



Legislation Text

File #: 18-285, **Version:** 1

TO: Honorable Mayor & Members of the North Port Commission

FROM: Peter D. Lear, CPA, CGMA, City Manager

TITLE: Water and Wastewater System Standard Developer's Agreement between the City of North Port and Marsh Creek Holdings LTD.

Recommended Action

Approve the Water and Wastewater System Standard Developer's Agreement between the City of North Port and Marsh Creek Holdings, LTD.

Background Information

Marsh Creek Holdings, LTD. has previously entered into several agreements throughout the years beginning in 1998 governing the utilities for the property known as Heron Creek, both residential and commercial. At this point, the City and Developer believe novating and replacing the previous agreements would be beneficial for both parties.

Entering into this new "Water and Wastewater System Standard Developer's Agreement between the City of North Port and Marsh Creek Holdings LTD" will bring many of the new terms and conditions up to date as much of the original agreement's terms were essentially unchanged since 1998. The new agreement forgives the commitment from the existing agreement to pay \$111,625.00 in capacity fees, \$5,794.74 in late fees and relieves the future commitment to purchase 25 ERCs a year until the cumulative total of 2,350 ERCs have been purchased for which the Developer has no demand. To date, the Developer has purchased 1,125 ERCs and currently has 123 water and wastewater ERCs remaining which were previously paid for and part of the 1,125 but remain unconnected and unused as of today. In this new agreement, the Developer confirms their commitment to pay future guaranteed revenues annually until all previously reserved ERCs are all connected.

Legal has reviewed the agreement and has no legal objection.

Strategic Plan

This agreement supports all five goals of the Strategic Plan

Financial Impact

While this agreement relieves \$117,419.74 in past due capacity fees and late fees as well as the obligation to pay for the future capacity fees, Utilities did not specifically include these amounts in their budget, therefore, this agreement will have no negative impact on the operation of the Utilities.

Procurement

N/A

Attachments:

1. City of North Port, Florida and Marsh Creek Holdings, LTD. Water and Wastewater System Standard Developer's Agreement.
2. Marsh Creek Water and Wastewater System Standard Developer's Agreement dated August 31, 1998.
3. Second Developer's Agreement dated June 16, 2000.
4. First Amendment to the Second Developer's Agreement dated June 2, 2004.
5. Second Amendment to the Second Developer's Agreement dated October 6, 2004.
6. Amendment No. 3 to the Second Developer's Agreement dated November 1, 2005.
7. Fourth Amendment to the Second Developer's Agreement dated February 9, 2009.
8. Fifth Amendment to the Second Developer's Agreement dated November 9, 2009.
9. Sixth Amendment to the Second Developer's Agreement dated April 25, 2011.

Prepared by: Jennifer Desrosiers

Department Director: Richard Newkirk