Bill No. HB 813 (2014)

Amendment No. 1

	COMMITTEE/SUBCOMMI		
	ADOPTED	(Y/N)	
	ADOPTED AS AMENDED	(Y/N)	
	ADOPTED W/O OBJECTION	(Y/N)	
	FAILED TO ADOPT	(Y/N)	
	WITHDRAWN	(Y/N)	
	OTHER		
1	1 Committee/Subcommittee hearing bill: Energy & Utilities		
2	2 Subcommittee		
3	Representative Mayfield offered the following:		
4			
5	Amendment (with ti	tle amendment)	
6	Remove everything after the enacting clause and insert:		
7	7 Section 1. This act may be cited as the "Ratepayer		
8	8 Representation Act."		
9	9 Section 2. Section 153.03, Florida Statutes, is amended to		
10	read:		
11	1 153.03 General grant of power <u>A county</u> Any of the several		
12	2 counties of the state which may hereafter come under the		
13	<sup>3</sup> provisions of this chapter as hereinafter provided is hereby		
14	authorized and empowere	<del>d</del> :	
15	(1) To purchase <u>or</u> <del>and/or</del> construct and to improve,		
16	6 extend, enlarge, <u>or</u> <del>and</del> reconstruct a water supply system <del>or</del>		
17	<del>systems</del> or sewage dispo	sal system <del>or systems, or both,</del> within	
	 033069 - h0813-strike.doc:	x	
	Published On: 3/17/2014		
		Page 1 of 14	

Bill No. HB 813

(2014)

Amendment No. 1

18 the such county and any adjoining county or counties; and to 19 purchase and/or construct or reconstruct water system 20 improvements or sewer improvements, or both, within such county 21 and any adjoining county or counties and to operate, manage, and control those all such systems so purchased and/or constructed 22 23 and all properties pertaining thereto; and to furnish and supply water and sewage collection and disposal services to any of such 24 counties and to any municipalities and any persons, firms, or 25 26 corporations, public or private, in any of such counties. + 27 provided, However, that none of the facilities described in 28 provided by this chapter may be constructed, owned, operated, or 29 maintained by the county on property located within the 30 corporate limits of a any municipality without the consent of 31 the governing council, commission or body having general 32 legislative authority in the government of such municipality 33 unless the such facilities were owned by the county before the 34 on such property prior to the time such property was included 35 within the corporate limits of the such municipality. (a) If a municipality, pursuant to a franchise agreement 36 37 with a county or by county resolution or ordinance, is 38 authorized to provide water service or sewage collection and 39 disposal services in an unincorporated area of the county, the No county may not shall furnish any of the facilities described 40

in provided by this chapter to that unincorporated area any 42 property already being furnished like facilities by any

43 municipality without the express consent of the governing

033069 - h0813-strike.docx

41

Published On: 3/17/2014 5:12:30 PM

Page 2 of 14

Bill No. HB 813 (2014)

	Amendment No. 1		
i			
44	council, commission or body having general legislative authority		
45	<del>in the government</del> of <u>that <del>such</del> municipality <u>until the franchise</u></u>		
46	agreement, resolution, or ordinance has expired or is no longer		
47	in effect. If the county thereafter elects to provide water		
48	service or sewage collection and disposal services to the		
49	unincorporated area, the county, pursuant to the requirements of		
50	s. 125.3401, may purchase the facilities owned by the		
51	municipality that are located in and used to serve the		
52	unincorporated area. The county must compensate the		
53	municipality for the fair market value of such facilities.		
54	(b) If the franchise agreement, resolution, or ordinance		
55	contains no term or date after which the municipality's		
56	authority expires, the county, pursuant to the requirements of		
57	s. 125.3401, may purchase the facilities owned by the		
58	municipality that are located in and used to serve the		
59	unincorporated area, subject to the following requirements:		
60	1. A majority of the ratepayers in the unincorporated		
61	area, either by vote in a referendum or written response to a		
62	mail survey, have agreed to receive water service or sewage		
63	collection and disposal services from the county;		
64	2. The county compensates the municipality for the fair		
65	market value of the facilities purchased from the municipality		
66	to serve the unincorporated area; and		
67	3. The purchase does not occur before July 1, 2016.		
68	(2) To issue water revenue bonds and/or sewer revenue		
69	bonds or general obligation bonds of the county to pay all or a		
 033069 - h0813-strike.docx			
Published On: 3/17/2014 5:12:30 PM			
	Page 3 of 14		

Page 3 of 14

Bill No. HB 813

(2014)

Amendment No. 1

70 part of the cost of such purchase and/or construction or 71 reconstruction.

(3) To fix and collect rates, fees and other charges for the service and facilities furnished by any such water supply system or water system improvements and sewage disposal system or sewer improvements and to fix and collect charges for making connections with the water system of the county.

