

ORDINANCE NO. 2018-30

AN ORDINANCE ESTABLISHING THE RATE CLASSIFICATIONS AND RATES TO BE CHARGED FOR WATER SERVICE PROVIDED BY THE CITY OF BOERNE UTILITIES, AND REPEALING AND REPLACING ORDINANCE NO. 2017-73 DATED SEPTEMBER 12, 2017 AND ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH

WHEREAS, the City Council of the City of Boerne, Texas deems it reasonable and necessary to revise water rates to provide adequate revenues to meet the operation and maintenance expenses, the retirement of bonded indebtedness and other financial requirements deemed necessary by the City Council of the City of Boerne, Texas.

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

SECTION 1. SERVICE RATE CLASSIFICATION

All water service provided by the City of Boerne Utilities shall be designated by the following rate schedules with descriptions, rates and conditions of service as indicated:

- (1) Residential Water Service
- (2) Residential Irrigation Water Service
- (3) Residential Multiple Unit Water Service
- (4) General Service/Commercial Domestic Water Service
- (5) General Service/Commercial Irrigation Water Service
- (6) General Service/Commercial Domestic with Irrigation Water Service
- (7) General Service/Commercial Fire Service

Each person owning, residing in, renting, leasing, operating, or otherwise using property whose water pipes connect with the water system of the City of Boerne, and who receive water service from and through the same shall be liable to the City for a monthly water service charge specified in Section 4 through Section 12.

RATES FOR OUT-OF-CITY WATER SERVICE – Per Section 201.2 of the City of Boerne Utility Rules and Regulations, water services are not extended outside the City of Boerne limits unless doing so is deemed beneficial to the City by the City Council. If such service is deemed beneficial and provided to the out-of-City customer, the current approved rates for water will be subject to a rate modifier. The rate modifier for the out-of-City customer is 20% which includes the customer, volume charge and all other specific rate elements. This rate modifier is based on the cost of service and is due to the fact that such out-of-City customers are not subject to the ownership risk for the utility system debt that is assumed by citizens served by the City of Boerne Utilities.

SECTION 2. RATE SCHEDULE ADMINISTRATION & ASSIGNMENT

Upon request for water service from a prospective customer, the City Manager, or his designee, shall assign the appropriate rate classification for water service to the applicant requesting service. This assignment may be based upon information provided by the applicant, or other information available at the time the assignment is made.

If a customer receiving service changes the nature or character of water service requirements, then the City Manager or his designee shall, upon review of the information available pertaining

to the revised water service requirement, reassign the customer to the appropriate rate schedule.

If a prospective or existing customer is eligible to receive water service under more than one of the City's rate schedules, or if the rates charged are unduly burdensome as a result of the customer's technical qualification for a specific rate schedule, then the Deputy City Manager shall assign the most appropriate rate schedule for water service after consideration of the various service requirements, potential impact on the City's facilities, the potential relative costs of serving the customer, and other available pertinent information. The prospective or existing customer may appeal the determination made by the Deputy City Manager to the City Manager with thirty days written notice to same.

SECTION 3. EFFECTIVE DATE

The rates and charges prescribed herein shall become effective on and after the first day of each billing cycle for the October 1, 2017 **2018** billing period.

SECTION 4. RESIDENTIAL WATER SERVICE RATE SCHEDULE

(a) Availability:

This schedule is available throughout the water service territory served by the City of Boerne subject to the rules, regulations, policies and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for water service used exclusively for domestic residential purposes where each unit is individually metered for water serviced by a 5/8" or 3/4" water meter and that do not involve any nonresidential activity.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charges, as shown below:

Customer charge (includes 0 gallons):	5/8" meter	\$26.75 \$27.29 per month
	3/4" meter	\$55.75 \$56.87 per month

Volume Charge:

The year-round volume charge for water usage will be billed under the following rates:

	Per 100 Gallons
First 0 – 6,000 gal.	\$0.202 \$0.208
Next 6,001 – 10,000 gal.	\$0.335 \$0.348
Next 10,001 – 15,000 gal.	\$0.457 \$0.477
Next 15,001 – 25,000gal.	\$0.499 \$0.522
Next 25,001 – 50,000 gal.	\$0.696 \$0.730
Next 50,001 – 100,000 gal.	\$0.819 \$0.865
All excess over 100,000 gal.	\$1.200 \$1.355

- d) Minimum Monthly Charge:
The minimum monthly charge shall be the customer charge.

SECTION 5. RESIDENTIAL IRRIGATION WATER SERVICE

- (a) Availability:

This schedule is available throughout the water service territory served by the City of Boerne subject to the rules, regulations, policies and rates established by the City of Boerne.

- (b) Applicability:

This rate is applicable for water service where an irrigation-only water meter is installed in addition to the domestic service and used exclusively for residential irrigation purpose for a single living unit where each unit is individually and additionally metered for water irrigation serviced by a 5/8" or 3/4" water meter and that does not involve any nonresidential activity.

