

**AGENDA MINUTES
CITY COMMISSION MEETING
VENETIAN CENTER, 1 DOZIER COURT
MONDAY, AUGUST 25, 2025 5:00 PM**

1. CALL TO ORDER

The City of Leesburg Commission held a second Workshop meeting regarding Utility Impact Fees on Monday, August 25, 2025, at the Venetian Center, located at 1 Dozier Court, Leesburg. Mayor Reisman called the meeting to order at 5:00 p.m. with the following members present:

Commissioner Allyson Berry
Commissioner Jimmy Burry
Commissioner Mike Pederson
Mayor Alan Reisman

Commissioner Jay Connell was absent. Also, present were City Manager (CM) Al Minner, City Clerk (CC) J. Andi Purvis, Deputy City Clerk (DCC) Anna Rottermond, the news media, and others.

INVOCATION

Mayor Reisman gave the invocation followed by the Pledge of Allegiance to the Flag of the United States of America.

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. PRESENTATION:

A. Water and Wastewater Utility Fee Increase Presentation

CM Minner informed the audience that the public works director would be providing the presentation. However, the city is in the process of considering a water and sewer impact fee increase. Pursuant to state statutes, and because we are seeking an increase of over a fifty percent threshold, there are some special perimeters that we have to follow. We are required to hold two workshops, which this is the second workshop. Then we will have a first and second reading of the ordinance, and in order for the ordinance to pass it requires a super-majority vote of the commission.

Public Works Director (PWD) Cliff Kelsey said this was the second workshop for the utility impact fees and the format will be exactly as it was at the first workshop. These workshops are to provide an opportunity for people who were not able to participate in the first workshop a chance to see the presentation. The presentation will review and discuss what an impact fee is, the methodology of the calculations, the summary of the finding, and the extraordinary circumstances for which we feel are justified to use for a course of action and the next steps. After the presentation we will have public and commission comments.

Referring to the slides, he said impact fees help recover costs of major capital improvements. They allow for capital improvement plans, and our level of service. They looked at the legal considerations for what drives impact fees. The key thing they looked at were the changes that are coming in January 2026. That is why the city decided to get ahead of this and not behind it. The potential changes could alter the city's course of action. He provided a slide that showed more legal considerations and takeaways. Anything we do to update the current fees must be adopted within twelve months of the impact fee study and the impact fee study was just recently completed. Another key takeaway is the ninety-day grace period before a city can impose new or increased fees. The key to this is the incremental increase based on the number of circumstances. He highlighted the extraordinary circumstances that the city was qualified for and the two types of extraordinary circumstances that will govern what we decide to do.

Referring to a slide about impact fee criteria, he said this gives more definition of reasonable levels of service, and that drives what impact fees we use to meet the needs of the community. They went over the fee calculation methodology, which included all of our data, current assets, capital improvement plans and all the developments that are in the works. From that, we looked at our level of service of three hundred gallons per day (GPD) for water and two hundred and fifty gallons per day (GPD) for wastewater on the ERU basis. They punched the numbers and these were the results that we received. He provided a slide with more fee calculations and methodologies. Basically, this covers our capital improvements plan and our existing infrastructure. He showed the capital improvement plans for the projects the city plans to build within the next five years, and he showed the city's current infrastructure.

The bottom line is what we are looking at. We can see the existing fees for water and sewer based on our current level of service, and it breaks down into a cost per gallon of capacity. If we take three hundred gallons per day of water based on \$1,175, it gives us \$3.91 per gallon of capacity, and that is what our impact fee will buy us. With the proposed fees based on the calculations and information provided, we are looking at increasing water by sixty-seven percent, and wastewater is \$2,778 for impact fees. The cost per gallon of capacity will go up the same percentage. One interesting thing to note is the fifty percent cap. When we increase by fifty percent, it would go up an additional \$1,762.50 for water and up to \$4,167 for wastewater. Referring to the local utility impact fee comparison and increases, (the red line to the right) we can see \$3,953, which is where we currently stand. We currently sit very low compared to other surrounding organizations. Then (the red line in the middle of the chart) shows an increase of \$6,606, and that would be the recommended increase. It would still leave us on a very competitive schedule for impact fees compared to our local neighbors.

Referring to another slide, he showed where the city has been over the past two to three years. He showed the organizations who have done impact fee studies and who have already increased their impact fees. Over the last two and a half years, there have been sixteen organizations in our peer group who have used a similar methodology. This year alone, three of them have done this, and they have gone the same route to increase their impact fees. The implementation considerations go with our ERUs and the limit of fifty percent. With the implementation options, we can either do an increase of fifty percent and phase it in evenly over four years after the fifty percent is already in, or we can do what staff is recommending, which is to pursue a full one-time increase through extraordinary circumstances.

Moving on to another slide, he said this was the justification for why the city felt extraordinary circumstances related to us. It is important to note that population growth is important because we are up almost 10,000 residents over the last five years. On average, six point five percent per year and all the entitlements are on the books. We also have approximately 40,000 lots that have been added since 2020. Of the 39,823 lots that are on the books, 14,185 of those are located in The Villages. The consumer price index and material costs of construction have gone up forty percent plus since 2019. The cost to build,

the cost to maintain, and the cost to operate have all gone up, and that all justifies the extraordinary circumstances.

The next step after tonight's workshop is to set up the first and second readings of the ordinance, which will be held at the next two city commission meetings which comply with the Florida Impact Fee Act requirements. Then, after the second reading, if adopted, we will have a ninety-day grace period before it is implemented.

Mayor Reisman asked if there were any questions for the public works director. There were none.

3. DISCUSSION:

Mayor Reisman asked if there were any comments from the commission and the audience. There were none.

4. ADJOURN:

PERSONS WITH DISABILITIES NEEDING ASSISTANCE TO PARTICIPATE IN ANY OF THESE PROCEEDINGS SHOULD CONTACT THE HUMAN RESOURCES DEPARTMENT, ADA COORDINATOR, AT 728-9740, 48 HOURS IN ADVANCE OF THE MEETING.

F.S.S. 286.0105 "If a person decides to appeal any decision made by the Commission with respect to any matter considered at this meeting, they will need a record of the proceedings, and that for such purpose they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." The City of Leesburg does not provide this verbatim record.

With a motion by Commissioner Pederson and a second by Commissioner Burry, the meeting adjourned at 5:11 p.m.