



Legislation Text

File #: 001622, **Version:** 2

WATER/WASTEWATER CONNECTION SURCHARGES (B)

Ordinance No. 0-01-46

AN ORDINANCE AMENDING CHAPTER 27, UTILITIES ARTICLE IV. WATER AND SEWERAGE OF THE GAINESVILLE CODE OF ORDINANCES BY REVISING THE DEFINITION OF CONNECTION CHARGES; AMENDING RATES AND CHARGES FOR WATER AND WASTEWATER SERVICES; PROVIDING A REPEALING CLAUSE; PROVIDING DIRECTIONS TO THE CODIFIER; PROVIDING A SEVERABILITY CLAUSE; AND, PROVIDING AN EFFECTIVE DATE IN ACCORDANCE WITH THE SCHEDULE PROVIDED HEREIN.

The City Commission adopt the proposed ordinance.

Since 1988, city ordinances have provided that a surcharge of twenty-five percent be applied to the base rates of both the water and wastewater systems for service provided outside the corporate limits of the city. (The water surcharge was first implemented in 1949 while the wastewater surcharge was first implemented in 1988). The utility surcharge is authorized by Florida law.

Staff recently learned that Florida law also allows application of the surcharge to utility system connection charges to generate additional utility system revenue (currently estimated to be approximately \$700,000 per year). From surveying other cities, staff also learned that the majority of cities that impose a surcharge also apply the surcharge to their respective utility system connection charges.

Because additional surcharge revenue can be used to enhance the revenue transfer to the general fund and endow infrastructure improvements in underdeveloped parts of the service area, consistent with the city's goals and utility system expansion policies, staff recommends the utility surcharge be applied to water and wastewater connection charges on new development connecting to the city's water or wastewater system outside the corporate limits of the city. Roughly, one-half of the additional revenue to be realized will be used to fund general government expenses and the remainder will be used to fund water and wastewater system expansions to and within the underdeveloped parts of the utility system's service area.