

**Ordinance amending the Code of Ordinances, City of Corpus Christi,
Chapter 55, Utilities, regarding water, gas, and wastewater rates;
providing for publication and effective date of January 1, 2016**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI,
TEXAS:**

SECTION 1. Section 55-50 of the Code of Ordinances regarding water rates is revised with new rates as shown in underlined text below to be effective on January 1, 2016.

“Sec. 55-50. - Schedule.

(a) Base rates for water service. The rates for water service are as follows:

(1) Monthly minimum charges.

a. Metered treated water customers.

1. Inside city limits ("ICL"):

Meter Size (Inches)	Effective October 1, 2014 <u>January 1, 2016</u>
Residential	
5/8— ³ / ₄	\$ 9.33 <u>\$12.14</u>
Commercial	
5/8— ³ / ₄	13.47 <u>12.14</u>
Residential and Commercial	
1	20.21 <u>18.21</u>
1½	33.69 <u>30.35</u>
2	67.37 <u>60.70</u>
3	107.78 <u>97.12</u>

4	215.59 <u>194.24</u>
6	336.85 <u>303.50</u>
8 and larger	673.69 <u>607.00</u>
Large Volume	
Any size	17,510.00 <u>22,784.00</u>
Temporary construction	
1	20.21 <u>18.21</u>
1½	33.69 <u>30.35</u>
2	67.37 <u>60.70</u>

2. Outside city limits ("OCL"):

Meter Size (Inches)	Effective October 1, 2014 <u>January 1, 2016</u>
Residential	
5/8—¾	\$ 11.20 <u>14.57</u>
Commercial	
5/8—¾	16.16 <u>14.57</u>
Residential and Commercial	
1	24.25 <u>21.85</u>
1½	40.43 <u>36.42</u>

2	80.84 <u>72.84</u>
3	129.34 <u>116.54</u>
4	258.71 <u>233.09</u>
6	404.22 <u>364.20</u>
8 and larger	808.43 <u>728.40</u>
Large Volume	
Any size	29,216.00 <u>38,015.00</u>
Temporary construction	
1	24.25 <u>21.85</u>
1½	40.43 <u>36.42</u>
2	80.84 <u>72.84</u>

b. Untreated water customers.

	Effective October 1, 2014 <u>January 1,</u> 2016
Minimum monthly service charge, water districts/ municipalities with raw water supply contracts executed after January 1, 1997	\$417.99
Minimum monthly service charge for public agency for resale untreated water without a raw water supply contract executed after January 1, 1997 ¹	254.57

Minimum monthly service charge, industrial	417.99 <u>436.88</u>
Minimum monthly service charge, domestic	13.92 <u>14.55</u>
Minimum annual service charge, domestic	139.32 <u>145.62</u>
Minimum monthly service charge, agricultural irrigation water service	208.85 <u>218.29</u>
Minimum monthly service charge, temporary construction water service	278.46 <u>291.05</u>
Minimum monthly service charge, temporary large volume industrial untreated water customers obtaining water, which is under contract to the city, from a reservoir under the exclusive control of a river authority	1,607.00 <u>1679.64</u>

¹Minimum monthly charge for public agency for resale untreated water customer without a raw water supply contract executed after January 1, 1997: If the charge based on the volume of water taken in a monthly billing period is less than \$254.57, the customer shall be billed \$254.57, unless a valid water supply contract between the customer and city that was executed prior to January 1, 1997, provides for a minimum annual payment. If a valid water supply contract between the customer and city executed prior to August 1, 2000, provides for a minimum annual payment, the customer shall pay the minimum annual payment under the contract.

c. Blended water customers.

	Effective October 1, 2014 <u>January 1, 2016</u>
Any size	\$29,216.00 <u>36,280.00</u>

(2) Monthly volume charges per 1,000 gallons.

a. Residential rate.

1. Inside city limits:

	Effective
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	October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Next 4,000 Gallons	\$4.751 <u>6.07</u>
Next 4,000 <u>9,000</u> Gallons	5.939 <u>6.980</u>
Next 5,000 <u>Over 15,000</u> Gallons	6.829 <u>7.59</u>
Next 15,000 Gallons	8.314
Next 20,000 Gallons	10.095
Next 50,000 Gallons	<u>10.986</u>
Over 100,000 Gallons	<u>11.877</u>

*Use the minimum charges in subsection (a)(1).

2. Outside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Next 4,000 Gallons	\$2.028 <u>2.34</u>
Next 4,000 <u>9,000</u> Gallons	2.535 <u>2.92</u>
Next 5,000 <u>Over 15,000</u> Gallons	2.915 <u>3.65</u>
Next 15,000 Gallons	3.549
Next 20,000 Gallons	4.310

Next 50,000 Gallons	4.690
Over 100,000 Gallons	5.070

*Use the minimum charges in subsection (a)(1).

b. Commercial rate.

1. Inside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Over 2,000 Gallons	\$5.672 <u>6.781</u>

*Use the minimum charges in subsection (a)(1).

