

City of Houston, Texas, Ordinance No. 2021-515

AN ORDINANCE ADOPTING AMENDED RATES AND CHARGES FOR WATER AND WASTEWATER SERVICE PROVIDED BY THE CITY OF HOUSTON COMBINED UTILITY SYSTEM; AMENDING CHAPTER 47 OF THE CODE OF ORDINANCES, HOUSTON, TEXAS, RELATING TO CHARGES AND TERMS OF SERVICE FOR WATER AND WASTEWATER SERVICE; ESTABLISHING FEES; CONTAINING FINDINGS AND OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; CONTAINING A SAVINGS CLAUSE; ESTABLISHING AN EFFECTIVE DATE; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

* * * *

WHEREAS, the City of Houston (the "City") operates a combined utility system (the "System") for the purpose of providing water service and sanitary sewer ("wastewater") service to its residents and other governmental and private entities pursuant to Texas Government Code Chapter 1502, the City's Charter and its Code of Ordinances; and

WHEREAS, the System serves approximately 2.2 million customers across a service area of more than 600 square miles and an additional 2.4 million contract and wholesale customers outside the City limits; and

WHEREAS, the System's infrastructure includes three water purification plants, 51 groundwater plants and an extensive transmission and distribution system, 39 wastewater treatment plants and the collection system, including 381 lift stations and 6,200 miles of wastewater lines; and

WHEREAS, the City issues revenue bonds to pay the capital cost of repairs, replacements and extensions of the System (collectively "System Bonds") pursuant to Ordinance No. 2004-299 (the "Master Ordinance") and various Supplemental Ordinances, as defined in the Master Ordinance; and

WHEREAS, the Master Ordinance provides that all revenue and income derived or received by the City from the operation and ownership of the System are "Gross Revenues" and provides for the use of Gross Revenues to pay the cost of operating, maintaining, and repairing the System, debt service on the System Bonds and other obligations of the System (the "Cost"); and

WHEREAS, Article IX, Section 20 of the City Charter states, in part, the average annual rates for water and wastewater services (collectively "Rates") over the period beginning January 1, 2005, shall not be increased, without voter approval, in any fiscal year by an amount greater than the combined rates of inflation and population growth in the City, identified as provided in Article III, Section 1(a)(i) of the City Charter, excluding rate increases required by bond covenants and rates established by contract; and

WHEREAS, Section 5.2 of the Master Ordinance includes a debt service coverage ratio covenant requiring the City to fix, charge, and collect sufficient rates and charges for the use and services of the System to produce net revenues in each fiscal year at least equal to 120% of the combined Debt Service Requirements scheduled to occur in such Fiscal Year on all Previous Ordinance Bonds and First Lien Bonds then Outstanding, as those capitalized terms are defined in the Master Ordinance; and

WHEREAS, Section 7.3 of the Master Ordinance includes a covenant requiring that, for so long as any System Bonds or other obligations are outstanding, the City shall maintain the System in good condition and working order and will operate it in an efficient and economical manner at a reasonable cost and in accordance with sound business principles; and

WHEREAS, Section 5.2 of the Master Ordinance and Ordinance No. 2010-305, collectively, require certain automatic annual adjustments to the Rates based on inflationary indices described therein, which automatic adjustments are not altered by this Ordinance; and

WHEREAS, the System has implemented the annual automatic adjustments annually since 2010 in accordance with the Master Ordinance and Ordinance No. 2010-305 and other applicable law; and

WHEREAS, the Cost has increased and is projected to continue increasing beyond the rate of inflation due to increases in the cost of chemicals and other supplies at a rate greater than the rate of inflation, increased State and Federal regulatory requirements, and needed replacement of System infrastructure; and

WHEREAS, the continued maintenance, development, and improvement of the System is essential to protect the health, safety and welfare of Houstonians, to keep the System in good and working order, and to ensure the System is operated in an efficient and economical manner at a reasonable cost and in accordance with sound business principles; and

WHEREAS, the City will be required to invest an estimated \$2 billion over 15 years to upgrade its wastewater treatment and collection system pursuant to a Consent Decree negotiated among the City, Environmental Protection Agency, Department of Justice, and State of Texas, and ordered and approved by a federal district court on March 31, 2021; and

WHEREAS, in order to keep the System in good and working order, and to ensure the System is operated in an efficient and economical manner at a reasonable cost and in accordance with sound business principles, it is necessary to protect the System from the effects of unforeseen disasters by responding to the needs of the System's aging water and wastewater infrastructure, increasing the backups that support drinking water and wastewater plants, and strengthening vulnerabilities in the entire System; and

WHEREAS, in order to ensure the System is operated in an efficient and economical manner at a reasonable cost and in accordance with sound business

principles, it is necessary that the System maintain a cash balance sufficient to maintain the financial integrity of the System and to ensure the System can financially sustain operations during unforeseen circumstances that may restrict its revenues; and

WHEREAS, the Rate adjustments and increases recommended in this Ordinance are necessary to pay increases in the Cost, protect the financial integrity of the System, and comply with the City's covenants contained in the Master Ordinance and all other applicable law, including but not limited to the City's obligation to satisfy the debt service coverage ratio and to operate the System in an efficient and economical manner at a reasonable cost and in accordance with sound business principles; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS:

Section 1. That the findings contained in the preamble of this Ordinance are determined to be true and correct and are hereby adopted as a part of this Ordinance.

Section 2. That the City Council hereby adopts the 2021 Water & Wastewater Cost of Service Rate Study (the "Rate Study") included in Exhibit A, attached hereto and incorporated herein.

Section 3. That Chapter 47 of the Code of Ordinances, Houston, Texas, is hereby amended as described in Exhibit B, attached hereto and incorporated herein.

Section 4. That the City Council hereby approves and authorizes amended rates, fees, and charges for water and wastewater service consistent with the schedule and up to the amounts set forth in Exhibit C. Subject to the requirements of the Master Ordinance, Chapter 1502 of the Texas Government Code, the City Charter, and all other applicable laws, the Director of Houston Public Works may revise the Rate Study included in Exhibit A prior to September 1, 2021 and any revised rates and charges recommended from such revision may be adopted on September 1, 2021 as long as they do not in any case deviate from the scheduled dates or exceed the rates and charges for any customer type set forth in Exhibit C. A table of the final rates and charges adopted by Houston Public Works in accordance with this Ordinance shall be published on the City Secretary's website on

September 1, 2021. The rates and charges set forth in that table shall be final and shall be implemented in accordance with their respective effective dates without any further action from City Council.

