



# Hillsborough County Florida Agenda Item Cover Sheet

Agenda Item N<sup>o</sup>: D-3

Meeting Date 12/17/2025

Consent Section

Regular Section

Public Hearing

Subject: Public Hearing to consider an impact fee increase ordinance and Water and Wastewater Rate Resolution to increase water and wastewater impact fees.

Department Name: County Attorney's Office

Contact Person: Hank Ennis Contact Phone: 272-5670

### Sign-Off Approvals

		<b>Hank Ennis</b>	<b>12/4/2025</b>
		Managing County Attorney	Date
<b>Christine Beck</b>	<b>12/4/2025</b>	<b>Lisa Rhea</b>	<b>12/4/2025</b>
County Attorney	Date	Joint Department Director	Date
<b>Kevin Brickey</b>	<b>12/4/2025</b>	<b>Hank Ennis</b>	<b>12/4/2025</b>
Management and Budget – Approved as to Financial Impact Accuracy	Date	Assistant County Attorney	Date

**Staff's Recommended Board Motion:**  
 Hold a public hearing and approve by a two-thirds vote the impact fee increase ordinance and the Water and Wastewater Rate Resolution which increases water and wastewater impact fees in both the Northwest Service Area and the South/Central Service Area and receive the demonstrated-need study justifying the increase to the water and wastewater impact fee rates in the South/Central Service Area which study demonstrates the extraordinary circumstances necessitating the need to raise such impact fees greater than 50% of the current water and wastewater impact fee rates in the South/Central Service Area. Further, adopt the Water and Wastewater Impact Fee Study prepared by the County's consultant Stantec which recommends the impact fee rates to be adopted. Also, approve the Business Impact Estimate. This action will provide additional revenue for the Water and Wastewater Enterprise system to meet water and wastewater needs associated with future growth in Hillsborough County.

**Financial Impact Statement:**  
 This action will provide additional revenue for the Water and Wastewater Enterprise system to meet water and wastewater needs associated with future growth in Hillsborough County.

**Background:**  
 The Water Resources Department (WRD) is proposing increases in water and wastewater impact fees for both the Northwest and South/Central Service Areas. WRD's rate consultant prepared the impact fee study by reviewing the required capital investment related to increasing capacity and level of service to meet service demands from new applications for service.  
 In accordance with Florida Statutes 163.31801(6) the increases in the Northwest Service Area will be phased in over two years for water and four years for wastewater; however, in the South/Central area, where the required increase exceeds 50% of the current rate, a demonstrated needs study justifying the extraordinary circumstances was also completed.  
 The study showed that the South/Central Service Area has seen significant growth with over 57,000 people moving in since 2020 resulting in the need for new water and wastewater pipes and treatment plants. Due to inflation, construction costs have surged, a specific example is wastewater expansion which now costs over four times more per gallon than it did before 2020. Over the next few years, the County's WRD plans to invest almost \$2 Billion in capital projects to meet the expanding needs of the South/Central Service Area, including a \$1.5 billion investment in the One Water Program alone. This

investment is equivalent to building a second utility system from scratch.  
If approved by a two-thirds vote, these changes will help fund critical infrastructure to support Hillsborough County's future growth. Raising these impact fees will generate much-needed revenue that is essential to keep up with the County's expanding population and increasing demand for water and wastewater services.

List Attachments:

Draft Ordinance  
Proposed Resolution  
Business Impact Estimate  
Impact Fee Rate Study  
Demonstrated-Needs Study

# RESOLUTION

**R25-111**

**RESOLUTION NO. R25-111**

**A RESOLUTION AMENDING RESOLUTION NO. R05-106  
AS AMENDED BY RESOLUTION NO. R09-070,  
RESOLUTION NO. R14-034, RESOLUTION NO. R19-106,  
RESOLUTION NO. R20-047, RESOLUTION NO. R21-046,  
AND RESOLUTION NO. R23-078; INCREASING WATER  
AND WASTEWATER IMPACT FEES AND PROVIDING  
AN EFFECTIVE DATE.**

UPON MOTION BY COMMISSIONER GWEN MYERS, SECONDED BY COMMISSIONER HARRY COHEN, THE FOLLOWING RESOLUTION WAS ADOPTED BY A VOTE OF 7 TO 0, COMMISSIONER(S) \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_, VOTING "NO".

