

ORDINANCE NO. 2021-28

AN ORDINANCE OF THE CITY OF SEALY, TEXAS, ESTABLISHING AND PROVIDING RATES FOR SERVICES OF THE NATURAL GAS DISTRIBUTION SYSTEM OF THE CITY; ESTABLISHING FEES FOR CONNECTION TO SAID SYSTEM; PROVIDING FOR CASH DEPOSITS FOR SERVICE; PROVIDING FOR THE PAYMENT THEREOF; CONTAINING OTHER PROVISIONS RELATING TO THE SUBJECT; REPEALING ALL OTHER ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT OR INCONSISTENT WITH THIS ORDINANCE; PROVIDING FOR SEVERABILITY; PROVIDING A PENALTY; AND PROVIDING AN EFFECTIVE DATE.

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WHEREAS, the City Council of the City of Sealy, Texas ("City") finds that the monthly rates and charges for natural gas should be amended;

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SEALY, TEXAS:

SECTION 1. RATES FOR SERVICE.

For single-unit consumers, the billing rate structure consists of three components:

- A monthly fixed charge for the service, based on the type of consumer, plus
- based on the type of consumer, a volumetric charge per hundred cubic feet (CCF) of gas consumed, as registered by the gas meter serving the consumer during the billing period, plus
- a fuel adjustment factor per CCF of gas consumed that adjusts monthly to pass-through the actual cost of gas (as provided to the City through the contract with its current gas supplier).

For multiple-unit consumers utilizing a single gas meter, the billing rate structure consists of three components:

- A monthly fixed charge for the service, based on the type of consumer, multiplied by the number of units being served, plus
- based on the type of consumer, a volumetric charge per hundred cubic feet (CCF) of gas consumed, as registered by the gas meter serving the consumer during the billing period, plus
- a fuel adjustment factor per CCF of gas consumed that adjusts monthly to pass-through the actual cost of gas (as provided to the City through the contract with its current gas supplier).

The following rates shall be charged for each month of service from the City's natural gas system. Charges for gas supplied by the City's gas system shall be based on the gas consumed, as registered by the gas meter serving each consumer.

Fixed Charges (per month)

Customer	Rate
Non-industrial (residential and commercial)	\$ 10.75
Extra Large Industrial	\$ 10.75
Large Industrial	\$ 10.75
Medium Industrial	\$ 10.75
Small Industrial	\$ 10.75

Volumetric Base Charges (per CCF)

Customer	Rate
Non-industrial (residential and commercial)	\$ 0.68
Extra Large Industrial - Monthly Usage 100,001 CCF and Above	\$ 0.10
Large Industrial – Monthly Usage 50,001 to 100,000 CCF	\$ 0.18
Medium Industrial – Monthly Usage 25,001 to 50,000 CCF	\$ 0.28
Small Industrial – Monthly Usage 25,000 CCF and Under	\$ 0.43

NOTE: The rates for services shall include an additional charge that represents the City's cost to purchase each CCF of natural gas from its supplier. This additional charge is known as a "fuel adjustment factor," which fluctuates monthly.

INDUSTRIAL CONTRACTS: The City no longer allows industrial contracts and industrial contracts will be terminated and users shall pay the rates as set forth in this ordinance or any amendments.

SECTION 2. FEES FOR CONNECTION.

The rates applicable for a gas service tap for residential, commercial, and industrial use are as follows:

One inch (1") residential service tap: service line up to 100 feet in length, meter, and regulator - \$650.00. A boring fee of \$25.00 per foot shall be charged if the gas main is located on the opposite side of the street.

For all service taps over one inch (1") in size or service lines over 100 feet in length: actual cost of installation, including, but not limited to, the cost of materials, labor, equipment, and overhead will be charged.

The one inch (1") tap fee shall be paid before the tap is made. The larger taps may be billed to owner and will be due within ten (10) days after receipt of bill.

SECTION 3. CASH DEPOSITS FOR SERVICE.

The following cash deposits shall be charged each customer for the following categories of service:

Residential: Owner-occupied	\$ 75.00
Residential: Senior citizen (age 65 or older)	\$ 40.00
Residential: Tenant-occupied/mobile home or manufactured home.....	\$ 250.00
Commercial: 1½ times the estimated monthly bill; however, the minimum deposit shall be no less than \$250.00.	

All deposits shall be paid in cash by the customer before any connection shall be made. Any deposit shall be refunded only after the customer gives notice to the City that such service is to be disconnected. All deposits shall be held by the City as security for the payment of all services rendered by the City to the customer, as well as for damages to any City property. The City Manager is authorized to adjust the deposit(s) for service on a case-by-case basis.

SECTION 4. PROVIDING FOR PAYMENT.

The bill for gas service shall become due and payable at the City office of said City on the first (1st) day of each month. A ten percent (10%) penalty shall be added if paid after the tenth (10th) day of the month, and shall be delinquent if not paid on or before the twentieth (20th) day of such month. The City Manager, or his/her designee, is authorized to waive penalties on a case-by-case basis.

For billing purposes, multi-family dwellings containing more than one (1) independent dwelling unit that share one (1) meter shall be billed that number of minimum charges whether occupied or not.

SECTION 5. DISCONNECT AND RECONNECT.

The City shall cause service of said system to be disconnected and discontinued on and after the date that any bill shall become delinquent. All customers having delinquent bills of ten dollars (\$10.00) or more shall be assessed an administrative fee in the amount of thirty dollars (\$30.00), regardless of whether service is disconnected or not; this fee, along with the full amount of the delinquent bill, must be paid in order to maintain service connection or to attain service reconnection. The fee for connection/reconnection of service after business hours or on holidays will be thirty dollars (\$30.00). A special service charge of fifteen dollars (\$15.00) will be made for any requested summer disconnection and winter reconnection of gas service.

SECTION 6. Repeal. All ordinances or parts of ordinances in conflict herewith are repealed.

SECTION 7. Severability. In the event any section, paragraph, subdivision, clause, phrase, provision, sentence, or part of this Ordinance or the application of the same to any person or circumstance shall for any reason be adjudged invalid or held unconstitutional by a court of competent jurisdiction, it shall not affect, impair, or invalidate

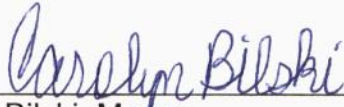
this Ordinance as a whole or any part of provision hereof other than the part declared to be invalid or unconstitutional; and the City Council of the City of Sealy, Texas, declares that it would have passed each and every part of the same notwithstanding the omission of any such part thus declared to be invalid or unconstitutional, whether there be one or more parts.

SECTION 8. Penalty. Any person who violates or causes, allows, or permits another to violate any provision of this ordinance, rule, or police regulation of the city shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be punished by a fine or penalty not to exceed five hundred dollars (\$500.00). If such rule, ordinance, or police regulation governs fire safety or public health and sanitation, other than the dumping of refuse, the fine or penalty shall not exceed two thousand dollars (\$2,000.00). If such rule, ordinance, or police regulation governs the dumping of refuse, the fine or penalty shall not exceed four thousand dollars (\$4,000.00). Each occurrence of any violation of this ordinance, rule, or police regulation shall constitute a separate offense. Each day on which any such violation of this ordinance, rule, or police regulation occurs shall constitute a separate offense.

SECTION 9. Effective Date. This ordinance shall become effective on October 1, 2021.

PASSED AND APPROVED at this first reading on the 7th day of December 2021.

PASSED AND APPROVED at this second reading on the 15th day of December 2021.



Carolyn Bilski, Mayor

ATTEST:



Mercedes Bencomo, Deputy City Secretary

