



City of Sachse, Texas

Meeting Agenda

City Council Workshop

Monday, August 1, 2016

6:30 PM

Council Chambers

The City Council of the City of Sachse will hold a Workshop Session on Monday, August 1, 2016, at 6:30 p.m. in the Council Chambers at Sachse City Hall, 3815 Sachse Road, Building B, Sachse, Texas to discuss the following items of business:

1. Discussion Items.

Please note: These items are for discussion purposes only and no Council action will be taken. The workshop session is for City Council and staff discussion. Citizen input is not permitted on this agenda.

[16-3409](#) Discuss a comprehensive financial management policy.

Attachments: [Presentation](#)

[Comprehensive Financial Management Policy 2016](#)

[16-3394](#) Discuss changes to the Master Fee Schedule.

Attachments: [Staff Presentation.pdf](#)

[Comparable Cities Chart.pdf](#)

[Master Fee Schedule FY2017.pdf](#)

[16-3436](#) Discuss an Ordinance amending the Code of Ordinances, Chapter 10, "Utilities," by amending Section 2 "Sewer Service Fees" and Section 3 "Water and Sewer Service Billing Procedures" to provide for service billing policies and procedures.

Attachments: [Sec. 10 Utilities with markup 06.15](#)

[UB Ordinance Review 2016.pdf](#)

2. Discuss any City Council meeting agenda items.

3. Adjournment.

As authorized by Section 551.072(2) of the Texas Government Code, this meeting may be convened into closed Executive Session at any time during the City Council workshop or regular meeting for the purpose of seeking confidential legal advice from the City Attorney on any workshop or regular meeting agenda item listed herein.

Posted: July 29, 2016; 5:00 p.m.

Michelle Lewis Sirianni, City Secretary

If you plan to attend this public meeting and you have a disability that requires special arrangements, please contact Michelle Lewis Sirianni, City Secretary at (972) 495-1212, 48 hours prior to the scheduled meeting date.



City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3409	Version:	1	Name:	Comprehensive financial management policies
Type:	Discussion Item	Status:		Status:	Agenda Ready
File created:	7/6/2016	In control:		In control:	City Council Workshop
On agenda:	8/1/2016	Final action:		Final action:	
Title:	Discuss a comprehensive financial management policy.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Presentation Comprehensive Financial Management Policy 2016				

Date	Ver.	Action By	Action	Result
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Title
Comprehensive financial management policy.

Background
The City's approved Budget Document includes "Fiscal and Budgetary Policy Statements" each fiscal year; however, the last Council review of the policy statements took place in 2013. Goal 3 of the Strategic Plan adopted by City Council in 2016 is to "be a model of financial stewardship through growth management, responsible investment, and financial transparency." One of the identified action items for reaching this goal is to review and approve financial policies, appended to include surplus property, debt, IT and grants prior to approval of the 2017 budget.

The policy document included for your discussion tonight, and consideration at the August 15, 2016 meeting incorporates previously approved financial and budgetary policies, fiscal management contingency plan, fund balance policy, and surplus equipment policy. It also references several stand-alone policies: 1) Investment Policy, which is required by state statute to be reviewed each year; 2) City Travel Policy, which is covered in the Employee Policy Manual and requires changes from time to time in order to comply with Internal Revenue Service guidelines; 3) EDC Travel Policy, adopted by the SEDC Board of Directors to specifically address travel and entertainment issues specific to EDC objectives; 4) Petty Cash Policy, a procedural guide that also requires periodic updates due to technology and staffing changes; and, 5) Purchasing Card Policy, a sub-set of the Purchasing Policy that requires periodic adjustments due to changes in technology and staffing.

The primary additions to the policy statements are in the areas of Debt, Post-Issuance Tax Compliance, and Grant financing guidelines. Bond Counsel has requested that the post-issuance written procedures be adopted by resolution in order to comply with SEC requirements on tax-exempt financing. The debt policies included are more detailed than previous versions, and the grant policy defines the criteria for seeking outside help in obtaining grant funds.

The final area of change from previous versions of the fiscal policy statements is a requested

increase in expenditure approval levels. The current authorization levels date back more than ten years. The requirement of City Manager approval of all purchases \$2500 and over is cumbersome and is recommended to increase to \$10,000; likewise the City Manager approval level is proposed to increase from \$25,000 to \$50,000, which is in keeping with state statutes.

Policy Considerations

The objectives of the Fiscal and Budgetary Policy Statements are to:

- 1) Guide Council and management policy decisions.
- 2) Employ balanced revenue/adequate funding for services.
- 3) Maintain appropriate financial capacity for present and future needs.
- 4) Maintain sufficient reserves.
- 5) Provide accurate, timely information on City's financial condition.
- 6) Protect City's credit rating.
- 7) Enhance internal controls.

Budgetary Considerations

The policies included have been followed in the development of the budget for the upcoming year.

Staff Recommendations

This item is for discussion purposes only and requires no action at this time.



**COMPREHENSIVE FINANCIAL
MANAGEMENT POLICY**

CITY COUNCIL WORKSHOP
AUGUST 1, 2016

WHY NOW?

- Annual Review during budget process
- Strategic Plan Goal 3:3 *Financial Stewardship*



OBJECTIVES

- Guide Council and management policy decisions
- Employ balanced revenue/adequate funding for services
- Maintain appropriate financial capacity for present and future needs
- Maintain sufficient reserves
- Provide accurate, timely information on City's financial condition
- Protect City's credit rating
- Internal Controls



SCOPE

- Accounting, Auditing, and Financial Reporting
- Budget and Long Range Financial Planning
- Revenue Management
- Expenditure Management
- Reserves
- Capital Expenditures and Improvements
- Debt
- Cash Management and Investments
- Grants and Intergovernmental Revenues
- Financial Consultants



NEW TO THE POLICY

- Assembles individual policies
 - Financial & Budgetary Policy Statement
 - Fiscal Management Contingency Plan
 - Fund Balance Policy
 - Surplus Equipment Policy
- References these Stand-alone policies
 - Investment Policy
 - City Travel Policy
 - EDC Travel Policy
 - Petty Cash Policy
 - Purchasing Card Policy
- Reassigns Expenditure Approval Levels
 - Establishes new thresholds for Capital Assets (Fixed Assets) from individual items rather than groups of items
- Details Debt Issuance and Post Issuance Tax Compliance required by Bond Counsel
- Establishes Grant Guidelines



ACCOUNTING, AUDITING AND FINANCIAL REPORTING

- Role of Finance Director/Department
- Basis of Accounting and Budgeting
 - Includes Vehicle Replacement Fund
- Financial and Management Reporting
 - Audit Requirements, Local Government Code, Title 4, Chapter 103
- Financial Policy reviewed annually



BUDGET AND LONG RANGE FINANCIAL PLANNING

- Recurring Revenues
- Use of Non-recurring Revenues
- Tax Rate
- Pay As You Go Capital Projects
- Revenue Estimating for Budgeting
 - Conservative Estimation
- Budget Management
- Amended Budget
- Operating Deficits
 - Appendix A- Fiscal Management Contingency Plan
- Long-Range Financial Plans
 - Inclusion from City Charter



REVENUE MANAGEMENT

- Basic Concepts—Reliable, Equitable, Diversification
- User Fees
 - General Fund
 - Enterprise Fund
- Impact Fees
 - Adopted during the budget process, included in the Master Fee Schedule
- Revenue Collection
- Write-offs
 - Utility accounts delinquent 3 or more years versus 360 days
- Bond Revenue Coverage Requirements



EXPENDITURE MANAGEMENT

- Texas State Constitution and Statutes, Local Government Code, Government Code
- Disbursement Approval Levels
 - Department Head: Current \$2,499/Proposed \$9,999
 - City Manager: Current \$2,500-\$24,999/Proposed \$10,000-\$49,999
 - City Council: Current \$25,000 and up/Proposed \$50,000 and up
 - Local Government Code, Chapter 252 Purchasing and Contracting Authority of Municipalities
- Disbursement Graphic for procurement requirements
- Purchasing Summary with procurement verbiage
- Prompt Payment
 - >10% variance
- Signature of Checks
 - Check signer initials: Current \$1,500/Proposed \$2,500
- Budget Tracking
 - Capital items clarified



EXPENDITURE MANAGEMENT CONT.

- Competitive Bidding
 - Local Government Code, Chapter 252.021
- Historically Underutilized Business
 - Government Code, Chapter 2161
- Travel/ Training and Business Meals Policy highlighted
 - City of Sachse Employee Manual Section 3.1
- SEDC Travel Policy highlighted
 - EDC Board
- Petty Cash Fund Policy highlighted
- Procurement Card Policy highlighted



RESERVES (FUND BALANCE POLICY)

- General Fund Unassigned
 - No Change from Fund Balance Policy and Fiscal and Budgetary Policy Statements
- Utility Enterprise Unassigned
 - No Change from Fiscal and Budgetary Policy Statements
- Debt Service Unassigned
 - No Change from Fiscal and Budgetary Policy Statements
- Equipment Replacement Fund--New
- GASB 54 Definitions/Order of Expenditure
 - No Change from Fund Balance Policy



CAPITAL EXPENDITURES AND IMPROVEMENTS

- Capitalization Threshold for Tangible Capital Assets
 - \$5,000 per individual item
 - Safeguarding responsibility of Department Director
 - Inventory and audit responsibility assigned to Finance and department
 - Infrastructure Evaluation and Replacement/Rehabilitation
 - Replacement of Capital Assets on a Regular Schedule (Fleet, Fire Trucks, and High-Tech)
 - Equipment Replacement Fund funding discussed with annual budget process
 - Capital Expenditure Financing
 - Current revenue
 - Fund Balance
 - Debt Issuance
- Asset Disposal (Surplus Property Policy)



DEBT

- Use of Debt Financing
- Affordability
- Types of Long-Term Debt including Lease Purchase Agreements
- Debt Structures
- Debt Issuance Process, Competitive vs. negotiated sale
- Application of Bond Proceeds
- Bond Ratings
- Post-issuance compliance



CASH MANAGEMENT AND INVESTMENTS

Summary Only. Main guiding document
Investment Policy and Debt Issuance

- Investment Management established by Investment Policy
- Investment Strategy – safety, liquidity, yield
- Interest distribution by funds provided
- Positive Arbitrage earnings rebatable to IRS
- Depository formal bidding process every 5 years
- Collateralization 102%



GRANTS AND INTERGOVERNMENTAL REVENUES

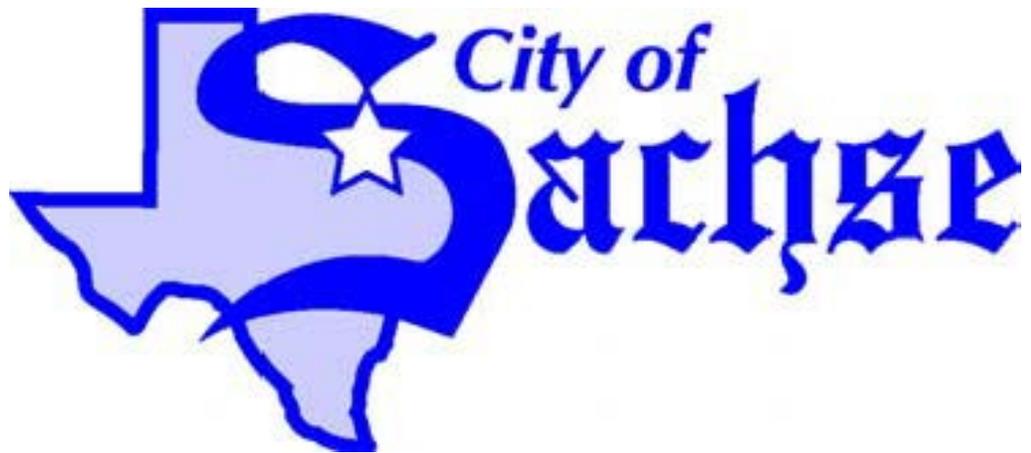
- Grant Guidelines
 - Consideration of Strategic Plan
 - Consideration of ongoing costs
 - Professional services contracted for \$25,000 and greater
 - In-house application for less than \$25,000 by department
- Grant Review Process
 - Uniform pre-application process to be generated
 - Grant agreements reviewed by appropriate City Staff for compliance with state and local regulations
- Grant expenditures discussed/ prioritized via the budget process
- Grant Termination and/or Reduced Grant Funding
 - Reduced grant funding results in City resources only if
 - Obligated through grant terms or
 - Evaluated/Approved during the budget process
 - Terminate grant-funded programs and positions when
 - Funds no longer available or
 - No longer supports City goals



FINANCIAL CONSULTANTS

- Auditors
- Post-issuance Compliance – No rotation requirement
 - Arbitrage Calculation
 - Continuing Disclosure
- Bond Counsel – No rotation requirement
- Financial Advisory Services – No rotation requirement
- Depository Bank – not to exceed 5 years





COMPREHENSIVE FINANCIAL MANAGEMENT POLICY STATEMENTS

FISCAL YEAR 2017

CITY OF SACHSE
3815 Sachse Rd, Bldg., B, Sachse, TX 75048

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Comprehensive Financial Management Policy Statements

Responsible Office: Finance Department

Issuance Date:

Last Revision:

Purpose

The Comprehensive Financial Management Policy Statements assembles all of the City's financial policies into one document. These statements are tools used to ensure that the City is financially able to meet its current and future service needs. The individual statements contained herein serve as guidelines for both the financial planning and internal financial management of the City.

Objectives

- A. To guide City Council and management policy decisions that have significant fiscal impact.
- B. To employ balanced revenue policies that provide adequate funding for services and service levels.
- C. To maintain appropriate financial capacity for present and future needs.
- D. To maintain sufficient reserves so as to maintain service levels during periods of economic downturn.
- E. To promote sound financial management by providing accurate and timely information on the City's financial condition.
- F. To protect the City's credit rating and provide for adequate resources to meet the provisions of the City's debt obligations on all municipal debt.
- G. To ensure the legal use of financial resources through an effective system of internal controls.

I. ACCOUNTING, AUDITING, AND FINANCIAL REPORTING

The City will maintain accounting practices that conform to generally accepted accounting principles and comply with prevailing federal, state, and local statutes and regulations. The City will provide for, prepare, and present regular reports that analyze and evaluate the City's financial performance and economic conditions. The Director of Finance is the City's Chief Fiscal Officer and is responsible for establishing the Chart of Accounts and for properly recording financial transactions.

A. Accounting Practices and Principles

The City will maintain accounting practices that conform to generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB, the authoritative standard setting body for units of local governments). All City financial documents, except monthly interim financial reports, including official statements accompanying debt issues, Comprehensive Annual Financial Reports and continuing disclosures statements, will meet these standards. Monthly interim financial reports are on a cash basis and will be reported as budgeted. At year-end, the general ledger and financials will be converted to GAAP and GASB.

B. Basis of Accounting and Budgeting

The City's finances shall be accounted for in accordance with generally accepted accounting principles as established by the Governmental Accounting Standards Board.

The accounts of the City are organized and operated on the basis of funds and account groups. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements. Account groups are a reporting device to account for certain assets and liabilities of the governmental funds not recorded directly in those funds. Governmental funds are used to account for the government's general government activities and include the General, Special Revenue, Debt Service and Capital Project, Impact Fee, Street Maintenance Tax, Tax Increment Financing (TIF) Funds and Vehicle Replacement Fund.

Governmental Fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Substantially all revenues are considered to be susceptible to accrual. Ad valorem, sales, franchise and tax revenues recorded in the General Fund, ad valorem tax revenues recorded in the Debt Service Fund and sales taxes in the Street Maintenance Tax Fund are recognized under the susceptible to accrual concept. Licenses and permits, charges for services, fines and forfeitures, and miscellaneous revenues (except earnings on investments) are recorded as revenues when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available. Expenditures are recognized when the related fund liability is incurred, if measurable, except for principal and interest on general long-term debt, which are recorded when due, and compensated absences, which are recorded when payable from currently available financial resources.

The City’s Proprietary Fund types are accounted for on a flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned, expenses are recorded at the time liabilities are incurred.

The City’s annual budget shall be prepared and adopted on a basis consistent with generally accepted accounting principles for all governmental and proprietary funds except the capital projects funds, which adopt project-length budgets. Depreciation of fixed assets is recognized in proprietary fund budgets. All annual appropriations lapse at fiscal year end. Under the City’s budgetary process, outstanding encumbrances are reported as reservations of fund balances and do not constitute expenditures or liabilities since the commitments will be reappropriated and honored in subsequent fiscal year.

C. Auditing

An annual audit shall be conducted in conformance with the City’s Charter and provision of the Texas Local Government Code, Title 4, Chapter 103 by outside independent accountants (auditor). The audit firm must be a CPA firm of regional reputation and demonstrate breadth and depth of staff to conduct the City’s audit in accordance with GAAP and contractual requirements. The audit firm must be registered as a partnership or corporation of certified public accountants, holding a license under Article 41a-1, Section 9, of the Civil Statutes of Texas. The auditor will jointly review the management letter with City Council within 30 days of its receipt by the staff. The Director of Finance shall respond in writing to the City Manager and City Council regarding the auditor’s Management Letter, addressing the issues contained therein. The auditor is retained by and is accountable directly to the City Council and will have access to direct communication with the City Council if City staff is unresponsive to auditor recommendation, or if the auditor considers such communication necessary to fulfill its legal and professional responsibilities. The auditor’s report should be completed and the Comprehensive Annual Financial Report (CAFR) presented to City Council within 120 days of the City’s fiscal year end. Should new auditing standards and reporting requirements delay the CAFR presentation, the Director of Finance will inform the City Manager who, in turn, will inform the City Council of the delay and reasons therefore.

D. Financial and Management Reporting

1. Interim Financial Reports will be provided monthly to City Council covering revenues and expenditures of the City.
2. The accepted CAFR will be presented annually to the Government Finance Officers Association (GFOA) for evaluation and awarding of the Certificate of Achievement for Excellence in Financial Reporting.

E. Internal Controls

Each Department Director shall ensure that effective internal controls are followed throughout his(her) Department, that all Finance Department directives or internal controls are implemented, and that all independent auditor internal control recommendations are addressed.

F. Compliance with Council Policy Statements

The Comprehensive Financial Management Policy Statements will be reviewed annually and updated, revised or refined as deemed necessary. Policy statements adopted by City Council are guidelines, occasional exceptions may be appropriate and required. Exceptions will be identified, documented, and approved by the City Council before an exception is granted.

II. BUDGET AND LONG-RANGE FINANCIAL PLANNING

These guidelines for budgeting will help to ensure a financially sound City and to establish a long-range financial planning process that assesses the long-term financial implications of current and proposed operating and capital budgets.

A. Operating Budget Preparation

Budgeting is an essential element of the financial planning, control and evaluation process of municipal government. The City's "operating budget" is the City's annual financial operating plan. It comprises governmental and proprietary funds, special revenue funds and the debt service fund. The City's Capital Budget includes the General Capital Project Fund and Capital Projects included in the Utility Fund. Projects included in the Capital Budget are budgeted for the life of each project.

The budget is prepared by the Director of Finance at the direction of the City Manager with the cooperation of all City departments. The budget should be presented to the City Council in accordance with the City Charter, and should be enacted by the City Council prior to fiscal year end. The City Council shall hold public hearings in accordance with the City Charter and State Law.

The budget shall include four basic segments for review and evaluation. These segments are: (1) Personnel Costs, (2) Base Budget for Operations and Maintenance Costs, (3) Decision Packages for Capital and Other Non-capital Projects (i.e., new or expanded programs), and (4) Revenues. The operating budgets are subdivided by personnel costs, consumable supplies, contract services, capital outlays and transfers. The operating budgets are presented by object category with comparative data to one prior year of actual audited and estimated financial data. In addition the budget is presented with current year end estimates compared to current budget with percent changes. There shall be supplementary documents to reconcile new operating expenses or programs to the budget.

Revenues shall be summarized and scheduled with comparative and trend analysis for presentation. The Director of Finance shall calculate and prepare a statement of probable income for the City from property taxes supporting the General Fund operating budget and to fund the next year's debt requirements. The proposed budget shall contain a suggested and recommended tax rate to be levied to support the expenditures proposed.

A Combined Budget Summary with scheduled Interfund transfers will be included in the budget presented to the City Council. The budget review process shall include Council participation in the development of each of the four segments of the proposed budget and a Public Hearing in accordance with City Charter and State Law. The City Council shall adopt the budget in accordance with the City Charter and State Law. An annual tax rate ordinance shall be passed by City Council following compliance with the "truth-in-taxation" procedures as outlined in the Texas Property Tax Code.

A copy of the proposed budget shall be filed with the City Secretary and made available to the public in accordance with the City Charter and State Law.

B. Balanced Budget

The City Manager shall present annually, a structurally balanced budget for the ensuing fiscal year to City Council pursuant to the prevailing state and local law. A structurally balanced budget is defined as recurring revenues funding recurring expenditures and adherence to fund balance policies. One-time revenues sources (i.e. Fund Balances) may be used for one-time expenditures.

Deferrals, short-term loans, or one-time sources will be avoided as budget balancing techniques. Reserves will be used only for emergencies or non-recurring expenditures except when balances can be reduced because their levels exceed guideline minimums.

C. Recurring Revenues

Recurring expenditures shall be budgeted and controlled so as not to exceed current revenues. Recurring expenses will be funded exclusively with recurring revenue sources to facilitate operations.

D. Use of Non-recurring Revenues

Non-recurring revenue sources, such as a one-time revenue remittance of fund balance in excess of policy can only be budgeted/used to fund non-recurring expenditures, such as capital purchases or capital improvement projects. This will ensure that recurring expenditures are not funded by non-recurring sources.

E. Tax Rate

The City Manager will recommend a tax rate that the City service and/or programs require in order to operate efficiently, yet effectively, and pay its debt. Final adoption of the budget by the City Council establishes the official levy of the property tax rate to be assessed and collected for the corresponding tax year.

F. Pay As You Go Capital Projects

The transfer from the City's General Fund and Utility Fund to fund pay-as-you-go capital projects will be budgeted when financially feasible and when projects are identified as needed. The transfer will be based on the financial health of each fund with the long-term goal of adequately funding rehabilitation and providing infrastructure to accommodate future growth.

G. Revenue Estimating for Budgeting

1. To protect the City from revenue shortfalls and to maintain a stable level of service, the City shall use a conservative, objective, reasonable and analytical approach when preparing revenue estimates. All revenues will be budgeted at 95-98% of anticipated revenues or as appropriate based on the variability of the revenue source, with the exception of property tax and inter-fund transfers. The process shall include historical collection rates, trends, and potential economic changes. This approach is intended to reduce the likelihood of actual revenues falling short of budget estimates and should avoid mid-year service changes.

2. All real and business personal property located within the City shall be valued at 100% of the fair market value provided each year by Dallas Central Appraisal District and Collin County Central Appraisal District.

3. The City, whenever possible, will seek outside sources of revenue, such as federal, state, and local grants as outlined by Section IX. Grants and Intergovernmental Revenues.

H. Budget Preparation

1. Department Directors have primary responsibility for formulating budget proposals with the guidance of the Director of Finance and the direction of the City Manager. New or expanded services shall support City Council goals, City Manager priority direction and department goals. The City Manager and Departments are charged with implementing the goals and priorities once they are approved.

2. All competing requests for City resources will be weighed within the formal annual budget process.

3. Actions on items that arise throughout the year with significant financial impacts should be withheld until they can be made in the full context of the annual budget process and long-range plan, unless unforeseen circumstances present themselves.

4. The Budget will be presented in a way that clearly communicates to the public the City's proposed level of services and capital projects planned for the coming year. The approved Budget shall be printed and available online in accordance with the City Charter and State law.

5. The adopted Budget will be presented annually to the Government Finance Officers Association (GFOA) for evaluation in the Distinguished Budget Presentation Award Program.

I. Budget Management

The City Council shall delegate authority to the City Manager in managing the budget after it is formally adopted by City Council. The City Manager may further delegate levels of authority for the daily operations of the budget to Department Directors. Expenditures/expenses are legally adopted at the fund level. Expenditures/expenses should not exceed the adopted budget, plus subsequent changes approved by the City Council.

J. Amended Budget

In order to preserve fund balances/ending balances, based on projected revenues and expenditures/expenses for the current fiscal year, City Council may periodically amend the budget during the year if budget adjustments are required at the fund level (total budget of revenues or expenditures for the fund would change). Amendments shall be by Ordinance with a majority vote of the full membership and shall become an attachment to the original budget.

Budget adjustments between and among departments require City Manager approval. Budget appropriation amendments at lower levels shall be allowed at the Department Director level with the exception of recognized salary or capital budgetary funds. No recognized salary or capital budgetary funds shall be spent in any department without prior written authorization of the City Manager.

K. Operating Deficits

The City shall take corrective action following three (3) consecutive months where estimated annual revenue is below budget projections. Appendix A, Fiscal Management Contingency Plan details the steps the City has established to counter economic situations that impact revenue significantly. Short-term loans as a means to balance the budget shall be avoided except as defined by City Charter Emergency Funding for situations arising from circumstances involving imminent threats to public health and safety or sudden unforeseen situations mandating immediate action by the governing body.

The use of fund balance, which is a one-time revenue source, may be used to fund an annual operating deficit with City Council approval and a plan to replenish the fund balance if drawn down below policy level. Reserve requirements are addressed in Section V. Reserves.

L. Long-Range Financial Plans

1. The City shall develop and maintain a three-year Financial Forecast and Capital Improvement Plan (CIP) for each major operating fund, in conjunction with the annual budget process.

2. All capital project expenditures must be appropriated in the capital budget. Finance Department shall certify the availability of resources for any capital project prior to requesting City Council approval

2. The forecast should enable current services and current service levels provided to be sustained over the forecast period. Operating impacts of future maintenance and operational costs from completed capital improvement projects in the City's Five-Year CIP shall be included in the forecast. Commitments/obligations that require future financial resources shall also be included.

3. Major financial decisions should be made in the context of the Long-Range Plan. The forecast assesses long-term financial implications of current and proposed policies, programs, and assumptions that develop appropriate strategies to achieve the City's goals. The forecast will provide an understanding of available funding; evaluate financial risk; assess the likelihood that services can be sustained; assess the level at which capital investment can be made; identify future commitments and resource demands; and identify the key variable that may cause a change in the level of revenue.

