

**CITY OF MARATHON, FLORIDA
RESOLUTION NO. 2016-55**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, APPROVAL OF A PROPOSED RATE AND OR INCREASE IN THE MONTHLY WASTEWATER UTILITY RATE CHARGED TO EACH PROPERTY OWNER BY THE GREATER OF THE CPI-U (CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS), IN THE MIAMI, FORT LAUDERDALE AND FLORIDA AREA OR 1.0%; AUTHORIZING THE CITY MANAGER TO ADMINISTER WASTEWATER RATE IMPLEMENTATION ACCORDINGLY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Marathon, Florida (the “City”) enacted Ordinance 02-07-12 and Ordinance 2008-10 (the “Ordinances), which establish a Wastewater Utility and authorizes, by City Council resolution, the imposition of fees, charges procedures as appropriate to the construction, operation and maintenance of the wastewater system;

WHEREAS, the City enacted Resolution 2009-60 establishing a Wastewater Utility Rate Schedule Exhibit “A”; and

WHEREAS, the City Council enacted Resolution 2015-106 amending the Wastewater Utility Rate Schedule Exhibit “A” for the City’s Wastewater Utility to include an annual rate index.

WHEREAS, the City Council desires to authorize the city manager to administer the wastewater rate implementation commencing on October 1, 2016.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein.

Section 2. This resolution is adopted pursuant to the provisions of Ordinance No. 02-07-12, Sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

Section 3. The City shall adjust the Wastewater Utility Rate Schedule Exhibit “A” annually. Before October 1st of each year, beginning October 1, 2016. The rates shall be increased by the greater of 1) the Consumer Price Index for all urban consumers (CPI-U) in the Miami Fort Lauderdale, Florida area as published by the Bureau of Labor Statistics for the prior 12 months ending the June of the same year, or 2) 1.0%. Rates shall be rounded to the nearest \$0.01.

Section 4. This resolution shall take effect immediately upon its adoption.

**PASSED AND APPROVED BY THE CITY COUNCIL OF THE CITY OF
MARATHON, FLORIDA, THIS 9TH DAY OF AUGUST, 2016.**

THE CITY OF MARATHON, FLORIDA



Mark Senmartin, Mayor

AYES: Zieg, Bartus, Coldiron, Kelly, Senmartin
NOES: None
ABSENT: None
ABSTAIN: None

ATTEST:



Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:



David Migut, City Attorney

Sponsored by: Burnett

**CITY OF MARATHON, FLORIDA
RESOLUTION NO. 2009-60**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF
MARATHON, FLORIDA, ADOPTING A MONTHLY CITY-WIDE
OPERATION AND MAINTENANCE RATE AND OTHER FEES FOR
THE WASTEWATER UTILITY IN THE CITY OF MARATHON,
FLORIDA; AND PROVIDING AN EFFECTIVE DATE**

WHEREAS, the City Council of the City, of Marathon, Florida (the "City") enacted Ordinance No. 02-07-12 and Ordinance No. 2008-10 (the "Ordinances"), which establish a Wastewater Utility and authorize, by City Council resolution, the imposition of fees and charges as appropriate to the construction, operation and maintenance of the wastewater system; and

WHEREAS, the City Council desires to adopt a wastewater utility rate schedule to be effective immediately for the City's Wastewater Utility.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE
CITY OF MARATHON, FLORIDA, AS FOLLOWS:**

Section 1. The above recitals are true and correct and are incorporated herein by this reference.

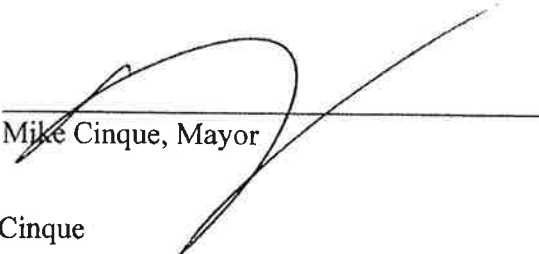
Section 2. This resolution is adopted pursuant to the provisions of Ordinance No. 2008-10, Ordinance No. 02-07-12, Sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

Section 3. The Wastewater Utility Rate Schedule attached hereto as Exhibit A is hereby adopted and shall be effective upon adoption of this resolution.

