

ORDINANCE NO. 2015-

AN ORDINANCE AMENDING CHAPTER 114 OF THE CODE OF ORDINANCES FOR THE CITY OF LEAGUE CITY ENTITLED "UTILITIES" BY AMENDING ARTICLE IV THEREIN ENTITLED "RATES AND CHARGES"

WHEREAS, the City Council of the City of League City deems it necessary and prudent to amend Chapter 114 of the Code of Ordinances of the City by amending Article IV therein entitled "Rates and Charges" in order to update the City's standards, fees, and general requirements associated with making connections to the City's water system.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LEAGUE CITY, STATE OF TEXAS:

Section 1. The facts and opinions in the preamble of this Ordinance are true and correct.

Section 2. Chapter 114, Article IV of the City's Code of Ordinances is hereby revised to read as set forth in Exhibit "A" attached hereto and made a part hereof for all purposes.

Section 3. This ordinance shall be deemed to have an effective date of April 1, 2015.

Section 4. All ordinances and agreements and parts of ordinances and agreements in conflict herewith are hereby repealed to the extent of the conflict only.

APPROVED first reading the ____ day of _____, 2015.

APPROVED second reading the ____ day of _____, 2015.

PASSED AND ADOPTED the ____ day of _____, 2015.

TIMOTHY PAULISSEN,
Mayor

ATTEST:

DIANA M. STAPP,
City Secretary

“Exhibit A”

DIVISION 1. - GENERALLY

Sec. 114-116. – Deposit.

(a) Application for service

- (1) Any person, firm or corporation desiring water and/or sewer service shall complete a customer application form and shall fulfill all deposit requirements set forth in this section. Applications will be accepted in person at city hall, by phone or by fax. All commercial, multi-family residential, and single-family residential accounts, including developers, builders, contractors and real estate companies, must acquire service in the name of the corporation, company and/or individual who will be responsible for all charges incurred on the account(s), and provide all required information to the city. A list of all authorized personnel eligible to connect/disconnect service must be provided to the utility billing department.
- (2) All information requested on customer application forms must be completed in order to obtain service for the initial deposit amount as stated in this section. At the discretion of the utility billing manager, the deposit amount may be increased to protect the city's interests.

(b) Residential customers.

- (1) Deposits for single-family residential customers shall be \$100.00. Deposits can be made in person at city hall or by U.S. mail, within ten business days of connection date. Should the \$100.00 deposit not be received within that time frame, the \$100.00 deposit will be charged to the customer's account. Single-family residential customer deposits will be returned after 12 consecutive months of on time payment for water utility service. A customer who was finaled for non-pay and who is either reactivating the account or starting a new account will have a deposit amount of \$200.00. Half of the deposit, plus the past due amount, will be paid before service will be reactivated or started and the other half may be billed with a maximum of two installments (\$50.00 each)
- (2) A customer shall be accepted by the city without a cash deposit if any of the customer's previous utility companies (including the city itself) provides a letter that a good credit record has been maintained by the customer for a period of at least 12 consecutive months during the service period beginning no earlier than two years prior to the connection date. Good credit criteria with the City of League City Utility Billing Department are: No more than three late payments, no disconnection of service for non-payment and no returned checks in the most recent 12-month period. Approval of the customer for a waiver of the cash deposit by the utility billing manager, acting on behalf of the director, shall be received within ten business days after connection of service. When the waiver is not received, a \$100.00 deposit shall be charged to the customer's account.
- (3) Co-signers will be accepted for single-family residential users in lieu of a deposit only if the co-signer has an active account with the city for 12 consecutive months and if the co-signer meets all of the requirements of a good credit customer. Default or delinquent payments may be reflected on the co-signer's account. The co-signer must sign the forms

within ten business days after connection of service for the new customer and can be removed from the account upon request after one year of good credit from the new customer. If the co-signer wants to be removed before the twelve-month period, the new customer must pay a deposit or obtain another co-signer.