2. Outside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Over 2,000 Gallons	\$3.086 <u>3.012</u>

*Use the minimum charges in subsection (a)(1).

c. Golf course and athletic field irrigation water inside city limits.

	Effective October 1, 2014 <u>January 1, 2016</u>
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First 2,000 Gallons	Minimum*
Over 2,000 Gallons	\$3.106 <u>3.092</u>

*Use the minimum charges in subsection (a)(1) for ICL customer.

d. Residential irrigation water on separate meter.

1. Inside city limits:

Meter Size (Inches)	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Next 15,000 <u>Over 2000</u> Gallons	\$ 8.314 <u>7.59</u>
Next 20,000 Gallons	10.095
Next 50,000 Gallons	10.986
Over 87,000 Gallons	11.877

2. Outside city limits

Meter Size (Inches)	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Next 15,000 <u>Over 2000</u> Gallons	\$3.549 <u>3.65</u>
Next 20,000 Gallons	4.310
Next 50,000 Gallons	4.690

Over 87,000 Gallons	5.070
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e. Resale treated water rates.

1. Treated water rates purchased for resale where the water is taken and metered at the site of treatment are hereby set as follows:

	Effective October 1, 2014
First 2,000 Gallons	Minimum*
Over 2,000 Gallons	\$1.253

*Use the minimum charges in subsection (a)(1).

2. Treated water rates purchased for resale where the water is delivered to the resale entity through city facilities are hereby set as follows:

	Effective October 1, 2014
First 2,000 Gallons	Minimum*
Over 2,000 Gallons	\$1.914

*Use the minimum charges in subsection (a)(1).

- f. Large volume treated water customers. A commercial treated water customer who agrees to pay for a minimum of ten million (10,000,000) gallons of treated water per month is considered a large volume treated water customer. Once a customer has elected to become a large volume treated water customer, the customer will be billed as a large volume treated water customer until the customer notifies the city and requests reclassification as a commercial customer in writing. However, a

commercial customer may not elect to become a large volume treated water customer more than once in any twelve-month period.

1. Inside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 10,000,000 Gallons	Minimum*
Each Additional 1,000 Gallons	\$4.480 <u>5.686</u>

*Use the minimum charges in subsection (a)(1).

2. Outside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 10,000,000 Gallons	Minimum*
Each Additional 1,000 Gallons	\$1.914 <u>1.998</u>

*Use the minimum charges in subsection (a)(1).

- g. Large volume blended water customers. A commercial blended water customer who agrees to purchase a minimum of ten million (10,000,000) gallons of blended water per month is considered a large volume blended water customer.

1. Inside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 10,000,000 Gallons	Minimum*
Each Additional 1,000 Gallons	\$2.677 <u>\$3.628</u>

*Use the minimum charges in subsection (a)(1).

2. Outside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 10,000,000 Gallons	Minimum*
Each Additional 1,000 Gallons	\$0.111 <u>\$0.127</u>

*Use the minimum charges in subsection (a)(1).

3. Peaking factor. [To be determined.]

h. Temporary water service.

1. Treated water.

A. Inside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Over 2,000 Gallons	\$5.672 <u>6.781</u>

*Use the minimum charges in subsection (a)(1).

B. Outside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*

Over 2,000 Gallons	\$3.086 <u>3.012</u>
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*Use the minimum charges in subsection (a)(1).

2. Untreated water.

A. Inside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Over 2,000 Gallons	2 x RWCA

*Use the minimum charges in subsection (a)(1).

B. Outside city limits:

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*
Over 2,000 Gallons	2 x RWCA

*Use the minimum charges in subsection (a)(1).

i. Agricultural irrigation water outside city limits.

	Effective October 1, 2014 <u>January 1, 2016</u>
First 2,000 Gallons	Minimum*

Over 2,000 Gallons	2 x RWCA
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*Use the minimum charges in subsection (a)(1).

- j. Public agency for resale untreated water rates. The rates for the purchase of untreated water purchased by a public agency, which does not have a raw water supply contract with the city executed after January 1, 1997, is the average of the monthly raw water cost adjustments, established under subsection (b) of this section, for the period used to determine the composite cost of untreated water under the city's current contract with the public agency.
- k. Temporary large volume industrial untreated water customers obtaining water, which is under contract to the city, from a reservoir under the exclusive control of a river authority.

	Effective October 1, 2014 <u>January 1, 2016</u>
First acre foot or fraction thereof	Minimum*
Over acre foot	\$1,155.00 <u>1206.98</u> per acre foot or fraction thereof

*Use the minimum charges in subsection (a)(1).

