



Date: April 14, 2025
To: Mayor and Town Council
From: Sean O’Keefe, Town Manager
Re: Consideration and Approval: **Drake Pointe Utility Agreement**

Objective:

To consider and approve an agreement between the Town of Howey-in-the-Hills and GPK Harris Lake, LLC (the developer of the Drake Point project), providing for future voluntary annexation of the property, exclusive potable water utility service by the Town, and exclusive wastewater utility service through the Town’s agreement with the Central Lake Community Development District (CDD).

Summary:

The agreement formalizes the conditions under which the Town will provide water and wastewater service to the Drake Point development.

1. Voluntary Annexation: Annexation will occur automatically once the criteria are met, without further consent needed.
2. Potable Water Utility Service: Up to 525 ERUs (Equivalent Residential Units) of water capacity to be reserved by the Owner. The Owner must fund and construct all on-site and off-site improvements at their expense and convey those assets to the Town.
3. Wastewater Utility Service: Service will be provided under the Town’s Amended and Restated Wastewater Treatment Agreement with the CDD. The Owner must become a “Certified Customer” of the CDD, secure treatment availability, and pay the CIAC (Contribution in Aid of Construction) fees.
4. Town Utility Control and Costs: The Town will be the exclusive provider of utility services. The Owner is responsible for construction, permitting, and conveyance of improvements to the Town. Town rates and connection fees will apply, with possible adjustments for properties located outside Town boundaries prior to annexation.
5. Timeframe and Termination Clause: The Town may terminate the agreement after 10 years if no annexation has occurred and no connections to Town utilities have been made. The annexation petition remains valid even after termination.

Fiscal Impact:

There are no infrastructure costs to the Town. Future revenues will come through standard utility fees and rates for water and wastewater, as well as *ad valorem* and other related revenues when annexation occurs.

Staff Recommendation:

Staff recommends approval of the utility agreement.