III. REVENUE MANAGEMENT

The City will design, maintain and administer a revenue system that will assure a reliable, equitable, diversified and sufficient revenue stream to support desired City services.

The City will use due caution in the analysis of any tax or fee incentives that are used to encourage development. A cost/benefit (fiscal impact) analysis will be performed as a part of such caution.

A. Balance and Diversification in Revenue Sources

The City will strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions which may adversely impact that source.

B. User Fees – General Fund

1. For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. Where services provide a general public benefit, the City shall recover the costs of those services through property and sales taxes.

2. At a minimum, the City will strive to cover direct costs. User charges may be classified as full cost recovery, partial cost recovery and minimal cost recovery.

3. User fees will be reviewed annually and adjusted to avoid sharp changes.

4. Factors in setting fees shall include, but not be limited to, market and competitive pricing, effect of demand for services, and impact on users, which may result in recovering something less than direct, indirect, and overhead costs.

5. The City may set a different fee for residents versus non-residents.

6. All user fees shall be adopted by City Ordinance during the budget process and included in the Master Fee Schedule.

C. User Fees – Enterprise Funds

1. Utility rates shall be set at levels sufficient to cover operating expenditures (direct and indirect), meet debt obligations and debt service coverage, provide funding for capital improvements, and provide adequate levels of working capital.

2. Components of the Utility rates will include a transfer to the General Fund for an administrative fee for services of general overhead, such as administration, finance, personnel and data processing. This fee is documented with the budget process through a cost allocation.

3. The City may set a different fee for residential versus non-residential.

4. The approved Utility Rate Study of Water and Wastewater rates prepared by a third party vendor shall serve as the basis for rate change considerations.

5. User fees will be structured for smaller rate increases versus higher rate increases periodically.

6. All user fees shall be adopted by City Ordinance during the budget process and included in the Master Fee Schedule.

D. Impact Fees

1. Impact fees for Water, Wastewater and Thoroughfare will be imposed in accordance with state requirements.

2. Impact fees will be re-evaluated as required by law.

3. All impact fees shall be adopted by City Ordinance during the budget process and included in the Master Fee Schedule.

E. Revenue Collection

1. A ninety-nine percent (99%) collection rate shall serve each year as a goal for tax collections. All delinquent taxes shall be aggressively pursued with delinquents greater than 150 days being turned over to the delinquent tax attorney in July of each year, and a penalty assessed to compensate the attorney as allowed by State law and contractual agreement.
2. The City shall follow a consistent yet reasonable approach to collecting revenues to the fullest extent allowed by law.
3. Revenues received will be compared to budgeted revenues by the Director of Finance and any variances considered to be material will be investigated and reported in the monthly interim financial report.

F. Write-off of Uncollectible Receivables (excluding property taxes, court fines and warrants)

1. Receivables shall be considered for write-off as follows:
 - a. State statute authorizing the release or extinguishment, in whole or in part, of any indebtedness, liability, or obligation, if applicable.
 - b. Utility accounts delinquent three (3) or more years shall be written off annually prior to fiscal year end.
2. The write-off of uncollected accounts is a bookkeeping entry only and does not release the debtor from any debt owed to the City.

G. Bond Revenue Coverage Requirements

The City shall meet the required legal revenue coverage requirements as set forth in all bond rate covenants.

IV. EXPENDITURE MANAGEMENT

The City will identify services, establish appropriate service levels and administer the expenditure of available resources to assure fiscal stability and the effective and efficient delivery of those services.

The City must follow the Texas State Constitution and Statutes for purchasing and contracting expressed in the Local Government Code, and Government Code. These policies and procedures are established to incorporate the Texas state guidelines in one encompassing document and to establish rules and regulations for disbursements through check requests, procurement cards (P-cards), petty cash, requisitions and purchase orders. The purpose of this document is to make every effort to ensure the efficient disbursement of funds, maximize prompt payment discounts, minimize late payment penalties, and encourages good relations with citizens, vendors and other departments throughout the City.

A. Disbursement Approvals

The Finance Director shall approve the disbursement of City funds; however, such approval shall not be given without authorization by the responsible Department Head in the form of a purchase order transaction, a check request, petty cash, p-cards or other acceptable written documentation based on the following approval level:

Area of Responsibility	From	To
Dept. Head Designee	\$0.00	\$499.99
Dept. Head	\$500.00	\$9999.99
City Manager	\$10,000.00	\$49,999.99
City Council	\$50,000.00	And up

Dollar Limits	Procurements	Requirements
Under \$1,000	Under the small purchase limit	No competitive bid required; P-cards may be used.
\$1,000 to \$9,999.99	Within informal bid limit	A minimum of two informal competitive bids required unless exempted.
\$10,000 to \$49,999.99	Within City Manager’s approval	A minimum of three informal competitive bids required. City Manager must approve the purchase.
\$50,000 and above	Competitive bidding required	Formal solicitations, which includes public notices, required unless exempted. City Council approval required.

Dollar Amount	0-499.99	500-999.99	1000-2,499.99	2,500-2,999.99	3,000-9,999.99	10,000-24,999.99	25,000 – 49,999.99	50,000 or above
2 Written Quotes								
3 Written Quotes								
Formal Competitive Bid								
2 Historically Underutilized Bus.								
Dept. Head Designee								
Dept. Head								
City Manager								
City Council								

1. Over \$1,000 to \$10,000.
 - a. Two (2) written quotes are to be obtained for single item purchases over \$1,000 up to \$10,000. (Attach quote documentation to the requisition).
2. \$3,000 to \$10,000
 - a. Contact at least two (2) historically underutilized business on a rotating basis.
2. All purchases over \$10,000
 - a. Require City Manager pre-authorization and pre-approval.
3. Over \$10,000 to \$50,000.
 - a. Three (3) written quotes or pricing obtained through any inter-local purchasing authority or cooperative. (Attach quote documentation to the requisition).
4. Over \$50,000
 - a. All City purchases and contracts over \$50,000 shall conform to a competitive bidding process as set forth in Chapter 252 of the Local Government Code of Texas.
 - b. Recommendations on purchases and contracts shall be submitted to the Council by the City Manager for Council approval.
 - c. Upon Council approval, the City shall confirm the bid award to the successful bidder by means of a written City purchase order.

B. Purchasing Summary

A Form W-9 and Conflict of Interest are required to be on file for each vendor the City conducts business.

C. Prompt Payment

All invoices approved for payment by the proper City authorities shall be paid by the Finance Department within thirty (30) calendar days of receipt in accordance with the provisions of Article 601(f), Section 2 of the State of Texas Civil Statutes.

1. All overage >10% must be signed by Department Head and/or City Manager based on approval level.

D. Signature of Checks

All checks shall have two authorized employee signatures, one of which must be the Director of Finance. Signatures may be affixed using a facsimile check-signing machine or secure laser check printing system. On any one (1) check that exceeds an amount of \$2,500 or greater, it shall bear the initial of an authorized check signer.

E. Budget Tracking

The City Manager, in coordination with each Department Head is responsible for insuring the total expenses in each fund do not exceed the adopted annual budget.

1. Budgeted Capital Items.

- a. If the bid received for a capital item varies from the budgeted amount by \$10,000 or more, any savings cannot be reallocated to new capital items without City Council approval.
- b. City Manager will report to Council any expenditures that varies by more than \$10,000.
- c. Contracts and related Change Orders must follow these City purchasing guidelines and State law. In accordance with State law, change orders are limited to 25% of the total contract amount.
- d. Change orders greater than \$50,000 require the same Council approvals as the original contracts.

F. Competitive Bidding

A municipality is required to follow competitive requirements for purchases pursuant to Chapter 252.021 *Competitive Requirements for Purchases*, Local Government Code. Before a municipality may enter into a contract that requires an expenditure of more than \$50,000 from one or more municipal funds, the municipality must: (1) comply with the procedure prescribed by 252.021 Subchapter C for competitive sealed bidding or competitive sealed proposals; (2) use the reverse auction procedure, as defined by Section 2155.062(d), Government Code for purchasing; or (3) comply with the method described by Chapter 2267, Government Code for public and private facilities and infrastructure; or (4) comply with the method described by Chapter 2269, Government Code for contracting and delivery procedures for construction projects; and (5) comply with all notice requirements described by Section 252.041 Subchapter C, Local Government or Section 2269.052 Subchapter B, Government Code dependent upon the project.

A municipality may use the competitive sealed proposal procedure for the purchase of goods or services, including high technology items and insurance. Section 252.042 *Requests for proposals* made under Chapter 252.021 must solicit quotations and must specify relative importance of price and other evaluation factors.

1. Notice requirements – Section 252.041, Subchapter C, Local Government or Section 2269.052 Subchapter B, Government Code depending on the project. Notice of the time and place at which the bids will be publicly opened and read aloud must be published at least once a week for two consecutive weeks in a newspaper published in the municipality. The date of the first publication must be before the 14th day before the date set to publicly open the bids and read aloud.

2. Award of Contract – Section 252.043 *Award of Contract* specifies award of contract must be awarded to the lowest responsible bidder or to the bidder who provides goods or services at the best value for the municipality.

3. A municipality additionally must follow the guidelines established by the Section 2269, Government Code for construction projects.

G. Historically Underutilized Business

A municipality, in making an expenditure of \$3,000.00 - \$50,000.00, shall contact at least two (2) historically underutilized businesses on a rotating basis, based on information provided by the General Services Commission pursuant to Chapter 2161, Government Code. Section 2161.064 Directory provides a directory of businesses certified as historically underutilized business updated semiannually available for review at <http://www.window.state.tx.us/procurement/prog/hub/>. Five (5) businesses for the City of Sachse are listed and should be considered for purchasing compliance.

H. Cooperative Purchasing

Any purchase made through a purchasing authority or cooperative shall be made in accordance with State Law, and nothing in this policy shall be construed as placing additional requirements on such a purchase.

I. Risk Management

The City will aggressively pursue every opportunity to provide for the Public's and City employees' safety and to minimize the risk of loss of resources through liability claims with an emphasis on safety programs. All reasonable options will be investigated to finance risks. Such options may include risk transfer, risk avoidance, and risk retention. Where risk is retained, reserves will be established based upon actuarial determinations and not be used for purposes other than for financial losses.

J. City Travel/Training and Business Meals Policy

The Travel/Training Policy is contained in the City of Sachse Employee Manual Section 3.11 *Travel*. Individuals (including elected or appointed officials) who travel on official City business and/or to promote the interest of the City are required to adhere to these regulations. Business and travel expense reimbursements must likewise meet the Internal Revenue Service (IRS) accountable plan rules. A plan under which an employee is reimbursed for expenses or receives an allowance to cover expenses is an accountable plan only if three conditions are satisfied: (1) There must be a business connection for the expenses, (2) the employee must either substantiate or be deemed to have substantiated the expenses, and (3) the employee must return to the employer amounts in excess of the substantiated expense. The City meets the IRS accountable plan rules.

K. Sachse Economic Development Corporation Travel Policy

Sachse Economic Development Corporation is a separate entity and follows the travel and training guidelines adopted by the EDC Board. Individuals who travel on official EDC business and/or to promote the interest of the EDC are required to adhere to the regulations adopted by the EDC Board. Business and travel expense reimbursements must likewise meet the Internal Revenue Service (IRS) accountable plan rules. A plan under which an employee is reimbursed for expenses or receives an allowance to cover expenses is an accountable plan only if three conditions are satisfied: (1) There must be a business connection for the expenses, (2) the employee must either substantiate or be deemed to have substantiated the expenses, and (3) the employee must return to the employer amounts in excess of the substantiated expense. The EDC Travel/Training Policy meets the IRS accountable plan rules.

L. Petty Cash Policy

The Petty Cash Fund Policy provides guidelines and procedures to encourage effective administration and internal control of cash handling operations throughout the City. The Petty Cash Fund Policy supports the use of petty cash for appropriate business transactions, while assuring that the appropriate internal controls are in place to minimize the City's risk of financial loss.

M. Procurement Card (P-Card) Policy

1. Procurement cards may be utilized for purchasing consumable supplies, but must comply with the purchasing levels defined in the policy.

2. The purpose of the procurement card (also known as the purchasing card and/or P-Card) is for efficient, cost-effective purchasing and for small-dollar (\$1,000 or less), as well as, high-volume purchases. This program is designed as an alternative to the traditional purchasing process and can result in a significant reduction in the volume of purchase orders, invoices, and checks processed. The policy supports the use of purchasing cards for appropriate business transactions, while assuring that the appropriate internal controls are in place to minimize the City's risk of financial loss. All purchasing cards shall be governed by the P-Card policy and used in a manner that complies with the said policy.

V. RESERVES

The City will maintain the fund balance and working capital of the various operating funds at levels sufficient to protect the City's credit worthiness as well as its financial position during emergencies or economic fluctuations. In addition, the City may accumulate Fund Balances for a specific purpose and for unexpected financial opportunities.

A. Fund Balance Policy

The City has adopted a Fund Balance Policy, revised to comply with GASB 54. The policy as adopted is included in Appendix B.

B. General Fund Unassigned Fund Balance

1. The City shall maintain a minimum of 90 days of regular General Fund operating expenditures (25%). The targeted level of General Fund unassigned should be between 25% and 35%. A fiscal year ending balance of less than 25% of current year expenses is cause for concern, and should indicate a need for corrective action.

2. Excess fund balance levels may be used to fund emergencies, nonrecurring expenditures or major capital purchases that cannot be accommodated through the current year's budgeted revenues with Council approval.

3. Funds accumulated for a specific purpose should be identified as such in the City's Financial Statements.

4. Methods used to replenish fund balances that fall below required levels include an increase in property tax and/or a decrease in budgeted expenses as economic conditions allow. The City should seek to replenish fund balance levels within two (2) years of use.

C. Utility Enterprise Funds/Unassigned Working Capital

1. The Utility Fund working capital should be maintained at a minimum of 20-25% of the total operating expenditures or the equivalent of 75 days.

2. Excess fund balance levels may be used to fund emergencies, nonrecurring expenditures or major capital purchases that cannot be accommodated through the current year's budgeted revenues with Council approval. The City shall not use proceeds or reserves from an Enterprise fund except for expenditures within the purpose of the fund, unless those expenditures have been approved for other purposes as part of the adopted budget.

3. Funds accumulated for a specific purpose should be identified as such in the City's Financial Statements.

4. Methods used to replenish fund balances that fall below required levels include an increase in utility rates and/or a decrease in budgeted expenses as economic conditions allow. The City should seek to replenish fund balance levels within two (2) years of use.

D. Debt Service Fund Unassigned Fund Balance

1. Debt service Fund reserves are maintained at a level to support interest and principal payments in the event of a delay in property tax collections.

2. The City should set aside resources to fund a reserve for years of decline and/or to fund capital out of current funds for projects that would have otherwise been funded by debt financing.

E. Vehicle and Equipment Replacement Fund

1. Funding for the replacement of these assets will be accomplished through the annual budget process with the establishment of the Vehicle and Equipment Replacement Fund.

VI. CAPITAL EXPENDITURES AND IMPROVEMENTS

A. Capitalization Threshold for Tangible Capital Assets

1. Tangible capital items should be capitalized only if they have an estimated useful life of two (2) years or more following the date of acquisition or significantly extend the useful life of the existing asset and cannot be consumed, unduly altered, or materially reduced in value immediately by use and have a cost of \$5,000 or greater for any individual item. Items could include a piece of equipment, vehicle, furniture, fixture, capital improvement, addition to existing capital investments, land or buildings.

2. The capitalization threshold of \$5,000 will be applied to individual items rather than to a group of similar items (i.e. desks, chairs, etc.)

3. Safeguarding the City's fixed asset is the responsibility of the Department Director of the department to which the fixed asset is assigned. Accurate inventories of all tangible items will be maintained by the Department to ensure proper stewardship of public property. The Finance Department shall maintain the permanent records of the City's fixed assets including description, cost, department of responsibility, date of acquisition, depreciation and expected useful life. The Finance Department shall also perform an annual inventory of assets using random sampling at the department level. Inventory will be performed by the designee of the Finance Department and the designee of the department of responsibility. The Finance Department has the granted rights and responsibilities to audit all fixed assets of any City department.

B. Infrastructure Evaluation and Replacement/Rehabilitation

Utilities, street lighting, streets and sidewalks, municipal facilities and other infrastructure are fundamental and essential functions for public health and safety, environmental protections and the economic wellbeing of the City. As a result, the City's CIP should be focused on ensuring that infrastructure is replaced as necessary to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain existing levels of service and accommodate growth.

1. High priority should be given to replacing/rehabilitating capital improvements, prior to the time that they have deteriorated to the point where they are hazardous, incur high maintenance costs, negatively affect property values, or no longer serve their intended purpose.

2. The decision on whether to repair, replace or to rehabilitate an existing capital asset will be based on which alternative is most cost-effective and provides the best value to the City.

C. Replacement of Capital Assets on a Regular Schedule (Fleet, Fire Trucks, and High- Tech)

The City shall annually prepare a schedule for the replacement of its fleet, fire trucks, and high technology capital assets. Funding for the replacement of these assets will be accomplished through the annual budget process through the establishment of the Vehicle and Equipment Replacement Fund (VERF). The VERF is to be utilized for replacement of existing vehicles and equipment in the General Fund. Utility Fund assets will be financed within the Utility Fund as needed.

D. Capital Expenditure Financing

The City recognizes that there are three (3) basic methods of financing its capital requirements: 1) Funding from current revenues; 2) funding from fund balance; or 3) funding through the issuance of debt. Types of debt and guidelines are included in Section VII. Debt. Capital Project funds continue from year to year or until expended for the purpose for which they were issued with the exception of abandoned funds. An appropriation is deemed abandoned when three (3) years pass without disbursement or encumbrance of the appropriation. All funds not expended, disbursed or encumbered shall be deemed excess funds.

E. Capital Improvements/Project Reporting

A summary/status report on the City's various capital projects will be prepared quarterly by Engineering and available to the City Manager and to City Council.

F. Surplus Equipment Policy

The purpose of this policy is to establish a framework and process for the disposal of assets no longer useful in the course of conducting City business.

Once a department has determined property owned by the City is no longer useful, the department head shall complete a "Surplus Property Form" and submit to the City Manager and Finance Department. The Finance Department will confirm the acquisition cost, depreciation, and book value; the City Manager shall make the determination of method of disposal: transfer, trade-in, sell, or scrap. The City Manager will determine if the asset has potential usefulness in another department. If an asset is transferred, a "Fixed Assets Transfer" form will be completed.

The method of disposal and authorization for disposal shall be based on the original cost of the asset according to the following criteria:

1. If the asset's original cost was more than \$50,000, the disposal must be authorized by the City Council, along with the preferred method of disposal.
2. If the asset's original cost was less than \$50,000, the City Manager is authorized to declare the item as surplus property and to determine the best method of disposal: sell at auction, sell through a sealed bid process, or disposal by any other method permitted under State Law.

Funds generated through the sale of surplus equipment will be deposited in the Vehicle and Equipment Replacement Fund.

VII. DEBT

A. Use of Debt Financing

Debt financing, to include general obligation bonds, revenue bonds, certificates of obligation, certificates of participation, lease/purchase agreements, tax notes and other obligations permitted to be issued or incurred under State and local laws, shall only be used to purchase capital assets that cannot be prudently acquired from either current revenues or fund balance and to fund infrastructure improvements and additions. Debt will not be used to fund current operating expenditures.

The City will pay cash for capital improvements within the financial affordability of each fund versus issuing debt when funding capital expenditures and capital improvements, which shall include but not be limited to sales tax, utility system revenues, developer fees, inter-local agreements, and state and federal grants.

B. Affordability

The City shall use an objective analytical approach to determine whether it can afford to issue general-purpose debt, both General Obligation and Certificates of Obligation, and any other financing permitted by State law. The process shall include a feasibility analysis for each long-term financing which analyzes the impact on current and future budgets which would include the tax and utility rates. The process shall also include the benefits of the proposed projects. The decision on whether or not to issue new debt shall be based on the benefits of the project, current conditions of the municipal bond market, and the City's ability to afford new debt. The analysis will ensure that debt to operations component of the tax rate should not exceed 30%.

C. Types of Long-Term Debt

1. General Obligation Bonds (GO)

General Obligation bonds required voter approval and are secured by a promise to levy taxes in an amount necessary to pay annual debt service.

- a. General Obligation bonds must be issued for projects that are in accordance with the wording in the bond proposition.

2. Certificates of Obligation

Certificates of Obligation may be issued without voter approval to finance any public works project or capital improvement, as permitted by State law. It is the City's policy to utilize Certificates of Obligation to finance public improvements in certain circumstances and only after determining the City's ability to assume additional debt. Circumstances in which Certificates might be issued include, but are not limited to the following:

- a. The City may issue CO's when there is insufficient funding on a general obligation bond-financed capital improvement.

- b. The City may issue CO's when emergency (urgent, unanticipated) conditions require a capital improvement to be funded rapidly.

- c. The City may issue CO's for projects when the City can participate with others to reduce the City's capital cost for a community improvement.

- d. The City may issue CO's for projects when there is no other adequate funding source available, the project is determined to be in the best interest of the City, and where a determination is made that waiting for the next bond referendum or having a bond referendum for a small issue amount or a small number of projects is impractical and where a public notice versus a voted bond referendum is deemed acceptable by the City Council.

- e. The City may issue CO's if it would be more economical to issue Certificates of Obligations rather than issuing revenue bonds.

3. Enterprise Revenue Bonds

Revenue bonds are generally payable from a designated source of revenue. They do not require voter approval.

For the City to issue new Revenue Bonds, revenues, as defined by City Charter, shall be received from the properties and/or interest pledged at the time of issuance. Municipal water and sewer are examples of revenue producing enterprises within the City.

4. Refunding Obligations

The City's financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the net present value savings of a particular refunding should exceed 3.0% of the refunded maturities unless (1) a debt restructuring is necessary or (2) bond covenant revisions are necessary to facilitate the ability to provide services or to issue additional debt or (3) the refunding is combined with a new debt issuance.

5. Tax Notes

Tax Notes have a shorter amortization schedule, no more than seven years, and can be utilized for large equipment purchases or small projects. Debt service is supported by an I&S tax levy.

6. Lease Purchase Agreements

The City shall use lease/purchase agreements for the acquisition of equipment when it is cost-effective and provides for attractive terms. All lease/purchase agreements must be approved by City Council regardless of the dollar amount. Lease payments must be made from M&O funds.

D. Debt Limits

The debt to operations component of the tax rate should not exceed 30% to 70%. This limit should be reviewed periodically to ensure continued compatibility with the City's needs.

E. Debt Structures

1. The City shall normally issue bonds with a life not to exceed 25 years for General Obligation bonds and 30 years for revenue bonds, but in no case longer than the useful life of the financed asset.

2. The City shall seek level or declining debt repayment schedules and will avoid issuing debt that provides for balloon principal payments reserved at the end of the term of the issue, unless such debt issue is originally intended to be refinanced to produce level or declining overall debt repayment.

3. The City will seek to retire at least 25% of the total General Fund supported principal outstanding within the next 10 fiscal years of the issue.

4. The City will issue debt based on a fixed rate and limit use of variable-rate debt due to the volatility of such instruments.

5. The City shall pay at least interest in the first fiscal year after a bond sale and principal payments starting generally no later than the second fiscal year after the bond issue.

F. Debt Issuance Process

1. The City staff with the assistance of financial advisors and bond counsel, will prepare the necessary materials for presentation to the rating agencies, will aid in the production of Offering Statements, and will take responsibility for the accuracy of all financial information released. The City will also comply with all federal tax law provisions, including arbitrage requirements.

2. The City shall utilize the service of independent financial advisor(s) and bond counsel on debt financing.

3. The Finance Department shall review each debt issuance transaction on a case by case basis to determine the most appropriate method of sale.

4. The City shall use a competitive bidding process in the sale of bonds unless the nature of the issue warrants a negotiated bid. In situations where a competitive bidding process is not elected, the City will publicly present the reasons why and the City will participate with the financial advisor in the selection of the underwriter or direct purchaser.

a. **Competitive Sale.** In a competitive sale, bids for the purchase of the bonds are opened at a specified place and time and are awarded to the underwriter (or syndicate) whose conforming bid represents the lowest true interest cost to the City (TIC). This method is most advantageous when the debt to be issued is less complex, the municipal bond market for high grade credits is stable, and the sale of the City's bonds is assured.

b. **Negotiated Sale.** In a negotiated sale, the City chooses the initial buyer of the bonds in advance of the sale date. The initial buyer is usually an investment banking firm, or a syndicate of investment banking firms interested in reoffering the bond to investors through an underwriting process. This type of sale allows the City to discuss different financing techniques with the underwriter in advance of the sale date. This method is most advantageous when the debt issue is complex, debt structuring flexibility is required (as would be the case in a bond refunding) or the municipal bond market is unstable or uncertain.

5. The City will reimburse with proceeds of the Obligations any amount expended prior to the issue date for the acquisition, renovation or construction of the facilities.

G. Application of Bond Proceeds

1. Assignment of Responsibility and Establishment of Calendar

On the date of issuance of any bond, the Finance Director will identify and document in the Bond Resolution for the bond issue:

- a. The funds and/or accounts into which bond proceeds are deposited.
- b. The types of expenditures expected to be made with bond proceeds
- c. The dates by which all proceeds must be spent or become subject to arbitrage yield limitations and all interim dates by which funds and/or accounts must be evaluated to ensure compliance with the applicable expenditure deadlines.

H. Underwriting Syndicates

The City's financial advisor shall attempt to involve qualified and experienced firms, which actively participate in the City's competitive sale in its negotiated underwritings. In conjunction with the City, the City's financial advisor shall recommend the structure of underwriting syndicates, which will be optimal for the type and amount of debt being issued.

I. Bond Ratings

Full disclosure of operations and open lines of communication shall be maintained with the rating agencies. Credit ratings will be sought from one or more of the nationally recognized municipal bond rating agencies as recommended by the City's financial advisor.

The City will continually strive to maintain or increase the City's current bond ratings by prudently managing its funds and by reviewing and monitoring financial policies, budgets, forecasts and the financial health of the City.

J. Post Issuance Tax Compliance

The City will comply with post-issuance requirements of federal income tax law to preserve the tax-exempt status of any tax-exempt bonds or other obligations.

