

## AN ORDINANCE

### AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH AMENDING THE CITY OF FAIR OAKS RANCH CODE OF ORDINANCES APPENDIX A “FEE SCHEDULE;” ARTICLE A7.000 (a) AND (b) “WASTEWATER SERVICE CHARGES;” CONTAINING FINDINGS AND PROVISIONS RELATING TO THE SUBJECT; PROVIDING A REPEAL CLAUSE; AND PROVIDING AN EFFECTIVE DATE

**WHEREAS**, as of December 2, 1997, the City of Fair Oaks Ranch is the owner and operator of the water and wastewater facilities that serve the citizens of Fair Oaks Ranch; and

**WHEREAS**, the water and sewer facilities are operated as an enterprise with revenues covering expenses associated with their operation, maintenance, and capital improvements; and,

**WHEREAS**, a Fee Schedule, providing for rates and fees assessed to cover the costs associated with the efficient operation of the wastewater system, was passed and approved November 18, 2018; and,

**WHEREAS**, after several budget cycles and quarterly budget updates it was found the annual wastewater revenue levels are insufficient to cover the cost of providing wastewater services; and,

**WHEREAS**, in early 2021, the City engaged a consultant to conduct a Utility Rate Study for Fair Oaks Ranch Utilities; and,

**WHEREAS**, at the June 1, 2023 City Council meeting, after a presentation of various proposed wastewater rate scenarios, the City Council approved advancing new wastewater charges; and,

**WHEREAS**, the proposed wastewater charges meet the City Council’s desire that wastewater fees and rates be reasonable and equitable; and,

**WHEREAS**, after careful consideration of the wastewater system financial plan, the City Council has determined amending the wastewater rates and fees is warranted.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FAIR OAKS RANCH, TEXAS:**

**PART 1.** The City of Fair Oaks Ranch Code of Ordinances Appendix A “Fee Schedule;” Article A7.000 (a) and (b) “Wastewater Service Charges” is hereby amended as forth in the attached **Exhibit A**.

**PART 2.** That the recitals contain in the preamble hereto are hereby found to be true and such recitals are hereby made a part of this Ordinance for all purposes and are adopted as a part of the judgment and findings of the Council.

**PART 3.** It is hereby declared to be the intention of the City Council that the phrases, clauses, sentences, paragraphs, and sections of this ordinance be severable, and, if any phrase, clause, sentence, paragraph, or section of this ordinance shall be declared invalid by judgment or decree of any court of competent jurisdiction, such invalidity shall not affect any of the remaining phrases, clauses, sentences, paragraphs, or sections of this ordinance and the remainder of this ordinance shall be enforced as written.

**PART 4.** That it is officially found, determined, and declared that the meeting at which this Ordinance is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this ordinance, was given, all as required by Chapter 551, as amended, Texas Government Code.

**PART 5.** This Ordinance shall take effect immediately from and after its second reading, passage and publication as may be required by governing law.

**PART 6.** The repeal or amendment of any ordinance or part of ordinances effectuated by the enactment of this ordinance shall not be construed as abandoning any action now pending under or by virtue of such ordinance or as discontinuing, abating, modifying, or altering any penalty accruing or to accrue or as affecting any rights of the City of Fair Oaks Ranch under any section or provisions of any ordinances in effect at the time of passage of this ordinance.

**PART 7.** The provisions of this Ordinance shall be cumulative of all ordinances not repealed by this ordinance and ordinances governing or regulating the same subject matter as that covered herein.

**PASSED and APPROVED on first reading by the City Council of the City of Fair Oaks Ranch, Texas, on this 20th day of July 2023.**

**PASSED, APPROVED, and ADOPTED on second and final reading by the City Council of the City of Fair Oaks Ranch, Texas, on reading this 3<sup>rd</sup> day of August 2023.**

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Gregory C. Maxton, Mayor

ATTEST:

APPROVED AS TO FORM:

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Christina Picioccio, TRMC, City Secretary

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Denton Navarro Rocha Bernal & Zech, P.C.,  
City Attorney

## EXHIBIT A

Appendix A "Fee Schedule," Article A7.000 (a) and (b) "Wastewater Service Charges," is hereby amended as follows:

[Deletions shown as strikethrough and additions shown as underscore]

### ARTICLE A7.000 - WASTEWATER SERVICE CHARGES

~~(a) Wastewater rates.~~

~~(1) Service availability - Based on the previous years' service availability rate plus inflation factor.~~

~~(b) Wastewater fees.~~

~~(1) Texas Commission on Environmental Quality (TCEQ) - The annual TCEQ wastewater fee divided by number of service connections. (The month payment is made to TCEQ.)~~

~~(2) Debt service - The wastewater portion of the total debt payment (including principal and interest) in upcoming fiscal year divided by number of service connections.~~

~~(3) Capital reserve - The budget goal divided by number of service connections.~~

### **Effective October 1, 2023**

(a) Wastewater rates.

(1) Service availability - \$28.94.

(b) Wastewater fees.

(1) Texas Commission on Environmental Quality (TCEQ) - The annual TCEQ wastewater fee divided by the number of service connections. (The month payment is made to TCEQ.)

(2) Debt service - The wastewater portion of the total debt payment (including principal and interest) in the upcoming fiscal year divided by number of service connections.

(3) Capital reserve - The budget goal divided by number of service connections.

(c) Volumetric rate (per 1000 gallons) and fee.

(1) October 1, 2023 - February 29, 2024: \$36 per month based on an assigned winter average of 6,000 gallons x \$6 per 1,000 gallons.

(2) Beginning March 1, 2024: \$6 per 1,000 gallons based on the individual customer's average water consumption during the months of December, January, and February. Each customer's winter average shall be updated annually in March and reflected on subsequent billing statements.

(3) New customers without a three-month winter average will be billed in accordance with (c)(1) until their individual winter average is established.

(4) Customers moving service locations within the City will be billed in accordance with their established volumetric fee from their previous location.