

## **ORDINANCE NO. 1143-2017**

**AN ORDINANCE AMENDING ARTICLE 13.03 "WATER SYSTEM", SECTION 13.03.011 "WATER RATES" OF THE RIVER OAKS CODE OF ORDINANCES (2006) AS AMENDED; ADOPTING AND RATIFYING FEES FOR WATER RATES INSIDE AND OUTSIDE THE CITY LIMITS; PROVIDING THAT THIS ORDINANCE SHALL BE CUMULATIVE OF ALL ORDINANCES; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the City of River Oaks is a home rule city acting under its charter adopted by the electorate pursuant to Article XI, Section 5, of the Texas Constitution and Chapter 9 of the Local Government Code; and

**WHEREAS**, based on the recommendation of the Texas Water Development Board the City is pledging ad valorem taxes and surplus net revenues of the waterworks and sewer system for the repayment of the proposed loan to make 15 million dollars of water and sewer improvements; and

**WHEREAS**, the City's current combined average monthly water and wastewater rate is \$82.23. Based on staff's analysis of financial documentation received, current system revenues are 82% of the current and proposed debt service in the first year of principal repayment; and

**WHEREAS**, the City does not currently collect an interest and sinking fund (I&S) tax, and intends to repay the debt with water and sewer revenues; and

**WHEREAS**, In order to generate sufficient revenues to meet the proposed debt service, the City will need to increase system rates **\$6.63 rate to the average monthly bill would generate approximately \$223,958 annually**; and

**WHEREAS**, the City Council has determined that the City's current water rates as codified into Article 13.03, Section 13.03.011 of the River Oaks Code of Ordinances (2006) as amended does not provide sufficient enough revenues to cover the annual debt requirements for the annual operations of the water department of the City of River Oaks; and

**WHEREAS**, the City Council has concluded after due and careful consideration that it is now necessary to increase the water rates inside and outside the city limits for use of the city water by all customers connected to the River Oaks Water System.

**NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF RIVER OAKS:**

### **SECTION 1.**

With the adoption of this Ordinance, Section 13.03.011 of Article 13.03 of the River Oaks Code of Ordinances (2006) will be amended to now read as follows:

**“Section 13.03.011 Water Rates**

(a) The following uniform monthly rates shall be charged all persons for the use of the city water inside and outside the city limits:

(1) **RESIDENTIAL CUSTOMERS:**

	<b><u>Base Minimum</u></b>	<b><u>Usage Rate Charge Per Cubic feet</u></b>
(A) Customers inside the city and inside the District (RII)	\$ 22.63	\$ 0.0370000
(B) Customers inside the city and outside the District (RIO)	\$ 26.63	\$ 0.0430000
(C) Customers outside the city and inside the district (ROI)	\$ 40.63	\$ 0.0960000

(2) **COMMERCIAL CUSTOMERS:**

	<b><u>Base Minimum</u></b>	<b><u>Usage Rate Charge Per Cubic Feet</u></b>
(D) Customers inside the city and inside the District (CII)	\$ 26.63	\$ 0.0440000
(E) Customers inside the City and outside the District (CIO)	\$ 35.63	\$ 0.0550000
(F) Customers outside the city and inside the District (COI)	\$ 48.63	\$ 0.1200000

(b) **Water Rates** shall be billed on a monthly basis as follows:

- (1) **Base Minimum** is the rate for customers using 400 cubic feet or less of water for each month billed.
- (2) **Usage Rate Charge Per Cubic Feet** is the rate for each cubic feet of water consumption over the minimum of 400 cubic feet for each month billed.
- (3) **For customers with a water usage each month over 400 cubic feet they will be billed the Base Minimum plus the Usage Rate Charge Per Cubic Feet for the cubic feet of water used over 400 cubic feet.**

**SECTION 2.**

**CUMULATIVE CLAUSE**

This Ordinance shall be Cumulative of all provisions of Ordinances and of the River Oaks Code of Ordinance, as amended, except where the provisions of this Ordinance are in direct conflict with the provisions of such Ordinances or Code, in which case the conflicting provisions of such Ordinances or Code are hereby repealed.

**SECTION 3.**

**SEVERABILITY CLAUSE**

It is hereby declared to be the intentions of the City Council that the phrases, clauses, sentences, paragraphs and sections of this Ordinance are severable, and if any 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 phrases, clauses, sentences, paragraphs and sections of this ordinance, since the same would have been enacted by the City Council without the incorporation in this Ordinance of any such unconstitutional phrase, clause, sentence, paragraph or section.

**SECTION 4.**


**EFFECTIVE DATE**

This Ordinance shall be in full force and effect on June 1, 2017 to coincide with the June 2017 billing cycle after its passage by a majority vote of the City Council of the City of River Oaks and the legal publication of this ordinance if any is required and it is so ordained.

**APPROVED THIS THE 28<sup>th</sup> DAY OF MARCH 2017.**

  
Herman D. Earwood, Mayor  
City of River Oaks

**ATTEST:**

  
Marvin C. Gregory III  
City Secretary  
City of River Oaks