- (4) If the co-signer fails to sign the forms within the time allowed, a \$100.00 deposit will be charged to the new customer's account.
- (5) Customers maintaining an active single-family residential account and who require service at another single-family residential location, may, with timely payments for a minimum of one year at the original account address, obtain the additional service with no deposit required.
- (6) The utility billing manager, acting on behalf of the director of finance, will have authority to charge a deposit on an existing account, which has maintained poor credit history with the city, and also has the authority to increase an existing deposit in order to protect the city's interest.

(c) Commercial and multiunit customers.

- (1) Deposits for commercial industrial and multiple unit users shall be equal to three months' service charge for a like and similar commercial customer. When there is no like or similar commercial customer to use as a basis for determining the commercial deposit, such deposit shall be determined by the utility billing manager, acting on behalf of the director of finance, based on an estimate of the average expected three-month charge to the applicant. Deposits are subject to review by the director of finance for the purpose of reducing or increasing the amount of the deposit for reasonable cause.
- (2) Deposits may be made in the form of a surety bond guaranteeing payment by commercial and multiple unit users in lieu of a cash deposit. Such bond must be made by a financial institution or insurance carrier approved by the director of finance. Deposits made by bond shall be made within thirty days after service start-up. If bond has not been furnished to the utility billing department by the end of 30 days, a cash deposit equaling three months, estimated usage will be required to maintain service.
- (3) Temporary service for a major construction job will require a \$1,500.00 deposit for meter and fittings and will require the contractor to report his readings monthly. Contractors not submitting readings for a period of three months or longer may be subject to forfeiture of their deposit at the discretion of the director of finance.
- (4) Builders, landlords, real estate management companies, and others who have similar businesses may establish a "blanket" deposit to cover all properties in their charge. The blanket deposit amount will be set by the utility billing manager and approved by the director of finance.
- (5) Any deposit made to the city by a multiple unit customer having more than ten units and who has established good credit with the city for 12 consecutive months will be eligible for a 50 percent refund of the deposit. At that time, the customer may obtain a surety bond in lieu of the remainder of the deposit. If customer chooses not to obtain a surety bond, upon termination of service, the customer shall be entitled to a refund of the remaining deposit, less any amount which is due and owing to the city.

- (6) Any deposit made by a commercial or multiple unit customer with ten or less units will be returned after 12 consecutive months of on-time payments for water utility services.
- (7) The utility billing manager, acting on behalf of the director of finance, will have authority to charge a deposit on an existing account, which has maintained poor credit history with the city in order to protect the city's interests.
- (8) Customers maintaining an active commercial account, who require service at another commercial location may, with timely payments for a minimum of one year at the original account address, obtain the additional service with no deposit required.

Sec. 114-118. - Monthly wastewater rates and charges.

All wastewater rates are based upon water meter readings, except in those cases in which a city water meter does not exist.

- (1) *Single Family, Residential rates:*
 - a. Base charge to include first 2,000 gallons based on water consumption metered (the minimum):\$13.88
 - b. Charges per 1,000 gallons in excess of first 2,000 gallons but not to exceed the charge for 10,000 gallons per month:\$4.62
- (2) *Commercial rates, including schools, multi family, apartments, condominiums, etc.:*
 - a. Base charge to include first 2,000 gallons based on water consumption metered (the minimum):\$13.88
 - b. Charge per 1,000 gallons in excess of first 2,000 gallons:\$4.62
- (3) Industrial accounts shall contract with the city for rates varying from the foregoing sewer rates depending upon the volume and strength of sewer discharge.
- (4) A flat rate of \$31.99 per month shall be charged to residential customers where water usage is not metered.
- (5) Upon the request of the city a commercial or industrial sewer user not serviced through a water meter must have a sewer meter installed for the purpose of billing.

Sec. 114-119. - Monthly water rates.

