

Cape Coral in bind over utility cost

By Brian Liberatore • bliberatore@news-press.com • March 4, 2010

1:10 A.M. — Cape Coral has few options to lower utility bills.

During a two-hour meeting Wednesday, the City Council heard from consulting firm Burton and Associates on ways to knock down a pending increase in utility bills.

The city has already built about \$465 million worth of new water and sewage treatment facilities. There's no way around the debt payments. The only question is how to spread out the cost.

Right now, the cost is contained in the utility bills. An average residential utility bill - now at \$104 a month - is set to jump to \$159 a month by 2014.

The council discussed a handful of other options:

- The city could put up a general obligation bond - something voters would have to approve - to pay for the outstanding utility debt. The bond, Mayor John Sullivan said, "doesn't stand a chance."
- The city could restart the utility expansion program, adding more paying customers to the system. The last utility installation would have cost the average property owners about \$17,000 in assessments and fees.
- The city could figure out a way to charge the 16,000 property owners who have access to the utilities but have never paid an impact fee.
- The city could try to charge all 75,000 properties that have never paid impact fees. Though the city's legal staff believes the city can't assess people for a utility system they can't access.

"If we're going to collect these fees, (property owners) need to be able to have something on a map that says this is when we're coming with your water," said Councilman Kevin McGrail.

Currently more than half the city is not hooked into

Cape Coral's utility system. And the city has no plans to expand the system.

The council is planning to bring in outside legal help to determine if there is a way to charge to charge an impact fee to those properties without access to central water, sewer or irrigation.

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