



STAFF REPORT

CITY OF GREEN COVE SPRINGS, FLORIDA

TO: City Council Regular Session **MEETING DATE:** September 1, 2026
FROM: Scott Schultz, Water Utilities Director
SUBJECT: City Council approval on First Reading of Ordinance O-21-2026 authorizing reclaimed water (irrigation) rate changes and consolidation of the Reclaimed Water Fund into the Wastewater Fund for Fiscal Year 2027.

BACKGROUND

City Code Section 90-575, entitled "Reclaimed Water usage and monthly minimum charges," which establishes reclaimed water rates, is hereby amended to read as follows, effective on September 15, 2026:

Sec. 90-575. Reclaimed water usage and monthly minimum charges.

- (a) *Rates schedule.* The rates, fees and charges for reclaimed water service furnished by the reclaimed water system of the city, referred to as a reclaimed water charge, shall be based upon the quantity of reclaimed water, determined by metering, furnished to each user's premises each month. The owner, occupant or tenant of each lot or parcel of land connected with or using the reclaimed water system shall pay for the use of, and for the services furnished by the reclaimed water system, a reclaimed water charge according to the following schedule:

Meter Size	Monthly Base Charge*
¾"	\$18.59 <u>\$19.05</u>
1"	\$27.61 <u>\$28.30</u>
1-½"	\$39.30 <u>40.28</u>
2"	\$54.38 <u>\$55.74</u>
3"	\$74.35 <u>\$76.21</u>
4"	\$297.37 <u>\$304.80</u>
6"	\$548.35 <u>\$562.06</u>
8"	\$780.72 <u>\$800.24</u>
10"	\$1,022.37 <u>\$1,047.93</u>
12"	\$1,645.25
* Base charge does not include any usage.	
* The bulk rate for reclaimed water is \$0.86 per 1000 gallons	

Residential Irrigation	Monthly Charge per 1,000 Gallon of use				
Block Size	<10,000 gallons	10,001—15,000 gallons	15,001—20,000 gallons	>20,001 gallons	
Rate (\$/1,000 gal)	\$3.24 <u>\$3.32</u>	\$3.35 <u>\$3.43</u>	\$4.26 <u>\$4.37</u>	\$5.58 <u>\$5.72</u>	
Commercial Irrigation	Monthly Charge per 1,000 Gallon of use				
Block Size	<10,000 gallons	10,001—15,000 gallons	15,001—20,000 gallons	>20,001 gallons	
Rate (\$/1,000 gal)	\$3.24 <u>\$3.32</u>	\$3.35 <u>\$3.43</u>	\$4.26 <u>\$4.37</u>	\$5.58 <u>\$5.72</u>	

- (b) *Reclaimed water utility users outside the city limits.* All reclaimed water users outside the city limits shall pay 125 percent of the equivalent rate charged to those users within the city limits.
- (c) *Application of charges.* The charges in this section shall apply to all classes of users, including residential and commercial (industrial, institutional, charitable or otherwise), except as otherwise provided in this Code.
- (d) *Maximum monthly bill.* There shall be no maximum charge per month.
- (e) *Minimum monthly bill.* The minimum residential and commercial charge shall be the base charge based on the user's reclaimed water meter size. The base charge does not include any usage.
- (f) *Bulk reclaimed water rates.* Bulk or wholesale reclaimed water rates shall be calculated to reflect the city's cost of providing reclaimed water service to those entities entering into an agreement with the city. Such rates will be determined on an individual basis by the city.
- (g) *Emergency service calls.* Beginning Friday at 1730 (5:30 p.m.) through Monday at 0700 (7:00 a.m.), emergency service calls which require staff to respond, from which the cause is not related to the city's reclaimed water system, shall be charged at a rate of \$100.00 / service call.
- (h) *Commercial* as defined within this section, includes all uses other than residential.
- (i) *Annual rate increase.* The City Manager shall issue a written report to the City Council during the annual budget process recommending any necessary reclaimed water rate adjustments.

- (j) *Computation of use.* A consumption of a fraction of any 1,000 gallons shall be the same as using the entire 1,000 gallons.

Section 2. City Code Section 90-579, entitled “Use of Funds,” which establishes the allocation of funds collected from reclaimed water rates, is hereby amended to read as follows, effective on September 15, 2026:

Sec. 90-579. - Use of funds.

All revenues received, collected and derived from the charges imposed by this article shall be placed as received from the customer by the city into ~~a special fund to be known and designated as a reclaimed water~~ the wastewater enterprise fund, ~~which fund shall be kept separate and apart from all other funds of the city.~~ The monies in such fund shall be used for the following purposes:

- (1) Operation, repair and maintenance of the reclaimed water system of the city;
- (2) Construction or acquisition of any reclaimed water system and the construction or acquisition of extensions, additions, renewals or replacements to the existing reclaimed water system of the city; and
- (3) Paying all or part of the debt service requirements of bonds issued to finance the cost of construction or acquisition of capital improvements described in subsection (2) of this section, in such amounts or proportions of such monies as may be pledged by ordinance.

FISCAL IMPACT

2.5% increase in reclaimed water irrigation charges.

RECOMMENDATION

Approve First Reading of Ordinance O-21-2026 authorizing reclaimed water rate changes for Fiscal Year 2027.