(4) To receive and accept from the Federal Government or any agency thereof grants for or in aid of the planning, purchase, construction, reconstruction, or financing of any facility and to receive and accept contributions from any source of either money, property, labor, or other things of value to be held, used, and applied only for the purpose for which such grants and contributions may be made.

To acquire in the name of the county by gift, purchase 84 (5)as hereinafter provided or by the exercise of the right of 85 86 eminent domain, such lands and rights and interests therein, including lands under water and riparian rights, and to acquire 87 88 such personal property as it may deem necessary for the 89 efficient operation or for the extension of or the improvement 90 of any facility purchased or constructed under the provisions of this chapter and to hold and dispose of all real and personal 91 92 property under its control; provided, however, that no county 93 shall have the right to exercise the right of eminent domain 94 over any such lands or rights or interests therein or any 95 personal property owned by any municipality within the state nor

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 4 of 14

Amendment No. 1

Bill No. HB 813 (2014)

96 to exercise such right with respect to any privately owned water 97 supply system or sewage disposal system including without 98 limitation ponds, streams and surface waters constituting a part 99 thereof, provided any such system is primarily used, owned or 100 operated by an industrial or manufacturing plant for its own use 101 as a water supply system or in disposing of its industrial 102 wastes.

103 (6) To make and enter into all contracts and agreements 104 necessary or incidental to the performance of its duties and the 105 execution of its powers under this chapter and to employ such 106 consulting and other engineers, superintendents, managers, 107 construction and accounting experts and attorneys and such other 108 employees and agents as it may deem necessary in its judgment 109 and to fix their compensation.

110 Subject to the provisions and restrictions as may be (7)set forth in the resolution hereinafter mentioned authorizing or 111 112 securing any bonds issued under the provisions of this chapter to enter into contracts with the government of the United States 113 or any agency or instrumentality thereof or with any other 114 115 county or with any municipality, private corporation, 116 copartnership, association, or individual providing for or relating to the acquisition and supplying of water and the 117 collection, treatment and disposal of sewage. 118

(8) To acquire by gift or purchase at a price to be mutually agreed upon, any of the facilities or portions thereof, provided for by this chapter, which shall, prior to such

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 5 of 14

Amendment No. 1

Bill No. HB 813 (2014)

122 acquisition, have been owned by any private person, group, firm, 123 partnership, association or corporation; provided, however, if 124 the price for same cannot be agreed upon, the price shall be 125 determined by an arbitration board consisting of three persons, one of whom shall be selected by the board of county 126 127 commissioners, one shall be appointed by the private company or 128 corporation, and the two persons so selected shall select a 129 third member of said board; and provided, further, that in the 130 event said board cannot agree as to the price to be paid by the 131 said board of county commissioners, then the board of county 132 commissioners shall exercise the right of eminent domain.

133 To enter into agreements and contracts with building (9) 134 contractors erecting improvements within any duly platted 135 subdivision within the county, the terms of which said 136 agreements or contracts may provide that such building 137 contractors shall install within such subdivision water mains, 138 lines and equipment and sewer mains and lines, to be approved by the county commission, said mains and lines to run to a point or 139 location to be agreed upon, at which said point or location said 140 141 mains and lines shall be connected to the water supply system or 142 water system improvements and/or to the sewage disposal system or sewer improvements of the county. In the event such 143 144 agreements or contracts are entered into they shall provide that 145 upon the connection of the mains or lines within the subdivision 146 to the water or sewer facilities of the county said mains, lines 147 and equipment running to the various privately owned parcels of

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 6 of 14

Bill No. HB 813 (2014)

Amendment No. 1

148 land within such subdivision shall become the property of the 149 county and shall become a part of the county water system 150 improvements and/or sewer improvements.

151 (10) To restrain, enjoin or otherwise prevent any person 152 or corporation, public or private, from contaminating or 153 polluting (as defined in s. 387.08) any source of water supply from which is obtained water for human consumption to be used in 154 155 any water supply system or water system improvement as 156 authorized by this chapter, and to restrain, enjoin or otherwise 157 prevent the violation of any provision of this chapter or any 158 resolution, rule or regulation adopted pursuant to the powers 159 granted by this chapter; provided, however, that this chapter 160 shall not apply to or affect any existing contract that a 161 municipality may have for water or sewage disposal without the 162 consent of both parties to said contract but this subsection shall not authorize the institution or prosecution of any 163 164 proceeding hereunder nor the adoption of any resolution, rule or regulation which shall in anywise affect the right of any 165 industrial or manufacturing plant to discharge industrial waste 166 167 into any nonnavigable or navigable waters unless such waters are 168 now being used or are hereafter used hereunder as a source of water for human consumption and unless the industrial wastes of 169 170 any such plant are not being discharged into such waters prior 171 to the time that action is taken by the commission under this 172 chapter to include such water as a part of any water supply 173 system.