1. Arbitrage

Arbitrage is the simultaneous purchase and sale of an asset in order to profit from a difference in the price. It is a trade that profits by exploiting price differences of identical or similar financial instruments, on different markets or in different forms. Federal guidelines generally restrict the ability to earn arbitrage in connection with Obligations. The Responsible Person (as defined below) will review the Closing documents at least annually to ascertain if an exception to arbitrage compliance applies.

- a. Investment Restrictions. The Responsible Person will monitor the investment of bond proceeds to ensure compliance with the yield restriction rules. A general requirement under the Internal Revenue Code is that proceeds of tax-exempt bonds cannot be used to make investments at a higher yield than the yield on the bonds
- b. Arbitrage Yield Calculation and Rebate. Investment earnings on bond proceeds will be tracked and monitored to comply with applicable yield restrictions and/or rebate requirements. The City utilizes an arbitrage rebate consultant. The Responsible Person will provide the arbitrage rebate consultant with requested documents and information on a prompt basis, reviewing applicable rebate reports and other calculations to ensure the timely preparation of rebate reports and/or payments of any rebate liability.
- c. Arbitrage Rebate Payments. The reports and calculations provided by the arbitrage rebate consultant will confirm compliance with rebate requirements, which include the City to make rebate payments (if any rebate liability exists) at least every 5 years after the Issue Date and within 30 days after the final maturity of the Obligation. The Responsible Person will confer and consult with the arbitrage rebate consultant and bond counsel to determine whether any rebate spending exception may be met.

2. Procedures applicable to Obligations issued for construction and acquisition purposes

With respect to the investment and timely expenditure of the bond proceeds that are issued to finance public improvements or to acquire land or personal property, the Responsible person will:

- a. Instruct the appropriate person who is primarily responsible for the construction, renovation or acquisition of the facilities financed with the Obligations ("Project"), that binding contracts for the expenditure of at least 5% of the proceeds of the Obligations are entered into within 6 months of the date of closing of the Obligations (the "Issue Date") and that the Project must proceed with due diligence.
- b. Monitor that at least 85% of all proceeds of the Obligations to be used for construction, renovation, or acquisition of the projects are expended within three (3) years of issuance.
- c. Monitor the yield on the investments purchased with proceeds of the Obligations and restrict the yield of such investments to the yield on the Obligations after 3 years of the Issue Date;
- d. Monitor all amounts deposited into a sinking fund or funds pledged (directly or indirectly) to the payment of the Obligations, such as the Interest and Sinking Fund, to assure that the maximum amount invested within such applicable fund at a yield higher than the yield on the Obligations does not exceed an amount equal to the debt service on the

Obligations in the succeeding 12 month period plus a carryover amount equal to one-twelfth (1/12) of the principal and interest payable on the Obligations for the immediately preceding 12-month period; and

e. Ensure that no more than 50% of the proceeds of the Obligations are invested in an investment with a guaranteed yield for 4 years or more.

3. Procedures applicable to Obligation with a debt service reserve fund

In addition to the foregoing, if the Obligations are secured by a debt service reserve fund, the City will assure that the maximum amount of any reserve fund for the Obligations invested at a higher yield than the yield on the issuance will not exceed the lesser of (1) 10% of the principal amount of the Obligations, (2) 125% of the average annual debt service on the Obligations as of the issue date, or (3) 100% of the maximum annual debt service on the Obligations as of the issue date.

4. Procedures applicable to Escrow Accounts for Refunding Issues

In addition to the foregoing, if the City issues Obligations and proceeds are deposited to an escrow fund to be administered pursuant to the terms of an escrow agreement, the Responsible Person will:

- a. Monitor the actions of the escrow agent to ensure compliance with the applicable provisions of the escrow agreement, including with respect to reinvestment of cash balances;
- b. Contract the escrow agent on the date of redemption of obligations being refunded to ensure that they were redeemed;
- c. Monitor any unspent proceeds of the refunded obligations to ensure that the yield on any investments applicable to such proceeds are invested at the yield on the applicable obligations or otherwise applied as shown in closing documents.

5. Procedures applicable to all Tax-exempt Obligations Issues

For all issuances of Obligations the Responsible Person will:

- a. Maintain any official action of the City (such as reimbursement resolution) stating the City's intent to reimburse with the proceeds of the Obligations any amount expended prior to the Issue Date for the acquisition, renovation or construction of the facilities;
- b. Ensure that the application information return (e.g., IRS Form 8038-G, 8038-GC, or any successor forms) is timely filed with the IRS;
- c. Assure that, unless excepted from rebate and yield restriction under section 148(f) of the Code, excess investment earnings are computed and paid to the U.S. government (if any rebate liability exists) at least every 5 years after the Issue Date and within 30 days after the final maturity of the Obligation.

6. Ownership and Use of Project (Private Business Use)

Generally, to be tax-exempt, only an insignificant amount of the proceeds of each issue of Obligations can benefit (directly or indirectly) private businesses. The Responsible Persons will review the Closing Documents periodically (at least once a year) for the purpose of determining that the use of the facilities financed or refinanced with the proceeds of the Obligations (the "Project") do not violate provisions of federal tax law that pertain to private business use. In addition, the Responsible Persons will:

- a. Develop procedures or a "tracking system" to identify all property financed with tax-exempt debt;
- b. Monitor and record the date on which the Project is substantially complete and available to be used for the intended purpose;
- c. Monitor and record whether, at any time the Obligations are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has any contractual right (such as a lease, purchase, management or other service agreement) with respect to any portion of the facilities;
- d. Monitor and record whether, at any time the Obligations are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to use the output of the facilities (e.g., water, gas, electricity);
- e. Monitor and record whether, at any time the Obligations are outstanding, any person, other than the City, the employees of the City, the agents of the City or members of the general public has a right to conduct or to direct the conduct of research;
- f. Monitor and record whether, at any time the Obligations are outstanding, any person, other than the City, has a naming right for the facilities or any other contractual right granting an intangible benefit;
- g. Monitor and record whether, at any time the Obligations are outstanding, the facilities are sold or otherwise disposed of; and
- h. Take such action as is necessary to remediate any failure to maintain compliance with the covenants contained in the Bond Order related to the public use of the Project.

7. Continuing Disclosure Compliance Requirements

In each year that the City has bonds outstanding subject to SEC Rule 15c2-12, the Responsible Person will provide updated information for the Annual report with the Municipal Securities Rulemaking Board (MSRB) through its Electronic Municipal

Market Access system for municipal securities disclosure (“EMMA”) by the date specified in each bond’s official statement. The Responsible Person will continuously monitor other events relevant to the bonds and provide proper notice to the MSRB through EMMA as may be required. Relevant events may include but not limited to principal and interest payment delinquencies, unscheduled draws on debt service reserves, adverse tax opinions, defeasances, rating changes, bankruptcy, merger and modifications to rights of bondholders if material. The City will coordinate any submissions with the MSRB through EMMA with Bond Counsel or other legal counsel.

8. Record Retention

The Finance Department shall be responsible for maintaining the following documents for the term of each issue of bond or other obligation plus at least three (3) years:

- a. Bond closing transcript
- b. All records of investments, arbitrage reports, and underlying documents
- c. Construction contracts, purchase orders, invoices and payment records
- d. Documents relating to costs reimbursed with bond proceeds
- e. All contracts and arrangements involving private use of the bond-financed property
- f. All reports relating to the allocation of bond proceeds and private use of bond-financed property
- g. Itemization of property financed with bond proceeds

If any portion of the Obligation is refunded, records shall be maintained until three (3) years after the refunding is completely extinguished. Records can be maintained in paper or electronic format.

9. Responsible Persons

The City’s Chief Financial Officer together with other employees of the City to whom report to such officer, is collectively the responsible person. Each Responsible Person shall receive appropriate training regarding the City’s accounting system, contract intake system, facilities management and other systems necessary to track the investment and expenditure of the proceeds and the use of the Project financed or refinanced with the proceeds of the Obligations. The foregoing notwithstanding, each Responsible Person shall report to the City Council whenever experienced advisors and agents may be necessary to carry out the purposes of these instructions for the purpose of seeking City Council approval to engage or utilize existing advisors and agents for such purposes.

VIII. CASH MANAGEMENT AND INVESTMENTS

The City will maintain cash and investments in such a manner so as to ensure the absolute safety of principal, to meet the liquidity needs of the City, and to achieve the highest possible yield. The City Council and applicable governing boards will annually review and adopt the City's Investment Policy, as required by the Public Funds Investment Act (PFIA).

A. Investment Management

1. All aspects of cash/investment management shall be conducted in full compliance of the prevailing local, state, and federal regulations authorized annually in the City of Sachse, Sachse Economic Development Corporation, President George Bush Turnpike Reinvestment Zone Tax Increment Fund Investment Policy.

2. The City will utilize competitive quotes from approved broker/dealers, affording no special advantage to any individual or corporate member of the financial or investment community.

3. Investments of the City shall be made with the exercise of judgement and care which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment.

B. Investment Strategy

The City of Sachse maintains a consolidated portfolio in which it pools the funds for investment purposes. The City's investment program seeks to achieve safety of principal, adequate liquidity to meet cash needs, public trust, and reasonable yields.

C. Interest Income

Interest earned from investments shall be distributed to the funds from which the funds were provided.

D. Arbitrage Investments

Investment on bond proceeds will be made with safety of principal and liquidity in mind, but with a competitive rate of return. If there is positive arbitrage, the rebatable earnings will be sent to the IRS as necessary. Section VII. Debt contains more in depth explanation.

E. Depository

The City will select its official bank through a formal bidding process in order to provide the City with the most comprehensive, flexible and cost-effective banking services available. The City will, at a minimum, bid depository services every five (5) years.

F. Collateralization of Deposits

1. The value of the pledged collateral should be marked to market monthly and shall be at least 102 % of market value of principal and accrued interest less F.D.I.C. insurance when applicable.

2. The pledge of collateral shall comply with the City's Investment Policy.

IX. GRANTS AND INTERGOVERNMENTAL REVENUES

The City may seek, apply for, and effectively administer federal, state, and local grants which support the City's current priorities and objectives. The City shall utilize opportunities to enhance service delivery through intergovernmental cooperation, shared revenues, and grants.

A. Grant Guidelines

1. The City shall apply and facilitate the application for only those grants that are consistent with the objectives and high priorities identified by City Council and management.
2. Grant funding will be considered to leverage City funds. Inconsistent and/or fluctuating grants should not be used to fund ongoing programs and services.
3. The potential for incurring ongoing costs, to include assumptions of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.
4. Professional services for grant-writing may be contracted for potential grant acceptances greater than \$25,000.
5. Grant opportunities \$24,999 and below will be written in-house by the department head or designee of the department specific grant.

B. Grant Review Process

1. A uniform grants pre-application process will be utilized to assure the City has all the information necessary to make a decision regarding a potential grant. Information to be provided should include but not be limited to:
 - a. The grant being pursued and the use to which it would be placed.
 - b. The objectives or goals of the City which will be achieved through the use of the grant.
 - c. The local match required, if any, plus the source of the local match.
 - d. The increased cost to be locally funded upon the termination of the grant.
2. All grant agreements will be reviewed by the appropriate City staff, including Finance, legal, HR and the sponsoring department, to ensure compliance with state, federal, and City regulations.
3. The City Manager shall approve all grant submissions
4. The City Council shall approve all grant acceptances over \$50,000.

C. Budgeting for Grant Expenditures

Annually via the budget process, departments will submit for possible funding of known grant opportunities. These grant opportunities will be prioritized and ranked along with all other supplemental requests. If approved, the expenditure and associated revenue will be appropriated to the grant recipient fund and/or department. If there are grant opportunities that arise during the year and are received by the City, the budget will be amended via the projections if the City can fund the local match required.

D. Grant Termination and/or Reduced Grant Funding

1. In the event of reduced grant funding, City resources will be substituted only after all program priorities and alternative are considered during the budget process, unless the City is obligated through the terms of the grant to maintain the positions, services, or equipment.
2. The City shall terminate grant-funded programs and associated positions when grant funds are no longer available, and it is determined that the program no longer supports City goals and/or is no longer in the best interest of the City, unless the City has obligated itself through the terms of the grant to maintain the positions, services, or equipment.

X. FINANCIAL CONSULTANTS

The City will employ qualified financial advisors and consultants as needed in the administration and management of the City's financial function. These areas include but are not limited to audit services, debt administration, and financial modeling. The principal factors in the selection of these consultants will be experience/expertise, ability to perform, the services offered, references, and methodology to name a few. In no case should price be allowed as the sole criterion for the selection.

A. Selection of Auditors

At least every five (5) years, the City shall request proposals from qualified firms. The City Council shall select an independent firm of certified public accountants to perform an annual audit of the accounts and records, and render an opinion on the financial statements of the City.

The City's Charter requires that no more than five consecutive audits shall be completed by the same firm unless no other certified public accountants have submitted a proposal to provide audit services for the city, in which event the existing firm may be retained for an additional one year period until another certified public accountant is available and selected by the City. The rotation of the audit firm will be based upon the proposals received, the qualifications of the firm, and the firm's ability to perform a quality audit.

B. Post-Issuance Compliance Consultants

1. The City shall review the closing documents of obligations annually for Federal arbitrage compliance. While the City is responsible to ensure that the records are in order, the calculations made, reporting complete, and filings made, the actual arbitrage calculation and reporting shall be contracted with a qualified firm.

2. There is not a requirement for rotation.

C. Bond Counsel

1. Bond Counsel to the City has the role of an Independent expert who provides an objective legal opinion concerning the issuance and sale of bonds and other debt instruments. As bond counsel are specialized attorneys who have developed necessary expertise in a broad range of practice areas, the City will always use a consultant for these services. Generally, bonds are not marketable without an opinion of nationally recognized bond counsel stating that the bonds are valid and binding obligations stating the sources of payment and security for the bonds and the at the bonds are exempt from Federal income taxes.

2. There is not a requirement for rotation.

D. Financial Advisory Services

1. Financial advisors to governmental entities have developed the necessary expertise in a broad range of services to comply with Federal, state, and local guidelines in the areas of debt financing and investment transactions. A Consultant is beneficial for these services.

2. There is not a requirement for rotation.

E. Depository Bank

1. Pursuant to State law, Local Government Code, Chapter 105, the City may approve a depository contract whose term does not exceed five (5) years.

2. There is no requirement for rotation. The City will select its official banking institution through a formal process based on best value in order to provide the City with the most comprehensive, flexible, and cost-effective banking services available.

APPENDIX A

FISCAL MANAGEMENT CONTINGENCY PLAN

The Fiscal Management Contingency Plan is a guide to assist in budget balancing strategies in response to economic and financial conditions that impact the current adopted budget. Economic and budget conditions will be evaluated monthly to identify negative budget impacts. A negative budget impact is defined as a shortfall in adopted budget revenue for three (3) consecutive months directly related to an identified economic or financial condition.

The plan is comprised of the following components:

(1) Indicators – Serve as warnings that potential budgetary revenue shortfalls are increasing in probability. Staff will monitor state and national economic indicators to identify recessionary or inflationary trends that could negatively impact consumer spending or property values.

(2) Levels – Serve to classify and communicate the severity of the estimated budgetary revenue shortfalls and identify the actions to be taken at the given phase.

(3) Actions – Preplanned steps to be taken in order to prudently address and counteract the estimated budgetary revenue shortfall.

Four levels of severity will be assigned to estimate budgetary revenue shortfalls and identify the appropriate action based on the consecutive months of shortfall. Level I, plan of action occurs with three consecutive months of shortfall; Level II, six consecutive months of shortfall; Level III, nine consecutive months of shortfall; Level 4, twelve consecutive months of shortfall. All four (4) levels are intended to be short-term in nature, In the event the underlying economic situation is expected to last for consecutive years, more permanent actions will be taken.

The City Manager or designee will apprise City Council at the regular Council meeting of any action that is being considered at all levels. Information will include underlying economic condition, economic indicators, estimated budgetary revenue shortfalls, actions considered and expected duration of shortfall. City Council may appropriate available fund balance necessary to cover any estimated revenue shortfall. Appropriation of fund balance will be carefully analyzed and long-term budgetary impacts will be considered in conjunction with the projected length of the economic downturn. Any action taken with the contingency plan will make every effort to not impact revenue generation. Actions taken should first reduce expense well in excess of resulting revenue losses.

Throughout the contingency plan process, the goal is to protect current service levels while continuing to provide competitive pay and benefits to all employees. At all levels of action, some parts of the plan may be implemented sooner or later, in accordance with direction from City Council.

A. Level I. Estimated annual revenue is below budget projections for three consecutive months with current economic conditions expected to continue.

1. Expenditures:

- a. Freeze newly created positions
- b. Implement a time delay for hiring vacant positions
- c. Increase/decrease temperatures in all City buildings during hours not open to the public

2. Revenues

- a. Identify any new potential revenue sources

3. Service Level Impacts:

- a. Minor service level disruptions and/or delays
- b. New projects may be postponed or deferred
- c. Begin planning for Levels II – IV
- d. Implement Community Communication Plan in order to communicate to citizens any service levels that may be impacted.

4. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for three consecutive months, and economic indicators are anticipated to continue to improve, initiate normal operating procedures.

B. Level II: The estimated annual revenue is below budget projections for six consecutive months. Current economic conditions and indicators are anticipated to continue.

1. Expenditures:

- a. Implement a managed-hiring program for vacant positions.
 - b. Reduce the hours/number of part-time and seasonal employees as per Reduction In Force Policy.
 - c. Reduce travel and training expenses.
 - d. Review and prioritize reductions of operating and capital expenditures.
 - e. Eliminate or defer capital outlay expenses.
 - f. Review and prioritize expenses for professional and contracted services.
2. Revenues:
- a. Evaluate user fees in order to remain competitive.
 - b. Identify and/or implement new revenue sources.
 - c. Evaluate property tax rate increase.
 - d. Evaluate water and wastewater rate increases.
 - e. Evaluate use of available fund balance.
3. Service Levels Impacts:
- a. Cutbacks or reductions in non-essential day-to-day operations (number of times parks are mowed, hours of operations of facilities).
 - b. Adjust service hours for City Facilities. (example: increase hours of City Hall from 9 to 11 for four days and close one day per week with increased/decreased temperatures or adjust hours of Library, etc.)
 - c. Defer general (non-essential) maintenance.
 - d. Prioritize and defer or freeze vehicle replacements, computer upgrades and new computer purchases. Replacements for essential non-working equipment are allowed, subject to approval by the City Manager.
 - e. Reduce or defer non-essential repair and maintenance expenses. Examples – vehicles, communications, office equipment, machinery and buildings. Repair and maintenance of essential non-working equipment is permitted, subject to approval by the City Manager.
4. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for three consecutive months, and economic indicators are anticipated to continue to improve, initiate Level I.

C. Level III: The estimated annual revenue is below budget projections for nine consecutive months, or is below budget projections by more than 6% for six consecutive months. Current economic conditions and indicators are anticipated to continue or possibly worsen.

1. Expenditures:
- a. Prepare for implementation of a Reduction in Force Plan.
 - b. Implement a compensation freeze.
 - c. Identify overtime expenses that may likely be reduced.
 - d. Reduce external program funding.
 - e. Eliminate or defer pending capital improvement projects.
 - f. Consider deferring payments to City-owned utilities – water and wastewater services.
2. Revenues:
- a. Recommend property tax increase.
 - b. Recommend water and/or wastewater rate increase.
 - c. Recommend new revenues, or increases in current fees.
 - d. Recommend use of available fund balance.
3. Service Level Impacts:
- a. Significant reductions in service levels.
 - b. Evaluate and/or recommend a reduction in hours of operation at all facilities.
 - c. Essential programs and services will be evaluated for reductions.
 - d. Reduce energy costs through reduction in hours of operations.
4. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for three consecutive months, and economic indicators are anticipated to continue to improve, initiate Level II.

D. Level IV: The estimated annual revenue is below budget projections for twelve consecutive months, or is below budget projections by more than 6% for nine consecutive months. Current economic conditions and indicators are anticipated to continue and are likely to worsen.

1. Expenditures:
- a. Implement Reduction in Force Plan (reduce employee personnel costs, including an employee furlough plan for time off without pay and/or four-day work weeks, laying off of personnel, etc.).
 - b. Consider other cost reduction strategies.
 - c. Reduce departmental budgets by a fixed percentage or dollar amount.
 - d. Eliminate external program funding.

- e. Reduce and/or eliminate overtime expenses throughout departments.
- 2. Revenues:
 - a. Implement property tax rate increase.
 - b. Implement water and wastewater rate increase.
 - c. Increase user fees.
 - d. Implement use of available fund balance.
- 3. Service Level Impacts:
 - a. Reduce hours of operations of all facilities.
 - b. Implement service level reductions throughout all departments and/or eliminate specific programs.
 - c. Departments will prioritize service levels and programs according to City Council goals and objectives.
 - d. Defer infrastructure and street overlay maintenance.
- 4. Improvement in Economic Conditions. When the estimated annual revenue equals or exceeds the budget projections for three consecutive months, and economic indicators are anticipated to continue to improve, initiate Level III.

APPENDIX B

CITY OF SACHSE, TEXAS FUND BALANCE POLICY Revised for GASB 54

I. Purpose

The purpose of this policy is to establish a key element of the financial stability of the City by setting guidelines for fund balance. Unassigned fund balance is an important measure of economic stability. It is essential that the City maintain adequate levels of unassigned fund balance to mitigate financial risk that can occur from unforeseen revenue fluctuations, unanticipated expenditures, and similar circumstances. The fund balance also provides cash flow liquidity for the City's general operations.

II. Definitions

Fund Equity – A fund's equity is generally the difference between its assets and its liabilities.

Fund Balance – An accounting distinction is made between the portions of fund equity that are spendable and nonspendable. These are divided into five categories:

- 1) **Nonspendable fund balance** – includes amounts that are not in a spendable form or are required to be maintained intact. Examples are inventory or permanent funds.
- 2) **Restricted fund balance** – includes amounts that can be spent only for the specific purposes stipulated by external resource providers either constitutionally or through enabling legislation. Examples include grants and child safety fees.
- 3) **Committed fund balance** – includes amounts that can be used only for the specific purposes determined by a formal action of the government's highest level of decision-making authority. Commitments may be changed or lifted only by the government taking the same formal action that imposed the constraint originally.
- 4) **Assigned fund balance** – comprises amounts *intended* to be used by the government for specific purposes. Intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. In governmental funds other than the general fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- 5) **Unassigned fund balance** – is the residual classification of the general fund and includes all amounts not contained in other classifications. Unassigned amounts are technically available for any purpose.

III. Policy

Committed Fund Balance

- The City Council is the City's highest level of decision-making authority and the formal action that is required to be taken to establish, modify, or rescind a fund balance commitment is a resolution approved by the City Council at a council meeting. The resolution must either be approved or rescinded, as applicable, prior to the last day of the fiscal year for which the commitment is made. The amount subject to the constraint may be determined in the subsequent period.

Assigned Fund Balance

- The City Council has authorized the City Manager as the official authorized to assign fund balance to a specific purpose as approved by this fund balance policy.

IV. Minimum Unassigned Fund Balance

It is the goal of the City to achieve and maintain an unassigned fund balance in the general fund equal to 25% to 35% of expenditures. The City considers a balance of less than 25% to be cause to implement actions that will achieve a 25% balance, barring unusual or deliberate circumstances.

If unassigned fund balance falls below the goal or has a deficiency, the City will implement the steps outlined in the City's Fiscal Management Contingency Plan.

V. Order of Expenditure of Funds

When multiple categories of fund balance are available for expenditure (for example, a construction project is being funded partly by a grant, funds set aside by the City Council, and unassigned fund balance), the City will start with the most restricted category and commit those funds first before moving down to the next category with available funds, generally.



City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3394	Version:	1	Name:	Discuss amending Master Fee Schedule
Type:	Discussion Item	Status:		Status:	Agenda Ready
File created:	6/27/2016	In control:		In control:	City Council Workshop
On agenda:	8/1/2016	Final action:		Final action:	
Title:	Discuss changes to the Master Fee Schedule.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Staff Presentation.pdf Comparable Cities Chart.pdf Master Fee Schedule FY2017.pdf				

Date	Ver.	Action By	Action	Result
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Title

Discuss proposed changes to the master fee schedule by amending building and building regulation fees; standard zoning fee, health and sanitation health permit fee, occupancy permit fee, board of adjustment variance fee, engineering grading permit fee, temporary retail and seasonal sales electrical fee, fire hydrant meter deposit, and printing/copy charges in the Library.

Executive Summary

The Master Fee Schedule Resolution reports fees for services that are provided to our citizens. Before a fee increase was considered, the Department responsible for the service demonstrated that the services are being provided as efficiently and effectively as possible and the changes are justifiable for each service. Changes included eliminating multiple detailed fees and converting to a more simplistic fee schedule. The Utility Fund increases were approved with the 2014 rate study discussion excluding the increase to the Fire Hydrant Meter Deposit. Charges for printing from computers and copies at the Library are proposed to increase to recover costs and remain in line with surrounding communities.

Background

The master fee schedule is a convenient tool for citizens and customers to use to acquaint themselves with various charges for City services. The schedule can be updated periodically for necessary changes without amending the associated Ordinance.

Policy Considerations

None

Budgetary Considerations

The fees as outlined provide the basis for revenue assumptions provided in the upcoming fiscal budget for FY2017.

Staff Recommendations

Discuss changes to the master fee schedule and provide feedback. Consideration of a resolution adopting the changes will be on the August 15, 2016 agenda.



