

**CERTIFICATE FOR ORDINANCE**

THE STATE OF TEXAS §

COUNTY OF GALVESTON §

I, the undersigned officer of the Board of Directors of Galveston County Water Control and Improvement District No. 1, Galveston County, Texas, do hereby certify as follows:

1. The Board of Directors of Galveston County Water Control and Improvement District No. 1 convened at a special meeting on the 4th day of September 2018, at the regular meeting place within the boundaries of the District, and roll was called of the duly constituted officers and members of the Board, to-wit:

John W. Mitchiner	President
Shamarion M. Barber	Vice-President
William J. Gaffey	Secretary/Treasurer
Garland Copelin	Director
Jeffrey Spriggins	Director

and all of said persons were present, except Director(s) \_\_\_\_\_, thus constituting a quorum. Whereupon, among other business, the following was transacted at the meeting: a written

**ORDINANCE ADOPTING AMENDED RATES AND FEES FOR SERVICES AND RULES AND REGULATIONS; ESTABLISHING CERTAIN OTHER POLICIES AND PROVIDING PENALTIES AND VIOLATION THEREOF**

was introduced for the consideration of the Board. It was then duly moved and seconded that the Ordinance be adopted; and, after due discussion, the motion, carrying with it the adoption of the Ordinance, prevailed and carried by the following vote:

AYES: 5 NOES: 0

2. That a true, full and correct copy of the aforesaid Ordinance adopted at the meeting described in the above and foregoing paragraph is attached to and follows this certificate; that the Ordinance has been duly recorded in the Board's minutes of the meeting; that the persons named in the above and foregoing paragraph are the duly chosen, qualified and acting officers and members of the Board as indicated therein; that each of the officers and members of the Board was duly and sufficiently notified officially and personally, in advance, of the time, place and purpose of the aforesaid meeting, and that the Ordinance would be introduced and considered for adoption at the meeting, and each of the officers and members consented, in advance, to the holding of the meeting for such purpose; that the meeting was open to the public as required by law; and that public notice of the time, place and subject of the meeting given as required by Chapter 551, Texas Government Code, and Section 49.063, Texas Water Code.

SIGNED AND SEALED on the 4th day of September, 2018.

  
Name: William J. Gaffey  
Title: Secretary, Board of Directors

[District Seal]

**ORDINANCE NO. 2018 - 02**

**ORDINANCE ADOPTING AMENDED RATES AND FEES FOR SERVICES AND RULES AND REGULATIONS; ESTABLISHING CERTAIN OTHER POLICIES AND PROVIDING PENALTIES AND VIOLATION THEREOF**

**THE STATE OF TEXAS** §

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**WHEREAS**, the Board of Directors (the "Board") of Galveston County Water Control and Improvement District No. 1 (the "District") has from time to time adopted certain ordinances ("Rate Ordinances") and Rules and Regulations establishing the rates and conditions under which water and sanitary sewer service would be provided; and

**WHEREAS**, the Board of the District has determined that it is in the best interest of the District to amend its Rate Ordinance;

**IT IS, THEREFORE, ORDERED BY THE BOARD OF DIRECTORS OF GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 THAT:**

**SECTION 1-1. Rates**

On or after the effective date of this ordinance, the following rates apply to all customers, except wholesale contracts. (Ord. 89-06)

**a) Water:**

**Monthly Minimum Bill Charge(s):**

Base minimum bill 5/8" meter	\$9.90
Base minimum bill 3/4" meter	\$9.90
Base minimum bill 1" meter	\$9.90
Base minimum bill 1.5" meter	\$16.60
Base minimum bill 2" meter	\$16.60
Base minimum bill 3" meter	\$27.80
Base minimum bill 4" meter	\$27.80
Base minimum bill 6" meter	\$27.80

**Commodity Charge:**

In addition to the monthly minimum bill charge(s), the commodity charge for water is as follows:

All water up to 2,000 gallons  
\$1.90 per 1,000 gallons or fraction thereof.

