



City of North Miami Beach
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MEMORANDUM

TO: Honorable Mayor and City Commission

FROM: Andrew Plotkin, Interim City Manager
Tarik Rahmani, CFO/Interim Deputy City Manager
Hamid Nikvan, Public Utilities Director

DATE: July 15, 2025

RE: Second Reading – Ordinance Amending Chapter XIX of the City Code: Water and Sewer Accounts and Billing Requirements

Purpose

This item is presented for second reading and adoption. The proposed ordinance updates Chapter XIX of the City's Code of Ordinances to require that only property owners may establish water and sewer accounts with North Miami Beach Water (NMB Water). The ordinance also implements minimum recurring charges for all accounts, regardless of service status.

Background

Currently, both tenants and property owners may open utility accounts with NMB Water. This has contributed to growing collections issues and uncollectible balances, particularly for tenant accounts where liens cannot be applied. Over the last decade, this practice has resulted in millions in unpaid charges, including utility taxes and infrastructure costs. To address these issues, the City is proposing to align its utility billing policy with its solid waste and stormwater programs, where only property owners are billed, allowing for lien enforcement on delinquent accounts. This is a best practice adopted by many Florida cities, including Hallandale Beach, Miami Beach, Coral Springs, and Pembroke Pines, among others.

Summary of Ordinance Changes

Key updates to Chapter XIX include:

- Requiring all new and existing utility accounts to be in the name of the property owner only.
- Prohibiting new tenant accounts and transferring responsibility to the legal owner.
- Establishing minimum monthly charges on all active accounts to recover infrastructure and service readiness costs.
- Consolidating water, sewer, solid waste, and stormwater fees into a single owner bill, improving efficiency and reducing administrative burden.
- Enabling the City to place liens on delinquent properties and avoid uncollectible debts.

Fiscal Impact

- This ordinance is expected to:
- Reduce uncollectible utility revenues.
- Increase lien enforcement and revenue recovery.
- Improve operational efficiency by reducing the number of short-term, high-turnover accounts.
- Support long-term infrastructure investment through stable, recurring minimum charges.

Legal Context

The City is authorized to administer its utility and adopt just and equitable regulations. In *Jass Properties, Inc. v. City of North Lauderdale* (4th DCA, 2012), the court upheld a city's right to restrict utility accounts to property owners. The ruling affirmed that Florida Statute 180.135 does not require cities to contract with tenants and that municipalities may adopt policies to reduce taxpayer burden.

Recommendation

Staff recommends approval of the ordinance on second reading. These code updates will reduce financial risk, improve operational accountability, and ensure responsible utility billing that protects both the City and its residents.

Should you have any questions or wish to revise any elements ahead of the July 15 meeting, please contact us.