

CITY OF SEGUIN

ORDINANCE NO.:

STATE OF TEXAS

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SEGUIN, TEXAS AMENDING THE SEGUIN CODE OF ORDINANCES, CHAPTER 102, UTILITIES, DIVISION IV, DEPOSIT AND SERVICE CHARGES, TO ADD WHOLESALE WATER SALES AND AMENDING APPENDIX C – FEE SCHEDULE, CHAPTER 102, UTILITIES, ARTICLE III, WATER RATES; AND ARTICLE IV, WASTEWATER RATES; PROVIDING FOR A SEVERABILITY CLAUSE; DECLARING AN EFFECTIVE DATE, AND AUTHORIZING CITY STAFF TO SUBMIT THIS ORDINANCE AS A SUPPLEMENT TO THE SEGUIN CODE OF ORDINANCES**

**WHEREAS**, the City has the opportunity to sell excess water to another utility for resale to their customers; and

**WHEREAS**, the sale of excess water benefits the City’s ratepayers by spreading the fixed per gallon costs over additional users; and

**WHEREAS**, wholesale customers receive water on a take or pay basis thereby providing the city with a predictable income stream; and

**WHEREAS**, in preparation for the FY2019 budget the city undertook a study of its water and waste water utilities to develop a five year plan, including the addition of wholesale water sales; and

**WHEREAS**, in a similar manner SSLGC has conducted a study of its needs in order to determine what rates are needed to cover the expenses of producing and delivering ground water to its member cities; and

**WHEREAS**, the rates proposed by this Ordinance are consistent with the aforementioned studies.

**NOW THEREFORE BE IT ORDAINED**, by the City Council of Seguin, Texas:

**Section 1.** The Seguin Code of Ordinances, Chapter 102, Utilities, Division IV, Deposit and Service Charges, Section 102-138, Rates, is amended by the addition of a new subsection (h) to read as follows:

(h) Wholesale water sales.

(1) Applicability. This rate shall be applicable to any entity contracted with the City of Seguin to receive an annual, predetermined amount of water on a take or pay basis.

(2) Rate. This rate shall be established by the city council and set forth in Appendix C to this Code.

**Section 2.** Chapter 102, Utilities, Article III, Water, Subsections f, g, and h (rest of section and subsection remain the same) is amended as follows (underlining indicates added text, ~~strikethrough~~ indicates deleted text):

(f)	Residential:		
	(1)	Capacity charge per meter.....	<del>22.30</del> <u>22.75</u>
	(2)	First 10,000 gallons, per 1,000 gallons.....	<del>3.88</del> <u>3.96</u>
	(3)	10,001—35,000, per 1,000 gallons.....	<del>4.43</del> <u>4.52</u>
	(4)	35,001 gallons and above, per 1,000 gallons.....	<del>4.99</del> <u>5.09</u>
(g)	Commercial, industrial, governmental and multifamily customers inside city:		
	(1)	Capacity charge per meter.....	<del>48.13</del> <u>49.09</u>
	(2)	First 12,000,000 gallons, per 1,000 gallons.....	<del>4.40</del> <u>4.49</u>
	(3)	All additional gallons, per 1,000 gallons.....	<del>3.76</del> <u>3.83</u>
(h)	<del>Large Volume Industrial</del> surface water customer		
	(1)	Capacity charge.....	<del>48.13</del> <u>49.09</u>
	(2)	Surface water, per 1,000 gallons.....	<del>3.30</del> <u>3.37</u>
	(3)	Ground water, per 1,000 gallons.....	<del>3.76</del> <u>3.83</u>

**Section 3.** The Seguin Code of Ordinances, Appendix C, Chapter 102, Utilities, Article III, Water, is amended by the addition of a new Subsections n to read as follows:

(n)	Wholesale water:	
(1)	Per 1,000 gallons of use...	3.19

**Section 4.** Chapter 102, Utilities, Article IV, Wastewater Subsections d, e, and f (rest of section and subsections remain the same) is amended as follows (underlining indicates added text, ~~strikethrough~~ indicates deleted text):

(d)	Residential:		
	(1)	Capacity charge (includes 0—2,000 gallons of water usage).....	<del>27.32</del> <u>28.96</u>
	(2)	Next 6,000 gallons of water usage, per 1,000 gallons.....	<del>4.10</del> <u>4.34</u>
	(3)	Fixed sewer fee for customers receiving only wastewater services and no metered water.....	37.74
	(4)	Clearing blockages from private wastewater service lines:	
		a. Regular hours, before 2:00 p.m.....	65.00
		b. After hours.....	75.00
(e)	Commercial, industrial, governmental, and multifamily customers:		
	(1)	Capacity charge.....	<del>45.07</del> <u>47.77</u>
	(2)	First 8,000,000 gallons of water usage, per 1,000 gallons.....	<del>4.23</del> <u>4.47</u>
	(3)	All additional gallons, per 1,000 gallons.....	<del>3.28</del> <u>3.49</u>
(f)	Large Industrial		
	(1)	Capacity charge.....	<del>45.07</del> <u>47.77</u>
	(2)	First 8,000,000 [gallons] of water usage, per 1,000 gallons.....	<del>4.10</del> <u>4.34</u>
	(3)	All additional gallons above 8,000,000, per 1,000 gallons.....	<del>3.14</del> <u>3.31</u>

**Section 5.** In accordance with Section 3.10 of the Seguin City Charter, this Ordinance shall become effective beginning October 1, 2018, said date being at least ten days after publication of this ordinance.

**Section 6.** If any clause or provision of this Ordinance shall be deemed to be unenforceable for any reason, such unenforceable clause or provision shall be severed from the remaining portions of the Ordinance, which shall continue to have full force and effect.

**Section 7.** City Staff is hereby authorized to submit this Ordinance as a supplement to the Seguin Code of Ordinances.

**PASSED UPON FIRST READING** this 26<sup>th</sup> day of June 2018.

**PASSED UPON SECOND READING** this 17<sup>th</sup> day of July 2018

---

DON KEIL, Mayor

ATTEST:

---

Naomi Manski, City Secretary