

ORDINANCE NO. 550

AN ORDINANCE BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF LONG BEACH, MISSISSIPPI, AMENDING SECTIONS 26, 30, 35 AND 38 OF ORDINANCE NO. 230, AS PREVIOUSLY AMENDED, ESTABLISHING A CONTINGENCY ACCOUNT, PROVIDING FOR COLLECTION AND DEPOSIT OF CONTINGENCY FUNDS, ADOPTING A NEW WATER AND SEWER RATE CALCULATION SHEET, REVISING THE AMOUNT OF LATE FEES TO BE CHARGED ON DELINQUENT ACCOUNTS, AND OTHER RELATED PURPOSES

WHEREAS, the Mayor and Board of Aldermen of the City of Long Beach, Mississippi, having made due investigation, do now find as follows:

1. That the costs of providing municipal water and sewerage services to the customers of the Combined Waterworks and Sewer Department have now increased and that those increased costs do now require that the water and sewer user fees presently assessed and charged by the City be increased and that the costs of managing and collecting delinquent accounts has increased and the delinquency fees should be increased and set at a flat rate, that such increase is necessary for the general health, welfare, safety and convenience of the citizens of the City of Long Beach and to pay the costs of providing such municipal water and sewerage services.

2. That in order to improve the City's ability to supply necessary water to businesses and residences within the City and to achieve an improved rating of its water system from the Mississippi Department of Health under the Capacity Development Program developed in accordance with the revised Federal Safe Water Drinking Act it is necessary to further increase the water user fees presently assessed and charged by the City by an amount necessary to assure that water system revenues exceed water system expenditures by ten per cent (10%), to be shown on statements for water service as "contingency fund; to establish a special fund to be known as the City of Long Beach Reserve Fund, and to establish separate municipal interest bearing account for such reserve fund, all in accordance with the provisions of MCA §21-35-22, for the deposit of all revenues collected by such contingency fund levy; that the interest earned

by such contingency fund levy; that the interest earned on such contingency funds so deposited to be credited to the said municipal reserve fund; and that the expenditures from such reserve fund to be made only as provided by aforesaid MCA §21-35-22

Now therefore,

BE IT ORDAINED BY THE MAYOR AND BOARD OF ALDERMEN OF THE CITY OF LONG BEACH, MISSISSIPPI, AS FOLLOWS:

SECTION 1. Rate Calculation Sheets.

The User charges for water and sewer service within the corporate limits of the City of Long Beach shall be based upon the formulas and calculation sheets attached hereto as Appendix "A". This Appendix "A" shall replace the equivalent Appendix "A" which was attached to Ordinance No. 450 of the City of Long Beach, which Ordinance No. 450 amended Ordinance No. 230, as previously amended. The user charges calculated according to this new APPENDIX "A" shall be applied to all water and sewer services billed for by the City on and after January 1, 2008. Notice of the adoption of these new user charges and the effective date thereof shall be given by United States Mail addressed to each user at his, her or its last known address.

SECTION 2. Amending Subsection (c), entitled, "Late charge", of Section 35, entitled, "Due date of bills for water and sewer service, of Ordinance No. 230 of the City of Long Beach, Mississippi, as previously amended.

Subsection (c), entitled "Late charge of Section 35 of Ordinance No. 230 of the City of Long Beach, Mississippi, be, and said subsection (c) is hereby amended to read as follows:

"(c) Late charge. If any bill for water and/or sewer service be not paid on or prior to the due date thereof, a late charge of \$10.00 per month shall be added thereto until the same has been paid."

SECTION 3. Amending Section 38, entitled "Disposition of Money Collected by Superintendent" of Ordinance No. 230 of the City of Long Beach, Mississippi, as previously

amended.

Section 38, entitled "Disposition of Money Collected by Superintendent" of Ordinance No. 230 of the City of Long Beach, Mississippi, is hereby amended to read as follows:

"SECTION 38. Disposition of Money Collected by Superintendent.

(A) All monies collected by the superintendent shall be paid over daily to the city treasurer, who shall give his/her receipt for the same and distribute such monies into the proper funds required to be kept by the city under the terms of any outstanding loan agreement, any ordinance providing for the issuance and delivery of revenue bonds in connection with the waterworks and sewer system, and subsection (B) of this section.

(B) There is hereby established the City of Long Beach Reserve Fund, as authorized by MCA §21-35-22, for which fund the City Clerk is directed to open a special interest bearing bank account, into which account all revenues collected by that part of the Water User Charges collected and attributable to that portion of such user charges designated as "Contingency Fund" shall be deposited, and into which account all interest earned on the City's reserve fund shall be deposited. Expenditures may be made from the City of Long Beach Reserve Fund only as provided by MCA §21-35-22."