- (c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the monthly volume charges, as shown below:

Customer charge (includes 0 gallons):	5/8" meter	\$26.75 \$27.29	per month
	3/4" meter	\$55.75 \$56.87	per month

Volume Charge:

The year-round volume charge for water usage is ~~\$0.720~~ **\$0.810** per 100 gallons for all water usage.

- (d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

SECTION 6. RESIDENTIAL MULTIPLE UNIT WATER SERVICE RATE SCHEDULE

- (a) Availability:

This schedule is available throughout the water service territory served by the City of Boerne subject to the rules, regulations, policies and rates established by the City of Boerne.

- (b) Applicability:

This rate is applicable for water service to customers serviced by a 5/8" or larger meter who provide separate, identifiable, multiple permanent residential units which are not individually metered, which do not receive service under a different rate schedule and does not include any nonresidential activity.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge plus the unit charge plus the monthly volume charges, as shown below:

Customer charge (includes 0 gallons):

5/8" meter	\$26.75	\$ 27.29	per month
3/4" meter	\$55.75	\$ 56.87	per month
1" meter	\$60.21	\$ 61.41	per month
1 1/2" meter	\$89.22	\$ 91.00	per month
2" meter	\$142.73	\$145.58	per month
3" meter	\$285.48	\$291.19	per month
4" meter	\$356.30	\$363.43	per month
6" meter	\$427.10	\$435.64	per month
8" meter	\$556.34	\$567.47	per month

Unit charge: a charge per unit, per month, where units are defined and the associated charge specified in Section 6(e).

Volume Charge:

The year-round volume charge for water usage will be billed under the following rates:

		Per 100 gallons
First	0-25,000	\$0.456 \$0.477
Next	25,001 – 100,000	\$0.515 \$0.541
Next	100,001 – 250,000	\$0.554 \$0.586
All excess over	250,001	\$0.643 \$0.691

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge plus the unit charge.

(e) Determination of Units and Unit Charges:

When any customer offers or provides more than one separate and identifiable permanent residential area, then each of these areas, plus each public bathroom, laundry area and service or repair area, shall be defined as a unit for billing purposes. The charge per unit shall be ~~\$7.43~~ \$7.58 per month.

SECTION 7. GENERAL SERVICE/COMMERCIAL DOMESTIC WATER SERVICE RATE SCHEDULE

(a) Availability:

This schedule is available throughout the water service territory served by the City of Boerne subject to the rules, regulations, policies, and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for domestic water service to nonresidential customers who are serviced by a 5/8" or larger meter and have an installed, separate and additional water meter with dedicated use for irrigation only purposes and do not receive service under a different rate schedule.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge, and the monthly volume charges, as shown below:

Customer charge (includes 0 gallons):

5/8" meter	\$26.75	\$ 27.29	per month
3/4" meter	\$55.75	\$ 56.87	per month
1" meter	\$60.21	\$ 61.41	per month
1 1/2" meter	\$89.22	\$ 91.00	per month
2" meter	\$142.73	\$145.58	per month
3" meter	\$285.48	\$291.19	per month
4" meter	\$356.30	\$363.43	per month
6" meter	\$427.10	\$435.64	per month
8" meter	\$556.34	\$567.47	per month

Volume Charge:

The year-round volume charge for water usage will be billed under the following rates:

		Per 100 gallons
First	0-25,000	\$0.335 \$0.349
Next	25,001 – 100,000	\$0.457 \$0.478
Next	100,001 – 250,000	\$0.477 \$0.504
All excess over	250,001	\$0.505 \$0.534

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

SECTION 8. GENERAL SERVICE/COMMERCIAL IRRIGATION WATER SERVICE RATE SCHEDULE

(a) Availability:

This schedule is available throughout the water service territory served by the City of Boerne subject to the rules, regulations, policies, and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable for separate irrigation water service to nonresidential customers who are serviced by a 5/8" or larger irrigation meter and have an installed, separate and additional water meter with dedicated use for domestic purposes and do not receive service under a different rate schedule.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge, and the monthly volume charges, as shown below:

Customer charge (includes 0 gallons):

5/8" meter	\$26.75	\$ 27.29	per month
3/4" meter	\$55.75	\$ 56.87	per month
1" meter	\$60.21	\$ 61.41	per month
1 1/2" meter	\$89.22	\$ 91.00	per month
2" meter	\$142.73	\$145.58	per month
3" meter	\$285.48	\$291.19	per month
4" meter	\$356.30	\$363.43	per month
6" meter	\$427.10	\$435.64	per month
8" meter	\$556.34	\$567.47	per month

Volume Charge:

The year-round volume charge for water usage will be billed under the following rates:

		Per 100 gallons
First	0-25,000	\$0.543 \$0.573
Next	25,001 – 100,000	\$0.629 \$0.673
Next	100,001 – 250,000	\$0.684 \$0.763
All excess over	250,001	\$0.727 \$0.843

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

SECTION 9. GENERAL SERVICE/COMMERCIAL DOMESTIC AND IRRIGATION WATER SERVICE RATE SCHEDULE

(a) Availability:

