



CITY COUNCIL AGENDA ITEM

COUNCIL MEETING DATE 2/3/2026

SUBJECT: (F18) First Reading - Ordinance No. 2026-1 - Amending Chapter 74, Article II - Utilities, Water Service of the Code of Ordinances related to private water systems in the City

DEPARTMENT: Public Utilities

GOAL: 2 - Infrastructure 5 - Fiscal Sustainability 6 - Organizational Excellence

RECOMMENDED MOTION: Move to approve Ordinance No. 2026-1.

SUMMARY: Ordinance 2026-1 is proposed to amend Chapter 74, Article II - Utilities, Water Service to clarify the rules and procedures for the installation of master meters, billing for master meter accounts, and maintenance of private water systems in the City.

The public utilities system (water, sewer, reclaimed water) is the most significant infrastructure owned by the City and includes water treatment and water reclamation plants, over 120 lift stations, approximately 1,000 miles of pipes, over 37,000 meters and other related utility equipment. There is a substantial cost to operate and maintain the system and it is heavily regulated by state and federal agencies. The system serves over 73,000 customers, generating 6.0 Million Gallons per Day (MGD) of potable drinking water and treating approximately 6.9 MGD of wastewater. The system is principally funded by usage fees based on readings from meters located throughout the system. Impact fees, bond proceeds, and other revenue sources supplement the funding of the utility.

In addition to the extensive public utilities system, there are several smaller privately-owned water systems in the City (see below). The pipes, meters and other utility infrastructure in these private water systems are not owned nor maintained by the City and the City is prohibited by law from using public financial resources for the sole benefit of private property interests.

There are four private mobile home parks that have public water systems. These parks (Crane Lakes, La Costa Village, Gray Acres, and Maplewood Estates) were designed with public easements over each water system. The utility infrastructure in these private parks was built to City or County standards at that time and then dedicated to the public and accepted by the City. As a result, the City maintains this infrastructure, reads the meters and bills the individual tenants in these areas.

For most of the private water systems, the City has placed a master meter (a single

meter that serves the entire private property such as a mobile home park, RV park, hotel, motel, apartment complex, or campground) near the boundary of the public and private properties and within the public right-of-way or within a public easement (see Exhibit A example). Utility billing is based on consumption measured at this master meter and paid to the City by the private landowner. All utility infrastructure on private property, including submeters, if any, is owned and maintained by the private landowner. If the owner chooses to collect water usage fees from the tenants on the private property, the owner is responsible for the meters, billing, and collections. State law prohibits park owners from adding any markups to the utility charges billed by the City to the master meter account.

However, there are currently five mobile home parks with private water systems where the City has historically read meters on the private system and billed the individual tenants for utility usage (Lamplighter, Live Oak, Parkwood Ph I & II, Tanglewood, Treasure Isle). In these cases, City resources are currently being used to do utility billing for private property interests.

In addition, because the City does not own the utility infrastructure in these private parks, when there are broken meters or leaks, the park owner is responsible for repairs. City staff notifies park owners when meters are not reading, but over time, the number of private meters not reading in these parks has grown, requiring the City to bill the individual users by estimating usage.

The proposed ordinance will modify Chapter 74, Utilities, of the City's Code of Ordinances, to clarify that master meters are required for private water systems (campgrounds, RV parks, mobile home parks, hotels, apartments, etc.). The ordinance also sets forth the method for billing of master meters, the maintenance responsibilities for private water systems (including emergency maintenance), and the deposit requirements for master meters. This ordinance does not impact usage rates. Rates for water usage are set by Council in a separate resolution.

The Ordinance change will clearly define City policy regarding private water systems and, if adopted, the City will allow a one-year period for the five remaining mobile home parks not being billed based on a master meter reading to transition to private billing.

