

LEE COUNTY BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY **BLUE SHEET NO: 20031110-UTL**

1. REQUESTED MOTION:

ACTION REQUESTED:

Conduct a public hearing to adopt certain, selected, revised Utilities' rates and charges by County Resolution.

WHY ACTION IS NECESSARY:

The BOCC must approve all rate changes by Resolution, duly advertised, at a Public Hearing.

WHAT ACTION ACCOMPLISHES:

Modifies utility rates and charges for Lee County Utilities. This rate resolution: 1) lowers the Fire Service Charges rates; 2) allows Reuse Customers to negotiate a mutually agreed upon reuse rate, not to exceed \$.25 per thousand gallons (which is the current rate); and, 3) provides the County the right to review water and /or sewer usage, and bill for any adjustment(s) to the water and/or sewer Connection Fees for capacity use in excess of the amounts originally paid by the owner or customer. All other rates and charges remain the same as those approved July 9, 2002, in Lee County Resolution No. 02-07-44.

2. DEPARTMENTAL CATEGORY: 10
COMMISSION DISTRICT #: CW

5:00 #7

3. MEETING DATE:

10-14-2003

4. AGENDA:

- CONSENT
- ADMINISTRATIVE
- APPEALS
- PUBLIC
- WALK ON
- PH TIME REQUIRED: 10 Min

5. REQUIREMENT/PURPOSE:

- (Specify)
- STATUTE §125.01, F.S.
 - ORDINANCE
 - ADMIN. CODE
 - OTHER Rate Revisions

6. REQUESTOR OF INFORMATION:

- A. COMMISSIONER: _____
- B. DEPARTMENT: Lee County Public Works
- C. DIVISION/SECTION: Utilities Division
- BY: Rick Diaz, P.E., Utilities Director
- DATE: 9/17/03

7. BACKGROUND:

The County's existing rates for monthly water and wastewater services were adopted pursuant to Lee County Resolution No. 02-07-44 on July 9, 2002 and rates were effective October 1, 2002.

1) The Lee County Fire Chiefs Association requested Lee County Utilities (LCU) review the then adopted Fire Service Charges. The Association requested the Fire Service Charges be established at lower rates which would further encourage the installation of fire line and associated sprinkler systems in commercial buildings to protect health, safety and the welfare of our community.

2) There is increased demand for Reuse Water by new commercial and multi-family customers and current Reuse Water users in Lee County. Reuse Agreements currently in effect will be reviewed for rates and demand allocations and new Reuse Agreements will be mutually negotiated with LCU's reuse customers.

The proposed rate adjustments are identified in the attached Resolution.

MANAGEMENT RECOMMENDATIONS:

9. RECOMMENDED APPROVAL

(A) DEPARTMENT DIRECTOR	(B) PURCH. OR CONTRACTS	(C) HUMAN RESOURCES	(D) OTHER	(E) COUNTY ATTORNEY	(F) BUDGET SERVICES				(G) COUNTY MANAGER
					OA	OM	Risk	GC	
J. Lavender Date: 9/17/03	N/A Date:	N/A Date:	N/A Date:	9/18/03 P.M. Date:	9/18/03 Date:	9/18/03 Date:	9/18/03 Date:	9/18/03 Date:	J. Lavender Date: 9/17/03

10. COMMISSION ACTION:

- APPROVED
- DENIED
- DEFERRED
- OTHER

Rec. by Coatty
 Date: 9/18/03
 Time: 9:40 AM
 Forwarded To:
 Cty Admin
 9-18-03

RECEIVED BY
 COUNTY ADMIN: PM
 9/18
 10:50 AM
 COUNTY ADMIN
 FORWARDED TO:
 9/18/03

LEE COUNTY RESOLUTION NO. _____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, AMENDING LEE COUNTY RESOLUTION NO. 02-07-44, AT SECTION 4, PARAGRAPHS C. AND D., AND SECTION 6, PARAGRAPHS F. AND H., RELATING TO THE LEE COUNTY WATER AND SEWER SYSTEM PURSUANT TO THE PROVISIONS OF LEE COUNTY ORDINANCE NO. 02-32; PROVIDING FOR CERTAIN AMENDED CHARGES, AND FOR EFFECT ON ALL PRIOR RATE SCHEDULES; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners, as the governing body in and for Lee County has previously adopted Lee County Ordinance No. 02-32, establishing procedures for adopting rates and charges adjustments for the Lee County Water and Sewer System; and,