- (b) Raw water cost adjustment (RWCA). In addition to the charges for the base rates for water service, established in subsection (a), a separate charge for the costs of raw water, the RWCA, will be added to each consumer's bill, except public agency for resale untreated water customers without a raw water supply contract executed after January 1, 1997. (A public agency for resale untreated water customer without a raw water supply contract executed after January 1, 1997, will pay the lower of the composite cost, as defined in its contract with the city or the rate for public agency for resale untreated water customers without a raw water supply contract executed after January 1, 1997, specified in subsection (a)(2)g. of this section.) The RWCA will be based on projected system-wide raw water sales, adjusted for water losses. The RWCA will be calculated on an annual basis every odd-numbered year no later than October 1 to be effective the following January of even-numbered years using the adopted utility rate model. Two subsequent years' RWCA will be calculated according to the following procedures.

and then an average rate determined which will yield raw water required revenues over a two-year period.

- (1) Use projected system-wide water sales based on historical consumption and projected growth, with adjustments for water losses.
- (2) Include the annual budgeted cost of debt service. Bond payments, amortization of deferred losses on refundings, and other debt service costs shall be applied to the RWCA in the same proportion as the raw water activities proportion of the original bond proceeds.
- (3) Include budgeted expenditures for purchases of water.
- (4) Include purchases of water rights, amortized over the duration of the water right agreement.
- (5) Budgeted expenditures for capital items shall be included as follows:
 - a. The expense of acquiring a capital item that costs not more than five hundred thousand dollars (\$500,000.00) shall be charged in the year in which it is acquired.
 - b. The expense of acquiring a capital item that costs more than five hundred thousand dollars (\$500,000.00) shall be amortized over the number of years used to calculate depreciation expenses, with the half-year convention used in the year of acquisition.
- (6) All operating and maintenance expenditures shall be charged based on annual budgeted amounts. These expenditures include operation and maintenance of dams, reservoirs, pipelines, wells, pumping stations, and related interfund charges.
- (7) All expenses for consultants, engineering, legal services, and administration shall be charged based on annual budgeted amounts in the proportion to which they apply to raw water issues.
- (8) Expenses related to the acquisition and transportation of emergency water supplies shall be included in the RWCA for the following fiscal year, unless foreseen and budgeted in advance, in which case they are included in the year budgeted.
- (9) Miscellaneous revenues related to raw water activity, such as oil and gas lease revenues and rentals, is applied as an offset based on annual budgeted amounts.
- (10) Apply the credit for levelized Choke Canyon debt payments to city rate payers' RWCA. (The escalating payment schedule on the Choke Canyon debt was levelized through the creation of a reserve fund. In the initial years, payments greater than the debt service were made, with the excess going into the reserve fund. This excess was paid through a rate surcharge on ICL and OCL metered treated water customers. Now that bond payments exceed the levelized payment amount, the reserve fund is drawn on to make up the difference. Since only ICL and OCL metered treated water customers participated in building the

reserve fund, the drawing on the reserve fund is only credited to the RWCA assessed against ICL and OCL metered treated water customers.)

- (11) Include funds necessary to collect 1.35 times coverage on current annual debt service in order to improve the financial position and bond ratings of the city's water fund.
- (12) Include funds necessary to establish and maintain an operating reserve fund with a target amount of twenty-five (25) per cent (or three (3) months) of annual operating expenses for the fiscal year.
- (13) Include funds necessary to establish and operate a water capital reserve fund with a target amount of two (2) per cent of the respective annual water capital improvements program for the fiscal year or two million dollars (\$2,000,000.00) (whichever is greater).
- (14) Include funds necessary to establish and maintain a future water resources reserve fund (Water Supply Development Reserve) with an ultimate target balance of thirty million dollars (\$30,000,000.00), and an annual contribution of approximately two million dollars (\$2,000,000.00) per fiscal year. Revenue from this Water Supply Development Reserve will be deposited into a fund set aside for this purpose.
- (15) The minimum operating or capital reserves amounts are intended to provide for unplanned, unbudgeted expenses and revenue shortfalls, and will not be used for routine expenses.
- (16) ~~At fiscal year end, determine the amount of over or under collections that have resulted from difference between budgeted and actual expenses and offsetting revenues and the difference between projected and actual volume of water sold for the prior two years.~~ Determine the amount of over or under collections that have resulted from difference between budgeted and actual expenses and offsetting revenues and the difference between projected and actual volume of water sold for the prior two years. Any funds realized in excess of annual expenses are available for either supplementing minimum operating or capital reserves, for addition to the capital funds for discretionary cash capital funding of the water utility, or to create and maintain a reserve to level out large fluctuations in raw water charges is authorized. Apply any remaining amount as an adjustment to the RWCA.

(c) Definitions.

Costs of raw water is the total of all costs of acquiring, producing, storing, conserving, and transporting untreated water from its source to the city's treatment facility and all other points of diversion. These costs include, but are not limited to, the costs of:

Construction, including debt service, operation, and maintenance of dams and reservoirs.

Construction, including debt service, operation, and maintenance of raw water supply transmission pipelines.

Construction, including debt service, operation, and maintenance of wells.

Construction, including debt service, operation, and maintenance of facilities capable of converting wastewater effluent, salt water, and brackish ground water into water suitable for municipal, industrial, or agricultural uses.

