2,640
10	3,740

\*(Note: Wastewater service size determined by size of water meter)

2. Hotel, apartment hotel, and motel deposit per unit: \$ 35.

(d) Deposit monies shall earn interest while held by the city. The city shall, pursuant to its policies, pay or credit to the account the original deposit with earned interest.

(e) Refunds of wastewater deposits may be made to credit-worthy customers who have had a wastewater account with the city for a minimum of four years as of January 1 of each year, and who have not received two past- due notices during the preceding calendar year.

A review of all wastewater accounts with deposits will be made on a continual basis to determine those customers eligible for refunds.

1. Refunds will be made in the form of credits against future charges.

(f) The city may withdraw and expend any customer deposit collected from any occupant or tenant for the provision of water, wastewater, or refuse collection services due to nonpayment of service charges by the occupant or tenant.

(g) The Finance Director or his or her designee shall have the authority to waive a deposit due to a change of address within the city service area where no greater than two delinquencies were incurred by the depositor in the past calendar year and the new meter is the same size as the old, provided that the deposit which would be required at the new address does not exceed the existing deposit by \$50 or more.

(h) Amendments to the Customer Deposit Schedule established herein shall not reduce nor increase the deposit requirements for existing customers.

(8) The volume of wastewater flow shall be determined by the volume of consumption of water provided to a customer by the city as provided in Chapter 50 of the code of ordinances. However, users whose wastewater volume is significantly less than the volume of water consumption as a result of providing goods and services may enter into a utility agreement with the city which provides for the sewer flow charges to be based upon the metering of the volume of the customer's wastewater. Such a utility agreement shall also require wastewater meters to be purchased and owned by the customer, periodic testing of such meters at the customer's expense and any and all additional costs incurred by the city arising from the utility agreement shall be the responsibility of the customer.

(Ord. 88-21, passed 12-29-87; Am. Ord. 89-03, passed 10-4-88; Am. Ord. 89-47, passed 3-7-89; Am. Ord. 90-13, passed 11-21-89; Am. Ord. 91-24, passed 12-18-90; Am. Ord. 92-15, passed 12-17-91; Am. Ord. 93-11, passed 11-24-92; Am. Ord. 93-78, passed 9-28-93; Am. Ord. 94-68, passed 9-27-94; Am. Ord. 95-37, passed 2-7-95; Am. Ord. 95-98, passed 9-26-95; Am. Ord. 99-49, passed 5-25-99; Am. Ord. 99-66, passed 9-28-99; Am. Ord. 2001-22, passed 12-12-00; Am. Ord. 2001-81, passed 9-25-01; Am. Ord. 2003-7, passed 10-22-02; Am. Ord. 2003-69, passed 9-23-03; Am. Ord. 2004-06, passed 10-28-03; Am. Ord. 2004-70, passed 9-28-04; Am. Ord. 2005-80, passed 9-27-05; Am. Ord. 2006-66, passed 9-26-06; Am. Ord. 2006-68, passed 9-26-06; Am. Ord. 2009-12, passed 11-25-08; Am. Ord. 2010-41, passed 7-27-10; Am. Ord. 2010-45, passed 9-2-10)

#### **§ 51.06 TIME AND METHOD OF PAYMENT.**

All statements for wastewater service shall be submitted monthly on the same statements as the charges for water service and shall be due and payable at the same time as the statement for water service. However, the charge for wastewater service shall be made a separate item, and nonpayment of the charge shall render the user and owner of the premises subject to the provisions and penalties provided for nonpayment of water bills as governed under §§ 50.07 and 50.08. All wastewater charges shall be assessed on the basis of rate type assessed for water service. Any and all provisions of Chapter 50 of this code relating to costs, payments and fees shall be equally applicable to wastewater accounts.

('58 Code, § 49.22) (Ord. 773, passed 9-11-62; Am. Ord. 66-1, passed 10-11-65; Am. Ord. 90-13, passed 11-21-89; Am. Ord. 91-24, passed 12-18-90; Am. Ord. 2009-12, passed 11-25-08) Penalty, see § 51.99

#### **§ 51.07 USE OF CITY WASTEWATER SYSTEM.**

(A) No person shall discharge or cause to be discharged any storm water, surface water, ground water, roof runoff, subsurface drainage, uncontaminated cooling water, or unpolluted industrial process waters to any sanitary sewer. Storm water and all other unpolluted drainage shall be discharged as provided for in Chapter 53.

(B) No person shall discharge or cause to be discharged any of the following described waters or wastes to any city sewers.