Section 5. That the provisions of this Ordinance shall take effect on the date set forth herein. However, the sanitary sewer and water rates set forth in Ordinance No. 2010-305 adopted by the City Council of the City on April 21, 2010, shall remain in effect for (a) so long as necessary during the pendency of all legal proceedings initiated pursuant to Chapter 1205 of the Texas Government Code seeking emergency validation of the water and wastewater rates adopted in Section 4 of this Ordinance, and (b) the limited purpose of consideration in connection with compliance with Section 6.1 of the Master Ordinance.

Section 6. That the City Council hereby approves the following fees established in Sections 47-61(b) and 47-145 of the Code of Ordinances, Houston, Texas, in the initial amounts shown below:

Description	Statutory Authority	Amount
Industrial waste program charge	47-145	\$100.00
TCEQ public health service fee (per connection/per month)	47-61(b)	\$0.21
Conservation rate, the rate available to single family residential users using no more than 3,000 gallons in a month	47-61(a)	\$1.00/kgal

Section 7. That each year, the City will apply the Rate adjustments based on inflationary indices described in Section 5.2 of the Master Ordinance and Ordinance No. 2010-305, which automatic adjustments are not altered by this Ordinance.

Section 8. That all rates, fees and charges for water and wastewater services not included in the Rate Study or amended and/or updated by this Ordinance will continue to be assessed and collected pursuant to their existing authorizations in the Code of Ordinances, Houston, Texas, (the “Code”) and previous rate ordinances, including without limitation Ordinance No. 2010-305.

Section 9. That the Director of Houston Public Works shall ensure that a copy of this Ordinance is provided to the Director of Finance, who shall incorporate the new and adjusted rates, fees and charges in the City Fee Schedule.

Section 10. That the City Attorney is hereby authorized to direct the publisher of the Code to make such non-substantive changes to the Code as are necessary to conform to the provisions adopted in this Ordinance, and also to make such changes to the provisions adopted in this Ordinance to conform them to the provisions and conventions of the published Code.

Section 11. That if any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Ordinance or their applicability to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 12. That a public emergency exists requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this ordinance shall be passed finally on that day and shall take effect at 12:01 a.m. on the 1st day of July, 2021.

PASSED AND APPROVED this 23rd day of June, 2021.

Mayor of the City of Houston

Prepared by Legal Dept. _____
GHW 7/22/21 Senior Assistant City Attorney
Requested by Carol Haddock, P.E., Director, Houston Public Works
L.D. File No. [pending]

EXHIBIT A

EXHIBIT B

Chapter 47 WATER AND SEWERS

Amend Subsection (a) of Section 47-61 (Charges for treated water service generally) to read as follows:

- (a) *Generally.* Except as otherwise specifically provided for in this chapter and as further defined below, the charge for treated water service furnished by the city in any given month to any given customer shall include all water that passes through the customer's meter and shall be the monthly water charge applicable to such customer, plus any applicable miscellaneous charges accruing in accordance with this chapter or the appendices of this Code, provided, however, single-family residential customers may be charged the conservation rate as defined in subsection (b) of this section. Single-family residential customers using more than 3,000 gallons in a month will be charged at the incremental rate for all their water usage and are not eligible for the conservation rate in that month.

Amend the definitions of *basic service* and *customer* in Subsection (b) of Section 47-61 (Charges for treated water service generally) to read as follows:

Basic service means fire protection, metering, administrative, billing, and other services related to water service that the customer receives and pays for regardless of the customer's consumption or lack of consumption of treated water furnished by the city. Fire protection included in basic service does not include metered or unmetered fire lines.

Customer means any person who has applied for or contracted with the city for water service, the owner of a property with a meter connected for water service, or any person who resides at the address where the city provides the water service at the time the monthly charges are incurred. A customer may have more than one meter and more than one property with water service.

Amend Subsection (b) of Section 47-61 (Charges for treated water service generally) by adding, in alphabetical order position, new definitions that read as follows:

Conservation rate means the reduced volume rate charged to single-family residential users for water usage of 3,000 gallons or less in a month.

Defined charge means the monthly charge for basic service.

TCEQ public health service fee means the fee per connection for public water systems pursuant to 30 Texas Administrative Code (TAC) §290.51(a)(3)-(6). The fee is included in each customer's bill for treated water connections and pays for services provided by the Texas Commission on Environmental Quality, including: scheduling of analysis of drinking water for chemical content; collection of samples of drinking water for chemical analyses; review of system data for evaluation of sampling waivers; inspection of public water systems; review of plans for new systems and major improvements to existing systems; and, provision of technical assistance as needed.

Amend Subsections (c) through (f) of Section 47-61 (Charges for treated water service generally) to read as follows:

- (c) *Residential water service.* Each residential customer shall incur monthly charges for water for each meter serving the customer's premises. Multifamily residential customer meters under umbrella accounts may be exempt from certain basic service charges
- (1) *Single-family residential customers.* Each single-family residential customer's monthly water charge shall be calculated using the total of the applicable defined charge, the charge for additional quantities, and the TCEQ public health service fee set forth below:
 - a. *Defined charge.* The customer's defined charge shall be calculated using the chart set forth for this provision in the city fee schedule, referencing the customer's monthly water usage and meter size, measured by diameter in inches.
 - b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable incremental rates set forth for this provision in the city fee schedule.
 - c. *TCEQ public health service fee.*
 - (2) *Multifamily residential customers.* Each multifamily residential customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities as set forth below.
 - a. *Defined charge.* The customer's defined charge shall be calculated using the chart set forth for this provision in the city fee schedule, referencing the customer's meter size, measured by diameter in inches.
 - b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the incremental rate set forth for this provision in the city fee schedule.
 - c. *TCEQ public health service fee.*
- (d) *Non-residential water service.* Non-residential customers shall incur monthly water charges for each meter based upon the customer's meter size, measured by diameter in inches, the charge for additional quantities, plus the TCEQ public health service fee, if applicable, in accordance with the applicable rates set out in the city fee schedule.
- (1) *Resale customers.* Each resale customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities, and the TCEQ public health service fee, if applicable, as set forth below.
 - a. *Defined charge.* The customer's defined charge shall be calculated using the chart set forth for this provision in the city fee schedule, referencing the customer's meter size, measured by diameter in inches.
 - b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable rates set forth for this provision in the city fee schedule.
 - c. *TCEQ public health service fee* for treated water connections only.
 - (2) *Outdoor customers.* Each outdoor customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities, and the TCEQ public health service fee, if applicable, as set forth below:
 - a. *Defined charge.* The customer's defined charge shall be calculated using the charts set forth for this provision in the city fee schedule, referencing the

