

ORDINANCE NO. 25,015

AN ORDINANCE RELATING TO UTILITIES, AND THE GENERAL SCHEDULE OF FEES, AMENDING CHAPTER 55 OF THE OKLAHOMA CITY MUNICIPAL CODE, 2010, BY AMENDING ARTICLE II, DIVISION 4, SECTION 55-69 WATER AND SEWER SYSTEM IMPACT CHARGES AND BY REPEALING SECTION 60-55-30, AND ADOPTING NEW SECTION AMENDING CHAPTER 60, TITLE 55, ARTICLE II, SECTION 60-55-30 WATER SYSTEM DEVELOPMENT CHARGES.

WHEREAS, the City of Oklahoma City has employed engineering experts to examine and estimate the current and long term raw water supply needs for the Oklahoma City metro area through 2060; and

WHEREAS, these engineering experts have determined that the dependable yield from the North Canadian River is becoming less reliable over time; and

WHEREAS, these engineering experts determined it is now necessary to begin construction of the second Atoka Pipeline to enable the City to use the remainder of its existing appropriated water rights in Southeastern Oklahoma; and

WHEREAS, these engineering experts have also estimated the cost of capital improvements for FY 2015-2024 to exceed \$2.1 billion dollars consisting of \$921.7 million in raw water improvements, \$620.3 million in drinking water, \$637.6 million in wastewater improvements; and

WHEREAS, the Oklahoma City Water Utilities Trust has employed cost-of-service, rate design, and financial services experts to examine revenue requirements and formulate fees and charges necessary to finance construction of these improvements through FY 2024; and

WHEREAS, these cost-of-service and rate design experts have determined it necessary to recommend spreading the costs of these new improvements, that will be financed through bonds over a 30 year period, through fees and charges consisting of customer service charges, volume charges, system development charges, and range of miscellaneous charges to ensure equity among all customers, whether they be existing or newly-connected customers to the system now or in the future, through 2060; and

WHEREAS, Oklahoma City Water Utilities Trust has determined that it would be appropriate to phase in a limited change to the Water System Development Charges (impact fees) over the next three years rather than the full implementation of the amount calculated by the cost-of-service and rate design experts in order to minimize the annual affect on new development costs through FY 2017; and

WHEREAS, the Water System Development Charges will apply to new development for water infrastructure to serve new connections to the Oklahoma City system based upon water capacity requirements as indicated by meter size; and

WHEREAS, the existing charge is \$100 and the recommended change is an increase of \$300 in October 2014 to \$400, in October 2015 to \$700, and in October 2016 to \$1,000.

WHEREAS, the Water System Development Charges will help fund improvements increasing the capacity and reliability of water treatment facilities, pumping stations, treated water reservoirs, raw water reservoirs and conveyance systems, transmission mains and treated water storage tanks, and other associated system improvements to improve and extend service; and

WHEREAS, these water public infrastructure expansions are necessary to serve a broad range of new customers throughout the metropolitan Oklahoma City water service area.

ORDINANCE

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF OKLAHOMA CITY:

SECTION 1. That Section 55-69 of Article II, Chapter 55 of the Oklahoma City Municipal Code, 2010, is hereby amended to read as follows:

CHAPTER 55

UTILITIES

* * *

Article II. City Water Service

Division 4. Rates, Charges, Billing and General Collection Procedures

§ 55-69. Water and sewer system ~~impact~~ development charges.

(a) *Assessment.* Any person or entity which makes a water service connection to the Oklahoma City water system, and/or any person or entity which makes a sewer service connection to the Oklahoma City sanitary sewer system shall make an application, obtain all necessary permits, and pay a system ~~impact~~ development charge(s) for each such connection, as hereinafter provided, prior to making such a connection.

(b) *Formulae.*

(1) the amount of the water system ~~impact~~ development charge(s), which shall be assessed for each water meter and water connection to the Oklahoma City water system shall be as established in this Code Chapter 60, the General Schedule of Fees. The water system development charge(s) will be incurred and must be paid at the time of applying for plumbing permit or before making a water service connection, whichever comes first. The water system development charge for each meter or connection is the meter multiplier times the water system development charge rate as established in Chapter 60, the General Schedule of Fees.