- (1) Any gasoline, benzene, naphtha, fuel oil, or other flammable or explosive liquid, solid, or gas.
- (2) Any waters or wastes containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly or by interaction with other wastes, to injure or interfere with any wastewater treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in the receiving waters of the wastewater treatment plant, including but not limited to cyanides in excess of 2 mg/l as CN (cyanide) in the wastes as discharged to the city sewer.
- (3) Any waters or wastes having a pH lower than 5.5, or having any other corrosive property capable of causing damage or hazard to structures, equipment, or personnel of the wastewater works.
- (4) Solid or viscous substances in quantities or of a size capable of causing obstruction to the flow in sewers or other interference with the proper operation of the wastewater system such as, but not limited to, ashes, cinders, sand, mud, straw, shavings, metal, glass, rags, feathers, tar, plastics, wood, unground garbage, whole blood, paunch manure, hair and fleshings, entrails, and paper dishes, cups, milk containers, and the like, either whole or ground by garbage grinders.

(C) No person shall discharge or cause to be discharged the following described substances, materials, waters, or wastes if it appears likely in the opinion of the Director that the wastes can harm either the wastewater system, wastewater treatment process, or equipment, have an adverse effect on the receiving stream, or can otherwise endanger life, limb, public property, or constitute a nuisance. In forming his opinion as to the acceptability of these wastes, the Director will give consideration to such factors as the quantities of subject wastes in relation to flows and velocities in the wastewater system, materials of construction of the wastewater system, nature of the wastewater treatment process, capacity of the wastewater treatment plant, degree of treatability of wastes in the wastewater treatment plant, and other pertinent factors. Combined sewage systems are prohibited in the city. The substances prohibited are as follows.

- (1) Any liquid or vapor having a temperature higher than 150°F. or 65°C.
- (2) Any water or waste containing fats, wax, grease, or oil, whether emulsified or not, in excess of, 100 mg/l or containing substances which may solidify or become viscous at temperatures between 32°F. and 150°F. (0°C. and 65°C.)
- (3) Any garbage that has not been properly shredded.
- (4) Any waters or wastes containing strong acid iron pickling wastes or concentrated plating solutions whether neutralized or not.
- (5) Any water or wastes containing iron, chromium, copper, zinc, and similar objectionable or toxic substances, or wastes exerting an excessive chlorine requirement, to a degree that any such material received in the composite wastewater at the wastewater treatment works exceeds the limits established by the Director for these materials.
- (6) Any waters or wastes containing phenols or other taste- or odor-producing substances, in such concentrations exceeding limits established by the Director as necessary, after treatment of the

composite wastewater, to meet the requirements of the state, federal, or other public agencies of jurisdiction for discharge to the receiving waters.

(7) Any radioactive wastes or isotopes of half-life or concentration as may exceed limits established by the Director in compliance with applicable state or federal regulations.

(8) Any waters or wastes having a pH in excess of 9.5.

(9) Materials which exert or cause the following:

(a) Unusual concentrations of inert suspended solids (such as, but not limited to, Fullers earth, lime slurries, and lime residues) or of dissolved solids (such as, but not limited to, sodium chloride and sodium sulfate).

(b) Excessive discoloration (such as, but not limited to, dye wastes and vegetable tanning solutions).

(c) Unusual BOD, chemical oxygen demand, or chlorine requirements in such quantities as to constitute a significant load on the wastewater treatment works.

(d) Unusual volume of flow or concentration of wastes constituting slugs as defined in § 51.01.

(10) Waters or wastes containing substances which are not amenable to treatment or reduction by the wastewater treatment processes employed, or are amenable to treatment only to the degree that the wastewater treatment plant effluent cannot meet the requirements of other agencies having jurisdiction over discharge to the receiving waters.

(11) All flows shall comply with Broward County ordinances and city pre-treatment policies.

(D) If any waters or wastes are discharged, or are proposed to be discharged to the city wastewater system, which contain the substances or possess the characteristics enumerated in subsection(C) of this section, and which in the judgment of the Director, may have a deleterious effect upon the wastewater system, processes, equipment, or receiving waters, or which otherwise create a hazard to life or constitute a public nuisance, the Director may do the following.

(1) Reject the wastes.

(2) Require pretreatment to an acceptable condition for discharge to the city wastewater system.

(3) Require control over the quantities and rates of discharge.

(4) Require payment to cover the added cost of handling and treating the wastes not covered by existing wastewater charges.

(5) If the Director permits the pretreatment or equalization of waste flows, the design and installation of the plants and equipment shall be subject to the review and approval of the Director, and subject to the requirements of all applicable codes, ordinances, and laws.

(E) Grease, oil, and sand interceptors shall be provided when, in the opinion of the Director, they

are necessary for the proper handling of liquid wastes containing grease in excessive amounts, or any flammable wastes, sand, or other harmful ingredients, however, these interceptors shall not be required for private living quarters or dwelling units. All interceptors shall be of a type and capacity approved by the Director, and be located as to be readily and easily accessible for cleaning and inspection.

(F) Where preliminary treatment or flow-equalizing facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the owner at his expense.

(G) When required by the Director, the owner of any property serviced by a building wastewater system carrying industrial wastes shall install a suitable control manhole together with the necessary meters and other appurtenances in the building wastewater system to facilitate observation, sampling, and measurement of the wastes. The manhole, when required, shall be accessibly and safely located, and shall be constructed in accordance with plans submitted to the City Engineer for review and approved by the Director. The manhole shall be installed by the owner at his expense, and shall be maintained by him so as to be safe and accessible at all times.

