ORDINANCE NO. 02025-10-17

AN ORDINANCE AMENDING CHAPTER 13, UTILITIES, ARTICLE 13.200 RATES AND CHARGES, SECTION 13.207, RATE SCHEDULE FOR WATER USAGE; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; CONTAINING A SEVERABILITY CLAUSE; AND PROVIDING FOR PUBLICATION AND AN EFFECTIVE DATE.

WHEREAS, the City Council has previously adopted the 2022-2027 Strategic Plan for the City of Hillsboro, which includes Strategic Goals to Build Better Infrastructure and Deliver Basic Services; and

WHEREAS, the City has committed to the Texas Water Development Board that it will maintain sufficient water rates to cover maintenance, operations and debt service, including adequate reserves; and

WHEREAS, the Aquilla Water Supply District will soon receive funding from the Texas Water Development Board for major improvements, which will raise costs for the City of Hillsboro, and Aquilla has significantly increased its Annual Requirement in anticipation of these costs; and

WHEREAS, in addition to meeting the current obligations and Aquilla's project needs, the City of Hillsboro must initiate significant improvements to its distribution system in order to improve system reliability and decrease water loss; and

WHEREAS, no outside funding for water distribution system improvements will be received for at least the next 12-24 months, so improvements must be made with local water bill proceeds; and

WHEREAS, the proposed increase does not fully fund the anticipated needs but is as great a step as Council feels is prudent at this time;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HILLSBORO, TEXAS, AS FOLLOWS:

Chapter 13, Utilities, Code of Ordinances, City of Hillsboro is hereby amended. A revised Chapter 13, Utilities, Article 13.200, Rates and Charges, Section 13.207, Rate Schedule For Water Usage, is hereby enacted and said Chapter, Article and Sections shall read as follows:

Section 13.207 Rate Schedule for Water Usage

Rate Schedule for Water Usage, Residential (Inside City Limits)

All property having a connection with any mains or pipes which may be hereafter constructed and used in connection with the City water system shall pay the following monthly base rates, based on meter size. Residential property means those customers living in single-family houses, apartments, town houses, HUD code manufactured homes and trailers and having a water meter of 2" and less in diameter.

(a) Three Quarter Inch (3/4") Meter: a monthly base rate of $ 56.50

(b) One Inch (1") Meter: a monthly base rate of $ 110.00

(c) One and One-half Inch (1 ½") Meter: a monthly base rate of $180.00

(d) Two Inch (2") Meter: a monthly base rate of $275.00

Rate Schedule for Water Usage, Non-Residential (Inside City Limits)

All property having a connection with any mains or pipes which may be hereafter constructed and used in connection with the City water system shall pay the following monthly base rates, based on meter size. Non-Residential property includes but is not limited to, commercial establishments, churches, schools, nursing homes, hotels, hospitals, and government buildings.

(a) Three Quarter Inch (3/4") Meter: a monthly base rate of $ 85.00

(b) One Inch (1") Meter: a monthly base rate of $ 170.00

(c) One and One-half Inch (1 ½") Meter: a monthly base rate of $ 250.00

(d) Two Inch (2") Meter: a monthly base rate of $ 305.00

(e) Three Inch (3") Meter: a monthly base rate of $ 760.00

(f) Four Inch (4") Meter: a monthly base rate of $ 1380.00

(g) Six Inch (6") Meter: a month

ly base rate of $ 2210.00

(h) Eight Inch (8") Meter:
a monthly base rate of $3865.00

(i) Ten Inch (10") Meter:
a monthly base rate of $6075.00

Additional Consumption for All Users

All users will be charged an additional fee for consumption which exceeds the minimum consumption level stated above. The fees for additional consumption per one thousand gallons shall be as follows:

