



City of North Port

ORDINANCE NO. 2023-30

AN ORDINANCE OF THE CITY OF NORTH PORT, FLORIDA, AUTHORIZING A REASONABLE RETURN ON EQUITY FROM THE OWNERSHIP AND OPERATION OF THE CITY'S UTILITY SYSTEM; AMENDING THE CODE OF THE CITY OF NORTH PORT, FLORIDA, SECTION 78-22; PROVIDING FOR FINDINGS; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CODIFICATION; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Florida Statutes Section 180.13(2) authorizes the legislative body of a municipality to establish just and equitable rates or charges for the use of the municipal utility by a person, firm, or corporation; and

WHEREAS, Florida law does not prohibit a municipality from earning a just and equitable profit on its ownership and operation of a utility system when the profit is reasonably related to the cost of the service; and

WHEREAS, the City Commission desires to include in the City's utility rates, fees, and charges a just and equitable rate of return and allow the City to use those returns for lawful City purposes, including but not limited to furthering support of the City's potable water payment in lieu of taxes (PILOT) program; and

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

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

SECTION 1 – FINDINGS

- 1.01 The above recitals are true and correct and are incorporated in this ordinance by reference.
- 1.02 Pursuant to Florida Statutes Section 166.041(4)(c), a business impact estimate was not required because this ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget.

SECTION 2 – ADOPTION

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

“Chapter 78 – UTILITIES

...
ARTICLE II. – WATER AND WASTEWATER UTILITY

...
Sec. 78–22. – Commission findings.

- (a) In December 1992, the city created the utility department subsequent to the purchase of certain General Development Utilities’ water and wastewater facilities pursuant to an Order dated August 20, 1992, by the Twelfth Judicial Circuit Court.
- (b) The city commission hereby declares its intent and purpose in adopting this article to provide water, wastewater and reclaimed water service to the customers of the utility owned by this municipality by establishing a utility department and creating a financial mechanism for the support of such services to include the establishment of capacity fees, rates, guaranteed revenues, deposits, charges, and rules and regulations relating to water, wastewater and reclaimed water to promote the health, safety and general welfare of its citizenry.
- (c) The city is authorized to adopt water, wastewater and reclaimed water rates, fees, and charges pursuant to F.S. chapters 166 and 180.
- (d) The city provides required public notice(s) and holds the necessary public hearing(s) in order to adopt said water, wastewater and reclaimed water rules, regulations, rates, fees, and charges.
- (e) It is the policy and object of the city commission to ensure that rates, fees, and charges levied to pay for the cost of acquisitions, additions, improvements, and expansions are just and reasonable and cover the true cost of said acquisitions, additions, improvements, and expansions, and may include a reasonable return on equity that can be used for any lawful city purpose.
- (f) It is further the policy and object of the city commission that the cost of the systems should be borne by those existing and new users on a fair share basis in accordance with applicable law.”

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 takes effect immediately upon adoption.

READ BY TITLE ONLY at first reading by the City Commission of the City of North Port, Florida, in public session on November 14, 2023.

ADOPTED by the City Commission of the City of North Port, Florida, on the second and final reading in public session on November 28, 2023.

CITY OF NORTH PORT, FLORIDA

ALICE WHITE, MAYOR

ATTEST

HEATHER FAUST, MMC
CITY CLERK

APPROVED AS TO FORM AND CORRECTNESS

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