



TO: Mayor and Councilmembers

FROM:

DATE: May 10, 2011

SUBJECT: FIRST READING OF ORDINANCE – Consider, discuss and act upon Ordinance # O-2011-0426-002 amending the Master Fee Schedule regarding water and sewer service fees

Ordinance is attached.

ACTION: Approve or disapprove second reading of Ordinance # O-2011-0426-002.

(V – A)

**CITY OF FARMERSVILLE
ORDINANCE # O-2011-0426-002**

AN ORDINANCE OF THE CITY OF FARMERSVILLE, TEXAS, AMENDING THE CODE OF ORDINANCES OF THE CITY OF FARMERSVILLE, TEXAS, AS HERETOFORE AMENDED, THROUGH THE AMENDMENT OF THE MASTER FEE SCHEDULE BY AMENDING THE WATER SERVICE FEES ADOPTED THROUGH SECTION 11.122.4, ENTITLED "WATER SERVICE FEES," AND BY AMENDING THE SEWER SERVICE FEES ADOPTED THROUGH SECTION 11.122.6, ENTITLED "SEWER SERVICE FEES; REQUIRING ANNUAL EVALUATIONS OF THE WATER AND SEWER SERVICE FEES; PROVIDING A SEVERABILITY CLAUSE; PROVIDING A SAVINGS CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING A PENALTY CLAUSE; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, the City of Farmersville, Texas ("City"), conducted a Water and Sewer Rate Study in March, 2011 (the "Study") and found the current charges for water and sewer service to be insufficient to recover the cost of providing water and sewer service; and

WHEREAS, based on the Study, the City's consultant J. Stowe & Co. recommended that the fees and charges for water and sewer service be increased each year for the next five years to account for anticipated infrastructure improvements and make the provision of water and sewer services to the City's residents and customers self-supporting; and

WHEREAS, the City Council has determined that the fees and charges for water and sewer service need to be increased, as recommended by the Study, but desires to retain the ability to implement any rate increases when such increases are necessary thereby avoiding the imposition of an undue burden on the City's residents and customers for future water and sewer infrastructure improvements the exact timing of which such improvements is not yet known; and

WHEREAS, the City desires to modify the Master Fee Schedule related to the cost of water and sewer service provided by the City to adopt the first step recommended by the Study to move the provision of water and sewer services in the direction of becoming self-supporting; and

WHEREAS, the City Council of the City of Farmersville, Texas, finds that all prerequisites to the adoption of this Ordinance have been met;

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

Section 1. FINDINGS INCORPORATED

All the above premises are hereby found to be true and correct legislative and factual findings of the City of Farmersville, and they are hereby approved and incorporated into the body of this Ordinance as if restated herein in their entirety.

Section 2. MASTER FEE SCHEDULE FOR WATER SERVICE AMENDED

From and after the effective date of this Ordinance, the Master Fee Schedule is hereby amended in part by deleting the current Water Service Fee charges and replacing said fees with new Water Service Fees in accordance with Section 11.122.4 of the Code of Ordinances to read as follows:

WATER SERVICE	MONTHLY FEE
Inside City Limits:	
Meter Charge (Includes 1,000 gallons)	
3/4 inch or less	\$ 10.15
1 inch	16.92
1 1/2 inch	33.83
2 inch	54.13
3 inch	60.90
4 inch	169.17
6 inch	338.33
Volumetric Charges (per 1,000 gallons)	
1,001 to 10,000 gallons	\$ 4.00
10,001 to 20,000 gallons	5.36
In excess of 20,000 gallons	6.70
Outside City Limits:	
Residential or Commercial Customers of Record Prior to 1985	
First 1,000 gallons	\$ 15.23
1,001 to 10,000 gallons	5.34
10,001 to 20,000 gallons	7.16
In excess of 20,000 gallons	8.76
Residential or Commercial Customers of Record Since 1985	
First 1,000 gallons	\$ 20.30
1,001 to 10,000 gallons	7.12
10,001 to 20,000 gallons	9.54
In excess of 20,000 gallons	11.68

Section 3. MASTER FEE SCHEDULE FOR SEWER SERVICE AMENDED

From and after the effective date of this Ordinance, the Master Fee Schedule is hereby amended in part by deleting the current Sewer Service Fee charges and replacing said fees with new Sewer Service Fees in accordance with Section 11.122.6 of the Code of Ordinances to read as follows:

[See Table on following page.]