FEE CHART

CITY COUNCIL

AUGUST 1, 2016

DEVELOPMENT FEES

- Various codes and regulations require the submission of plans for review, permitting, and inspection of development projects
- Fees are intended to recover the cost of providing such services (for growth communities) so that residents are not subsidizing costs that rightfully should be bore by the development community
- Current departmental budget is greater than permit fee revenue, which does not include engineering and fire plan review and inspection costs
- 80% of revenue is from new construction; 20% from miscellaneous permits (non-revenue generating; i.e. provided at a loss)
- NCTCOG publishes annual fee survey for region
- Best practice advises to review the fee chart annually

JUSTIFICATION

Primary fee adjustment justification reasons:

- Remove duplicate and/or abandoned fees
- Monitor for improved cost recovery opportunities
- Better match regional standard
- Codify new fees created by ordinances during the year (if applicable)
- Reflect changes in the market
- Response to State law changes
- Clarify internal policies
- General clean-up purposes

THINGS TO KNOW

- Current fee chart structurally outdated, fails to recover development related expenses, and needs attention
- The proposed fee changes are Phase 1 of several phases needed to restructure and modernize the fee chart
- Many fees that should be revised are not included because they are listed with a specific dollar amount in the code of ordinances
- These ordinances, over time, should be revised to reference the master fee chart
- All proposed fees are within regional standard
- Most are minor modifications (e.g. \$25 to \$50) to miscellaneous permits for cost recovery purposes

PROPOSED FEE CHANGES

- Elimination of duplicate contractor registration categories for electricians (consolidation effort)
- Elimination of contractor registration fees for plumbers (State law changed several years back to preclude)
- Consolidation of plumbing related project fees (currently confusing and outdated)
- Increase of minimum building permit fee from \$25 to \$50 (cost recovery; within regional standard)
- Increase to project valuation calculation from \$70 to \$85 per square foot (to better reflect market)
- Increase to contractor registration fee from \$50 to \$100 (within regional standard)

PROPOSED FEE CHANGES

- Mechanical permit (\$30 to \$50)
- Sign permit (\$75 to \$100)
- Fence permit (residential \$35 to \$50)
- Fence permit (non-residential \$70 to \$100)
- Trades permit (residential - \$40 to \$75)
- Trades permit (non-residential - \$50 to \$100)
- Irrigation permit (\$50 to \$100)
- Grading permit (\$100 to \$150)
- Health permit (\$150 to \$200)
- Pool permit (\$100 to \$200)
- Demolition fee (\$50 to \$100)
- Certificate of Occupancy (\$50 to \$75)

PROPOSED FEE CHANGES

- After hour inspection (\$50 to \$100 – hourly)
- Re-inspection fee (\$50 to \$75)
- Revised plan review fee (after permit issuance; \$50 to \$200 – hourly)
- 15% admin fee (above cost) for use of 3rd party plan review or inspections
- Multi-Family rental inspection fee (\$25 to \$50)
- Rezoning application (\$325 to \$400)
- Consolidating Board of Adjustment and variance fees (\$300)
- Temporary Sales electrical inspection, if necessary (\$15 to \$30)

Fee Type	Current	Proposed	Coppell	Fairview	Farmers Branch	Garland	Little Elm	Murphy	Rowlett	Wylie
Building Permit	\$25	\$50	\$39 (min)	\$500 (min)	\$1,000 (min)	\$625 (min)	\$150.00	\$75.00	\$84.61	\$50 (min)
Project Valuation (psf)	\$70.00	\$85	\$112.00	\$112.00	Based on CV	\$112.00	\$112.00	\$112.00	\$65.00	Based on SF
Contractor Registration	\$50	\$100	\$75 (min)	\$50.00	\$100.00	\$100.00	\$100.00	\$100.00	\$75.00	\$100.00
After Hour Inspection	\$50	\$100	\$100.00	\$100.00	\$50.00	\$120.00	\$70 hr / min 4 hours	\$100.00	\$100.00	\$225.00
Re-Inspection Fee	\$50	\$75	\$50.00	\$50.00	\$50.00	\$60.00	\$75.00	\$100.00	\$50.00	\$50.00
Revised Plan Review	\$50	\$200	\$25 (min)	\$300.00		\$30/hr; \$30 (min)	50% of original PR fee	\$30/hr; \$30 (min)	\$150.00	\$50.00
Mechanical Permit	\$30	\$50	\$35 (min)	\$30.00	\$37.50 based on CV	\$70.00	\$50 min	\$75.00	\$50.00	\$50 + \$0.03/sf
Trades (Residential)	\$40	\$75	\$35 (min)	\$75.00	\$37.50 based on CV	\$70.00	\$50 min	\$75.00	\$50.00	\$50 + \$0.03/sf
Trades (Commercial)	\$50	\$75	\$35 (min)	\$75.00	\$37.50 based on CV	\$90.00	\$250 min	\$75.00	\$50.00	\$100 + \$0.03/sf
Certificate of Occupancy (CO)	\$50	\$75	\$50.00	\$75.00	\$50.00	\$150.00	\$100.00	\$75.00	\$110.00	\$75.00
Sign	\$75	\$100	\$100.00	\$75.00	\$100.00	\$125 (min)	\$150.00	\$200.00 (min)	\$100.00	\$75.00
Fence (Residential)	\$35	\$50	\$50.00	\$50.00	\$120.00	\$35.00	\$75.00	\$75.00	\$30.00	\$40.00
Fence/Wall (Commercial)	\$70	\$100	\$50.00			\$50 + \$0.25/ lin ft	\$250.00	\$150.00	\$250.00	\$40.00
Pool	\$100	\$200	\$300.00	\$125.00	\$125.00	\$250 (min)	Valuation (avg. \$700)	\$275.00	\$200.00	\$300.00
Irrigation	\$50	\$100	\$60.00	\$125.00	\$37.50 based on CV	\$80 (min)	\$185.00	\$150.00	\$75.00	\$50.00
Demolition	\$75	\$100	\$39 (min)	\$100.00	\$100.00	\$30 (min)	\$75.00	\$10/\$1,000; \$100 (min)	\$65.00	\$50 (min)
Grading Permit	\$100	\$150	\$100.00			\$125.00	\$200 + \$10/acre		\$50.00	\$100 (min)
MF Rental Inspection	\$25	\$50			\$15.00	\$25 (min)	N/A (annual registration fee)	\$25 (min)	\$50.00	\$75.00
Health Permit	\$150	\$200	\$300.00	\$400.00	\$200 (min)	\$350 (min)	\$350.00	\$150 (min)	\$250.00	\$150 (min)
Rezoning Application	\$325	\$400	\$500.00	\$500.00	\$700.00	\$800.00	\$500.00	\$1,000.00	\$650.00	\$325.00
BOA Fee	\$200	\$300	\$50.00	\$300.00	\$300.00	\$350.00	\$300.00	\$200 (min)	\$250.00	\$100.00

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
ANIMAL CONTROL			
Adoption fee for cats/kittens and dogs/puppies (Fee includes sterilization/combo vaccine/rabies vaccine and microchip)	\$80.00	\$0.00	\$80.00
Adoption fee for cats/kittens and dogs/puppies already sterilized (Fee includes combo vaccine/rabies vaccine and microchip)	\$25.00	\$0.00	\$25.00
Dangerous dog annual registration	\$100.00	\$0.00	\$100.00
Pot-bellied Pig Permit (annual per animal)	\$20.00	\$0.00	\$20.00
Pigeon permit (fancy or racing loft) (annual)	\$5.00	\$0.00	\$5.00
Dog and Cat Permit & tags			
Application Fee w/o spayed or neutered proof	\$7.00	\$0.00	\$7.00
Application Fee w spayed or neutered proof	\$2.00	\$0.00	\$2.00
Replacement tag (w original registration proof)	\$1.00	\$0.00	\$1.00
Impoundment (registration will be additional if the animal is not currently on file)			
1st Impound	\$25 + \$5 boarding fee	\$0.00	\$25 + \$5 boarding fee
2nd Impound	\$50 + \$5 boarding fee	\$0.00	\$50 + \$5 boarding fee
3rd Impound	\$75 + \$5 boarding fee	\$0.00	\$75 + \$5 boarding fee
4th Impound	\$100 + \$5 boarding fee	\$0.00	\$100 + \$5 boarding fee
BUILDING & BUILDING REGULATIONS			
Care of public trees in street or right of way	Hourly fee based on current hourly wage of City Maint. Workers	\$0.00	Hourly fee based on current hourly wage of City Maint. Workers
BUILDING PERMIT FEE SCHEDULE			
Total Valuation			
\$1.00 to \$500	\$50.00	\$25.00	\$25.00
\$501 to \$2,000	\$50.00 for the first \$500 + \$3.05 for each additional \$100	\$25.00	\$25.00 for the first \$500 + \$3.05 for each additional \$100
\$2001 to \$25,000	\$95.75 for the first \$2,000 + \$14 for each additional \$1,000	\$26.50	\$69.25 for the first \$2,000 + \$14 for each additional \$1,000
\$25,001 to \$50,000	\$417.75 for the first \$25,000 + \$10 for each additional \$1,000	\$26.50	\$391.25 for the first \$25,000 + \$10 for each additional \$1,000
\$50,001 to \$100,000	\$667.00 for the first \$50,000 + \$7 for each additional \$1,000	\$23.25	\$643.75 for the first \$50,000 + \$7 for each additional \$1,000
\$100,001 to \$500,000	\$1017.00 for the first \$100,000 + \$5.60 for each additional \$1,000	\$23.25	\$993.75 for the first \$100,000 + \$5.60 for each additional \$1,000
\$501,000 to \$1,000,000	\$3,257.00 for the first \$500,000 + \$4.75 for each additional \$1,000	\$23.25	\$3,233.75 for the first \$500,000 + \$4.75 for each additional \$1,000
\$1,000,001 and up	\$5,632.00 for the first \$1,000,000 + \$3.65 for each additional \$1,000	\$23.25	\$5,608.75 for the first \$1,000,000 + \$3.65 for each additional \$1,000
RESIDENTIAL HOMES			
Residential Plan Review fee (New single-family homes)	30% of total building permit fee (based on Building Permit Fee Schedule)	\$0.00	30% of total building permit fee (based on Building Permit Fee Schedule)
New home construction	\$85.00 per square foot (including garages, porches, and/or patios)	\$15.00	\$70.00 per square foot (including garages, porches, and/or patios)
Residential Remodel/Addition	\$85.00 per square foot (including garages, porches, and/or patios)	\$15.00	\$70.00 per square foot (including garages, porches, and/or patios)
COMMERCIAL PLANS			
Commercial Plan Review Fee (New Construction & Remodel)	30% of total building permit fee (based on Building Permit Fee Schedule)	\$0.00	30% of total building permit fee (based on Building Permit Fee Schedule)
LICENSES AND CONTRACTOR REGISTRATION			
Plumber - Master Registration	State Law \$0.00	(\$100.00)	\$100.00
Electrician - Master, Journeyman, or Res. Registration	\$100.00	\$0.00	\$100.00

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Electrician - Journeyman Registration	\$50.00	(\$50.00)	\$50.00
Electrician - Residential Specialist	\$25.00	(\$25.00)	\$25.00
Mechanical - License Holder Registration	\$100.00	\$50.00	\$50.00
Backflow Specialist - Testers Registration	\$100.00	\$50.00	\$50.00
Irrigation License Holder Registration	\$100.00	\$50.00	\$50.00
SWIMMING POOLS			
Storable Swimming Pool	\$50.00	\$25.00	\$25.00
Above Ground Swimming Pool	\$200.00	\$100.00	\$100.00
In-Ground Swimming Pool	\$500.00	\$250.00	\$250.00
Spa / Hot Tub	\$200.00	\$100.00	\$100.00
PLUMBING PERMITS			
For issuing each permit	\$20.00	(\$20.00)	\$20.00
For issuing each supplemental permit	\$10.00	(\$10.00)	\$10.00
<i>Unit Fee Schedule (in addition to initial and supplemental permit fee)</i>			
1. For each fixture on one trap or a set of fixtures on one trap (including water, drainage piping and backflow protection device therefore:)	\$7.00	(\$7.00)	\$7.00
2. For each building sewer and each trailer park sewer	\$15.00	(\$15.00)	\$15.00
3. Rainwater systems-per drain (inside building)	\$7.00	(\$7.00)	\$7.00
4. For each cesspool	\$25.00	(\$25.00)	\$25.00
5. For each private sewage disposal system	\$40.00	(\$40.00)	\$40.00
6. For each water heater and/or vent	\$15.00	(\$15.00)	\$15.00
7. For each gas piping system of one to five outlets	\$5.00	(\$5.00)	\$5.00
8. For each additional gas piping system outlet, per outlet	\$1.00	(\$1.00)	\$1.00
9. For each industrial waste pretreatment interceptor including its trap and vent, excepting kitchen type grease interceptors functioning as fixture traps	\$7.00	(\$7.00)	\$7.00
10. For each installation, alteration or repair of water piping and/or water treating equipment	\$7.00	(\$7.00)	\$7.00
11. For each repair or alteration of drainage or vent piping, each fixture	\$7.00	(\$7.00)	\$7.00
12. For each lawn sprinkler system on any one meter including backflow protection devices	\$7.00	(\$7.00)	\$7.00
13. For atmospheric-type vacuum breakers not included in item 12			
1 to 5	\$5.00	(\$5.00)	\$5.00
over 5 (each)	\$1.00	(\$1.00)	\$1.00
14. For each backflow protective device other than atmospheric type vacuum breakers:			
2-inch diameter and smaller	\$7.00	(\$7.00)	\$7.00
Over 2-inch diameter	\$15.00	(\$15.00)	\$15.00

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
MECHANICAL PERMIT FEE SCHEDULE			
Initial Fee For the issuance of each permit	\$50.00	\$20.00	\$30.00
New (Fee for inspecting heating, ventilating, ductwork, air-conditioning, exhaust, venting, combustion air, pressure, vessel, solar, fuel oil and refrigeration systems and appliance installation)	\$15.00 for the first \$1,000.00 valuation plus \$5.00 for each additional \$1,000.00 or fraction thereof	\$0.00	\$15.00 for the first \$1,000.00 valuation plus \$5.00 for each additional \$1,000.00 or fraction thereof
Repair (Fee for inspecting repairs, alterations and additions to an existing system)	\$10.00 for the first \$1,000.00 valuation plus \$3.00 for each additional \$1,000.00 or fraction thereof	\$0.00	\$10.00 for the first \$1,000.00 valuation plus \$3.00 for each additional \$1,000.00 or fraction thereof
Boiler Inspection	\$100.00	\$100.00	BTU level specific
33,000 BTU (1 BHp) to 165,000 BTU (5 BHp)	\$15.00	(\$15.00)	\$15.00
165,001 BTU (5 BHp) to 330,000 BTU (10 BHp)	\$25.00	(\$25.00)	\$25.00
330,001 BTU (10 BHp) to 1,165,000 BTU (52 BHp)	\$45.00	(\$45.00)	\$45.00
1,165,001 BTU (52 BHp) to 3,300,000 BTU (98 BHp)	\$75.00	(\$75.00)	\$75.00
Over 3,300,000 BTU (98 BHp)	\$100.00	(\$100.00)	\$100.00
Fee for inspecting fuel-gas piping shall be as follows:			
For each gas-piping system of 1 to 4 outlets	\$8.00	(\$8.00)	\$8.00
For each gas-piping system, additional outlets over 5 (each)	\$2.00	(\$2.00)	\$2.00
SIGN PERMITS			
Permanent (per sign)	\$100.00	\$25.00	\$75.00
Temporary (per sign)	\$25.00	\$0.00	\$25.00
Repair (per sign)	\$10.00	(\$15.00)	\$25.00
Sign Variance Application	\$25.00	\$25.00	
Sign Variance	\$300.00	\$150.00	\$150.00
CERTIFICATE OF OCCUPANCY	\$75.00	\$25.00	\$50.00
OTHER PERMITS & FEES			
Lawn Irrigation Permit	\$100.00	\$50.00	\$50.00
Antenna Permit - Private	\$50.00	\$15.00	\$35.00
Electrical Permit - Residential	\$75.00	\$35.00	\$40.00
Electrical Permit - Non-Residential	\$100.00	\$50.00	\$50.00
Plumbing Permit - Residential	\$75.00	\$35.00	\$40.00
Plumbing Permit - Non-Residential	\$100.00	\$50.00	\$50.00
Demolition of Residential Structure Permit	\$100.00	\$25.00	\$75.00
Demolition of Commercial Structure Permit	\$200.00	\$125.00	\$75.00
Fence Permit - Residential	\$50.00	\$15.00	\$35.00
Screening Wall/Commercial Fence	\$100.00	\$30.00	\$70.00
Screen Wall	\$0.00	(\$50.00)	\$50.00
Flatwork (patios, driveways, pads, sidewalks)	Based on Valuation of Construction Materials Only - See Building Permit Fee Schedule		Based on Valuation of Construction Materials Only - See Building Permit Fee Schedule
Accessory Building in excess of 120 square feet	Based on Valuation of Construction Materials Only - See Building Permit Fee Schedule		Based on Valuation of Construction Materials Only - See Building Permit Fee Schedule
Stock Tank	\$0.00	(\$50.00)	\$50.00

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
All Other Permits for work that increases value of the property (examples include but are not limited to foundation repair, flag poles, residential roofing)	\$50.00	\$25.00	\$25.00
Inspections outside of normal business hours	\$100.00	\$50.00	\$50.00 per hour
Re-inspection Fees after permit approval	\$75.00 per inspection	\$25.00	\$50.00 per inspection
Additional plan review required by changes, additions or revisions to plans after permit approval	\$250.00	\$200.00	\$50.00 per hour
For use of outside consultants for plan checking and inspections or both	Actual costs + 15% admin	Added 15% Admin Fee	Actual costs
TaxiCab and Limosine Permit per vehicle per year	\$200.00	\$0.00	\$200.00
Massage Establishment (permit per year)	\$400.00	\$0.00	\$400.00
Solicitation Registration Fee (not to exceed 90 days)	\$30.00 plus \$10.00 per additional person	\$0.00	\$30.00 plus \$10.00 per additional person
Residential Alarm Permit Fee	\$10 initial and renewal. Valid for 2 years from date of issuance	\$0.00	\$10 initial and renewal. Valid for 2 years from date of issuance
Sexually-oriented business license (initial and renewal)	\$500.00	\$0.00	\$500.00
HEALTH AND SANITATION			
Health Permit	\$200.00	\$50.00	\$150.00
Temporary Food Sales	\$50.00	\$0.00	\$50.00
Alcohol Permit	The fee shall equal one-half of the state fee for each permit.	\$0.00	The fee shall equal one-half of the state fee for each permit.
Liquid Waste Transport Permit	\$25.00 each vehicle	\$0.00	\$25.00 each vehicle
FIRE DEPARTMENT			
INSTALLATION/REPLACEMENT/RE-MODEL OF FIRE PROTECTION SYSTEMS			
Plan Review Fee	\$100	\$0.00	\$100
Fire Sprinkler Installation Permit (Per building)			
1 to 100 sprinklers	\$275	\$0.00	\$275
101 to 200 sprinklers	\$325	\$0.00	\$325
201 to 300 sprinklers	\$350	\$0.00	\$350
301 to 400 sprinklers	\$375	\$0.00	\$375
401 to 500 sprinklers	\$425	\$0.00	\$425
Over 500 sprinklers	\$500.00 + \$0.33 each sprinkler over 500	\$0.00	\$500.00 + \$0.33 each sprinkler over 500
Fire Alarm Installation Permit (Per building)			
Less than 10 devices	\$50.00	\$0.00	\$50.00
11 to 25 devices	\$75.00	\$0.00	\$75.00
25 to 100 devices	\$150.00	\$0.00	\$150.00
100 to 200 devices	\$200.00	\$0.00	\$200.00
More than 200 devices	\$400.00	\$0.00	\$400.00
Fire Alarm Panel Replacement Only	\$100.00	\$0.00	\$100.00
Hydro & Flush (Per System)	\$50.00	\$0.00	\$50.00
Fire Pump (Per System)	\$50.00	\$0.00	\$50.00

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Hydrant Flow Test (2 Hydrants)	\$50.00	\$0.00	\$50.00
Work started without a permit	\$100.00 + Required Fee	\$0.00	\$100.00 + Required Fee
Fire Dept. Permit Replacement	\$10.00	\$0.00	\$10.00
Replacement Job Site plan re-stamp	\$15.00	\$0.00	\$15.00
Vent/Hood/Booth Extinguishing System (Per System)	\$50.00	\$0.00	\$50.00
2nd and subsequent re-inspections Fee	\$50.00 per re-inspection	\$0.00	\$50.00 per re-inspection
<i>FIRE DEPARTMENT INSPECTION/OCCUPANCY PERMIT</i>			
Carnivals and Fairs	\$50.00	\$0.00	\$50.00
Exhibits and Trade Shows	\$50.00	\$0.00	\$50.00
Temporary Structures, Tents or Canopies (Used for permits not included in a Community Development permit fee)	\$50.00	\$0.00	\$50.00
In-Home Day Care Certificate of Occupancy	\$50.00	\$0.00	\$50.00
Multi-Family Certificate of Occupancy	\$50.00	\$25.00	\$25.00
Foster Care/Adoption Home Inspection	\$25.00	\$0.00	\$25.00
Dangerous Building Abatement Admin Fee	\$250.00	\$0.00	\$250.00
After Hour Inspection Fee	\$50/hr min 2hr/\$100.00	\$0.00	\$50/hr min 2hr/\$100.00
<i>FIRE DEPARTMENT PERMIT</i>			
Outdoor/Open Burning	\$150.00	\$0.00	\$150.00
Pyrotechnic Special Effects	\$100.00	\$0.00	\$100.00
Hazardous Material Response Reimbursement	\$400.00/hr for each engine and \$200.00/hr for each ambulance plus supplies	\$0.00	\$400.00/hr for each engine and \$200.00/hr for each ambulance plus supplies
Fire Watch/Stand-by	\$50.00 per/hr for each Fire employee	\$0.00	\$50.00 per/hr for each Fire employee
<i>AMBULANCE SERVICE</i>			
ALS (Resident) *Residents. Waive co-pay and deductible	\$650.00	\$0.00	\$650.00
ALS (Non-Resident)	\$650.00	\$0.00	\$650.00
ALS2 (Resident) *Residents. Waive co-pay and deductible	\$750.00	\$0.00	\$750.00
ALS2 (Non-Resident)	\$750.00	\$0.00	\$750.00
SCT	N/A	\$0.00	N/A
BLS (Resident) *Residents. Waive co-pay and deductible	\$550.00	\$0.00	\$550.00
BLS (Non-Resident)	\$550.00	\$0.00	\$550.00
Mileage	\$12.00	\$0.00	\$12.00
Oxygen	\$110.00	\$0.00	\$110.00
BLS supplies	\$250.00	\$0.00	\$250.00
ALS supplies	\$350.00	\$0.00	\$350.00
Extrication	\$500.00	\$0.00	\$500.00
Technology fee	\$10.00	\$0.00	\$10.00
No transport	\$150.00	\$0.00	\$150.00
Extra attendant	\$75.00	\$0.00	\$75.00
ZONING			
Standard Zoning	\$400.00 per request, plus \$15.00 per acre	\$75.00	\$325.00 per request, plus \$15.00 per acre

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Special Use Permit	\$650.00	\$0.00	\$650.00
Planned Development Zoning Request	\$750.00 per request, plus \$15.00 per acre	\$0.00	\$750.00 per request, plus \$15.00 per acre
Planned Development Text Amendment to Ordinance	\$400.00	(\$400.00)	\$400.00
Temporary Special Use Permit	\$25.00	(\$25.00)	\$25.00
Zoning Verification Letter	\$150.00	\$0.00	\$150.00
SUBDIVISION / PLAT APPLICATIONS			
Preliminary Plat	\$350.00 per plat, plus \$15.00 per acre	\$0.00	\$350.00 per plat, plus \$15.00 per acre
Final Plat, Replat, Conveyance Plat	\$450.00 per plat, plus \$15.00 per acre	\$0.00	\$450.00 per plat, plus \$15.00 per acre
Minor Plat, Amending Plat, Vacating Plat	\$350.00 per plat, plus \$15.00 per acre	\$0.00	\$350.00 per plat, plus \$15.00 per acre
BOARD OF ADJUSTMENT OR APPEALS			
Variance Request	\$300.00	\$50.00	\$200.00
Board of Appeals Request	\$100.00	(\$100.00)	\$100.00
ENGINEERING			
Traffic Calming Application * 02/06/15	\$50.00	\$0.00	\$50.00
Engineering Inspection Fees	4.5% of cost of public improvements	\$0.00	4.5% of cost of public improvements
Floodplain Permit	\$100.00	\$0.00	\$100.00
Grading Permit	\$150.00	\$50.00	\$100.00
Construction Plan Review	\$300.00	\$0.00	\$300.00
TEMPORARY RETAIL AND SEASONAL SALES			
Temporary Seasonal Sales (Church, school, civic and city sponsored events are exempt from this permit fee.)	\$200.00	\$0.00	\$200.00
Temporary Food Sales Permit (Must be obtained from the Dallas County Health Department and applies to all applicants that are providing food products.)	See Health & Sanitation Section		See Health & Sanitation Section
Temporary Retail Sales (Five (5) consecutive days, at six (6) month intervals by the same merchant holding Certificate of Occupancy.)	\$50.00	\$0.00	\$50.00
Electrical Fee, if applicable	\$30.00	\$15.00	\$15.00
LIBRARY			
<i>The fees for failure to return library materials within the time allowed:</i>			
Book (per day)	\$0.10	\$0.00	\$0.10
DVD (per day)	\$1.00	\$0.00	\$1.00
CD (per day)	\$0.10	\$0.00	\$0.10
E-book readers (per day)	\$5.00	\$0.00	\$5.00
Copies and/or Computer printing (black/white)	\$0.20	\$0.10	\$0.10
Copies and/or Computer printing (Color)	\$0.50	\$0.40	\$0.10
Copies (Computer printer)	\$0.00	(\$0.25)	\$0.25
MUNICIPAL COURT			