All water above 2,000 gallons up to 6,000 gallons  
\$5.10 per 1,000 gallons or fraction thereof.

All water above 6,000 gallons up to 12,000 gallons  
\$5.35 per 1,000 gallons or fraction thereof.

All water above 12,000 gallons or fraction thereof  
\$5.60 per 1,000 gallons or fraction thereof.

b) Wastewater (Sanitary Sewer):

Monthly Minimum Bill Charges:

Base minimum bill 5/8" meter	\$14.80
Base minimum bill 3/4" meter	\$14.80
Base minimum bill 1" meter	\$22.20
Base minimum bill 1.5" meter	\$40.00
Base minimum bill 2" meter	\$40.00
Base minimum bill 3" meter	\$40.00
Base minimum bill 4" meter	\$40.00
Base minimum bill 6" meter	\$40.00

Commodity Charge:

In addition to the monthly minimum bill, the commodity charge for wastewater is as follows:

All wastewater  
\$2.60 per 1,000 gallons or fraction thereof.

c) Out of District Fee:

Each customer located outside of the boundaries of the District shall be charged a monthly out-of-district fee of 1½ times the rates established in Section 1-1. (Ord. 89-06)

This clause shall not affect the existing Agreement with the City of Texas City. (Agreement 09/19/90)

d) Multi-Units:

RV Parks, hotels and motels, apartment houses, manufactured home rental communities, and multiple businesses or residences on one meter shall pay a minimum water and sanitary sewer charge per unit as provided above. The rate for RV Parks shall be on the same basis the District uses to determine the rates for other commercial businesses that serve transient customers and receive nonsubmetered utility service from the District. The District does not charge an administrative fee for the services provided. Reduction in the multi-unit charge may be allowed under the following conditions:

- 1) Transient Residential uses are defined as those commercial master metered, RV Parks, hotels and motels with four (4) or more spaces or rooms available for rent.

- a. A RV park is a commercial property on which service connections are made for recreational vehicle transient guest use and for which fees are paid at intervals of one day or longer.
- b. A hotel or motel is a commercial property with four (4) or more rooms available for transient guest use and for which fees are paid at intervals of one day or longer.

Hotel and motel Transient Residential uses shall pay a monthly minimum water and sanitary sewer bill charge per unit based upon seventy (70%) percent of the total number of hotel or motel rooms in the facility. These minimum bill charges shall be applied at the 5/8" or 3/4" monthly minimum bill charge rates per unit. The commodity charge for water and wastewater shall be in addition to the monthly minimum bill charge per unit. As the existing water rate structure is tiered, water commodity charges shall be calculated by dividing the calculated reduced number of units into the total water usage for the facility and then applying the water commodity rates on a per unit basis as defined elsewhere in this Ordinance. RV Parks shall pay a monthly minimum bill charge based upon the size of the master meter for both water and wastewater. All water and wastewater shall be billed in accordance with commodity charge usage as defined herein for water and wastewater for usage and shall not be divided based upon occupancy.

2) Multi-Family Residential uses are defined as those master metered, multi-family residential uses, such as apartment houses and manufactured home rental communities.

- a. An apartment house is a building or buildings containing five (5) or more dwelling units that are occupied primarily for non-transient use, including a residential condominium whether rented or owner occupied, and if a dwelling unit is rented, having rental paid at intervals of one month or longer.
- b. A manufactured home rental community is a property on which spaces are rented for the occupancy of manufactured homes for non-transient residential use and for which rental is paid at intervals of one month or longer. These uses do not include such occupancies that provide rooms or manufactured home accommodations on a per night basis.