033069 - h0813-strike.docx Published On: 3/17/2014 5:12:30 PM

Page 7 of 14

Bill No. HB 813 (2014)

Amendment No. 1

174 (11) To acquire by gift or purchase, at such price, and 175 upon such deferred or other terms, as may be mutually agreed 176 upon, all the capital stock of any domestic or foreign 177 corporation which, prior to such acquisition, shall have owned 178 or operated any of the facilities or portions thereof provided 179 for by this chapter; to pledge the revenues from the facilities as security for payment of the purchase price for said stock; 180 181 and to operate the facilities through the corporation so 182 acquired or to dissolve said corporation and operate the 183 facilities in any other manner authorized by law.

Section 3. Subsection (2) of section 180.02, Florida Statutes, is amended to read:

186

180.02 Powers of municipalities.-

187 A Any municipality may extend and execute all of its (2) 188 applicable corporate powers to accomplish applicable for the 189 accomplishment of the purposes of this chapter outside of its 190 corporate limits, as hereinafter provided and as may be desirable or necessary to promote for the promotion of the 191 public health, safety, and welfare or to accomplish for the 192 193 accomplishment of the purposes of this chapter.; provided, 194 However, such that said corporate powers do shall not extend or 195 apply within the corporate limits of another municipality. 196 Further, any applicable corporate power does not extend or apply 197 within an unincorporated area in which that power has not been executed prior to July 1, 2014, or within an unincorporated area 198 199 in which a county has exercised its authority to provide water

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 8 of 14

Bill No. HB 813 (2014)

Amendment No. 1

200 <u>service or sewage collection and disposal services pursuant to</u> 201 <u>s. 153.03(1)(a) or (b), without the express consent of a</u> 202 <u>majority of the commissioners at a duly noticed meeting of the</u> 203 <u>board of county commissioners of that county.</u>

204 Section 4. Section 180.191, Florida Statutes, is amended 205 to read:

206 180.191 Limitation on rates charged consumer outside city 207 limits.-

(1) Any municipality within the state operating a water or sewer utility outside of the boundaries of such municipality shall charge consumers outside the boundaries rates, fees, and charges determined in one of the following manners:

(a) It may charge the same rates, fees, and charges as
consumers inside the municipal boundaries. However, in addition
thereto, the municipality may add a surcharge of not more than
25 percent of such rates, fees, and charges to consumers outside
the boundaries. Fixing of such rates, fees, and charges in this
manner shall not require a public hearing except as may be
provided for service to consumers inside the municipality.

(b) It may charge rates, fees, and charges that are just and equitable and which are based on the same factors used in fixing the rates, fees, and charges for consumers inside the municipal boundaries. In addition thereto, the municipality may add a surcharge not to exceed 25 percent of such rates, fees, and charges for said services to consumers outside the boundaries. However, the total of all such rates, fees, and

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 9 of 14

Amendment No. 1

Bill No. HB 813 (2014)

226 charges for the services to consumers outside the boundaries 227 shall not be more than 25  $\frac{50}{100}$  percent greater than in excess of 228 the total amount the municipality charges consumers served 229 within the municipality for corresponding service. No such 230 rates, fees, and charges shall be fixed until after a public 231 hearing at which all of the users of the water or sewer systems; 232 owners, tenants, or occupants of property served or to be served 233 thereby; and all others interested shall have an opportunity to 234 be heard concerning the proposed rates, fees, and charges. Any 235 change or revision of such rates, fees, or charges may be made 236 in the same manner as such rates, fees, or charges were 237 originally established, but if such change or revision is to be 238 made substantially pro rata as to all classes of service, both 239 inside and outside the municipality, no hearing or notice shall 240 be required.

241 The amount of any surcharge imposed pursuant to this (C) 242 subsection must be clearly stated as a separate line item on the bill of each customer to which the surcharge is applied. 243 244 (2) A ratepayer in an unincorporated area of a county who 245 is receiving water or sewer utility services from a municipality 246 may petition the Public Service Commission or, if the 247 municipality is located in a county that has elected to regulate 248 water and sewer utilities pursuant to chapter 367, may petition 249 the county for a review of the rates, fees, or charges being imposed by the municipality. The Public Service Commission or 250 251 the county, as applicable, shall accept such petition and

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 10 of 14

Bill No. HB 813 (2014)

Amendment No. 1

252 determine whether such rates, fees, and charges are just and 253 equitable.

254 <u>(3)(2)</u> Whenever any municipality has engaged, or there are 255 reasonable grounds to believe that any municipality is about to 256 engage, in any act or practice prohibited by subsection (1), a 257 civil action for preventive relief, including an application for 258 a permanent or temporary injunction, restraining order, or other 259 order, may be instituted by the person or persons aggrieved.