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Buidling Security Fund (State Statute)	\$3.00	\$0.00	\$3.00
Technology Fund (State Statute)	\$4.00	\$0.00	\$4.00
Granting Defensive Drive Course	Not to exceed \$10.00	\$0.00	Not to exceed \$10.00
Dismissal fee for certain traffic cases	\$10 or \$20 depending on offense type	\$0.00	\$10 or \$20 depending on offense type
Warrant Fee	\$50.00	\$0.00	\$50.00
PARKS & RECREATION			
<i>BALL FIELD RESERVATIONS AND DEPOSITS</i>			
Families, churches, businesses, organizations or individuals requesting to reserve ball field(s) shall be charged as follows (based on daily rates)			
Reservation fee	\$ 25.00/field up to 4 hours (Additional \$10.00 per field for each hour over 4 hours)	\$0.00	\$ 25.00/field up to 4 hours (Additional \$10.00 per field for each hour over 4 hours)
Light key deposit	\$25.00	\$0.00	\$25.00
Clean-up deposit (For tournaments and/or concession stand use)	\$50.00	\$0.00	\$50.00
<i>COVERED PICNIC FACILITIES AND CITY COMPLEX AMPHITHEATER FEES (BASED ON DAILY RATES)</i>			
Reservation fee	\$ 25.00/rental up to 4 hours (Additional \$10.00 per hour for each hour over 4)	\$0.00	\$ 25.00/rental up to 4 hours (Additional \$10.00 per hour for each hour over 4)
Light key deposit	\$0.00	\$0.00	\$0.00
Reservation fee for restrooms during Amphitheater rental	\$ 25.00/hour	\$0.00	\$ 25.00/hour
<i>FACILITY FEES</i>			
<i>Library Meeting Room & Old City Hall Meeting Room</i>			
Deposit (without food served)	\$25.00	\$0.00	\$25.00
Deposit (with food served)	\$50.00	\$0.00	\$50.00
Deposit (VGA/Audio Cable) Library Meeting Rm *11/17/14	\$15.00	\$0.00	\$15.00
Room rental (Non-profits)	None	\$0.00	None
Room rental (groups other than non-profits)	\$25.00	\$0.00	\$25.00
<i>Senior Activity Center Multi-Purpose Room A</i>			
Deposit	\$100.00	\$0.00	\$100.00
Room Rental	\$25.00/hour	\$0.00	\$25.00/hour
<i>SENIOR CENTER</i>			
Senior Center (Resident)	\$ 6.00 per year	\$0.00	\$ 6.00 per year
Senior Center (Non-Resident)	\$12.00 per year	\$0.00	\$12.00 per year
Daily Pick-Up/Drop-Off for Seniors (Residents only and for locations only within the City)	\$0.50/one way or \$1.00 roundtrip	\$0.00	\$0.50/one way or \$1.00 roundtrip
SOLID WASTE			
<i>Residential</i>			
Trash Collection	\$7.37	\$0.00	\$7.37
Recycle Collection	\$2.45	\$0.00	\$2.45
Bulk Collection	\$2.87	\$0.00	\$2.87
Residential Franchise Fees	\$0.50	\$0.00	\$0.50

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Additional Polycart	\$6.39	\$0.00	\$6.39
Administrative Fee	\$0.26	\$0.00	\$0.26
Polycart replacement Fee	\$75.00	\$0.00	\$75.00
Individual Bulk collection (Billed direct to customer)	\$95.00	\$0.00	\$95.00
Commercial Container Service			
Monthly per unit charge	\$24.82	\$0.00	\$24.82
Additional Polycart	\$10.66	\$0.00	\$10.66
PARK LAND DEDICATION			
Park Land dedication by developers	\$1,100 per residential lot; \$600 per multi-family dwelling unit	\$0.00	\$1,100 per residential lot; \$600 per multi-family dwelling unit
IMPACT FEE (State requires update every 5 years. Last revision 12/3/12)			
ROADWAY IMPACT FEE			
Land Use Category			
Port and Terminal			
Truck Terminal (acre)	\$15,880.78	\$0.00	\$15,880.78
Industrial			
General Light Industrial (1,000 SF GFA)	\$2,356.57	\$0.00	\$2,356.57
General Heavy Industrial (1,000 SF GFA)	\$458.80	\$0.00	\$458.80
Industrial Park (1,000 SF GFA)	\$2,085.46	\$0.00	\$2,085.46
Warehousing (1,000 SF GFA)	\$771.62	\$0.00	\$771.62
Mini-Warehouse (1,000 SF GFA)	\$625.64	\$0.00	\$625.64
Residential			
Single-Family Detached Housing (Dwelling Unit)	\$2,450.42	\$0.00	\$2,450.42
Apartment / MultiFamily (Dwelling Unit)	\$1,501.53	\$0.00	\$1,501.53
Residential Condominium/ Townhome (Dwelling Unit)	\$1,261.70	\$0.00	\$1,261.70
Mobile Home Park / Manufactured Housing (Dwelling Unit)	\$1,428.54	\$0.00	\$1,428.54
Senior Adult Housing-Detached (Dwelling Unit)	\$656.92	\$0.00	\$656.92
Senior Adult Housing-Attached (Dwelling Unit)	\$385.81	\$0.00	\$385.81
Assisted Living (Beds)	\$531.79	\$0.00	\$531.79
Lodging			
Hotel (Room)	\$761.55	\$0.00	\$761.55
Motel / Other Lodging Facilities (Room)	\$761.51	\$0.00	\$761.51
Recreational			
Golf Driving Range (Tee)	\$3,034.34	\$0.00	\$3,034.34
Golf Course (acre)	\$729.91	\$0.00	\$729.91
Recreational Community Center (1,000 SF GFA)	\$2,063.42	\$0.00	\$2,063.42
Ice Skating Rink (Seats)	\$291.96	\$0.00	\$291.96
Miniature Golf Course (Hole)	\$802.90	\$0.00	\$802.90
Multiplex Movie Theater (Screens)	\$16,076.19	\$0.00	\$16,076.19
Racquet / Tennis Club (Court)	\$8,122.87	\$0.00	\$8,122.87
Institutional			

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Church (1,000 SF GFA)	\$0	\$0.00	\$0
Day Care Center (1,000 SF GFA)	\$2,537.90	\$0.00	\$2,537.90
Primary / Middle School (1-8) (Students)	\$385.81	\$0.00	\$385.81
High School (Students)	\$312.82	\$0.00	\$312.82
Junior / Community College (Students)	\$291.96	\$0.00	\$291.96
University / College (Students)	\$510.94	\$0.00	\$510.94
Medical			
Clinic (1,000 SF GFA)	\$6,277.74	\$0.00	\$6,277.74
Hospital (Beds)	\$2,200.15	\$0.00	\$2,200.15
Nursing Home (Beds)	\$531.79	\$0.00	\$531.79
Animal Hospital / Veterinary Clinic (1,000 SF GFA)	\$4,577.59	\$0.00	\$4,577.59
Office			
Corporate Headquarters Building (1,000 SF GFA)	\$2,549.48	\$0.00	\$2,549.48
General Office Building (1,000 SF GFA)	\$2,705.89	\$0.00	\$2,705.89
Medical-Dental Office Building (1,000 SF GFA)	\$6,287.66	\$0.00	\$6,287.66
Single Tenant Office Building (1,000 SF GFA)	\$3,143.83	\$0.00	\$3,143.83
Office Park (1,000 SF GFA)	\$2,690.24	\$0.00	\$2,690.24
Commercial – Automobile Related			
Automobile Care Center (1,000 SF Occ. GFA)	\$4,921.69	\$0.00	\$4,921.69
Automobile Parts Sales (1,000 SF GFA)	\$8,258.42	\$0.00	\$8,258.42
Gasoline / Service Station (Vehicle Fueling Position)	\$19,373.92	\$0.00	\$19,373.92
Gasoline / Service Station w Conv Market (Vehicle Fueling Position)	\$14,274.97	\$0.00	\$14,274.97
Gasoline / Service Station w/ Conv Market and Car Wash (Vehicle Fueling Position)	\$14,869.33	\$0.00	\$14,869.33
New Car Sales (1,000 SF GFA)	\$5,025.96	\$0.00	\$5,025.96
Quick Lubrication Vehicle Shop (Servicing Bays)	\$6,287.66	\$0.00	\$6,287.66
Self-Service Car Wash (Stall)	\$6,715.18	\$0.00	\$6,715.18
Tire Store (1,000 SF GFA)	\$7,246.97	\$0.00	\$7,246.97
Commercial – Dining			
Fast Food Restaurant with Drive-Thru Window (1,000 SF GFA)	\$12,057.22	\$0.00	\$12,057.22
Fast Food Restaurant without Drive-Thru Window (1,000 SF GFA)	\$4,441.03	\$0.00	\$4,441.03
High Turnover (SitDown) Restaurant (1,000 SF GFA)	\$1,903.33	\$0.00	\$1,903.33
Quality Restaurant (1,000 SF GFA)	\$1,268.79	\$0.00	\$1,268.79
Coffee / Donut Shop with Drive-Thru Window (1,000 SF GFA)	\$10,788.44	\$0.00	\$10,788.44
Commercial – Other Retail			
Free-Standing Retail Store (1,000 SF GFA)	\$4,363.83	\$0.00	\$4,363.83
Nursery (Garden Center) (1,000 SF GFA)	\$3,686.05	\$0.00	\$3,686.05
Home Improvement Superstore (1,000 SF GFA)	\$1,496.32	\$0.00	\$1,496.32
Pharmacy / Drugstore without Drive-Thru Window (1,000 SF GFA)	\$4,796.56	\$0.00	\$4,796.56
Pharmacy / Drugstore with Drive-Thru Window (1,000 SF GFA)	\$6,397.15	\$0.00	\$6,397.15

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Shopping Center (1,000 SF GFA)	\$2,982.21	\$0.00	\$2,982.21
Supermarket (1,000 SF GFA)	\$8,143.72	\$0.00	\$8,143.72
Toy / Children's Superstore (1,000 SF GFA)	\$4,233.49	\$0.00	\$4,233.49
Department Store (1,000 SF GFA)	\$1,511.96	\$0.00	\$1,511.96
Video Rental Store (1,000 SF GFA)	\$16,485.56	\$0.00	\$16,485.56
Services			
Walk-In Bank (1,000 SF GFA)	\$17,642.99	\$0.00	\$17,642.99
Drive-In Bank (Drive-In Lanes)	\$33,179.67	\$0.00	\$33,179.67
Hair Salon (1,000 SF GFA)	\$2,815.37	\$0.00	\$2,815.37
WATER IMPACT FEE			
Simple 5/8" X 3/4"	\$2,521.69	\$0.00	\$2,521.69
Simple-Residential 3/4"	\$2,521.69	\$0.00	\$2,521.69
Simple-Commercial 3/4"	\$3,782.54	\$0.00	\$3,782.54
Simple 1"	\$6,304.24	\$0.00	\$6,304.24
Simple 1 1/2"	\$12,608.48	\$0.00	\$12,608.48
Simple 2"	\$20,173.57	\$0.00	\$20,173.57
Compound 2"	\$20,173.57	\$0.00	\$20,173.57
Turbine 2"	\$25,216.95	\$0.00	\$25,216.95
Compound 3"	\$40,347.13	\$0.00	\$40,347.13
Turbine 3"	\$60,520.70	\$0.00	\$60,520.70
Compound 4"	\$63,042.39	\$0.00	\$63,042.39
Turbine 4"	\$105,911.22	\$0.00	\$105,911.22
Compound 6"	\$126,084.78	\$0.00	\$126,084.78
Turbine 6"	\$231,996.00	\$0.00	\$231,996.00
Compound 8"	\$201,735.65	\$0.00	\$201,735.65
Turbine 8"	\$403,471.30	\$0.00	\$403,471.30
Compound 10"	\$289,995.00	\$0.00	\$289,995.00
Turbine 10"	\$630,423.91	\$0.00	\$630,423.91
Turbine 12"	\$832,159.56	\$0.00	\$832,159.56
WASTEWATER IMPACT FEE (Meter Equivalent)			
Simple 5/8" X 3/4"	\$1,857.68	\$0.00	\$1,857.68
Simple-Residential 3/4"	\$1,857.68	\$0.00	\$1,857.68
Simple-Commercial 3/4"	\$2,786.53	\$0.00	\$2,786.53
Simple 1"	\$4,644.21	\$0.00	\$4,644.21
Simple 1 1/2"	\$9,288.42	\$0.00	\$9,288.42
Simple 2"	\$14,861.47	\$0.00	\$14,861.47
Compound 2"	\$14,861.47	\$0.00	\$14,861.47
Turbine 2"	\$18,576.83	\$0.00	\$18,576.83
Compound 3"	\$29,722.94	\$0.00	\$29,722.94
Turbine 3"	\$44,584.40	\$0.00	\$44,584.40
Compound 4"	\$46,442.09	\$0.00	\$46,442.09
Turbine 4"	\$78,022.71	\$0.00	\$78,022.71
Compound 6"	\$92,884.17	\$0.00	\$92,884.17
Turbine 6"	\$170,906.88	\$0.00	\$170,906.88
Compound 8"	\$148,614.68	\$0.00	\$148,614.68

**MASTER FEE SCHEDULE
FY 2017**

	Effective 10/01/2016	Proposed Fee Increase Change	Prior Year Effective 10/01/2015
Turbine 8"	\$297,229.36	\$0.00	\$297,229.36
Compound 10"	\$213,633.60	\$0.00	\$213,633.60
Turbine 10"	\$464,420.87	\$0.00	\$464,420.87
Turbine 12"	\$613,035.55	\$0.00	\$613,035.55
	Removal requested	\$905.25	

**UTILITY MULTI YEAR
MASTER FEE SCHEDULE**

WATER	Effective 10/01/2016	Effective 10/01/2017	Effective 10/01/2018	Proposed Fee Increase Change	PY Fee
Water Meter Base Rate by meter size (Residential)					
5/8" - 3/4"	\$14.15	\$15.57	\$16.50	\$1.84	\$12.31
1"	\$14.15	\$15.57	\$16.50	\$1.84	\$12.31
1.5"	\$14.15	\$15.57	\$16.50	\$1.84	\$12.31
2"	\$14.15	\$15.57	\$16.50	\$1.84	\$12.31
Water Meter Base Rate by meter size (Non-Residential)					
5/8" - 3/4"	\$14.15	\$15.57	\$16.50	\$1.84	\$12.31
1"	\$22.38	\$24.62	\$26.10	\$2.92	\$19.46
1.5"	\$36.15	\$39.77	\$42.16	\$4.71	\$31.44
2"	\$52.65	\$57.92	\$61.39	\$6.87	\$45.78
3"	\$85.60	\$85.60	\$85.60	\$0.00	\$85.60
4"	\$114.10	\$114.10	\$114.10	\$0.00	\$114.10
6" and above	\$285.30	\$285.30	\$285.30	\$0.00	\$285.30
Water Meter Base Rate by meter size (Irrigation)					
5/8" - 3/4"	\$14.15	\$15.57	\$16.50	\$1.84	\$12.31
1"	\$22.38	\$24.62	\$26.10	\$2.92	\$19.46
1.5"	\$36.15	\$39.77	\$42.16	\$4.71	\$31.44
2"	\$52.65	\$57.92	\$61.39	\$6.87	\$45.78
3"	\$85.60	\$85.60	\$85.60	\$0.00	\$85.60
4"	\$114.10	\$114.10	\$114.10	\$0.00	\$114.10
6" and above	\$285.30	\$285.30	\$285.30	\$0.00	\$285.30
Tier Rate Detail by water usage per 000's gallons					
0-10,000	\$4.89	\$5.38	\$5.71	\$0.63	\$4.26
10,0001-15,000	\$6.10	\$6.71	\$7.11	\$0.80	\$5.30
15,001-20,000	\$7.34	\$8.07	\$8.56	\$0.96	\$6.38
20,001-30,000	\$8.56	\$9.42	\$9.98	\$1.11	\$7.45
Over 30,000 gallons	\$9.79	\$10.77	\$11.41	\$1.28	\$8.51
Water Meter Deposits					
5/8" - 3/4"	\$100.00	\$100.00	\$100.00	\$0.00	\$100.00
1"	\$150.00	\$150.00	\$150.00	\$0.00	\$150.00
1.5"	\$175.00	\$175.00	\$175.00	\$0.00	\$175.00
2"	\$200.00	\$200.00	\$200.00	\$0.00	\$200.00
3"	\$300.00	\$300.00	\$300.00	\$0.00	\$300.00
4"	\$400.00	\$400.00	\$400.00	\$0.00	\$400.00
6" and above	\$600.00	\$600.00	\$600.00	\$0.00	\$600.00
Multi-family Unit	\$100.00	\$100.00	\$100.00	\$0.00	\$100.00
Real Estate properties(per 5 units)	\$150.00	\$150.00	\$150.00	\$0.00	\$150.00
Late Charge	10% . Not to exceed \$50 per statement	10% . Not to exceed \$50 per statement	10% . Not to exceed \$50 per statement	\$0.00	10% . Not to exceed \$50 per statement
Disconnect/Reconnect Service Fee	\$35.00	\$35.00	\$35.00	\$0.00	\$35.00
Disconnect/Reconnect Fee (after 4 p.m.)	\$75.00	\$75.00	\$75.00	\$0.00	\$75.00
Returned Check Fee	\$35.00	\$35.00	\$35.00	\$0.00	\$35.00
Transfer Fee	\$10.00	\$10.00	\$10.00	\$0.00	\$10.00
Tampering Fee	\$250.00 minimum plus the actual costs of any damage to City property.	\$250.00 minimum plus the actual costs of any damage to City property.	\$250.00 minimum plus the actual costs of any damage to City property.	\$0.00	\$250.00 minimum plus the actual costs of any damage to City property.
Meter Testing	Reimburse the City actual costs of meter testing plus shipping and handling.	Reimburse the City actual costs of meter testing plus shipping and handling.	Reimburse the City actual costs of meter testing plus shipping and handling.	\$0.00	Reimburse the City actual costs of meter testing plus shipping and handling.
Meter Box	\$75.00	\$75.00	\$75.00	\$0.00	\$75.00
Meter Lid	\$25.00	\$25.00	\$25.00	\$0.00	\$25.00
Trip Charge	\$35.00	\$35.00	\$35.00	\$0.00	\$35.00
Obstruction Charge	\$10.00	\$10.00	\$10.00	\$0.00	\$10.00
Water Meter Installation Fee					

**UTILITY MULTI YEAR
MASTER FEE SCHEDULE**

WATER	Effective 10/01/2016	Effective 10/01/2017	Effective 10/01/2018	Proposed Fee Increase Change	PY Fee
5/8" - 3/4"	\$225.00	\$225.00	\$225.00	\$0.00	\$225.00
1"	\$300.00	\$300.00	\$300.00	\$0.00	\$300.00
1.5"	\$520.00	\$520.00	\$520.00	\$0.00	\$520.00
2"	\$675.00	\$675.00	\$675.00	\$0.00	\$675.00
3" and above	Developer installs/bears cost	Developer installs/bears cost	Developer installs/bears cost	\$0.00	Developer installs/bears cost
Water Meter Installation Fee (Installation Cost when tap is not present (single family and/or multi-family))					
5/8" - 3/4"	\$225.00	\$225.00	\$225.00	\$0.00	\$225.00
1"	\$300.00	\$300.00	\$300.00	\$0.00	\$300.00
1.5"	\$520.00	\$520.00	\$520.00	\$0.00	\$520.00
2"	\$675.00	\$675.00	\$675.00	\$0.00	\$675.00
3" and above	Developer installs/bears cost	Developer installs/bears cost	Developer installs/bears cost	\$0.00	Developer installs/bears cost
Tap Fee					
5/8" - 3/4"	\$300.00	\$300.00	\$300.00	\$0.00	\$300.00
1"	\$300.00	\$300.00	\$300.00	\$0.00	\$300.00
1.5"	\$322.00	\$322.00	\$322.00	\$0.00	\$322.00
2"	\$345.00	\$345.00	\$345.00	\$0.00	\$345.00
3" and above	Developer installs/bears cost	Developer installs/bears cost	Developer installs/bears cost	\$0.00	Developer installs/bears cost
Bore Fee					
5/8" - 3/4"	\$450.00	\$450.00	\$450.00	\$0.00	\$450.00
1"	\$500.00	\$500.00	\$500.00	\$0.00	\$500.00
1.5"	\$500.00	\$500.00	\$500.00	\$0.00	\$500.00
2"	\$500.00	\$500.00	\$500.00	\$0.00	\$500.00
3" and above	Developer installs/bears cost	Developer installs/bears cost	Developer installs/bears cost	\$0.00	Developer installs/bears cost
Fire Hydrant Meter					
Fire Hydrant Meter Deposit (refundable)	\$875.00	\$875.00	\$875.00	\$275.00	\$600.00
Fire Hydrant Meter Connect Fee	\$25.00	\$25.00	\$25.00	\$0.00	\$25.00
Fire Hydrant minimum monthly bill	\$25.00	\$25.00	\$25.00	\$0.00	\$25.00
SEWER					
Residential					
Meter	\$10.82	\$11.26	\$11.71	\$1.30	\$10.41
Volume charge per 1,000 gal.	\$6.02	\$6.27	\$6.52	\$0.73	\$5.79
Non-Residential					
5/8" - 3/4"	\$17.49	\$18.19	\$18.92	\$2.10	\$16.82
1"	\$28.61	\$29.76	\$30.95	\$3.44	\$27.51
1.5"	\$41.99	\$43.66	\$45.41	\$5.04	\$40.37
2" and above	\$55.46	\$57.68	\$59.99	\$6.66	\$53.33
Volume charge per 1,000 gal.	\$6.02	\$6.27	\$6.52	\$0.73	\$5.79

\$339.82



City of Sachse, Texas

Legislation Details (With Text)

File #:	16-3436	Version:	1	Name:	UB Ordinance Review
Type:	Discussion Item	Status:		Status:	Agenda Ready
File created:	7/21/2016	In control:		In control:	City Council Workshop
On agenda:	8/1/2016	Final action:		Final action:	
Title:	Discuss an Ordinance amending the Code of Ordinances, Chapter 10, "Utilities," by amending Section 2 "Sewer Service Fees" and Section 3 "Water and Sewer Service Billing Procedures" to provide for service billing policies and procedures.				
Sponsors:					
Indexes:					
Code sections:					
Attachments:	Sec. 10 Utilities with markup 06.15 UB Ordinance Review 2016.pdf				

Date	Ver.	Action By	Action	Result
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Title

Discuss an Ordinance amending the Code of Ordinances, Chapter 10, "Utilities," by amending Section 2 "Sewer Service Fees" and Section 3 "Water and Sewer Service Billing Procedures" to provide for service billing policies and procedures.

Background

Utility billing fees and procedures should be reviewed on a regular basis to remain consistent with the current economic climate and recommended practices in order to recover the cost of providing water and sewer services to the City. The proposed changes are being presented in conjunction with the annual review of the Master Fee Schedule.

Below is a listing of proposed changes:

1. Define the conditions under which a customer may apply for an adjustment to the calculated sewer average. Section 10-2, A (3).
2. New residents to be charged the city-wide average sewer volume until the next rate-setting calculation period is completed. Section 10-2, A (5).
3. Add e-billing as a method for billing statement delivery; change last working day of month to designated working day; due date defined as 20 calendar days following the billing date. Section 10-3, A (1).
4. Returned check fee dollar amount removed and replaced with "as adopted in the Master Fee Schedule." Section 10-3, C (1)
5. Define the usage required to qualify for an adjustment to water charges due to a leak, and the billing calculation to be used. All water consumer must be billed, but at the lowest possible rate--the

rate the City pays NTMWD for water used. Section 10-3, D (4)

6. Define the conditions under which a customer may apply for a rate adjustment related to swimming pool repairs. Section 10-3, D (5)

7. Transfer of service for residential customers only, with account current and in good standing. Section 10-3, F (1)

8. Transfer fee dollar amount removed, replace with "as adopted in the Master Fee Schedule." Section 10-3, F (2)

9. Remove the dollar amount charged for a fire hydrant meter and replace with "as adopted in the Master Fee Schedule." Section 10-3, G (2)

10. Monthly minimum use fee for fire hydrant meters, remove amount and replace with "as adopted in the Master Fee Schedule." Section 10-3, G (3)

11. Lost or stolen fire hydrant meter, customer responsible for full cost of repairs or replacement in addition to estimated usage. Section 10-3, G (5)

12. Minor change in language related to fire hydrant meter readings. Section 10-3, G (6)

Policy Considerations

Changes to the Code of Ordinances should be by amending Ordinance. Proposed changes will clarify billing procedures for customers in special situations.

Budgetary Considerations

Proposed changes are not expected to have a material effect on proposed budgeted revenues.

Staff Recommendations

Discuss and provide feedback to staff. Consideration of amending ordinance will be included on August 15, 2016 agenda.

Code of Ordinance

Chapter 10 UTILITIES [↗](#)

[Sec. 10-1. Water service fees.](#)

[Sec. 10-2. Sewer service fees.](#)

[Sec. 10-3. Water and sewer service billing procedures.](#)

[Sec. 10-4. Requirements for water and sewer service.](#)

[Sec. 10-5. Discharge of swimming pool water.](#)

[Sec. 10-6. Regulating the discharge of industrial wastes into public sewers.](#)

[Sec. 10-7. Water conservation and drought contingency and water emergency response plan.](#)

[Sec. 10-8. Testing of backflow prevention assemblies.](#)

Sec. 10-1. - Water service fees.

The rates and charges for services of the waterworks system of the City of Sachse, Texas, shall consist of a minimum rate for usage and a meter deposit fee as required by this section.

- A. Water rate schedule. Each residential, business, and industrial user of the waterworks system shall be charged a monthly rate of the user's consumption and collected by the city from all customers obtaining service from the waterworks system and according to the rate schedule adopted in the Master Fee Schedule.
- B. Meter deposits. Meter deposits are established by meter size according to the rate schedule adopted in the Master Fee Schedule:
 - (1) A deposit for an additional water meter at a single address will not be required if the original deposit has been refunded for good pay. If the original deposit has not been refunded, a deposit for each additional meter at a single address will be required.
 - (2) Floating deposits which are established by real estate companies and others to keep their properties in service during the time they are showing potential buyers shall be \$150.00 for each five units.
 - (3) The deposit may be refunded if the customer's account is determined to be current and in good standing at the end of the initial 12 months of service. The account shall be considered in good standing if during the 12-month period there were no disconnects, no non-sufficient funds (NSF) checks, no more than one late penalty, and the account is current. The refund will be applied to the customer's account.
 - (4) A deposit payment is required to reactivate a discontinued service.

(Ord. No. 10.18, 11-2-87; Ord. No. 840, 11-6-89; Ord. No. 903, 9-26-90; Ord. No. 1373, 6-17-96; Ord. No. 1771, 9-5-00; Ord. No. 1983, § 1, 1-6-03; Ord. No. 3223, § 1, 7-6-10; Ord. No. 3297, § 1, 7-5-11; Ord. No. 3602, § 1, 8-4-14)

Sec. 10-2. - Sewer service fees.

The rates and charges for services of the sanitary sewer system of the city shall consist of a base rate for debt service and system depreciation, and a user charge for system operation and maintenance.