Acquisition of new water supplies and water rights, including the establishment and funding of a reserve dedicated to offset the costs of acquisition of additional water rights and the implementation of long range water resource development and related capital improvements.

Construction, operation, and maintenance of facilities to reduce water losses from water resources due to evaporation or the release of water from a reservoir due to the operation of law.

Acquisition and transportation of emergency water supplies, including the costs of transporting water by vessel or pipelines from other regions.

Water supply development and protection, including consultants' studies and reports, investigations, legal fees, court costs, and any other costs related to the development or protection of the water supply.

Administrative costs, including overhead and the portion of the city's general administrative costs applicable to the activities enumerated in this definition.

(d) The raw water cost adjustment shall be calculated on an annual basis for those large volume wholesale customers with contracts containing such provisions."

(Ord. No. 9472, 8-27-1969; Ord. No. 11613, 8-8-1973; Ord. No. 12208, §§ 1, 2, 8-7-1974; Ord. No. 14140, §§ 1—3, 1-25-1978; Ord. No. 16446, §§ 1, 2, 8-12-1981; Ord. No. 16593 § 1, 10-14-1981; Ord. No. 17166, §§ 1—3, 7-28-1982; Ord. No. 17762, §§ 1, 2, 8-3-1983; Ord. No. 18351, §§ 1, 2, 7-24-1984; Ord. No. 18587, §§ 1, 2, 12-4-1984; Ord. No. 20411, §§ 1, 2, 7-26-1988; Ord. No. 21001, § 1, 10-9-1990; Ord. No. 21438, §§ 1—4, 7-21-1992; Ord. No. 21814, § 1(a)—(c), 12-14-1993; Ord. No. 22741, § 1, 11-12-1996; Ord. No. 22832, § 1, 1-28-1997; Ord. No. 22879, § 1, 3-25-1997; Ord. No. 23706, § 1, 7-20-1999; Ord. No. 23910, § 1, 1-11-2000; Ord. No. 24132, § 1, 7-25-2000; Ord. No. 24531, § 1a, 7-24-2001; Ord. No. 24969, § 1, 7-23-2002; Ord. No. 25386, § 1, 7-22-2003; Ord. No. 025866, § 1, 7-27-2004; Ord. No. 026368, § 1, 7-26-2005; Ord. No. 026900, § 1, 7-25-2006; Ord. No. 027355, § 1, 7-24-2007; Ord. No. 027781, § 1, 7-22-2008; Ord. No. 028256, § 1, 7-28-2009; Ord. No. 028686, § 1, 7-20-2010; Ord. No. 029158, § 1, 7-26-2010; Ord. No. 029386, § 1, 2-28-2012; Ord. No. 029584, § 1, 7-31-2012; Ord. No. 029917, § 1, 7-30-2013; Ord. No. 030242, § 2(Exh. A), 7-29-2014; Ord. No. 030295, § 1, 9-23-2014)

SECTION 2. Section 55-61 of the Code of Ordinances regarding gas rates is revised with new rates as shown in underlined text below to be effective on January 1, 2016.

"Sec. 55-61. - Classification of customers and schedules of rates.

(a) Residential customers.

(1) Inside city limits:

a. Winter rates (from November Cycle 11 through April Cycle 10).

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$1.25 <u>\$1.27</u>
First 1 MCF (minimum bill)	10.19 <u>10.38</u>
Next 2 MCF	-5.70 <u>-5.81</u>
Next 3 MCF	-3.30 <u>-3.36</u>
Next 4 MCF	-3.20 <u>-3.26</u>
Next 20 MCF	-3.11 <u>-3.17</u>
Next 20 MCF	-2.66 <u>-2.71</u>
All over 50 MCF	-2.21 <u>-2.25</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

b. Summer rates (from April Cycle 11 through November Cycle 10).

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$1.25 <u>\$1.27</u>
First 1 MCF (Minimum Bill)	10.19 <u>10.38</u>
Next 2 MCF	-5.70 <u>-5.81</u>

Next 3 MCF	3.30 <u>3.36</u>
Next 4 MCF	2.48 <u>2.53</u>
Next 20 MCF	1.66 <u>1.69</u>
Next 20 MCF	1.62 <u>1.65</u>
All over 50 MCF	1.47 <u>1.50</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

(2) Outside city limits:

a. Winter rates (from November Cycle 11 through April Cycle 10).

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$1.50 <u>\$1.53</u>
First 1 MCF (minimum bill)	12.57 <u>12.80</u>
Next 2 MCF	6.38 <u>6.50</u>
Next 3 MCF	3.70 <u>3.77</u>
Next 4 MCF	3.59 <u>3.66</u>
Next 20 MCF	3.49 <u>3.56</u>
Next 20 MCF	2.97 <u>3.03</u>
All over 50 MCF	2.47 <u>2.52</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

b. Summer rates (from April Cycle 11 through November Cycle 10).