(H) All measurements, tests, and analyses of the characteristics of waters and wastes to which reference is made in this chapter shall be determined in accordance with the latest edition of "Standard Methods for the Examination of Water and Wastewater," published by the American Public Health Association, and shall be determined at the control manhole provided, or upon suitable samples taken at the control manhole. In the event no special manhole has been required, the control manhole shall be considered to be the nearest downstream manhole in the city wastewater system to the point at which the building wastewater system is connected. Sampling shall be carried out by customarily accepted methods to reflect the effect of constituents upon the wastewater works and to determine the existence of hazards to life, limb, and property. The particular analyses involved will determine whether a 24-hour composite of all outfalls of a premise is appropriate or whether a grab sample or samples should be taken. Normally, but not always, BOD and suspended solid analyses are obtained from 24-hour composites of all outfalls whereas pH's are determined from periodic grab samples.

(I) No statement contained in this chapter shall be construed as preventing any special agreement or arrangement between the city and any industrial concern whereby an industrial waste of unusual strength or character may be accepted by the city for treatment, subject to payment by the industrial concern.

('58 Code, § 49.24) (Ord. 71-32, passed 8-31-71; Am. Ord. 2009-12, passed 11-25-08) Penalty, see § 51.99

#### **§ 51.08 DAMAGING UTILITY EQUIPMENT.**

No unauthorized person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with any structure, appurtenance, or equipment which is a part of the utility. Any person violating this provision shall be subject to immediate arrest under charge of disorderly conduct.

('58 Code, § 49.25) (Ord.71-32, passed 8-31-71; Am. Ord. 2009-12, passed 11-25-08)

#### **§ 51.09 INSPECTION.**

(A) The Director and other duly-authorized employees of the city bearing proper credentials and identification shall be permitted to enter all properties for the purpose of inspection, observation, measurement, sampling, and testing in accordance with the provisions of this chapter, upon consent of the property owner. If consent is not granted, the Director or his duly-authorized employee must obtain a search warrant for the premises by showing that he has probable cause based upon his personal information or belief that there is a violation of the provisions of this chapter. The Director or his representatives shall have no authority to inquire into any processes including metallurgical, chemical, oil, refining, ceramic, paper, or other industries beyond that point having a direct bearing on the kind and source of discharge to the wastewater, waterways, or facilities for waste treatment. If access is refused, the provisions set forth in § 51.99(B) shall apply.

(B) While performing the necessary work on private properties referred to above, the Director or duly-authorized employees of the city shall observe all safety rules applicable to the premises established by the customer and the customer shall be held harmless for injury or death to the city employee. The city shall indemnify the customer against loss or damage to its property by city employees and against liability claims and demands for personal injury or property damage asserted against the customer and growing out of the gauging and sampling operation, except as may be caused by negligence or failure of the customer to maintain safe conditions as required in § 51.07, subsection (G).

(C) The Director and other duly-authorized employees of the city bearing proper credentials and identification shall be permitted to enter all private properties through which the city holds a duly negotiated easement for the purposes of, but not limited to, inspection, observation, measurement, sampling, repair, and maintenance of any portion of the wastewater system lying within the easement. All entry and subsequent work, if any, on the easement shall be done in full accordance with the terms of the duly negotiated easement pertaining to the private property involved.

('58 Code, § 49.26) (Ord.71-32, passed 8-31-71; Am. Ord. 2009-12, passed 11-25-08)

#### **§ 51.10 DISPOSAL INTO ATLANTIC OCEAN.**

(A) No person shall pump, dump, discharge or otherwise allow moving waters or waste of any kind to be disposed directly into surface waters.

(B) The Building Department shall first investigate and has the power to require an application to support and present proof that the criterion of the public interest shall be protected and met. Prior to issuance of a permit, the Building Inspector shall make findings including a finding of necessity and find that the public interest is protected.

('58 Code, § 49.29) (Ord. 72-38, passed 5-4-72; Am. Ord. 2009-12, passed 11-25-08) Penalty, see § 51.99

#### **§ 51.11 CAPITAL RECOVERY FEES.**

(A) Prior to the issuance of a building permit, or at the time of installation of the meter, if a building permit is not issued by the City of Pompano Beach because the property is located outside of the corporate boundaries, each new applicant requesting new water or wastewater service from the city will be required to pay an initial capital recovery fee pursuant to this section.

(B) A base capital recovery fee of \$545 per equivalent Residential Customer Unit (ERC) for each wastewater tap purchased shall be charged on the basis of the meter size (or equivalent service requirement for wastewater) requested as follows:

<i>Meter Size (Inches)</i>	ERC Ratio*	Wastewater Capital Recovery Fee
3/4	1.0	\$545
1	1.7	\$928
1-1/2	3.3	\$1,801
2	5.3	\$2,893
3	10.0	\$5,458
4	16.7	\$9,116
6	33.3	\$18,177
8	53.3	\$29,095
10	76.7	\$41,869

\* The ERC Ratio for meter sizes was adopted as per the American Water Works Association Manual of Water Supply Practices - Water Rates (AWWA No. M1).