SECTION 4. Severability, Savings Clause.

If any section, subsection, sentence, clause or phrase of this Ordinance, or the application thereof to any person or circumstance, shall be held invalid or unconstitutional by any court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining provisions or application of this ordinance which can be given effect without the invalid or constitutional provision or application; and to that end, the provisions of this ordinance are hereby declared to be severable.

SECTION 5. Captions.

The captions and catch phrases to each section or subsection of this Ordinance are intended solely for easy reading and reference; and such captions and/or catch phrases shall not be construed or interpreted to alter or change the meaning of any provision in any such section or subsection.

SECTION 6. Effective Date.

The City of Long Beach, Mississippi, having heretofore entered into an Interlocal Cooperation Agreement with and the creation of the Harrison County Wastewater Management District and in order to protect the public health and safety of the community and the users of services furnished by the Combined Waterworks and Sewer Department of said City, and in order to comply with clean water standards and rules and regulations of the Environmental Protection Agency of the United States of America concerning the use of water and treatment of wastes as set out in 40 CFR 35.3140 and other applicable regulations, this ordinance shall take effect and be in full force from and after its adoption; all for the immediate preservation of order and of the public health and safety; nevertheless notice of the adoption of this ordinance shall be given and the same enrolled in the Ordinance as provided by law.

The above and foregoing Ordinance No. 550 was introduced in writing by Alderman Holder who moved its adoption. Alderman Burton seconded the motion to adopt the Ordinance, and after discussion, no member of the Board of Aldermen having requested the Ordinance to be read by the City Clerk, and the question being put to a roll call vote, the result was as follows:

Alderman Richard Notter	voted Aye
Alderman Richard Burton	voted Aye
Alderman Charles A. Boggs	voted Absent, Not Voting
Alderman Richard Bennett	voted Absent, Not Voting

Alderman Allen D. Holder voted Aye

Alderman Mark E. Lishen voted Aye

Alderman Joseph McNary voted Aye

The question having received the affirmative vote of a majority of the Aldermen present and voting, the Mayor declared the motion carried and the said Ordinance adopted and approved this the 4th day of December, 2007.

APPROVED:

BILLY SKELLIE, JR., MAYOR

ATTEST:

REBECCA E. SCHRUFF, CITY CLERK

EXHIBIT "A"

CALCULATION OF WATER & SEWER RATES FOR CITY OF LONG BEACH

Expenses are from adopted FY 2008 Budget (Does not include Solid Waste)
(with adjustments to reflect restructured DWI/SRF payments)

	TOTAL	WATER	SEWER	STP	DEBT
<u>DISTRIBUTE COSTS:</u>					
PERSONNEL COSTS	45,158	22,579	22,579	0	0
SUPPLIES	85,748	42,874	42,874	0	0
OTHER CHARGES AND SERVICES					
O & M Operating Contract	1,219,382	609,691	609,691	0	0
Utilities	202,090	101,045	101,045	0	0
Administrative Charge	205,000	102,500	102,500	0	0
Engineering Fees	49,000	45,000	4,000	0	0
Vehicle/Equipment & Maintenance	20,378	10,189	10,189	0	0
Water System Maintenance	57,243	57,243	0	0	0
Sewer System Maintenance	100,000	0	100,000	0	0
Insurance	48,360	24,180	24,180	0	0
Miscellaneous Costs	10,062	5,031	5,031	0	0
TOTAL OTHER CHARGES	1,911,515	954,879	956,638	0	0
PUMP & MOTOR REPLACEMENT					
Book Value:	1,000,000	237,997	762,003	0	0
x .0724	72,400	17,231	55,169	0	0
DEBT SERVICE					
1969 Revenue Bonds (P & I)	0	0	0	0	0
1987 W&S G.O. Bonds (P & I)	0	0	0	0	0
1989 W&S G.O. Bonds (P & I)	0	0	0	0	0
1992 W&S G.O. Bonds (P & I)	42,705	0	0	0	42,705
Pay Agent Fees	1,750	0	0	0	1,750
SRF C280802-01	325,136	0	0	0	325,136
SRF C280802-02	37,617	0	0	0	37,617
SRF C280802-03	72,858	0	0	0	72,858
SRF C280802-04	40,354	0	0	0	40,354
DWI H280 008-01	18,516	0	0	0	18,516
DWI H280 008-02	27,545	0	0	0	27,545
DWI H280 008-03	68,525	0	0	0	68,525
CAP Loan (SE Water Improvements)	55,208	0	0	0	55,208
CAP Loan (Beatline Road Sewer Ext)	19,974	0	0	0	19,974
TOTAL DEBT SERVICE	710,188	0	0	0	710,188
DEFICIT FROM PREVIOUS YEARS	248,822	124,411	124,411	0	0
SEWAGE TREATMENT SYSTEM					
O & M Costs	619,586	0	0	619,586	0
Debt Service Costs	129,474	0	0	0	129,474
Deficit from Previous Years	0	0	0	0	0
TOTAL STP COST + DEFICIT	749,060	0	0	619,586	129,474
CAPITAL EXPENDITURES:					
Contingency Fund	250,000	125,000	125,000	0	0
Equipment/Fire Hydrants	39,000	33,000	6,000	0	0
	289,000	158,000	131,000	0	0
TOTAL COSTS:	4,111,891	1,319,974	1,332,669	619,586	839,662

