

ORDINANCE NO. 2024-16

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF NEDERLAND, TEXAS ESTABLISHING WATER AND SEWER RATES, WATER METER DEPOSITS, WATER AND SEWER CONNECTION FEES, WATER AND SEWER MAINTENANCE FEES, TRASH REMOVAL, AND GARBAGE RATES, AND PROVIDING FOR THE ADDITION OF STATE MANDATED SALES TAX TO THE GARBAGE PORTION OF THE RATE, INSIDE AND OUTSIDE THE CITY OF NEDERLAND, TEXAS, AND FURTHER PROVIDING FOR INTEREST PENALTIES, RE-CONNECTION CHARGES, TRANSFER FEES, AND RETURNED CHECK FEES AND REPEALING ORDINANCE NO. 2023-19

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

WHEREAS, a revision should be made in the rates for utility services now being charged by the City of Nederland, Texas, inside the city limits and outside the city limits.

SECTION 1. Repeal of Previous Ordinances and Regulations.

1. All other ordinances and/or regulations governing City of Nederland (CITY) water and sewer services in conflict with this ordinance are hereby repealed when this ordinance takes effect, provided, however, the repeal of prior ordinances does not waive, excuse, or vacate any balances due for water services provided hereunder and the CITY may collect such balance due.

SECTION 2. Water and Sewer Systems.

1. The water system and sewer system are public utilities operated and maintained by the CITY. The systems shall be operated in accordance with ordinances and policies adopted by the CITY, state law, and/or Federal law. Subject to such requirements, the City Manager may make such reasonable regulations as to govern the water and sewer systems to ensure their continued operation.
2. For the purpose of this ordinance, the terms "water service" and "utility service" shall be inclusive of water service, sewer service, and garbage/trash services as provided by the CITY.
3. For the purpose of this ordinance, the term "customer" shall mean the person responsible for payment and/or all persons acting for him/her or by his/her direction.

SECTION 3. Application for Water Service.

1. Any person and/or business desiring to obtain water service from the CITY shall make application on a form supplied by the CITY. The application shall include:
 - a. Name of the individual to be responsible for the payment of utility service
 - b. The social security number of the individual responsible for payment
 - c. The applicant's driver's license number
 - d. The applicant's employer
 - e. The address to be served
 - f. The address, if different from the service address, to which bills are to be sent
 - g. The applicant's home telephone number and work phone number
 - h. The signature of the individual responsible for payment
 - i. The applicant's proof of identification
 - j. A rental agreement, if applicable

- The person responsible for the payment of utility service shall agree that he/she will abide by all ordinances, rules, policies, and/or regulations governing water and sewer service provided by the CITY.

SECTION 4. Installation of Service.

- No private service lines shall be connected or tapped to any CITY water line unless a meter is installed by the CITY at that connection.
- No private service lines shall be connected to any CITY sewer line unless the connection/tap has been made and/or approved by the CITY.
- Not more than one (1) premise may be connected to any 1 water and/or sewer tap. Exceptions may, however, be granted to this stipulation for situations involving a master meter to serve apartment complexes, mobile home parks, etc.
- No person shall make or permit to be made any subsidiary connection of another's premises with his/her water or sewer service.
- If approved by the CITY, additional water services may be provided to residences and/or businesses for water to be utilized for purposes such as outside watering, swimming pools, etc. In this situation, water provided by such separate service will not be discharged through the CITY's sewer system.

SECTION 5. Water Connection/Taps and Sewer Connection/Taps.

