



City of North Port

ORDINANCE NO. 2022-24

1 **AN ORDINANCE OF THE CITY OF NORTH PORT, FLORIDA, REGARDING WATER AND**
2 **WASTEWATER UTILITY LINE EXTENSION AND CONNECTION CHARGES, CREATING AN**
3 **EARLY CONNECTION INCENTIVE, AND CREATING A CUSTOMER CONNECTION HARDSHIP**
4 **PROGRAM; AMENDING THE CODE OF THE CITY OF NORTH PORT, FLORIDA,**
5 **SECTION 78-31; PROVIDING FOR FINDINGS; PROVIDING FOR CONFLICTS; PROVIDING**
6 **FOR SEVERABILITY; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE**
7 **DATE.**

8
9 **WHEREAS**, the State of Florida and the City of North Port, Florida share a common interest in protecting
10 water and other natural resources by facilitating the removal of underground septic systems; and
11

12 **WHEREAS**, on June 30, 2020, Governor Ron DeSantis signed the Clean Waterways Act, protecting water
13 resources in the State of Florida by focusing on remedial action and improving regulations regarding septic
14 and stormwater systems, wastewater infrastructure, and agricultural best management practices; and
15

16 **WHEREAS**, the platted lot nature of the City original boundary was developed in 1959 and 1960, and has
17 encouraged individual well and septic tank construction on quarter (¼) acre lots throughout the City and
18 may allow the construction of up to 44,000 septic tanks; and
19

20 **WHEREAS**, on September 22, 2014, the City Commission adopted Ordinance No. 2014-27, establishing a
21 line extension charge for the extension of water distribution mains and identifying the need for a future
22 line extension charge for wastewater collection mains; and
23

24 **WHEREAS**, the City contracted with GovRates, Inc. to review and analyze the City's methodology and
25 charges for the line extension charge; and
26

27 **WHEREAS**, on July 26, 2022, the City Commission held a properly noticed public meeting to review the
28 analysis, findings, and recommendations of GovRates, Inc., and to receive public comments on adjusting
29 the City's line extension charge; and
30

31 **WHEREAS**, Florida Statutes Section 381.00655 requires that an unconnected property connect to the City
32 system once the system becomes available for connection; and
33

34 **WHEREAS**, the City Commission finds that population growth, residential development, and construction
35 costs have continued to increase straining the adequacy of the existing line extension charges; and
36

37 **WHEREAS**, the City Commission has determined that improved properties invested in well and
38 underground septic tank systems should receive an incentive to help facilitate their connection to the
39 City’s system upon its availability for connection by eliminating the associated line extension and related
40 fees; and

41
42 **WHEREAS**, the City Commission finds that this incentive will encourage property owners to connect to
43 the City’s system sooner, providing a City-wide benefit to the surrounding natural environment; and
44

45 **WHEREAS**, the City Commission finds that these amendments serve the public health, safety, and welfare
46 of the citizens of the City of North Port, Florida.
47

48 **NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF NORTH PORT, FLORIDA:**
49

50 **SECTION 1 – FINDINGS**
51

52 1.01 The above recitals are true and correct and are incorporated in this ordinance by reference.
53

54 **SECTION 2 – ADOPTION**
55

56 2.01 Chapter 78 of the Code of the City of North Port, Florida is hereby amended as follows:
57

58 **“Chapter 78 – UTILITIES**

59 . . .

60 **ARTICLE II. – WATER AND WASTEWATER UTILITY**

61 . . .

62 **Sec. 78–31. - Responsibility for collection, distribution, and transmission costs.**

63 . . .

64 *(b) Line extension charges.*
65

66 (1) The city may extend water distribution mains, ~~and/or~~ wastewater collection mains,
67 and/or reclaimed water distribution mains, ~~and~~. ~~The City may authorize may permit~~
68 customer connections to the such extensions ~~on a voluntary basis, for such areas of the~~
69 ~~city as the city may from time to time determines to that it would be beneficial to the~~
70 city’s utility system and to the public, financially or otherwise, and feasible, based on
71 engineering studies, return on investment analyses, and other appropriate investigations.
72 If the ~~City Commission~~ city commission chooses to make connection voluntary in a
73 particular area, it shall extend the time for the mandatory connection requirement in
74 accordance with Section 78-60 of this ~~the~~ Code.
75

76 (2) Funding ~~sources~~ for a line ~~such~~ extensions shall include, but is ~~is~~ not be limited to the
77 following sources:
78