These Multi-Family Residential uses shall pay a monthly minimum water and sanitary sewer bill charge per unit based upon ninety (90%) percent of the total number of apartment units or in the case of manufactured homes ninety (90%) percent of the total number of manufactured homes in the facility. These minimum bill charges shall be applied at the 5/8" or 3/4" monthly minimum bill charge rates per unit. The commodity charge for water and wastewater shall be in addition to the monthly minimum bill charge per unit. As the existing water rate structure is tiered, water commodity charges shall be calculated by dividing the calculated reduced number of units into the total water usage for the facility and then applying the water commodity rates on a per unit basis as defined elsewhere in this Ordinance.

3) Multiple Business uses are defined as master metered, commercial facilities with multiple tenant spaces that are not residential. Typically, these uses rent or lease individual tenant spaces for business occupancies. These Multiple Business uses shall pay a monthly minimum bill charge based upon the number of units in the facility served by that master meter whether or not occupied. The commodity charge per unit is based upon the size of the master meter as defined elsewhere in this Ordinance.

4) A vacant apartment building may be removed from the District's billing provided the water line to the building is physically disconnected and plugged on the exterior of the building in a manner acceptable to the District Plumbing Inspector and said disconnection shall be visible at all times to the District Plumbing Inspector. Individual family units do not qualify for this exemption.

5) RV and manufactured home spaces must be vacant and the water service line must have all faucets removed and the line capped. The sewer service riser must be capped with at least a 4-inch thick concrete block or glued PVC cap.

6) Multiple houses on same water meter must be vacant. The water service line must be physically disconnected and plugged on the exterior of the building in a manner acceptable by the District Plumbing Inspector and said disconnection shall be visible at all times to the District Plumbing Inspector.

Any application for reduction in number of units must be made in person at the District's office. (Ord. 89-06)

Applications are limited to three (3) times per year. (Ord. 02-01)

e) Regulatory Assessment:

Pursuant to Section 5.235, Texas Water Code and 30 TAC 291.76, the District shall pay a regulatory assessment to the Texas Commission on Environmental Quality (the "TCEQ") annually in the amount required by law on the total charges for retail water and sewer service billed to its customers annually.

**SECTION 1-2. Deposits**

**a) Customer Deposits:**

All customer accounts are required to have a service deposit. The only exceptions are governmental agencies, public education facilities, public utilities, and any current customers as of the date of this ordinance not previously required to have a service deposit. All deposits shall be held by the District until all water and/or sewer service shall have been terminated. Upon termination of service, the deposit shall be refunded in full, provided that the current balance owed the District for all water and sewer service shall be paid in full. In the event an outstanding balance exists at the time of termination of service on any account with the District, the customer's deposit will be applied to the outstanding balance. The customer may request the

District to hold the deposit in an inactive status.

The amount of deposit shall be:

Single-family residence, owned by customer	\$150.00
Single-family residence, rental	\$150.00
Multi-family residence	\$150.00 per unit
Commercial, normal consumption, single unit	\$150.00
multi-unit	\$150.00 per unit

Commercial, high consumption

(car wash, laundry, food service, service station, etc.)

Deposit based on the total of two months average bill of similar business. (Ord. 89-06)

The deposits shown above shall be applicable to building contractors and realtors on a per unit basis.

**b) Surety Bond:**

In the event a deposit exceeds \$500.00, a customer may post a surety bond in lieu of a cash deposit. The surety bond must be on a form approved by the District's Attorney. A surety bond must remain in force as long as the account is active. (Ord. 89.06)

**c) Irrevocable Letters of Credit:**

In the event a deposit exceeds \$500.00, a customer may submit an irrevocable letter of credit from a Texas bank, provided the letter must be approved by the District's Attorney. The letter of credit must remain valid as long as the account remains active. (Ord. 89-06)

**d) Proof of Home Ownership Status:**

Customer shall submit the following documents evidencing ownership of property: Warranty Deed, Deed of Trust, or other legal documents indicating ownership, together with a valid Texas driver's license. (Ord. 89-06)

