

**Frequently Asked Questions Concerning the  
Citrus Springs Water Line Extensions 2008  
Special Assessment District  
And Related Water Issues**

**1. Why is the County assessing the cost of lines to vacant lot owners? I'm not even receiving service yet.**

**A:** This is a relatively simple question, but it has a somewhat complicated answer. The primary answer is that this is the right thing to do for the existing customers on the Citrus Springs water system. There are about 4,350 existing water customers on the system. These people have already paid for their impact on the system and should not experience higher costs due to the lines being extended to new areas. Growth needs to pay for itself.

The cost for lines extended in the Citrus Springs area since the end of 2003 has exceeded \$14 million dollars. These lines have been extended in front of more than 6,600 lots. A large number of these lots are still vacant leaving a total amount of over \$11,500,000 in capital investment that has not been recovered. There are only two ways to cover this cost – one is to charge existing customers and the other is to charge the benefiting lots. If the existing customers were to pay the costs for these extensions, it is estimated that their base monthly facility charge would need to go up by \$14.33 per month. Since the current monthly fee is only \$8.50, this would be an increase in that charge of 168%.

**2. Last year when Citrus County sent out notices for the water line assessment I did not receive one. Has that changed?**

**A:** Yes. The assessment district has been expanded beyond last year's assessment district to include water lines that were installed between Oct. 1, 2006 and Sept. 30, 2007.

**3. Last year we received notification that the assessment would be \$1910.00. Is the cost the same?**

**A:** No. The rate discussed last year was never approved. Receipt-based costs and fees associated with the Citrus Springs Line Extensions installed between Dec. 5, 2003 and Sept. 30, 2007 have been identified and verified. These costs amount to \$8,557,639. Costs of \$103,096 associated with temporary lines, \$156,569 as a pro-rata amount for upsized lines and \$23,535 in interest have been removed. That leaves net costs of \$8,274,439 to be recovered through this assessment. Assuming all lots that are in the process of being combined will actually complete the process, the number of lots subject to this assessment is 5,518. Based on 5,518 ERU's, the assessment cost equates to \$1,499.54 per ERU ( $\$8,274,439 \div 5,518 = \$1,499.54$ ). The Water Authority approved short term borrowing to pay for the line costs and allowed for the assessments to also be recovered over a five year period. As the Citrus Springs area continues to develop, water lines will be extended to provide water services to additional properties.

**4. Will I be asked to pay for those other lines?**

**A:** No. Once you pay your line extension fee, you will not be charged for that again even if the cost for future line extensions goes up. The lots that will benefit from future line extensions will bear the costs of those line extensions.

**5. How will the assessment amount per parcel be determined?**

**A:** The overall cost for the Citrus Springs Water Line Extensions 2008 Project, which includes construction, engineering, administrative, other direct costs and fees will be divided by the number of Equivalent Residential Units (ERU) identified within the assessment district. One (1) lot or

parcel is equivalent to one (1) ERU. Additional information regarding the definition of an ERU may be found in Citrus County Code, Sections 102.36 and 102.81 ([www.bocc.citrus.fl.us](http://www.bocc.citrus.fl.us) - Citrus County Code of Ordinances). Please note that the amount per ERU does not include payment of utility connection fees or plumbing costs to connect future residences or establishments to the connection points in the road right-of-way. See FAQ #3 for the actual assessment calculation.

#### **6. What are the payment options for the assessment?**

**A: Option (1):** You may pay the assessment in full without interest or penalties, at the Office of the Clerk of the Court in Lecanto, Florida within 30 days of adoption of a resolution by the Board of County Commissioners at the Final Public Hearing on July 24, 2008. A bill will be mailed to you after this hearing.

**Option (2):** If you choose not to pay the assessment in full you will automatically be placed on an installment payment program. No action is required on your part. Under this option, the special assessment shall be paid in fifteen (15) equal annual installments together with interest and administrative fees. Currently the annual installment payment including interest and fees is estimated at \$161.34. This annual installment payment will appear on your annual tax bill and will be collected in the same manner as ad valorem taxes. Failure to pay any installment when due may cause a tax certificate to be issued against the property which, if not redeemed by the property owner, may result in the loss of title at a tax deed sale as prescribed in Chapter 197, Florida Statutes. There is no penalty for prepayment or accelerating your loan payments.