Section 4. This resolution shall take effect immediately upon its adoption.

PASSED AND APPROVED by the City Council of the city of Marathon, Florida, this 9th Day of June, 2009.

THE CITY OF MARATHON, FLORIDA



Mike Cinque, Mayor

AYES: Snead, Ramsay, Vasil, Worthington, Cinque
NOES: None
ABSENT: None
ABSTAIN: None


ATTEST:



Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:



City Attorney

EXHIBIT "A"

Monthly Rates for Wastewater Service	
	Rate
Base Facility Charge (per Month):	
Individually-Metered Residential	\$ 35.97
Proposed - All Other Customer Classes (Amount per EDU)	
Per Customer	\$ 14.19
Plus Capacity Charge per EDU	21.78
Volumetric Charge (per 1,000 Gallons of Metered Water Service):	
Individually-Metered Residential Service - Maximum Monthly Bill of 12,000 Gallons	\$ 8.04
All Other Classes of Service - All Metered Water Usage	\$ 8.04

EXHIBIT "A" (cont.)

**WASTEWATER UTILITIES RATES
(SERVICE FEES)**

1. Service Charge – Business Hours (8 a.m. – 4 p.m.)	\$20.00
2. Service Charge – After Hours	\$60.00
3. Illegal Connection Removal Fee	\$250.00
4. Tampering Charge	
A. Investigation	\$75.00
B. Tampering Charge	\$150.00
C. Tampering Charge (Repeat)	\$300.00
5. Non – Access Charge¹	Actual Cost²
6. Premises Visit Fee	\$20.00
7. Wastewater Tap	Actual Cost
8. Rescheduled wastewater Tap	\$150.00
9. Damage to City Sewer Property	Actual Cost
10. Plan Review	-0-
11. Extra Strength Surcharge	-0-

¹ Unable to repair or Maintain utility due to access issues

² Tow truck, debris removal, etc

**CITY OF MARATHON, FLORIDA
RESOLUTION NO. 2015-106**

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, MODIFYING THE CITY'S RATE POLICY TO INCLUDE AN ANNUAL RATE INDEX; AND AUTHORIZING THE CITY MANAGER TO ADMINISTER WASTEWATER RATE IMPLEMENTATION ACCORDINGLY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, the City Council of the City of Marathon, Florida (the "City") enacted Ordinance 02-07-12 and Ordinance 2008-10 (the "Ordinances"), which establish a Wastewater Utility and authorizes, by City Council resolution, the imposition of fees, charges procedures as appropriate to the construction, operation and maintenance of the wastewater system;

WHEREAS, the City enacted Resolution 2009-60 establishing a Wastewater Utility Rate; and

WHEREAS, the City Council desires to annually adjust the Wastewater Utility Rate Schedule Exhibit "A" for the City's Wastewater Utility.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MARATHON, FLORIDA, AS FOLLOWS:

Section 1. The above recitals are true and correct and are incorporated herein.

Section 2. This resolution is adopted pursuant to the provisions of Ordinance No. 02-07-12, Sections 166.021 and 166.041, Florida Statutes, and other applicable provisions of law.

Section 3. The City shall adjust the Wastewater Utility Rate Schedule Exhibit "A" annually as follows as directed by the City Council. Before October 1st of each year, beginning October 1, 2016, the Wastewater Rates shall be reviewed and staff will recommend to Council whether an increase is needed for the following fiscal year. If Council approves an increase at that time then the rates shall be increased by the greater of 1) the Consumer Price Index for all urban consumers (CPI-U) in the Miami Fort Lauderdale, Florida area as published by the Bureau of Labor Statistics for the prior 12 months ending the June of the same year, or 2) 1.0%. Rates shall be rounded to the nearest \$0.01.

Section 4. This resolution shall take effect immediately upon its adoption.

Section 5: To the extent this Resolution conflicts with Resolution 2015-60, this Resolution shall prevail.

PASSED AND APPROVED by the City Council of the City of Marathon, Florida, this 22nd day of September, 2015.