A. GENERAL

- The CITY reserves the right to tap existing CITY water lines, set water meters, and require use of CITY taps and meters and reserves the right to tap existing CITY sewer lines.
- Any individual or business desiring a water tap and/or a sewer tap shall make said request to the CITY. If said request, in the CITY's opinion, is beneficial to the CITY and/or does not endanger the existing water line (water system) and/or the sewer line (sewer collection system), the CITY shall provide all materials, labor, and equipment to tap the existing water line and/or existing sewer line.
- The CITY shall make the final determination as to the location of the water and/or sewer tap.
- If the street excavation is required, the following fees will be assessed in addition to the fees listed below:

Additional Cost for Street Excavations

<u>Excavation Length</u>	<u>Asphalt</u>	<u>Concrete</u>
5' or less	\$ 730	\$1,650
10' or less	\$1,000	\$2,200
15' or less	\$1,275	\$2,400
20' or less	\$1,525	\$3,425
25' or less	\$1,800	\$3,650
30' or less	\$2,075	\$4,000
31' or less	Cost will be calculated	Cost will be calculated

B. WATER TAPS

- The water connection fees are as follows:

	<u>Inside City</u> <u>(No Street Excavation)</u>	<u>Outside City</u> <u>(No Street Excavation)</u>
3/4" Water Tap	\$ 500	\$ 675
1" Water Tap	\$ 600	\$ 800
1 1/2" Water Tap	\$1,150	\$1,400
2" Water Tap	\$1,450	\$1,750
2" Compound	\$2,500	\$2,800
Over 2" Water Tap	Cost	Cost x 1.5

- In return for payment of such fee, the CITY shall tap the existing water line and install a water meter. The fee does not include the cost of the meter deposit as provided in Section 6.

C. SEWER TAPS

1. The sewer connection fees are as follows:

	Inside City (No Street Excavation)	Outside City (No Street Excavation)
4" up to 5' deep	\$200	\$300
4" from 5' to 10' deep	\$450	\$550
6" up to 5' deep	\$300	\$400
6" from 5' to 10' deep	\$550	\$650
8" up to 5' deep	\$400	\$500
8" from 5' to 10' deep	\$650	\$750
More than 10' deep	Actual Cost	Actual Cost

D. NEW SUBDIVISION WATER AND SEWER TAP FEES (INSTALLED BY DEVELOPER)

Tap Size	Inside City	Outside City
¾" Water	\$250	N/A
1" Water	\$350	N/A
4" Sewer	\$300	N/A

SECTION 6. Water Meter and Garbage Container Deposits.

1. In order to establish water, sewer, and garbage service, an applicant for said services shall be required to pay a deposit to the CITY in accordance with the following schedule (excludes residential rental property in renter/tenant's name):

	Inside City	Outside City
¾" and Smaller Water Meter	\$110	\$110
1" Water Meter	\$160	\$160
1 1/2" Water Meter	\$210	\$210
2" and Larger Water Meter	\$310	\$310

2. Residential Rental Property Deposit: In order to establish water, sewer, and garbage service, an applicant, who is not the property owner, for said services shall be required to pay a deposit to the CITY in accordance with the following schedule (excludes apartment complexes and duplexes without individual water meters for each unit):

	Inside City	Outside City
¾" and Smaller Water Meter	\$225	\$225
1" Water Meter	\$225	\$225

3. In order to be provided with an additional garbage container, which shall be limited to one additional garbage container per residential account (two total) and three additional per commercial account (four total), an applicant shall be required to pay an additional deposit of \$75.00 per additional container. No deposit will be required if the customer has paid his bill in full by the due date specified on each individual bill for a period of twelve (12) consecutive months immediately prior to the request for an additional garbage container.

4. Bulk Water service requires the use of a Hydrant Meter. The deposit for a Hydrant Meter is \$1,000.

SECTION 7. Application of Deposit.

1. Upon the termination of water, at the request of the customer, the deposit or any portion of the deposit remaining shall be returned to the customer when all charges have been paid, as well as trash has been cleared from the property in accordance with this ordinance and the garbage cans have been collected.

2. Current customer, who have service in their name, who continue to maintain utility service, and who have each month paid their bill in full and by the due date specified on each individual bill for a period of 12 consecutive months shall, at their request, be refunded the full amount of their deposit.

3. Tenants, who rent residential property from a property owner that elected to not have service in their name, shall be refunded the full amount of their deposit if they continue to maintain utility service and pay their bill in full and by the due date specified on each individual bill for a period of 48 consecutive months.

