

RESOLUTION NO. 21-R-_____

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MARION COUNTY, FLORIDA, REGARDING THE CONSTRUCTION OF MAIN LINE EXTENSIONS; ACKNOWLEDGING PREVIOUSLY AUTHORIZED OWNER AGREEMENTS; PERMITTING MCU RECOMMENDATION OF SHARE AGREEMENTS; DEFINING SHARE AGREEMENTS; IDENTIFYING CHARACTERISTICS OF SHARE AGREEMENTS; AUTHORIZING THE COLLECTION OF BENEFITTING LOTS SHARES; PLACING LIMITATIONS ON USE OF SHARE AGREEMENTS; SETTING FORTH TREATMENT OF SHARE AGREEMENTS SIMILAR TO THAT OF OWNER AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Marion County Florida (the "Board"), has the authority to enter into utility main extension agreements with a property owner (an "Owner") connecting a single family residence to the Marion County Utility System (the "System") when the extension of the System's utility main is required in accordance with the Marion County Code ("Code"), Article 6 Technical Standards and Requirements, Division 14 Water and Wastewater Requirements; and

WHEREAS, in exercising said authority, the Board previously authorized Marion County Utilities ("MCU") to establish a departmental policy and process for an "Owner Agreement" which outlines conditions when construction of a utility main extension is solely the Owner's responsibility, providing for Board approval of said Owner Agreement; and requiring recording of the fully executed Owner Agreement in the public records of Marion County; and

WHEREAS, the MCU policy and process established in this regard provide that at the completion of the Owner Agreement the newly constructed assets are dedicated by Owner to MCU through a Bill of Sale and the assets are then added to MCU's inventory by the Clerk of the Court's Finance division; and

WHEREAS, the Owner Agreement provides that when any previously unconnected lot is eligible to be served by Owner's constructed utility main through a standard service connection, the eligible connecting lot shall be considered a benefitting lot (a "Benefitting Lot"). For the duration of a seven (7) year period from the date of the FDEP utility system clearance, Owner is eligible to be reimbursed by COUNTY a pro-rata share of the original construction cost for the connection by the Benefiting Lot; and

WHEREAS, MCU actively tracks pro-rata shares collected for utility main extensions through its GIS tracking and permitting computer programs and when a Benefitting Lot connects, MCU provides the pro-rata share back to the originating Owner who entered into the related Owner Agreement, until the eligibility term expires; and

WHEREAS, having entered into various Owner Agreements over time, MCU has identified certain limited scenarios in which the County would better benefit by forgoing the Owner Agreement and instead asserting the County as the party responsible to construct a main extension; and

WHEREAS, the Board, recognizing these certain limited circumstances, hereby authorizes, in addition to the Owner's Agreement, the use of a "Share Agreement" more fully set forth below.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of Marion County, Florida, as follows:

Section 1. Incorporation. That the foregoing "WHEREAS" clauses are ratified and confirmed as being true and correct and are made a specific part of this Resolution.

Section 2. Recommendation for Use is Permissible. Upon review of utility main extensions, MCU at its discretion and when funds are available, may recommend to the Board that it forgo entering an Owner Agreement and instead enter a "Share Agreement" (described herein) whereby the County would elect to share in the construction of the main extension.

Section 3. Definition of a Share Agreement. A "Share Agreement" is hereby defined as contracts entered between the County and an Owner that has applied to the County for a main line extension, and in reviewing the application, MCU determines that there exist unique circumstances calling for the County to be responsible for constructing the requested main extension. Unique circumstances include, but are not limited to, a hydraulic benefit to the System, main sizing above Owner's residential minimum requirement as applicable, or providing an opportunity to correct previous MCU determination.

Section 4. Characteristics of a Share Agreement. A Share Agreement is characterized by the County, not the Owner, being responsible to construct the main extension; the responsibility of the Owner being limited to only its identified portion of the construction costs shown in the Share Agreement; and the County, not the Owner, being eligible to receive Benefitting Lot reimbursements.

Section 5. Collection of Benefitting Lot Shares. MCU will track and collect for the County each Benefitting Lot's share as part of its connection fees when a new connection is made. This tracking and collection has no expiration date.

Section 6. Parameters for MCU Recommendation of a Share Agreement. When recommending to the Board use of a Share Agreement MCU must include in its recommendation:

- A. An identification of the unique circumstance;
- B. An explanation of how the unique circumstance presents an opportunity for benefit to the County; and
- C. An affirmation that funding is available for the undertaking.

Section 7. Limitations on Use of Share Agreement. Use of Share Agreements is limited as it requires adequate MCU funding and is subject to first come first served opportunity. Use of Share Agreements does not set any precedent for any other extension agreement.

Section 8. Similarity of Share Agreement to Owner Agreement. But for the differences set forth herein, a Share Agreement shall otherwise be treated as an Owner Agreement. Such similarities include the requirement of an Owner application, the approval of the Agreement by the Board of County Commissioners, and the recording of the fully executed Share Agreement in the public records of Marion County.

Section 9. Effective Date.

This Resolution shall take effect on _____, 2021.

DULY ADOPTED in regular session this _____ day of _____ 2021.

BOARD OF COUNTY COMMISSIONERS
MARION COUNTY, FLORIDA

JEFF GOLD, CHAIRMAN

ATTEST:

GREGORY C HARRELL, CLERK