

RESOLUTION 2003 - 48

A RESOLUTION OPPOSING A PROPOSED SURCHARGE ON RESIDENTIAL WATER RATES IMPOSED BY THE CITY OF FERNANDINA BEACH ON OUT-OF-CITY RESIDENTS.

WHEREAS, the City of Fernandina Beach (the "City"), recently voted to acquire the water assets of the Florida Public Utility Company ("FPU"); and

WHEREAS, the acquisition will give the City the exclusive right to provide water to FPU's service area; and

WHEREAS, in a statement by City Manager Bob Mearns to the *Florida Times Union, Nassau Neighbors* publication on Wednesday, December 11, 2002, he stated that "water and sewer rates would remain constant for the next five years"; and

WHEREAS, the City is holding a special meeting and public hearing on March 18, 2003, to establish utility rates; and

WHEREAS, the City indicates that it will impose on out of City residents, who have long received their water from FPU, a twenty-five percent (25%) surcharge; and

WHEREAS, the Board is advised that, when out of City residents call the City to find out what they can do about this situation, they are told to "join the City"; and

WHEREAS, the City's purchase price for the water assets of FPU appears to be far above the market value; and

WHEREAS, the surcharge the City will impose appears to be required by their payment to FPU, which is far above market price; and

WHEREAS, the City's purchase of FPU appears to be violative of Florida Statutes, Section 159.03.

NOW, THEREFORE, BE IT RESOLVED this 10th day of March, 2003, by the Board of County Commissioners of Nassau County, Florida, as follows:

1. The Board of County Commissioners unanimously opposes the twenty-five percent (25%) surcharge to be charged on residential water rates for out of City residents, as being unwarranted and unreasonable.

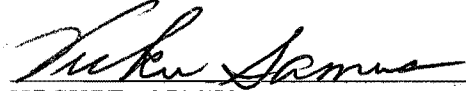
2. The City, pursuant to Florida Statutes, Section 159.03, must request the consent of the Board of County Commissioners to acquire FPU and cannot proceed without the consent of the Board of County Commissioners.

3. The City must schedule a public meeting with the Board of County Commissioners in order to receive public comment prior to acquiring FPU.

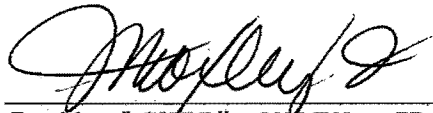
4. The Board of County Commissioners hereby authorizes that a copy of this Resolution be provided to the Mayor of the City of Fernandina Beach, the City Manager, and the City Clerk, as well as a copy be sent to

each City Commissioner.

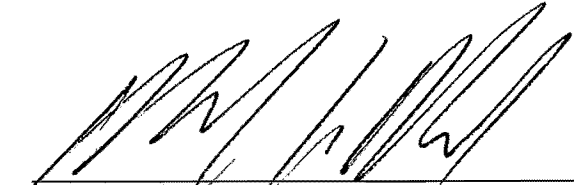
BOARD OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA


VICKIE SAMUS
Its: Chairman

ATTEST:


J. M. "CHIP" OXLEY, JR.
Its: Ex-Officio Clerk

Approved as to form by the
Nassau County Attorney


MICHAEL S. MULLIN

h/anne/res/city-surcharge