SECTION 8. Previous Service – Outstanding Balance.

Any applicant requesting water service from the CITY who currently has or previously had CITY water service and has, at the time of application, an outstanding balance on his/her previous water service must pay the outstanding balance in full in addition to the meter deposit prior to receiving new service.

SECTION 9. Water Rates.

The following monthly rates shall be charged for water service:

	<u>Inside City</u>	<u>Outside City</u>
First 2,000 gallons (minimum)*	\$12.90	\$17.45
Each additional 1,000 gallons** (up to 50,000 gallons)	\$ 3.90	\$ 5.65
Each additional 1,000 gallons above 50,000 gallons	\$ 4.00	\$ 5.75
Water Line Maintenance per 1,000 gallons (above minimum)	\$ 0.52	\$ 0.52

* *Where water service is provided to multiple units served by one meter, the minimum rate for the first 2,000 gallons will be charged for each unit based upon ninety percent (90%) occupancy of the total number of units.*

** *Except as required by provisions of outside CITY contracts.*

The CITY may permit contractors engaged by the CITY for CITY or construction projects to utilize potable (bulk water) with the permission of the Public Works Director and the City Manager. Otherwise, no bulk water sales are permitted. The inside city water rates shall be utilized by the City following approval. The City Manager may authorize community-beneficial construction projects or emergency use following a disaster to utilize bulk water.

SECTION 10. Sewer Rates.

The following monthly rates shall be charged for sewer service:

	<u>Inside City</u>	<u>Outside City</u>
First 2,000 gallons (minimum)*	\$13.30	\$19.10
Each additional 1,000 gallons** (up to 50,000 gallons)	\$ 6.05	\$ 7.50
Each additional 1,000 gallons above 50,000 gallons	\$ 6.35	\$ 7.80
Sewer Line Maintenance per 1,000 gallons (above minimum)	\$ 0.52	\$ 0.52

* *Where water service is provided to multiple units served by one meter, the minimum rate for the first 2,000 gallons will be charged for each unit based upon ninety percent (90%) occupancy of the total number of units.*

** *Except as required by provisions of outside CITY contracts.*

SECTION 11. Garbage Rates.

RESIDENTIAL ACCOUNTS

All residences inside the CITY limits shall be required to use the CITY garbage service in accordance with the following schedule:

Inside City Rate (per month)	\$22.25 + sales tax*
Additional Container**	\$ 8.65 + sales tax*

COMMERCIAL ACCOUNTS

Business inside the CITY limits may elect to utilize the CITY garbage service in accordance with the following schedule:

Inside City Rate (per month)	\$22.25 + sales tax*
Additional Container**	\$10.00 + sales tax*
<i>No more than 3 additional containers</i>	

Businesses inside the CITY limits may elect to utilize the CITY garbage service and not receive twice a month trash service in accordance with the following schedule:

Inside City Rate (per month)	\$15.25 + sales tax*
Additional Container**	\$10.00 + sales tax*
<i>No more than 3 additional containers</i>	

* *Sales tax shall be in amount required by law*

** *Customers requesting additional containers must have sufficient space on their residential or commercial lot to accommodate the necessary spacing. The City Manager or his designee has the authority to decide whether a customer has sufficient space, and their decision is final.*

The Public Works Director may require any residential or commercial generator who regularly exceeds the provided garbage can load and/or weight capacity within a collection period, or any customer who regularly generates refuse requiring special handling to use a private commercial disposal system or to make other approved disposal arrangements.

SECTION 12. Billing and Penalty.

1. All charges on utility service bills shall be due and payable to the CITY fifteen (15) days after the date the bill is mailed to the person responsible for payment.
2. If payment is not received by the sixteenth (16th) day, a ten percent (10%) penalty shall be assessed.
3. Notwithstanding the provisions of 1 and 2 above, in accordance with Section 182.002 of the Texas Utilities Code, the 10% penalty shall not be applied to persons ages 60 or older until the 25th day after the date on which the bill was issued, provided that such person has made a request for delay, presented reasonable proof of their age, and is a residential customer who has occupied, and shall continue to occupy, the entire premises for which a delay is requested.
4. Should the 15th day fall upon a weekend, holiday, or any date that the City Hall building is closed, a grace period of two (2) business days shall be granted.