Mobile Home and Campground Private Water Systems (approx. 1,750 units)

Lighthouse Pointe MHP
Parkwood PH III MHP
Palm Shores (Blue Coral Prop)
Seabird Island
Harbor Oaks Trailer Park
Rose Bay Trailer Park
Joy Cogle Mobile Home Park
Riverside MHP
Pickwick Village
Colony in the Wood
Elmwood

Daytona KOA
Daytona Beach Campground
Rose Bay
Nova Family Campground



Exhibit A - Private Water System Master Meter Example

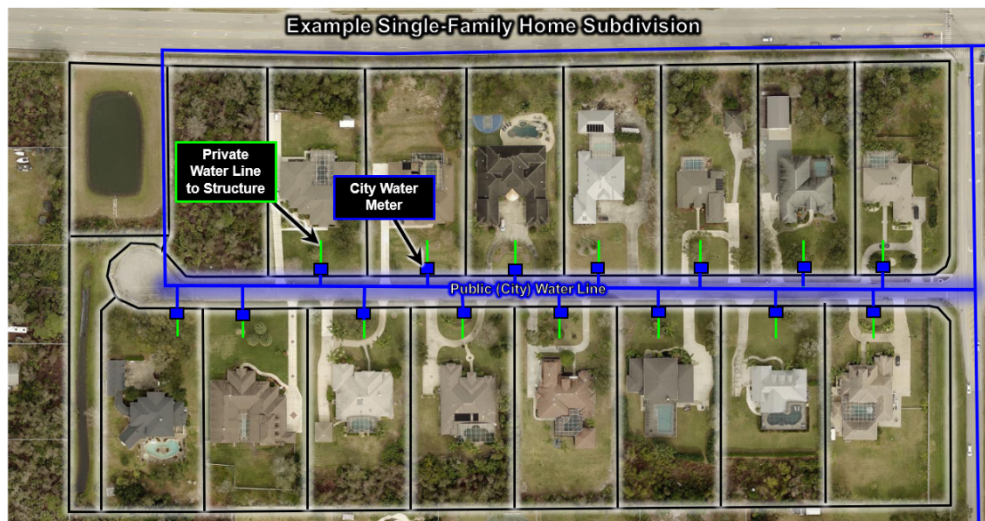


Exhibit B - Single Family Subdivision Meter Example

PRESENTER: Steve Parnell

ATTACHMENTS:

1.	Master Meter Ordinance 2026-1 1.20.26	Master Meter Ordinance 2026-1 1.20.26.docx
2.	Business Impact Estimate for Ord. No. 2026-01	Business Impact Estimate for Ord. No. 2026-01.pdf

Amanda Bonin
Steve Parnell
Sue Wang
Matthew Jones
Wayne Clark

Created/Initiated - 12/30/2024
Approved - 01/22/2026
Approved - 01/22/2026
Approved - 01/22/2026
Final Approval - 01/23/2026

ORDINANCE NO. 2026-01

AN ORDINANCE OF THE CITY OF PORT ORANGE, VOLUSIA COUNTY, FLORIDA, AMENDING SECTION 74-33, REQUIRING A DEPOSIT FOR MASTER METER INSTALLATION; ESTABLISHING A NEW SECTION 74-34, REQUIRING THE INSTALLATION OF A MASTER METER FOR A CAMPGROUND, RECREATIONAL PARK, MOTEL, HOTEL, MOBILE HOME PARK, APARTMENT COMPLEX OR OTHER MULTIFAMILY RESIDENTIAL UNITS, AND PROVIDING FOR THE METHOD OF BILLING FOR MASTER METER ACCOUNTS; AMENDING SECTION 74-39, SETTING FORTH THE RESPONSIBILITY OF MAINTENANCE OF PRIVATE WATER SYSTEMS INCLUDING EMERGENCY MAINTENANCE; PROVIDING FOR REPEAL OF CONFLICTING ORDINANCES; PROVIDING FOR SEVERABILITY AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, maintenance and upgrades to the public water distribution system is a substantial public cost to the citizens; and

