



Legislation Text

File #: 22-5511, Version: 1

ITEM: UTILITY SERVICES AGREEMENT WITH SOUTHERN BLVD VILLAS, LLC FOR PROPERTY LOCATED IN PALM BEACH COUNTY, FLORIDA

REQUEST: Approval of a Developer Agreement Reserving Potable Water, Wastewater and Fire Capacity for the Property Owned/Controlled by Southern Blvd Villas, LLC in Palm Beach County, Florida.

ITEM: APPROVAL OF RESOLUTION NO. R2022-68 AMENDING THE UTILITY FUND BUDGET FOR FISCAL YEAR 2022/2023 TO ALLOCATE UTILITY CAPACITY FEES TO UTILITY CAPITAL IMPROVEMENT PROJECT BUDGETS; AND PROVIDING AN EFFECTIVE DATE.

REQUEST: Approval of Resolution No. R2022-68 amending the Utility Fund Budget for Fiscal Year 2022/2023 to allocate Utility Capacity Fees to Utility Capital Improvement Projects Budgets; and providing an effective date.

EXPLANATION: The 2018 Utility Rate Study established Water, Sewer and Fire Capacity charges for new customers. Payment of these charges allow land owners to purchase system capacity provided sufficient capacity is available to meet both short term and long-term system needs. These rates were approved by the Village Council in August of 2018 and became effective on October 1, 2018. A Capacity Charge is a one-time payment made by every new potable water and wastewater customer to allow the Utility to recover the value of system capacity constructed and available. It is a type of "impact fee" imposed on new Utility customers, rather than existing customers. Capacity Fees are required to be paid prior to the Utility Director executing regulatory permitting documents certifying that capacity is available.

This project is for POD 3 within the Village Royale Master Development located at the South West corner of Southern Blvd. and State Road 7.

This Developer Agreement reserves capacity for water, sewer and fire and vests the property owner with the capacity reserved. If the use of the property as developed is less intense than that for which capacity was reserved, the property owner is not entitled to a refund of Capacity Charges. The property owner will remain fully vested for capacity reserved. The Agreement also memorializes a monetary contribution to offset impacts of the development on existing infrastructure owned and operated by the Utility. Capacity Fees and the contribution for offsite impacts total \$1,897,028.78. In addition to Capacity Fees, the property owner is required to pay meter fees and administrative charges at the time of connection.

BUDGET AMENDMENT REQUIRED: NO

PUBLIC HEARING: NO **QUASI-JUDICIAL:**

FIRST READING: **SECOND READING:**

LEGAL SUFFICIENCY: YES

FISCAL IMPACT: The Village will receive \$1,897,028.78 in Capacity Charges from the Developer to be

used for eligible utility system improvements. Resolution No. R2022-68 amends the Utility Fund Budget for Fiscal Year 2022/2023 to allocate the Utility Capacity Fees to Utility Capital Improvement Projects.

WELLINGTON FUNDAMENTAL: Economic Development

RECOMMENDATION: Approval of a Developer Agreement Reserving Potable Water Capacity for the Property Owned/Controlled by Southern Blvd Villas, LLC in Palm Beach County, Florida and Approval of Resolution No. R2022-68.