**WHEREAS**, the County’s potable water, wastewater, and reclaimed water utility systems (collectively, the “Utility System”) include those whose operations are supported entirely by the revenues collected from the customers of those systems (collectively, the “Enterprise System”) and those whose operations are supported in part by the Unincorporated Area General Fund; and

**WHEREAS**, the Enterprise System was financed primarily through the issuance of revenue bonds (the “Revenue Bonds”); and

**WHEREAS**, the covenants made in conjunction with the issuance of the Revenue Bonds (the “Bond Covenants”) require the County, among other things, to collect revenues for the Enterprise System’s potable water, wastewater, and reclaimed water services (collectively, “Enterprise Services”) which are sufficient to operate and maintain the Enterprise System; to adopt and maintain a rate resolution establishing the rates, fees, and charges to be assessed for Enterprise Services; to repair, replace, improve, and expand Enterprise System facilities as necessary; to service Enterprise System debt; to make required deposits to reserve accounts; to secure an independent annual review of the sufficiency of the rate resolution to maintain compliance with the Bond Covenants; and to otherwise maintain the integrity of the Enterprise System financial accounts; and

**WHEREAS**, the Board of County Commissioners (the “Board”) adopted the current rate resolution on May 5, 2005 via County Resolution No. R05-106, which was subsequently amended by Resolutions No. R09-070 on May 20, 2009, Resolution No. R14-034 on March 19, 2014, R19-106 on August 21, 2019, Resolution No. R20-047 on June 17, 2020, Resolution No. R21-046 on April 21, 2021, and Resolution No. R23-078 on September 7, 2023 (the “Rate Resolution”); and

**WHEREAS**, the County adopted by ordinance the requirement for the payment of water and wastewater impact fees for connection to the Enterprise System, and the Rate Resolution includes

the amount of such impact fees as adopted by the Board at a properly advertised public hearing; and

**WHEREAS**, the County uses such impact fees to assist in funding necessary capital improvements required to provide public facilities to serve new population and related development necessitated by growth in the County, which fees have been in effect at the existing fee level since 2020; and

**WHEREAS**, the County engaged Stantec Consulting Services Inc. (the Rate Consultant) to prepare an impact fee study to calculate impact fees that recover the cost of infrastructure required to serve new development in order to meet the stated financial goals of the County and to equitably recover the cost to provide service; and

**WHEREAS**, such impact fee study is adopted by the Board; and

**WHEREAS**, the impact fees as determined by the Rate Consultant were calculated based on the most recent and localized data and are considered to be proportional and reasonably connected to, or have a rational nexus with, the need for additional capital facilities and the increased impact generated by the new development in accordance with, Chapter 163.31801 Florida Statutes; and

**WHEREAS**, such impact fees are proportional and reasonably connected to or have a rational nexus with the expenditures of the funds collected and the benefits accruing to new residential or nonresidential construction; and

**WHEREAS**, the County's utility service area is currently comprised of two distinct areas referred to as the Northwest Service Area and the South / Central Service Area and the impact fees to be charged in each respective service area are based on the capital costs to serve new development in each of the respective service areas; and

**WHEREAS**, the impact fees recommended for the Northwest Service Area represent approximately a 19% increase for water and approximately a 43% increase for wastewater. With both of these increases being less than 50%, they can be implemented consistent with the phase in limitations of Chapter 163.31801 Florida Statutes, by phasing in the increase to water impact fees equally over two years in 2026 and 2027 and the increase to wastewater impact fees equally over four years from 2026 through 2029;