#### **7. What happens if I elect Option 2 and later decide to sell the property?**

**A:** The assessment is attached to the property, not the property owner. You may pay it off with no penalty for prepayment or the buyer may assume making the annual installment payments on their annual tax bill. It is recommended that you check with an experienced real estate attorney regarding the preparation of a special clause for inclusion in your contract.

#### **8. If I elect Option 2 and begin paying on the installment plan then decide to build on the property prior to paying the assessment in full, must I pay the assessment balance before I receive water service?**

**A:** No. Once you have elected to use Option 2 as your method of payment the payment agreement between you and the County will be honored. However, you will be required to pay the additional connection fee as identified in FAQ #15.

#### **9. What can I do if I object to this assessment?**

**A:** You can make your opinion known at the Final Public Hearing on this matter before the Board of County Commissioners at the Citrus Springs Community Center at 6:30 PM on Thursday, July 24, 2008. A notice of the Final Public Hearing was mailed on June 17, 2008 to property owners of all properties affected by this assessment.

#### **10. What if I can't make that meeting?**

**A:** You can write to Citrus County Board of County Commissioners, c/o Land Section, 3600 W. Sovereign Path, Suite 205, Lecanto, Florida 34461. Letters received prior to the hearing will be introduced into the record for consideration by the Board.

#### **11. When I bought my lot I was told that water was included in the price. Why is it not?**

**A:** Citrus County is not responsible for what the seller of the lot may have told you. However, we can say that central water is being made available throughout the development, but certainly not for free. It will take many more years to complete the water lines in front of all the lots in the development.

**12. I've already paid my connection fees and am being served (or will shortly be served) by the water system. Why am I being asked to pay this added fee?**

**A:** The short answer is that you should not have been asked to pay this additional fee. If you believe you have received this notice in error, please bring it to our attention by contacting Joe Theroux or Susan Boelk at (352) 527-5458. We will verify that you are in fact on our system and have paid the appropriate connection fees. Upon verification you will be removed from this assessment. The bottom line is that no existing customer is to be retroactively billed for this assessment.

**13. When I bought these lots, I was told that they included a prepayment for utility services. What is being done about that?**

**A:** We are aware that many lots that were originally bought before the very late 1980's had some amount of prepayment for utility services. This was done with the original developer of this community, a subsidiary of the Deltona Corporation. Prepayments were separately enumerated on original deeds issued in that community. Unfortunately, the County has no records of those prepayments. Nevertheless, if you can provide us a copy of a deed for your parcel that shows utility prepayments we will take those prepayments and lower the balance of the connection fees that will be owed at the time you actually begin to receive service from the utility.

**14. What will be the benefit of paying this line assessment fee in the long run?**

**A:** Obviously, avoiding a tax lien is desirable, but the primary benefit is that when you do hook up, you will not have to pay the portion of the then applicable connection fees that are related to line extensions. No matter what the line extension cost is in the future, you will not have to either pay it again nor will you have to pay the difference between what you have been assessed and the line extension charge that is in effect when you connect to the system.

**15. What would be the total additional cost to get water service once I've paid for the line extension?**

**A:** Your remaining cost per standard lot – at currently approved rates – would be between \$1923.19 and \$2,223.19. These costs pay for your share of the central water plant, the primary transmission pipes that get water near your neighborhood, the meter installation fee, the account initiation fee, and the one time deposit. If the water pipeline is on the other side of the street from your property, then you will pay the higher fee. If the pipeline is on your side of the street, you will pay the lower fee.

**16. I own multiple adjoining lots and I want to just build one home. Why do I need to pay two assessment fees?**

**A:** There are a couple of processes for this situation. For information regarding lot reconfigurations/substantially similar re-plats, or if you own commercial property, you may contact the Citrus County Department of Development Services, Planner of the Day at 352-527-5239.