WHEREAS, the Board of County Commissioners, pursuant to Lee County Ordinance No. 02-32, has previously adopted Lee County Resolution No. 02-07-44, setting and structuring the rates, connection fees and miscellaneous charges for the Lee County Water and Sewer System; and,

WHEREAS, the County is now desirous of revising the existing fire service charges for the Lee County Water and Sewer System; and,

WHEREAS, the County is also desirous of revising the terms of the purchase of reclaimed water by customers of the Lee County Water and Sewer System; and,

WHEREAS, it is in the public interest and serves a public purpose that this resolution be adopted thereby amending the monthly service charges, connection fees and miscellaneous services charges for those customers formerly served by Gulf Environmental Services, Inc. and the Lee County Water and Sewer System.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF LEE COUNTY, FLORIDA, that:

SECTION ONE:

The Monthly Services Charges, Connection Fees, and Miscellaneous Service Charges as contained in this Resolution are implemented and approved pursuant to the provisions contained in Lee County Ordinance No. 02-32, Sections I and III.

SECTION TWO:

The Monthly Service Charges, Connection Fees, and Miscellaneous Service Charges as previously adopted by the Board of County Commissioners of Lee County in Resolution No. 02-07-44 relating to the Lee County Water and Sewer System, are hereby revised as follows: (Reference Section 4, Paragraphs C. and D., and Section 6, Paragraphs F. and H.

All Miscellaneous Service Charges previously adopted by the Board of County Commissioners of Lee County in prior rate resolutions that are in conflict, in whole or in part, with the provisions of this Resolution, are hereby repealed to the extent that they conflict with the provisions as set out in this Resolution.

SECTION THREE:

The MONTHLY SERVICE CHARGES for the Lee County Water and Sewer System and former customers of Gulf Environmental Services, Inc. are as follows:

**A. LEE COUNTY UTILITIES SEWER SYSTEM
 CUSTOMER RATES FOR THE EAST LEE COUNTY, SOUTH FORT MYERS,
 FORT MYERS BEACH AND MATLACHA SERVICE AREAS**

<u>Customer Classification</u>	<u>Monthly Service Charge</u>	<u>User Charge</u> Per 1,000 Gallons (or portion thereof)	<u>Unmetered User Charge</u> Per Unit/Lot
Residential Services			
Single-Family	\$10.10 per unit	\$3.69	\$16.61 per unit
Multi-Family	\$8.10 per unit/lot		\$13.29 per unit/lot
Recreational Vehicle	\$4.10 per unit/lot		\$6.65 per unit/lot

Each residential service account shall be charged a monthly administrative fee of \$3.25.

No wastewater user charge shall be imposed on metered water usage above nine thousand (9,000) gallons per month, per residential service dwelling unit.

The total monthly rate for residential service is the sum of the: i) service charge; ii) administrative fee; and iii) user charges, in accordance with the schedule.

<u>Customer Classification</u> Commercial and All Non-Residential <u>Meter Size</u>	<u>Monthly Service Charge</u>	<u>User Charge</u> Per 1,000 Gallons (or portion thereof)
5/8"	\$13.35	\$3.69
3/4"	18.45	
1"	28.55	
1-1/2"	54.25	
2"	84.25	
3"	165.00	
4"	255.50	
6"	509.75	
8"	813.50	
10"	1,470.30	

Unmetered commercial and non-residential charges will be calculated individually based on estimates of wastewater discharges and the above schedule of rates.

The total monthly rate is the sum of the service and the user charges.

B. LEE COUNTY UTILITIES WATER SYSTEM CUSTOMER RATES

<u>Customer Classification</u>	<u>Monthly Service Charge</u>	<u>User Charge</u> <u>Per 1,000 Gallons</u> <u>(or portion thereof)</u> <u>Per ERU</u>
Residential Services		
Single-Family	\$6.20 per unit	1 - 6,000 \$2.26
Multi-Family	\$4.95 per unit/lot	6,001 - 12,000 2.78
Recreational Vehicle	\$2.50 per unit/lot	12,001 - 18,000 3.30
		18,001 and over 4.33

Each residential service account will be charged a monthly administrative fee of \$2.25.

An additional wellfield development surcharge of \$0.50 per ERU will be assessed those residential customers whose monthly water consumption exceeds their initial water conservation block during the monthly billing period (6,000 gallons per ERU).