**e) Out of District Customers:**

The deposit for out of district customers shall be 1½ times the above rate schedule. (Ord. 89-06)

f) Ownership of Deposit:

The deposit shall be returned to the person who originally signed the application for service upon termination of service. Exceptions to this rule shall be by written authorization by the original applicant or other evidence indicating change of ownership, such as death certificate, letters testamentary, divorce decree, or affidavit of heirship. (Ord. 89-06)

g) Interest on Deposits:

The District shall determine annually at its January meeting the interest rate to be paid on cash deposits. (Ord. 02-01)

h) Requirements for Establishing Credit:

Each customer must complete a water and sewer service agreement application prior to receiving water and/or sanitary sewer service. Applicant must present a valid Texas driver's license or Texas identification card with application. In the event sufficient credit information is not submitted, the District may require a higher deposit. (Ord. 89-06)

i) Non-Payment of Taxes:

In addition, the District may discontinue any or all facilities or services to prevent an abuse or to enforce payment of an unpaid charge, fee, or rental due the district (including taxes that have been delinquent for not less than six (6) months) upon observance of the procedure appropriate to the circumstances. (Ord. 02-01)

**SECTION 1-3.                      Service Policy**

a) Billing Procedures:

1) Due Date and Delinquency. Payment shall be due on or before the twentieth (20<sup>th</sup>) day after the date of the bill. After such date, a late charge of ten percent (10%) will be assessed on the unpaid balance on the water and sewer bill. All accounts not paid by the due date shall be deemed delinquent and failure to make payment thereafter may result in the termination of water and sewer service.

2) Notice and Appeal. Prior to termination of service, a Customer who is delinquent in payment shall be sent a notice that service will be discontinued on the fifteenth (15<sup>th</sup>) day after the date of such notice unless payment in full is received by such day. Notice shall be sent by first class United States mail and will provide the Customer with an opportunity to appear in person or by written correspondence at a scheduled meeting of the Board of the district to contest, explain, or correct the charges, services, or disconnection. The notice shall inform the Customer of the amount of the delinquent bill, the date service will be disconnected if payment is not made, and the right to contest, explain, or correct the charges, services, or disconnection. Service shall not be disconnected where a Customer has informed the District of the District's Operator of his

or her desire to contest or explain his bill. If the Customer appears before the board, in person or by written correspondence, the Board shall hear and consider the matter and inform the Customer of the Board's determination by sending written notice to the Customer by first class United States mail stating whether service will be continued or discontinued. If service is discontinued, it shall be reinstated only upon payment in full of all amounts due, including any late charges, the security deposit set out in Section 1-5, and a reinstatement charge of \$40.00. (Ord. 02-01)

**b) Entitlement:**

Customers are not guaranteed a specific quantity or pressure of water or specific capacity in sewer facilities for any purpose whatsoever; furthermore, in no instance shall the District be liable for failure or refusal to furnish water or any particular amount or pressure of water or to provide capacity in sewer facilities. (Ord. 02-01)

**c) Damage to District Facilities:**

**1) Damage to Meter and Appurtenances.** No person other than a duly authorized agent of the District shall open a meter box, tamper with or in any way interfere with a meter, meter box, service line or other water and/or sewer system appurtenance. The District reserves the right, immediately and without notice, to remove the meter or disconnect water service to any Customer whose meter has been tampered with and to assess repair charges to the Customer, plus a damage fee of \$50.00.

**2) Right to Repair.** The District reserves the right to repair any damage to the District's System and appurtenances without prior notice to assess against any Customer such penalties as are provided by law and such penalties provided for in this Rate Order in addition to those charges necessary the portion of the System so damaged. (Ord. 02-01)

**SECTION 1-4.**                      **Connection Policy, Tap Fees and Extension Charges**

**a) Initiation of Water and Sanitary Sewer Connections:**

Each person desiring a water and sanitary sewer service connection to the District's System shall be required to pay such fees as set forth in this Ordinance. No service shall established or re-established until such fees are paid. All service connections are subject to the provisions of the District's Rules and Regulations and all other rules, regulations, and policies of the District. (Ord. 02-01)

**b) Policies Governing Connections:**

**1) Certification of System.** Connections shall not be made to the District's System or portions of the System until the District's engineer has certified that the System or applicable portion thereof is operable.