WHEREAS, the City Council recognizes the need to conserve water and to discourage the discharge of potable water through weak or failing infrastructure; and

WHEREAS, the City makes use of available technology to minimize the loss of potable water as it travels through the public system; and

WHEREAS, electronic metering and other advances in technology have provided faster transmission of the utility consumption data enabling expedient and accurate billing and reducing the operation and administrative cost of providing and billing water service; and

WHEREAS, it is the City's mission to support high quality municipal fiscal services while safeguarding the natural resources, including the maintenance and upgrades to the water distribution infrastructure, the conservation of potable water resources and the fiscally responsible operation and administration of the service, billing and cost recovery; and

WHEREAS, the water lines within privately owned water system are not owned or maintained by the City and as a result, there is often unaccounted water loss within the privately owned water systems due to sub-standard water line maintenance and broken or inaccessible water meters; and

WHEREAS, while the majority of privately owned water systems within the City are billed using only readings of a master meter, a few privately owned water systems remain within the City which are billed by reading individual meters; and

WHEREAS, the City is prohibited from using public financial resources for the sole benefit of private property interests; and

WHEREAS, by adoption of this Ordinance, the City Council is improving its regulation of its water distribution system and fiscal administration of the billing and collection for utility services as set forth hereinafter.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF THE CITY OF PORT ORANGE, FLORIDA as follows:

SECTION 1. The City Council of the City of Port Orange, Florida, hereby amends Chapter 74, Section 74-33, Charges for Water Service, of the City of Port Orange Code of Ordinances to read as follows:

Sec. 74-33. - Charges for water service.

- (a) The city will provide water service within the limits of the city's approved water service area ~~existing water system~~, upon application and payment of the applicable development fee, connection charge and meter deposit and any other charges in accordance with this article and established city resolutions and policies subject to jurisdictional agency constraints and the availability based on ~~sufficient~~ quantity and capacity of the system.
- (b) A monthly minimum charge (availability charge) shall be assessed when it is determined by the city manager or ~~his~~ the manager's designee that water is available but not yet connected.
- (c) The monthly water service charge shall not be suspended during vacation periods or such periods of time that a property is vacated and the minimum charge (availability charge) shall be levied in the amount as provided and established by resolution of the city council.
- (d) A deposit for water service connection shall be required for each new meter installation, master meter installation, meter ~~or~~ reconnection or for turn-on for new properties or where the customer to be served has changed. ~~property has changed hands irrespective as to whether the property is owned by the occupant or not.~~ Such deposit shall remain with the city as security against nonpayment of the monthly bill as long as the premises are connected to the city water system and an active water meter is onsite. Should a transfer of property ownership or rental occur, the water deposit may be refunded at the customer's request. However, upon a request for future continuation of service by the new customer, owner, or renter, they shall be required to post their own water deposit and applicable reconnection fees as specified in the current city fee resolution.

- (e) A connection charge shall be levied for each connection made to the water system either inside the city limits, or outside the city limits.
- (f) A monthly service charge shall be levied for each fire sprinkler system (fire line) connected separately to the city water system.
- (g) Connection charges, meter deposits, service charges and any other fees and charges required by this article shall be established by resolution of the city council.
- (h) ~~Monthly charges for water service shall be set by resolution of the city council and~~ The method of monthly billing for water service shall be pursuant to section 2-240 of the Code.
- (i) All monthly charges shall be reviewed annually in conjunction with the preparation of the annual operating budget. Rates will be adjusted as determined necessary by the city council to ensure adequate revenue to meet all bond requirements and to satisfy good accounting and business practices. Adjusted rates shall become effective as provided by resolution adopted by the city council.
- (j) No deposit for water service connection shall be required for those property owners seeking to establish a new water service who have maintained a current utility account history with the city and have not been charged late fees or processed for shut-off in the previous 36 months.
- (k) A property owner who has maintained a current utility account history with the city and has not been charged late fees or processed for shut-off in the previous 36 months, shall be eligible to apply the amount paid for the water deposit required by this section as a credit to the property owner's utility account.

