



Legislation Text

File #: 20-1469, Version: 1

A Resolution amending Ordinance No. 2015-17, as amended, Resolution 2016-148, as amended, Resolution 2017-167, as amended, Resolution 2018-219, as amended, and 2019-223, as amended to adjust the Storm Water Fee and Sanitary Sewer Charges, providing for severability, and an effective date.

Storm Water Fee -The recommended increase in the Storm Water fee is the fifth year of a ten-year plan (years 1,2,3 & 4 were implemented in Fiscal Years 2017 through 2020) to create the substantial fund balance in the Storm Water Utility Fund necessary to ready the City for sea level rise related infrastructure improvements. Year 5 of the plan adjusts the Storm Water Fee from \$16.16 to \$17.61 per Equivalent Residential Unit (ERU) per month.

The goal of the ten-year fee increase plan is to accumulate a minimum of \$100 Million by the early “mid-century” mark. The theory behind the plan is to make sure Coral Gables is ready to compete in the early “mid-century” credit market when most cities along the coast will be competing for the same dollars. The more funds the Coral Gables accumulates on its own translates to less credit the City will have to compete for. The accumulated funds will be restricted in the City’s balance sheet specifically for sea level rise capital improvements. The full ten-year plan is indicated in Exhibit A.

Sanitary Sewer Charges - The City is recommending an increase to the current Sanitary Sewer fee structure in order to cover the cost of replacing a major section of the City’s force mains as well as the cost of an anticipated increase in Miami-Dade County wastewater treatment and disposal charges that will take effect during Fiscal Year 2020-2021.

The force main replacement project is estimated at \$15.25 million with construction implemented over a five-year period. Staff is recommending that funding for this replacement be covered by the issuance of debt starting in Fiscal Year 2021.

Force mains have an estimated useful life of 50 years. The portion of the force mains that will be replaced with this project are 65 years old. The goal is a proactive replacement of the mains to prevent a multiple break situation such as what was experienced by the City of Fort Lauderdale over this past year. Public Works staff will make a presentation to the Commission to further discuss the project details. The presentation is attached as Exhibit B.

In addition, over the last 5 years, Miami-Dade County has passed through waste water treatment cost increases averaging approximately 4.5% per year. With next year’s pass-through increase expected, albeit the amount unknown, staff is anticipating a minimum increase of 3% (\$120,000) to be implemented for Fiscal Year 2021.

To generate sufficient funds to cover the cost of the aforementioned items, staff is recommending changes to the Sanitary Sewer fee structure as indicated in Exhibit C.

For both the Storm Water Sea Level Rise and the Sanitary Sewer Capital Improvement Plans, staff is recommending commission authorization to implement the fee changes each year until the conclusion of the respective plan changes. However, staff does request the ability to revisit each plan in the event of any necessary updates. Such updates will be presented to the Commission for review and approval.

Staff is also recommending commission authorization to move forward with the issuance of debt to cover the cost of the force main replacement. Legislation for the issuance of debt will be brought to the Commission at a subsequent meeting.