2) Availability of Access/Obstructions. By application for connection to the District's System, the Customer shall be deemed to be granting to the District and its representatives a right of ingress and egress to and from the meter or point of service for such installation, maintenance and repair as the District, in its judgment, may deem reasonably necessary. The Customer shall also be deemed to be granting to the District and its representatives a right of ingress and egress to the Customer's property, including the exterior of the Customer's premises, for the purpose of performing the inspections and completing the Customer Service Inspection Certifications required by the District's Rules and Regulations. (Ord. 02-01)

c) Water Taps:

This term includes service lines from main line to property line, connections, meter box and water meter. Water taps must be paid in advance. Required tap sizes shall be established by the District's personnel. (Ord. 89-06)

Water Fee Schedule:

3/4" Meter Setup	\$ 975
3/4" Short -side	\$1,500
3/4" Long-side	\$2,160
1" x 3/4" Short-side	\$1,785
1" x 3/4" Long-side	\$2,460
2" x 1" Short-side	\$2,220
2" x 1" Long-side	\$2,925
2" x 2" Short-side	\$5,010
2" x 2" Long-side	\$5,550

Water taps greater than 2" are calculated at cost and then the same multiplier will be applied in accordance with rates listed above. Water line extensions are calculated at full cost. (Ord. 02-01)

Non-taxable organizations. In accordance with the limitations set by Section 49.212 of the Texas Water Code, water connections to non-taxable entities are made at the District's actual cost. (Ord. 02-01)

d) Sanitary Sewer Taps:

Sanitary sewer taps include service lines from main line to property line, connections, stack, and clean-out at the property line. The required minimum tap size shall be established by the District. (Ord. 89-06)

Sewer Fee Schedule:

4" Connection (no tap)	\$ 975
4" Short-side	\$1,305

4" Long-side	\$1,635
2" Force Main, Short-side	\$1,305
2" Force Main, Long-side	\$1,635

Sewer taps greater than 4" are calculated at cost and then the same multiplier will be applied in accordance with rates listed above. Sewer line extensions are calculated at full cost. (Ord. 02-01)

Non-taxable organizations. In accordance with the limitations set by Section 49.212 of the Texas Water Code, sewer connections to non-taxable entities are made at the District's actual cost. (Ord. 02-01)

Developer Installed Taps. Where a land developer installs water and/or sewer taps, the homebuilder is required to pay for the water meter set-up fee and the sewer connection fee, as shown above. (Ord. 02-01)

e) Out of District Tap Fee:

Customers outside of the District's boundaries shall pay two times the fees established for water and sewer connections. (Ord. 89-06)

f) Extensions:

Requests for extension of water and/or sewer service shall be handled on a case-by-case basis, limited to availability of service. The customer shall be charged based on the District's cost for the installation of the extension, including labor, material and equipment. (Ord. 89-06)

**SECTION 1-5. Miscellaneous Fees**

a) Fire Protection Services Fee:

Customers shall be charged a Fire Protection Services Fee as set out below:

Residential Customers: \$5.00

Commercial or Industrial Customers: \$10.00

b) Temporary Turn-On Fee (Clean Up & Plumbing Tests):

A service fee of \$25.00 plus a deposit of \$150.00 will be charged in the event a customer requests temporary service, such as clean up of rental property. There is a seven (7) day time limit on this service. Water and Sewer will be charged as provided in Section 1-1 (a) and (b). Upon termination of service, the District shall refund balance of the \$150.00 deposit after water and sewer charges have been deducted.

