

## CODIFICATION OF ORDINANCES NO. 2023-02 AND 2023-03

### **ORDINANCE OF THE GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. 1 ADOPTING AMENDED RATES AND FEES FOR SERVICES AND RULES AND REGULATIONS; ESTABLISHING CERTAIN OTHER POLICIES; PROVIDING PENALTIES; AND MAKING OTHER PROVISIONS RELATED THERETO.**

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, sanitary sewer, solid waste, and fire 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; now therefore,

BE IT ORDAINED BY THE BOARD OF DIRECTORS OF GALVESTON COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO.1 THAT:

#### **SECTION 1-1 Definitions**

**Single-Family Residential** - Any single-family structure designed for occupancy as a residence whether by owner or by a renter or lessee, including any single-family residence, mobile home, townhouse, or other structure generally considered to be used solely for residential purposes by not more than one family and which is separately metered.

**Light Commercial** - Any structure generating not more than four (4) ninety-six (96) gallon carts per Unit of commercial refuse or solid waste.

**Commercial and Industrial** - Any structure designed or utilized for business purposes including office buildings, hotels, shops, retail stores, warehouses, service stations, churches, schools, recreational centers and all other premises, locations, or entities, public or private, not generally considered as Single-Family Residential or Light Commercial.

**Unit** – Any occupied or unoccupied space utilized as a residence or commercial venture.

**Multi-Family Residential** - Apartments, manufactured home rental communities, and multiple residences on one meter shall pay a minimum water and sanitary sewer charge per Unit. These minimum bill charges shall be applied at the 5/8" 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 number of Units into the total water usage for the facility and then applying the water commodity rates on a per Unit basis.

**Transient Residential** - RV parks, hotels and motels. The water and sewer rates for transient

residential shall be on the same basis the District uses to determine the rates for other commercial businesses.

**Multiple Business** - Any master metered, commercial facility with multiple tenant spaces that are not residential. Typically, these are rent or lease individual tenant spaces for business occupancies. Multiple Businesses 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.

## **SECTION 1-2      Rates and Fees**

The rates shown on Exhibit A apply to all customers, except wholesale contracts. Rates and fees may be modified or changed by the Board as required to meet the needs of the District and its obligations.

a) Out of District Fee:

In addition to the rates and fees provided in Exhibits A and B for customers residing in the District, each customer located outside of the boundaries of the District shall be charged a monthly Out of District fee equal to the total taxable value, as defined by Texas Tax Code Section 1.04, of the Out-of-District customers' property as listed on the Galveston County Central Appraisal District website as of September 30<sup>th</sup> of each year, multiplied by District's property tax rate per \$100 valuation adopted by September 30<sup>th</sup> for the following year, divided by 12. The exemptions, if any, applicable for customers residing in the District shall also be provided for the Out-of-District customers. This section shall not affect the existing interlocal agreement with the City of Texas City wherein the City is billed and pays the Out of District fee for its citizens as provided for by that agreement.

b) TCEQ 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. The District shall bill each customer monthly for the regulatory assessment.

c) Solid Waste Collection Rate:

The District shall bill a monthly solid waste collection fee as shown in Exhibit B to all Single-Family Residential customers or Multi-Family customers and Commercial accounts requiring no more than four (4) 96-gallon carts who are located within the corporate limits of the City of Dickinson and/or the boundaries of WCID #1. This section shall not affect the existing solid waste billing arrangements with the cities of Texas City and League City.

d) Reclaimed/Reuse Water Charges:

The minimum charge for reclaimed or reuse water shall be based on meter size plus one-half the commodity charge for potable water as shown in Exhibit A.

e) Water and Sewer Line Locate Fee:

The fee for water and sewer line locates will be determined on a case-by-case basis based upon actual cost. The fee for excavation to find water and sewer lines when there is a potential for alignment conflicts with new construction by a developer shall be two (2) times the actual cost of labor, materials and equipment needed to perform the work or \$2,500.00, whichever is more.

**SECTION 1-3            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 has been terminated and the District has notified AmeriWaste of termination of service. Upon termination of service, the deposit shall be refunded in full providing the current balance owed the District for all water and sewer service has been 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 (blanket deposit).

