

## ORDINANCE NO. 1079

AN ORDINANCE OF THE CITY OF ROBSTOWN, TEXAS, PROVIDING THAT THE CODE OF ORDINANCES OF THE CITY OF ROBSTOWN, TEXAS, BE AMENDED BY REVISING SECTION 28-75 OF THE CODE OF ORDINANCE NO. 1026-A PROVIDING FOR FIXING AND PRESCRIBING THE RATES TO BE CHARGED FOR GAS SOLD BY THE CITY OF ROBSTOWN UTILITY SYSTEMS; PROVIDING A SEVERABILITY CLAUSE; AND REPEALING ALL ORDINANCES IN CONFLICT HEREWITH:

WHEREAS, the current rates for gas service are in need of adjustment in order to provide adequate revenues to meet the administrative, operations and maintenance expenses, the retirement of bonded indebtedness, and the enhancements to the gas system, and

WHEREAS, the current rates for gas service are in need of adjustment in order to allow the City of Robstown Utility Systems to comply with various bond covenants.

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE CITY COUNCIL OF THE CITY OF ROBSTOWN, TEXAS:

### SECTION 1. SERVICE RATE CLASSIFICATIONS

All gas service provided by the City of Robstown Utility Systems shall be designated by the following rate schedules with descriptions, rates and conditions of service as indicated.

- (1) Residential Gas Service
- (2) Small General Gas Service
- (3) Large General Gas Service

Subject to the provisions of Section 28-75, each person owning, residing in, renting, leasing, operating, or otherwise using property within the gas service area of the City of Robstown Utility Systems whose gas lines connect to the City of Robstown Utility Systems, and who receive gas service from and through the same shall be liable to the City of Robstown Utility Systems for a monthly gas service charge as specified herein.

## SECTION 2. EFFECTIVE DATE

The rates and charges prescribed herein shall become effective on and after the first day of the first billing month after the passage of this ordinance and after publication in one issue of a newspaper of general circulation in the City of Robstown.

## SECTION 3. RESIDENTIAL SERVICE RATE SCHEDULE

(1) Availability

This rate is available in the gas service area of the City of Robstown, Texas under standards, terms and policies prescribed by the City of Robstown Utility Systems.

(2) Applicability

This rate is applicable to gas service used solely for residential purposes for service to individually metered single family dwellings or to multifamily dwellings where each residential unit of the multifamily dwellings is individually metered.

This rate shall not be applicable to service to a residence also used for commercial purposes, including, but not limited to, boardinghouses, hotels, motels, dormitories, apartments or multifamily dwellings metered through one meter, barber shops, beauty shops, general contractors storing equipment or building materials on the property, child care centers, retail businesses, restaurants, technical repair services, professional services offered to the public on the premises, or any other commercial and/or non-residential activity.

(3) Monthly Charges

(a) Monthly Service Charge

The monthly charge for gas service shall be the monthly customer charge plus the consumption charge plus all billing adjustments as follows:

Monthly Customer Charge: \$24.00 per month

Consumption Charge: \$4.00 per MCF for all MCF consumed

(b) Minimum Bill

The minimum monthly bill shall be the customer charge.

(c) Billing Adjustment

1. In addition to the monthly service charges, each customer's monthly bill shall include a Gas Recovery Adjustment Charge (GRAC) as described in Section 7.
2. In addition to the monthly service charges, each customer's monthly bill shall be charged for and pay all other taxes, road use fees, franchise fees, and any other governmental assessments applicable to the sale of gas.
3. The bills rendered under this schedule are gross, and shall be decreased by five (5) percent if payment is made within fifteen (15) days after the billing statement is rendered.

SECTION 4. SMALL GENERAL SERVICE RATE SCHEDULE

(1) Availability

This rate is available in the gas service area of the City of Robstown, Texas under standards, terms and policies prescribed by the City of Robstown Utility Systems.

(2) Applicability

This rate is available to all customers, except individually metered family dwellings, where the gas tap providing service to the customer is one and one-half (1-1/2) inches in diameter or less.

