



AGENDA ITEM 4

MEMORANDUM

TO: HONORABLE MAYOR & CITY COUNCIL MEMBERS

VIA: MIKE HEIN, CITY MANAGER

FROM: TJ FISH, DIRECTOR OF TRANSPORTATION & PUBLIC WORKS

SUBJECT: CONSIDERATION OF RECOMMENDATION OF APPROVAL OF ORDINANCE 2025-4 AMENDING DIVISION 3 IN ARTICLE 2 OF CHAPTER 78 OF THE CODE OF ORDINANCES OF THE CITY OF GROVELAND TO PROVIDE FOR CREDITS OR ADJUSTMENTS IN CHARGES FOR WATER, SEWER, AND RECLAIMED WATER SERVICES UNDER CERTAIN CONDITIONS, SUCH AS PLUMBING LEAKS – FIRST READING

DATE: SEPTEMBER 15, 2025

GENERAL SUMMARY/BACKGROUND:

Ordinance 2025-04 amends Chapter 78 pertaining to policies affecting utility customers and utility billing. The policies were drafted as part of an effort to enhance customer service and to provide a level of relief to customers in certain situations while promoting education on the impacts of water usage. The ordinance includes a section of existing policies in the City Code along with strikethrough sections to be removed and underlined sections to be added.

The ordinance enhances policies regarding customer responsibilities on private property including water usage and maintenance of plumbing and irrigation systems. The ordinance clarifies the nature of monthly base charges. The ordinance also establishes provisions for payment plans.

The intent of the ordinance is to bolster policies pertaining to adjusting utility customers' billing when certain criteria are met. Eligible adjustments may pertain to leaks that are documented to be repaired or high water usage attributed to inadvertent over-irrigation that is confirmed to have been corrected by the customer. The ordinance includes a provision to remove sewer charges when meeting the requirements of installing a swimming pool, as the water used does not enter the sewer system.

The ordinance does not forgive charges or refund payments but instead provides for adjustment via credit to no lower than Tier 3 charges. Tier 3 has a maximum range of 12,000 gallons per month for indoor potable water usage or up to 30,000 gallons per month of outdoor irrigation/reclaimed usage. Usage beyond Tier 3 is considered "high usage" and contrary to the State of Florida's and the City's water conservation efforts.

The ordinance also removes an older provision pertaining to removal of service fees in order to create greater consistency in administration of service fee policies. There is also a new provision regarding inadvertent over-usage to support the use of alternative water supplies such as a lake or reservoir to offset the use of potable and reclaimed water. Staff recommends approval of Ordinance 2025-4.

BUDGET IMPACT:

None.

LEGAL NOTE:

Ordinance 2025-4 will be advertised at least 10 days prior to second reading by City Council.

STAFF RECOMMENDATION:

Staff from T&PW and Finance collaborated on the ordinance and recommend approval of Ordinance 2025-4.

ATTACHMENTS:

Attachment 1 Ordinance 2025-4

Attachment 1

ORDINANCE 2025-4

AN ORDINANCE OF THE CITY OF GROVELAND, COUNTY OF LAKE, STATE OF FLORIDA, AMENDING DIVISION 3 IN ARTICLE 2 OF CHAPTER 78 OF THE CODE OF ORDINANCES OF THE CITY OF GROVELAND TO PROVIDE FOR CREDITS OR ADJUSTMENTS IN CHARGES FOR WATER, SEWER, AND RECLAIMED WATER SERVICES UNDER CERTAIN CONDITIONS, SUCH AS PLUMBING LEAKS; PROVIDING FOR CONFLICTS, CODIFICATION AND SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City Council is authorized pursuant to Chapter 166 and Chapter 180, Florida Statutes to adopt this ordinance; and

WHEREAS, the City owns and operates a water utility and a wastewater utility to include irrigation; and

WHEREAS, water, sewer and reclaim rates are adopted by city council; and

WHEREAS, the city council recognizes that there are instances where adjustments are necessitated to address water loss not resulting from the negligence or acts of a customer; and

WHEREAS, City Council desires to amend its code to provide for those circumstances and a process whereby adjustments may occur.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GROVELAND, LAKE COUNTY, FLORIDA, as follows:

SECTION 1. The above recitals are true and correct and made an integral part of this ordinance.