THE CITY OF MARATHON, FLORIDA



Chris Bull, Mayor

AYES: Zieg, Senmartin, Keating, Bull
NOES: None
ABSENT: Kelly
ABSTAIN: None

ATTEST:



Diane Clavier, City Clerk

(City Seal)

APPROVED AS TO FORM AND LEGAL SUFFICIENCY FOR THE USE
AND RELIANCE OF THE CITY OF MARATHON, FLORIDA ONLY:



City Attorney

EXHIBIT "A"

<u>Monthly Rates for Wastewater Service</u>	
	<u>Rate</u>
Base Facility Charge (per Month):	
Individually-Metered Residential	\$ 35.97
Proposed - All Other Customer Classes (Amount per EDU)	
Per Customer	\$ 14.19
Plus Capacity Charge per EDU	21.78
Volumetric Charge (per 1,000 Gallons of Metered Water Service):	
Individually-Metered Residential Service - Maximum Monthly Bill of 12,000 Gallons	\$ 8.04
All Other Classes of Service - All Metered Water Usage	\$ 8.04

EXHIBIT "A" (cont.)

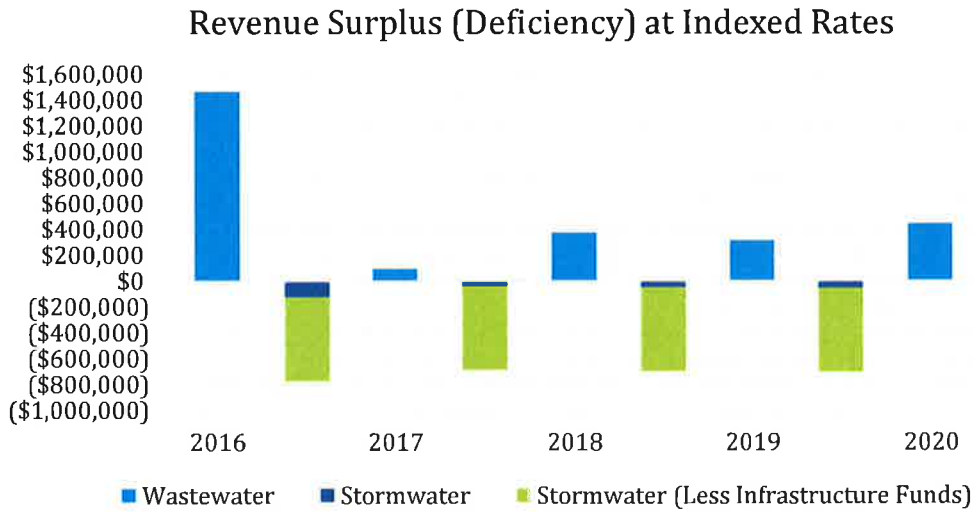
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(SERVICE FEES)**

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A. Investigation	\$75.00
B. Tampering Charge	\$150.00
C. Tampering Charge (Repeat)	\$300.00
5. Non – Access Charge¹	Actual Cost²
6. Premises Visit Fee	\$20.00
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8. Rescheduled wastewater Tap	\$150.00
9. Damage to City Sewer Property	Actual Cost
10. Plan Review	-0-
11. Extra Strength Surcharge	-0-

¹ Unable to repair or Maintain utility due to access issues

² Tow truck, debris removal, etc

Figure ES 2 – Wastewater and Stormwater Revenue Sufficiency at Indexed Rates



Note: Amounts derived from Exhibit 5 and 6 at the end of the report.

The following illustrates an example rate adjustment based on an assumed rate index of 1.0% in October 2016:

Table ES 5 - Illustration of October 2016 Rate Index

Description (Monthly)	Existing Rates	Illustration of 1.0% Index - October 2016	October 2016	Adjustment
Administrative Charge per Account	\$14.19	\$0.14	\$14.33	0.99%
Base Charge per EDU	\$21.78	\$0.22	\$22.00	1.01%
Usage Charge per 1,000 Gallons	\$8.04	\$0.08	\$8.12	1.00%
4,000 Gallon User	\$68.13	\$0.68	\$68.81	1.00%
Annual Rate Revenue	\$6,492,300	\$64,900	\$6,557,200	1.00%

The effect of a wastewater rate index on the financial forecast is discussed below in terms of annual debt service coverage.

SUMMARY OF DEBT SERVICE COVERAGE

The City has entered into several SRF loan agreements to fund the wastewater and stormwater infrastructure. The covenants within these loan agreements include several provisions, including