	TOTAL	WATER	SEWER	STP	DEBT
REVENUE:					
Tax Receipts Dedicated to Wastewater (SRF)	0	0	n/a*	n/a*	0
Interest Income	0	0	0	0	0
Transfer from General Fund	0	0	n/a*	n/a*	0
Industrial Waste Surcharge	0	0	0	0	0
Connection Fees	30,000	18,500	11,500	0	0
Delinquent Charges	32,500	16,250	16,250	0	0
Misc. Revenue	15,000	7,500	7,500	0	0
User Fees	4,171,973	1,359,467	1,324,072	631,978	856,456
Less Discounts (1153 x \$4.00 x 12)	(55,344)	(55,344)	0	0	0
TOTAL BILLING REQUIRED:	4,194,129	1,346,373	1,359,322	631,978	856,456

* n/a denotes that EPA Regulations prohibit allocation of tax funds for these items

2% UNCOLLECTABLE ALLOWANCE:	(82,238)	(26,399)	(26,653)	(12,392)	(16,793)
TOTAL REVENUE GENERATED:	4,111,891	1,319,974	1,332,669	619,586	839,662

BASE FLOW (Reported in 1,000 gal/year)

		ACTUAL	w/ MIN
METERED FLOW			
Water Meter Flow (w/ & wo/ 8,333 gal min)		62,900	106,875
Sewer Meter Flow		0	0
TOTAL METERED FLOW		62,900	106,875
NON-METERED FLOW			
	# UNITS	FLOW	
Residential Water & Sewer	4,934	100	493,400
Water Only	0	100	0
Sewer Only	0	100	0
Senior & Disabled Water & Sewer	1,153	90	103,770
TOTAL UNMETERED FLOW		597,170	597,170
TOTAL ANNUAL BASE FLOW:		660,070	704,045

USER CHARGE RATES:

	WATER	SEWER	STP	DEBT	TOTAL
User Charge Rate = "BILLINGS REQ'D" / "TOTAL ANNUAL BASE FLOW"	1.93	2.01	0.96	1.22	6.12
	8.333	K minimum on water & sewer debt			
FOR UNMETERED CUSTOMERS:					
Single Family Residential (per mo.)					
= User Charge Rate x	8.333	\$16.08	\$16.75	\$8.00	\$10.17
Senior & Disabled Class (per mo.)	7.500	\$14.48	\$15.08	\$7.20	\$9.15

SAMPLE CALCULATIONS FOR TYPICAL CUSTOMERS:

	CONSUMP	UNITS	OLD	NEW	% INC	\$INC
Non-metered Residential			\$40.00	\$51.00	27.5%	11.00
Minimum Commercial	0	1	\$26.42	\$26.25	-0.6%	(0.17)
Very Small Commercial	3	1	\$31.31	\$35.16	12.3%	3.85
Small Commercial	20	1	\$86.00	\$122.40	27.5%	26.40
Medium Commercial	150	1	\$720.00	\$918.00	27.5%	198.00
Large Commercial	382	1	\$1,833.60	\$2,337.84	27.5%	504.24
Small Apartment Complex	37	12	\$377.30	\$424.88	12.6%	47.58
Medium Apartment Complex	150	42	\$1,353.96	\$1,547.96	14.3%	194.00
Large Apartment Complex	1,110	200	\$7,092.42	\$8,546.49	20.5%	1,454.07

C E R T I F I C A T E

**STATE OF MISSISSIPPI
COUNTY OF HARRISON
CITY OF LONG BEACH**

I, the undersigned, Rebecca E. Schruff, City Clerk within and for the City of Long Beach, Mississippi, do hereby certify that the above and foregoing is a true and correct copy of that certain Ordinance #550 of the City of Long Beach, Mississippi, adopted by the Mayor and Board of Aldermen at a regular meeting duly held and convened on the 4th day of December, 2007, as the same appears of record in Ordinance Book #7, pages 318-325, inclusive, in my office at the City Hall in said City.

Given under my hand and the official seal of my office this the 4th day of December, 2007.

(SEAL)

Rebecca E. Schruff, City Clerk