The following phase-in program applies for those RV Parks and Mobile Home Parks that have been transferred from a Public Service Commission approved General Service classification. During the phase-in period, the Monthly Service Charge for these customers will be calculated as percentages of the then existing Monthly Service Charge for a single-family residential customer as follows:

Water Monthly Service Charge

<u>Fiscal Year</u> <u>(Oct. 1 to Sept. 30)</u>	<u>RV Park Customers</u> <u>Per Unit/Lot (*)</u>	<u>Mobile Home Parks</u> <u>Per Unit/Lot (*)</u>
2001-02	\$2.00 (32%)	\$4.00 (64%)
2002-03	\$2.50 (40%)	\$4.95 (80%)

(*) Monthly Service Charge expressed in dollars may change for subsequent years. The actual dollar amount to be the percentage of the then existing water Monthly Service Charge for single-family residential customers.

For those parks that include both RV and Mobile Home units/lots, the Monthly Service Charge will be calculated as the sum of the number of each type of units/lots (RV or Mobile Home), times the applicable percentage, times the then existing Monthly Service Charge for the single-family residential customers.

The total monthly rate for residential service is the sum of the: i) service charge; ii) administrative fee; iii) wellfield development surcharge (if applicable); and iv) user charges in accordance with this schedule.

<u>Customer Classification</u>	<u>Monthly Service Charge</u>	<u>ERU Ratio</u>	<u>User Charge</u>
Commercial and All Non-Residential			Per 1,000 Gallons (or portion thereof) For Each ERU
<u>Meter Size</u>			
5/8"	\$8.45	1.0	1 - 6,000 \$2.26
3/4"	11.55	1.5	6,001 - 12,000 2.78
1"	17.75	2.5	12,001 - 18,000 3.30
1-1/2"	33.25	5.0	18,001 and over 4.33
2"	51.85	8.0	
3"	101.45	16.0	
4"	157.25	25.0	
6"	312.25	50.0	<u>Non-Irrigation Class</u>
8"	498.25	80.0	Per 1,000 \$2.26
10"	901.25	145.0	
			<u>Irrigation Class</u>
			1 - 6,000 \$2.78
			6,001 - 12,000 3.30
			12,001 and over 4.33

An additional wellfield development surcharge of \$0.50 per ERU will be assessed those commercial and non-residential customers whose monthly water consumption exceeds their initial water conservation block during the monthly billing period (6,000 gallons per ERU).

The total monthly rate is the sum of service and user charges.

C. WATER RESTRICTION SURCHARGE ADJUSTMENT

In the event that the South Florida Water Management District or other authority having appropriate jurisdiction declares a water shortage requiring a mandatory water usage reduction in the amount of 15%, the water user charges listed above will be increased by 18%.

In the event that a reduction of water use greater than 15% is required, the County Commission may establish by resolution, a surcharge based upon the recommendation of the Public Works Director in order to meet revenues required to comply with existing bond debt service covenants, or to meet other requirements of the water system.

SECTION FOUR:

A. Residential Connection (capacity) Fees shall be based on a table for Equivalent Residential Units. The actual Connection Fee shall be calculated by multiplying the number of ERUs

designated, times the class of ERU. The Connection Fee will be based upon the actual type of use or user category of each unit on-site, regardless of any other designated uses.

The Commercial and Non-Residential Connection (capacity) Fee shall be used on the flow rates as outlined in Florida Administrative Code Chapter 64E-6.008. The resulting gallons per day flow contribution as outlined in FAC Chapter 64E-6.008 will then be multiplied by the respective rate per gallon as defined in Paragraph D below.

- B. No person, corporation, partnership or any other legal entity shall be allowed to connect onto the Lee County Utilities Water and Sewer System without first receiving a written permit from the County and the payment of all applicable Connection Fees.

- C. The County reserves the right to review the amount of water and/or sewer usage during the course of a customer's service, and shall bill the owner or customer for any adjustment(s) to the water and/or sewer Connection Fees for capacity use which is in excess of the amount originally paid for by the owner or customer. Any additional Connection Fee payments shall be billed separately to the owner or customer at the same rate that was initially charged at the time of service application.

- D. The Connection Fee rate schedule set forth below shall be applicable to all customers of the Lee County Water and Sewer System and those customers formerly served by Gulf Environmental Services, Inc.