Another process is called the "Permanent Reassignment of Development Rights" (DVR), which allows a property owner of multiple, adjoining, residential lots to request these adjoining lots, be recognized as a single parcel. (Please note that other combinations may apply to your unique situation.) **This recognition is "NON REVOCABLE" and affects future development rights.** The application fee is fifty (\$50.00) dollars, and is **non-refundable**. The property owner or their agent must complete and return the application and fee for preliminary approval by staff. Upon approval, a "Reassignment Agreement" will be sent by certified/registered mail for owner/agent signatures in the presence of a Notary Public and two separate witnesses. When returned to the Citrus County Land Section, the Board of County Commissioners will review the Reassignment Agreement for final approval. The Agreement will be recorded in the Public Records and flagged

by the Department of Development Services indicating the “**NON REVOCABLE/NON DEVELOPMENT**” lot status. The Reassignment Agreement does not prevent the permitting or construction of residential accessory amenities including fences, sheds, or swimming pools, or replacement/expansion/remodeling of the existing principal structure.

This process is not considered complete until the properly executed agreement has been approved and signed by the Citrus County Board of County Commissioners and recorded in the Public Records of Citrus County, Florida.

**PLEASE NOTE: The deadline for the submission of the properly executed agreement to our office was June 16, 2008.**

For additional questions regarding the Permanent Reassignment of Development Rights process please contact Susan Boelk or Joe Theroux at 352-527-5458.

**17. What is the deadline for reassigning my development rights?**

**A:** The established deadline of May 5, 2008, for submitting an application for Reassignment of Development Rights has passed.

**18. What happens if I have signed a Reassignment of Development Rights and I later want to build a second house?**

**A:** You will not be allowed to do that. Your Reassignment of Development Rights will become a recorded document on the parcel to which it applies and that lot will no longer be developable as a separate lot. That is the right you are giving up by signing that document, so, be sure that is what you want to do even in the long run.

**19. What happens if I have signed a Reassignment of Development Rights and I decide to sell the property?**

**A:** You would need to disclose the fact that you have surrendered development rights on your property to the buyer and your real estate agent.

**20. Will there be any compensation for me to give up the development rights?**

**A:** No. The only advantage to surrendering development rights is relief from the special assessment for the affected parcel.

**21. My lots are combined as homesteaded property. Why am I receiving an assessment notification for my vacant lot(s)?**

**A:** Your properties were previously joined and homesteaded for the sake of property taxation purposes. In theory you, or a subsequent owner, could at any time separate the lots and sell them individually. For the purposes of this assessment your property is considered to be 2 (or more) lots - 1 or more which is considered unimproved. The notice you received regarding '**Permanent Reassignment of Development Rights**' (DVR process) was to inform you that you had the option to combine adjacent lots for the purpose of this special assessment. Unlike joining properties for tax purposes, the Permanent Reassignment of Development Rights process is **permanent, irrevocable** and **affects future development rights**.

**22. If I chose the permanent reassignment of development rights will there be a re-assessment on the value of my total property?**

**A:** The Property Appraiser reassesses ALL property every January 1st, regardless of any type of change to the property. They will review any changes that occur and could determine that the

combination of lots makes the property more or less valuable, depending on the market during the preceding year.

**23. Is there a copy of the Topeka Line Extension Agreement available for public review? What about the last full rate case that established the rates in Pine Ridge and Citrus Springs?**

**A:** There is a copy of the Topeka Agreement that can be reviewed in the Water Resources Department Offices. Also, there is a copy of the Final Order of the Florida Public Service Commission in the last full rate case that they did for Pine Ridge and Citrus Springs, which was Docket 950495. This 1000+ page document is available for review also at the Water Resources Department Offices.

**24. Why is there a disparity in the price of a line in front of a vacant parcel just because the line was installed before December 5, 2003?**