SECTION 13. Delinquency – Termination of Service.

1. If full payment is not received by the CITY by the next date at which the water meter is read, a subsequent utility bill shall be mailed for the current reading plus the amount owed on the previous billing including the 10% penalty.
2. If full payment is not received on the date on which the subsequent utility bill is due, all utility service shall be disconnected or shall be placed on "disconnection status." A final notice via telephone call or mail shall be sent to the customer on the Thursday following the due date indicating that services shall be disconnected on the Thursday immediately following the issuance of such notice. If payment in full is not received by 5PM on the due date, then the account will be placed in disconnection status. Once the cut-off work order is issued, a reconnection charge and any additional deposit shall be due in addition to the previous balance.

SECTION 14. Re-connection Charges.

1. Should utility service be discontinued due to non-payment of a utility bill, all funds due to the CITY, in addition to a re-connection fee shall be paid prior to reinstatement of utility service. The re-connection fee shall be **\$30.00** if reinstatement of utility service is requested during working hours (8:00AM to 4:30PM, Mondays through Friday). A customer will be required to keep a minimum \$210 deposit on file or a \$325 deposit for residential rental property accounts in addition to the account balance and reconnection fees before utility service is reconnected. Any additional deposit required may be billed in two installments.
2. Should service be discontinued, the CITY shall install a lock on the water meter. Should the customer or any person tamper with the lock and damage it, the following fees shall be assessed: 1st offense - \$100 and 2nd and/or subsequent offense - \$250. This fee shall be paid, in addition to all other charges, prior to reinstatement of service.
3. Should any person turn on water service, after the CITY disconnected the service for non-payment, such action shall be considered a criminal offense.
4. Should a customer be repeatedly disconnected due to non-payment, the CITY may require the following:
 - a) Payment for the delinquent bill in the form of cash, money order, and/or cashier's check.
 - b) The CITY retains the option of requiring payment for utility bills by cash, money order, and/or cashier's check for all future utility billings.
5. If payment is made with a check returned insufficient funds due to the issuance of a disconnection notice, water will be immediately disconnected.

SECTION 15. Transfer Fee.

A transfer fee, in the amount of \$15.00 shall be assessed for transferring service within the CITY's utility service system. The final bill of the transferred account plus \$15.00 will be added to the customer's new account. The transferred account may remain active no longer than fourteen days.

SECTION 16. Returned Check Fees.

1. Any customer who pays his/her utility bill with a check which is returned from the financial institution due to, but not limited to, insufficient funds and/or closed account shall be assessed a **\$30.00** fee.
2. The CITY may, at the request of the customer, re-run the check. If the check is accepted, the fee shall be waived. However, if the check continues to be returned, the CITY shall require that the bill be paid by cash, money order, cashier's check, or credit card.
3. The CITY retains the right to prosecute for returned checks in accordance with the Texas Penal Code.
4. If a check is returned unpaid due to the financial institution error, the financial institution shall submit written verification of such error. In this situation, the fee shall be waived.
5. Should a customer have two (2) or more checks returned due to insufficient funds and/or closed account within a period consisting of 12 consecutive months, the CITY shall no longer accept checks from that individual for a period of 24 months. During the 24-month period, all payments shall subsequently be made in the form of cash, money order, cashier's check, and/or credit card.

SECTION 17. Temporary Service.

1. Should a customer request temporary service, no deposit shall be required, unless the customer is in arrears on other accounts.
2. The duration of such temporary service shall not exceed 15 calendar days. The customer shall be billed for actual usage.
3. Should the account become delinquent, the customer shall not be allowed to begin any new service until all delinquent monies are paid.

SECTION 18. Failure to Receive a Bill.