The amount of deposit shall be \$200.00 per Unit. This does not apply to garbage only accounts. The amount of deposit for garbage only accounts shall be \$75.00. An additional \$100.00 deposit will be required each time services are reinstated after cut-off for non-payment.

Commercial, high consumption (car wash, laundry, food service, service station, etc.):

Deposit is a two-month average bill for a similar business. The average bill is calculated using an average of six (6) months.

b) 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 form and content of the letter must be approved in advance by the District's legal counsel. The letter of credit must remain valid as long as the account remains active.

c) Proof of Home Ownership or Lease/Rental Status:

New customers shall submit the following documents evidencing ownership of property:

Warranty Deed, Deed of Trust, Lease/Rental agreement, or other legal documents indicating ownership or lease.

d) Proof of Identification:

New customers must provide a valid Texas driver's license or other official state or federal identification document.

e) Ownership of Deposit:

The deposit shall be returned to the owner 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 power of attorney, death certificate, letters testamentary, divorce decree, or affidavit of heirship.

**SECTION 1-4      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 penalty of ten percent (10%) will be assessed on the unpaid balance on the 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 service. Single-family residential units, in which an occupant and account holder is age 60 or older, or certified disabled, shall have 25 days from the billing date to pay without incurring a penalty.

2) Notice and Appeal: Prior to termination of service, a Customer who is delinquent in payment shall be sent a notice that service will discontinue 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, and the security deposit set out in Section 1-3.

b) Non-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.

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 endpoint, 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, meter endpoint, meter box, service line or other water and/or sewer system appurtenance has been damaged. The District will assess repair charges and a tampering fee of up to \$500 for 1<sup>st</sup> occurrence, \$1000 for 2<sup>nd</sup> occurrence and \$1500 for 3<sup>rd</sup> occurrence.
- 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.

**SECTION 1-5      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 be 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.

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 or District's designee has certified that the System or applicable portion has sufficient capacity.
- 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.

c) Water Taps:

A water tap includes service lines from main line to property line, connections, meter box and water meter. Water taps must be paid in advance. The required tap sizes shall be established by the General Manager or designee.

Water Tap Fee Schedule:

|                      |          |
|----------------------|----------|
| 1" x ¾" Short-side   | \$5,185  |
| 1" x ¾" Long-side    | \$6,300  |
| 1" x 1" Short-side   | \$5,765  |
| 1" x 1" Long-side    | \$6,880  |
| 2" x 1" Short-side   | \$8,380  |
| 2" x 1" Long-side    | \$9,900  |
| 2" x 1 ½" Short-side | \$10,375 |
| 2" x 1 ½" Long-side  | \$11,900 |
| 2" x 2" Short-side   | \$18,450 |
| 2" x 2" Long-side    | \$19,970 |

The fee for water taps not listed above is cost times 2.5.

Non-taxable organizations: In accordance with Section 49-212 of the Texas Water Code, water taps to non-taxable entities are made at the District's actual cost.

d) Sanitary Sewer Taps:

A sanitary sewer tap includes service lines from main line to property line and clean-out at the property line. Sewer taps must be paid in advance. The required minimum tap size shall be established by the General Manager.

Sewer Tap Fee Schedule:

|               |         |
|---------------|---------|
| 4" Short-side | \$5,045 |
| 4" Long-side  | \$9,535 |

The fee for sewer taps greater than 4" and force mains is cost times 2.5.

Non-taxable entity: In accordance with Section 49-212 of the Texas Water Code, a sewer tap to non-taxable entities is made at the District's actual cost.

e) Developer Installed Taps. When a land developer installs water and/or sewer taps, the homebuilder is required to pay for the water connection fee and the sewer connection fee, as shown below.

f) Service Connection Fees:

When a developer has installed the water and/or sewer taps, water and sewer service connection fees are due prior to installation of water meter, meter box and appurtenances.

|                  |         |
|------------------|---------|
| Water Connection | \$1,850 |
| Sewer Connection | \$1,850 |

g) Meter Set Fee:

Meter set fee is charged when there is an existing water connection with no meter. Fee charged includes the cost of smart water meter and appurtenances.

|               |       |
|---------------|-------|
| Meter Set Fee | \$750 |
|---------------|-------|

h) 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.

