

Motion was made by John Champagne, seconded by Jon Bickford, and passed by a 5 to 0 vote that the following Ordinance by passed:

ORDINANCE NO. 2016-18

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MONTGOMERY, TEXAS, REPEALING ORDINANCE NO. 2011-22 AND ORDINANCES AMENDING SAME, ESTABLISHING AND ADOPTING NEW MONTHLY SERVICE RATES AND CHARGES FOR WATER AND SEWER SERVICE FOR CONSUMERS INSIDE AND OUTSIDE THE CITY PURSUANT TO CHAPTER 90 OF THE CODE OF ORDINANCES OF THE CITY OF MONTGOMERY, TEXAS; PROVIDING AND ESTABLISHING THAT AN AMOUNT BE COLLECTED TO OFFSET COSTS AND EXPENSES TO THE CITY FOR COSTS AND EXPENSES THE CITY WILL INCUR FOR MEETING GROUNDWATER REDUCTION REQUIREMENTS OF THE LONE STAR GROUNDWATER CONSERVATION DISTRICT IN ADOPTING ITS JOINT GROUNDWATER REDUCTION PLAN, SO THAT THESE EXPENSES MAY BE PASSED ON TO CONSUMERS; DESCRIBING THE METHOD FOR CHARGES AND BILLING; ESTABLISHING AN AMENDED SCHEDULE OF FEES, DEPOSITS, RETURNED CHECKS, AND OTHER CHARGES REQUIRED BY CHAPTR 90 OF THE CODE OF ORDINANCES OF THE CITY OF MONTGOMERY, TEXAS; REPEALING ALL ORDINANCE IN CONFLICT; PROVIDING A TEXAS OPEN MEETINGS ACT CLAUSE; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE AFTER PUBLICATION.

WHEREAS, the Chapter 90 of the Code of Ordinances of the City of Montgomery, Texas, authorizes City Council, by ordinance, to establish monthly service rates and charges for water and sewer services inside and outside the City and to establish fees for inspections, tap fees, deposits, returned checks, and other charges related to providing utilities; and

WHEREAS, to protect the health, safety, and general welfare of the citizens of Montgomery, Texas, and to satisfy the requirement of State and Federal regulatory agencies, the monthly rates and other charges for said water and sewer services should be increased; and

WHEREAS, the City Council, having previously considered a water and sewer rate study and model prepared by the City Engineer, and receiving advice and input from the City Engineer and City Staff, has determined appropriate rates and fee schedules for certain utility services based on historical data and other factors related to the costs of providing such services; and

WHEREAS, the Lone Star Groundwater Conservation District has established a regulatory plan to reduce groundwater production from certain aquifers located within Montgomery County, Texas, by its establishment of regulatory deadlines subject to its enforcement; and

WHEREAS, the City is mandated to comply with the Lone Star Groundwater Conservation District's regulatory deadlines, and as a result, has entered into a contract for groundwater reduction planning with the Montgomery County Utility District No. 3 and Montgomery County Utility District No. 4 (collectively the "MUDS") in order to comply with the requirements of the Lone Star Groundwater Conservation District: and

WHEREAS, under said contract with the MUDS (the "Contract"), the City is required to pay an amount equal to 80% of certain monthly pumpage fees, rates and charges that certain other large volume groundwater users ("LVGU"), which have entered into a Contract for Groundwater Reduction Planning, Alternative Water Supply, and Related Goods and Service with the San Jacinto River Authority (the "SJRA"), which are set in accordance with the SJRA rate order (the "SJRA Rate Order"); and

WHEREAS, the SJRA adopted an initial Rate Order that imposed a pumpage fee to other LVGU's and participants in said SJRA contracts of \$0.50 per thousand gallons of water consumed, and said rate is currently set at \$2.50 per thousand gallons of water consumed; and

WHEREAS, the City Council believes it is in the best interest of the City and its customers that an amount equal to the monthly pumpage fees, rates, and charges, and other anticipated penalty expenses of complying with the Contract, be passed through to the individual water and sewer customers inside and outside the City, on the basis of the amount of water consumed monthly by each customer, as set out in the Contract in order to recover the City's additional costs associated with the Contract or other expenses anticipated for groundwater reduction planning; and

WHEREAS, the City Council believes it is appropriate to repeal the existing Ordinance No. 2011-22 passed on September 27, 2011, while concurrently creating this new Ordinance providing for residential and commercial water and sewer rates and other charges.