- a. In addition to the physical connection to, and the installation of a meter for the determination of consumption for both water and sewer system, the County shall charge a connection fee which represents the capital facility cost of the water and sewer system capacity utilized by the new connection.
- b. The capital cost of the water and sewer capacity is calculated on an Equivalent Residential Unit (ERU) basis, which is defined as the maximum demand of two hundred fifty (250) gallons per day (GPD) which equates to the demand for a single-family dwelling unit.
- c. In no instance shall an ERU determination of less than one (1.0) be assigned to any individual applicant (connection) for water and/or wastewater service (exclusive of individual multi-family or recreational vehicle dwelling units).

The Connection (Capacity) Fees are as follows:

SYSTEM CONNECTION (CAPACITY) FEES			
<u>Classification</u>	<u>No. ERUs</u>	<u>Water Charge</u>	<u>Sewer Charge</u>
Residential Service			
Single-Family	1.00	\$1,140	\$1,735
Multi-Family			
(per Dwelling Unit)	.80	912	1,388
Recreational Vehicle			
(per Dwelling Unit/Lot)	.40	456	694
Commercial Service and All Non-Residential Services		Charge Per Gallon	
		\$4.56	\$6.94

Note: Commercial unit use when combined with residential unit use on a single meter, or unmetered commercial use is calculated individually based upon Lee County Utilities' estimates of wastewater discharge and the above schedule of rates.

SECTION SIX:

The following schedule of MISCELLANEOUS SERVICE CHARGES set forth on the next page shall be applicable to all customers of the Lee County Water and Sewer System and those customers formerly served by Gulf Environmental Services, Inc.:

A. WATER METER INSTALLATION FEES

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$125.00
3/4"	145.00
1"	195.00
1-1/2"	410.00
2"	560.00
3" and above	Actual Cost

In addition to new installations, these rates may also apply to water service upgrades or facility relocations.

Charges for larger meters and wastewater main taps will be based on estimates of actual time and expense. Amounts collected by the County in excess of actual costs shall be credited to the customer's account or be refunded, as may be applicable. Amounts due, caused by underestimation, shall be billed and payable to the Division of Lee County Utilities within ten (10) days upon receipt of such bill.

B. TAP-IN CHARGES

<u>Meter Size</u>	<u>Charge</u>
5/8"	\$470.00
3/4"	490.00
1"	560.00
1-1/2"	825.00
2"	990.00
3" and above	Actual Cost
Wastewater Main Tap Charge	Actual Cost

In addition to new installations, these rates may also apply to water and sewer service upgrades or facility locations.

Charges for larger meter and wastewater main taps will be based on estimates of actual time and expense. Amounts collected by the County in excess of actual costs shall be credited to the customer's account or be refunded, as may be applicable. Amounts due, caused by underestimation, shall be billed and payable to the Division of Lee County Utilities within ten (10) days upon receipt of such bill.

C. PREMISE VISIT (TRIP CHARGE) - \$25.00

Includes charges for meter re-reads and special reads, customer requested meter tests, and any specific activities where a trip to the customer's premises is requested by the customer or as required by the Division of Lee County Utilities. Further, upon written request from any customer, the Utility shall, without charge, make a field test for accuracy of the water meter in use at customer's premises, provided the meter has not been tested within the past twelve months.

D. TURN-ON/TURN-OFF CHARGE

	<u>During Normal Working Hours</u>	<u>After Normal Working Hours</u>
Initiation of Service		
Customer Request	\$35.00	\$45.00
Re-connection of Service		
(Non-Payment Disconnection)	40.00	55.00

E. PLAN REVIEW FEES – 1.0% of Construction Cost or \$540 minimum charge, whichever is greater.

F. FIRE SERVICE CHARGES

<u>Meter Size (*)</u>	<u>Revised Monthly Amount</u>
5/8"	\$4.17
3/4"	4.17
1"	4.17
1-1/2"	4.17
2"	4.17
3"	8.33
4"	12.50
6"	25.00
8"	40.83
10"	40.83
Above 10"	50.00

(*) Based on largest diameter meter installed for fire protection.

G. CUSTOMER DEPOSIT

	<u>Water System</u>	<u>Sewer System</u>
Residential Service		
Metered and Unmetered		
Single-Family	\$45.00	\$70.00
Multi-Family (*)		
(per Dwelling Unit/Lot)	36.00	56.00
Recreational Vehicle (*)		
(per Dwelling Unit/Lot)	25.00	40.00

Commercial Service and All
Non-Residential Services

<u>Meter Size</u>		
5/8"	\$45.00	\$70.00
3/4"	67.00	105.00
1"	115.00	175.00
1-1/2"	225.00	350.00
2"	360.00	560.00
3"	720.00	1,120.00
4"	1,125.00	1,750.00
6"	2,250.00	3,500.00
8"	3,600.00	5,600.00
10"	6,525.00	10,150.00

Unmetered commercial and non-residential deposits will be calculated individually based on estimates of wastewater discharges and the above schedule of rates.