Code of Ordinance

- A. Residential. Each residential user of the sewer system shall be charged a monthly rate for services from the sanitary sewer system according to the following method of calculation:
- (1) The winter months of November, December, January, February and March preceding the rate-setting period shall be used as the basis for calculating a residential customer's monthly charge.
 - (2) The highest use month and the lowest use month of the five winter months shall be deleted from all calculations. The three remaining months shall be averaged to determine a monthly volume for rate-setting purposes.
 - (3) Adjustments to the calculated sewer rate can only occur in the event the user, consumer, and/or subscriber shall apply for an adjustment for water usage due to a leak during the winter averaging months. The burden of proof will be on the customer to establish that there is a leak and that it is not the result of his own negligence or omission. An application for an adjustment can be made over the telephone, by e-mail, or by letter. The city will evaluate a current customer's account when a leak has been reported. The customer should produce a receipt for repair parts as evidence that the high consumption actually resulted from a water leak that is now repaired. When the next month's reading is obtained and the consumption is in line with prior consumption amounts, the amount of the adjustment can be calculated for the rate-setting period. This insures that the water leak has been corrected. Evaluation of an adjustment to the sewer average rate must be received annually by April 30.
 - (43) This calculated monthly volume shall apply for all 12 months of the rate-setting period.
 - (5) New residents shall be assigned the city-wide sewer average rate until the following rate-setting calculation period. The method of calculation detailed in this section shall then be applied.
 - (64) Wastewater rate schedule adopted in the Master Fee Schedule.
 - (75) Industrial users who discharge wastes into said sewer system which are of greater strength than normal domestic waste, shall be charged in addition to the business rate as adopted in the Master Fee Schedule, an amount equivalent to the costs required to treat the additional strength to an acceptable level.
 - (86) Industrial users who discharge wastes into said sewer system shall pay the capital costs of the capacity of those facilities required to transport and treat such wastes.

(Ord. No. 623, 11-16-87; Ord. No. 1238, 2-20-95; Ord. No. 1531, 11-17-97; Ord. No. 1771, 9-5-00; Ord. No. 2010, § 1, 4-21-03; Ord. No. 3223, § 1, 7-6-10; Ord. No. 3602, § 1, 8-4-14)

Sec. 10-3. - Water and sewer service billing procedures.

A. General.

- (1) Each residential, commercial, and industrial utility user shall be billed monthly for water, sewer, and other services and charges as may be applicable. The city will mail or electronically deliver a statement to each user for water, sewer, and solid waste services on the ~~designated last~~ working day ~~of the month~~. Utility bills are due upon receipt. Utility bill shall be paid not later than ~~the 20th~~ 20 calendar days of the month following billing (the final due date). If not paid by the final due date, the user shall be subject to the penalties set forth in paragraph B-3 below. Billing statements are considered delivered when mailed to the user's physical or email address as shown in the

Code of Ordinance

records of the city. If returned by the U.S. Postal Service, the city shall mail the statement to any forwarding address available.

- (2) The city shall charge a new customer a reasonable tapping fee for providing service from the city's systems to the customer's property line. Placement and location of the tap lines shall be at the discretion of the city. The customer, prior to the commencement of water service, shall pay the required tap fees and all other charges and deposits required for connection of his property to the city's water and/or sewer system. For additional information on water and sewer connections, refer to section 8-2, paragraph F of this Code.
 - (3) In order to obtain service, all users, consumers, and/or subscribers must complete an application for water, sewer, and solid waste services, as may be applicable, and pay all fees, charges, and deposits in accordance with fee schedules as set forth in this chapter.
 - (4) Dual or multiple connections (more than one user on a single meter) shall be prohibited except where a master meter is permitted for a mobile home park or apartment complex.
 - (5) No free water or sewer service will be permitted. It shall be unlawful for any person to take or use water from the city water system without the written consent of the city. It shall also be unlawful for any person to tamper with, or interfere in any manner, with any water meters, service mains, or any other water department property. Refer to section 10-4 of this Code for additional requirements for water and sewer services, as well as prohibitions and penalties.
 - (6) It shall be unlawful for any person to interfere with the flow of water in any water main or cause the flow of water to cease or to cause the flow of water to diminish in pressure to any degree, without the written consent of the city.
 - (7) The waterworks system is operated on a fully metered basis. All services for water are metered. At its discretion, the city shall install and provide water meters that can be electronically read. All water meters are read on a monthly basis in a city wide metering cycle. The city reserves the right to implement cycle billing as may be deemed necessary for all residential, commercial, and industrial consumers.
 - (8) Each residential, commercial, and industrial user of the sanitary sewer system is charged for sewer services based on water consumption as set forth in this chapter.
- B. Failure to pay, loss of service, penalties, reconnect fees, after hours service fees, and tampering fees.
- (1) Payment is due no later than 20 days following the statement date, at which time the city reserves the right to discontinue water service for failure to pay utility accounts in full. The finance department will review all delinquent accounts and consider any extenuating circumstances resulting in nonpayment, upon notification by customer.
 - (2) Whenever the water service furnished by the city has been disconnected because of the failure to pay, a reconnection charge, a utility deposit and all delinquent charges shall be paid to the city before service is restored.
 - (3) There will be a late charge equal to ten percent of the outstanding bill added to a customer's account for payments not received by the close of business on the due date, which is no later than 20 days following the statement date. Such late charge will not exceed \$50.00 for any one statement. Late charges are applied to all outstanding balances carried forward. If the due date falls on a Saturday, Sunday, or legal holiday as declared by the city, bills are due by the close of business on the next regularly scheduled workday. Notices will be mailed to customers who have not paid by the due date; the notice will include the date after which service will be terminated if not paid, and no further notice will be given.
 - (4) There will be a disconnect service fee assessed on all accounts disconnected for non-payment as adopted in the Master Fee Schedule. If accounts are reconnected after 4:00 p.m. on a weekday

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or during the weekend, the city will charge the consumer's account the after hours service fee as adopted in the Master Fee Schedule.

- (5) Tampering fees as adopted in the Master Fee Schedule will be assessed when a customer violates city policy and tampers with the metered service. The amount charged will include the adopted fee plus any damage to city property.

C. Returned check fees and charges.

- (1) An attempted payment by a customer with a check which is dishonored by the bank on which it is drawn shall constitute failure to pay. A ~~\$35.00 returned check charge~~ as adopted in the Master Fee Schedule will be assessed for each returned check. Service may be disconnected due to nonpayment resulting from a dishonored check and reconnect charges as applicable in accordance with subsection B.(4) above shall be applied.
- (2) A consumer's service will only be reestablished or reconnected when all fees, charges, and original amount of check have been paid in full by cash, money order, or cashier's check.
- (3) The city will accept only cash, money order, or cashier's checks for consumer accounts that have a history of returned checks and in order to restore service for disconnections for nonpayment.

D. Adjustments made for consumption and related charges.

- (1) The finance department may allow reasonable adjustments for consumption and related charges for water and sewer where deemed reasonable under the known facts in order to insure fairness, equity, and reasonableness. The city's finance department may make payment agreements with customers on payment of high water bills. If the recommended adjustment or agreement is not acceptable to the consumer, he may appeal the decision to the city manager, whose determination shall be final.
- (2) In the event the current user, consumer, and/or subscriber shall apply for an adjustment for water usage due to a leak, the burden of proof will be on the customer to establish that there is a leak and that it is not the result of his own negligence or omission. An application for an adjustment can be made over the telephone, by e-mail, or by letter.
- (3) The city will provide for a credit to be made to a current customer's account when a leak has been detected. In order to receive this credit, the customer should produce a receipt for repair parts as evidence that the high consumption actually resulted from a water leak that is now repaired. When the next month's reading is obtained and the consumption is in line with prior consumption amounts, the amount of the credit can be calculated. This insures that the water leak has been corrected.
- (4) An adjustment for consumption will be based on ~~the~~ historic usage value average for the same consumption period in the previous year. All consumption above the prior year will be charged the current NTMWD rate. ~~if available. If a historic reasonable consumption average value is cannot available be established, then~~ the customer will be charged the current NTMWD rate for all water consumed above the City-wide average for the established leak period. The city's utility billing department will make the approved and agreed upon adjustment on the affected consumer's account.

- (5) In the event the current user, consumer, and/or subscriber shall apply for a tier adjustment for a swimming pool repair and refill, the burden of proof will be on the customer to establish that a swimming pool repair occurred and that it is not the result of his own negligence or omission. An application for a tier adjustment can be made by email or by letter. Necessary application documentation should include a repair receipt from a licensed swimming pool technician and the

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meter reading prior to refilling and meter reading at the completion of the refill. Pictures of the face of the meter before and after the swimming pool refill will satisfy the odometer documentation. Only gallons consumed for the pool refill will be billed at the lowest tier.

(65) The city is responsible for maintenance of water mains and meters. The customer is responsible for maintenance of the water line located on his property. All leaks must be repaired by the responsible party immediately to conserve water.

E. Meter testing, meter change out, and meter re-reads.

- (1) Upon request of a customer the city will have the water meter tested for accuracy by a certified testing company. If the meter is found to be under registering, the customer will reimburse the city an amount equal to the cost of the meter testing to cover the testing expenses plus shipping and handling costs. If the meter is found to be over registering, then the city will be responsible for payment of all costs associated with the meter test, will credit the customer the percentage amount the test showed the meter was over registering for the preceding billing period, and will install without charge a new meter for the customer. In this instance, there will be no reconnect charges.
- (2) If a consumer complains of the reading for water supplied and demands a re-read, the city will re-read the meter at no cost. The city has standard operating procedures for automatic re-reads that are controlled by parameters entered into the city's electronic meter reading devices for high/low readings. Each customer is allowed two re-reads in a 12-month period at no charge. Additional re-reads will be assessed a trip fee as adopted in the Master Fee Schedule.

F. Transfer services from residence to residence.

- (1) Residential customers only shall be able to transfer services between residences without making application for new service and paying a new deposit provided the existing account is current and in good standing. A transfer of service request can be made by telephone, letter, or e-mail.
- (2) The customer's new account will be charged a ~~\$10.00~~ transfer fee as adopted in the Master Fee Schedule. A statement of final services will be issued on the old account. The deposit on the old account will be transferred to the new account.

G. Fire hydrant meter policies.

- (1) Fire hydrant hook-ups may be authorized by the public works department for the purpose of initial hydro-mulching installation, special irrigation, roadwork, or other finish out work being performed in the city. Customers wishing to apply for a fire hydrant meter must complete a written application at the public works service center and pay all applicable fees and deposits. Applicants must comply with all regulatory ordinances pertaining to conservation. It shall be unlawful for any person to use water from any fire hydrant except as provided by this section.
- (2) Applicants for fire hydrant meters must pay an initial deposit for service as adopted in the Master Fee Schedule ~~of \$600.00 for service~~. An additional fee ~~of \$25.00~~ will be charged to set and/or connect the meter on location as adopted in the Master Fee Schedule. The deposit is refundable upon return of the fire hydrant meter if all applicable fees and water charges have been paid in full. The deposit may be applied to the final bill for cost of water used.
- (3) The customer will be charged a monthly minimum use fee as adopted in the Master Fee Schedule ~~of \$25.00~~, plus the cost of water used. The ~~\$25.00~~ fee will be assessed on the next business day after issuance of a permit and is not prorated for the month.
- (4) Water purchased from a fire hydrant shall be charged at the same rate as residential customers as referenced in section 10-1-A of this chapter.

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- (5) If the meter is returned in acceptable condition, upon inspection of the director of public works or his designee within seven business days of disconnection, the deposit will be returned upon payment of metered bill. Repair of fire hydrant meters and/or fire hydrants will be made by the city and the cost of repair deducted from the meter deposit. If the meter is lost or stolen, the cost of a replacement meter will be assessed against the meter deposit. Any cost overage will be charged to the metered bill in addition to the estimated consumption for the period of loss.
 - (6) The city will be responsible for obtaining readings for fire hydrant meters and billing the customer for water used and related fees.
- H. Letter of credit in lieu of utility deposits.
- (1) Letters of credit reference from another city or utility, indicating a good payment history of an applicant for service, may be allowed and accepted by the city in lieu of deposits for service.
 - (2) The city will accept letters of credit reference from a current utility where an applicant for water service has had at least a 24-month service history with that current utility.
 - (3) Applicants for city water services that are 62 years of age or older shall be exempt from paying the required utility deposit.
 - (4) The city will issue a form letter of payment record upon request of a customer for same purpose.
- I. Online/telephone payments. The per transaction convenience fee for payments made through cityofsachse.com will be paid by the customer.

(Ord. No. 327, 11-1-82; Ord. No. 618, 11-2-87; Ord. No. 623, 11-16-87; Ord. No. 840, 11-6-89; Ord. No. 1019, 3-2-92; Ord. No. 1306, 10-2-95; Ord. No. 1306, § II, 10-2-95; Ord. No. 1950, § 1, 7-15-02; Ord. No. 3297, § 1, 7-5-11; Ord. No. 3602, § 1, 8-4-14)

Sec. 10-4. - Requirements for water and sewer service.

- A. Owners of property to give notice of vacancy. Every owner of property to which water or sewerage service is furnished by the water utilities department, or the designated agent or owner, shall give notice on the next business day when the property becomes vacant or when vacant property becomes occupied.
- B. Refusal of service for delinquency. Service shall not be furnished to any person who is delinquent in the payment of any bill owed to the City of Sachse for water or sewerage service.
- C. Unlawful use of water. No person shall:
- (1) Prevent water from passing through a meter which is used by the water utilities department to supply water to a customer;
 - (2) Prevent a meter used by the water utilities department from registering the quantity of water supplied to a customer;
 - (3) Interfere with the proper and accurate registration upon a meter used by the water utilities department of the amount of water supplied to a customer;
 - (4) Divert water, by the use of any device, from a pipe or pipes of the water utilities department; or
 - (5) Refuse to deliver any meter or other appliance of the water utilities department, in his possession, custody or control, to the water utilities department upon request of the director.
- D. Use of water prohibited. Any person or entity which takes water in violation of this chapter, in addition to other penalties prescribed by this Code, shall be liable for payment for the water taken computed in accordance with the terms and rates set forth in this chapter.

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- E. New service not to be installed until application is made. Before any water service shall be installed to serve any premises from the city water mains within or without the city, the owner and tenant or occupant of the premises shall make written application for water service. No permit for any connection with the water mains or service lines of the waterworks system shall be issued until such application is accepted by the waterworks department.
- F. Control of meters and waterworks equipment generally. All meters, curb cocks, valves, fixtures, meter boxes and appurtenances thereto, connected or used by the water utilities department system, including those furnished at the expense of the customers or property owners shall remain under the direct control of the water utilities department. No person, unless authorized by the water utilities department shall connect, disconnect, alter, move or tamper with any such equipment.
- G. Using or furnishing water without permission. It shall be unlawful for any person to take or use water from the system of the waterworks department except under the terms and conditions specified in this chapter. All owners and occupants of property are hereby prohibited from furnishing water to any person occupying other premises for any purpose whatsoever without the written consent of the waterworks department.
- H. Obstruction of access to system generally. No person shall place upon or about any fire hydrant, valve, manhole, curb cock, meter or meter box, connected with any water pipe of the water utilities department, whether located on public or private property, any object, debris or structure which will prevent free access to the same. Employees of the city shall have free and unobstructed access at all times to meters and other property of the water utilities department wherever located. No person shall deny any city employee access to any of said property, or create a hazardous condition in or around such property, or place an animal at or near said property which will interfere with free access thereto. One notice of obstruction will be provided to the service address free of charge. Water consumption will be estimated based on the customer's consumption history, if available. If not available, the citywide average volume for the billing period will be the estimate. If access is still denied after 30 days, an obstruction fee will be charged monthly until access is available. No person shall interfere with the performance of any lawful duty of any city employee by obstructing said employee in the discharge of his duties, either physically or by gestures, threats or otherwise.
- I. Destroying or defacing equipment. Any person who unlawfully, willfully or maliciously injures, defaces or destroys any reservoir, machinery, pipes, hydrants, meters, meter boxes, lids or other fixtures, properties or supplies belonging to the waterworks department or who uses or takes from the waterworks department any water supplies or property except in accordance with the rules and regulations, shall be deemed guilty of a misdemeanor.
- J. Connecting to or turning on water without permission; interference with system generally. Any person who shall tap or connect with the waterworks of the city, or who shall turn on the water from such waterworks, without first having obtained a permit to do so from the waterworks department, or who shall interfere with any water meter, service, main, standpipe or any other waterworks property, shall be deemed guilty of a misdemeanor.
- K. Communicating electricity to pipes.
 - (1) It shall be unlawful for any person to make or cause or permit to be made any metallic connections either directly or indirectly, with the water mains, laterals, supply or service pipes, of the waterworks department of the city or any private pipes, mains or laterals which are connected to or with any such water mains, laterals, supply or service pipes of the waterworks department of the city, whereby any electrical current shall be communicated to or transmitted along or through such water mains, laterals, supply or service pipes of the waterworks department of the city.
 - (2) It shall be unlawful for any person to communicate any current of electricity to, or transmit the same along or through, or cause or permit any current of electricity to be communicated to or transmitted along or through any water main, lateral, pipes or wires or any metal of any sort that is a conductor of electricity that shall hereafter be metallically connected, bonded or joined to or

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with any water mains, laterals, supply or service pipes of the waterworks department of the city in violation of this section.

- L. Work to be done by plumbers; unauthorized changes or connections.
 - (1) It shall be unlawful for anyone other than a plumber, licensed or operating under the plumbing code of the city, to make a direct connection of a service line onto the outlet side of the city water meter.
 - (2) Whenever such plumber shall use city water in testing pipes or repairing fixtures he shall, before leaving the premises, turn the curb cock to the position he found it when he first opened the meter box, and it shall be the duty of such plumber to notify the waterworks department immediately of every instance in which he finds or has reason to believe that anyone has tampered with any meter box, meter or other waterworks equipment.
 - (3) In case any unauthorized connections are found to have been made, fixtures added and no permit taken for same, water shall be disconnected from such premises until corrections have been made and all permit fees have been paid.
 - (4) It shall be unlawful for any such plumber to leave any trench, ditch or excavation on any public right-of-way, such as any sidewalk, street, alley, parkway or any other public way, left open for inspection, unless the same is properly barricaded and lighted, and when the work has been inspected and approved by the city, such plumber shall backfill and securely tamp any such trench, ditch or excavation so that the public right-of-way shall be safe for both pedestrian and vehicular travel. Failure to comply with this provision shall render such plumber primarily liable for any damage or injury to person or property resulting therefrom.
 - (5) Failure of any plumber who does work, whether under a permit or in violation of this Code without a permit, to promptly pay all charges and permit fees when a bill is rendered therefore by the city water and sanitary sewer department, shall authorize the city, acting by and through its superintendent of waterworks department, to withhold any further permits pending payment of such charges and fees.
- M. Exposing meters or fire hydrants to damage; moving meters or hydrants. It shall be unlawful to build driveways, etc., in such manner as to expose any meter or fire hydrant to damage from traffic. Whenever the property owner requests the moving of any meter or fire hydrant, such cost shall be at the expense of the property owner. In such case the property owner or contractor shall make application to the waterworks department to have such structure moved. Upon approval by the waterworks department, the property owner or contractor shall be furnished with an estimate of the cost of such moving. Upon deposit of such estimated sum, by the property owner or contractor, the waterworks department shall proceed to make the desired change in location of the structure.
- N. Unlawful connection to service. It shall be unlawful to connect to any service until the meter has been installed or approval has been secured from the waterworks department.
- O. Penalty for violation. In addition to the penalty for the violation of this chapter, the failure and refusal of any person to comply with any of the terms and provisions of this chapter shall authorize the city, acting by and through its superintendent of the waterworks department, to disconnect the water and sanitary sewer service of such person and withhold such services until such person complied with the foregoing terms and provisions. Since the city operates its water and sanitary sewer department as a unit, the penalties provided for by this chapter as hereinabove stated shall apply to any violation of any of the terms and provisions of this chapter whether they apply to water service or sanitary sewer service, or both.
- P. Sale of water outside city limits prohibited.
 - (1) It shall be unlawful for any person, firm or corporation who may be connected to the water system of the city to permit any connections to the water system, regardless of where such connection is

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made, for the purpose of selling or furnishing water to property located outside the corporate limits of the city.

- (2) The city, acting by and through its water department, shall be authorized to disconnect the water service to the premises of any person found violating any of the provisions of this subsection and to withhold such service until such person complies with the terms and provisions of this chapter.

(Ord. No. 97, 10-8-68; Ord. No. 98, 10-8-68; Ord. No. 468, 3-3-86; Ord. No. 840, 11-6-89; Ord. No. 3602, § 1, 8-4-14)

Sec. 10-5. - Discharge of swimming pool water.

- A. New pools installed after the effective date of this section.
 - (1) In developments served by sanitary sewer, all in-ground and above ground pools shall be connected to and discharge its contents, including backflush, into the sanitary sewer system.
 - (2) In developments not served by sanitary sewer, pools shall discharge its contents, including backflush, into the owner's property, flood drainage ditches, or easements.
- B. Existing pools installed before the effective date of this section.
 - (1) In ground pools installed between May 21, 1984 and the effective date of this section in developments served by sanitary sewer shall be connected to and discharge its contents, including backflush into the sanitary sewer system.
 - (2) Above ground pools installed before the effective date of this section in developments not served by sanitary sewer shall discharge its contents, including back flush, onto the owners property, flood drainage ditches, or easements.
- C. Discharge on adjoining property prohibited. In no event may any discharge from in-ground or above ground pools be made onto adjoining property without the consent of the adjoining property owner.

(Ord. No. 1041, 9-21-92)

Sec. 10-6. - Regulating the discharge of industrial wastes into public sewers.

- A. Definition of terms. Unless a provision explicitly states otherwise, the following terms and phrases, as used in this section, shall have the meanings herein after designated.

Act or "the Act". The Federal Water Pollution Control Act, also known as the Clean Water Act, as amended, 33 U.S.C. 1251 et seq.

Approval authority. The words "approval authority" shall mean the authorized agent or representative of the U.S. Environmental Protection Agency (USEPA). The Texas Commission on Environmental Quality (TCEQ) will be the authorized agent when delegated such responsibility by the USEPA.

Authorized representative of the industrial user.

- (a) If the industrial user is a corporation, "authorized representative" shall mean:
 - (1) The president, secretary, treasurer, or a vice-president of the corporation in charge of a principal business function, or any other person who performs similar policy or decision-making functions for the corporation;
 - (2) The manager of one or more manufacturing, production, or operation facilities employing more than 250 persons or having gross annual sales or expenditures exceeding \$25 million,

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if authority to sign documents has been assigned or delegated to the manager in accordance with corporate procedures;

- (b) If the industrial user is a partnership, or sole proprietorship, an authorized representative shall mean a general partner or proprietor, respectively;
- (c) If the industrial user is a federal, state or local governmental facility, an authorized representative shall mean a director or highest official appointed or designated to oversee the operation and performance of the activities of the government facility, or his or her designee;
- (d) The individuals described in paragraphs (a) through (c) above may designate another authorized representative if the authorization is in writing, the authorization specifies the individual or position responsible for the overall operation of the facility from which the discharge originates or having overall responsibility for environmental matters for the company and the written authorization is submitted to the control authority.

Biochemical oxygen demand (BOD). The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure, five days at 20 degrees centigrade expressed in terms of mass and concentration [milligrams per liter (mg/l)].

Categorical pretreatment standard or categorical standard. Any regulation containing pollutant discharge limits promulgated by the U.S. EPA in accordance with Sections 307(b) and (c) of the Act (33 U.S.C. 1317) which apply to a specific category of industrial users and which appear in 40 CFR Chapter I, Subchapter N, Parts 405-471.

Chemical oxygen demand (COD). The measure of the oxygen-consuming capacity, expressed in milligrams per liter. It is expressed as the amount of oxygen consumed from a chemical oxidant in a specific test. It does not differentiate between stable and unstable organic matter and thus may not correlate with BOD.

City. The word "city" shall be the City of Sachse together with all its governing and operating bodies.

Color. The optical density at the visual wave length of maximum absorption, relative to distilled water. One hundred percent transmittance is equivalent to zero optical density.

Composite sample. The sample resulting from the combination of individual wastewater samples taken at selected intervals based on an increment of either flow or time.

Control authority. The words "control authority" shall mean the director of public works, or other official designated by the city manager of the city or his duly authorized deputy, agent or representative.

Environmental protection agency or EPA. The U.S. Environmental Protection Agency or, where appropriate, the term may also be used as a designation for the regional water management division director or other duly authorized official of that agency.

Existing source. Any source of discharge, the construction or operation of which commenced prior to the publication of proposed categorical pretreatment standards which will be applicable to such source if the standard is thereafter promulgated in accordance with Section 307 of the Act.

Grab sample. A sample which is taken from a waste stream on a one-time basis without regard to the flow in the waste stream and without consideration of time.

Indirect discharge or discharge. The introduction of (non-domestic) pollutants into the POTW from any non-domestic source regulated under Section 307(b), (c) or (d) of the Act.

Industrial user or user. A source of non-domestic indirect discharge.

Industrial waste board. The words "industrial waste board" shall mean the persons appointed by the city council to review the actions of the control authority at the request of a person whose industrial sewer connection permit has been denied or suspended. The board shall consist of three members. One shall be

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the director of public works, one shall be a taxpaying resident representative of a Sachse industry permitted under this article, and one shall be a disinterested taxpaying resident citizen.

Interference. A discharge which alone or in conjunction with a discharge or discharges from other sources:

- (a) Inhibits or disrupts the POTW, its treatment processes or operations or its sludge processes, use or disposal; or
- (b) Causes a violation of the City's NPDES permit or prevents sewage sludge use or disposal in compliance with any of the following statutory/regulatory provisions or permits issued thereunder (or more stringent state or local regulations): Section 405 of the Clean Water Act; the Solid Waste Disposal Act (SWDA), including Title II commonly referred to as the Resource Conservation and Recovery Act (RCRA); any state regulations contained in any state sludge management plan prepared pursuant to Subtitle D of the SWDA; the Clean Air Act; the Toxic Substances Control Act; and the Marine Protection, Research and Sanctuaries Act; or
- (c) Restricts the flow in a public sewer.

Maximum allowable head works loading (MAHL). The amount of a pollutant (in pounds) in the influent (head works) of a wastewater treatment plant above which inhibition, sludge contamination, or pass through will occur or which will be expected to occur by the control authority.

New source.