1. All bills for utility service shall be rendered monthly in accordance with a schedule established by the CITY. The City shall exercise care in the delivery of utility bills but is NOT responsible for the service provided by the United States Postal Service.
2. Failure to receive a bill shall not relieve the customer for payment of service received within the prescribed period nor exempt him/her from the responsibility imposed for delinquent accounts.

SECTION 19. Deferred Payments.

1. The City Manager and/or his/her designee shall be empowered to develop payment schedules should a customer be unable to pay his/her bill. The City Manager may not develop payment schedules should a customer be unable to pay his/her bill if the outstanding balance is greater than \$500.00
2. Should a customer not be able to pay his/her account by the due date, he/she must contact the CITY prior to the due date and request that a payment schedule be developed.
3. Should a customer not contact the CITY prior to the issuance of a disconnection notice, he/she shall be required to pay the entire amount of the bill in order to retain water service.
4. The customer and the CITY may develop a payment schedule which shall be documented on a form supplied by the CITY. This form shall include, but not be limited to, the following information: dates of future payments, amounts of future payments, and signature of the customer. Should the customer subsequently not comply with the payment schedule, water

service shall be disconnected and shall not be reinstated until the full amount owned on the bill is paid.

5. In no shall the CITY abdicate the right to refuse a payment schedule as presented by the customer.
6. If a customer fails to comply with the provisions of their payment schedule, he/she shall not be permitted to establish additional payment schedules until full payment has been received on the initial/existing payment schedules.

SECTION 20. Adjustments.

1. The City Manager and/or his/her designee shall be empowered to make adjustments on utility bills when an investigation reveals that the meter charges are excessive in comparison to previous billings due to inadvertent misfortune or inadvertent damage to a customer's pipes and plumbing. The customer must provide an invoice or receipt as proof that the leak has been repaired before issuance of adjustment.
2. Any adjustments made to the utility bill shall be made to the cost for sewer service, including the base rate and maintenance fee. An adjustment will be made based upon an average of six (6) monthly bills during the previous six-month period.
3. In the event that the water usage during the billing period exceeds 50,000 gallons, the cost of water service shall be adjusted by one-third (1/3) of the excess water usage based upon an average of 6 monthly bills during the previous six-month period. Such an adjustment, however, shall only be made for those customers whose monthly bill averages less than 50,000 gallons based upon an average of the preceding 12 months. The customer must provide an invoice or receipt as proof that the leak has been repaired before issuance of any adjustment to the cost of water.
4. In the event that water usage during the billing period exceeded 95,000 gallons and was the result of a tree root damaging the water meter or delaying the repair as determined by City Council action, the cost of water shall be adjusted by three quarters (3/4) of the excess water usage based upon an average of 6 monthly bills during the previous 6-month period; however, the adjusted bill shall not be less than \$100. Such an adjustment, however, shall only be made for those customers whose monthly bill averages less than 50,000 gallons based upon an average of the preceding 12 months. Any adjustment to the cost of water shall only be made if the customer provides verification that a leak existed and submits an invoice or receipt as proof that the leak has been repaired.
5. In no case, shall a sewer adjustment be granted if the CITY notified the customer of a potential water leak on his/her property.
6. Sewer adjustments will be limited to one per 12-month period. Sewer adjustments shall not exceed \$2,500 unless approved by the City Council.
7. A sewer adjustment will be granted the first time a swimming pool is filled upon construction. To be eligible for a "pool adjustment," a customer, who resides within the city limits must have a Building Permit issued by the City of Nederland Inspections Department. To be eligible for a "pool adjustment," a customer who resides outside the city limits must submit a copy of the contract with the pool company to the Utility Billing Supervisor and have filled the pool within the last billing cycle.
8. Any suspected billing errors should be reported to the Billing & Collections Department when the billing error is discovered. If a billing error did occur, an adjustment will be calculated to correct the error. However, adjustments will be limited to the previous twelve months billing and require the City Manager's approval.

SECTION 21. Meter Tampering.