- customer's monthly water usage and meter size, measured by diameter in inches.
- b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable rates set forth for this provision in the city fee schedule.
 - c. *TCEQ public health service fee* for treated water connections only.
- (3) *Commercial and industrial customers.* With the exception of a customer with a metered fire connection, which shall be billed as provided in section 47-64(a) of this Code, each commercial customer's monthly water charge and each industrial customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities, and the TCEQ public health service fee, if applicable, as set forth below:
- a. *Defined charge.* The customer's defined charge shall be calculated using the charts set forth for this provision in the city fee schedule, referencing the customer's monthly water usage and meter size, measured by diameter in inches.
 - b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable rates set forth for this provision in the city fee schedule.
 - c. *TCEQ public health service fee* for treated water connections only.
- (4) *Emergency backup service customer.* Each EBS customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities, and the TCEQ public health service fee, if applicable, as set forth below:
- a. *Defined charge.* The customer's defined charge shall be calculated using the charts set forth for this provision in the city fee schedule, referencing the customer's monthly water usage and meter size, measured by diameter in inches.
 - b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable rates set forth for this provision in the city fee schedule.
 - c. *TCEQ public health service fee* for treated water connections only.
- (6) *Transient meter customers.* Each transient meter customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities, and the TCEQ public health service fee, if applicable, as set forth below:
- a. *Defined charge.* The customer's defined charge shall be calculated using the charts set forth for this provision in the city fee schedule, referencing the customer's monthly water usage and meter size, measured by diameter in inches.
 - b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable rates set forth for this provision in the city fee schedule.
 - c. *TCEQ public health service fee* for treated water connections only.
- (e) *Emergency backup service (EBS) customer.*
- (1) Eligibility and applications. Any person desiring to become an EBS customer must apply to the director. Each EBS application must:
 - a. Be made in a form prescribed by the director; and
 - b. Include engineering drawings and detailed specifications of the applicant's proposed installation of EBS equipment.
 - (2) Action upon applications. The director shall examine each EBS application. An application shall be approved if the director determines that:

- a. The applicant can qualify as an EBS customer;
- b. The requested EBS service is practical and sound from an engineering point of view;
- c. The proposed installation of EBS equipment meets city standards; and
- d. The application otherwise complies with this Code.

The director shall allow an applicant to modify its application or its proposed installation of EBS equipment so as to meet any requirements for approval.

(3) *EBS equipment.*

- a. All installations of EBS equipment shall include measuring equipment, valves, backflow prevention devices, a locking mechanism, a proper vault and such other items as are necessary in the judgment of the director. All such installations shall conform to city standards as to location, materials and workmanship.
- b. When the director has approved an application, the applicant shall furnish, deliver and install the EBS equipment at its own expense in strict compliance with this Code and the plans and specifications approved by the director. The applicant shall provide reasonable opportunities for the director to inspect the work as it progresses and shall so notify the director at appropriate times. When the completed installation has been inspected and approved by the director, the applicant shall:
 - 1. Convey to the city the complete installation (excluding back flow prevention devices) free and clear of liens and encumbrances by written documents approved by the director.
 - 2. Deliver all keys to the locking mechanism to the director. To the extent an existing, city-owned installation is to be used for the applicant's EBS installation, the foregoing provisions may be modified by the director.

(4) *Monthly billing and charges.* Each EBS customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities as set forth below:

- a. *Defined charge.* The customer's defined charge shall be calculated using the charts set forth for this provision in the city fee schedule, referencing the customer's monthly water usage and meter size, measured by diameter in inches.
- b. *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable rates set forth for this provision in the city fee schedule.
- c. *Rates and charges.* Rates and charges for each EBS customer begin to accrue on the day its installation is conveyed to the city.

(5) *Opening and closing connections.* In the event of an emergency, the EBS customer may notify the director of the emergency and request that the EBS connection be unlocked and opened. If the director determines that an emergency exists, the city shall unlock and open the EBS connection. Under no circumstances shall the EBS customer unlock or open the connection or otherwise operate or tamper with the installation. When the emergency has ceased or is deemed to have ceased, the city shall close and lock the EBS connection. The emergency shall be deemed to have ceased when the EBS customer so notifies the director or when 30 days have elapsed after the date of EBS customer notified the director of the emergency, whichever first occurs. If the director determines that an extension of time will not cause undue hardship to the other customers of the city, the director may extend the time the EBS connection is open upon written request of the EBS customer and a showing by that customer that an emergency still exists and that all practicable steps are being taken to correct the circumstances causing the emergency. However, if at any

time the director determines that an emergency has actually ceased and consults with the EBS customer, the director may close and lock the connection.

- (6) *Termination of service.* Service to an EBS customer shall be terminated, after reasonable notice to the customer and an opportunity to be heard, if the customer fails to pay any rates or charges within the time allowed or if the customer fails to comply with the other terms of service applicable to such customer. Upon such termination, the connection shall be permanently closed, locked and disconnected, and the rates and charges shall cease accruing.

(f) *Contract treated water service.*

- (1) *Eligibility and applications.* Applications for contract treated water service shall be made on forms prescribed by the director. Each application shall include the nonrefundable processing fee stated for this provision in the city fee schedule. Any customer or potential customer is eligible for contract treated water service under this subsection if:

- a. The customer is a municipality or conservation and reclamation district organized under article XVI, section 59 of the Texas Constitution that proposes to resell water purchased from the city;
- b. The customer would otherwise be a commercial customer and has minimum water consumption equal to at least 150,000,000 gallons per month;
- c. The customer is a private utility company holding a certificate of convenience and necessity from the state that (i) resells water to single family or multi-family dwellings only and (ii) maintains a water distribution system in public rights-of-way or public easements; or
- d. The customer would otherwise be a commercial customer and is in compliance with a conservation plan pursuant to chapters 288 and 295 of title 30 Texas Administrative Code to reduce its minimum water consumption from 150,000,000 or more gallons per month while continuing to provide the same or higher levels of production or services.