This schedule is available throughout the water service territory served by the City of Boerne subject to the rules, regulations, policies, and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable to nonresidential customers who are serviced by a 5/8" or larger

domestic water meter that is also used for irrigation purposes and do not receive service under a different rate schedule.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge, and the monthly volume charges, as shown below:

Customer charge (includes 0 gallons):

5/8" meter	\$26.75	\$ 27.29	per month
3/4" meter	\$55.75	\$ 56.87	per month
1" meter	\$60.24	\$ 61.41	per month
1 1/2" meter	\$89.22	\$ 91.00	per month
2" meter	\$142.73	\$145.58	per month
3" meter	\$285.48	\$291.19	per month
4" meter	\$356.30	\$363.43	per month
6" meter	\$427.10	\$435.64	per month
8" meter	\$556.34	\$567.47	per month

Volume Charge:

The year-round volume charge for water usage will be billed under the following rates:

		Per 100 gallons
First	0-25,000	\$0.456 \$0.477
Next	25,001 – 100,000	\$0.545 \$0.541
Next	100,001 – 250,000	\$0.554 \$0.586
All excess over	250,001	\$0.643 \$0.691

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

SECTION 10. GENERAL SERVICE/COMMERCIAL FIRE SERVICE RATE SCHEDULE

(a) Availability:

This schedule is available throughout the water service territory served by the City of Boerne subject to the rules, regulations, policies, and rates established by the City of Boerne.

(b) Applicability:

This rate is applicable to nonresidential customers who are serviced by a 5/8" or larger meter dedicated solely to fire service and does not receive service under a different rate schedule.

(c) Monthly Rates:

The monthly rate shall be the sum of the monthly customer charge, and the monthly

volume charges, as shown below:

Customer charge (includes 0 gallons):

3/4" meter through 8" meter

~~\$60.24~~ **\$63.22** per month

Volume Charge:

The volume charge for annual testing is waived for all water usage up to 500 gallons. All water usage for fire suppression will not be charged. All other usage other than testing and fire suppression is unauthorized usage and will be charged \$2.20 per 100 gallons. The City of Boerne reserves the right to file criminal charges against the nonresidential customer for such unauthorized usage with the appropriate authorities.

(d) Minimum Monthly Charge:

The minimum monthly charge shall be the customer charge.

SECTION 11. TERMS OF PAYMENT

The rates specified in Section 4 through Section 10 are net. Each bill for service is due within fifteen (15) days after issuance unless such day falls on a holiday or weekend, in which case payment is due on the next work day. If full payment is not received at the City's offices or other approved payment location on or before the due date, all of the customer's utility services will be considered delinquent and subject to disconnection, and the customer shall pay gross rates for all utility services, where such gross rates for delinquent payments are ten percent (10%) higher than the net rates.

SECTION 12. ADJUSTMENT OF RATES

The Residential and Commercial fees charged for the second and any subsequent years from the adoption of this ordinance may be adjusted at the commencement of said years to reflect a percentage change, downward or upward, respectively, of the difference in the CONSUMER PRICE INDEX FOR URBAN WAGE EARNERS AND CLERICAL WORKERS (herein after referred to as the INDEX) as published by the U. S. Department of Labor, Bureau of Labor Statistics, the percentage adjustments for each year to be determined as follows:

- a. The difference in the INDEX for the month of June of the year immediately preceding the current year and the month of June in the current year shall be computed;
- b. Such difference computed in (a) shall be divided by the INDEX for the month of June of the year immediately preceding the current year; and,
- c. Ninety-five (95%) of the amount computed in (b) shall be taken as the adjustment percentage factor to be used to increase the rate charged for water if the INDEX has increased during June to June, or to decrease the rate charged for water if the INDEX has decreased during June to June.
- d. Example of computation of increase or decrease:

June/Current year CPI = 185.4

June/Previous year CPI = 181.0

$(185.4 - 181.0) / 181.0 = .0243 \times 95\% = 2.31\% \text{ increase}$

$$\begin{aligned} &\text{or} \\ &\text{June/Current year CPI} = 180.0 \\ &\text{June/Previous year CPI} = 181.0 \\ &(180.0 - 181.0) / 181.0 = -.0056 \times 95\% = .54\% \text{ decrease} \end{aligned}$$

- e. The increase or decrease based on (a) (b) (c) calculations will automatically become effective annually with billing beginning on and after the first day of the billing cycle for the October 1 billing period unless otherwise directed by City Council.

SECTION 13. SEVERABILITY

If for any reason any section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance shall be held invalid or unconstitutional by final judgment of a Court of competent jurisdiction it shall not affect any other section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance, for it is the definite intent of this City Council that every section, paragraph, subsection, clause, phrase, word, or provision hereof be given full force and effect for its purpose.

SECTION 14. REPEAL

All ordinances or parts of ordinances in conflict with the terms of this ordinance are hereby repealed.

PASSED and APPROVED on first reading this the ____ day of August, 2018

PASSED, APPROVED, and ADOPTED on second reading this the ____ day of September, 2018.

APPROVED:

Mayor

ATTEST:

City Secretary

APPROVED AS TO FORM:

City Attorney