**A:** Lines that were installed prior to that date were part of the assets acquired by the Florida Governmental Utility Authority (FGUA) when they purchased this system from Florida Water Services. The lines prior to that date were acquired by the issuance of bonds. The carrying costs of these bonds are being paid for in general rates. The lines themselves are not being paid for until the lot owner connects to the system and then the fee for the line extension portion alone would be \$446. However, lines that were installed after the date that the FGUA acquired this system were installed through the use of a short term line of credit - a bank loan. When they still owned the system, the FGUA got approval to charge an assessment of up to \$1910 per adjacent vacant lot for each of these lines. This was adjudicated by the Water and Wastewater Authority in its Final Orders in late 2005 and early 2006. Those decisions were made in legally advertised public hearings. Any Final Order of that Authority is subject to protest and or appeal in accordance with County Code. No protest or appeal was filed. The ability of the Water and Wastewater Authority to make such decisions is founded both in County Code and in State Statutes that allowed counties to take over jurisdiction on these matters, which this County did in August, 1999. Both Pine Ridge and certain citizens in Citrus Springs were represented by attorneys and both attorneys expressed satisfaction at the decisions that were rendered. Some have surmised that the County must have paid for the infrastructure (these pipelines) when it bought the system from the FGUA. We did not. We paid for the rest of the infrastructure (all other assets) but inherited a line of credit (loan) that was taken out by the FGUA specifically for these line extensions. This is precisely the reason for the assessment. By the way, the attorney who represented interests in Citrus Springs was a Ms. Emily Peacock who has since been appointed to be a Circuit Judge for the State.

**25. I was at the Citrus Springs Line Assessment Public Hearing on May 19, 2008 and heard people talking about low water pressure at their homes. What is being done about that?**

At the special hearing on May 19, 2008 for the proposed assessment of lines in Citrus Springs, several complaints were heard regarding low pressure conditions at their homes, particularly during early morning hours and particularly on Mondays. Key Water Resources Department Staff met the next day to initiate and implement a multifaceted approach to resolve this issue. Some of the actions have already been accomplished, some are to be accomplished in the coming days or weeks and some will take considerably longer.

The action plan is as follows:

<b>Item No.</b>	<b>Title of Action</b>	<b>Description</b>	<b>Time Frame for Accomplishment</b>	<b>Cost (if significant)</b>
1	Mapping	Gather and plot all low pressure complaints received over the past year. Create data base & insure follow up with work orders and contact with customers.	Complaints have been plotted and the database is complete. Follow-up and contact is ongoing.	NA
2	Identify areas for possible system adjustment	Look into adjustment of inter-connection valves & pump operations at wells and at storage tanks.	Action plan in place. To be completed by August 30, 2008.	NA
3	Network of Pressure Recorders	Install 24-hour pressure recorders in areas of low pressure complaints as determined by Staff to get better picture of actual conditions	Action implemented and ongoing on a case basis.	\$5,000
4	Perform hydraulic analyses of systems	Retain qualified engineering firm to model system and identify changes and upgrades needed	Work authorization Agreement approved by BOCC on 7-15-08. Assessment will take about 3 months. Upgrades and changes are undetermined as yet.	\$48,500 for modeling only
5	Replace Well #6 in Pine Ridge	Finalize design to utilize new well appropriately	Design studies underway. Ready to bid early Fall.	Design dependent: \$100,000 to \$500,000
6	Complete Pine Ridge Water Treatment Plant #1	Installation of new high service transfer pumps and ground storage tank are complete. However, operating scheme is being finalized	Operations optimization is underway. We will also utilize pressure sensor recordings to optimize setting for pump starts, sequencing and operations over the next two months.	NA
7	Construct water line extensions and replacements	Identify system improvements that will overcome dead end lines, undersized lines, and complete circulation loops	HD Industries already under contract to construct lines as identified. To be completed six months after system modeling is completed.	Depending on size and length of lines, between \$100,000 to \$250,000
8	Enhanced Code Enforcement	Contact code enforcement on real time basis during periods of low water pressure	Already alerted to the ongoing problems occurring on Monday mornings. Additional evening patrols in effect.	NA
9	Conservation Outreach	Schedule additional meetings to discuss successful conservation strategies	Meetings were held between customers and our Conservation and Customer Outreach Coordinator. Additional meetings & info directed to area customers is planned. Follow-up work is ongoing.	NA
10	Enhanced monitoring of high bills	Require our billing contractor to follow up with field investigation when a customer meter shows a significant increase in usage.	Already implemented	NA

Results of note to date: Mapping of low pressure complaints revealed at least one concentrated area of complaints. The County has a construction contract in place to fill in main lines in nearby streets and we are actively proceeding with a project to complete installations. This will enhance the flow of water in the distribution system.