- (2) *Contract requirements.* Upon receipt of a completed application, the department shall determine water availability and, if sufficient water is available for the customer, shall secure a written agreement from the applicant, which shall include:

- a. The term of the agreement;
- b. The minimum monthly quantity of water to be taken by the customer. This minimum for customers other than those described under items (1)a, (1)c and (1)d of this subsection shall be 150,000,000 gallons per month. Customers defined under items (1)a, (1)c and (1)d of this subsection shall be permitted to change the minimum monthly quantity only in accordance with the terms of their contracts;
- c. The designation of the point or points of delivery;
- d. Rates as described in subsection (f)(3) of this section; and

- e. Any special requirements regarding metering or facilities desired by the parties.

No agreement for contract treated water service shall be valid unless approved by the city council.

- (3) *Rates and charges.* Treated water supply contract customers shall incur monthly water charges for each meter including a defined charge based on the customer's meter size, measured by diameter in inches, and the volume charge for metered water usage. The contract rate for all water supplied under an untreated water supply contract is as stated in the city fee schedule for the volume of water, including minimum monthly amount and amounts in excess of the minimum monthly amount, as specified in the contract for each customer type as set out below, for treated water supply with airgap or treated water supply without airgap.

For contract treated water customers, the monthly charge shall equal:

$$P \times R$$

plus

$$(P-M) \times F$$

Where:

P = The total water delivery to such customer during the month expressed in units of 1,000 gallons, except if the minimum monthly amount of water specified in the customer's contract is greater than P, P shall equal M;

M = The minimum monthly amount of water specified in the customer's contract expressed in units of 1,000 gallons; and

R = The applicable rate stated for this provision in the city fee schedule contract treated water service with or without airgap. An airgap shall be required of every customer unless the director determines that this requirement be waived because of prior conditions, excessive pressure, or health and safety concerns.

F = The contract treated water service monthly charge factor stated for this provision in the city fee schedule.

A contract treated water service charge premium per thousand gallons shall apply to amounts taken in excess of the minimum monthly amount.

In the event a billing period is longer or shorter than 30 days, a daily charge shall be determined using the formula specified above, but with P defined as average daily amount of water delivered during the billing period and M defined as the monthly minimum divided by 30. Such daily charge shall then be multiplied by the number of days in the billing period.

Amend Subsection (c) of Section 47-62 (Groundwater reduction plan agreements) to read as follows:

- (c) GRP participants purchasing treated water from the city are subject to the minimum purchase requirements of their contracts in accordance with their location in Regulatory Areas 1 and 2, or Regulatory Area 3, all defined in the subsidence district regulations, as set forth in the city fee schedule. Standard contract treated water rates, rate classifications, and premiums apply to GRP participants that purchase treated water from the city.

Amend Section 47-64 to read as follows:

Sec. 47-64. Service charges for metered fire connection or unmetered connection for fire sprinkling systems and other fire suppression systems.

- (a) *Metered fire connection.* Each metered fire connection customer's monthly water charge shall be the total of the defined charge and the charge for additional quantities using the rates for industrial customers without surcharge as stated in the city fee schedule, and the TCEQ public health service fee, if applicable, as set forth below:
 - (1) *Defined charge.* The customer's defined charge shall be calculated using the charts set forth for this provision in the city fee schedule, referencing the customer's monthly water usage and meter size, measured by diameter in inches.
 - (2) *Charge for additional quantities.* The customer's charge for additional quantities shall be calculated using customer's monthly water usage multiplied by the applicable rates set forth for this provision in the city fee schedule for industrial water use.
 - (3) *TCEQ public health service fee* for treated water connections only.
- (b) *Unmetered fire connection.* Each person with an unmetered connection serving a fire sprinkler system under the provisions of subsection (b) of section 47-4 of this Code shall pay the monthly service charge stated for this provision in the city fee schedule for the corresponding size of the diameter of each unmetered sprinkler service line connected to the city's water main. The charge for a fire line with a city approved backflow prevention device with a bypass meter will be the same as for unmetered fire lines.
- (c) *Billing and enforcement.* Billing for charges made under this section shall be made on a monthly basis. Payment shall be due and made in accordance with the provisions of this Code, and payment of such charges shall be enforced by any and all means available to the city under other provisions of this Code, including termination of service.
- (d) *Water supply for private fire suppression.* The department may supply water for private fire suppression systems if in the opinion of the utility official the connection will not cause appreciable reduction in the pressure of the city's water system. The director shall determine all conditions necessary for connecting such private fire protection to the city's water system to ensure the safety of the public water system. The cost for a city employee to participate in or witness any test of a fire suppression system as required by this Code or any other ordinance of the city is stated for this provision in the city fee schedule.

Amend Subsection (b) of Section 47-84 (Statement of policy; standard untreated water rates) to read as follows:

- (b) *Contracts.* All contracts for untreated water supply shall be in the form approved by the city council. In the event any untreated water customer requests terms, conditions or amendments not included in the approved form, the director shall follow appropriate procedures for review of the proposed

changes and consideration of the proposed contract by the city council. The policy of the city is that the provisions of this division shall be deemed a part of every city contract for sale of untreated water for industrial, municipal, or agricultural use.

Amend Sections 47-122 and 47-123 to read as follows:

Sec. 47-122. Rates for users taking city water.