**WHEREAS**, the impact fees recommended for the South / Central Service Area represent approximately an 112% increase for water and approximately an 135% increase for wastewater. With both of these increases being more than 50%, they require the use of a demonstrated need study that expressly demonstrates the extraordinary circumstances necessitating the need to exceed the phase-in limitations; and

**WHEREAS**, the County has engaged the Rate Consultant to perform a demonstrated need study that confirms the presence of extraordinary circumstances that demonstrates the need to exceed the limitations set by statute, including but not limited to a) population growth rates exceeding

historical norms necessitate immediate expansion of water and wastewater facilities to serve future growth as numerous South / Central facilities are expected to be out or nearly out of capacity by 2028; b) the cost of capital improvements has increased dramatically since the current impact fees were last adjusted, with documented unit costs of constructing projects increasing by over 200% for pipelines and over 300% treatment facilities over the past 5 years; c) the magnitude and timing of needed expansion related capital improvement projects includes nearly \$2 billion (which is greater than the current book value of the entire Utility) over the next few years, which includes a new water facility and pipeline, as well as wastewater treatment, and transmission system expansions; and d) without implementation of full-cost water and wastewater impact fees, the Utility faces substantial annual impact fee revenue losses that are estimated to be between \$20 to 25 million per year, which would place further borrowing pressure on the Utility that could equate to an additional \$200 to 250 million in additional interest expenses to the Utility.

**WHEREAS**, the County’s Public Utility Connections Regulations require that each rate structure and the fees charged for service adopted by the County for the Enterprise System be established at an advertised public hearing (the “Public Hearing”) via a formal resolution of the Board; and

**WHEREAS**, the Board has concluded the Public Hearing on this date to consider amending the Rate Resolution and to receive public comments in that regard; and

**WHEREAS**, the Board finds that the Rate Resolution as hereby amended is adequate to meet the stated goals of the County and maintain compliance with the Bond Covenants.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, ASSEMBLED THIS 17TH DAY OF DECEMBER, 2025, THAT:**


1. Sections 1.1 and 1.2 of Section 1 of Exhibit A to the Rate Resolution are hereby amended to read as attached hereto.
2. This resolution becomes effective upon adoption; however, the new impact fee rates shall not be collected until Monday, March 23, 2026.
3. The County Administrator shall implement the provisions and conditions of this resolution through the County’s Water Resources Department (the “Department”).

STATE OF FLORIDA                    )  
COUNTY OF HILLSBOROUGH        )

I, VICTOR CRIST, CLERK OF THE CIRCUIT COURT AND EX OFFICIO CLERK OF THE BOARD OF COUNTY COMMISSIONERS, DO HEREBY CERTIFY THAT THE ABOVE AND FOREGOING RESOLUTION IS A TRUE AND CORRECT COPY OF A RESOLUTION ADOPTED BY THE BOARD OF COUNTY COMMISSIONERS OF HILLSBOROUGH COUNTY, FLORIDA, IN ITS PUBLIC HEARING OF DECEMBER 17, 2025, AS THE SAME APPEARS ON RECORD IN MINUTE BOOK 595 OF PUBLIC RECORD OF HILLSBOROUGH COUNTY, FLORIDA.


Witness, my hand and official seal this 18th day of December, 2025.

VICTOR CRIST, CLERK

BY:   
Deputy Clerk



APPROVED BY COUNTY ATTORNEY

By:   
Approved as to form and legal sufficiency

**SECTION 1 SERVICE-INITIATION RATES**

1.1 1.1 WATER IMPACT FEES – Impact fees for connection to the potable water component of the Utility System shall be assessed in accordance with the following table by service area. The impact fees for any connection shall become fixed (or firm) and payable in accordance with **Division 7** of the Public Utility Connections Regulations.