79 a. ~~revenues~~ Revenues generated by any discretionary ~~the one-half-cent~~ sales surtax
80 approved ~~through 2025~~ by referendum; and
81

82 b. ~~line~~ Line extension charges; and
83

c. ~~funds~~ Funds allocated by the city to protect the ~~from other sources based on the~~ general public ~~from any potential~~ health risk posed by a water quality problems, including ~~but not limited to~~ saltwater intrusion, bacteriological contamination, ~~nutrient contamination~~, deteriorating septic tanks, and other common water and wastewater problems, ~~in Florida~~, as well as ~~on~~ for the overall benefit to the customers of the system, including expansion of the assets and additional customer base.

(23) The city ~~hereby adopts and establishes, pursuant to general law,~~ line extension charges for general development utilities (GDU) extended or city-extended services, to be imposed based on the equivalent residential connection(s) (ERCs) linear front footage occupied by each specific property ~~upon its respective roadway (property street address).~~ ~~To in an effort to~~ establish a revolving fund to assist in funding future expansions, line extension charges collected shall be returned to the ~~original~~ city fund where from which the applicable construction costs originated ~~were paid~~. The line extension charge is ~~initially~~ set as identified below ~~follows~~ and shall be adjusted annually according to the Engineering News Record (ENR) Construction Cost Index ~~for the Atlantic Coast region~~.

a. Line Extension Charges (per ERC linear foot)

Water:	\$7,500.00 \$43.75
Wastewater:	\$15,000.00 To be determined at a later date.
Reclaimed Water:	To be determined at a later date.

~~a~~b. The purpose of the line extension charge is to recover the installed capital cost of city-financed on-site water and wastewater lines and appurtenances (fire hydrants, etc.) for properties that connect to service for GDU or city-extended services.

~~b~~c. Line extension charges shall apply to all vacant or developed residential and commercial properties, ~~whether vacant or developed~~, where the city or GDU has extended on-site water distribution mains, wastewater collection mains, and/or fire hydrant protection to serve the property, and where the customer has requested connection to the such extension. ~~The~~ Provided, however, the line extension charge ~~shall~~ does not be applicable apply to ~~properties~~ a property:

- (i) Where an on-site water and/or wastewater facility was provided ~~facilities were~~ ~~contributed~~ by a developer at no cost to the city;
- (ii) Where a facility was or is ~~facilities are or were~~ subject to a specific water and/or wastewater extension service area funded by a special assessments paid by property owners;
- (iii) ~~Are subject~~ Subject to a specific developer agreement ~~whereby the agreement~~ specifies specifying the developer's payment of the charges or installation of infrastructure ~~by the developer; and; or~~

126 (iv) Where the water and/or wastewater facility was ~~facilities were~~ funded via a
 127 Customer Connection Cost Reimbursement Agreement that is still valid and in
 128 effect on the date any additional property desires to connect to the same facility.

129
 130 ed. The line extension fee shall be paid at the same time as other fees for the connection
 131 of services (e.g., capacity fee, meter installation fee, etc.). For the city's accounting
 132 purposes, the line extension fee shall be considered a component of gross revenues
 133 since it is a reimbursement of capital costs that are not included in the capacity fee
 134 charged to the customer. Line extension fees ~~Fees collected for the line extension~~
 135 ~~charge~~ shall be returned to the original city fund where ~~from which~~ the applicable
 136 construction costs originated ~~were paid~~. Fees collected under the line extension
 137 project conducted pursuant to the neighborhood expansion project preliminary cost
 138 estimate and general sequencing of master plan ("expansion project"), and any other
 139 grant funded line extension project(s), shall be returned to the utilities fund for use
 140 toward future system expansion.

141
 142 de. For developed property connecting to GDU- or city-installed lines:

143
 144 (i) ~~Customer~~ The customer must ~~will~~ pay the current line extension charge in
 145 addition to all other fees and charges (payment of capacity fees, meter
 146 installation charges, and all costs to initiate service) as a condition of connection
 147 and service; ~~and~~

148
 149 (ii) ~~City will be responsible for construction of the water distribution main extension,~~
 150 ~~when not already constructed; and~~ When not already constructed, the city is
 151 responsible for constructing the water distribution main and/or wastewater
 152 collection main extension.