- (a) *Residential users.* Each residential user shall incur monthly sanitary charges for each meter serving the user's premises, except certain multifamily residential users with umbrella accounts authorized to receive different basic service charges as set forth in section 47-71 of this Code.
 - (1) *Single-family residential user.* Each single-family residential user's monthly sanitary charge shall be calculated using the total of the applicable basic service charge and the volume charge set forth below:
 - a. *Basic service charge.* The user's basic service charge shall be based on meter size, measured by meter diameter in inches, as set forth in the chart stated for this provision in the city fee schedule.
 - b. *Volume charge.* The user's volume charge, regardless of meter size, shall be calculated using the user's monthly water usage as set forth in the chart stated for this provision in the city fee schedule.
 - (2) *Multifamily residential user.* Each multifamily residential user's monthly sanitary charge shall be calculated using the total of the applicable basic service charge and the volume charge set forth below:
 - a. *Basic service charge.* The user's basic service charge shall be based on meter size, measured by meter diameter in inches, as set forth in the chart stated for this provision in the city fee schedule.
 - b. *Volume charge.* The user's volume charge, regardless of meter size, shall be the user's monthly water usage multiplied by the wastewater volume rate stated for this provision in the city fee schedule for each 1,000 gallon increment.
- (b) *Non-residential users.* Each non-residential user shall incur monthly sanitary charges for each meter serving the user's premises.
 - (1) *Commercial user.* Each commercial user's monthly sanitary charge shall be calculated using the total of the applicable basic service charge and volume charge set forth below:
 - a. *Basic service charge.* The user's basic service charge shall be based on meter size, measured by diameter in inches, as set forth in the chart stated for this provision in the city fee schedule.
 - b. *Volume charge.* The user's volume charge, regardless of meter size, shall be the user's monthly water usage multiplied by the wastewater volume rate stated for this provision in the city fee schedule.
 - (2) *Industrial user.* In addition to any applicable charges under section 47-143 of this Code, each industrial user's monthly sanitary charge shall be calculated using the total of the applicable basic service charge and volume charge set forth below:
 - a. *Basic service charge.* The user's basic service charge shall be based on meter size as set forth in the chart stated for this provision in the city fee schedule.
 - b. *Volume charge.* The user's volume charge, regardless of meter size, shall be the user's monthly water usage multiplied by the wastewater volume rate, and the flow rate, if applicable, plus the industrial waste program charge, all as stated for this provision in the city fee schedule and as described further below:

- [1] *Industrial users without industrial waste surcharge.* The user's volume charge shall be the user's monthly usage multiplied by the wastewater volume rate stated for this provision in the city fee schedule, plus the user's monthly usage multiplied by the wastewater volume rate stated for this provision in the city fee schedule for all flow to the city's public water system.
- [2] *Industrial users with an industrial waste surcharge.* The user's volume charge shall be the user's monthly usage multiplied by the wastewater volume rate for BOD per pound, TSS per pound, and Ammonia per pound, as stated for this provision in the city fee schedule.
- [3] All industrial waste permittees shall pay the industrial waste program charge.

Sec. 47-123. Rates for users not receiving water from city.

The monthly sanitary sewer service charge for each user who has a private water supply or receives water from a source other than the city's water system and whose water supply is not self-metered and billed as provided in section 47-128 of this Code shall be as stated for this provision in the city fee schedule, according to the following categories and customer types:

- (1) Single family residence.
- (2) Duplex residence.
- (3) Multiple dwelling units, per single family unit.
- (4) Commercial user rate, per commercial equivalent. Each commercial user shall pay each month the cost of a single commercial equivalent unless such commercial user requires additional commercial equivalents of service as determined by the table in section 47-1002 of this Code.
- (5) Industrial user rate, per commercial equivalent. Each industrial user shall pay the cost of a single commercial equivalent unless such industrial user requires additional commercial equivalents of service as determined by the table in section 47-1002 of this Code.

Amend Section 47-140 to read as follows:

Sec. 47-140. Wholesale wastewater service rates for municipalities and conservation and reclamation districts.

- (a) *Wholesale contracts.* Municipalities and conservation and reclamation districts ('municipalities') may purchase wholesale wastewater service from the city at rates established herein or as set forth in the city fee schedule for the applicable customer type, including specified per connection rates. In case of conflict between this section and a wholesale contract entered into before the effective date hereof, the provisions of the wholesale contract prevail.
- (b) *Rate for municipalities that have made capital contributions and that discharge directly into a city treatment plant.* The rate established in this subsection is applicable only for wholesale wastewater services the city provides to municipalities that meet the following requirements:
 - (1) The municipality discharges directly into a city treatment plant;
 - (2) The municipality has purchased permanent treatment capacity in the city's wastewater treatment system; and
 - (3) The municipality has executed a contract with the city for wholesale wastewater treatment services.

The wholesale wastewater rate for municipalities meeting these criteria is stated for this provision in the city fee schedule, per 1,000 gallons for municipalities without a collection system. If the contract does not require that charges be based on metered quantities, monthly quantities (in 1,000 gallon units) shall be determined by the formula:

$$0.250 \times A \times B$$

Where:

A = The number of calendar days in the particular month; and

B = The number of residential equivalent units connected to the municipality's collection system. (Conversion factors for residential equivalent units are provided in the wholesale wastewater service contracts.)

- (c) *Rate for municipalities that have made capital contributions and that discharge into the city wastewater collection system.* The rate established in this subsection is applicable only for wholesale wastewater services the city provides to municipalities that meet the following requirements:

- (1) The municipality discharges directly into the city wastewater collection system;
- (2) The municipality has purchased permanent sewage treatment capacity in the city's wastewater treatment system; and
- (3) The municipality has executed a contract with the city for wholesale wastewater treatment services.

The wholesale wastewater rate for municipalities meeting these criteria is stated for this provision in the city fee schedule, per 1,000 gallons for municipalities with a capital contribution. If the contract does not require that charges be based on metered quantities, monthly quantities (in 1,000 gallon units) shall be determined by the formula:

$$0.250 \times A \times B$$

Where:

A = the number of calendar days in the particular month; and

B = the number of residential equivalent units connected to the municipality's collection system. (Conversion factors for residential equivalent units are provided in the wholesale wastewater service contracts.)

- (d) *Rate for other municipalities.* The wholesale rate for wastewater service for municipalities not eligible for the rate specified in any other subsection of this section shall be the rate per 1,000 gallons stated for this provision in the city fee schedule.

Amend Subsection (a)(2) of Section 47-142 (City's allocated unit costs) to read as follows:

Sec. 47-142. City's allocated unit costs.

- (a) The following items shall be used to compute allocated unit costs but shall not be deemed to be exclusive of other pertinent factors:
- (1) The total proposed sewer division budget for the current year will be used as a basis for figuring operation and maintenance expenditures plus the following:
 - a. An appropriate percentage for old age benefits and pension payments based on salaries.
 - b. Vehicular replacements based on an appropriate replacement plan.