1. It is unlawful for any person to turn on water to any premises from the CITY water system without first obtaining approval from the CITY.
2. It is unlawful for any person to connect water service to a premise after service has been terminated by the CITY.

3. It is unlawful to interfere with, disturb, or damage in any manner or form any water meters, locks, cutoff valves, or other appliances of the CITY. The head of household or property owner involved shall be held responsible for the violation of this section.
4. Tampering fees of up to five hundred dollars (\$500.00) shall be assessed where a meter has been interfered with, disturbed, or damaged.

SECTION 22. Trash Removal Rates.

1. Trash blocking drainage – a service fee of \$50.00 to \$200.00 will be charged to the owner of the property when it becomes necessary to clear a ditch of trash and/or debris during, before, and/or after a rainstorm to prevent possible flooding. The fee shall be based upon the amount of work performed by the CITY. The CITY shall document the work and add the service fee on the customer's next bill; the next month bill will be customer's notice.
2. Miscellaneous trash and/or debris, defined as green waste and/or any other bulky items not able to be placed into the standard CITY garbage container, from empty (undeveloped or vacant) property must be hauled off by the owner or developer at their expense. Violations of said policy will be forwarded to the CITY' Code Enforcement Department for compliance. The CITY shall not reconnect services until said violation has been resolved by the Code Enforcement Officer and/or Municipal Court.
3. The CITY will provide collection of trash to residential and commercial customers receiving garbage service twice per month. The amount of trash removed shall be limited to four (4) cubic yards per collection. Trash piles greater than the prescribed 4 cubic yards must be removed by the property owner within ten (10) calendar days or violations may be forwarded to the City's Code Enforcement Department for compliance. If the CITY' Code Enforcement Officer tags the pile in violation, the CITY solid waste service shall not pick up that trash. The CITY shall not provide this service to vacant properties or those properties without an active account. Green waste and trash will not be removed if it is co-mingled.
4. Should an owner of property or customer within the CITY request the removal of the trash that exceeded the prescribed 4 cubic yards per collection, the CITY may do so at a cost equivalent to the actual costs of personnel, equipment, and disposal fees but no less than \$20.00 per cubic yard per collection for quantities greater than 4 cubic yards. Payment must be made to the CITY prior to the trash being collected. The amount of trash to be collected shall not exceed 4 cubic yards at any one time. Such service shall be provided at the discretion of the CITY dependent upon such factors including, but not limited to, existing workload, and scheduling. This provision shall not apply to the accumulation of trash due to work performed by contractors and/or individuals/companies hired by the property owners. The placement of the trash in quantities greater than 4 cubic yards shall constitute the owner or customer's request for said service and acceptance of the prescribed fees.

SECTION 23. Disaster.

In the event of a declared disaster, such as hurricane, tornado, flood, ice storm, pandemic, etc. significantly impacting the community, the City Manager is authorized to waive fees, penalties, etc. for up to 30 days from the date of the disaster. The waiver of fees, penalties, etc. shall not exceed \$150.00 for residential customers or \$250.00 for commercial or industrial customers for each request or incident. The City Manager is authorized to waive disconnection of utility services for non-payment for a period of NO MORE THAN 30 DAYS from the date of the disaster.

SECTION 24. Validation.

If any section, paragraph, subdivision, clause, phrase, or provision of this ordinance shall be adjudged invalid or held unconstitutional, the same shall not affect the validity of this ordinance as a whole or any part or provision thereof other than the part so decided to be invalid or unconstitutional.

This ordinance shall take effect October 1, 2024.

PASSED AND APPROVED by the City Council of the City of Nederland, Texas at a regular meeting this the 26TH day of AUGUST, 2024.

Don Albanese
Don Albanese, Mayor
City of Nederland, Texas

ATTEST:

Joni Underwood
Joni Underwood, City Clerk
City of Nederland, Texas

APPROVED AS TO FORM AND LEGALITY:

Chris Leavins
Chris Leavins, City Attorney
City of Nederland, Texas