**SECTION 1-6      Miscellaneous Fees**

a) Fire Protection Services Fee:

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

Residential Customers: \$5.00 per connection

Commercial or Industrial Customers: \$10.00 per connection

For purposes of this subsection, "connection" means a Single-Family Residential Unit or each Commercial or Industrial establishment to which drinking water is supplied from the District's water system. As an example, the number of connections in an apartment complex would be equal to the number of individual apartment Units. This fee does not apply to travel meters or irrigation meters.

b) Private Fire Line with Fire Hydrant(s) Maintenance Fee:

Customers shall be charged \$25.00 per month per hydrant. Fee is for routine flushing and maintenance of fire hydrants and fire line repair.

c) Returned Check or ACH Charge:

In the event the District receives a returned check or ACH from the bank, the District office or its authorized representative will notify the customer by telephone or by door tag. A returned check or ACH charge of \$30.00, together with the face value of the check or ACH,

must be made or service shall be terminated. If payment is not resolved within 48 hours, a processing fee of \$50.00 will be charged and service is subject to disruption.

d) Processing Fee:

Accounts delinquent for 15 days after the due date will be charged a \$50.00 processing fee.

e) Travel Meters:

A "Travel Meter" is a semi-portable, 3" 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 completed Commercial service application. The minimum charge per month for use of a travel meter is \$100; plus, the commodity charge for water used as detailed in Exhibit A.

f) Credit Card Usage Fees:

Payments made by credit card are subject to a fee of 3% of total bill charges per transaction.

**SECTION 1-7      Solid Waste and Recycling Services**

- a) The District contracts with an independent contractor to provide solid waste and trash collection services within the District or within the corporate limits of the City of Dickinson. The District bills for these collection services on the customers' water bill except for dumpster service which is billed directly by the contractor. Failure to pay the fee for solid waste collection services shall result in termination of water and wastewater services.
- b) All Customers within the corporate limits of the City of Dickinson shall be required to receive solid waste and trash collection services through the District's contractor.
- c) Weekly recycling services are optional.
- d) All Food Establishments' solid waste shall be collected no less than twice a week.

**SECTION 1-8      Enforcement of Rules and Regulations**

Any and all of the following remedies may be employed by the District 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.

#### **SECTION 1-9            Court Fines and Penalties**

Any person, firm, partnership, association, corporation, company, or organization of any kind who or which intentionally, knowingly, recklessly, or with criminal negligence violates any of the provisions of this Ordinance shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be fined in an amount not to exceed the jurisdiction of the Justice Court. The penalty may be in addition to any other penalty provided by the law of this state and may be enforced by complaints filed in an appropriate court of jurisdiction in Galveston County. In addition, if the District prevails in any suit to enforce this Ordinance, it may recover reasonable fees for attorneys, expert witnesses, and other costs incurred by the District shall be entitled to seek injunctive relief in an appropriate court of jurisdiction in Galveston County in order to prevent violations of this Ordinance. The owner or owners of any property or premises and any agent, contractor, person, or corporation who shall assist in the commission of such offense shall be guilty of a separate offense, and upon conviction thereof, shall be punished as above provided.

#### **SECTION 1-10            Severability**

In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this

Ordinance or the application of the same to any person or circumstances shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate this Ordinance as a whole or any part or provision hereof other than the part declared to be invalid or unconstitutional; and the Board of Directors declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, or whether there be one or more parts.

**SECTION 1-11      Cumulative**

This Ordinance shall be cumulative of all other ordinances of the District related to water and sewer services, as amended, and shall not repeal any provisions of such ordinances in direct conflict with the provisions of this Ordinance.

**SECTION 1-12      Publication**

This ordinance shall be in effect from and after its passage; provided, however, any penal provisions shall take effect after 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 16<sup>th</sup> day of October, 2023 and the 18<sup>th</sup> of December, 2023.