SEWER SERVICE	MONTHLY FEE
Inside City Single Family Customers:	
Minimum monthly charge based on first 1,000 gallons water consumption	\$ 13.58
Water consumption over 1,000 gallons for customers with an annually computer average winter water consumption for Dec/Jan/Feb to a maximum of 15,000 gallons	Based on the lesser of actual consumption or the average winter water consumption at \$4.23 per 1,000 gallons
For new customers without a winter average	Based on actual consumption to a maximum of 7,000 gallons at \$4.23 per 1,000 gallons
Inside City Customers Other Than Single Family	
Minimum monthly charge based on first 1,000 gallons water consumption	\$ 13.58
In excess of 1,000 gallons	\$ 4.23 per 1,000 gallons
Outside City Limits:	
Residential Customers of Record Prior to 1985	
Minimum monthly charge based on first 1,000 gallons water consumption	\$ 16.56
Water consumption over 1,000 gallons for customers with an annually computer average winter water consumption for Dec/Jan/Feb to a maximum of 15,000 gallons	Based on the lesser of actual consumption or the average winter water consumption at \$5.16 per 1,000 gallons
For new customers without a winter average	Based on actual consumption to a maximum of 7,000 gallons at \$5.16 per 1,000 gallons
Residential Customers of Record Since 1985	
Minimum monthly charge based on first 1,000 gallons water consumption	\$ 22.08
Water consumption over 1,000 gallons for customers with an annually computer average winter water consumption for Dec/Jan/Feb to a maximum of 15,000 gallons	Based on the lesser of actual consumption or the average winter water consumption at \$6.88 per 1,000 gallons
For new customers without a winter average	Based on actual consumption to a maximum of 7,000 gallons at \$6.88 per 1,000 gallons
Commercial Customers of Record Prior to 1985	
Minimum monthly charge based on first 1,000 gallons water consumption	\$ 16.56
Next 49,000 gallons	\$ 5.16 per 1,000 gallons
In excess of 50,000 gallons	\$ 4.86 per 1,000 gallons
Commercial Customers of Record Since 1985	
Minimum monthly charge based on first 1,000 gallons water consumption	\$ 22.08
Next 49,000 gallons	\$ 6.88 per 1,000 gallons
In excess of 50,000 gallons	\$ 4.86 per 1,000 gallons

Section 4. ANNUAL EVALUATION

The City Manager shall at least annually in conjunction with the preparation of the City's annual budget, and more frequently when necessary, provide the City Council with an update regarding the current performance status of the water and sewer utilities together with a projection of the infrastructure improvements then required, costs and expenses that are anticipated for the budget year together with a recommendation regarding the implementation of the next step as recommended by the Study in making water and sewer services self-supporting. City Council shall at least annually in conjunction with the adoption of the City's annual budget, and more frequently when necessary, evaluate the current and projected performance status of the water and sewer utilities and make a determination regarding any rate increases in the water and sewer service fees recommended by the Study necessary to move water and sewer services in the direction of becoming self-supporting.

Section 5. SEVERABILITY CLAUSE

It is hereby declared to be the intention of the City Council that the words, phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any word, phrase, clause, sentence, paragraph or section of this Ordinance shall be declared unconstitutional by the valid judgment or decree of any court of competent jurisdiction, such unconstitutionality shall not affect any of the remaining words, phrases, clauses, sentences, paragraphs and sections of this Ordinance, since the same would have been enacted by the City Council without the incorporation of any such unconstitutional word, phrase, clause, sentence, paragraph or section.

Section 6. SAVINGS CLAUSE

The Code of Ordinances, City of Farmersville, Texas, as amended, shall be and remain in full force and effect save and except as amended by this Ordinance.

Section 7. REPEALER CLAUSE

Any provision of any prior ordinance of the City, whether codified or uncodified, which is in conflict with any provision of this Ordinance, is hereby repealed to the extent of the conflict, but all other provisions of the ordinances of the City, whether codified or uncodified, which are not in conflict with the provisions of this Ordinance shall remain in full force and effect.

Section 8. PENALTY CLAUSE

Any person, firm, or corporation violating any of the provisions or terms of this Ordinance shall be guilty of a misdemeanor and upon conviction, shall be fined a sum not to exceed \$2,000.00 for each offense, and each and every violation or day such violation shall continue or exist, shall be deemed a separate offense.

Section 9. EFFECTIVE DATE

This Ordinance shall take effect immediately from and after its passage and the publication of the caption, as the law in such cases provides.

PASSED on first reading on the 10th day of May, 2011, and second reading on the ____ day of _____, 2011 at properly scheduled meetings of the City Council of the City of Farmersville, Texas, there being a quorum present, and approved by the Mayor on the date set out below.

APPROVED THIS ____ DAY OF _____, 2011.

APPROVED:

**BY: _____
Joseph E. Helmberger, P.E., Mayor**

ATTEST:

Eddie Sims, City Secretary

APPROVED AS TO FORM AND LEGALITY:

Alan D. Lathrom, City Attorney