(3) Monthly Service Charge

- (a) The monthly charge for gas service shall be the monthly customer charge plus the consumption charge plus all billing adjustments as follows:

Monthly Customers Charge: \$40.00 per month

Consumption Charge: \$3.75 per MCF for all MCF consumed

(b) Minimum Bill

The minimum monthly bill shall be the customer charge.

(c) Billing Adjustments

1. In addition to the monthly service charges, each customer's monthly bill shall include a Gas Recovery Adjustment Charge (GRAC) as described in Section 7.

2. In addition to the monthly service charges and gas rate adjustment charges, each customer shall be charged for and pay all other taxes, road use fees, franchise fees, and any other governmental assessments applicable to the sale of gas.
3. The bills rendered under this schedule are gross, and shall be decreased by five (5) percent if payment is made within fifteen (15) days after the billing statement is rendered.

## SECTION 5. LARGE GENERAL SERVICE RATE SCHEDULE

### (1) Availability

This rate is available in the gas service area of the City of Robstown, Texas under standards, terms and policies prescribed by the City of Robstown Utility Systems.

### (2) Applicability

This rate is available to all customers, except individually metered family dwellings, where the gas tap providing service to the customer is greater than one and one-half (1-1/2) inches in diameter but less than two (2) inches in diameter.

### (3) Monthly Service Charge

- (a) The monthly charge for gas service shall be the monthly customer charge plus the consumption charge plus all billing adjustments as follows:

Monthly Customer Charge: \$100.00 per month

Consumption Charge \$3.00 per MCF for all MCF consumed

- (b) Minimum Bill

The minimum monthly bill shall be the customer charge.

- (c) Billing Adjustments

1. In addition to the monthly service charges, each customer's monthly bill shall include a Gas Recovery Adjustment Charge (GRAC) as described in Section 7.
2. In addition to the monthly service charges and gas rate adjustment charges, each customer shall be charged for and pay all other taxes, road use fees, franchise fees, and any other governmental assessments applicable to the sale of gas.

3. The bills rendered under this schedule are gross, and shall be decreased by five (5) percent if payment is made within fifteen (15) days after the billing statement is rendered.

## SECTION 6. INDUSTRIAL SERVICE RATE SCHEDULE

(1) Availability

This rate is available in the gas service area of the City of Robstown, Texas under standards, terms and policies prescribed by the City of Robstown Utility Systems.

(2) Applicability

This rate is available to all customers, except individually metered family dwellings, where the gas tap providing service to the customer is two (2) inches in diameter or greater.

(3) Monthly Service Charge

- (a) The monthly charge for gas service shall be the monthly customer charge plus the consumption charge plus all billing adjustments as follows:

Monthly Customer Charge: \$150.00 per month

Consumption Charge:

- |    |                  |                |
|----|------------------|----------------|
| 1. | 0-500 MCF:       | \$2.60 per MCF |
| 2. | 501-1,000 MCF:   | \$1.50 per MCF |
| 3. | 1,001-1,500 MCF: | \$1.25 per MCF |
| 4. | 1,500 + MCF:     | \$1.00 per MCF |

(b) Minimum Bill

The minimum monthly bill shall be the customer charge.

(c) Billing Adjustments

1. In addition to the monthly service charges, each customer's monthly bill shall include a Gas Recovery Adjustment Charge (GRAC) as described in Section 7.
2. In addition to the monthly service charges and gas rate adjustment charges, each customer shall be charged for and pay all other taxes, road applicable to the sale of gas.

3. The bills rendered under this schedule are gross, and shall be decreased by five (5) percent if payment is made within fifteen (15) days after the billing statement is rendered.

#### SECTION 7. GAS RECOVERY ADJUSTMENT CHARGE

The monthly charges for each customer shall be increased by an amount equal to the product of the Gas Recovery Adjustment Charge (GRAC) times each customer's gas consumption. The Gas Recovery Adjustment Charge shall be calculated as follows:

$$\text{GRAC} = \frac{\text{A} + \text{B}}{\text{C}}$$

Where:

**GRAC** = Gas Recovery Adjustment Charge calculated to the nearest cent.

**A** = invoice amounts for gas purchased by the City of Robstown Utility Systems for sale to retail customers.

**B** = difference between actual gas purchase expense and total Gas Recovery Adjustment Charges collected in the second prior month.