**c) Insufficient Check Charge:**

In the event the District receives a returned check from the bank due to insufficient funds, the district office or its authorized representative will notify the customer immediately by telephone or by mail. An insufficient check charge of \$25.00, together with the face value of the check, must be made in either cash or money order or service shall be terminated. (Ord. 94-01)

**d) Disconnect Fee and Reconnect Fee:**

Where it is necessary to disconnect water service for non-payment, the On-Site/Collection Disconnect Fee shall be \$10.00 and the Reconnect Fee shall be \$15.00. (Ord. 96-02)

**e) Late Penalties:**

All customers, except those who have notified the District that they are age 60 or older, in accordance with Texas Utility Code § 182.002, shall be charged a late penalty of 10% of the unpaid balance for any amount owing the District after the due date. Customers age 60 and older have 25 days to pay without incurring a penalty or late charge. (Ord. 02-01)

**f) Request for Confidentially:**

Customers may request confidentially of their utility account by completing the District's Request for Confidentiality Form. (Texas Utility Code §182.052 and § 182.053)

**g) Travel Meters:**

A "Travel Meter" is a semi-portable, 2" water meter with an attached backflow prevention device and separate shut off valve. It is designed to be attached directly to a 2½" fire hydrant nozzle. Travel Meters are generally used by contractors during major construction projects, (public and private).

District requires a \$1,500 deposit for Travel Meters along with a completely filled out commercial service application. The minimum charge for use of a travel meter is \$100; plus the standard rate for water used as detailed in Section 1-1.

**SECTION 1-6. Enforcement of Rules and Regulations**

Any and all of the following remedies may be employed by the District for non-payment of water and sewer charges, non-payment of taxes or to abate and prevent any violation of the provisions of the Rules and Regulations:

- 1) Discontinuance of water service.
- 2) Disconnection and sealing of sanitary sewer connection.
- 3) The Board hereby imposes the following civil penalties for breach of any rule or

regulation of the District: The violator shall pay the District twice the costs District has sustained due to the violation up to \$5,000.00. A penalty under this Section is in addition to any other penalty provided by the laws of this State and may be enforced by complaints filed in the appropriate court of jurisdiction in the county in which the district's principal office or meeting place is located. If the district prevails in any suit to enforce its rules, it may, in the same action, recover any reasonable fees for attorneys, expert witnesses, and other costs incurred by the District before the court. The amount of the attorney's fees shall be fixed by the court.

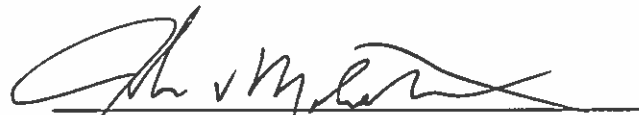
- 4) A Customer found in violation of these Rules and Regulations shall be liable to the district for all expenses borne by the District including laboratory fees, legal fees, engineering fees and other costs incurred by the district in establishing the violation and resolving the cause of the violation.
- 5) A Customer found in violation of these Rules and Regulation who causes or contributes to a violation by the District's Sanitary Sewer collection System of effluent parameters shall be liable to the District for all expenses borne by the District, including legal and engineering fees related to any lawsuit filed by federal, state, or local authorities regarding violations by the District of effluent parameters applicable to the District's Sanitary Sewer Collection System. (Ord. 02-01)

**SECTION 1-7. EFFECTIVE DATE**

This Ordinance shall be in full force and effect from and after its passage, recording, and publication as provided by law, in particular, Texas Water Code §51.129 which provides for publication once a week for two consecutive weeks in one or more newspapers in the area in which the property of the District is located.

PASSED, ADOPTED, ORDERED and APPROVED as of the 4th day of September 2018.

GALVESTON COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 1



JOHN W. MITCHINER,  
President of the Board of Directors

ATTEST:



WILLIAM J. GAFFEY,  
Secretary of the Board of Directors

[DISTRICT SEAL]