<b>Northwest Service Area <sup>(1)</sup></b>		
<b>Customer Class</b>	<b>Beginning March 23, 2026</b>	<b>Beginning March 23, 2027</b>
Single Family Residential <sup>(2)(5)</sup> (Per dwelling unit)	\$2,037.50	\$2,212.00
Master-Metered Residential <sup>(3)(5)</sup> (Per dwelling unit)	\$1,018.75	\$1,106.00
Commercial <sup>(4)(5)(6)</sup> (Per ERC)	\$2,037.50	\$2,212.00

<b>South / Central Service Area <sup>(1)</sup></b>		
<b>Customer Class</b>	<b>Beginning March 23, 2026</b>	<b>Beginning March 23, 2027</b>
<b>Single Family Residential</b> <sup>(2)(5)</sup> (Per dwelling unit)	\$3,449.00	\$4,684.00
<b>Master-Metered Residential</b> <sup>(3)(5)</sup> (Per dwelling unit)	\$1,724.50	\$2,342.00
<b>Commercial</b> <sup>(4)(5)(6)</sup> (Per ERC)	\$3,449.00	\$4,684.00

- (1) Northwest Service Area – The unincorporated area west and north of the City of Tampa city limits where utility service is required or permitted per the Comprehensive Plan or Land Development Code, and pursuant to the Interlocal Agreement with the City of Tampa regarding water and wastewater service boundaries.  
  
South-Central Service Area – The unincorporated area east and south of the City of Tampa city limits where utility service is required or permitted per the Comprehensive Plan or Land Development Code, and pursuant to the Interlocal Agreement with the City of Tampa regarding water and wastewater service boundaries.
- (2) Single-family residential class (as used throughout this Schedule of Rates) includes all connections for individually metered dwelling units as such units are defined by the Land Development Code. Each such unit represents one equivalent residential connection (ERC). Each ERC represents an average daily potable water flow of **300 gpd** (gallons per day).
- (3) Master-metered residential class (as used throughout this Schedule of Rates) includes all master-metered connections for apartments, condominiums, cooperatives, quadraplexes, triplexes, duplexes, manufactured housing, and mobile homes used for multi-family residential purposes. Each such dwelling unit represents **0.5 ERC** of potable water usage including that unit's share of any common-area usage. Common-area potable water uses include but are not limited to those for irrigation, laundry facilities, recreation facilities, and management and maintenance offices which is not individually metered by the County. The total ERCs for any such connection shall be based solely on the number of dwelling units approved for that connection. Connections in this class may not include usage for any other commercial, industrial, or institutional purpose. For purposes of this Schedule of Rates, "master-metered residential" and "multi-family residential" are synonymous. Multi-family residential properties that are individually metered by the County are considered to be single-family residential class customers.
- (4) Commercial class (as used throughout this Schedule of Rates) includes all connections used primarily for commercial, industrial, and/or institutional purposes except connections used solely for multi-family residential purposes as defined above in note (3). Any connection which combines one or more dwelling units with any commercial, industrial, or institutional purpose other than the common-area usage associated with those dwellings is considered to be a commercial class customer.
- (5) Meter sizing is independent of impact fee determination.
- (6) The water impact fees for any connection shall be initially determined by summing the water flows from Table 1 that apply to the connection, dividing that total by 300 gpd, and multiplying the resulting number of ERCs by the impact fee specified for 1 ERC. However, the minimum water impact fees for any connection shall be the fee specified for 1 ERC. If the average daily flow for a connection during any consecutive 12-month period is greater than the average daily flow for which impact fees have been paid, an additional impact fee shall be assessed for the excess flow. If the average daily flow during any consecutive 3-month period is more than 15% greater than the average daily flow for which impact fees have been paid, an additional impact fee shall be assessed for the excess flow. All such additional fees shall be determined by dividing the total increase in the average daily flow by 300 gpd and multiplying the resulting number of ERCs by the impact fee specified for 1 ERC.