153
 154 (iii) ~~All policies for payment of the capacity fees shall~~ ~~will~~ apply to the line extension
 155 charge; ~~and~~

156
 157 (iv) ~~City~~ The city may authorize a permit customer to elect installment payments of
 158 the line extension charge and the capacity fee over a period not exceeding 30
 159 years, as set forth in a written agreement ~~(connection payment agreement)~~
 160 between city and customer, the form and content of which shall be determined
 161 from time to time by the city commission. The city manager or ~~his~~ designee is
 162 ~~hereby~~ authorized to execute ~~such~~ the written agreement on behalf of city.

163
 164 The connection payment agreement must identify the ~~shall include, inter alia, a~~
 165 ~~monthly~~ administrative fee, ~~which shall be billed on the customer's monthly~~
 166 utility bill, non-payment of which allows city to turn off service to the property.
 167 City's billing of the customer under a connection payment agreement shall begin
 168 at the start of ~~with~~ the fifth month after meter installation.

169
 170 Any non-payment extending beyond 120 days will result in commencement of
 171 the lien process as described in subsection 78-24(j) of this Code. ~~78-24(i)~~ Any non-
 172 payment extending beyond 180 days, or any transfer of ownership of property,
 173 will result in acceleration of all future unpaid monthly bills, including, but not

174 limited to, the balance of the unbilled principal and any billed monthly
175 administrative fees.

176
177 (v) ~~Customer shall be~~ The customer is solely responsible for all installation costs on
178 the customer’s property (for water, wastewater, and reclaimed water, incurred
179 on ~~“the customer’s side of the meter”~~) necessary to connect the property to the
180 city’s system and to remove any on-site water well or septic system serving the
181 property; ~~provided, however, that the Customer~~ The customer may seek a
182 permit for continuing use of any existing water well solely and exclusively for
183 irrigation on the property; ~~and~~

184
185 (vi) All other customer initiation/service policies of the city shall apply.

186
187 (vii) New well and septic tank construction credit. The commission desires to reduce
188 the burden of the line extension charge for those property owners who have
189 recently purchased and installed a new well and/or septic tank if the property
190 owner provides ~~they provide~~ proof that a new well and/or septic tank was
191 purchased and installed within five years of the date that water and/or
192 wastewater service becomes available to their a property. The new well or septic
193 tank construction credit will be based on the number of days between the
194 installation of the well or septic tank and the date of service availability, according
195 to the following schedule:

<u>Age of Installation</u>	<u>Credit</u>
1 to 365 days	25%
366 to 730 days	20%
731 to 1,095 days	15%
1,096 to 1,460 days	10%
1,461 to 1,825 days	5%
Greater than 1,825 days	0%

197
198 ef. For vacant property being developed after the effective date of this ordinance and
199 connecting to GDU or city-installed lines, including lines made available pursuant to
200 the expansion project:

201
202 (i) All vacant properties with the availability of water and/or wastewater service
203 must connect to the city system. No well for domestic potable water consumption
204 will be permitted. An irrigation well may be permitted by the city, subject to
205 superseding state law and regulations; ~~and~~

206
207 (ii) ~~Customer shall~~ The customer must pay the current line extension charge(s) in
208 addition to all other fees and charges (payment of capacity fees, meter

209 installation charges, and all costs to initiate service) as a condition of connection
210 and service; ~~and~~

211
212 (iii) All policies for payment of the capacity fees will apply to the line extension
213 charge; ~~and~~

214
215 (iv) With respect to lines made available to a developer’s property due to grant
216 funding, the developer must pay its proportionate share of costs as a
217 contribution-in-aid-of-construction, or as otherwise represented in its written
218 agreement with the City; and

219
220 ~~(iv) City may permit customer to elect installment payment of the line extension~~
221 ~~charge and the capacity fee over a period set forth in a written agreement~~
222 ~~(connection payment agreement) between city and customer, the form and~~
223 ~~content of which shall be determined from time to time by the city commission.~~
224 ~~The city manager or his designee is hereby authorized to execute such written~~
225 ~~agreement on behalf of city.~~

226
227 ~~The connection payment agreement shall include, inter alia, a monthly~~
228 ~~administrative fee, which shall be billed on the customer’s monthly utility bill,~~
229 ~~non-payment of which allows city to turn off service to the property. City’s billing~~
230 ~~of the customer under a connection payment agreement shall begin with the fifth~~
231 ~~month after meter installation.~~

232
233 ~~Any non-payment extending beyond 120 days will result in commencement of~~
234 ~~the lien process as described in §78-24 j. Any non-payment extending beyond 180~~
235 ~~days, or any transfer of ownership of property, will result in acceleration of all~~
236 ~~future unpaid monthly bills, including, but not limited to, the balance of the~~
237 ~~unbilled principal and any billed monthly administrative fees.~~