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$1.50 <u>\$1.53</u>
First 1 MCF (minimum bill)	12.57 <u>12.80</u>
Next 2 MCF	-6.38 <u>-6.50</u>
Next 3 MCF	-3.70 <u>-3.77</u>
Next 4 MCF	-2.77 <u>-2.82</u>
Next 20 MCF	-1.86 <u>-1.89</u>
Next 20 MCF	-1.81 <u>-1.84</u>
All over 50 MCF	-1.65 <u>-1.68</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

(b) General rate customers (commercial, industrial, and institutional rates):

(1) Inside city limits:

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$16.00 <u>\$16.30</u>
First 1 MCF (minimum bill)	10.43 <u>10.62</u>
Next 2 MCF	-5.70 <u>-5.81</u>

Next 3 MCF	5.32 <u>5.42</u>
Next 4 MCF	5.23 <u>5.33</u>
Next 40 MCF	5.12 <u>5.22</u>
Next 50 MCF	2.21 <u>2.25</u>
Next 100 MCF	1.84 <u>1.87</u>
Next 100 MCF	1.62 <u>1.65</u>
Next 700 MCF	1.54 <u>1.57</u>
Next 1,000 MCF	1.33 <u>1.35</u>
Next 13,000 MCF	1.20 <u>1.22</u>
All over 15,000 MCF	1.14 <u>1.16</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

(2) Outside city limits:

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$19.08 <u>\$19.44</u>
First 1 MCF (minimum bill)	12.85 <u>13.09</u>
Next 2 MCF	6.38 <u>6.50</u>
Next 3 MCF	5.96 <u>6.07</u>
Next 4 MCF	5.86 <u>5.97</u>

Next 40 MCF	5.74 <u>5.85</u>
Next 50 MCF	2.47 <u>2.52</u>
Next 100 MCF	2.06 <u>2.10</u>
Next 100 MCF	1.81 <u>1.84</u>
Next 700 MCF	1.73 <u>1.76</u>
Next 1,000 MCF	1.49 <u>1.52</u>
Next 13,000 MCF	1.34 <u>1.37</u>
All over 15,000 MCF	1.28 <u>1.30</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

- (c) Seasonal customers (partial year service) rates. (All customers who have requested a cutoff and re-connection at the same location or for services to the same premises, including increases or reductions of the same premises, and which cutoff was not necessitated by reason of reconstruction of the building on the premises, shall be classified as seasonal customers, and in lieu of the rates applicable to residential customers, shall be charged and collected the following charge for gas furnished and delivered to the meters by the gas department of the city):

(1) Inside city limits:

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$ 1.25 <u>\$1.27</u>
First 1 MCF (minimum bill)	16.91 <u>17.23</u>
Next 2 MCF	15.27 <u>15.56</u>
Next 3 MCF	11.26 <u>11.47</u>

Next 4 MCF	7.26 <u>7.40</u>
Next 30 MCF	3.11 <u>3.17</u>
Next 20 MCF	2.66 <u>2.71</u>
All over 50 MCF	2.21 <u>2.25</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

(2) Outside city limits:

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$ 1.50 <u>\$1.53</u>
First 1 MCF (minimum bill)	20.31 <u>20.69</u>
Next 2 MCF	17.09 <u>17.41</u>
Next 3 MCF	12.61 <u>12.85</u>
Next 4 MCF	8.13 <u>8.28</u>
Next 20 MCF	3.49 <u>3.56</u>
Next 20 MCF	2.97 <u>3.03</u>
All over 50 MCF	2.47 <u>2.52</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

(d) Incentive air cooling and conditioning rate customers rates. (Limited to customers using less than fifteen thousand (15,000) MCF per month annual average. All general rate customers that have installed total energy or have gas operated air cooling and air conditioning equipment, or both, and

have an average used in MCF per month in the seven (7) summer months that exceeds the five (5) winter months in average use, when inspected and approved by the gas department, who request in writing to be billed in the summer months on the summer incentive gas rate schedule starting with Cycle 11 in April and ending with the billing Cycle 10 in November shall be billed on the following rate schedule):

(1) Inside city limits:

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$16.00 <u>\$16.30</u>
First 1 MCF (minimum bill)	10.43 <u>10.62</u>
Next 2 MCF	5.70 <u>5.81</u>
Next 3 MCF	5.32 <u>5.42</u>
Next 4 MCF	4.62 <u>4.71</u>
Next 40 MCF	3.90 <u>3.97</u>
Next 150 MCF	1.66 <u>1.69</u>
Next 100 MCF	1.54 <u>1.57</u>
Next 700 MCF	1.33 <u>1.35</u>
Next 1,000 MCF	1.20 <u>1.22</u>
Next 13,000 MCF	1.14 <u>1.16</u>
All over 15,000 MCF	1.09 <u>1.11</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

(2) Outside city limits:

	Rate per MCF
Monthly Consumption	Effective October 1, 2014 <u>January 1, 2016</u>
Meter Charge	\$19.08 <u>\$19.44</u>
First 1 MCF (minimum bill)	12.85 <u>13.09</u>
Next 2 MCF	6.38 <u>6.50</u>
Next 3 MCF	5.96 <u>6.07</u>
Next 4 MCF	5.18 <u>5.28</u>
Next 40 MCF	4.37 <u>4.45</u>
Next 150 MCF	1.86 <u>1.89</u>
Next 100 MCF	1.73 <u>1.76</u>
Next 700 MCF	1.49 <u>1.52</u>
Next 1,000 MCF	1.34 <u>1.37</u>
Next 13,000 MCF	1.28 <u>1.30</u>
All over 15,000 MCF	1.22 <u>1.24</u>

Note: Rates do not include purchased gas adjustment and sales tax, where applicable.

- (e) Purchased gas adjustment (PGA). The rates in subsections (a), (b), (c), and (d) of this section are subject to gas cost adjustments as follows: Rates will be adjusted monthly by the city following the receipt of notice of the cost of gas from the supplier to pass on to the consumer the full amount of such cost adjusted for pressure base and gas loss and unaccounted-for factors. Additional fees and charges paid to the supplier, which are necessary for the city to receive the gas, shall be included in the cost of gas. All general rate customers, who consume over fifteen thousand (15,000) MCF in one (1) month, and who receive gas from the city's distribution system at the same pressure base at which the city receives the gas from its supplier (14.65 psi), shall be billed 2.05 per cent less per MCF for purchased gas adjustment than the general customer rate schedule.

- (f) Interruptions. Deliveries of gas to commercial or industrial customers may be interrupted or curtailed in case of shortage, or threatened shortage, of gas supply from any cause whatsoever, to conserve gas for residential and other human need customers served hereunder, according to all mandatory orders of governmental agencies having jurisdiction. ”

(Code 1958, §§ 38-46, 38-47; Ord. No. 8552, § 1, 8-2-1967; Ord. No. 9685, § 1, 3-25-1970; Ord. No. 9812, § 1, 6-24-1970; Ord. No. 9883, § 2, 8-12-1970; Ord. No. 11614, § 1, 8-8-1973; Ord. No. 11755, § 1, 10-24-1973; Ord. No. 11867, § 1, 1-9-1974; Ord. No. 12210, § 1, 8-7-1974; Ord. No. 15043, § 1, 8-8-1979; Ord. No. 15701, §§ 1, 3, 8-13-1980; Ord. No. 15950, §§ 1, 3, 12-24-1980; Ord. No. 16451, § 1, 8-12-1981; Ord. No. 16582, § 1, 10-7-1981; Ord. No. 17155, §§ 1, 2, 4, 7-28-1982; Ord. No. 17761, §§ 1, 2, 4, 8-3-1983; Ord. No. 18939, §§ 1, 2, 4, 7-23-1985; Ord. No. 21001, § 1, 10-9-1990; Ord. No. 21439, § 1, 7-21-1992; Ord. No. 21814, § 1(d), 12-14-1993; Ord. No. 23706, § 1, 7-20-1999; Ord. No. 24132, § 1, 7-25-2000; Ord. No. 24531, § 1c, 7-24-2001; Ord. No. 24969, § 4, 7-23-2002; Ord. No. 25396, § 4, 7-22-2003; Ord. No. 025866, § 3, 7-27-2004; Ord. No. 026368, § 3, 7-26-2005; Ord. No. 026900, § 3, 7-25-2006; Ord. No. 027355, § 3, 7-24-2007; Ord. No. 027781, § 5, 7-22-2008; Ord. No. 028256, § 3, 7-28-2009; Ord. No. 028688, § 1, 7-20-2010; Ord. No. 029917, § 3, 7-30-2013; Ord. No. 030242, § 3(Exh. A), 7-29-2014; Ord. No. 030295, § 3, 9-23-2014)

SECTION 3. Section 55-64 of the Corpus Christi Code of Ordinances regarding compressed natural gas rates is revised with new rates as shown in underlined text below to be effective on January 1, 2016.

“Sec. 55-64. - Classification of customers and compressed natural gas rates.

(a) Compressed natural gas rates.

- (1) The director shall prepare the rates for the sale of compressed natural gas.
- (2) The rates shall be based on the sum of:
 - a. The compression charge,
 - b. The distribution charge,
 - c. The commodity charge [refer to subsection 55-61(e) PGA],
 - d. Federal tax, and
 - e. State tax.

(b) Retail and consumer rates. The rate categories at which compressed natural gas shall be set are as follows:

- (1) Wholesale. Consumers who own or operate a fleet of more than ten (10) vehicles may purchase compressed natural gas at a reduced wholesale rate.
- (2) Retail. All other consumers may purchase compressed natural gas at the retail rate.