- c. An approved percentage for indirect costs to other departments based on the proposed sewer division budget for the current year.
 - d. An appropriate percentage of the actual water/sewer billing costs.
 - e. The annual debt service for retirement of sanitary sewer bonds.
- (2) The city's allocated unit costs will be computed annually for processing each of the following operational-functions of the system: Volume of flow, removal of BOD, removal of suspended solids, removal of ammonia.
- (b) The allocated unit costs shall be evaluated annually to examine increases or decreases in operation and maintenance costs and annual debt service.

Amend Section 47-143 to read as follows:

Sec. 47-143. Computation of user charge.

- (a) The user charges to be determined to each establishment that produces industrial waste shall be computed by use of the following formula:

$$UC = BC + Q \times R$$

Formula values are as follows:

UC = User charge (in dollars).

BC = Basic Service Charge defined in 47-122(b)(2)(a) (in dollars)

Q = Billable quantity of wastewater in thousand gallon units

R = $[X + (BOD \times 8.337 \times Y/1000) + (SS \times 8.337 \times Z/1000) + (NH_3 \times 8.337 \times W/1000)]$ per thousand gallons OR the rate per thousand gallons specified in section 47-122(b)(2)b, whichever is greater

W = The fee stated for this provision in the city fee schedule, per pound of NH₃

X = The fee stated for this provision in the city fee schedule, per thousand gallons

Y = The fee stated for this provision in the city fee schedule, per pound of BOD

Z = The fee stated for this provision in the city fee schedule, per pound of SS

BOD = Biochemical Oxygen Demand in milligrams per liter based on the results of a five-day analytical test for BOD at 20 degrees Centigrade

SS = Suspended solid content of the waste delivered, measured in milligrams per liter

NH₃ = Ammonia nitrogen (ammonia) content of the waste delivered, measured in milligrams per liter

- (b) When an industry produces both domestic and process waste with one connection to the sewer system, the waste so delivered shall be considered as industrial waste with uniform rate; or by user charge computations, in compliance with the above, based on the combined volume, BOD, suspended solids, and ammonia content.
- (c) A permittee may reduce his user charge rate by obtaining greater removals in pretreatment or plant operation procedure, but once the pretreatment or plant procedure is established to obtain uniform or lower rate, written consent from the director to increase the delivered strength shall be required, and charges for a higher rate based on tests by the city may be made without other notice to the industry.
- (d) Establishments that produce industrial waste shall be billed monthly or bimonthly for industrial waste disposal, according to the established procedures.

- (e) During periods while the city is sampling the content of the industrial waste discharge or attempting to obtain information from the industrial user regarding the quality of water the industrial user is discharging to the city system, the industrial user shall not alter its discharge practices, increase the use of process water, dilute or attempt to dilute its industrial waste discharge or otherwise alter the quality and content of the discharge in a manner which reduces the industrial waste surcharge or attempts to achieve compliance with discharge limitations. The city will exclude the results of samples that may have been impacted by dilution from the averages used for establishment of the user charge.

Amend Article III of Chapter 47 by adding a new Section 47-145 to read as follows:

Sec. 47-145. Industrial waste program charge.

In addition to the charges set out above, each industrial waste customer with an industrial waste discharge permit must pay a monthly industrial waste program charge in the amount set out in the city fee schedule. The industrial waste program charge funds the city's management of the industrial waste program.

EXHIBIT C

TABLE 1 - PROPOSED WATER MONTHLY SERVICE CHARGES AND FUTURE ADJUSTMENTS

Meter Size	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
<i>Month of Increase</i>	<i>July 2021</i>	<i>April 2022</i>	<i>April 2023</i>	<i>April 2024</i>	<i>April 2025</i>	<i>April 2026</i>
	<i>Charges</i>	<i>Future Adjustments</i>				
5/8-inch	\$6.25	+\$0.32	+\$0.25	+\$0.14	+\$0.11	+\$0.03
3/4-inch	6.25	+0.32	+0.25	+0.14	+0.11	+0.03
1-inch	8.80	+0.41	+0.39	+0.24	+0.21	+0.11
1 1/2-inch	12.43	+0.54	+0.60	+0.39	+0.36	+0.20
2-inch	14.61	+0.62	+0.73	+0.47	+0.45	+0.26
3-inch	32.76	+1.29	+1.77	+1.18	+1.20	+0.77
4-inch	63.27	+2.40	+3.52	+2.38	+2.46	+1.62
6-inch	147.88	+5.50	+8.36	+5.71	+5.95	+3.97
8-inch	184.20	+6.83	+10.44	+7.13	+7.45	+4.98
10-inch	244.84	+9.05	+13.91	+9.52	+9.95	+6.67
12-inch	341.44	+12.59	+19.44	+13.31	+13.94	+9.35
TCEQ Fee per connection	0.21	+0.00	+0.00	+0.00	+0.00	+0.00