WHEREAS, the City Secretary caused to be posted a notice of public hearing; and

WHEREAS, the City Council, pursuant to such notice, held its public hearing and heard all persons wishing to be heard both for and against the proposed water and sewer rates and fee schedule on the 13th day of September 2016;

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

SECTION 1. MONTHLY RATES FOR WATER SERVICE INSIDE AND OUTSIDE CITY.

Monthly rates for water service inside and outside the city are found in the attached **APPENDIX "A"** and are hereby adopted.

SECTION 2. FEES FOR GROUNDWATER REDUCTION PLANNING AND CONTRACT PUMPAGE FEES, RATES, AND CHARGES.

In addition to the above rates in order to defray costs and expense of groundwater reduction planning, an additional charge of \$0.70 per thousand gallons of water consumed, shall be charged to all water customers, both inside and outside the City. This charge may be adjusted from time to time, and is based on anticipated groundwater reduction plan pumpage fees, rates, and charges to be assessed the City pursuant to the Contract with the MUDS, or for other anticipated expense and costs for the City's mandated groundwater reduction planning.

SECTION 3. MONTHLY RATES FOR SEWER SERVICE INSIDE AND OUTSIDE CITY.

Monthly rates for sewer service inside and outside the city are found in the attached APPENDIX "B" and are hereby adopted.

SECTION 4. DEPOSITS, RETURNED CHECK CHARGES, FEES FOR INSPECTIONS, TAP FEES, AND OTHER CHARGES

The following schedule of charges required by Chapter 90 of the Code of Ordinances of the City of Montgomery is as follows:

Deposits (Section 90-61)

Residential Consumers	\$125.00
Residential Renter/Lease Consumer	\$225.00
Commercial Consumers	\$250.00
Institutional Consumers	\$250.00
Industrial Consumers	\$250.00
Application Fee for Service	\$ 30.00
Returned Check Charge (Section 90-12)	\$ 50.00
Discontinuation or Refund of Water Service Fee for failure to pay (Section 98-68)	\$ 75.00
Discontinuation or Refund of Water Service Fee upon request of consumer (Section 98-68)	\$ 35.00
Meter Turn-off/Turn-On Fee (each time)	\$ 30.00
Sewer service tap inspection (Section 90-74(e))	\$ 45.00

Monthly grease trap inspections (Section 90-80)	\$ 50.00
Customer service inspections (Section 90-81)	\$100.00
Lone Star Groundwater Pumpage Fee	\$ 0.07 per 1,000 gallons of usage
Groundwater Reduction Plan Fee	\$ 1.65 per 1,000 gallons of usage

SECTION 5. Construction. This Ordinance shall not be construed so as to conflict with any state or federal statute.

SECTION 6. Repeal of Conflicting Ordinances. All provisions of the ordinances of the City of Montgomery in conflict with the provisions of this Ordinance are hereby repealed, and all other provisions of the Ordinances of the City of Montgomery not in conflict with the provisions of this Ordinance shall remain in full force and effect.

SECTION 7. Severability Clause. If any provision, section, subsection, sentence, paragraph, sentence, clause or phrase of this Ordinance or the application of same to any person or set of circumstances, shall for any reason be held to be unconstitutional, void, or invalid or otherwise unenforceable, the invalidity or unenforceability shall not affect other provisions of this Ordinance or their application to other sets of circumstances and to this end all provisions of this Ordinance are declared to be severable.

SECTION 8. Texas Open Meetings Clause. It is hereby officially found and determined that the meeting at which this Ordinance was considered was open to the public as required and that the public notice of the time, place, and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

SECTION 9. Effective Date. This Ordinance shall become effective and be in full force after publication as required by law.

PASSED AND APPROVED this 13th day of September 2016.