260 <u>(4)(3)</u> This section shall apply to municipally owned water 261 and sewer utilities within the confines of a single county and 262 may apply, pursuant to interlocal agreement, to municipally 263 owned water and sewer utilities beyond the confines of a single 264 county.

265 <u>(5)(4)</u> In any action commenced pursuant to this section, 266 the court in its discretion may allow the prevailing party 267 treble damages and, in addition, a reasonable <u>attorney</u> 268 <u>attorney's</u> fee as part of the cost.

269 Section 5. Subsection (4) of section 367.071, Florida 270 Statutes, is amended to read:

367.071 Sale, assignment, or transfer of certificate of
authorization, facilities, or control.-

(4) An application shall be disposed of as provided in s.367.045, except that:

(a) The sale of facilities, in whole or part, to a
governmental authority shall be approved as a matter of right;
however, before taking any official action, the governmental

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 11 of 14

Bill No. HB 813 (2014)

Amendment No. 1

278 authority shall, prior to taking any official action, obtain 279 from the utility or commission with respect to the facilities to 280 be sold the most recent available income and expense statement, 281 balance sheet, and statement of rate base for regulatory 282 purposes and contributions-in-aid-of-construction. Any request 283 for rate relief pending before the commission at the time of sale is deemed to have been withdrawn. Interim rates, if 284 285 previously approved by the commission, must be discontinued, and 286 any money collected pursuant to interim rate relief must be 287 refunded to the customers of the utility with interest.

288 (b) Notwithstanding paragraph (a), approval of the 289 commission is required before a municipality acquires, in whole 290 or in part, the facilities of a utility that will be used to 291 serve ratepayers in the unincorporated area of a county. If the 292 municipality is located in a county that has elected to regulate 293 water and sewer utilities pursuant to chapter 367, approval of 294 the county is required. The municipality shall provide, for 295 review by the commission or county, as applicable, its proposed 296 rate structure, including proposed rates, fees, and charges for 297 ratepayers within the municipal boundaries and for ratepayers in 298 the unincorporated area of the county to be served by the 299 municipality. The commission or county, as applicable, shall 300 approve the transfer on the following conditions: 301 1. The municipality has obtained from the utility or 302 commission, with respect to the facilities to be sold, the most

502

303

033069 - h0813-strike.docx

Published On: 3/17/2014 5:12:30 PM

Page 12 of 14

recent available income and expense statement, balance sheet,

Bill No. HB 813 (2014)

Amendment No. 1

304 and statement of rate base for regulatory purposes and 305 contributions-in-aid-of-construction; 306 2. The purchase price in excess of rate base is reflective 307 of all cost savings as a result of the transfer; 3. The transfer will result in improved quality of 308 309 service; 310 4. The transfer will achieve lower operating costs; 311 5. The transfer will result in an increased ability to 312 attract capital; and 313 6. The transfer will result in more professional and experienced managerial, financial, technical, and operational 314 315 resources. 316 (c) (b) When paragraph (a) does not apply, the commission shall amend the certificate of authorization as necessary to 317 318 reflect the change resulting from the sale, assignment, or 319 transfer. 320 Section 6. This act shall take effect July 1, 2014. 321 322 323 324 TITLE AMENDMENT 325 Remove everything before the enacting clause and insert: 326 An act relating to water and wastewater utilities; providing a 327 short title; amending s. 153.03, F.S.; prohibiting a county from 328 providing water or sewer services in unincorporated areas 329 covered by an agreement with a municipality to provide such 033069 - h0813-strike.docx Published On: 3/17/2014 5:12:30 PM

Page 13 of 14

Amendment No. 1

Bill No. HB 813 (2014)

330 services in such unincorporated areas; authorizing the county to 331 provide water and sewer services upon expiration of an agreement 332 under certain circumstances; authorizing the county to provide 333 water and sewer services in certain circumstances when the 334 agreement does not contain an expiration date; amending s. 335 180.02, F.S.; specifying limits on application and extension of 336 a municipality's corporate powers in unincorporated areas of a 337 county in certain circumstances without the county's express 338 consent; amending s. 180.191, F.S.; limiting the amount of water 339 and sewer utility rates, fees, and charges that a municipality 340 may impose on consumers outside of the municipality's boundaries; requiring billing disclosure of surcharges imposed 341 342 on consumers outside of the municipality's boundaries; 343 authorizing ratepayers in unincorporated areas to petition the commission or county for determination whether rates, fees, and 344 345 charges imposed by a municipality are just and equitable; 346 amending s. 367.071, F.S.; requiring and establishing conditions for commission or county approval before a municipality may 347 348 purchase certain water or wastewater facilities; providing an 349 effective date.

033069 - h0813-strike.docx Published On: 3/17/2014 5:12:30 PM

Page 14 of 14