GALVESTON COUNTY WATER CONTROL  
AND IMPROVEMENT DISTRICT NO. 1

*Original signed on file*  
RON MORALES,  
President of the Board of Directors

**ATTEST:**

*Original signed on file*  
DOREEN BRIDGES,  
Secretary of the Board of Directors

[DISTRICT SEAL]

EXHIBIT A

RATES

**WATER**

**Base Water Rates (excludes charges for consumption)**

| Meter Size   | Residential | Commercial | Multi-Family |
|--------------|-------------|------------|--------------|
| 5/8" or 3/4" | \$ 14.46    | \$ 15.79   | \$ 15.79     |
| 1"           | \$ 14.46    | \$ 17.63   | \$ 15.79     |
| 1½"          | \$ 23.99    | \$ 30.47   | \$ 15.79     |
| 2"           | \$ 31.70    | \$ 39.63   | \$ 15.79     |
| 3"           | n/a         | \$ 60.42   | \$ 15.79     |
| 4"           | n/a         | \$ 70.07   | \$ 15.79     |
| 6"           | n/a         | \$ 75.16   | \$ 15.79     |

**Water Commodity (Consumption) Tier Rates Per Thousand Gallon**

| Tier                   | Residential | Commercial | Multi-Family |
|------------------------|-------------|------------|--------------|
| < 1,000 gallons        | \$ -        | \$ -       | \$ -         |
| 1,000 - 2,000 gallons  | \$ 3.69     | \$ 3.69    | \$ 3.69      |
| 2,001 - 6,000 gallons  | \$ 7.38     | \$ 7.38    | \$ 7.38      |
| 6,001 - 12,000 gallons | \$ 7.69     | \$ 7.69    | \$ 7.69      |
| > 12,000 gallons       | \$ 8.00     | \$ 8.00    | \$ 8.00      |

**SEWER**

**Base Sewer Rates (excludes charges for Commodity)**

| Meter Size      | Residential | Commercial | Multi-Family |
|-----------------|-------------|------------|--------------|
| 5/8" or 3/4"    | \$ 19.65    | \$ 21.13   | \$ 21.13     |
| 1"              | \$ 29.45    | \$ 31.70   | \$ 21.13     |
| 1½" and greater | \$ 52.73    | \$ 56.75   | \$ 21.13     |

**Sewer Commodity Tier Rates Per Thousand Gallon**

| Tier              | Residential | Commercial | Multi-Family |
|-------------------|-------------|------------|--------------|
| < 1,000 gallons   | \$ -        | \$ -       | \$ -         |
| > 1,000 gallons * | \$ 3.65     | \$ 3.65    | \$ 3.65      |

*\*The maximum monthly sewer charge (the "cap") for Single-Family Residential account shall not exceed 10,000 gallons.*

EXHIBIT B  
OTHER CHARGES AND FEES

Single-Family Residential and Light Commercial Solid waste collection fees:

Monthly solid waste collection fee: \$24.00 plus applicable sales tax.  
 Each additional 96-gallon cart: \$ 9.50 plus applicable sales tax.  
 Customers can only have a maximum of four (4) carts.

Subscription Recycling Service \$38.45 plus applicable sales tax billed annually.

Commercial, Multi-Family and Industrial Customers for front load containers shall be billed monthly at the following rates, plus applicable Texas sales tax, for solid waste and recycling (if recycling is opted by customer). Rates below exclude sales tax and franchise fees.

| Dumpster Size           | Weekly Collection Frequency |          |          |          |                |          |          |
|-------------------------|-----------------------------|----------|----------|----------|----------------|----------|----------|
|                         | 1                           | 2        | 3        | 4        | 5              | 6        | Extra PU |
| 2 CY                    | \$ 65.98                    | \$ 95.76 | \$113.68 | n/a      | n/a            | n/a      | \$ 33.00 |
| 4 CY                    | \$ 92.46                    | \$140.98 | \$189.54 | \$239.41 | \$293.40       | n/a      | \$ 46.25 |
| 6 CY                    | \$114.37                    | \$188.06 | \$238.44 | \$317.01 | \$395.42       | \$473.96 | \$ 57.20 |
| 8 CY                    | \$134.78                    | \$230.40 | \$317.01 | \$421.61 | \$515.01       | \$630.89 | \$ 67.40 |
| Recycle 6 yd            | \$ 92.09                    | \$152.34 | n/a      | n/a      | n/a            | n/a      | \$ 46.05 |
| Recycle 8 yd            | \$109.18                    | \$186.62 | n/a      | n/a      | n/a            | n/a      | \$ 54.60 |
| Dumpster Redelivery Fee |                             |          | \$ 27.57 |          | Per Redelivery |          |          |
| Locking Devices         |                             |          | \$ 8.15  |          | Per Dumpster   |          |          |
| Casters                 |                             |          | \$ 16.55 |          | Per Dumpster   |          |          |