(*) The Multi-Family charge is calculated individually based on twice the average or anticipated monthly bill of the customer as estimated by the County.

The above deposit amounts are minimums. Additional deposit amounts may be required in order to secure payment of current bills.

H. RECLAIMED WATER RATE

All users of the County's reclaimed water system having entered into an agreement for the delivery and use of reclaimed effluent water shall pay a charge mutually negotiated pursuant to a reuse agreement between the County and the customer requesting service, which will not exceed \$0.25 per thousand gallons delivered, for any customer.

I. WHOLESALE WATER AND SEWER RATES

Customers receiving wholesale water and/or sewer services will be billed monthly in accordance with the following schedule:

	<u>Rate per 1,000 Gallons</u>
Water Service	\$2.46
Sewer Service	3.36

The rates established in this subsection are applicable to each County wholesale customer that: i) resells such services to its customers in accordance with Florida law and County ordinances; and ii) maintains all distribution/collection systems, valves, hydrants, service connections, manholes and meters in the public rights-of-way or valid easements within its recognized service area. The terms for providing either wholesale water or wholesale sewer service, or both, to a qualifying applicant will be established by an agreement between the applicant and the County.

J. TEMPORARY HYDRANT METER/BACKFLOW PREVENTOR DEPOSIT

<u>Meter Size</u>	<u>Deposit Amount</u>
5/8" x 3/4"	\$190.00
1"	245.00
1-1/2"	460.00
2"	560.00

Applicant shall pay the deposit for utilization of the temporary hydrant meter with accompanying backflow preventive device prior to service being initiated. Deposit will be applied to customer's bill upon return of the hydrant meter and backflow preventor to the County in proper operating condition.

K. LEAK INSPECTION CHARGE

A fee of \$45.00 will be charged to those customers who have been notified by the County upon subsequent inspection of the failure by the customer to repair inadequate on-site plumbing infrastructure. Fee will be charged to the customer for each additional inspection until such repairs have been made and approved by the County.

L. UNAUTHORIZED WATER TAP SURCHARGE

Individuals establishing water service by performing an unauthorized tap-in and/or a straight pipe connection to the County's water system including fire hydrants shall pay a fine of \$500.00 for each unauthorized connection, and per occurrence.

M. WASTEWATER SERVICE LINE CLEANOUT TAMPERING CHARGE

In cases where individuals establish an unauthorized access to the clean-out portions of the County wastewater service lines, a fee will be charged to recover those actual costs incurred by the County to restore the line to its original state. Also, a fee of \$75.00 will be charged to the individual per occurrence. In addition, any individual that connects to the sewer system without authorization shall pay a fine of \$575.00 for each unauthorized connection, and per occurrence.

N. LATE PAYMENT FEE

In all cases where a utility bill has been tendered and payment has not been received by the County within 30 days from the tender of such bill, the Department of Lee County Utilities will consider such payment past due. A fee of \$5.00 or 1.0% of the outstanding past due amount, whichever is greater, will be charged to the customer's account.

SECTION SEVEN:

This Resolution shall become effective upon its adoption by the Board of County Commissioners. The changes in rates as adopted by this Resolution shall be implemented in the first Department of Lee County Utilities billing period following November 1, 2003.

The rates and charges as adopted by this Resolution shall apply to the unincorporated ~~areas of the Lee County Utilities System and to any municipal areas currently being served by~~ the Lee County Utilities System.

The foregoing Resolution was offered by Commissioner _____
who moved its adoption. The motion was seconded by Commissioner
_____ and, being put to vote, the vote was as follows:

Bob Janes	_____
Douglas St. Cerny	_____
Ray Judah	_____
Andrew Coy	_____
John E. Albion	_____

DULY PASSED AND ADOPTED this _____ day of _____ 2003.

ATTEST: CHARLIE GREEN
CLERK OF COURTS

BOARD OF COUNTY COMMISSIONERS
OF LEE COUNTY, FLORIDA

By: _____
Deputy Clerk

By: _____
Chairman

APPROVED AS TO FORM:

By: _____
Office of County Attorney