- (a) Any building, structure, facility or installation from which there is or may be a discharge of pollutants, the construction of which commenced after the publication of proposed pretreatment standards under Section 307(c) of the Act which will be applicable to such source if such standards are thereafter promulgated in accordance with that section, provided that:
 - (1) The building, structure, facility or installation is constructed at a site at which no other source is located; or
 - (2) The building, structure, facility or installation totally replaces the process or production equipment that causes the discharge of pollutants at an existing source; or
 - (3) The production or wastewater generating processes of the building, structure, facility or installation are substantially independent of an existing source at the same site. In determining whether these are substantially independent, factors such as the extent to which the new facility is integrated with the existing plant, and the extent to which the new facility is engaged in the same general type of activity as the existing source, should be considered.
- (b) Construction on a site at which an existing source is located is a modification rather than a new source if the construction does not create a new building, structure, facility or installation meeting the criteria of subsection (a)(2) or (3) above but otherwise alters, replaces, or adds to existing process or production equipment.
- (c) Construction of a new source as defined under this paragraph has commenced if the owner or operator has:
 - (1) Begun, or caused to begin as part of a continuous onsite construction program;
 - (i) Any placement, assembly, or installation of facilities or equipment; or
 - (ii) Significant site preparation work including clearing, excavation, or removal of existing buildings, structures, or facilities which is necessary for the placement, assembly, or installation of new source facilities or equipment; or
 - (2) Entered into a binding contractual obligation for the purchase of facilities or equipment which are intended to be used in its operation within a reasonable time. Options to purchase or

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contracts which can be terminated or modified without substantial loss, and contracts for feasibility, engineering, and design studies do not constitute a contractual obligation under this paragraph.

Non-contact cooling water. Water used for cooling which does not come into direct contact with any raw material intermediate product, waste product, or finished product.

Pass through. A discharge which exits the POTW into waters of the U.S. in quantities or concentrations which, alone or in conjunction with a discharge or discharges from other sources, is a cause of a potential violation of any requirement of the city's NPDES permit (including an increase in the magnitude or duration of a potential violation).

Person. Any individual, partnership, co-partnership, firm, company, corporation, association, joint stock company, trust, estate, governmental entity or any other legal entity, or their legal representatives, agents or assigns. This definition includes all federal, state or local governmental entities but does not include, unless otherwise specified, the city.

pH. A measure of the acidity or alkalinity of a substance expressed as the reciprocal of the logarithm (base 10) of the hydrogen ion concentration.

Pollutant. Any dredged spoil, solid waste, incinerator residue, sewage, garbage, sewage sludge, munitions, medical wastes, chemical wastes, (including organic chemicals) industrial wastes, biological materials, radioactive materials, heat, wrecked or discharged equipment, rock, sand, cellar dirt, agricultural and industrial wastes, and the characteristics of the wastewater [i.e., pH, temperature, TSS, turbidity, color, BOD, COD, toxicity, odor].

Pretreatment. The reduction of the amount of pollutants, the elimination of pollutants, or the alteration of the nature of pollutant properties in wastewater prior to or in lieu of introducing such pollutants into the POTW. This reduction or alteration can be obtained by physical, chemical or biological processes, by process changes, or by other means, except by diluting the concentration of the pollutants unless allowed by an applicable pretreatment standard.

Pretreatment requirements. Any substantive or procedural requirement related to pretreatment imposed on an industrial user, other than a pretreatment standard.

Pretreatment standards or standards. Pretreatment standards shall mean prohibitive discharge standards, categorical pretreatment standards, and local limits.

Prohibited discharge standards or prohibited discharges. Absolute prohibitions against the discharge of certain substances; these prohibitions appear in section 10-6 C.(A) of this chapter.

Publicly owned treatment works or POTW. A "treatment works" as defined by Section 212 of the Act (33 U.S.C. 1292), which is owned by the state or municipality. This definition includes any devices or systems used in the collection, storage, treatment, recycling and reclamation of sewage or industrial wastes and any conveyances which convey wastewater to a treatment plant. The term also means the municipal entity having jurisdiction over the industrial users and responsibility for the operation and maintenance of the treatment works.

Septic tank waste. Any sewage from holding tanks such as vessels, chemical toilets, campers, trailers, and septic tanks.

Sewage. Human excrement and gray water (including, but not limited to household showers and dishwashing operations).

Sewer service charge. The words "sewer service charge" shall mean the charge made on all users of the public sewage system whose wastes do not exceed in strength and concentration values established as representative of normal sewage.

Significant industrial user. Shall apply to:

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- (a) Industrial users subject to categorical pretreatment standards; and
- (b) Any other industrial user that:
 - (1) Discharges an average of 25,000 gpd or more of process wastewater;
 - (2) Contributes a process waste stream which makes up five percent or more of the average dry weather hydraulic or organic capacity of the treatment plant; or
 - (3) Is designated as significant by the control authority on the basis that the industrial user has a reasonable potential for adversely affecting the POTW's operation or for violating any pretreatment standard or requirement.

Slug load. Any discharge at a flow rate or concentration which could cause a violation of the prohibited discharge standards in section 10-6 C. of this article or any discharge of a non-routine, episodic nature, including but not limited to, an accidental spill or a non-customary batch discharge.

Standard industrial classification (SIC) code. A classification pursuant to the "Standard Industrial Classification Manual" issued by the U.S. Office of Management and Budget.

Stormwater. Any flow occurring during or following any form of natural precipitation, and resulting there from, including snowmelt.

Surcharge. The word "surcharge" or "industrial waste surcharge" shall mean the charge in addition to the published water and sewer rates. The basis for surcharges on industrial wastes is a capital and operating cost for suspended solids, BOD and chlorine demand exceeding normal sewage.

Suspended solids. The total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquid, and which is removable by laboratory filtering.

Toxic pollutant. One of 126 pollutants, or combination of those pollutants, listed as toxic in regulations promulgated by the EPA under the provision of Section 307 (33 U.S.C. 1317) of the Act.

Treatment plant effluent. Any discharge of pollutants from the POTW into waters of the state.

Wastewater. Liquid and water-carried industrial wastes, and sewage from residential dwellings, commercial buildings, industrial and manufacturing facilities, and institutions, whether treated or untreated, which are contributed to the POTW.

Wastewater treatment plant or treatment plant. That portion of the POTW designed to provide treatment of sewage and industrial waste.

Shall is mandatory; may is permissive or discretionary. The use of the singular shall be construed to include the plural and the plural shall include the singular as indicated by the context of its use.

B. Abbreviations. The following abbreviations shall have the designated meanings:

BOD	Biochemical oxygen demand
C	Centigrade (as a measure of temperature)
CFR	Code of Federal Regulations
COD	Chemical oxygen demand
EPA	U.S. Environmental Protection Agency

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F	Fahrenheit (as a measure of temperature)
gpd	Gallons per day
L	Liter
MAHL	Maximum allowable head works loading
mg	Milligrams
mg/l	Milligrams per liter
NPDES	National Pollutant Discharge Elimination System
O&M	Operation and maintenance
POTW	Publicly owned treatment works
RCRA	Resource Conservation and Recovery Act
SIC	Standard industrial classifications
SWDA	Solid Waste Disposal Act (42 U.S.C. 6901, et seq.)
TSS	Total suspended solids
USC	United States Code

C. Prohibited discharge generally.

(A) Prohibited discharge standards. No industrial user shall introduce or cause to be introduced into the POTW any pollutant or wastewater which causes pass through or interference. These general prohibitions apply to all industrial users of the POTW whether or not they are subject to categorical pretreatment standards or any other national, state or local pretreatment standards or requirement. Furthermore, no industrial user may contribute the following substances to the POTW:

- (1) Pollutants which create a fire or explosive hazard in either the municipal wastewater collection system or POTW, including, but not limited to, waste streams with a closed-cup

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flashpoint of less than 140 degrees F (60 degrees C) using the test methods specified in 40 CFR 261.21.

- (2) Any wastewater having a pH less than 5.0 or more than 11.0, or otherwise causing corrosive structural damage to the POTW or equipment, or endangering city personnel.
- (3) Solid or viscous substances in amounts which will cause obstruction of the flow either in the conveyance system or in the POTW resulting in interference.
- (4) Any wastewater containing pollutants, including oxygen demanding pollutants (BOD, for example), released in a discharge at a flow rate or pollutant concentration which, either singly or by interaction with other pollutants, will cause interference with either the POTW or any wastewater treatment or sludge process, or which will constitute a hazard to humans or animals.
- (5) Any wastewater having a temperature greater than 150 degrees F (65 degrees C), or which will inhibit biological activity in the treatment plant resulting in interference, but in no case wastewater which causes the temperature at the introduction into the treatment plant to exceed 104 degrees F (40 degrees C).
- (6) Petroleum oil, non-biodegradable cutting oil, or products of mineral oil origin, in amounts that will cause interference or pass through.
- (7) Any pollutants which result in the presence of toxic gases, vapors or fumes within the POTW in a quantity that may cause acute worker health and safety problems.
- (8) Any trucked or hauled pollutants, except at discharge points designated by the control authority and in accordance with section 10-6 D.(E).
- (9) Any noxious or malodorous liquids, gases, solids, or other wastewater which, either singly or by interaction with other wastes, are sufficient to create a public nuisance, a hazard to life, or to prevent entry into the sewers for maintenance and repair.
- (10) Any wastewater which imparts color which cannot be removed by the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions, which consequently imparts color to the POTW's effluent.
- (11) Storm water, surface water, ground water, roof runoff, subsurface drainage, and unpolluted industrial wastewater, unless specifically authorized by the control authority.
- (12) Any sludge, screenings, or other residues from the pretreatment of industrial wastes.
- (13) Any wastewater containing pollutants deemed highly toxic by the control authority and discharged at a flow volume capable of causing toxicity at the POTW.
- (14) Any wastes containing detergents, surface active agents, or other substances which cause excessive foaming in the POTW.
- (15) Any discharge of fats, oils, or greases of animal or vegetable origin in excess of two hundred (200) mg/l (1,668 pounds per million gallons) which causes sewer clogs, interference, pass through, or which exceeds the grease handling capacity of the POTW.
- (16) Any wastewater from an underground storage tank or tank hole containing gasoline, motor oils or lubricating oils, unless specifically authorized by the control authority.
- (17) Any pollutant in an amount which singly or in combination with discharges from other industrial users creates an influent or sludge concentration at the POTW approaching, equal to or exceeding the MAHL for that pollutant as established by the control authority except as specifically approved by the director of technical services.

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Wastes prohibited by this section shall not be processed or stored in such a manner that they could be discharged to the POTW. All floor drains located in process or materials storage areas must discharge to the industrial user's pretreatment facility before connecting with the POTW.

(B) Federal Categorical Pretreatment Standards. The national categorical pretreatment standards found in 40 CFR Chapter I, Subchapter N, Parts 405-471 are hereby incorporated by reference.

(C) Specific pollutant limitations.

(1) The following uniform concentration-based pollutant limits are established to protect against pass-through, sludge contamination, and interference. No person shall discharge wastewater containing in excess of the following maximum allowable discharge limits:

Pollutant	Maximum allowable concentration	Sample type
Arsenic	1.00 mg/l	Composite
Chromium	2.50 mg/l	Composite
Copper	2.20 mg/l	Composite
Mercury	0.10 mg/l	Composite
Nickel	3.00 mg/l	Composite
Zinc	3.00 mg/l	Composite

(2) The following industrial contributory flow-based pollutant limits are established due to the pollutant's risk of producing toxicity in the receiving streams. All industrial users shall be prohibited from discharging industrial contributory flow-based pollutants at concentrations exceeding those normally found in domestic sewage, unless specifically allowed by the control authority in the industrial user's wastewater discharge permit. The maximum allowable concentration of industrial contributory flow-based pollutants shall be:

Pollutant	Maximum allowable concentration	Sample type
Cadmium	0.50 mg/l	Composite
Cyanide	1.00 mg/l	Grab
Lead	1.50 mg/l	Composite

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Silver	1.50 mg/l	Composite
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Concentrations apply at the point where the industrial waste is discharged to the POTW unless otherwise specified by the control authority. All concentrations are for "total" substance unless indicated otherwise. At his discretion, the control authority may impose mass limitations in addition to or in place of the concentration - based limitation above.

- (D) City's right of revision. The control authority reserves the right to establish, by ordinance or in wastewater discharge permits, more stringent standards or requirements on discharges to the POTW if deemed necessary to comply with the objectives presented in section 10-6 of this article or the general and specific prohibitions in section 10-6 C.(A) of this article.
 - (E) Special agreement. The control authority reserves the right to enter into special agreements with industrial users setting out special terms under which they may discharge to the POTW. In no case will a special agreement waive compliance with a pretreatment standard or requirement. However, the industrial user may request a net gross adjustment to a categorical standard in accordance with 40 CFR 403.15. An industrial user may also request a variance from the categorical pretreatment standard from EPA. Such a request will be approved only if the industrial user proves that factors relating to its discharge are fundamentally different from the factors considered by the EPA when establishing that pretreatment standard. An industrial user requesting a fundamentally different factor variance must comply with the procedural and substantive provisions of 40 CFR 403.13.
 - (F) Dilution. No industrial user shall ever increase the use of process water, or in any way attempt to dilute a discharge, as a partial or complete substitute for adequate treatment to achieve compliance with a discharge limitation unless expressly authorized by an applicable pretreatment standard or requirement. The control authority may impose mass limitations on industrial users which are using dilution to meet applicable pretreatment standards or requirements, or in other cases when the imposition of mass limitations is appropriate.
- D. Control of admissible wastes.
- (A) Pretreatment facilities. Industrial users shall provide necessary wastewater treatment as required to comply with this chapter and shall achieve compliance with all categorical pretreatment standards, local limits and the prohibitions set out in section 10-6 C.(A) above within the time limitations specified by the EPA, or the control authority, whichever is more stringent. Any facilities required to pretreat wastewater to a level acceptable to the control authority shall be provided, operated, and maintained at the industrial user's sole expense. Detailed plans (sealed by a registered, professional engineer) showing the pretreatment facilities and operating procedures shall be submitted to the control authority for review, and shall be acceptable to the control authority before construction of the facility. The review of such plans and operating procedures shall in no way relieve the industrial user from the responsibility of modifying the facility as necessary to produce an acceptable discharge to the control authority under the provisions of this chapter.
 - (B) Additional pretreatment measures.
 - (1) Grease, oil and sand interceptors shall be provided when, in the opinion of the control authority, they are necessary for the proper handling of wastewater containing excessive amounts of grease and oil, or sand; except that such interceptors shall not be required for residential users. All interception units shall be of type and capacity approved by the control

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authority and shall be so located to be easily accessible for cleaning and inspection. Such interceptors shall be inspected, cleaned, maintained in proper operating condition and repaired regularly, as needed, by the owner at his expense. No in-line provisions for bypass of grease, oil or sand interceptors shall be allowed.

- (2) Industrial users with the potential to discharge flammable substances may be required to install and maintain an approved combustible gas detection meter.
 - (3) At no time shall two readings on a combustible gas detection meter at the point of discharge into the POTW, or at any point in the POTW, be more than ten percent of the lower explosive limit (LEL) of the meter.
- (C) Accidental discharge/slug control plans. The control authority may require any industrial user to develop and implement an accidental discharge/slug control plan. At least once every two years the control authority shall evaluate whether each significant industrial user needs such a plan. Any industrial user required to develop and implement an accidental discharge/slug control plan shall submit a plan which addresses, at a minimum, the following:
- (1) Description of discharge practices, including non-routine batch discharges.
 - (2) Description of stored chemicals.
 - (3) Procedures for immediately notifying the POTW of any accidental or slug discharge. Such notification must also be given for any discharge which would violate any of the prohibited discharges in section 10-6 C.(A) of this article.
 - (4) Procedures to prevent adverse impact from any accidental or slug discharge. Such procedures include, but are not limited to, inspection and maintenance of storage areas, handling and transfer of materials, loading and unloading operations, control of plant site run-off, worker training, building of containment structures or equipment, measures for containing toxic organic pollutants (including solvents), and measures and equipment for emergency response.
- (D) Tenant responsibility. Where an owner of property leases premises to another person as a tenant under any rental or lease agreement, if either the owner or the tenant is an industrial user, either or both may be held responsible for compliance with the provisions of this article.
- (E) Hauled wastewater. The discharge of hauled industrial wastes as "industrial sewage" requires prior approval and a wastewater discharge permit from the control authority. The control authority shall have authority to prohibit the disposal of such wastes. Waste haulers are subject to all other sections of this article.
- (F) Vandalism. No person shall maliciously, willfully or negligently break, damage, destroy, uncover, deface, tamper with or prevent access to any structure, appurtenance or equipment, or other part of the POTW. Any person found in violation of this requirement shall be subject to the sanctions set out in sections 10-6 J. and 10-6 K. below.
- (G) Act of God defense.
- a) Act of God defense. The Act of God defense constitutes a statutory affirmative defense [Texas Water Code Section 7.251] in an action brought in municipal or state court. If a person can establish that an event that would otherwise be a violation of a pretreatment ordinance, or a permit issued under the ordinance, was caused solely by an Act of God, war, strike, riot or other catastrophe, the event is not a violation of the ordinance or permit.
 - b) An industrial user who wishes to establish the Act of God affirmative defense shall demonstrate, through relevant evidence that:

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- (1) An event that would otherwise be a violation of a pretreatment ordinance or a permit issued under the ordinance, occurred, and the sole cause of the event was an Act of God, war, strike, riot or other catastrophe; and
 - (2) The industrial user has submitted the following information to the POTW and the city within 24 hours of becoming aware of the event that would otherwise be in violation of a pretreatment ordinance or a permit issued under the ordinance (if this information is provided orally, a written submission must be provided within five days):
 - a. A description of the event, and the nature and cause of the [event];
 - b. The time period of the event, including exact dates and times or, if still continuing, the anticipated time the event is expected to continue; and
 - c. Steps being taken or planned to reduce, eliminate, and prevent of the event.
 - c) Burden of proof. In any enforcement proceeding, the industrial user seeking to establish the Act of God affirmative defense shall have the burden of proving by a preponderance of the evidence that an event that would otherwise be a violation of a pretreatment ordinance, or a permit issued under the ordinance, was caused solely by an Act of God, war, strike, riot or other catastrophe.
- (H) Bypass. No industrial user shall intentionally divert waste streams from any portion of an industrial user's treatment facility (bypass) unless all procedural and substantive provisions in 40 CFR 403.17 are met.
- E. Permit admission of industrial wastes.
- (A) Wastewater survey. When requested by the control authority all industrial users must submit information on the nature and characteristics of their wastewater by completing a wastewater survey. The control authority is authorized to prepare a form for this purpose and may periodically require industrial users to update the survey. Failure to complete this survey shall be reasonable grounds for terminating service to the industrial user and shall be considered a violation of this article.
 - (B) Wastewater discharge permit requirement.
 - (1) It shall be unlawful for any significant industrial user to discharge wastewater into the city's POTW without first obtaining a wastewater discharge permit from the control authority. Any violation of the terms and conditions of a wastewater discharge permit shall be deemed a violation of this article and subjects the wastewater discharge permittee to the sanctions set out in sections 10-6 J. and 10-6 K. Obtaining a wastewater discharge permit does not relieve a permittee of its obligation to comply with all federal pretreatment standards or requirements or with any other requirements of federal, state and local law.
 - (2) The control authority may require other industrial users, including liquid waste haulers, to obtain wastewater discharge permits as necessary to carry out the purposes of this article.
 - (C) Wastewater discharge permitting for existing connections. Any significant industrial user which discharges industrial waste into the POTW prior to the effective date of this article and which wishes to continue such discharges in the future, shall, within 60 days after the effective date, apply to the control authority for a wastewater discharge permit in accordance with section 10-6 E.(F) below, and shall not cause or allow discharges to the POTW to continue after 90 days of the effective date of this article except in accordance with a wastewater discharge permit issued by the control authority.
 - (D) Wastewater discharge permitting. Any significant industrial user proposing to begin or recommence discharging industrial wastes into the POTW must obtain a wastewater discharge permit prior to the beginning or recommencing of such discharge. An application for this

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wastewater discharge permit must be filed at least 30 days prior to the date upon which any discharge will begin.

- (E) Wastewater discharge permitting for extra-jurisdictional industrial users.
- (1) Any existing significant industrial user located beyond city limits shall submit a wastewater discharge permit application, in accordance with section 10-6 E.(F) below, within 30 days of the effective date of this article. New significant industrial users located beyond city limits shall submit such applications to the control authority 30 days prior to any proposed discharge into the POTW.
 - (2) Alternately, the control authority may enter into an agreement with the neighboring jurisdiction in which the significant industrial user is located to provide for the implementation and enforcement (including permitting) of pretreatment program requirements against the industrial user.
- (F) Wastewater discharge permit application contents. In order to be considered for a wastewater discharge permit, all industrial users required to have a wastewater discharge permit shall submit the information required by section 10-6 G.(A)(2) of this article. The control authority shall provide a form to be used as a permit application. In addition, the following information shall be submitted:
- (1) Description of activities, facilities, and plant processes on the premises, including a list of all raw materials and chemicals used or stored at the facility which are, or could accidentally or intentionally be, discharged to the POTW.
 - (2) Number and type of employees, hours of operation, hours of discharge and proposed or actual hours of operation of the industrial user.
 - (3) Each product produced by type, amount, process or processes, and rate of production.
 - (4) A map of the property showing accurately all sewers and drains.
 - (5) The site plans, floor plans, mechanical and plumbing plans, and details to show all sewers, floor drains, and appurtenances by size, location, and elevation, and all points of discharge.
 - (6) Time and duration of all the discharges.
 - (7) Any other information as may be deemed necessary by the control authority to evaluate the wastewater discharge permit application.
 - (8) Plans and specifications sealed by a registered professional engineer detailing all pretreatment facilities and processes including any grease, oil or sand interceptors and control manholes.

Incomplete or inaccurate applications will not be processed and will be returned to the industrial user for revision.

- (G) Application signatories and certification. All wastewater discharge permit applications and industrial user reports must contain the following certification statement and be signed by an authorized representative of the industrial user.

"I certify under penalty of law that this document and all attachments were prepared under my direction or supervision in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

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- (H) Wastewater discharge permit decisions. The control authority shall evaluate the data furnished by the industrial user and may require additional information. Within 20 working days of receipt of a complete wastewater discharge permit application, the control authority shall determine whether or not to issue a wastewater discharge permit. If no determination is made within this time period, the application shall be deemed denied. The control authority may deny any application for a wastewater discharge permit based upon the provisions of this article, other applicable local law, or applicable state or federal law. Any applicant denied a wastewater discharge permit may appeal the control authority decision to the industrial waste board in accordance with section 10-6 F.(F).
- F. Permit issuance process of industrial wastes.
 - (A) Wastewater discharge permit duration. Wastewater discharge permits shall generally be valid from the date of issuance until the last day of September, of the fifth year after issuance (five-year permit period). A wastewater discharge permit may be issued for a period of less than five years, at the discretion of the control authority. Each wastewater discharge permit shall indicate the specific date upon which it will expire.
 - (B) Wastewater discharge permit contents. Wastewater discharge permits shall include such conditions as are reasonably deemed necessary by the control authority to prevent pass through or interference, protect the quality of the water body receiving the POTW's effluent, protect worker health and safety, facilitate sludge management and disposal, protect ambient air quality, and protect against damage to the POTW.
 - (1) Wastewater discharge permits shall contain the following conditions:
 - (a) A statement that indicates wastewater discharge permit duration, which in no event shall exceed five years.
 - (b) A statement that the wastewater discharge permit is nontransferable.
 - (c) Effluent limits applicable to the user based on applicable standards in federal, state, and local law.
 - (d) Self monitoring, sampling, reporting, notification, and record keeping requirements. These requirements shall include an identification of pollutants to be monitored, sampling location, sampling frequency, and sample type based on federal, state, and local law.
 - (e) Statement of applicable civil and criminal penalties for violation of pretreatment standards and requirements, and any applicable compliance schedule. Such schedule may not extend the time for compliance beyond that required by applicable federal, state, or local law.
 - (2) Wastewater discharge permits may also contain, at the discretion of the control authority the following:
 - (a) Limits on the average and maximum rate of discharge, time of discharge, or requirements for flow regulation and equalization.
 - (b) Limits on the instantaneous, daily and monthly average or maximum concentration, mass, or other measure of identified wastewater pollutants or properties.
 - (c) Requirements for the installation of pretreatment technology, pollution control, or construction of appropriate containment devices, designed to reduce, eliminate, or prevent the introduction of pollutants into the POTW.

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- (d) Development and implementation of spill control plans or other special conditions including management practices necessary to adequately prevent accidental, unanticipated, or routine discharges.
 - (e) Development and implementation of waste minimization plans to reduce the amount of pollutants discharged to the POTW.
 - (f) The schedule of industrial user charges and fees for wastewater discharged to the POTW.
 - (g) Requirements for installation and maintenance of inspection and sampling facilities and equipment.
 - (h) A statement that compliance with this wastewater discharge permit does not relieve the permittee of responsibility for compliance with all applicable Federal standards, including those which become effective during the term of the wastewater discharge permit.
 - (i) Other conditions as deemed appropriate by the control authority to ensure compliance with this article, and federal and state laws, rules, and regulations.
- (C) Wastewater discharge permit modification. The control authority may modify the wastewater discharge permit for good cause including, but not limited to, the following:
- (1) To incorporate any new or revised federal, state, or local pretreatment standards or requirements.
 - (2) To address significant alterations or additions to the industrial user's operation, processes, or wastewater volume or character since the time of wastewater discharge permit issuance.
 - (3) A change in the POTW that requires either a temporary or permanent reduction or elimination of the authorized discharge.
 - (4) Information indicating that the permitted discharge poses a threat to the city's POTW, personnel, or the receiving waters.
 - (5) Violation of any terms or conditions of the wastewater discharge permit.
 - (6) Misrepresentations or failure to fully disclose all relevant facts in the wastewater discharge permit application or in any required reporting.
 - (7) Revision of or a grant of variance from categorical pretreatment standards pursuant to 40 CFR 403.13.
 - (8) To correct typographical or other errors in the wastewater discharge permit.
- The filing of a request by the permittee for a wastewater discharge permit modification does not stay any wastewater discharge permit condition.
- (D) Wastewater discharge permit transfer. Wastewater discharge permits are non-transferable.
- (E) Wastewater discharge permit suspension. Wastewater discharge permits may be suspended for the following reasons:
- (1) Failure to notify the control authority of significant changes to the wastewater prior to the changed discharge.
 - (2) Failure to provide prior notification to the control authority of changed condition pursuant to section 10-6 G.(E).
 - (3) Misrepresentation or failure to fully disclose all relevant facts in the wastewater discharge permit application.