238
239 ~~(vii) All other customer initiation/service policies shall apply.~~

240
241 g. Early connection incentive. For developed property connecting to GDU- or city-
242 installed lines made available through the expansion project:

243
244 (i) A customer who enters into a connection payment agreement before the
245 expansion project makes the city’s system available to connect to the customer’s
246 property shall pay no line extension fee or any on-site costs to connect their
247 property to the city’s system. The customer must pay all other fees and charges
248 (capacity fees, meter installation charges, and all costs to initiate service) as a
249 condition of connection and service.

250
251 (ii) A customer who fails to enter into a connection payment agreement before the
252 expansion project makes the city’s system available to connect to the customer’s
253 property shall pay the fees and costs required under section 78-31(b)(2)d of this
254 Code.

255

256 (iii) The city shall ensure a water distribution main extension is constructed when
257 required as part of the expansion project and does not already exist.

258
259 (iv) All policies for payment of the capacity fees shall apply to the line extension
260 charge.

261
262 (v) The city may authorize a customer to elect installment payments of the capacity
263 and meter set fee over a period not exceeding 30 years, as set forth in a written
264 connection payment agreement between the city and the customer, the form and
265 content of which shall be determined from time to time by the city commission.
266 The city manager or designee is authorized to execute the written agreement on
267 behalf of city.

268
269 The connection payment agreement must identify the administrative fee billed
270 on the customer’s monthly utility bill, non-payment of which allows city to turn
271 off service to the property. City’s billing of the customer under a connection
272 payment agreement shall begin at the start of the fifth month after meter
273 installation.

274
275 Any non-payment extending beyond 120 days will result in commencement of
276 the lien process as described in subsection 78-24(j) of this Code. Any non-
277 payment extending beyond 180 days, or any transfer of ownership of property,
278 will result in acceleration of all future unpaid monthly bills, including but not
279 limited to the balance of the unbilled principal and any billed monthly
280 administrative fees.

281
282 (vi) *Customer connection hardship program.* Existing homeowners who qualify to
283 participate in Sarasota County’s State Housing Initiatives Partnership (“SHIP”)
284 program may defer costs associated with connecting to the city’s system.
285 Qualifying homeowners can apply through the following hardship programs:

286
287 (i) *SHIP program.* Existing homeowners who qualify to participate in the SHIP
288 program are encouraged to participate in the SHIP program as their first
289 option.

290
291 (ii) *Deferral program.* Existing homeowners who qualify for but do not
292 participate in the SHIP program may apply to defer connection costs until the
293 sale or transfer of the homeowner’s qualifying property. The property
294 owner’s connection payment agreement shall identify the deferral and the
295 total cost of connection due at the time the property is sold or transferred.

296
297 (iii) *Rate reduction program.* Existing homeowners who qualify for but do not
298 participate in the SHIP program or the city’s deferral program may apply for
299 a reduction of the homeowner’s annual payment of current rates.

300 ...”

301

SECTION 3 – CONFLICTS

3.01 In the event of any conflict between the provisions of this ordinance and any other ordinance, in whole or in part, the provisions of this ordinance will prevail to the extent of the conflict.

SECTION 4 – SEVERABILITY

4.01 If a court of competent jurisdiction finds that any section, subsection, sentence, clause, phrase, or provision of this ordinance is for any reason invalid or unconstitutional, that provision will be deemed a separate, distinct, and independent provision and will not affect the validity of the remaining portions of the ordinance.

SECTION 5 – CODIFICATION

5.01 In this ordinance, additions are shown as underlined and deletions as ~~striketrough~~. Any additional codification information and notations appear in *italics*. These editorial notations are not intended to appear in the codified text.

SECTION 6 – EFFECTIVE DATE

6.01 This ordinance becomes effective on October 1, 2022.

READ BY TITLE ONLY at first reading by the City Commission of the City of North Port, Florida, in public session on _____, 2022.

ADOPTED by the City Commission of the City of North Port, Florida, on the second and final reading in public session on _____, 2022.

CITY OF NORTH PORT, FLORIDA

PETE EMRICH
MAYOR

ATTEST

HEATHER FAUST, MMC
CITY CLERK

APPROVED AS TO FORM AND CORRECTNESS

AMBER L. SLAYTON, B.C.S.
CITY ATTORNEY