Kirk Jones

Kirk Jones, Mayor

ATTEST:

Susan Hensley
Susan Hensley, City Secretary

APPROVED AS TO FORM:

Larry L. Foerster
Larry L. Foerster, City Attorney



Monthly Utility Rates for the City of Montgomery as of 9/2016 (Yr 1)

Water Rates - 100	Amount	Amount
Residential Consumers	Inside	Outside
	<i>Code 100</i>	<i>Code 110</i>
For the first 2,000 gallons of water used	Up to First 2K-\$16.00	Up to First 2K-\$20.00
Next 2,000 gallons (3 - 4)	Next 2K-\$2.25	Next 2K-\$2.50
Next 2,000 gallons (5 - 6)	Next 2K-\$2.75	Next 2K-\$3.00
Next 2,000 gallons (7 - 8)	Next 2K-\$3.25	Next 2K-\$3.50
Next 2,000 gallons (9 - 10)	Next 2K-\$3.75	Next 2K-\$4.00
Next 5,000 gallons (11 - 15)	Next 5K-\$4.25	Next 5K-\$4.50
Next 5,000 gallons (16 - 20)	Next 5K-\$4.75	Next 5K-\$5.00
For water used in excess of 20,000 gallons, the rate per thousand gallons used	Over 20K-\$5.50	Over 20K-\$5.75
Commercial Consumers	<i>Code 120</i>	<i>Code 130</i>
For the first 2,000 gallons of water used	Up to First 2K-\$19.50	Up to First 2K-\$24.50
Next 2,000 gallons (3 - 4)	Next 2K-\$2.75	Next 2K-\$3.00
Next 2,000 gallons (5 - 6)	Next 2K-\$3.25	Next 2K-\$3.50
Next 2,000 gallons (7 - 8)	Next 2K-\$3.75	Next 2K-\$4.00
Next 2,000 gallons (9 - 10)	Next 2K-\$4.25	Next 2K-\$4.50
Next 5,000 gallons (11 - 15)	Next 5K-\$4.75	Next 5K-\$5.00
Next 5,000 gallons (16 - 20)	Next 5K-\$5.25	Next 5K-\$5.50
For water used in excess of 20,000 gallons, the rate per thousand gallons used	Over 20K-\$5.75	Over 20K-\$6.00
Institutional Consumers (Schools)	<i>Code 140</i>	
For the first 30,000 gallons of water used	Up to First 30K-\$396	
Next 10,000 gallons (31 - 40)	Next 10K-\$4.25	
Next 10,000 gallons (41 - 50)	Next 10K-\$4.50	
Next 5,000 gallons (51 - 55)	Next 5K-\$4.75	
Next 45,000 gallons (56 - 100)	Next 45K-\$5.00	
For water used in excess of 100,000 gallons, the rate per thousand gallons used	Over 100K-\$5.35	
Multi-Family Consumers	<i>Code 102</i>	
For the first 30,000 gallons of water used	Up to First 30K-\$500	
Next 10,000 gallons (31 - 40)	Next 10K-\$4.25	
Next 10,000 gallons (41 - 50)	Next 10K-\$4.50	
Next 5,000 gallons (51 - 55)	Next 5K-\$4.75	
Next 45,000 gallons (56 - 100)	Next 45K-\$5.00	
For water used in excess of 100,000 gallons, the rate per thousand gallons used	Over 100K-\$5.50	

Monthly Utility Rates for the City of Montgomery as of 9/2016 (Yr 1)

Water Rates (continued)	Amount		
<i>Irrigation Consumers (meter less than 1 inch in size)</i>	<i>Inside</i>		
	<i>Code 105</i>		
For the first 2,000 gallons of water used	Up to First 2K-\$12.00		
Next 2,000 gallons (3 - 4)	Next 2K-\$2.50		
Next 2,000 gallons (5 - 6)	Next 2K-\$3.00		
Next 2,000 gallons (7 - 8)	Next 2K-\$3.50		
Next 2,000 gallons (9 - 10)	Next 2K-\$4.00		
Next 5,000 gallons (11 - 15)	Next 5K-\$4.50		
Next 5,000 gallons (16 - 20)	Next 5K-\$5.00		
For water used in excess of 20,000 gallons, the rate per thousand gallons used	Over 20K-\$5.75		
<i>Irrigation Consumers (meter 1 inch or larger in size)</i>	<i>Code XXX</i>		
For the first 2,000 gallons of water used	Up to First 2K-\$25.00		
Next 2,000 gallons (3 - 4)	Next 2K-\$2.50		
Next 2,000 gallons (5 - 6)	Next 2K-\$3.00		
Next 2,000 gallons (7 - 8)	Next 2K-\$3.50		
Next 2,000 gallons (9 - 10)	Next 2K-\$4.00		
Next 5,000 gallons (11 - 15)	Next 5K-\$4.50		
Next 5,000 gallons (16 - 20)	Next 5K-\$5.00		
For water used in excess of 20,000 gallons, the rate per thousand gallons used	Over 20K-\$6.00		
<i>Industrial Consumers</i>			
Rates for this Class will be handled on a case by case basis			

