

ORDINANCE NO. 80-1

ESTABLISHING USER CHARGE SYSTEM FOR DEBT SERVICE AND OPERATION AND MAINTENANCE OF PUBLICLY OWNED TREATMENT WORKS FOR CITY OF NEWTON, TEXAS.

WHEREAS, the City of Newton finds it necessary to adopt a USER CHARGE SYSTEM for collection of sufficient revenues for the OPERATION AND MAINTENANCE OF the PUBLICLY OWNED TREATMENT WORKS and for the COLLECTION OF SFFICIENT REVENUES for the REPAYMENT OF BONDED INDEBTNESS for the PUBLICLY OWNED TREATMENT WORKS;

NOW, THEREFORE LET IT BE ORDAINED by the City Council of the City of Newton:

Section 1

DEFINITIONS

The meaning of terms used in this ordinance shall be as follows:

- a) City, The City of Newton, Texas or any authorized person acting in its behalf.
- b) Operation and Maintenance. The actual cost of operating and maintaining the City sewage collection and treatment system, including a reasonable allowance for periodic replacement or major system components needed during the design service life of the system.
- c) Sewer use Ordinance. The Newton City ordinance governing sewer use and defining acceptable types of wastewater contributions.

Section 2

USER CHARGE FORMULA

The following formula shall be used to assess each user's share of the cost of operation and maintenance:

$$C_u = \frac{C_t}{v_t} \times v_u$$

C_u = A user's monthly operation and maintenance cost based on total annual operation and maintenance costs divided by 12 months.

C_t = Total monthly operation and maintenance costs based on total annual operation and maintenance costs divided by 12 months

V_t = total monthly volume contributions from all users in thousand gallons
 V_u = Monthly volume contribution from a user in thousand gallons.

The maximum monthly volume contribution from each user shall be computed as the average of 100 percent of the water sole to that user for the months on November, December, January, and February unless other provisions are made according to the Sewer use Ordinance.

Section 3

ANNUAL DETERMINATION OF USER CHARGES

- a) First Year. For the first year of operation after the effective date of this ordinance, operation and maintenance cost shall be based on estimate of what those costs should be. Debt service shall be based on actual yearly bond repayment requirements.
- b) Succeeding Years. The City shall review user charges annually and revise them to reflect actual treatment works operation and maintenance costs and yearly bond repayment requirements.

Section 4.

ESTABLISHMENT OF USER CHARGES

The City shall, be separate ordinance to be enacted on a yearly basis, establish a minimum charge which shall be used for repayment of bonded indebt ness. The City shall, be separate ordinance to be enacted on a yearly basis, establish the term ct/vt which shall be not less that that which will generate sufficient revenue for all operation and maintenance for the city sewage collection and treatment system.

Section 5.

NOTIFICATION

The actual user charge assessed to each user shall be stated as a separate item on that user's monthly bill for City Services.

Section 6.

VALIDITY

All ordinances in conflict herewith are hereby repealed. If any section or provision of this ordinance, or the application of same to any person or set of circumstances is

invalidated or rendered unenforceable by a court of competent jurisdiction, such judgment shall not affect the validity of any remaining parts of the ordinance which can be given effect without the invalidated part or parts, or their application to other persons or sets of circumstances.

Section 7.

EFFECTIVE DATE

The City Council has determined that this Ordinance Constitutes an emergency and all Laws and Ordinances requiring a reading at more than one meeting of this Council are hereby waived and this Ordinance shall be in full force and effect with the January 1, 1981 billing from and after its passage, approval, and publication.

PASSED AND APPROVED THIS THE 11th day of November, 1980

Attest: Mertice Jacks
City Secretary

David V. Rydman
Mayor