



City of League City, TX

300 West Walker
League City TX 77573

Text File

File Number: 15-0078

Agenda Date: 2/10/2015

Version: 1

Status: Draft

In Control: Administrator

File Type: Agenda Item

Title

Consider and take action on an ordinance amending Chapter 114 of the Code of Ordinances of the City of League City, Texas entitled "Utilities" by amending Article IV therein entitled "Rates and Charges" (Director of Finance)

..Background:

Approval of this ordinance will authorize adjustments to the water and wastewater rates and other fees based on the recommendation from NewGen Strategies & Solutions' Water and Wastewater Multi-Year Financial Plan and Rate Design Study as presented to City Council on January 13, 2015. Upon implementation of the recommended rates for this year, the plan will be reviewed annually as to measure the performance of the rates and evaluate the need for further adjustment.

The council last took action to update water and sewer rates, fees and affected ordinances on October 28, 2008. Since that time, increases in wholesale purchase cost, daily operations and expenses, growth with increase in service demands and investment in significant capital program has dictated the need to update rates.

Approval of this action will authorize staff to update the rates into three (3) billing categories: residential (single-family dwellings), commercial (including multi family, schools, apartments, condominiums, etc.) and commercial irrigation. The 2015 recommended rate structure will 1) establish an increasing (inclining) block rate structure for water, 2) reduce the number of gallons in the minimum sewer bill to 2,000 (from the current 3,000), 3) reduce the current cap of 11,000 gallons for wastewater consumption to 10,000 gallons for residential customers, and 4) establish multi-family customers as commercial customers, eliminating the 90% of units billing assumptions.

A summary of the new rates and charges is as follows:

<u>Residential</u>	<u>Usage</u>	<u>Cost</u>
Water	Base 0 to 3,000 gallons	\$ 7.13
	3,001 to 10,000 gallons	\$ 5.90/per 1,000 gallons
	10,001 to 25,000 gallons	\$ 6.79/per 1,000 gallons
	25,001 and more gallons	\$ 7.80/per 1,000 gallons
Sewer	Base 0 to 2,000 gallons	\$13.88
	2,001 to 3,000 gallons	\$ 4.62/per 1,000 gallons
	3,001 to 10,000 gallons	\$ 4.62/per 1,000 gallons
<u>Commercial</u>		
Water	Base 0 to 3,000 gallons	\$ 7.13
	3,001 and more gallons	\$ 5.90/per 1,000 gallons
Sewer	Base 0 to 2,000 gallons	\$13.88
	2,001 to 3,000 gallons	\$ 4.62/per 1,000 gallons

<u>Irrigation</u>	3,001 and more	\$ 4.62/per 1,000 gallons
Water	Base 0 to 3,000 gallons	\$ 7.13
	3,001 and more gallons	\$ 6.79/per 1,000 gallons

Amended water and sewer fees will be set as follows:

- Meter Tamper Fee \$75.00
- Service Charge - after 2 failed attempts \$50.00
- Same Day Service Fee \$50.00
- Processing Fee - delinquent accounts \$40.00
- After Hour Service Fee \$50.00
- Fire Hydrant/Construction Meter Deposit \$1,500.00
- Meter Re-Read & Meter Field Testing \$65.00

All other fees will remain the same as provided in current ordinance provisions.

Attached is a redline version of the existing rate ordinance that further identifies all of the adjustments incorporated in the proposed ordinance.

Attachment:

1. Data Sheet
2. Proposed Ordinance
3. Proposed Ordinance Redline Version
4. List of Water and Sewer Fees

CONTRACT ORIGINATION:

FUNDING

{ } NOT APPLICABLE

{ } Funds are available from Account # _____

{ } Requires Budget Amendment to transfer from Account # _____ to Account # _____

{X } Additional funds will be provided in the estimated amount of \$1.8 million annually