ORDINANCE NO. 2024-004

AN ORDINANCE OF THE BOARD OF DIRECTORS OF WYLIE NORTHEAST SPECIAL UTILITY DISTRICT, COLLIN COUNTY, TEXAS, AMENDING SECTION 7.03(d) OF THE RATE ORDER CONCERNING DEPOSIT REFUNDS; AMENDING CERTAIN SUBSECTIONS OF SECTION 7.05 TO INCREASE THE CONNECTION FEE; AMENDING AND RESTATING SECTION 7.07 TO INCREASE WATER USAGE, LEAK ADJUSTMENT AND SEWER RATES; ADDING SECTION 7.26 AND AMENDING SECTION 9.02(a) TO ASSESS A FEE FOR BACK-FLOW PREVENTION ASSEMBLY INSPECTIONS AND TESTING PERFORMED BY DISTRICT PERSONNEL; REPEALING ORDINANCE NO. 2023-003; PROVIDING FOR A SAVINGS/REPEALING CLAUSE; PROVIDING FOR A SEVERABILITY CLAUSE; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Wylie Northeast Special Utility District (the "District") is a political subdivision of the State of Texas created under the authority of Section 59, Article XVI, Texas Constitution, and operating pursuant to Chapters 49 and 65, Texas Water Code; and

WHEREAS, the Board of Directors of the District adopted a comprehensively revised and restated Rate Order pursuant to Ordinance No. 2015-004 establishing service policies and rates for water and sewer services provided by the District to the public; and

WHEREAS, the District entered into a wholesale supply contract with the North Texas Municipal Water District ("NTMWD") for the District's entire water supply; and

WHEREAS, on September 11, 2023, the Board adopted Ordinance No. 2023-003 to amend and restate Section 7.07 of the District's Rate Order setting rates for water service, sewer service, and leak adjustments together with other related charges; and

WHEREAS, due to rampant inflation increasing the cost of materials, consumable supplies and meters, together with a rate increase imposed on water purchased by the District from NTMWD, the Board finds it necessary to increase certain rates and fees as described herein.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF WYLIE NORTHEAST SPECIAL UTILITY DISTRICT THAT:

- <u>SECTION 1</u>. <u>Findings Incorporated</u>. The findings set forth above are incorporated into the body of this Ordinance by reference for all purposes.
- SECTION 2. Amending and Restating Section 7.03(d) of the Rate Order. Section 7.03(d) of the Rate Order is hereby amended and restated in its entirety to read as follows:
 - (d) <u>Refund of Deposit</u>. The district shall refund a service applicant's deposit if service is not connected. The district shall refund the balance of a

customer's deposit, if any, after applying it to any unpaid fees or charges on the customer's account following the discontinuance of service. The deposit balance shall be paid to the customer within thirty (30) days of the customer requesting discontinuance by telephone or completing and submitting a completed Request for Discontinuance form to the district. Requests for discontinuance of service must be made or received by the district prior to termination of service. The district is prohibited from applying any amount of a deposit to an account except when service is discontinued. In the event that an outstanding balance exists after the deposit is applied, the district may attempt to collect the outstanding balance by all lawful means available.

<u>SECTION 3</u>. <u>Amending and Restating Certain Subsections of Section 7.05 of the Rate Order</u>. Subsections 7.05(a)(1), (b)(1) and (b)(2) of the Rate Order are hereby amended and restated in their entirety to read as follows:

(a) Standard Residential and Non-standard Commercial Service.

(1) The water connection fee for standard residential and non-standard commercial service shall include all labor, materials for construction, installation, and inspection of a service connection to the district's water system and a standard e'' x %'' meter. The connection fee shall be charged on a per connection basis in the following amounts:

Meter Size Connection Fee e'' x %'' \$3,000.00 Larger than e'' x %'' \$3,000.00 plus additional costs of the larger meter, parts and labor for installation.

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- (b) <u>Non-standard Service to Subdivision Projects</u>. The connection and capacity fees for non-standard service to land being developed or subdivided as follows:
 - (1) The water connection fee is \$3,000.00 for each standard service connection and meter installed by the district. For larger service connections and meters under this section, the applicant shall pay \$3,000.00 plus the additional costs of the larger meter, materials and parts, and labor for installation.
 - (2) The water connection fee is \$2,700.00 for each standard service connection provided the applicant or developer agrees to install the meter box,

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tap, meter riser with appurtenances, and a service line for each proposed service connection in conjunction with the construction of approved water distribution facilities on the land. This fee amount includes the cost of $a \in "x$ %" meter to be installed by the district in a meter box following inspection and approval of same. For larger service connections and meters under this section, the applicant shall pay \$2,700.00 plus the additional costs of the larger meter and related materials and parts.

