



City of North Miami Beach
17011 NE 19th Avenue
North Miami Beach, FL 33162
305-947-7581
www.citynmb.com

MEMORANDUM

TO: Mario A. Diaz, City Manager
Hamid Nikvan, Public Utilities Director
Tarik Rahmani, Chief Financial Officer
Sophia Taylor, Finance Director
Samuel Zamacona, Public Works Director

FROM: Ernesto Salazar, Customer Service Manager
Roslyn Weisblum, Utility Analyst

DATE: February 21, 2025

RE: CODE AMENDMENT TO ALLOW FOR ONLY PROPERTY OWNERS TO
OPEN WATER AND SEWER ACCOUNTS AND ESTABLISH RECURRING
MINIMUM CHARGES

Attached is the draft ordinance requiring that only property owners may open water and sewer accounts within the North Miami Beach Water and Sewer Utility (NMB Water) service area.

Objective:

The City seeks to amend the Code to allow only property owners to open water and sewer accounts. This applies to residential and non-residential accounts. Owners will be billed minimum charges whether services are active or inactive.

Fiscal Impact:

Water and sewer charges could be consolidated with solid waste and stormwater (where applicable) on a single bill. This ensures collections or allows for liens on delinquent properties, eliminating uncollectible. Charging all metered accounts, a minimum fee would also help recover infrastructure costs.

Location:

Properties within the water service area of the City of North Miami Beach Water and Sewer Utility.

Scope of Work:

Amend Chapter XIX of the City Code “WATER AND SEWERS” to allow only Property Owners to open Water and Sewer accounts in their name and establish recurring minimum charges. Present the Draft Ordinance to the attorney for review. Present the Code amendments to the Public Utilities Commission. Present the Code amendments to the City Commission via Ordinance Approval. Communicate the change to the citizens.

Benefits:

In the interest of saving the City of North Miami Beach millions of dollars in uncollectible and non-liable funds, the City could amend the Code to allow for property owners only to open water and sewer accounts in their name. When an owner establishes service, the City effectively maintains the ability to seek collections on outstanding accounts, which includes the ability to place a lien on the property. Allowing tenants to establish accounts in their name eliminates the lien stop-gap protection leading to the Utility’s higher receivable collection balances. These uncollectibles not only include the water and sewer charges but the utility tax as well. Over the past ten years the growth of tenant balances has significantly increased. The city already has in its Code of Ordinances that owners only are assessed for solid waste and stormwater. All these charges could be billed together on one utility bill which would be easily collectible, or a lien could be placed on the property yielding no uncollectibles for the utilities. This would not only save by eliminating uncollectibles, but it would also save on operational and administrative costs due to the frequent turnover of tenant customers and the collection efforts devoted to these accounts. Also, by charging all metered accounts a minimum charge for the availability of service and readiness-to-serve, a portion of the capital costs of the water and sewer infrastructure would be recovered.

The following are some of the municipal water utilities in Florida that only allow the property owner to open an account:

- Hallandale Beach
- Miami Beach
- Coral Springs
- Pembroke Pines
- Davie
- Jupiter
- Naples
- Weston
- Lauderhill
- North Lauderdale
- North Port
- Bradenton
- Punta Gorda
- Fort Lauderdale – (ordinance in progress)

Attached are excerpts from these municipal Codes regarding property owner only accounts (in alphabetical order). Also attached are the applications for service from Miami Beach regarding property owner only.

Legal Precedent:

In addition, in the 4th District Court of Appeal opinion in Jass Properties, Inc. v. City of North Lauderdale, 4th DCA Case No. 4D11-7830 (November 21, 2012), the 4th District Court of Appeal agreed that Statute 180.135 does not prohibit city from declining to contract with tenants. The appellate court further observed that nothing in state law “prevents a city from enacting an ordinance designed to constrain costs that might otherwise be borne by the taxpayers.”

Please review the attached for discussion.