Residential-	$7.50 per one thousand (1,000) gallons for consumption totaling 1 to 2,000 gallons
Residential-	$9.00 per one thousand (1,000) gallons for consumption totaling 2,001 to 5,000 gallons
Residential-	$11.75 per one thousand (1,000) gallons for consumption totaling 5,001 to 10,000 gallons
Residential-	$13.25 per one thousand (1,000) gallons for consumption totaling 10,001 to 15,000 gallons
Residential-	$14.50 per one thousand (1,000) gallons for consumption exceeding 15,000 gallons
Non-Residential-	$9.00 per one thousand (1,000) gallons for consumption totaling 1 to 4,000 gallons
Non-Residential-	$11.10 per one thousand (1,000) gallons for consumption totaling 4,001 to 45,000 gallons
Non-Residential-	$12.15 per one thousand (1,000) gallons for consumption totaling 45,001 to 120,000 gallons.
Non-Residential -	$13.25 per one thousand (1,000) gallons for consumption totaling 120,001 to 200,000 gallons
Non-Residential -	$14.50 per one thousand (1,000) gallons for consumption exceeding 200,000 gallons

Outside City Limits

Water service rate for customers outside the city limits shall be billed at one and one half times the rates shown in Section 13.207.

Fire Plug Meter
A monthly fixed rate of $ 700 and an additional $ 13.50 per 1,000 gallons used. Fire plug meter accounts shall not be subject to wastewater fees.

Fire Suppression Systems:
Meters placed for the specific purpose of maintaining a Fire Suppression System will be phased into the base rates according to the meter sizes and schedule above, according to the following schedule. Effective upon passage of this ordinance, all connections made for the purposes of Fire Suppression Systems will be metered and billed. The monthly charge for Fiscal Year 2025 will be $35.00. The monthly charge for Fiscal Year 2026 will be $60.00. The monthly charge for Fiscal Year 2027 will be $150.00. The monthly charge for Fiscal Year 2028 will be 1/2 the rate shown in the schedule above. Beginning October 1, 2028, the rate will be according to the schedule above. Effective upon passage of this ordinance, consumption shall be billed at the rate of $12.00 per 1,000 gallons used up to 4,000 gallons; $13.00 per 1,000 gallons used from 4001 – 120,000, and $14.00 per 1,000 gallons used above 120,000. Bills associated with Fire Suppression Systems shall not be subject to wastewater fees.

Lawn Irrigation Systems:
Meters placed for the specific purpose of maintaining a Lawn Irrigation System will be charged the base rate according to the meter sizes and schedule above.

Consumption shall be billed at the rate of $12.00 per 1,000 gallons used up to 4,000 gallons; $13.00 per 1,000 gallons used from 4001 – 120,000, and $14.00 per 1,000 gallons used above 120,000. Bills associated with Lawn Irrigation Systems shall not be subject to wastewater fees.

Sprinklers maintaining vegetation that is not a lawn or landscaping, but rather is an integral component of operating a commercial or institutional enterprise, such as golf courses and athletic fields, shall not be considered Lawn Irrigation Systems but shall be billed at the Non-Residential schedule and rates and shall not be subject to wastewater fees.

Repeal of Conflicting Ordinances
All ordinances or parts of ordinances and provisions of the Code of Ordinances, City of Hillsboro, inconsistent with or in conflict herewith are hereby repealed.

Savings Clause
If any section, paragraph, subdivision, clause, phrase or provision of this ordinance shall be judge invalid or held unconstitutional, the same shall not in any amount be construed as to affect the validity of the remainder of this ordinance as a whole or any part or provision hereof, other than the parts so decided to be invalid or unconstitutional.

Effective Date

This ordinance shall take effect after its passage and publication in an issue of the official newspaper of the City of Hillsboro, in accordance with the provisions of the laws of the State of Texas and the Charter of the City of Hillsboro, Texas.

PASSED AND APPROVED on second and final reading on the 21st day of October, 2025.

M. Scott Johnson, Mayor

ATTEST:

Jasmine Guy, City Secretary