(C) If additional metering is installed subsequent to the payment of the capital recovery fee, an additional capital recovery fee attributable to the additional meter shall be collected at the time of installation of the additional meter.

(D) The monies collected pursuant to this section shall be used only for capital recovery and shall be deposited into a special purpose account of which 75% of the fees collected will be transferred to the Bond Sinking Fund Account and 25% will be transferred to the RR and I Fund for capital improvements in accordance with the capital improvement plan.

(E) In the event a capital recovery fee has been paid but the project for which it was paid is terminated prior to utilizing water or wastewater service, the fee shall be refunded.

(Ord. 88-21, passed 12-29-87; Am. Ord. 89-03, passed 10-4-88; Am. Ord. 89-47, passed 3-7-89; Am. Ord. 90-13, passed 11-21-89; Am. Ord. 92-15, passed 12-17-91; Am. Ord. 2009-12, passed 11-25-08)

#### § 51.99 PENALTY.

(A) Any person found to be violating any provision of this chapter except § 51.08 shall be served by the city with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction. The offender shall, within the period of time stated in the notice, permanently cease all violations. Any person who shall continue any violation beyond the time limit provided, shall be guilty of a misdemeanor, and on conviction shall be fined in the amount not exceeding \$500.00 or imprisoned for not more than 90 days, or both. Each day in which the violation shall continue shall be deemed a separate offense. Any person violating any of the provisions of this chapter shall become liable to the city for any expense, loss, or damage occasioned the city by reason of the violation.

(B) Terminating water service. To safeguard the wastewater system, the city has the right to terminate a customer's potable water supply in order to protect the wastewater system.

('58Code, §49.27) (Ord.71-32, passed 8-31-71; Am. Ord. 2009-12, passed 11-25-08)

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Fort Lauderdale, Florida, Code of Ordinances >> - CODE OF ORDINANCES >> Chapter 28 - WATER, WASTEWATER AND STORMWATER >> ARTICLE II. - SEWERS AND SEWAGE DISPOSAL >> DIVISION 3. - RATES AND CHARGES >>

**DIVISION 3. - RATES AND CHARGES** 821

- Sec. 28-76. - Wastewater user rates.
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- Sec. 28-78. - Industrial user charges.
- Sec. 28-79. - Exemptions from wastewater commodity charges.
- Sec. 28-80. - When bills due and payable.
- Secs. 28-81—28-135. - Reserved.

**Sec. 28-76. - Wastewater user rates.**

- (a) There is hereby established and levied a schedule or system of wastewater user rates and charges for wastewater disposal service against each and every person owning or using any buildings in the city or outside the city, inhabited or used by human beings as a place of residence, business or otherwise, that shall be connected with or available for connection with any line of the sanitary sewerage system.
- (b) The following schedule of rates and charges shall be imposed for consumers located within the corporate limits that are supplied water by the city and are either receiving wastewater disposal service or have it available for connection from their property to the city sanitary sewer system.
  - (1) A fixed monthly charge per water meter supplied by a connection service to a single-family residence, multifamily residential dwelling unit, cooperative or condominium apartment, commercial, industrial, institutional, or similar unit, building or complex and each separate municipal or other governmental agency or special type unit, shall be as follows:

Meter Sizes		Wastewater Fixed Monthly Charges	
		28-76(b)(1)	
(inches)	Effective 10/1/2011	On 10/1/2012 charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment plus 1.75% or by 5%, whichever is greater, as established and adopted by resolution.	On 10/1/2013, and October 1 of each year thereafter, charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment or by 5%, whichever is greater, as established and adopted by resolution.
%	\$7.76	*See Note 1	*See Note 1
¾	\$11.05		
1	\$17.66		
1½	\$34.13		
2	\$53.92		
3	\$100.07		
4	\$166.02		
6	\$330.85		
8	\$528.66		
10	\$759.44		
12	\$1,418.80		
16	\$2,308.96		

\* Note 1: By April 30th of each year, the city manager shall determine if as of September 30th of the year prior whether projected revenues based on adjusted rates exceed the following five (5) criteria: 1) annual revenues exceed annual expenses, 2) net revenue is at or above two (2.0) times annual debt service expenses, 3) there is an operating reserve at least equal to one hundred twenty (120) days of operating costs, 4) there is an unrestricted capital reserve of at least ten million dollars (\$10,000,000.00), and 5) there is replacement and repair funding of at least ten million dollars (\$10,000,000.00). If there is projected revenue that exceeds these five (5) criteria, the current customers shall receive a proportionate rebate of the excess funds on their water/wastewater bill in the same fiscal year. For purposes of this note, revenue, expenses, and net revenue are as defined in City Commission Resolution No. 03-29.