SECTION 2. Division 3 in Article II of Chapter 78 of the Code of Ordinance, City of Groveland, Florida, is hereby amended to read as follows:

DIVISION 3. COLLECTION OF RATES AND CHARGES

Sec. 78-90. Payment of fees and bills required.

Bills for monthly charges and fees shall be submitted and shall be payable on the tenth day of each month; and if such monthly bill shall be and remain unpaid on and after the tenth day of such month for such service, a penalty of ten percent shall be imposed and be added to the bill and the water service to the consumer shall be subject to discontinuance and shall not be reconnected after discontinuance until all past-due water bills and sewage disposal fees are fully paid, together with the charge of ten percent.

Sec. 78-91. No service free.

No water or sewage disposal service shall be furnished or rendered free of charge to any person; and the city and every agency, department or instrumentality that uses either or both such service shall pay at the rates fixed by this article, except as otherwise provided in this division.

Sec. 78-92. Delinquent utility accounts.

(a) When utility accounts become delinquent; penalty for delinquency.

- (1) All utility accounts shall become delinquent if not paid within ten days of the billing thereof. Any consumer who allows his account to become delinquent shall no longer receive utility service from the city, and the supply of water to such consumer shall be subject to being turned off immediately.
- (2) Residential customers with a history of poor payment will be required to pay a utility security deposit equal to twice the average monthly bill based on the most current 12-month history. Poor payment is defined as two disconnections for nonpayment in a 12-month period.

(b) Service fee; payment of delinquent accounts, security deposit. Any utility customer who is placed on the shutoff list because of delinquent payment shall be charged a service fee. Such fee shall be as established by resolution. The security deposit required by this article, if used as part of any payment, must also be replaced in whole or in part to the amount required by and set from time to time by the city council.

(c) ~~Forgiveness of service fee.~~ ~~A utility customer who has not been late with a utility payment in the last 24 months may request and will be granted an exemption for the service fee because of being placed on the shutoff list. The utility customer is still responsible for any other utility service and late penalty charges.~~

(d) ~~Exceptions.~~ ~~The city manager is granted the authority to grant exceptions to the provisions of this section regarding timely payment of utility bills when exceptional or unforeseen circumstances or hardship may affect the utility customer's ability to make a timely payment, and further to delay the utility shut off in such cases for a short period of time, not to exceed 14 days beyond the scheduled turn off date as specified in [section] 78-92(a)(1). When the city manager determines an exception is in the best interest of the customer and the City of Groveland, such exception shall be annotated in the customer account records accordingly. Exceptions shall not be routinely granted, nor shall the City of Groveland grant continuing or multiple requests for exceptions.~~

Sec. 78-93. Collection of sewer fees where owner has private water supply.

Where sewage disposal fees are not paid in accordance with section 78-90, and where the city and owner have a written agreement for the provision of sewer services, in those instances where the owner has his or her own private water supply, the city shall provide a courtesy notice to the customer of non-payment. After a period of 30 days following such notice if the account remains delinquent, the City of Groveland may initiate any legal action that it deems appropriate to ensure payment for services.

Sec. 78-94. Credits or Adjustments in Charges for Water, Sewer, and Reclaimed Water Services under Certain Conditions.

(a) Responsibility

The property owner is responsible for all maintenance and repair of its water service line from the water meter to the building, including interior plumbing, the outside irrigation system, and where the property's water system connects to the water meter. The city shall not be responsible for any loss of water or reclaimed water from leaks or otherwise on the private property of a customer and shall be under no obligation to make monetary adjustment for such loss of water.

(b) Base Charges

As also provided in Sec. 78-500 (d), a monthly base charge will be applied to all customers connected to each of the city's utility systems: potable water, sewer, and reclaimed water. This base charge is for the availability of the service and the maintenance of the respective system, not for usage. Service may not be terminated temporarily at a location to avoid base charges.