- (c) Periodic rate gas adjustment. The director shall adjust the rates on a periodic basis with city council approval. Adjustment of rates will be based on annual reviews of the compression charge based on the city's cost to compress the natural gas for sale and/or the distribution charge based on the city's cost to distribute natural gas for sale.
- (d) Commodity charge. The director shall adjust the commodity charge based on the purchased gas adjustment as provided in subsection 55-61(e) PGA.
- (e) Current rate schedule.

CNG Service Wholesale (>10 Vehicles)		
Service Component	Current Price \$/MCF	Current Price \$/Gasoline Gallon Equivalent
Compression Charge	0.97 <u>0.99</u>	0.12
Distribution Charge	1.05 <u>1.07</u>	0.13
Commodity Charge (changes monthly based on PGA)	5.31	0.64
Federal Tax (if applicable)	1.52	0.18
State Tax (if applicable)	1.25	0.15
Total Charge	10.10 <u>10.14</u>	1.21 <u>1.22</u>

CNG Service Wholesale (<10 Vehicles)		
Service Component	Current Price \$/MCF	Current Price \$/Gasoline Gallon Equivalent
Compression Charge	0.97 <u>0.99</u>	0.12
Distribution Charge	1.45 <u>1.48</u>	0.17
Commodity Charge (changes monthly)	5.31	0.64

based on PGA)		
Federal Tax (if applicable)	1.52	0.18
State Tax (if applicable)	1.25	0.15
Total Charge	40.50 <u>10.55</u>	1.26

(Ord. No. 024067, § 1, 6-20-2000; Res. No. 029538, 6-26-12; Ord. No. 030295, § 3, 9-23-2014)

SECTION 4. Section 55-100 of the Corpus Christi Code of Ordinances regarding wastewater rates is revised with new rates as shown in underlined text below to be effective on January 1, 2016.

“Sec. 55-100. - Schedule.

- (a) The monthly charge to be paid by users of sewer service furnished by the city's municipal sewer system, except as otherwise provided in articles VII and XI of chapter 55, shall be based on the amount of water used by the user according to the following rates:

Classification	Effective October 1, 2014 <u>January 1, 2016</u>
Inside city limits One-family minimum monthly charge (first 2,000 gallons)	\$ 29.23 <u>34.03</u>
Inside city limits One-family per 1,000 gallons over 2,000	5.75 <u>6.69</u>
Inside city limits One-family maximum monthly charge (up to 25,000 gallons)	161.48 <u>187.90</u>
Outside city limits One-family minimum monthly charge (first 2,000 gallons)	37.36 <u>42.54</u>

Outside city limits One-family per 1,000 gallons over 2,000	12.76 <u>14.85</u>
Outside city limits One-family maximum monthly charge (up to 25,000 gallons)	330.84 <u>384.09</u>
Inside city limits Commercial minimum monthly charge (first 2,000 gallons)	39.53 <u>46.02</u>
Inside city limits Commercial per 1,000 gallons over 2,000	4.11 <u>4.79</u>
Outside city limits Commercial minimum monthly charge (first 2,000 gallons)	50.23 <u>57.53</u>
Outside city limits Commercial per 1,000 gallons over 2,000	8.23 <u>9.59</u>

(b) The amount of water used to compute the monthly bills to one-family residential customers shall be computed every two years on the basis of the "winter average" or "interim average" that is calculated under this subsection.

(1) Definitions.

- a. Winter averaging wastewater charge period: The period of water and wastewater service during the three (3) complete consecutive reading periods commencing on or after December 1 of each even-numbered year.
- b. Winter average usage: The monthly wastewater usage established by the city during the "winter averaging wastewater charge period" based upon their average monthly water consumption during that period.
- c. Interim average: The monthly wastewater usage established by the city for individual customers who have not established a "winter average usage". The "interim average" is ~~recalculated each year based on the total "winter average usage" of all customers subject to winter averaging divided by the number of winter averaging customers~~ 3,000 gallons per month, and is be the basis for monthly billings until a "winter average usage" as defined in subsection (b)(1)b. of this section is established for the individual customer.
- d. Service area: The geographic region served by the city's wastewater system.

(2) Winter average criteria.

- a. The customer must receive wastewater service at one (1) location during the three (3) consecutive reading periods in order to establish a "winter average usage".
- b. "Winter average usage" charges shall apply to one-family residential customers only.
- c. The "winter average usage" shall be based on a customer's average water consumption for three (3) complete consecutive reading periods commencing with the customer's first reading period on or after December 1 of each even-numbered year.
- d. The following method will be used to calculate a customer's "winter average usage":
 1. Add the three (3) winter months' water consumption to get total water consumption.
 2. Divide three-month usage amount by three (3) to get winter average usage. Such winter average usage shall be limited to a maximum of twenty-five thousand (25,000) gallons.
- e. Using the winter average usage, apply the applicable rates established in subsection (a) to calculate the customer's wastewater bill for each month until a new winter average usage is established or rates are changed. The adjusted rate that applies to service after ~~August 31~~ December 31 will reflect wastewater usage based on the previous "winter averaging wastewater charge period".
- f. New and relocating customers; adjustments:
 1. Customers new to the service area, who have not established a "winter average", shall be billed at the "interim average" rate.
 2. Customers who are relocating within the service area, who established a "winter average" at their previous address, shall be billed at the "interim average" rate or their "winter average" rate at the previous address, whichever is less.
 3. Customers who are relocating within the service area, who have not established a "winter average" at their previous address, shall be billed at the "interim average" rate.
 4. When a customer experiences a substantial increase in water or wastewater usage from hidden water leaks in the plumbing system during the winter average charge period, and if the customer can produce proof of repairs, the director of finance or the director's designee may adjust the wastewater bill.