- (2) Single-family residences, and multifamily residential dwelling units that have separately-metered units, shall be charged a wastewater commodity charge for each one thousand (1,000) gallons of water consumed up to a total of and including twenty-thousand (20,000) gallons per month, per unit as follows:

Block Ranges		Water (per unit)		Wastewater Monthly Usage Charges	
				28-76(b)(2)	
	(1,000 gallons per month x number of dwelling units)	Effective 10/1/2011	On 10/1/2012 charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment plus 1.75% or by 5%, whichever is greater, as established and adopted by resolution.	On 10/1/2013, and October 1 of each year thereafter, charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment or by 5%, whichever is greater, as established and adopted by resolution.	
Block 1	0—3,000	\$2.86	*See Note 1 at Sec. 28-76(b)(1)	*See Note 1 at Sec. 28-76(b)(1)	
Block 2	4,000—20,000	\$6.33			
Block 3	>20,000	N/A			

Single-family residences will not be charged a commodity charge for usage in excess of twenty thousand (20,000) gallons per month.

(3)

Multifamily residential dwelling units that do not have separately metered units, shall be charged a wastewater commodity charge for each one thousand (1,000) gallons of water consumed up to and including a total of eight thousand (8,000) gallons consumed per month, per unit as follows:

Wastewater Commodity Charges			
28-76(b)(3)			
Block Ranges	Water (per unit)	Wastewater Monthly Usage Charges	
	(1,000 gallons per month x number of dwelling units)	Effective 10/1/2011	On 10/1/2012 charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment plus 1.75% or by 5%, whichever is greater, as established and adopted by resolution.  *See Note 1 at Sec. 28-76(b)(1)
Block 1	0-1,000	\$2.86	On 10/1/2013, and October 1 of each year thereafter, charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment or by 5%, whichever is greater, as established and adopted by resolution.  *See Note 1 at Sec. 28-76(b)(1)
Block 2	2,000-8,000	\$6.33	
Block 3	>8,000	N/A	

Multifamily residences will not be charged a commodity charge for usage in excess of eight thousand (8,000) gallons per month per unit.  
(4) The commodity charge for all other consumers for each one thousand (1,000) gallons of water consumed shall be as follows:

Wastewater Commodity Charges			
28-76(b)(4)			
	Effective 10/1/2011	On 10/1/2012 charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment plus 1.75% or by 5%, whichever is greater, as established and adopted by resolution.  *See Note 1 at Sec. 28-76(b)(1)	On 10/1/2013, and October 1 of each year thereafter, charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment or by 5%, whichever is greater, as established and adopted by resolution.  *See Note 1 at Sec. 28-76(b)(1)
All Usage	\$5.09		

