

**RESOLUTION NO. 2024-R-17**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDGEWATER, FLORIDA; RELATING TO PAYMENTS IN LIEU OF FRANCHISE FEES (PILOFF) BY THE CITY OF EDGEWATER UTILITIES SYSTEM; INCORPORATING RECITALS; PROVIDING AUTHORITY; REQUIRING THE CITY OF EDGEWATER UTILITIES SYSTEM TO PAY THE CITY OF EDGEWATER GENERAL FUND AS PAYMENTS IN LIEU OF FRANCHISE FEES AN AMOUNT EQUAL TO 5.9 PERCENT OF THE REVENUES COLLECTED BY THE WATER AND SEWER SYSTEM OPERATING FUND, REFUSE FUND OPERATING FUND, STORMWATER OPERATING FUND BEGINNING OCTOBER 1, 2024; REQUIRING PAYMENTS IN LIEU OF FRANCHISE FEES EACH MONTH OR AT OTHER PERIODIC INTERVALS UNTIL AMENDMENT, REPEAL OR RESCISSION OF THIS RESOLUTION; SPECIFYING FUNDS FOR PAYMENTS IN LIEU OF FRANCHISE FEES; PROVIDING ADDITIONAL AUTHORIZATION TO IMPLEMENT AND CARRY OUT THIS RESOLUTION; REPEALING RESOLUTIONS IN CONFLICT HERewith AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the City of Edgewater, Florida, desires to implement payments in lieu of franchise fees as authorized by City Council; and

**WHEREAS**, Resolution #2013-R-18 of the City of Edgewater Code of Ordinances authorized the City of Edgewater to require the utilities system to make payments to the City's general fund in lieu of franchise fees which a privately owned utility would be required to pay; and

**WHEREAS**, this Resolution amends Resolution #2013-R-18 by removing the collection of PILOFF fees from the Solid Waste Operating Fund in relation to Recycling revenues; and

**WHEREAS**, this Resolution defines the term "Operating Expenses" of the utilities system to include payments-in-lieu-of-franchise fees; and

**WHEREAS**, as used in this resolution, the City of Edgewater utilities system means the water and sewer system, refuse collection and stormwater system; and

**WHEREAS**, the City of Edgewater has constructed, acquired, improved and owns, maintains and operates a utilities system pursuant to Chapter 19 (Utilities and Services) of the City of Edgewater Code of Ordinances; and

**WHEREAS**, the City of Edgewater public utilities system uses and occupies rights of way, easements, lands under water, and other similar property rights throughout the City in connection with the acquisition or construction of additions, extensions and improvements or the operation or maintenance of such utilities system; and

**WHEREAS**, the City of Edgewater has made substantial investments and expenditures in the acquisition, construction, improvement, operation and maintenance of such utilities system; and

**WHEREAS**, the utilities system constitutes a significant asset of the City of Edgewater; and

**WHEREAS**, a privately owned utility providing a water and sewer system services would be required to obtain franchises and pay franchise fees to the City of Edgewater for the acquisition, construction, improvement, operation and maintenance of such system; and

**WHEREAS**, the payments required by this resolution represent a return on the investment of the City of Edgewater in the utilities system and approximate the value of a franchise fee that would be paid to the City of Edgewater by a privately owned utility.

**NOW, THEREFORE**, be it resolved by the City Council of Edgewater, Florida:

**Section 1.** The recitals set forth above are true and correct and are hereby incorporated into this resolution as though specifically stated herein. Any capitalized term used in this resolution and not otherwise defined shall have the meaning ascribed to such term in the Resolution.

**Section 2.** Beginning October 1, 2024, the City of Edgewater utilities system shall pay to the City of Edgewater general fund as payments in lieu of franchise fees an amount equal to 5.9 percent of the revenues collected by the water and sewer system, solid waste and stormwater system funds during each fiscal year, and (hereinafter referred to as the “Revenues”). Such Revenues shall not include Impact Fees and interest income in the systems capital project funds. The payments shall be made no later than thirty (30) days after the end of each month during the fiscal year or at such other periodic intervals as determined by the Finance Department.

**Section 3.** The payments in lieu of franchise fees in the amount of 5.9 percent of the Revenues from the City of Edgewater utilities system to the general fund shall continue to be paid each month or at such other periodic intervals as determined by the Finance Department until amendment, repeal or rescission of this resolution by the City Council.

**Section 4.** The payments in lieu of franchise fees shall be paid as Operating Expenses of the City of Edgewater utilities system from monies available in the Funds established pursuant to the applicable budget resolution.

**Section 5.** The City Council and other appropriate officials of the City of Edgewater are hereby authorized and directed to take appropriate action to implement and carry out the intent of this resolution.

**Section 6.** All resolutions or parts of resolutions in conflict herewith are hereby repealed.

**Section 7.** This resolution shall take effect upon adoption.

**PASSED AND DULY ADOPTED** this \_\_\_\_\_ day of \_\_\_\_\_, 2024.

\_\_\_\_\_  
Diezel Depew, Mayor

**ATTEST:**

\_\_\_\_\_  
Bonnie Zlotnik, CMC, City Clerk

**REVIEWED AND APPROVED:** \_\_\_\_\_  
Aaron R. Wolfe, City Attorney