

ORDINANCE NO. _____

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AMENDING SEC. 74-387. *EQUIVALENT STORMWATER UNIT (ESU) RATE.*, ARTICLE V. *STORMWATER UTILITY SYSTEM.*, CHAPTER 74. *UTILITIES.*, SUBPART A.- GENERAL ORDINANCES. OF THE CODE OF ORDINANCES OF THE CITY OF KEY WEST, FLORIDA REVISING THE CONSUMER PRICE INDEX ESCALATOR USED TO CALCULATE THE ANNUAL RATE INCREASE FOR THE NON-AD VALOREM STORMWATER ASSESSMENT TO TRANSITION FROM CPI-U (FOR ALL URBAN CONSUMERS) TO CPI-WST (FOR WATER, SEWER AND TRASH) TO ALIGN WITH THE ACTUAL COST OF SERVICES RELATED TO STORMWATER UTILITY AND ADJUST THE MONTH THE CPI IS CALCULATED FROM JUNE TO MAY; PROVIDING FOR SEVERABILITY; PROVIDING FOR REPEAL OF INCONSISTENT PROVISIONS; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, operational costs to provide sewer, stormwater and solid waste services increase every year. The City currently uses the Consumer Price Index for all Urban Consumers (CPI-U) to calculate annual stormwater rate increases. The index reflects general consumer inflation, which is volatile and less accurate for predicting actual costs of services, which leads to erratic rate changes; and

WHEREAS, it is in the best interest of the City to transition to utilizing the Consumer Price Index for Water, Sewer, Trash (CPI-WST) to calculate the annual rate increase for the non-ad valorem stormwater assessment allowing for stable and more accurate rate adjustments; and

WHEREAS, without an annual rate adjustment based on the actual cost of service, infrastructure cannot be properly maintained or improved and, in some instances, a reduction in services may be necessary; and

WHEREAS, to initiate the transition from the City's utilization of the Consumer Price Index for all Urban Customers (CPI-U) to the Consumer Price Index for Water, Sewer Trash (CPI-WST) to calculate the annual rate increase for the non-ad valorem stormwater assessment requires the City's adoption of an amending ordinance;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF KEY WEST, FLORIDA AS FOLLOWS:

Section 1: That Sec. 74-387.- *Equivalent stormwater unit (ESU) rate.*, ARTICLE V.-*STORMATER UTILITY SYSTEM.*, CHAPTER 74.-*UTILITIES.*, SUBPART A.-GENERAL ORDINANCES. of the Code of Ordinances of the City of Key West, Florida is hereby amended to read as follows**:

"Sec. 74-387. - Equivalent stormwater unit (ESU) rate.

The annual user fee charged on each ESU shall be \$171.31. This rate may be adjusted by resolution of the city commission each October 1, by up to 100 percent of the percentage increase in the CPI-~~(U)~~(WST), the U.S. City Averages (as of ~~June~~ May). The city commission shall enact an ordinance amendment to this section in order to increase the ESU in excess of the CPI.

** (Coding: Added language is underlined; deleted language is ~~struck through~~ at first reading. Added language is double underlined and ~~double struck through~~ at second reading.)

Section 2: If any section, provision, clause, phrase or application of this Ordinance is held invalid or unconstitutional for any reason by any court of competent jurisdiction, the remaining provisions of this Ordinance shall be deemed severable therefrom and shall be construed as reasonable and necessary to achieve the lawful purposes of this Ordinance.

Section 3: All Ordinances or parts of Ordinances of said City in conflict with the provisions of this Ordinance are hereby superseded to the extent of such conflict.

Section 4: This Ordinance shall go into effect immediately upon its passage and adoption and authentication by the signature of the presiding officer and the Clerk of the Commission.

** REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK **

Read and passed on first reading at a regular meeting held
this _____ day of _____, 2026.

Read and passed on final reading at a regular meeting held
this _____ day of _____, 2026.

Authenticated by the presiding officer and Clerk of the
Commission on the _____ day of _____, 2026.

Filed with the Clerk _____, 2026.

Mayor Danise Henriquez	_____
Vice Mayor Donald "Donie" Lee	_____
Commissioner Lissette Carey	_____
Commissioner Aaron Castillo	_____
Commissioner Monica Haskell	_____
Commissioner Sam Kaufman	_____
Commissioner Greg Veliz	_____

DANISE HENRIQUEZ, MAYOR

ATTEST:

KERI O'BRIEN, CITY CLERK