- (5) Except as provided herein, for properties required to connect to new sanitary sewer collection facilities constructed under WaterWorks 2011, in addition to the other rates and charges provided herein, the following schedule or rates and charges shall be imposed:
- Every owner of property required to connect to the sanitary sewer system subsequent to completion of construction of sewer facilities under Waterworks 2011 shall pay a connection fee of one thousand dollars (\$1,000.00) per ERC as determined for the present use of the property.
  - The connection fee for residential properties is based upon theoretical flow projections. A standard single-family detached home is expected to contribute flows to the system based upon an estimated maximum daily water usage of three hundred (300) gallons per day (GPD), and shall be charged one (1) ERC with an associated connection fee of one thousand dollars (\$1,000.00). A two-family dwelling, duplex or triplex shall be charged one (1) ERC per dwelling unit, with associated connection fees of two thousand dollars (\$2,000.00) and three thousand dollars (\$3,000.00) respectively. The connection fee for multi-family residential properties with more than three (3) dwelling units will be on 0.805 per ERC per dwelling unit, with associated connection fees computed as follows - (0.805 per Dwelling Unit) x (Number of Dwelling Units) x (\$1,000.00).
  - The connection fee for nonresidential properties shall be based upon each customers' actual water usage for the preceding thirty-six (36) months where available, and if it is determined that it is a reasonable basis of estimating current water use. The associated connection fee for a nonresidential property with available water use records will be based upon the highest three (3) individual months consumption out of the preceding thirty-six (36) consecutive months computed as follows — (average daily consumption of the highest three (3) individual months for the property in GPD) x (300) x (\$1,000.00).
  - The connection fee for nonresidential properties where records of past water usage are not available or are not a reasonable basis for estimating current water use shall be based on flow projections and in accordance with the provisions contained in the "Guidelines for the Calculation of Sanitary Sewer Connection Fees" as amended from time to time. The associated connection fee for a nonresidential property without adequate water use records will utilize the promulgated ERC factor times (\$1,000.00/ERC).
  - The basis of these determinations are contained in the "Guidelines for the Calculation of Sanitary Sewer Connection Fees" developed by the department of public services and adopted by resolution of the city commission.
  - A property owner who is also the occupant ("owner-occupant") of a residential single family, duplex, triplex or other residential property, as defined by Chapter 47 of the Code of Ordinances, has the option to pay the connection fee under this subsection (5) prior to expiration of the time required for connection as provided in section 28-33 or may finance the connection fee, over a period of five (5) years at an annual interest rate of six (6) percent compounded monthly. An owner-occupant of a residential property that is more than one (1) dwelling unit may only finance a pro-rata share of the connection fee representative of the number of dwelling units occupied by the owner. A property owner electing to finance the connection fee or portion thereof will repay the fee as part of the regular utility bill and will be subject to collection actions authorized by Code or Florida Statute. Those property owners' homes will be subject to a "voluntary lien," which must be paid in full prior to transfer or sale of property to another owner. Owner-occupants who elect to finance the connection fee pursuant to this subsection (5), shall be required to execute a promissory note secured by a lien on the property prior to connecting to the system or within ninety (90) days from the completion date, whichever comes first. An owner who does not make payments as provided in the promissory note shall pay a penalty for each month the payment is not made.
  - Every owner of a lot or parcel of property in the Riverland Annexed Area described herein shall be deemed to have paid the equivalent of the connection fee as an equivalent fee has been paid to the city by Broward County pursuant to that interlocal agreement between Broward County and the city and dated December 3, 2002. The legal description of the Riverland Annexed Area is described in Chapter 2001-322, Laws of Florida; said annexation taking effect on September 15, 2003. All other fees shall be paid in accordance with City Code.
  - Every owner of a lot or parcel of property in the Twin Lakes North Annexed Area described herein shall be deemed to have paid the equivalent of the Connection Fee as an equivalent fee has been paid to the city by Broward County pursuant to that Interlocal Agreement between Broward County and the City in effect on September 14, 2005. The legal description of the Twin Lakes North Annexed Area is described in Chapter 2004-442, Laws of Florida. All other fees shall be paid in accordance with City Code.
  - In addition to the connection fee, a ten (10) percent surcharge shall be added to the wastewater user charges imposed under this section 28-76. This surcharge shall continue for a period of twenty (20) years from the date a property is required to connect with the sanitary sewer system as provided in section 28-33(a) and shall continue to be charged to customers of a particular property regardless of the name on the customers account.
  - The city manager or his or her designee shall have the authority at any time, upon his or her initiative or in response to a property filed petition from the property owner, to change the ERC for a property based on the presentation of competent and substantial evidence, and/or correct any error in applying or calculating the ERC for a particular lot or parcel of property. Any such correction shall be considered valid ab initio and shall in no way

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affect the enforcement of the connection fees imposed under this subsection (5). All requests from affected property owners for any such changes shall be referred to, and processed by the city manager or designee.

- k. The connection fees collected by the city as provided in this subsection (5) shall be set apart and separately accounted for and used only for costs associated with the new sanitary sewer collection facilities constructed under Waterworks 2011.
- (c) Retail consumers receiving water and wastewater service outside the corporate limits as described in paragraph (b)(2) shall be charged at a rate twenty-five (25) percent higher than the rate charged for like service and quantity of water used by consumers within the city limits.
- (d) Consumers within the corporate limits who dispose of wastewater through the city's wastewater disposal system and are supplied with water from sources public or private, other than the city water system, shall be charged a commodity charge for each one thousand (1,000) gallons of wastewater discharged or fraction thereof. The commodity charge shall be levied in accordance with section 28-76(b)(4). The customer shall install at his own expense and subject to approval by the city a specially designed and constructed sewage meter for accurately measuring all sewage and wastewater discharged from the premises. A customer may install on the water line from private or public sources, other than the city system, at his own expense and subject to the approval and inspection of the city, a meter to measure the water consumption. The water meter may be used to calculate the commodity charge if the public works director or his designee determines that the water consumption is equivalent to the wastewater discharge. In addition to the commodity charge, the customer shall pay a monthly fixed charge based upon the equivalent water meter size. The equivalent water meter size shall be determined by the public works director or his designee.
- (e) Retail customers receiving wastewater service outside the corporate limits as described in subsection (d) above shall be charged at a rate twenty-five (25) percent higher than the rate charged for like service by customers within the city limits.
- (f) The city has established limitations on the wastewater strength characteristics discharged into the city's sewerage system which consists of either a five-day BOD concentration of mg/liter or a suspended solids concentration of mg/liter or both. In the event an industrial user exceeds these limits for wastewater as determined by monitoring the utility's effluent at the point of connection, the commodity charge(s) shall be multiplied by the following projected factor:
  - (1) In the event that only the BODs limit is exceeded:  $[0.7 + 0.00075 \times (\text{concentration of BOD in mg/liter})]$
  - (2) In the event that only the SS is exceeded:  $[0.7 + 0.00075 \times (\text{concentration of SS in mg/liter})]$
  - (3) In the event that both SS and BOD are exceeded:  $[0.4 + 0.00075 \times (\text{concentration of BOD in mg/liter}) + 0.00075 \times (\text{concentration of SS in mg/liter})]$ .
- (g) Should water consumption of an unusually and inexplicably large volume be recorded by an accurate meter for a customer whose account shows no prior history of such high water consumption, the city manager or designee may, upon receipt of a sworn affidavit from the customer that the customer knows of no reason for such high consumption and a statement by a licensed plumber that there are no leaks in the customer's plumbing system, reduce the customer's wastewater commodity charge by one-half (1/2) the amount by which the charge exceeds the billing based upon the customer's average water consumption.
- (h) Should water consumption of an unusually large volume be recorded by an accurate meter, which consumption is the result of a leak in the consumer's water system, and such consumption results in a loss of water which does not enter the sewer system, the city manager or designee may, upon receipt of a sworn affidavit from the customer stating that the water did not enter the sewer system and a sworn affidavit from a licensed plumber that a leak in the customer's water system has been repaired, reduce or credit the customer's wastewater commodity charge by the amount determined by the city to be attributable to the leak.
- (i) When a signed statement by a contractor having a valid business tax receipt or property owner giving the dimensions and gallonage of a pool is filed with the city, reduction of sewerage charges attributable to the filling of the pool is authorized providing more than seventy-five (75) percent of the water is replaced.
- (j) To recover a portion of the costs the city incurs to maintain a readiness to serve properties that at one (1) time had active utility service but are currently inactive, on or after August 1, 2009 a service availability charge for both water and sewer will be billed to the property owner upon discontinuance of service.
  - (1) The service availability charges will remain in effect until an active account is re-established to the property. Service availability charges shall be:

Meter Sizes		Wastewater Service Availability Monthly Charges	
		28-76(j)(1)	
(inches)	Effective 10/1/2011	On 10/1/2012 charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment plus 1.75% or by 5%, whichever is greater, as established and adopted by resolution.	On 10/1/2013, and October 1 of each year thereafter, charges shall be adjusted by multiplying the prior year's charge by the percentage listed in the U.S. Consumer Price Index Water and Sewerage Maintenance Index as determined in May of the calendar year of the adjustment or by 5%, whichever is greater, as established and adopted by resolution.
3/8	\$7.76	*See Note 1 at Sec. 28-76(b)(1)	*See Note 1 at Sec. 28-76(b)(1)
1/2	\$11.05		
1	\$17.66		
1 1/2	\$34.13		
2	\$53.92		
3	\$100.07		
4	\$166.02		
6	\$330.85		
8	\$528.66		
10	\$759.44		
12	\$1,418.80		
16	\$2,308.96		

- (2) In order for a structure or parts of a structure which have facilities for water and sewer service to be disconnected and excused from payment of water and sewer availability charges, the owner of said structure or parts of a structure shall:
  - a. Remove all internal facilities which allow for the use of water and/or sewer service, including but not limited to: all sinks, toilets and spigots.
  - b. Request that the water meter(s) involved be removed.
  - c. Notify both the city building department and the city public works department that all water and sewer facilities have been removed and that the service availability charge should be terminated as to the subject structure or parts of a structure.
  - d. Pay the service availability reconnection charge as follows when removing an account from inactive status and placing it on active status:

Service Availability Reconnection Charge	
28-76(j)(2)	
Effective 10/1/2011	
To re-establish active service for both water and sewer for all size meters	\$150.00

(Code 1953, § 37-50; Ord. No. C-77-91, § 1, 7-19-77; Ord. No. C-77-137, § 1, 9-20-77; Ord. No. C-78-52, § 3, 4-18-78; Ord. No. C-78-94, § 2, 10-3-78; Ord. No. C-80-108, § 1, 12-9-80; Ord. No. C-81-56, § 1, 7-21-81; Ord. No. C-82-136, § 1, 1-4-83; Ord. No. C-83-129, § 1, 12-20-83; Ord. No. C-85-87, § 2, 2-17-85; Ord. No. C-86-76, § 1, 9-16-86; Ord. No. C-87-58, § 1, 9-9-87; Ord. No. C-88-55, § 1, 7-19-88; Ord. No. C-89-98, § 1, 9-26-89; Ord. No. C-90-33, § 1, 5-15-90; Ord. No. C-91-63, § 1, 9-19-91; Ord. No. C-92-41, § 1, 9-15-92; Ord. No. C-93-58, § 1, 9-21-93; Ord. No. C-94-34, § 1, 9-20-94; Ord. No. C-95-48, § 1, 9-19-95; Ord. No. C-96-71, § 1, 12-19-95; Ord. No. C-96-51, § 1, 9-17-96; Ord. No. C-97-9, § 5, 3-18-97; Ord. No. C-97-35, § 1, 9-16-97; Ord. No. C-98-55, § 1, 9-15-98; Ord. No. C-00-61, § 1, 10-17-00; Ord. No. C-01-42, § 1, 9-20-01; Ord. No. C-02-25, § 1, 9-17-02; Ord. No. C-02-39, § 3, 12-17-02; Ord. No. C-03-32, § 1, 9-16-03; Ord. No. C-03-36, § 1, 3-16-04; Ord. No. C-04-047, § 1, 9-21-04; Ord. No. C-05-26, § 1, 9-28-05; Ord. No. C-06-15, § 1, 6-20-06; Ord. No. C-06-29, § 1, 9-19-06; Ord. No. C-06-45, § 24, 1-4-07; Ord. No. C-07-89, § 1, 9-18-07; Ord. No. C-08-42, § 1, 9-16-08; Ord. No. C-09-21, § 2, 7-21-09; Ord. No. C-11-21, § 1, 9-20-11)