**TABLE 2 - PROPOSED WATER MONTHLY SERVICE CHARGES AND FUTURE
ADJUSTMENTS: SPECIAL CUSTOMER TYPES**

Meter Size	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase	July 2021	April 2022	April 2023	April 2024	April 2025	April 2026
	Charges	Future Adjustments				
Transient:						
1-inch	\$95.00	+\$11.96	+\$10.33	+\$10.30	+\$10.28	+\$10.27
2-inch	185.00	+20.00	+20.00	+20.00	+20.00	+20.00
3-inch	460.00	+51.36	+50.24	+50.31	+50.37	+50.40
Resale:						
5/8- and 3/4-inch	\$24.05	+\$0.20	+\$0.10	+\$0.06	+\$0.02	+\$0.00
1-inch	39.00	+0.27	+0.13	+0.10	+0.07	+0.04
1 1/2-inch	60.40	+0.31	+0.20	+0.16	+0.12	+0.11
2-inch	73.25	+0.33	+0.23	+0.20	+0.16	+0.15
3-inch	180.00	+0.83	+0.52	+0.49	+0.48	+0.46
4-inch	360.00	+1.00	+1.00	+1.00	+1.00	+1.00
6-inch	859.00	+1.76	+2.34	+2.40	+2.45	+2.49
8-inch	1075.00	+0.25	+2.91	+3.00	+3.08	+3.13
Metered Fire:						
5/8-inch	\$4.70	+\$0.23	+\$0.12	+\$0.07	+\$0.03	+\$0.01
3/4-inch	4.70	+0.23	+0.12	+0.07	+0.03	+0.01
1-inch	6.15	+0.27	+0.17	+0.13	+0.08	+0.07
1 1/2-inch	8.20	+0.35	+0.24	+0.20	+0.17	+0.14
2-inch	9.45	+0.38	+0.29	+0.24	+0.21	+0.19
3-inch	20.00	+0.48	+0.66	+0.62	+0.58	+0.58
4-inch	37.00	+1.37	+1.28	+1.25	+1.23	+1.21
6-inch	85.00	+3.00	+3.00	+3.00	+3.00	+3.00
8-inch	105.00	+4.30	+3.74	+3.75	+3.76	+3.77
10-inch	140.00	+4.87	+4.98	+5.00	+5.03	+5.05
Unmetered Fire:						
5/8- and 3/4-inch	\$6.70	+\$0.21	+\$0.09	+\$0.05	+\$0.00	+\$0.00
1-inch	9.55	+0.23	+0.12	+0.09	+0.04	+0.02
1 1/2-inch	13.60	+0.29	+0.17	+0.13	+0.10	+0.07
2-inch	16.05	+0.30	+0.20	+0.16	+0.13	+0.10
3-inch	36.00	+0.87	+0.45	+0.41	+0.38	+0.37
4-inch	70.00	+1.35	+0.86	+0.84	+0.81	+0.79
6-inch	165.00	+2.00	+2.00	+2.00	+2.00	+2.00
8-inch	205.00	+3.05	+2.49	+2.50	+2.51	+2.52
10-inch	275.00	+1.60	+3.31	+3.34	+3.36	+3.38
12-inch	380.00	+5.79	+4.61	+4.67	+4.73	+4.75

TABLE 3 - PROPOSED SINGLE FAMILY RESIDENTIAL WATER VOLUME RATES AND FUTURE ADJUSTMENTS

Rate Block		FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase	July 2021	April 2022	April 2023	April 2024	April 2025	April 2026	
	Rates	Future Adjustments					
Conservation Rate for customers with usage up to 3,000 gallons per month:							
First 1 kgal	\$1.00	+\$0.20	+\$0.15	+\$0.15	+\$0.15	+\$0.15	+\$0.10
Next 1 kgal							
Next 1 kgal							
* Single family residential customers who use 3,000 gallons or less per month receive a conservation credit.							
Customers with usage over 3,000 gallons per month:							
First 1 kgal	\$5.50	+\$0.60	+\$0.50	+\$0.45	+\$0.50	+\$0.50	+\$0.45
Next 1 kgal							
Next 1 kgal							
Next 1 kgal							
Next 1 kgal							
Next 1 kgal							
Next 6 kgal	8.00	+0.65	+0.55	+0.60	+0.60	+0.60	+0.60
Next 8 kgal	11.00	+0.65	+0.55	+0.60	+0.60	+0.60	+0.60
Over 20 kgal	15.00	+0.65	+0.55	+0.45	+0.45	+0.45	+0.40

TABLE 4 - PROPOSED SINGLE FAMILY RESIDENTIAL WATER BILLS AND FUTURE ADJUSTMENTS

Billed Usage	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
<i>Month of Increase</i>	<i>July 2021</i>	<i>April 2022</i>	<i>April 2023</i>	<i>April 2024</i>	<i>April 2025</i>	<i>April 2026</i>
	<i>Bills</i>	<i>Incremental Bill Amount</i>				
Meter Charge + TCEQ Fee	\$6.46	+\$0.32	+\$0.25	+\$0.14	+\$0.11	+\$0.03
1,000 gallons	7.46	+0.52	+0.40	+0.29	+0.26	+0.13
2,000 gallons	8.46	+0.72	+0.55	+0.44	+0.41	+0.23
3,000 gallons	9.46	+0.92	+0.70	+0.59	+0.56	+0.33
4,000 gallons	28.46	+2.72	+2.25	+1.94	+2.11	+1.83
5,000 gallons	33.96	+3.32	+2.75	+2.39	+2.61	+2.28
6,000 gallons	39.46	+3.92	+3.25	+2.84	+3.11	+2.73

TABLE 5 - PROPOSED RETAIL WATER VOLUME RATES AND FUTURE ADJUSTMENTS							
Customer Type	Rate Block	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase		July 2021	April 2022	April 2023	April 2024	April 2025	April 2026
		Rates		Future Adjustments			
Multifamily Residential	All Usage	\$5.45	+\$0.49	+\$0.45	+\$0.40	+\$0.47	+\$0.38
Commercial/Industrial	All Usage	5.55	+0.60	+0.55	+0.50	+0.57	+0.47
Irrigation	Block 1	---	---	---	---	---	---
	Block 2	---	---	---	---	---	---
	All Usage	10.00	+0.45	+0.42	+0.35	+0.44	+0.34
Transient	All Usage	10.00	+0.45	+0.42	+0.35	+0.44	+0.34
Resale	All Usage	10.00	+0.45	+0.42	+0.35	+0.44	+0.34
Emergency Backup	All Usage	10.00	+0.45	+0.42	+0.35	+0.44	+0.34
Metered Fire	All Usage	10.00	+0.45	+0.42	+0.35	+0.44	+0.34

TABLE 6 - PROPOSED WHOLESALE WATER VOLUME RATES AND FUTURE ADJUSTMENTS

Customer Type	Rate Block	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
<i>Month of Increase</i>		<i>July 2021</i>	<i>April 2022</i>	<i>April 2023</i>	<i>April 2024</i>	<i>April 2025</i>	<i>April 2026</i>
		<i>Rates</i>		<i>Future Adjustments</i>			
Contract w/Airgap	Minimum	\$3.35	+\$0.35	+\$0.05	+\$0.10	+\$0.15	+\$0.10
	Excess	0.85	+0.05	+0.05	+0.05	+0.05	+0.05
Contract w/o Airgap	Minimum	4.05	+0.15	+0.05	+0.05	+0.15	+0.15
	Excess	0.85	+0.05	+0.05	+0.05	+0.05	+0.05
GRP Areas 1 & 2	All Usage	2.68	+0.28	+0.04	+0.08	+0.12	+0.08
GRP Area 3	All Usage	1.01	+0.11	+1.14	+0.06	+0.09	+0.06
Contract Untreated	All Usage	0.85	+0.00	+0.00	+0.00	+0.00	+0.00