~~(3) Administrative change in rates.~~

- ~~a. The city manager shall annually, based upon the winter average wastewater usage determined during the winter averaging wastewater charge period, adjust the rate in the new fiscal year applied to each customer's winter average or interim average so that the adjusted rate will produce an amount equal to the budgeted revenues.~~
 - ~~b. In years in which preliminary winter average data is available to be used in the utility rate model for determining wastewater rates, the adopted wastewater rates will not be subject to an administrative change in rates unless the final winter average data is materially different than preliminary data. A difference of at least two (2) per cent shall be considered material.~~
- (c) The rates established in subsection (a) of this section are based upon water consumption for wastewater service customers with wastewater characteristics of five hundred sixty-two (562) parts per million or less by weight of chemical oxygen demand index, two hundred fifty (250) parts per million or less by weight of biochemical oxygen demand index, and two hundred fifty (250) parts per million or less by weight of suspended solids index. If the wastewater characteristics exceed any of these parameters shall pay an additional abnormal wastewater surcharges as provided in section 55-148."

(Code 1958, § 38-49; Ord. No. 9863, § 1, 7-29-1970; Ord. No. 11612, § 1, 8-8-1973; Ord. No. 12209, § 1, 8-7-1974; Ord. No. 12656, § 1, 6-25-1975; Ord. No. 13860, § 1, 8-3-1977; Ord. No. 15700, § 1, 8-13-1980; Ord. No. 16448, § 1, 8-12-1981; Ord. No. 17156, § I, 7-28-1982; Ord. No. 17763, § 1, 8-3-1983; Ord. No. 18352, § 1, 7-24-1984; Ord. No. 18940, § 1, 7-23-1985; Ord. No. 19403, § 1, 7-29-1986; Ord. No. 20412, § 1, 7-26-1988; Ord. No. 20748, § 1, 8-8-1989; Ord. No. 21001, § 1, 10-9-1990; Ord. No. 21440, § 1, 7-21-1992; Ord. No. 21662, § 1, 5-25-1993; Ord. No. 21671, § 1, 6-8-1993; Ord. No. 21814, § 1(e), (f), 12-14-1993; Ord. No. 21965, § 1, 6-14-1994; Ord. No. 22743, § 1, 11-12-1996; Ord. No. 23706, § 1, 7-20-1999; Ord. No. 24132, § 1, 7-25-2000; Ord. No. 24531, § 1e, 7-24-2001; Ord. No. 24969, § 6, 7-23-2002; Ord. No. 25396, § 6, 7-22-2003; Ord. No. 025866, § 5, 7-27-2004; Ord. No. 026368, § 5, 7-26-2005; Ord. No. 026900, § 5, 7-25-2006; Ord. No. 027355, § 5, 7-24-2007; Ord. No. 027781, § 7, 7-22-2008; Ord. No. 028256, § 5, 7-28-2009; Ord. No. 028690, § 1, 7-20-2010; Ord. No. 029160, § 3, 7-26-2011; Ord. No. 029917, § 7, 7-30-2013; Ord. No. 030242, § 4(Exh. A), 7-29-2014; Ord. No. 030295, § 5, 9-23-2014)

Section 5. Publication shall be made in the official publication of the City of Corpus Christi as required by the City Charter of the City of Corpus Christi. This ordinance and all revised water, gas, and wastewater rates included this ordinance take effect on January 1, 2016.

That the foregoing ordinance was read for the first time and passed to its second reading on this the _____ day of _____, 2015, by the following vote:

Nelda Martinez	_____	Brian Rosas	_____
Rudy Garza	_____	Lucy Rubio	_____
Chad Magill	_____	Mark Scott	_____
Colleen McIntyre	_____	Carolyn Vaughn	_____
Lillian Riojas	_____		

That the foregoing ordinance was read for the second time and passed finally on this the _____ day of _____, 2015, by the following vote:

Nelda Martinez	_____	Brian Rosas	_____
Rudy Garza	_____	Lucy Rubio	_____
Chad Magill	_____	Mark Scott	_____
Colleen McIntyre	_____	Carolyn Vaughn	_____
Lillian Riojas	_____		

PASSED AND APPROVED, this the _____ day of _____, 2015.

ATTEST:

Rebecca Huerta
City Secretary

Nelda Martinez
Mayor