**State law reference—** Limitation on rates charged outside city, F.S. § 180.191.

**Sec. 28-77. - User agreements.**

Municipalities, political subdivisions and privately owned utilities in the county that are financially responsible, as determined by the city commission, may enter into separate contracts with the city for wastewater transmission, treatment and disposal. In no event shall any wastewater users pay less than their equitable share of the capital and operating costs based upon wastewater quantities delivered to the city sewerage system.

(Code 1953, § 37-51; Ord. No. C-77-91, § 1, 7-19-77)

**Sec. 28-78. - Industrial user charges.**

[Copy link to clipboard](#)

- (a) Industrial users shall be charged an applicable industrial user rate. The city may impose special user charges in addition to other charges set out in this article if a particular waste causes changes in expense to the city in its handling and treatment. To determine acceptability of any such waste and the charge for treatment thereof, the city shall require persons wishing to discharge such wastes to submit a written analysis of the quantities and characteristics of such wastes. Such analysis may be validated by the director.
- (b) Where sampling and gauging of a specific industrial user is not practical for physical, economic, or other reasons, the city may establish industry-wide averages for volume and concentration of the wastes discharged into the sewer system for all users in the same industrial classification. These average allowances may be determined by sampling the waste discharges of one (1) or more typical firms in the industrial classification. The determined averages may be related to units of production or some other suitable basis for the computation of the industrial cost recovery charges and any special industrial user charges which may be justified. These average flow volumes and concentrations shall remain in effect until such time as the specific industrial user submits data which, in the judgment of the director, indicates that such averages are not applicable to the particular industrial user.
- (c) Special industrial user charges have been established for the following industrial classifications:

Standard Industrial Classification No.	Industry Description
7211/7213	Commercial Laundry
	Establishment engages in wholesale laundering operations equipped with high efficiency washers of a minimum six hundred (600) pounds' capacity. Billable wastewater flow shall be based upon eighty (80) percent of the total metered water consumption recorded during each billing period.
2086	Bottled and Canned Soft Drinks and Carbonated Water
	Establishment engaged in the bottling of water for retail sale and consumption off the premises. Billable wastewater flow shall be based upon seventy (70) percent of the total metered water consumption recorded during each billing period.

- (d) Special industrial user charges shall be applied to any qualified industrial user upon the written request of such user. Prior to applying a special industrial user charge to a particular industrial user, the director may require the user to provide sufficient information and documentation to the city demonstrating that the user is qualified to be included within the standard industrial classification to which such special industrial user charge applies.

(Code 1953, §§ 37-52, 37-64, 37-66; Ord. No. C-77-91, § 1, 7-19-77; Ord. No. C-81-94, §§ 1-3, 10-20-81; Ord. No. C-83-76, § 1, 7-6-83; Ord. No. C-86-97, § 1, 10-21-86)

**Sec. 28-79. - Exemptions from wastewater commodity charges.**

Where water used for lawn sprinkling, gardening or commercial-industrial purposes does not enter the sanitary sewer system, relief from payment of the wastewater commodity charge on the presently metered total water consumption is provided as follows:

- (1) A customer may have installed by the department, as stipulated in section 28-141 and approved by the building department, a separate metered connection with the water mains to measure the water so used.
- (2) A customer may apply for a meter, as stipulated in section 28-141 to have the meter installed at his expense and with the approval of the building department, to measure the water which does not enter the sewer system. The sewerage service charge will be billed on the difference in consumption between the two (2) meters; provided, however, that the credit to be given shall not reduce the total wastewater charge to an amount less than the fixed monthly charge.

(Code 1953, § 37-54; Ord. No. C-77-91, § 1, 7-19-77)

**Sec. 28-80. - When bills due and payable.**

The city will bill as a unit for water and wastewater user charges, and the wastewater user charges must be paid at the time of payment of the charge for water service. If such wastewater user charges are not paid within ten (10) days, after the same shall become due and payable, the city manager or his designee is hereby authorized and may disconnect such consumer's water supply in accordance with section 28-190.

(Code 1953, § 37-55; Ord. No. C-77-91, § 1, 7-19-77)

**Secs. 28-81—28-135. - Reserved.**

**FOOTNOTE(S):**

<sup>(67)</sup> **Cross reference—** Fee for furnishing information about unpaid utility bill, § 2-150. [\(Back\)](#)

<sup>(97)</sup> **State Law reference—** User fees authorized, F.S. § 166.201. [\(Back\)](#)