

RESOLUTION NO. 2005- 39

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, ESTABLISHING A POLICY REGARDING THE ACQUISITION OF PRE-EXISTING UTILITY SYSTEMS BY THE COUNTY'S PUBLICLY-OWNED WATER AND SEWER UTILITY DEPARTMENT

WHEREAS, the limited availability of water resources throughout the State of Florida has created a legislative review for statewide apportioning and rationing of our precious water supplies; and

WHEREAS, St. Johns County has accepted the stewardship and responsibility to ensure County residents have an adequate supply of safe potable drinking water, and the additional responsibility to ensure its water resources are protected and not unnecessarily drawn down; and

WHEREAS, the Florida Department of Environmental Protection encourages the development of centralized utility systems as the preferred solution to septic tank pollution that can negatively impact our environment; and

WHEREAS, St. Johns County has accepted the stewardship and the responsibility to ensure County residents have adequate, reliable and environmentally safe wastewater sewer services through centralized utility systems; and

WHEREAS, St. Johns County created the St. Johns County Utility Department (SJCUD), in order to provide safe potable drinking water and reliable wastewater sewer services to those residents of St. Johns County lying outside the incorporated area of the City of St. Augustine; and

WHEREAS, the SJCUD was created as an enterprise organization, in order to be supported by revenues from customer charges for water and wastewater services; and

WHEREAS, the SJCUD, as a professional business, strives to provide water and wastewater services at its lowest practicable rates while operating at its highest level of efficiency; and

WHEREAS, in order to meet its responsibilities and achieve its desired efficiencies and services, the SJCUD must operate under a growth policy of new system acquisition and increased customer base; and

WHEREAS, the SJCUD has, upon instructions by Board of County Commissioners of St. Johns County, Florida, developed a Policy regarding acquisition of pre-existing utilities by the County, through the SJCUD (which is attached and incorporated as Exhibit A to this Resolution); and

WHEREAS, the Board of County Commissioners of St. Johns County, Florida has reviewed and evaluated the acquisition policy developed by the SJCUD.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

Section 1. The above recitals are incorporated by reference into the body of this Resolution, and such Recitals are adopted as Findings of Fact.

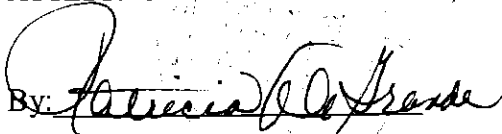
Section 2. The attached and incorporated policy developed by the Saint Johns County Utility Department regarding the acquisition of pre-existing utilities by the County, through the St. Johns Utility Department, is adopted as the County's policy on such acquisitions.

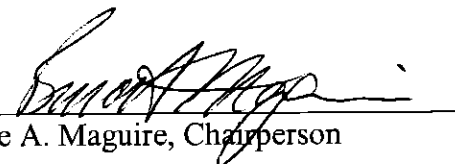
Section 3. Any private utility acquisitions considered by the County will be consistent with the attached policy statement.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns County, State of Florida, this 9th day of February, 2005.

BOARD OF COUNTY COMMISSIONERS
ST. JOHNS COUNTY, FLORIDA

ATTEST: CHERYL STRICKLAND, CLERK

By: 

By: 
Bruce A. Maguire, Chairperson

Date: 2-28-05

ST. JOHNS COUNTY UTILITY ACQUISITION POLICY

GUIDING PRINCIPLE

In accordance with existing Florida Statute(s) and in a manner not inconsistent with general or special law, St. Johns County (hereafter “the County”) desires to advance a rational and uniform approach to the delivery of water and wastewater services throughout the County and when, in its best interests, through the provision of water and wastewater services and facilities, exert control over the use of existing water resources by advancing the conservation and environmentally sensitive use and provision of water.

Policy

(A) When in its best interests, the County will seek to control the use and provision of existing water resources in order to avoid inefficient or competing uses that do not advance conservation, or otherwise do not provide environmentally sensitive use and provision of water resources.

(B) When in its best interests, the County will seek to create economies of scale through expansion of the water and wastewater systems and to implement safe and efficient alternatives for the provision of water and wastewater utility services and facilities.

(C) When in its best interests, and economically feasible, the County will seek to acquire and be the provider of water and wastewater utility services and facilities in the County. This will be done to retain revenues derived from water and wastewater utility services within the County.

- a. In the process of evaluating a possible acquisition, standard business practices including but not limited to future resource availability, expandability of the service area, short and long-term growth potential, and others will be procedurally defined.

(D) When in its best interests, and economically feasible, the County will seek to acquire water and wastewater utility facilities systems at fair market value. Rates for

services will be set by the County, and in doing so it will have the opportunity to provide for expansion and capital infrastructure planning consistent with the County's comprehensive plan.

(E) An existing Utility System will not be acquired by the County for the primary purpose of reducing pre-existing County utility rates, when practical, there should be no rate increase based solely on acquisition cost.

(F) The County will place a high priority on evaluating for possible acquisition utility systems in developed service areas.

- a. Consideration for acquisition of utility systems can be initiated when; a current provider:
- fails to deliver product that meets minimal legal standards;
 - provides substandard service to its consumers;
 - fails to comply with provisions of local, state or federal regulations;
 - provides a clearly documented justifiable economic acquisition opportunity that will serve the long and short term best interests of the majority of the County residents.

(G) It will be an objective of the County to provide County Utility Department Service to all future development.

(H) The County will abide by the foregoing policy objectives, in addition to all statutorily required considerations, before acquisition of any water or wastewater facility.