(c) Billing adjustments and credits

- (1) Water, reclaimed water and sewer charges may be adjusted under the following conditions:
 - (i) When the City has confirmed an error has been made in the meter reading;
 - (ii) When a customer has experienced a leak on the customer's property and follows the process as outlined in this section.
 - (iii) When a customer follows the process to address newly constructed or reconstructed swimming pools as outlined in this section.
 - (iv) When a customer meets the requirements of a "Water Usage Education Adjustment" as outlined in this section.
 - (v) When a Homeowners' Association meets the requirements of a "Neighborhood Alternative Water Supply Adjustment" as outlined in this section.
- (2) Charges will not be removed from billing records, but credits may be issued to the account after the requirements for justification are met.

(d) Plumbing leaks

- (1) An adjustment provided in this section shall be applicable only if a plumbing leak increases the overall water volume usage amount as such to result in the customer's usage billing to exceed the adopted Tier 3 of usage rates of either potable water inside the residence or irrigation/reclaimed water.
- (2) Provided the requirements of this section are met, the customer shall be charged for the leaked water at the per-1,000-gallon rate corresponding to the tier that reflects its average water usage over the 12 months preceding the leak. The applicable charges and rates will apply to the adjusted water and sewer usage volumes.
- (3) For substantial leaks inside the home exceeding 12,000 gallons in a billing cycle or for substantial leaks outside the home in the irrigation system exceeding 30,000 gallons in a billing cycle over average consumption that did not result in sewer usage, and that were not caused by negligence or third party actions, but rather by pipe breaks or other damage leading to water loss, then the customer shall be charged for water at a rate per-1,000 gallon rate corresponding to the tier that reflects the customer's average usage over the

12 months preceding the leak. The customer shall not be charged for sewer service on the sewer volume usage amount pursuant to the above.

- (4) Any customer applying for an adjustment to their monthly utility bill shall submit to Utility Billing a request form provided by the City detailing the circumstances, along with documentation and/or information substantiating that the increase in the overall water volume usage amount was due to a plumbing leak. Documentation must include the repair invoice and receipt of payment for repair and/or parts or in the event of self-repair, proof of payment for parts if applicable and an affidavit confirming the repair was made.
- (5) A customer is entitled to receive adjustments on a maximum of two consecutive monthly utility bills for each plumbing leak. Notwithstanding the foregoing, a customer shall not be eligible for more than two (2) separate plumbing leak adjustments within a 24-month period.
- (6) No adjustment shall be made if the customer fails to present any of the documents referenced herein within three months from the date of the utility bill for which the adjustment is requested.
- (7) No adjustment shall be made in the event the City advises a customer of a potential plumbing leak and that customer fails to repair the plumbing leak within 60 days of notification.
- (8) No adjustment shall be made to a customer's account that is in arrears.

(e) **Sewer Adjustments - Newly Constructed or Reconstructed Swimming Pools**

- (1) Subject to compliance with requirements of this section, the volume of potable water used to fill a newly constructed or reconstructed swimming pool, up to the volume gallon amount specified on the permit documentation, shall be deducted from the overall sewer volume usage amount indicated on the customer's monthly utility bill. The applicable charges and rates shall apply to the resulting sewer volume usage amount.
- (2) The adjustment provided above shall be applicable only if the customer, or contractor of the customer, obtains a permit to construct or reconstruct that customer's swimming pool prior to the filling of such swimming pool.
- (3) Any customer desiring an adjustment to a monthly utility bill as provided above shall complete an application including the utility bill to be adjusted to the Utility Billing Division, along with a copy of the permit issued by the Building Division. In addition, the customer shall include a letter from the contractor or person obtaining the permit stating the volume of the swimming pool filled. No adjustment shall be made if the customer fails to present any of the documents referenced herein within 60 days from the date of the utility bill for which the adjustment is requested.
- (4) Credits issued under these provisions may not exceed the actual consumption for the applicable month.

(f) **Payment Plans**

Payment plans are subject to city manager approval. A customer experiencing a higher bill than typical due to unexpected usage may request a payment plan. The customer must submit a request form and initial payment equal to the agreed upon payment amount. Each month thereafter the customer must pay the amount of the current bill plus the agreed upon payment plan amount. Payment plans may vary in duration but may not exceed a six-month period.