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1.2 WASTEWATER IMPACT FEES – Impact fees for connection to the wastewater component of the Utility System shall be assessed in accordance with the following table. The impact fees for any connection shall become fixed (or firm) and payable in accordance with **Division 7** of the **Public Utility Connections Regulations**.

<b>Northwest Service Area <sup>(1)</sup></b>				
<b>Customer Class</b>	<b>Beginning March 23, 2026</b>	<b>Beginning March 23, 2027</b>	<b>Beginning March 23, 2028</b>	<b>Beginning March 23, 2029</b>
<b>Single Family Residential <sup>(2)(3)</sup> (Per dwelling unit)</b>	\$3,268.75	\$3,586.50	\$3,904.25	\$4,222.00
<b>Master-Metered Residential <sup>(3)(4)</sup> (Per dwelling unit)</b>	\$2,288.13	\$2,510.55	\$2,732.98	\$2,955.40
<b>Commercial <sup>(3)(5)</sup> (Per ERC)</b>	\$3,268.75	\$3,586.50	\$3,904.25	\$4,222.00

<b>South / Central Service Area <sup>(1)</sup></b>				
<b>Customer Class</b>	<b>Beginning March 23, 2026</b>	<b>Beginning March 23, 2027</b>	<b>Beginning March 23, 2028</b>	<b>Beginning March 23, 2029</b>
<b>Single Family Residential <sup>(2)(3)</sup> (Per dwelling unit)</b>	\$4,884.75	\$6,118.50	\$7,352.25	\$8,586.00
<b>Master-Metered Residential <sup>(3)(4)</sup> (Per dwelling unit)</b>	\$3,419.33	\$4,282.95	\$5,146.58	\$6,010.20
<b>Commercial <sup>(3)(5)</sup> (Per ERC)</b>	\$4,884.75	\$6,118.50	\$7,352.25	\$8,586.00

- (1) Northwest Service Area – The unincorporated area west of the City of Tampa city limits, identified as the Urban Service Area per the Comprehensive Plan and pursuant to the Interlocal Agreement with the City of Tampa regarding water and wastewater service boundaries.

South-Central Service Area – The unincorporated area east and south of the City of Tampa city limits, identified as the Urban Service Area per the Comprehensive Plan and pursuant to the Interlocal Agreement with the City of Tampa regarding water and wastewater service boundaries.

- (2) Single-family residential class (as used throughout this Schedule of Rates) includes all connections for individual dwelling units served by an individual water meter as such units are defined by the Land Development Code. Each such unit represents one equivalent residential connection (ERC). Each ERC represents an average daily wastewater flow of 200 gpd.
- (3) Wastewater impact fees for single-family residential, master-metered residential, and commercial class customers served by a low-pressure sewer system (LPSS) are reduced to account for a corresponding reduction in wastewater flow requiring treatment in the County's wastewater system. The reduced wastewater impact fees are calculated as follows:  $(\text{wastewater flows}/200 \text{ gpd}) \times (0.80) \times (\text{impact fee per ERC})$ .
- (4) Each master-metered residential class dwelling unit represents 0.7 ERC of wastewater usage.
- (5) The wastewater impact fees for any connection shall be initially determined by summing the wastewater flows from Table 1 that apply to the connection, dividing that total by 200 gpd, and multiplying the resulting number of ERCs by the impact fee specified for 1 ERC. However, the minimum wastewater impact fees for any connection shall be the fee specified for 1 ERC. If the average daily flow for a connection during any consecutive 12-month period is greater than the average daily flow for which impact fees have been paid, an additional impact fee shall be assessed for the excess flow. If the average daily flow during any consecutive 3-month period is more than 15% greater than the average daily flow for which impact fees have been paid, an additional impact fee shall be assessed for the excess flow. All such additional fees shall be determined by dividing the total increase in the average daily flow by 200 gpd and multiplying the resulting number of ERCs by the impact fee specified for 1 ERC.

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