- (a) *Residential rates, single-family dwellings:*
 - (1) Base charge to include the first 3,000 gallons of water metered (the minimum):\$7.13
 - (2) Rate of charge per 1,000 gallons for all water metered in excess of the first 3,000 gallons per month:\$5.90
 - (3) Rate of charge per 1,000 gallons for all water metered in excess of the first 10,000 gallons per month: \$6.79
 - (4) Rate of charge per 1,000 gallons for all water metered in excess of the first 25,000 gallons per month: \$7.80

- (b) *Commercial rates, including schools, multi family, apartments, condominiums, etc.:*
 - (1) Base charge to include the first 3,000 gallons of water metered (the minimum):\$7.13
 - (2) Rate of charge per 1,000 gallons for all water metered in excess of the first 3,000 gallons:\$5.90
- (c) *No connections; water metered off fire hydrants for temporary use in construction:*
 - (1) Base charge to include the first 3,000 gallons of water metered (the minimum):\$7.13
 - (2) Rate of charge per 1,000 gallons for all water metered in excess of the first 3,000 gallons: \$6.79
- (d) *Irrigation for landscape:*
 - (1) Base charge to include the first 3,000 gallons of water metered (the minimum):\$7.13
 - (2) Rate of charge per 1,000 gallons for all water metered in excess of the first 3,000 gallons: \$6.79
- (e) *Wholesale rates:* Weighted average cost of water delivered in the month for which the charge applies.

Sec. 114-119.1. - Services provided by outside entities.

City residents who receive water and wastewater service from an outside entity and whose service is being billed and maintained by the city shall pay:

- A. The rates for water and wastewater service as stated herein [in sections 114-118 and 114-119]; or
- B. A comparable rate to offset (pass thru) the charge by the outside entity plus five percent; or
- C. Whichever is to the advantage of the city.

Sec. 114-119.2. - Additional service charges.

- (a) "Customer requested" manual re-reads and/or field testing of the water meter, of more than one time in a 12-month period is \$65.00.
- (b) "Customer requested" bench testing of water meter, including the first bench test is \$50.00.
- (c) Where a meter set is requested by a builder, contractor or individual in a box that has been inspected and approved but later found non-compliant, or the lid has been removed, notification will be made by the utility billing department to raise or lower the box or replace the lid before the meter will be set. If, after a second request from builder or sub-contractor, to set the meter, the box is out of compliance, a service charge of \$50.00 will be billed to account, per incident at that location. After corrections are made the meter will be set.

- (d) Where a first time only "meter set" is requested by a builder or developer or a homeowner at a location, the cost of the meter shall be paid at the same time service connection fees are paid, prior to the meter being set.

Sec. 114-119.3. - Temporary service.

- (a) The following charges for temporary residential service shall apply to all good credit residential customers of the city water and sewer systems. Initial charges for this service may be collected at the time service is requested or may be billed to the customer. The service period will be established at the time of request, not to exceed five business days.
 - (1) New service fee\$15.00
 - (2) Consumption charges for 1,000 gallons of water\$4.96
 - (3) Consumption charges for 1,000 gallons of sewer\$3.89
- (b) Additional consumption registered on the meter at the time of termination of temporary service shall be charged to the customer's active account at the current residential rates and will be due and payable at the time the account billing becomes due.

Sec. 114-120. - Due date for payment of charges.

All water, wastewater and solid waste charges, as established by this chapter shall be billed on a monthly basis and shall be due within 15 business days of the billing date. Water, sewer and solid waste charges shall appear on one and the same statement or bill, separately itemized, but shall be considered as one billing. Payment for one service shall not be received without payment for all services where other services are received. All payments not received in the utility billing department by 8:00 a.m. following due date will have a ten percent penalty charge added to the bill. This will be the policy unless other arrangements have been made with the utility billing department.

All customers will be eligible for a one-time penalty exemption during a 12-month period. This exemption will be automatically applied to any one given account that contains a balance past the due date without exception, one time only, during the 12-month period.

Sec. 114-120.1. - Bill adjustments.

The city may grant a utility billing adjustment for abnormal water consumption with administrative guidelines established by the director of finance.

Sec. 114-121. - Disconnection of service for nonpayment.

If any water and/or wastewater charge is not paid within ten business days after the due date, such service as was extended and not paid for may be discontinued.

Sec. 114-122. - Resumption of service after disconnection for nonpayment.