**C** = estimated total MCF sales to all retail customers of the City of Robstown Utility Systems.

#### SECTION 8. SPECIAL RATE SCHEDULES

All other schedules for the sale of natural gas shall be considered as special contracts, and each and every contract shall be presented to and approved by the City Council before the same becomes effective. Special discounts will not be allowed.

#### SECTION 9. PAYMENT DATES

Bills rendered for gas service furnished by the City of Robstown Utility Systems shall be due and payable within twenty-six (26) days from the date of issuance as shown on the bill. Any bill not paid within twenty-six (26) days from the date of issuance becomes delinquent, and service may be discontinued until such bill is paid. If the due date falls on a holiday or weekend, the due date for payment purposes shall be the next work day after the due date.

In the event service is discontinued for nonpayment, a service charge of \$25.00 shall be paid by the customer to the City of Robstown Utility Systems for re-establishing service, which charge shall be paid before the service is re-established.

**SECTION 10. SEVERABILITY**

If for any reason any section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance shall be held invalid or unconstitutional by final judgement of a Court of competent jurisdiction it shall not affect any other section, paragraph, subsection, clause, phrase, word, or provision of this Ordinance, for it is the definite intent of this City Council that every section, paragraph, subsection, clause, phrase, word, or provision hereof be given full force and effect for its purpose.

**SECTION 11. CONFLICTS**

All ordinances or parts of ordinances in conflict with the provisions of this Ordinance are hereby repealed to the extent of such conflict.

That the foregoing Ordinance was read for the **FIRST** time and passed to its Second Reading on this the 21st day of May, 2018, by the following vote:

Mandy Barrera	_____	Sybil Tipton	_____
Belinda Ann Valadez	_____	Joey Rodriguez	_____
Larry Cantu, Jr.	_____	Cezar Martinez	_____
Juan Padilla	_____		

That the foregoing Ordinance was read for the **SECOND** time and passed **FINALLY** on this the 18th day of June, 2018, by the following vote:

Mandy Barrera	_____	Sybil Tipton	_____
Belinda Ann Valadez	_____	Joey Rodriguez	_____
Larry Cantu, Jr.	_____	Cezar Martinez	_____
Juan Padilla	_____		

PASSED AND APPROVED this 18<sup>th</sup> day of June, 2018.

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Mandy Barrera, Mayor

ATTEST:

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Herman Rodriguez, City Secretary

LEGAL FORM APPROVED this 18<sup>th</sup> day of June, 2018.

By: \_\_\_\_\_  
Patrick Beam, City Attorney



PAGE	SECTION	CURRENT Gas Rate Ordinance No. 1026-A	PROPOSED Gas Rate Ordinance
1		Whereas, the current rates for gas service are not sufficient to all the City of Robstown Utility Systems to comply with various bond covenants.	Whereas, the current rates for gas service are in need of adjustment in order to allow the City of Robstown Utility Systems to comply with various bond covenants.
2	Section 3 (3) (a)	Residential Service Rate Schedule Monthly Service Charge Monthly Customer Charge: \$18.00 Consumption Charge: \$3.78 per MCF for all MCF consumed	Residential Service Rate Schedule Monthly Service Charge Monthly Customer Charge: \$24.00 Consumption Charge: \$4.00 per MCF for all MCF consumed
3	Section 4 (3) (a)	Small General Service Rate Schedule Monthly Service Charge Monthly Customer Charge: \$30.00 Consumption Charge: \$3.50 per MCF for all MCF consumed	Small General Service Rate Schedule Monthly Service Charge Monthly Customer Charge: \$40.00 Consumption Charge: \$3.75 per MCF for all MCF consumed
4	Section 5 (3) (a)	Large General Service Rate Schedule Monthly Service Charge Monthly Customer Charge: \$85.00 Consumption Charge: \$2.60 per MCF for all MCF consumed	Large General Service Rate Schedule Monthly Service Charge Monthly Customer Charge: \$100.00 Consumption Charge: \$3.00 per MCF for all MCF consumed