SECTION 4. Amending and Restating Section 7.07 of the Rate Order. Section 7.07 of the Rate Order is hereby amended and restated in its entirety to read as follows:

7.07 Monthly Service Charges.

- (a) <u>Water Service</u>. The District shall assess monthly charges for water service at the following rates:
 - (1) <u>Base Rate</u>. The base rate is that portion of a customer's monthly bill which is paid for the opportunity of receiving utility service, excluding standby fees which does not vary due to changes in service consumption. The standard service unit is $a \in "x \mbox{\em 4}"$ meter (as per AWWA maximum continuous flow specifications), which is used as a base multiplier for the monthly base rate amount. Therefore, a customer's water service base rate charge is based on the number of $e = x \mbox{\em 4}"$ meters equivalent to the size of that customer's meter. The district's monthly base rates for water service and meter size equivalents are as follows:

METER SIZE	5/8" x 3/4" METER EQUIVALENTS	MONTHLY RATE
e" x ¾"	1.0	\$ 30.00
34" x 34"	1.5	45.00
1"	2.5	75.00
1½"	5.0	150.00
2"	8.0	240.00
3" DISP.	9.0	270.00
3" CMPD.	16.0	480.00
3" TURB.	17.5	525.00
4" CMPD.	25.0	750.00
4" TURB.	30.0	900.00
6" CMPD.	50.0	1,500.00
6" TURB.	62.5	1,875.50
8" CMPD.	80.0	2,400.00

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(2) <u>Water Usage Rates</u>. In addition to the base rate, customers shall be assessed monthly water usage charges at the following rates for water metered during a single billing period:

- (3) <u>Leak Adjustment Rate</u>. Leak adjustments under Section 5.23 will be billed at the rate of \$5.25 per 1,000 gallons lost.
- (b) <u>Sewer Service</u>. The District shall assess monthly charges for sewer service at the following rates:
 - (1) <u>Residential Service</u>. Customers receiving sewer service at a residence shall be charged a monthly flat fee of \$60.00.

(2) Commercial Service.

- (A) <u>Base Rate</u>. The district's monthly base rate for commercial sewer service is \$36.00 per connection to the District's sewer system.
- (B) <u>Monthly Usage Rate</u>. In addition to the base rate, commercial customers shall pay a sewer usage charge for water metered during a single billing period at the following rate: \$2.33 per 1,000 gallons.
- (c) <u>Regulatory Assessment</u>. In accordance with TCEQ regulations, the district shall collect from each customer a regulatory assessment equal to 0.5% of the monthly charges collected by the district for water and sewer service. [See 16 TAC § 24.76 and Water Code § 5.701(n)]. State agencies, wholesale customers and purchasers of non-potable water are exempt from the regulatory assessment. [See TCEQ Publ. RG-199].
- SECTION 5. Adding Section 7.26 to the Rate Order. Section 7.26 is hereby added to the Rate Order to read as follows:
 - 7.26 Back-flow Prevention Assembly Inspection and Testing Fee. The District shall charge a fee of \$60.00 to inspect and test a customer's back-flow prevention assembly.

SECTION 6. Amending and Restating Section 9.02(a) of the Rate Order. Section 9.02(a) of the Rate Order is hereby amended and restated in its entirety to read as follows:

9.02 Backflow Prevention Assembly Installation; Testing and Maintenance.

(a) All backflow prevention assemblies shall be installed, tested, and certified to be operating within specifications by a backflow prevention assembly tester that has registered with the district. Backflow prevention assemblies which are installed to provide protection against health hazards must also be tested and certified to be operating within specifications at least annually by a registered backflow prevention assembly tester and at the expense of the customer. Customers shall pay the fee set forth in Section 7.26 to the Rate Order when a backflow prevention assembly inspection and test is performed by district personnel.

SECTION 7. Repealing Ordinance No. 2023-003. Ordinance No. 2023-003, which amended and restated Section 7.07 of the Rate Order, is hereby repealed.

SECTION 8. Savings/Conflicts. Ordinance No. 2022-003 shall remain in full force and effect save and except as amended or repealed by this Ordinance or any other ordinance. All provisions of any ordinance in conflict with this Ordinance are hereby repealed and any remaining portions of such ordinance shall remain in full force and effect.

SECTION 9. Severability. Should any section, subsection, sentence, clause or phrase of this Ordinance be declared unconstitutional or invalid by a court of competent jurisdiction, it is expressly provided that any and all remaining portions of this Ordinance shall remain in full force and effect. The District hereby declares that it would have passed this Ordinance, and each section, subsection, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses and phrases be declared unconstitutional or invalid.

SECTION 10. Effective Date. This Ordinance shall become effective 30 days after the District provides written notice to its customers about the new monthly water and sewer service charges set forth in Section 4 above.

ADOPTED on the 9th day of September, 2024, by the Board of Directors of Wylie Northeast Special Utility District.

APPROVED:

Clinton Davis, Vice President

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ATTEST:

Lance Ainsworth, Secretary,

or Amanda Horst, Assistant Secretary

APMROVED AS TO FORM:

James W. Wilson, Attorney