(2) the amount of the sanitary sewer system ~~impact~~ development charge(s), which shall be assessed for each sanitary sewer connection to the Oklahoma City sanitary sewer system shall be as established in this Code Chapter 60, the General Schedule of Fees.

(c) *Credits.* Whenever a connection to a particular premises or facility is replaced, the applicant or customer has the burden to provide sufficient information and verification to demonstrate that a credit is due and the amount of such credit.

(d) *Payment.*

(1) the water system ~~impact~~ development charge(s) to be paid by any person or entity applying for a plumbing permit or making a water service connection must be paid to the Oklahoma City Water Utilities Trust prior to and as a condition of the connection or reconnection to the Oklahoma City water system and prior to the customer's use of the Oklahoma City water system.

(2) the sanitary sewer system ~~impact~~ development charge(s) to be paid by any person or entity applying for plumbing permit or making a sanitary sewer service connection must be paid to the Oklahoma City Water Utilities Trust prior to and as a condition of the connection or reconnection to the Oklahoma City sanitary sewer system and prior to the customer's use of the Oklahoma City sanitary sewer system.

(e) *Limitations on deposit and use of funds.*

(1) The trustees of the Oklahoma City Water Utilities Trust shall cause all funds collected hereunder for connection to the Oklahoma City water system to be deposited into the water system ~~impact~~ development charge account of the Oklahoma City Water Utilities Trust and the same shall be expended by said trustees only for new construction and improvements to the Oklahoma City water supply system.

(2) The trustees of the Oklahoma City Water Utilities Trust shall cause all funds collected hereunder for connection to the Oklahoma City sanitary sewer system to be deposited into the sewer system ~~impact~~ development charge account of the Oklahoma City Water Utilities Trust and the same shall be expended by said trustees only for new construction and improvements to the City sanitary sewer supply system.

~~(g)~~ (f) *Definitions.* The following words, terms and phrases, when used in this section, shall have the meanings ascribed to them below:

(1) A water connection means and includes any tap or connection to the Oklahoma City water system for service or potential service to a premises and any increase in the size of a water service meter between a premises having existing water service and the Oklahoma City water system.

(2) A sanitary sewer connection means and includes any tap or connection onto the Oklahoma City sanitary sewer system for service or potential service to a premises and any increase in the capability for discharge to the Oklahoma City sanitary sewer system by increasing the size or number of the water connections to the Oklahoma City water system or by increasing the size or number of the sanitary sewer connections to the Oklahoma City sanitary sewer system or through

the increase in water service to or sewer service from the premises from another source.

(3) ~~Impact fees~~ System development charges hereunder were formally referred to as system impact fees or charges and are sometimes referred to as ~~system development charges~~ impact fees.

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SECTION 2. That Section 60-55-30 of Title 55 of Chapter 60 of the Oklahoma City Municipal Code, 2010, General Schedule of Fees, is hereby repealed.

SECTION 3. That Section 60-55-30 of Title 55 of Chapter 60 of the Oklahoma City Municipal Code, 2010, the General Schedule of Fees, are hereby enacted to read as follows:

CHAPTER 60
THE GENERAL SCHEDULE OF FEES

* * *

Title 55. Utilities

* * *

Article II. City Water Service

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§ 60-55-30. Water System Development Charges. The water system development charge rate is:

| | | | |
|--|---|--|---|
| <i>Effective for permits issued until the effective date of this ordinance</i> | <i>Effective for permits issued from the effective date of this ordinance to September 30, 2015</i> | <i>Effective for permits issued from October 1, 2015 to September 30, 2016</i> | <i>Effective for permits issued from October 1, 2016 and thereafter</i> |
| \$100.00 | \$400.00 | \$700.00 | \$1,000.00 |

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INTRODUCED and **CONSIDERED** in open meeting of the Council of the City of Oklahoma City this 7th day of October, 2014.

PASSED by the Council of the City of Oklahoma City this 4th day of November, 2014.

SIGNED by the Mayor of the City of Oklahoma City this 4th day of November, 2014.

ATTEST: (Seal)

Frances Kersey
City Clerk

s/b Mick Cornett
MAYOR