Whenever any service is discontinued for reason of nonpayment of charges, a processing fee of \$40.00 shall be paid as well as the past due amount before service can be resumed. If a customer's name has made it to the final running of the cut list, a processing fee of \$40.00 shall be paid, as well as the past due amount to avoid disruption of service. Should the customer turn their service back on before charges have been paid, the meter will be removed and a tamper fee of \$75.00 shall be collected before service is resumed. For any customers subject to disconnection of service where the technician cannot disconnect the service, due to extenuating circumstances, a processing fee of \$40.00 may be charged to the customer's account.

Sec. 114-123. - Rates and charges of franchised public utilities to be fixed by city council.

The city council shall fix and approve the rates charged by any private public utility company franchised by the city and doing business within the city. It shall be unlawful for any such public utility company or any officer or employee thereof to assess or charge for services rendered any rate other than the rate so fixed or approved.

Sec. 114-124. - Voluntary discontinuance of service.

Any customer wishing to discontinue service shall give notice to the utility billing department; otherwise, the charges for the service as herein established shall continue to apply until such notice is given. If a request for discontinuance of services is made, the customer shall be refunded any deposits made less any amount which is due and owing to the city. Requests for discontinuance of service may be made either by phone, in person, in writing or by fax, by the customer, spouse, or someone who has documented proof of acting on behalf of the customer due to illness, death, or other justifiable reason. Charges will be prorated for length of service.

Sec. 114-125. - Bankruptcy notice.

The utility billing department shall, upon notice of bankruptcy notice listing the city water department as part of its legal debt, immediately close the existing service account and create a new account, with the active date of the new account being the date of receipt of such notice unless otherwise directed in writing, by the person(s) filing the bankruptcy action. Deposits on record will be applied to the finalized account. A new deposit will apply for the new account. Balances due to closed accounts will remain in terminated account file until such time as balance is paid by debtor through reorganization or the city is notified that amounts will not be paid by debtor, per court order. Those balances will then be written off in the usual manner with approval of the mayor and city council and will be noted as bankruptcy on department record.

Sec. 114-126. - Write offs.

Terminated accounts over ninety 90 days past due are submitted to city council for approval to write off. Any account with a Social Security number with a balance of \$20.00 or more, will be submitted to the credit bureau.

Sec. 114-127. - Transferring service.

If a current customer is transferring service from one location to another within the city, they may do so in person, by phone or by fax. If the customer currently has a deposit or co-signer, that deposit or co-signer information will transfer to the new account. If the customer previously had a letter of credit or their deposit had been refunded, the credit history for the most recent 12 months must meet the "Good Credit Criteria" as described in section 114-116 in order to waive the need for a new deposit. If the customer does not meet the criteria they will be required to pay a deposit or obtain a co-signer.

Sec. 114-128. - After hour and same day service fees.

If city personnel are called out within 60 minutes of closing, from utility billing's normal business hours to re-set a water meter or resume water service, a \$50.00 after hour fee will be charged to the customer's account. For new service requests, same day service shall be provided, only at a customer's request prior to 1:00 PM, Monday – Thursday working days. All same day service customer request after 1:00 PM on Monday – Thursday, and all day Friday are subject to \$50.00 fee.

Sec. 114-129. - Tamper fee and unauthorized service charge.

If it is determined that a meter has been tampered with, other than by city personnel, a \$75.00 tamper fee may be charged to the customer's account. Any future occurrences of this nature may result in an additional charge equaling the cost of the meter set-up.

Sec. 114-130. - Fire hydrant rental fees.

A monthly, flat rate rental fee of \$50.00 will be charged to customers utilizing city-owned, temporary fire hydrant for construction. Should the customer utilize the meter less than 30 days, the fee will not be pro-rated. A deposit of \$1,500.00 must be paid upon start of service.

Sec. 114-131. - Meter parts charges.

Should a customer, with the exception of builders and contractors accidentally damage a water meter and/or the electronics associated with the meter, city personnel will replace and/or repair the meter at no charge after the first occasion a customer has damaged the meter. Any subsequent damage to the meter and/or electronics will incur a fee to the customer for the cost of the parts necessary to repair the meter. The cost of repairs to a meter will be assessed on any occasion in which damage to a meter has been caused by a builder or contractor.

Sec. 114-132—114-140. - Reserved.