



City of Boynton Beach Agenda Item Request Form

Meeting Date: 03/18/2025

Proposed Resolution No. R25-064- Approve and authorize the Mayor to execute the Interlocal Agreement between Palm Beach County and the City of Boynton Beach to re-determine, re-adopt, and ratify the existing distribution formula for the six (6) cent Local Option Fuel Tax.

Requested Action: Staff recommends approval of Proposed Resolution No. R25-064.

Explanation of Request:

The current Six (6) Cent Local Option Fuel Tax (LOGT) Interlocal Agreement and County Ordinance from 1995 will terminate on August 31, 2025. This agreement outlines the formula for distributing fuel tax revenues between Palm Beach County and its municipalities for the next 30 years.

The proposed agreement maintains the existing distribution formula where Palm Beach County receives 66.5648% of the collected tax, and municipalities collectively receive 33.4352%. The municipal share is distributed based on a formula that considers 70% lane miles and 30% population.

Representatives from Palm Beach County and various municipalities, through the Palm Beach County League of Cities, have negotiated and agreed upon the terms of this Interlocal Agreement.

The Board of County Commissioners will enact an appropriate ordinance to re-levy the tax effective September 1, 2025.

How will this affect city programs or services? The continuation of the Local Option Gas Tax funding is essential for the City's road maintenance and transportation improvement projects. These funds provide a reliable revenue source for maintaining city streets, sidewalks, and related infrastructure. Without this agreement, the City would need to identify alternative funding sources for these critical services.

Budgeted Item: Yes

Account Line Item and Description: Revenue Account: 104-0000-312.41-00
(Transportation Fund - Local Option Gas Tax).

Fiscal Impact: Based on current collections and the City's proportional share, the City of Boynton Beach anticipates receiving approximately \$1.2 million annually from this revenue source. These funds are specifically designated for transportation-related expenses and cannot be used for general operations. Approval of this agreement ensures the continued receipt of this critical funding for the next 30 years.

Attachments:

[R25-064 Agenda_Item_2839-2025_Interlocal_Agreement_-
_PBC_Six_Cent_Local_Option_Fuel_Tax.docx](#)
[Local Option Gas Tax ILA 2025](#)
[R95-063 - Local Gas Tax ILA Between PBC and City](#)