

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY

Meeting Date: April 8, 2025

[] Consent
[] Workshop

[X] Regular
[] Public Hearing

Department: Engineering and Public Works
Submitted By: Engineering and Public Works
Submitted For: Engineering and Public Works

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) **approve on preliminary reading and advertise for public hearing on Tuesday, June 3, 2025 at 9:30 a.m.:** an Ordinance amending Palm Beach County (County) Code Chapter 17, Article I, Ordinance No. 95-23 reimposing the six (6) cent local option fuel tax upon every gallon of motor fuel and diesel fuel sold in the County; providing for relevy; effective dates; distribution of proceeds; severability; repeal of ordinances in conflict; inclusion in the code of laws and ordinances; captions; and an effective date;
- B) **approve** the 2025 Interlocal Agreement to Re-determine, Re-adopt, and Ratify the existing distribution formula for the six (6) cent local option fuel tax (ILA) with the City of Atlantis;
- C) **approve** the ILA with the Town of Loxahatchee Groves;
- D) **approve** the ILA with the Town of Juno Beach;
- E) **approve** the ILA with the Village of Wellington; and
- F) **approve** the ILA with the City of South Bay.

SUMMARY: This Ordinance amends Ordinance No. 95-23 by relevying the six (6) cent local option fuel tax (Tax) that expires on August 31, 2025. This Tax will be effective beginning September 1, 2025 through August 31, 2055. Section 336.025, Florida Statutes, authorizes the Board of County Commissioners (BCC) to levy fuel taxes on the sale of every gallon of motor fuel and diesel fuel sold in the County. This Tax is pursuant to Section 336.025(1)(a) and is one of several taxes levied on the sale of fuel. The Tax was originally levied by Ordinance No. 83-14 at a rate of two (2) cents, and increased to four (4) cents by Ordinance No. 85-19. Ordinance No 86-23 increased the levy to six (6) cents effective through August 1995, and Ordinance No. 95-23 extended the effective date through August 2025. The County currently receives 66.5648% of this Tax revenue and municipalities collectively share the remaining 33.4352%, pursuant to the distribution formula based upon population and roadway lane miles, as described in the ILA. Use of proceeds from this Tax is restricted to transportation expenditures that include: a) public transportation operations and maintenance; b) roadway and right-of-way maintenance and equipment and structures used primarily for the storage and maintenance of such equipment; c) roadway and right-of-way drainage; d) street lighting installation, operation, maintenance, and repair; e) traffic signs, traffic engineering, signalization, and pavement markings, installation, operation maintenance, and repair; f) bridge maintenance and operation; g) debt service and current expenditures for transportation capital projects in the foregoing program areas, including construction or reconstruction of roads and sidewalks.

The ILA must be executed prior to June 1, 2025 by the BCC and enough municipalities, which represent a majority of the population of the incorporated area. The ILA was prepared in coordination with the League of Cities (League), reviewed by the Engineering and Public Works Department (EPW), the Office of Financial Management and Budget (OFMB), and the County Attorney's Office. The League is conducting outreach to all eligible municipalities in the County for ILA execution and will be forwarding the ILAs to the County for approval upon receipt. Countywide (YBH)

Background and Policy Issues: After reviewing this Ordinance and consulting with OFMB, EPW recommends adoption of the Ordinance by the BCC.

Attachments:

1. Proposed Local Option Fuel Tax for Six (6) Cents Ordinance with Exhibit A : clean version
2. Proposed Local Option Fuel Tax for Six (6) Cents Ordinance with Exhibit A : strike-through/underline version
3. 2025 Interlocal Agreement with City of Atlantis
4. 2025 Interlocal Agreement with Town of Loxahatchee Groves
5. 2025 Interlocal Agreement with Town of Juno Beach
6. 2025 Interlocal Agreement with Village of Wellington
7. 2025 Interlocal Agreement with City of South Bay
8. Fuel Tax Analysis

Recommended by: YBH/TEL

County Engineer

Date

3/20/25

Approved by:

Deputy County Administrator

Date

3/31/25

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures	-0-	-0-	-0-	-0-	-0-
Operating Costs	-0-	-0-	-0-	-0-	-0-
External Revenues	-0-	-0-	-0-	-0-	-0-
Program Income (County)	-0-	-0-	-0-	-0-	-0-
In-Kind Match (County)	-0-	-0-	-0-	-0-	-0-
NET FISCAL IMPACT	-0-	-0-	-0-	-0-	-0-
# ADDITIONAL FTE					
POSITIONS (Cumulative)	-0-	-0-	-0-	-0-	-0-

Is Item Included in Current Budget?

Yes ☐ No ☒

Is this item using Federal Funds?

Yes ☐ No ☒

Is this item using State Funds?

Yes ☐ No ☒

Budget Account No: Fund Dept Unit Object

Recommended Sources of Funds/Summary of Fiscal Impact:

No Fiscal Impact

C. Departmental Fiscal Review:

Danny Ramalingam

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

Lisa M. Kent 3/24/25
MO 3/24 OFMB AS 3/24/25

Heidi Zwick 3/25/25
Contract Dev. and Control
26.3.25-25

B. Approved as to Form and Legal Sufficiency:

for Liz Herman
Assistant County Attorney

C. Other Department Review:

Department Director

This summary is not to be used as a basis for payment. 2