SECTION 2. The City Council of the City of Port Orange, Florida, hereby amends Chapter 74, to establish a new Section 74-34, Master Meters, of the City of Port Orange Code of Ordinances to read as follows:

Sec. 74-34. – ~~Reserved.~~ Master Meters; Private Water Systems.

- (a) The owner of a private water system serving a campground, recreational park, motel, hotel, mobile home park, apartment complex or other multifamily residential units shall be required to install a master meter. Submetering, if any, shall be the responsibility of the owner of the private water system in accordance with state and federal laws, rules and regulations.
- (b) Monthly charges for water service shall be billed to the owner of the private water system based on master meter readings at the rates established by city council resolution. The owner of a private water system shall be responsible for the billing and collection of water service fees from each user served by the private water system; however, the owner of the private water system shall remain solely responsible for payment of the monthly charges for water service to the city.

- (c) All connections, including maintenance, repairs and replacements, to an existing private water system shall conform to industry standards.

SECTION 3. The City Council of the City of Port Orange, Florida, hereby amends Chapter 74, Section 74-39, Responsibility for maintenance of private water systems, of the City of Port Orange Code of Ordinances to read as follows:

Section 74-39 Responsibility for maintenance of private water systems.

- (a) The owner of rental property in the form of a mobile home park, campground, or other private developments a private water system serving a campground, recreational park, motel, hotel, mobile home park, apartment complex or other multifamily residential units shall be responsible for maintenance, repairs and replacements of the private water distribution system within the private property.
- (b) Upon the owner's request, the city may, but is not obligated to, enter the premises for the purpose of making emergency repairs to the distribution system therein as required and such cost of repairs based on time and materials used shall be billed by the city to and paid by the owner. For purposes of this paragraph, emergency repairs shall mean repairs that preserve and protect the city's equipment and publicly owned infrastructure and that limit or prevent the discharge of unmetered potable water. The property owner shall be responsible for the completion of repairs and replacement of infrastructure needed to restore water service.
- (c) Prior to the emergency repair as contemplated herein, the owner of a private water system shall agree to indemnify and hold harmless, to the maximum extent permitted by law, the city and its employees, officers and agents rendering the emergency aid.

SECTION 4. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

SECTION 5. If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of the ordinance which can be given effect without the invalid provision or application, and to this end the provisions of this ordinance are declared severable.

SECTION 6. This ordinance shall become effective immediately; however, the City will not commence the billing practices described in Section 2, above, for owners of existing private water systems serving a campground, recreational park, motel, hotel, mobile home park, apartment complex or other multifamily residential units until one year after the adoption of this Ordinance.

MAYOR SCOTT STILTNER

ATTEST:

Robin L. Fenwick, MMC, City Clerk

Passed on first reading on the day of _____

Passed and adopted on second and final reading on the day of _____

Reviewed and Approved: _____
Matthew J. Jones, City Attorney

[CA-5147]



Business Impact Estimate

This form should be included in agenda packet for the item under which the proposed ordinance is to be considered, and must be posted on the City's website by the time notice of the proposed ordinance is published.

Proposed ordinance's title/reference:

Ordinance No. 2026-01 – Utilities Master Meter Ordinance Amendment

This Business Impact Estimate is provided in accordance with Section 166.041(4), Florida Statutes. If one or more boxes are checked below, this means the City is of the view that a business impact estimate is **not** required by state law¹ for the proposed ordinance, but the City is implementing the procedure required by statutory law to ensure that no inadvertent procedural issue could impact the enactment of the proposed ordinance. This Business Impact Estimate may be revised following its initial posting.