**TABLE 7 - PROPOSED WASTEWATER MONTHLY SERVICE CHARGES AND
FUTURE ADJUSTMENTS**

Meter Size	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase	July 2021	April 2022	April 2023	April 2024	April 2025	April 2026
	Charges	Future Adjustments				
5/8-inch	\$10.00	+\$1.50	+\$1.50	+\$0.75	+\$0.75	+\$0.62
3/4-inch	10.00	+1.50	+1.50	+0.75	+0.75	+0.62
1-inch	12.45	+1.79	+2.57	+1.24	+1.13	+0.93
1 1/2-inch	15.93	+2.23	+4.08	+1.95	+1.66	+1.40
2-inch	18.03	+2.47	+5.00	+2.38	+1.97	+1.69
3-inch	35.46	+4.60	+12.60	+5.92	+4.63	+4.03
4-inch	64.76	+8.16	+25.37	+11.87	+9.09	+7.97
6-inch	146.02	+18.05	+60.80	+28.36	+21.47	+18.89
8-inch	180.90	+22.29	+76.01	+35.43	+26.79	+23.58
10-inch	239.14	+29.38	+101.40	+47.26	+35.66	+31.40
12-inch	331.92	+40.65	+141.85	+66.09	+49.79	+43.87
16-inch	805.89	+98.31	+348.49	+162.30	+122.00	+107.56

TABLE 8 - PROPOSED WASTEWATER MONTHLY SERVICE CHARGESAND FUTURE ADJUSTMENTS: SPECIAL CUSTOMER TYPES						
Meter Size	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase July 2021April 2022April 2023April 2024April 2025April 2026						
	Charges	Future Adjustments				
Industrial with Surcharge:						
Industrial Program	\$100.00	+\$200.00	+\$300.00	+\$200.00	+\$200.00	+\$200.00
Sewer Only:						
Single Family Res.	\$36.00	+\$7.00	+\$5.00	+\$4.00	+\$4.00	+\$4.00
Duplex	72.00	+14.00	+10.00	+8.00	+8.00	+8.00
Multifamily Res.	36.00	+7.00	+5.00	+4.00	+4.00	+4.00
Commercial	72.00	+14.00	+10.00	+8.00	+8.00	+8.00
Industrial	72.00	+14.00	+10.00	+8.00	+8.00	+8.00

TABLE 9 - EXISTING AND PROPOSED SINGLE FAMILY RESIDENTIAL WASTEWATER VOLUME RATES AND FUTURE ADJUSTMENTS

Rate Block	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase	July 2021	April 2022	April 2023	April 2024	April 2025	April 2026
	Rates		Future Adjustments			
First 1 kgal						
Next 1 kgal	\$4.00	+\$1.10	+\$0.30	+\$0.60	+\$0.55	+\$0.45
Next 1 kgal						
Next 1 kgal						
Next 1 kgal	10.50	+1.60	+0.15	+0.25	+0.50	+0.35
Over 5 kgal						

TABLE 10 - EXISTING AND PROPOSED SINGLE FAMILY RESIDENTIAL WASTEWATER BILLS AND FUTURE ADJUSTMENTS						
Billable Volume	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase	July 2021	April 2022	April 2023	April 2024	April 2025	April 2026
	<i>Bills</i>		<i>Incremental Bill Amounts</i>			
Meter Charge only	\$10.00	+\$1.50	+\$1.50	+\$0.75	+\$0.75	+\$0.62
1,000 gallons	14.00	+2.60	+1.80	+1.35	+1.30	+1.07
2,000 gallons	18.00	+3.70	+2.10	+1.95	+1.85	+1.52
3,000 gallons	22.00	+4.80	+2.40	+2.55	+2.40	+1.97
4,000 gallons	32.50	+6.40	+2.55	+2.80	+2.90	+2.32
5,000 gallons	43.00	+8.00	+2.70	+3.05	+3.40	+2.67
6,000 gallons	53.50	+9.60	+2.85	+3.30	+3.90	+3.02

**TABLE 11 - PROPOSED RETAIL WASTEWATER VOLUME RATES
AND FUTURE ADJUSTMENTS**

Customer Type	Rate Block	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
<i>Month of Increase</i>		<i>July 2021</i>	<i>April 2022</i>	<i>April 2023</i>	<i>April 2024</i>	<i>April 2025</i>	<i>April 2026</i>
		<i>Rates</i>	<i>Future Adjustments</i>				
Multifamily Residential	All Flow	\$7.40	+\$1.40	+\$0.22	+\$0.46	+\$0.52	+\$0.40
Commercial	All Flow	7.40	+1.40	+0.22	+0.46	+0.52	+0.40
Industrial (no surcharge)	First 2 kgal	---	---	---	---	---	---
	Over 2 kgal	---	---	---	---	---	---
	All Usage	7.40	+1.40	+0.22	+0.46	+0.52	+0.40
Industrial with Surcharge	All Flow	8.00	+1.26	+0.02	+0.15	+0.28	+0.14
	BOD (per lb)	0.4437	+0.08	+0.04	+0.04	+0.04	+0.03
	TSS (per lb)	0.3384	+0.06	+0.02	+0.02	+0.02	+0.02
	Ammonia (per lb)	0.6253	+0.10	-0.00	+0.00	+0.02	+0.01

**TABLE 12 - PROPOSED WHOLESALE WASTEWATER VOLUME RATESAND
FUTURE ADJUSTMENTS**

Customer Type	Rate Block	FYE 2022		FYE 2023	FYE 2024	FYE 2025	FYE 2026
Month of Increase		July 2021	April 2022	April 2023	April 2024	April 2025	April 2026
		Rates		Future Adjustments			
Capital without Collection System	All Flow	\$1.65	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00
Capital with Collection System	All Flow	3.00	+0.23	+0.01	+0.01	+0.02	+0.03
No Capital with Collection System	All Flow	6.25	+0.23	+0.36	+0.38	+0.41	+0.31
Connection-based	All Connections	25.00	+2.01	+1.54	+1.64	+1.77	+1.40