Monthly Utility Rates for the City of Montgomery as of 9/2016 (Yr 1)

Sewer Rates - 200		Amount	Amount
Residential Consumers		<i>Inside</i>	<i>Outside</i>
		<i>Code 100</i>	<i>Code 110</i>
For the first 2,000 gallons of water used		Up to First 2K-\$12.50	Up to First 2K-\$16.00
Next 2,000 gallons (3 - 4)		Next 2K-\$2.25	Next 2K-\$2.50
Next 2,000 gallons (5 - 6)		Next 2K-\$2.75	Next 2K-\$3.00
Next 2,000 gallons (7 - 8)		Next 2K-\$3.25	Next 2K-\$3.50
Next 2,000 gallons (9 - 10)		Next 2K-\$3.75	Next 2K-\$4.00
Next 5,000 gallons (11 - 15)		Next 5K-\$4.25	Next 5K-\$4.50
Next 5,000 gallons (16 - 20)		Next 5K-\$4.75	Next 5K-\$5.00
For water used in excess of 20,000 gallons, the rate per thousand gallons used		Over 20K-\$5.50	Over 20K-\$5.75
Commercial Consumers		<i>Code 120</i>	<i>Code 130</i>
For the first 2,000 gallons of water used		Up to First 2K-\$21.50	Up to First 2K-\$25.00
Next 2,000 gallons (3 - 4)		Next 2K-\$4.00	Next 2K-\$4.25
Next 2,000 gallons (5 - 6)		Next 2K-\$4.25	Next 2K-\$4.50
Next 2,000 gallons (7 - 8)		Next 2K-\$4.50	Next 2K-\$4.75
Next 2,000 gallons (9 - 10)		Next 2K-\$4.75	Next 2K-\$5.00
Next 5,000 gallons (11 - 15)		Next 5K-\$5.00	Next 5K-\$5.25
Next 5,000 gallons (16 - 20)		Next 5K-\$5.25	Next 5K-\$5.50
For water used in excess of 20,000 gallons, the rate per thousand gallons used		Over 20K-\$6.50	Over 20K-\$6.75
Institutional Consumers (Schools)		<i>Code 140</i>	
A fixed rate fee of		Flat rate - \$150	
For the first 30,000 gallons of water used		Up to First 30K-\$3.00	
Next 10,000 gallons (31 - 40)		Next 10K-\$4.25	
Next 10,000 gallons (41 - 50)		Next 10K-\$4.50	
Next 5,000 gallons (51 - 55)		Next 5K-\$4.75	
Next 45,000 gallons (56 - 100)		Next 45K-\$5.00	
For water used in excess of 100,000 gallons, the rate per thousand gallons used		Over 100K-\$9.35	
Multi-Family Consumers		<i>Code 102</i>	
A fixed rate fee of		Flat rate - \$200	
For the first 30,000 gallons of water used		Up to First 30K-\$3.00	
Next 10,000 gallons (31 - 40)		Next 10K-\$4.25	
Next 10,000 gallons (41 - 50)		Next 10K-\$4.50	
Next 5,000 gallons (51 - 55)		Next 5K-\$4.75	
Next 45,000 gallons (56 - 100)		Next 45K-\$5.00	
For water used in excess of 100,000 gallons, the rate per thousand gallons used		Over 100K-\$9.50	
Industrial Consumers			
Rates for this Class will be handled on a case by case basis			

Miscellaneous Utility Fees for City of Montgomery as of 9/2016

Other rates/fees			
<i>Deposits</i>		Amount	
Residential Consumer		\$125.00	
Commercial Consumer		\$250.00	
Institutional Consumer		\$250.00	
Industrial Consumer		\$250.00	
Residential Renter/Leaser Consumer		\$225.00	
<i>Lone Star Groundwater Fee</i>		\$.07 per 1000 gallons of usage	
<i>Groundwater Reduction Plan Fee</i>		\$1.65 per 1000 gallons of usage	
<i>Application fee for service</i>		\$30.00	
<i>Meter turn-off or turn-on fee</i>		\$30.00 each time	
<i>Returned Check Charge</i>		\$50.00	
<i>Disconnect Fee/Failure to pay</i>		\$75.00	
<i>Monthly grease trap inspection</i>		\$50.00	