Customers on a payment plan who do not comply with these provisions may be subject to termination of the payment plan and subject to late fees and potential discontinuance of service.

(g) Water Usage Education Adjustment

Billing adjustments may be made for irrigation/reclaimed water customers when the customer has experienced an unexpected increase beyond typical usage attributed to the settings or functionality of the customer's irrigation system and associated timer mechanism. No more than one adjustment may be made within a 12-month rolling period based on an increase during any one (1) billing cycle in response to an inadvertent increase in usage attributed to the settings of the irrigation system's timer and zone controller. Increases due to malfunctions, power outages, inadvertent over-programming, or actions by third parties may be mitigated by an adjustment to no more than one (1) billing cycle for irrigation or reclaimed water usage that exceeds Tier 3, or 30,000 gallons per month, of usage per the adopted rate structure of the City for 5/8-inch or 3/4-inch residential meters. For usage exceeding the adopted Tier 3 amount, adjustments back to Tier 3 rates may be made once the customer submits a form provided by the City acknowledging that the customer is aware the usage increase is attributed to the customer's irrigation system and related settings. The adjustment in the form of a credit can be administratively approved once the customer's usage has returned to normal usage below the Tier 3 maximum (i.e. 30,000 gallons per month).

(h) Neighborhood Alternative Water Supply Adjustment

In neighborhoods with a non-treated alternative water supply in the form of a lake, reservoir, stormwater facility, or other storage facility permitted by the State of Florida for consumptive use for irrigation, billing adjustments for irrigation of common areas maintained by the homeowners' association of that neighborhood may be made within a 24-month rolling period based on an increase during no more than (2) billing cycles in response to an inadvertent increase in usage. The inadvertent high usage may be mitigated by an adjustment to no more than two (2) billing cycles for irrigation or reclaimed water usage that exceeds Tier 3, or 75,000 gallons per month, of usage per the adopted rate structure of the City for 1.5-inch or 2-inch meters. Adjustments back to Tier 3 rates may be made once the customer submits a form provided by the City acknowledging that the customer is aware of the inadvertent usage increase and is taking steps to mitigate usage back to no more than 75,000 gallons per month. The adjustment in the form of a credit can be administratively approved once the customer's usage has returned to normal usage below Tier 3 maximum (i.e. 75,000 gallons per month). This provision is retroactive to January 1, 2025.

Secs. 78-95—78-114. Reserved.

SECTION 5. All ordinances or parts of ordinances in conflict herewith are hereby repealed and all ordinances or parts of ordinances not in conflict herewith are hereby continued in full force and effect.

SECTION 6. It is the intention of the City Council of the City of Groveland that the provisions of this Ordinance shall be codified and made a part of the City of Groveland Code of Ordinances.

SECTION 7. If any portion, clause, phrase, sentence or classification of this ordinance is held or declared to be either unconstitutional, invalid, inapplicable, inoperative or void, then such declaration shall not be construed to affect other portions of the ordinance; it is hereby declared to be the express opinion of the City Council of the City of Groveland that any such unconstitutional, invalid, inapplicable, inoperative or void portion or portions of this ordinance did not induce its passage, and that without the inclusion of any such portion or portions of this ordinance, the City Council would have enacted the valid constitutional portions thereof.

SECTION 8. The provisions within this ordinance shall take effect immediately upon the date of the enactment.

PASSED AND ORDAINED in regular session of the City Council of the City of Groveland, Lake County, Florida, this _____ day of _____, 2025.

Keith Keogh, Mayor
City of Groveland, Florida

ATTEST:

Virginia Wright
City Clerk



Approved as to Form:

Anita Geraci-Carver
City Attorney

Passed First Reading _____
Passed Second Reading _____

Council Member _____ moved the passage and adoption of the above and foregoing Ordinance. Motion was seconded by Council Member _____ and upon roll call on the motion the vote was as follows:

	YEA	NAY
Amy Jo Carroll		
Judith Fike		
Barbara Gaines		
Keith Keogh		
Mike Radzik		