- ☐ The proposed ordinance is required for compliance with Federal or State law or regulation;
- ☐ The proposed ordinance relates to the issuance or refinancing of debt;
- ☐ The proposed ordinance relates to the adoption of budgets or budget amendments, including revenue sources necessary to fund the budget;
- ☐ The proposed ordinance is required to implement a contract or an agreement, including, but not limited to, any Federal, State, local, or private grant, or other financial assistance accepted by the municipal government;
- ☐ The proposed ordinance is an emergency ordinance;
- ☐ The ordinance relates to procurement; or
- ☐ The proposed ordinance is enacted to implement the following:
 - a. Development orders, and development permits, as those terms are defined in s. 163.3164; and development agreements as authorized by the Florida Local Government Development Agreement Act under ss. 163.3220-163.3243;
 - b. Comprehensive plan amendments and land development regulation amendments initiated by an application by a private party other than the municipality;
 - c. Sections 190.005 and 190.046, *Florida Statutes*, regarding community development districts;
 - d. Section 553.73, *Florida Statutes*, relating to the *Florida Building Code*; or
 - e. Section 633.202, *Florida Statutes*, relating to the *Florida Fire Prevention Code*.

¹ See Section 166.041(4)(c), Florida Statutes.

In accordance with the provisions of controlling law, even notwithstanding the fact that, an exemption noted above may apply, the City hereby publishes the following information:

1. Summary of the proposed ordinance (must include statement of the public purpose, such as serving the public health, safety, morals, and welfare):

The proposed amendment to the Code of Ordinances amends Chapter 74, by amending Section 74-33, adding a new Section 74-34 and amending Section 74-39.

The proposed Ordinance 2026-01 serves the public health, safety, morals, and welfare of the municipality by encouraging maintenance and upgrades to the water distribution infrastructure, the conservation of potable water resources and the fiscally responsible operation and administration of the service, billing and cost recovery. Water lines within privately owned water system are not owned or maintained by the City and as a result, there is often unaccounted water loss within the privately owned water systems due to sub-standard water line maintenance and broken or inaccessible water meters. The proposed Ordinance 2026-01 establishes the requirement for a deposit for master meter installations and the requirement for campgrounds, recreational parks, motels, hotels, mobile home parks, apartment complexes and multifamily residential units to install master meters. The proposed Ordinance 2026-01 also amends provisions of the code regarding the responsibility for maintenance of private water systems.

2. An estimate of the direct economic impact of the proposed ordinance on private, for-profit businesses in the City, if any:

(a) An estimate of direct compliance costs that businesses may reasonably incur:

A small number of mobile home park owners will incur an unknown amount of administrative costs related to submetering as a result of the Ordinance 2026-01. These administrative costs will likely be passed to the park tenants. The majority of MHPs within the City are already setup for master meter billing and will not be impacted.

(b) Any new charge or fee imposed by the proposed ordinance or for which businesses will be financially responsible:

Those businesses that don't already have a master meter will be charged a one-time deposit for the installation of a master meter. The master meter deposit amount is established by the City's utility rate resolution, as may be amended.

(c) An estimate of the City's regulatory costs, including estimated revenues from any new charges or fees to cover such costs:

The City's administrative costs are expected to decrease due to the simplification of the City's billing practices (i.e. the use of master meters) for campgrounds, RV parks, motels, hotels mobile home parks, apartment complexes and multifamily residential units. There are no new charges or fees intended to cover regulatory costs.

3. Good faith estimate of the number of businesses likely to be impacted by the proposed ordinance:

Approximately 5 businesses are estimated to be impacted by Ordinance 2026-01.

4. Additional information the governing body deems useful² (if any):

² You may wish to include in this section the methodology or data used to prepare the Business Impact Estimate. For example: City staff solicited comments from businesses in the City as to the potential impact of the proposed ordinance by contacting the local Chamber of Commerce, social media posting, direct mail or direct email, posting on City website, public workshop, etc. You may also wish to include efforts made to reduce the potential fiscal impact on businesses. You may also wish to state here that the proposed ordinance is a generally applicable ordinance that applies to all persons similarly situated (individuals as well as businesses) and, therefore, the proposed ordinance does not affect only businesses.