

Impact fee moratorium tied to new sewer system

By [Mary Hurst](#)

News Chief

Published: Sunday, July 29, 2012 at 8:18 a.m.

DAVENPORT - City commissioners told City Manager Amy Arrington last week to prepare for a moratorium so the city won't have to pay \$1.4 million in impact fees if commissioners keep their promise to pay hookup costs for residents who may get a new city sewer system on the city's east side.

"Growth here for the past few years has been very slow," Arrington said Friday. "Any impact fees we'd lose would be more than offset by the savings to the city not to have to pay the impact fees."

The 18- to 24-month impact fee moratorium would be the difference between borrowing an additional \$1.8 million versus \$412,000 to hook up an additional 412 homes in the area.

Commissioners will find out what city residents think of the issue at the town meeting at 6:30 p.m. Tuesday at the Davenport Community Center.

After residents' input, commissioners will decide whether to proceed with the project at its next regular meeting.

The federal and state governments have been encouraging small towns to get rid of their septic tanks because of water and soil pollution. Their encouragement is in the form of federal grant and loan dollars to help pay for the projects, including Davenport.

For the past eight years, the sewer project has been under consideration. Over the last year, the city has put in place everything necessary to issue bonds to repay the loan. Now, commissioners will hear what residents have to say before issuing the bonds.

Commissions considering the project over the last eight years had promised residents, affected east of U.S. 17/92, that the city would pay for them to hook up to the system -- until they learned last year the U.S. Department of Agriculture funding wouldn't cover hookup costs, including impact fees.

The cost of hooking into the sewer system would cost an average of \$5,000 per residence, including \$3,500 in impact fees and the rest to hook up a sewer lateral from the home to the sewer main in the street.

Before deciding to go with the sewer collection system and the new wastewater treatment plant, the commission had also looked into hooking into either Polk County's sewer system or Haines City. Both alternatives were more expensive than building their own plant. In any case, the city would have had to install the sewer collection system.

The cost to build the sewer collection system is \$5.3 million. The cost of the new wastewater treatment plant required is \$2 million.

To pay for the project, the city has a \$4.985 million USDA loan, a \$2.325 million USDA grant, \$600,000 in impact fees already collected and another \$300,000 grant. They will have to borrow the rest from a bank for a total of \$8.21 million if they choose to pay for the sewer hookups.

If they don't, they would have to institute a special assessment for residents to pay for the hookups, interest-free and over time.

Residents would have a year to hook up to the system.

While some residents think their septic tanks are working fine, others want to see the sewer system installed.

Resident Curtis Crews, a former city commissioner, wasn't too happy about the town meeting.

"I've heard some people say they want this on a referendum," he said. "You were elected so you could make those decisions. You can't run a city on referendums."

He said without a sewer system, a McDonald's wouldn't come to Davenport and The Hotel owners are waiting for the sewer system so they can operate a bed and breakfast inn.

"Eventually, the EPA is going to mandate getting rid of all septic tanks and a drain field doesn't last forever," he said. "It's will never be cheaper than it is today and we'll lose our grant if we don't move forward on this."

news@newschief.com