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- (4) Falsifying self-monitoring reports.
- (5) Tampering with monitoring equipment.
- (6) Refusing to allow the control authority timely access to the facility premises and records.
- (7) Failure to meet effluent limitations.
- (8) Failure to remit fines or penalties after a final, non-appealable judgment has been rendered thereon.
- (9) Failure to pay sewer charges (including industrial waste surcharge).
- (10) Failure to meet compliance schedules.
- (11) Failure to complete a wastewater survey or the wastewater discharge permit application.
- (12) Violation of any pretreatment standard or requirement, or any terms of the wastewater discharge permit or this article.

Wastewater discharge permits shall be voidable upon nonuse or cessation of operations. All wastewater discharge permits are void upon the issuance of a new wastewater discharge permit. Permittees with suspended wastewater permits shall admit no wastewater to the POTW.

(F) Industrial waste board appeal.

- (1) Any applicant denied a permit under this article, or any permittee whose permit has been suspended, shall have the right to a hearing before the industrial waste board.
- (2) Requests for a hearing shall be made in writing and received by the control authority within ten days of the action complained of. The control authority, within five days of receipt of the request, shall schedule a hearing before the industrial waste board.
- (3) The industrial waste board shall have the authority to review all pertinent files and information regarding the applicant/permittee which are in the custody of the control authority. Additionally, the board shall have the authority to accept written and verbal testimony from the control authority, applicant, and interested citizens.
- (4) The board shall have the authority to assess whether the control authority acted properly within its power under this article in its denial or suspension of permit. The majority vote of the board shall determine whether to uphold or reject the control authority's action. Upholding the action of the control authority shall affirm the denial or suspension. Rejection of the control authority's action shall, as the case may be, automatically reinstate a suspended permit or shall cause the control authority to repeat the application process.
- (5) The board shall have no authority to review or act on any action of the control authority other than permit denials or permit suspensions.
- (6) No person whose wastewater discharge permit has been denied or suspended shall discharge industrial waste to the public sewer prior to final determination by the industrial waste board.

(G) Wastewater discharge permit re-issuance. A significant industrial user shall apply for wastewater discharge permit re-issuance by submitting a complete wastewater discharge permit application in accordance with section 10-6 E.(F) a minimum of thirty (30) days prior to the expiration of the industrial user's existing wastewater discharge permit.

G. Reporting requirements.

- (A) Baseline monitoring reports.

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- (1) Within either 180 days after the effective date of a categorical pretreatment standard, or the final administrative decision on a category determination under 40 CFR 403.6(a)(4), whichever is later, existing significant industrial users subject to such categorical pretreatment standards, and currently discharging to or scheduled to discharge to the POTW, shall submit to the control authority a report which contains the information listed in paragraph (2), below. At least 90 days prior to commencement of their discharge, new sources, and sources that become industrial users subsequent to the promulgation of an applicable categorical standard, shall submit to the control authority a report which contains the information listed in paragraph (2), below. A new source shall also report the method of pretreatment it intends to use to meet applicable pretreatment standards. A new source shall also give estimates of its anticipated flow and quantity of pollutants discharged.
- (2) The industrial user shall submit the following information required by this section including:
 - (a) Identifying information. The name and address of the facility including the name of the operator and owners.
 - (b) Wastewater discharge permits. A list of any environmental control wastewater discharge permits held by or for the facility.
 - (c) Description of operations. A brief description of the nature, average rate of production, and standard industrial classifications of the operation(s) carried out by such industrial user. This description shall include a schematic process diagram which indicates points of discharge to the POTW from the regulated processes.
 - (d) Flow measurement. Information showing the measured average daily and maximum daily flow, in gallons per day, to the POTW from regulated process streams and other streams, as necessary, to allow use of the combined waste stream formula set out in 40 CFR 403.6(e).
 - (e) Measurement of pollutants.
 - (1) Identify the categorical pretreatment standards applicable to each regulated process.
 - (2) Submit the results of sampling and analysis identifying the nature and concentration (and mass, where required by the standard or by the control authority) of regulated pollutants in the discharge from each regulated process. Instantaneous, daily maximum and long term average concentrations (or mass, where required) shall be reported. The sample shall be representative of daily operations and shall be analyzed in accordance with procedures set out in section 10-6 G.(J).
 - (3) Sampling must be performed in accordance with procedures set out in section 10-6 G.(K).
 - (f) Certification. A statement reviewed and signed by the industrial user's authorized representative indicating whether pretreatment standards are being met on a consistent basis and, if not, whether additional operation and maintenance and additional pretreatment is required to meet the pretreatment standards and requirements.
 - (g) Compliance schedule. If additional pretreatment and O&M will be required to meet the pretreatment standards, the shortest schedule by which the industrial user will provide such additional pretreatment and O&M shall be required. The completion date in this schedule shall not be later than the compliance date established for the applicable pretreatment standard.

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- (h) All baseline monitoring reports must be signed and certified in accordance with section 10-6 E.(G).
- (B) Compliance schedule progress report. The following conditions shall apply to the schedule required by section 10-6 G.(A)(2)(g). The schedule shall contain progress increments in the form of dates for the commencement and completion of major events leading to the construction and operation of additional pretreatment required for the user to meet the applicable pretreatment standards (such events include hiring an engineer, completing preliminary and final plans, executing contracts for major components, commencing and completing construction, beginning and conducting routine operation). No increment referred to above shall exceed 30 days. The industrial user shall submit a progress report to the control authority no later than 14 days following each date in the schedule and the final date of compliance including, as a minimum, whether or not it complied with the increment of progress, the reason for any delay and, if appropriate the steps being taken by the industrial user to return to the established schedule. In no event shall more than 30 days elapse between such progress reports to the control authority.
- (C) Report on compliance with categorical pretreatment standard deadline. Within 90 days following the date for final compliance with applicable categorical pretreatment standards, or in the case of a new source following commencement of the introduction of wastewater into the POTW, any industrial user subject to such pretreatment standards and requirements shall submit to the control authority a report containing the information described in section 10-6 G.(A)(2)(d)—(f). For industrial users subject to equivalent mass or concentration limits established in accordance with the procedures in 40 CFR 403.6(c), the report shall contain a reasonable measure of the industrial user's actual production during the appropriate sampling period. All compliance reports shall be signed and certified in accordance with section 10-6 E.(G).
- (D) Periodic compliance reports.
- (1) Any significant industrial user subject to a pretreatment standard shall, on the dates and at a frequency determined by the control authority but in no case less than twice per year, submit a report indicating the nature and concentration of pollutants in the discharge which are limited by such pretreatment standards and the measured or estimated average and maximum daily flows for the reporting period. All periodic compliance reports shall be signed and certified in accordance with section 10-6 E.(G).
 - (2) All wastewater samples must be representative of the industrial user's discharge. Wastewater monitoring and flow measurement facilities shall be properly operated, kept clean, and maintained in good working order at all times. The failure of an industrial user to keep its monitoring facility in good working order shall not be grounds for the industrial user to claim that sample results are unrepresentative of its discharge.
 - (3) If an industrial user subject to the reporting requirement of this section monitors any pollutant more frequently than required by the POTW, using the procedures prescribed in section 10-6 G.(J) and section 10-6 G.(K) of this article the results of such monitoring shall be included in the report.
- (E) Report of changed conditions. Each industrial user is required to notify the control authority of any planned significant changes to the industrial user's operations or system which might alter the nature, quality or volume of its wastewater at least five working days before the change.
- (1) The control authority may require the industrial user to submit such information as may be deemed necessary to evaluate the changed condition, including the submission of a wastewater discharge permit application under section 10-6 E.(F).
 - (2) The control authority may issue a wastewater discharge permit or modify an existing wastewater discharge permit under section 10-6 F.

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- (3) No industrial user shall implement the planned changed condition(s) until and unless the control authority has responded to the industrial user's notice.
 - (4) For purposes of this requirement flow increases of 100 percent of the average daily or monthly flow (based on the previous year averages) or greater, and the discharge of any previously unreported pollutants, shall be deemed significant.
- (F) Reports of potential problems.
- (1) In the case of any discharge including, but not limited to, accidental discharges, discharges of a non-routine, episodic nature, a non-customary batch discharge, or a slug load which may cause potential problems for the POTW (including a violation of the prohibited discharge standards in section 10-6 C.(A) of this article), it is the responsibility of the industrial user to immediately telephone and notify the control authority of the incident. Notification shall include the location of discharge, type of waste, concentration and volume, if known, and corrective actions taken by the industrial user.
 - (2) Within five days following such discharge, the industrial user shall, unless waived by the control authority, submit a detailed written report describing the cause(s) of the discharge and the measures to be taken by the industrial user to prevent similar future occurrences. Such notification shall not relieve the industrial user of any expense, loss, damage, or other liability which may be incurred as a result of damage to the POTW, natural resources, or any other damage to person or property; nor shall such notification relieve the industrial user of any fines, civil penalties, or other liability which may be imposed by this article or other law.
 - (3) Failure to notify the control authority of potential problem discharges shall be deemed a separate violation of this article.
 - (4) A notice shall be permanently posted on the industrial user's bulletin board or other prominent place advising employees whom to call in the event of a discharge described in sub-paragraph (1), above. Industrial users shall ensure that all employees who may cause or suffer such a discharge to occur are advised of the emergency notification procedure.
- (G) Reports from non-significant industrial users. All industrial users not subject to categorical pretreatment standards and not required to obtain a wastewater discharge permit shall provide appropriate reports to the control authority as required by the control authority.
- (H) Notice of violation/repeat sampling and reporting. If sampling performed by an industrial user indicates a violation, the industrial user shall notify the control authority within 24 hours of becoming aware of the violation. The industrial user shall also repeat the sampling and analysis and submit the results of the repeat analysis to the control authority within 30 days after becoming aware of the violation.
- (I) Notification of the discharge of hazardous waste.
- (1) Any industrial user who commences the discharge of hazardous waste shall notify the POTW, the EPA regional waste management division director, and state hazardous waste authorities in writing of any discharge into the POTW of a substance which, if otherwise disposed of, would be a hazardous waste under 40 CFR Part 261. Such notification shall include the name of the hazardous waste as set forth in 40 CFR Part 261, the EPA hazardous waste number, and the type of discharge (continuous, batch, or other). If the industrial user discharges more than 100 kilograms of such waste per calendar month to the POTW, the notification shall also contain the following information to the extent such information is known and readily available to the industrial user: an identification of the hazardous constituents contained in the wastes, an estimation of the mass and concentration of such constituents in the waste stream discharged during that calendar month, and an estimation of the mass of constituents in the waste stream expected to be discharged during the following 12 months. All notifications must take place no later than 180 days after the

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discharge commences. Any notification under this paragraph need be submitted only once for each hazardous waste discharged. However, notifications of changed discharges shall be submitted under section 10-6 G.(E), above.

- (2) Dischargers are exempt from the requirements of paragraph (1) of this section during a calendar month in which they discharge no more than 15 kilograms of hazardous wastes, unless the wastes are acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e). Discharge of more than 15 kilograms of non-acute hazardous wastes in a calendar month, or of any quantity of acute hazardous wastes as specified in 40 CFR 261.30(d) and 261.33(e), requires a one-time notification. Subsequent months during which the industrial user discharges more than such quantities of any hazardous waste do not require additional notification.
 - (3) In the case of any new regulations under Section 3001 of RCRA identifying additional characteristics of hazardous waste or listing any additional substance as a hazardous waste, the industrial user shall notify the POTW, the EPA regional waste management waste division director, and state hazardous waste authorities of the discharge of such substance within 90 days of the effective date of such regulations.
 - (4) In the case of any notification made under this section, the industrial user shall certify that it has a program in place to reduce the volume and toxicity of hazardous wastes generated to the degree it has determined to be economically practical.
 - (5) Industrial users that are permitted by the control authority shall submit a copy of all manifests to the control authority documenting offsite disposal of hazardous and non-hazardous waste.
- (J) Analytical requirements. All pollutant analyses, including sampling techniques, to be submitted as part of a wastewater discharge permit application or report shall be performed in accordance with the techniques prescribed in 40 CFR Part 136, unless otherwise specified in an applicable categorical pretreatment standard. If 40 CFR Part 136 does not contain sampling or analytical techniques for the pollutant in question, sampling and analyses must be performed in accordance with procedures approved by the EPA.
- (K) Sample collection.
- (1) Except as indicated in subsection (2), below, the industrial user shall collect wastewater samples using proportional composite collection techniques.
 - (2) Samples for oil and grease, temperature, pH, cyanide, phenols, sulfides, and volatile organic chemicals shall be obtained using grab collection techniques.
- (L) Determination of noncompliance. The control authority may use a grab sample(s) to determine noncompliance with pretreatment standards.
- (M) Timing. Written reports will be deemed to have been submitted on the date post-marked. For reports which are not mailed, postage prepaid, into a mail facility serviced by the U.S. Postal Service, the date of receipt of the report shall govern.
- (N) Record keeping. Industrial users shall retain, and make available for inspection and copying, all records and information required to be retained under this article. These records shall remain available for a period of at least three years. This period shall be automatically extended for the duration of any litigation concerning compliance with this article, or where the industrial user has been specifically notified of a longer retention period by the control authority.
- H. Compliance monitoring.
- (A) Inspection and sampling. The control authority shall have the right to enter the facilities of any industrial user to ascertain whether the purpose of this article, and any permit or order issued hereunder, is being met and whether the industrial user is complying with all requirements thereof.

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Industrial users shall allow the control authority ready access to all parts of the premises for the purposes of inspection, sampling, records examination and copying, and the performance of any additional duties.

- (1) Where an industrial user has security measures in force which require proper identification and clearance before entry into its premises, the industrial user shall make necessary arrangements with its security guards so that, upon presentation of suitable identification, personnel from the control authority, state, and EPA will be permitted to enter without substantial delay, for the purposes of performing their specific responsibilities.
 - (2) The control authority, state, and EPA shall have the right to set up on the industrial user's property, or require installation of, such devices as are necessary to conduct sampling and metering of the user's operations.
 - (3) The control authority may require the industrial user to install monitoring equipment as necessary. The facility's sampling and monitoring equipment shall be maintained at all times in a safe and proper operating condition by the industrial user at its own expense. All devices used to measure wastewater flow and quality shall be calibrated periodically to ensure their accuracy.
 - (4) Any temporary or permanent obstruction to safe and easy access to the industrial facility to be inspected and sampled shall be promptly removed by the industrial user at the written or verbal request of the control authority and shall not be replaced. The costs of clearing such access shall be born by the industrial user.
 - (5) Unreasonable delays in allowing control authority personnel access to the industrial user's premises shall be a violation of this article.
- (B) Search warrants. If the control authority has been refused access to a building, structure or property or any part thereof, and if the control authority has demonstrated probable cause to believe that there may be a violation of this article or that there is a need to inspect as part of a routine inspection program of the control authority designed to verify compliance with this article or any permit or order issued hereunder, or to protect the overall public health, safety and welfare of the community, then upon application the municipal court judge may issue a search and seizure warrant describing therein the specific location subject to the warrant. The warrant shall specify what, if anything, may be searched and seized on the property described. Such warrant shall be served at reasonable hours by the control authority in the company of a uniformed police officer of the city. In the event of an emergency affecting public health or safety, inspections may be made without the issuance of a warrant.
- I. Confidential information. Information and data on an industrial user obtained from reports, surveys, wastewater discharge permit applications, wastewater discharge permits, and monitoring programs, and from control authority inspection and sampling activities, shall be available to the public without restriction unless the industrial user specifically requests, and is able to demonstrate to the satisfaction of the control authority, that the release of such information would divulge information, processes or methods of production entitled to protection as trade secrets under applicable state law. When requested and demonstrated by the industrial user furnishing a report that such information should be held confidential, the portions of a report which might disclose trade secrets or secret processes shall not be made available for inspection by the public, except as may be required by the Texas Open Records Act, Art. 6252-17a, V.T.C.S., but shall be made available immediately upon request to governmental agencies for uses related to the NPDES program or pretreatment program, and in enforcement proceedings involving the person furnishing the report. Wastewater constituents and characteristics and other "effluent data" as defined by 40 CFR 2.302 will not be recognized as confidential information and will be available to the public without restriction.
- J. Administrative enforcement remedies.

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- (A) Notification of violation. Whenever the control authority finds that any user has violated or is violating this article, a wastewater discharge permit or order issued hereunder, or any other pretreatment requirement, the control authority may serve upon the user a written notice of violation. Within 15 days of the receipt of a notice of violation an explanation of the violation and a plan for the satisfactory correction and prevention thereof, to include specific required actions, shall be submitted by the user to the control authority. Submission of the plan in no way relieves the user of liability for any violations occurring before or after receipt of the notice of violation. Nothing in this section shall limit the authority of the control authority to take any action, including emergency actions or any other enforcement action, without first issuing a notice of violation.
- (B) Show cause hearing. The control authority may order any user which causes or contributes to violation(s) of this article, wastewater discharge permits, or orders issued hereunder, or any other pretreatment standard or requirement, to appear before the control authority and show cause why a proposed enforcement action should not be taken. Notice shall be served on the user specifying the time and place for the meeting, the proposed enforcement action, the reasons for such action, and a request that the user show cause why this proposed enforcement action should not be taken. The notice of the hearing may be served personally or by registered or certified mail (return receipt requested) and shall be served at least five working days prior to the hearing. Such notice may be served on any authorized representative of the user. Whether or not the user appears as ordered, immediate enforcement action may be pursued following the hearing date. A show cause hearing shall not be a prerequisite for taking any other action against the user.
- (C) Emergency suspensions. The control authority may immediately suspend a user's discharge (after informal notice to the user) whenever such suspension is necessary in order to stop an actual or threatened discharge which reasonably appears to present or cause an imminent or substantial endangerment to the health or welfare of any person. The control authority may also immediately suspend a user's discharge (after notice and opportunity to respond) that threatens to interfere with the operation of the POTW, or which presents or may present an endangerment to the environment.
- (1) Any user notified of a suspension of its discharge shall immediately stop or eliminate its contribution. In the event of a user's failure to immediately comply voluntarily with the suspension order, the control authority may take such steps as deemed necessary, including immediate severance of the sewer connection, to prevent or minimize damage to the POTW, its receiving stream, or endangerment to any person. The control authority shall allow the user to recommence its discharge when the user has demonstrated to the satisfaction of the control authority that the period of endangerment has passed.
 - (2) A user that is responsible, in whole or in part, for any discharge presenting imminent endangerment shall submit a detailed written statement describing the causes of the harmful contribution and the measures taken to prevent any future occurrence to the control authority, prior to the date of any show cause hearing under section 10-6 J.(B).
- Nothing in this section shall be construed as requiring a hearing prior to any emergency suspension under this section.
- (D) Permit suspension/termination of discharge. In addition to the provisions of section 10-6 F.(E) of this article, any user that violates the following conditions of this section, wastewater discharge permits, or orders issued hereunder, is subject to permit suspension and discharge termination:
- (1) Violation of any wastewater discharge permit condition or conditions;
 - (2) Failure to accurately report the wastewater constituents and characteristics of its discharge;
 - (3) Failure to report significant changes in operations or wastewater volume, constituents and characteristics prior to discharge;

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- (4) Refusal of reasonable access to the user's premises for the purpose of inspection, monitoring or sampling; or
- (5) Violation of the pretreatment standards in section 10-6 C.(A) this article.

Such user shall be notified of the proposed termination of its discharge and be offered an opportunity to show cause under section 10-6 J.(B) of this article why the proposed action should not be taken.

- (E) Supplemental enforcement action/water supply termination. Whenever a user has violated or continues to violate the provisions of this article, orders, or wastewater discharge permits issued hereunder, water service to the user may be terminated. Service will only recommence, at the user's expense, after it has satisfactorily demonstrated its ability to comply.
- K. Judicial enforcement remedies.
 - (1) Any person, firm or corporation who shall violate any provision of this section or who shall fail to comply with any provision hereof, shall be guilty of a misdemeanor and upon conviction is shall be subject to a fine as provided for in section 1-7 of this Code of Ordinances, and each occurrence of the violation shall constitute a separate offense and shall be punished accordingly.
 - (2) This section applies only to offenses committed on or after its effective date, and any offense committed before this section's effective date is governed by the law in existence at the time the offense was committed. The previous regulations are continued in effect for this purpose as if this section were not in force. For the purpose of this section, an offense is committed on or after the effective date of this section if any element of the offense occurred on or after the effective date.
 - (3) Any person violating any of the provisions of this section shall become liable to the city for any expense, loss or damage occasioned by the city by reason of such violation.
 - (4) The city shall be entitled to pursue other criminal and civil remedies to which it is entitled under authority of statutes or other state ordinances against a person continuing prohibited discharges.
- L. Review. The city council shall review this section at least once every five years.

(Ord. No. 381, 6-4-84; Ord. No. 2212, § 1, 4-17-06)

Sec. 10-7. - Water conservation and drought contingency and water emergency response plan.

The city council hereby approves and adopts the NTMWD Model Water Conservation and Drought Contingency and Water Emergency Response Plan (the "plan"), attached hereto as Addendum A*, as if recited verbatim herein. The city commits to implement the requirements and procedures set forth in the adopted plan.

(1988 Code; Ord. No. 1765, 7-17-00; Ord. No. 2239, 9-18-06; Ord. No. 3128, § 1, 4-20-09)

*Addendum "A" is hereby adopted by reference for the city and made part hereof for all purposes, the same as if fully copied herein.

Sec. 10-8. - Testing of backflow prevention assemblies.

- A. Definitions. For the purpose of this section, the following definitions apply unless the context clearly indicates or requires a different meaning. If a word or term used in this article is not contained in the following list, its definition, or other technical terms used, shall have the meanings or definitions listed

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in the most recent edition of the Manual of Cross-Connection Control published by the Foundation for Cross-Connection Control and Hydraulic Research, University of Southern California.

Backflow prevention assembly or assembly shall mean an assembly to counteract backpressure or prevent backsiphonage.

City or the city shall mean the City of Sachse through the city manager or any representative, inspector or employee designated by the city manager.

Nonresidential use shall mean water used by any person other than a single-family or duplex residential customer of the water supply.

Person shall mean any individual, partnership, association, corporation, firm, club, trustee, receiver, body politic and corporate, and any other such entity.

Public water system or system shall mean any public or water system, which supplies water for public domestic use. The system will include all services, reservoirs, facilities, and any equipment use in the process of producing, treating, storing, or conveying water for public consumption.

Tester shall mean a person that is a certified backflow prevention assembly technician approved by and registered with the city and the TCEQ.

Water use survey shall mean a survey conducted or caused to be conducted by the local authority designed to identify any possible sources of contamination to the potable water supply.

B. Testing of backflow prevention assemblies.

- (1) All backflow prevention assemblies shall be inspected and tested or caused to be inspected and tested at the expense of the property or building owner in each of the following circumstances:
 - (a) Immediately after installations;
 - (b) Whenever the assembly is moved;
 - (c) A minimum of once a year for nonresidential backflow prevention devices;
 - (d) Premises that have been vacated and unoccupied for one year, prior to re-occupancy;
 - (e) Immediately after repairs.
- (2) All assembly testing shall be performed by a state certified backflow prevention assembly tester, registered with the city. All testing shall be in accordance with the standards contained in the 2003 International Plumbing Code, as amended, that has been adopted by the City of Sachse.
- (3) Duly authorized employees of the city bearing proper credentials and identification are entitled to enter any public or private property at any reasonable time for the purpose of enforcing this section. Persons and occupants of premises which are provided water service by the city, either directly or indirectly, shall allow the city or its representatives access at all reasonable times to all parts of the premises for the purposes of, among others, inspection, testing, records examination and/or to facilitate the performance of any of their duties. Where persons or occupants of premises have security measures in force which would require proper identification and clearance before entry into their premises, the persons and occupants of the premises shall make necessary arrangements with their security guards so that upon presentation of identification, personnel from the city will be permitted to enter, without delay, for the purposes of performing their specific responsibilities.
- (4) The city is not liable for damage to a backflow prevention assembly, which may occur during testing, inspection and/or examination.
- (5) A water use survey may be conducted at any establishment located in the city which is served by a public water supply or which provides water to the public. Upon determination that the

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establishment falls under the provisions of this section and requires a backflow prevention assembly, a notice to abate the condition or to install the proper backflow prevention assembly shall be issued by the city.

- (6) It is the responsibility of the person, who owns or controls property, to have all assemblies tested in accordance with this section. Assemblies may be required to be tested more frequently if the city, in its sole discretion, regulatory authority deems necessary.
- (7) All results from assembly testing by a certified backflow prevention assembly tester shall be placed on a form that is supplied by the city.

(Ord. No. 3241, § 1, 9-20-10)



UTILITY ORDINANCE CHANGES

CITY COUNCIL
AUGUST 1, 2016

OBJECTIVE

1. Periodic review—last update 2013
2. Remove dollar amounts—Master Fee
3. Clarify methodology
 1. Sewer Averaging
 2. Leak Adjustments
 3. Pool Repairs
4. Cost recovery—fire hydrant meters



10-2 SEWER SERVICE FEES

- Adjustments to sewer averaging
 - Customer's responsibility to apply
 - Proof of leak and repair
 - Deadline to apply
- New residents average defined as city-wide average for all residential



10.3 BILLING PROCEDURES

- E-bills included as method of delivery
- Billing date/due date changed to allow multiple cycles
- Returned check charge deleted, moved to MFS
- Leak adjustments
 - Base for comparison
 - Adjustment is to rate, not gallons billed
 - New residents
- Swimming pool repair/refill
- Transfer of service for residential only
- Transfer fee deleted, moved to MFS



10-3 FIRE HYDRANT METERS

- Remove deposit amount, moved to MFS
- Remove minimum use fee, moved to MFS
- Lost or stolen meter
 - Cost to replace to be charged to customer
 - Charge for estimated consumption
- City responsible for reading and billing.



CONCLUSION

- Consideration of Ordinance to amend the Code of Ordinances will be on August 15, 2016 City Council Agenda

