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South Florida Sun-Sentinel.com

Palm Beach County commission OKs 15% hike in water rates

15% surcharge goes into effect for year in May

By Mark Hollis

South Florida Sun-Sentinel

12:04 AM EDT, April 16, 2008

Nearly 500,000 customers of the [Palm Beach County](#) water utility system will pay more for water starting in May because of a 15 percent surcharge that county commissioners approved Tuesday.

The surcharge on water rates is needed, utility officials say, to recoup \$11.4 million in projected revenue losses due to mandatory [Water restrictions](#) and slowed growth.

Commissioners voted 6-1 for the surcharge, which will be in effect for a year. Bob Kanjian cast the sole dissenting vote. Within a year, utility officials will devise a plan that may build the surcharge into the new base rates.

Under the increase, a typical resident of a single-family home will see monthly bills go up by \$5.64 for water and wastewater services. Two-person condominium dwellers would likely see their bills rise by about \$3.57, according to county projections. The actual charge depends on how much water a customer uses.

Several commissioners conceded that they can't assure the public that rates will fall next April when the surcharge sunsets.

"We are going to change the way you are going to get billed," Commissioner Mary McCarty said. "It doesn't necessarily mean you are going to pay less money."

[Palm Beach County](#) is among several utilities throughout South Florida that are raising rates or adding surcharges to recoup dollars lost due to water-use restrictions imposed by the South Florida Water Management District.

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Besides [Water restrictions](#), the utility has taken in less money as a result of slowed growth. Connection fees paid by owners of new homes have significantly declined, with the number of new homes connecting to the system cut from 5,000 a year ago to about 1,650 now.

Commissioners' vote for the surcharge riled some residents.

Alice McLane, the mayor of Glen Ridge, a small community just west of the Palm Beach International Airport, said the surcharge was like "putting salt in the wound" for many residents and businesses who also are paying higher prices for gasoline and other home-ownership costs.

"The fact that you had less business, and need to make up for your shortfalls, well, personally, I have a hard time understanding why you get less [money] and I pay more," McLane said.

Mae Yates, chairwoman of the county's water utilities advisory board, which endorsed the surcharge, said it would amount to "about \$3 a month" for many senior citizens. Without the surcharge, she said, the water system won't be properly maintained and people would face the potential need of buying bottled water.

"I will very happily pay \$3 more to know that I can use the tap water and not have to use bottled water, which would be far more expensive," Yates said.

In other action Tuesday, commissioners rejected calls to increase impact fees paid by new homebuyers.

The county staff had recommended a 9.3 percent increase, or \$963 hike, on the typical new home under 2,000 square feet. It would have ramped up the total impact fee paid by the buyer of a home between 1,400 and 1,999 square feet to nearly \$11,000.

But saying they are wary of increasing the cost of housing at a time when home sales are sluggish, commissioners voted 6-2 to postpone for a year consideration of raising the fees, at which time they will reconsider the state of the local housing market.

Commissioners Jess Santamaria and Burt Aaronson sought to increase the fees now, saying the county is only delaying the inevitable need for raising revenues to help pay for growth, such as roads and public buildings. They also said the \$936 increase would be unlikely to price anyone out of buying a new home.

A local builders association, several business groups and a municipal association opposed the fee increase.

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