

ORDINANCE NO. _____

An ordinance amending Chapter 49, “Water and Wastewater,” of the Dallas City Code by amending Sections 49-1, 49-3, 49-4, 49-7, 49-8, 49-10, 49-18.3, 49-18.9, and 49-21.1; amending the billing collection, metering, and conservation requirement for water and wastewater services; providing a penalty not to exceed \$500; providing a saving clause; providing a severability clause; and providing an effective date. Now, Therefore.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DALLAS:

SECTION 1. That Section 49-1, “Definitions,” of Article I, “General,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended by adding a new Paragraph (73.1) to read as follows:

“(73.1) PAYMENT PROCESSOR means a third-party entity under contract with the city to provide payment processing services for charges collected under this chapter.”

SECTION 2. That Section 49-1, “Definitions,” of Article I, “General,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended by adding a new Paragraph (73.2) to read as follows:

“(73.2) PAYMENT SERVICE AGENT means a third-party entity that accepts customer payments for charges owed to the city but does not have a direct payment service contract with the city under this chapter.”

SECTION 3. That Subsection (a), “Application Required,” of Section 49-3, “Application for Service; Contents of Application,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(a) Application required. A person shall not use a service without first making the proper application for the service with the director by phone, email, or online. ~~[For general service accounts, a written application will be required of those persons from whom the director requires~~

~~a security deposit. The application, when made in writing, must be made on forms provided by the director.]~~ The director is authorized to establish other procedures, not in conflict with this chapter or state law, to process and accept customer applications and to collect and process security deposits as necessary to secure customer accounts. The application requirements of this section do not apply to wholesale service contracts.”

SECTION 4. That Subsection (f), “Use Without Application,” of Section 49-3, “Application for Service; Contents of Application,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(f) Use without application. A person who occupies premises and uses service without making application is responsible for all water used from the date of the last meter reading previous to that person occupying the premises. If the person is a tenant, a copy of the lease is required to make application. ~~[and the owner of the premises has failed to give the notice required in Section 49-15, then the owner is jointly and severally responsible with the tenant for the charges.]~~”

SECTION 5. That Subsection (a), “Form of Security,” of Section 49-4, “Security Deposits; Exemptions,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(a) Form of security. Unless exempted under Subsection (f), when a customer applies for service, he must also submit a security deposit in one of the following forms:

- (1) cash;
- (2) guaranty bond;
- (3) letter of credit drawn on a state or federally chartered lending institution; or
- (4) ~~[guarantee letter from another person who has an account with the department for service and has a satisfactory credit history with the department; or~~
- (5) other equivalent security approved by the director.”

SECTION 6. That Subsection (a), “When Charges Are Delinquent; Bill Items,” of Section 49-7, “Payments of Fees for Services; Delinquency of Charges; Discontinuance or Refusal of

Service; Notice of Discontinuance,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(a) When charges are delinquent; bill items. Except where otherwise provided by written contract between the customer and the city, charges for services furnished become delinquent if payment is not received by the department on or before the due date, which is 21 ~~[45]~~ days after bill rendering. After the due date, the customer must pay all charges for service, plus a late payment fee equal to five percent of the outstanding charges for service (unless the late payment fee is prohibited, or otherwise provided for, in another city ordinance or state or federal law). The director shall send the customer a monthly bill indicating:

- (1) the service date and the due date;
- (2) the amount due for services rendered (including all previous delinquent charges, plus interest, if any, still due and owing) if the bill is paid by the due date; and
- (3) the amount due for services rendered (including all previous delinquent charges, plus interest, if any, still due and owing), plus a late payment fee, if the customer fails to pay the bill by the due date.”

SECTION 7. That Subsection (e), “Restoration of Service,” of Section 49-7, “Payments of Fees for Services; Delinquency of Charges; Discontinuance or Refusal of Service; Notice of Discontinuance,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(e) Restoration of service. Discontinued service will not be restored until the customer ~~[or other person who has or accepts legal responsibility for violations committed or charges unpaid]~~ either pays all charges due (including the charges to restore connections), makes arrangements for payment satisfactory to the director, or, where applicable, ceases violation of the particular code provision in question. The decision to restore service while delinquent charges or code violations still exist rests solely with the director.”

SECTION 8. That Subsection (h), “Customer’s Request to Discontinue,” of Section 49-7, “Payments of Fees for Services; Delinquency of Charges; Discontinuance or Refusal of Service; Notice of Discontinuance,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(h) Customer’s request to discontinue. Upon a customer’s ~~[written]~~ request, the director may discontinue treated or untreated water service to the customer. Upon receipt of the

request, the director may remove the water meter and service connections. However, the customer is liable for all charges incurred prior to removal of the meter. Where service is furnished through more than one meter, the customer may request discontinuance of one or more meters and thereafter be billed on the basis of the remaining meter or meters.”

SECTION 9. That Subsection (b), “Avoidance,” of Section 49-8, “New Application for Premises with Delinquent Charges,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(b) Avoidance. This section also applies to premises where service is furnished to a tenant, and the premises are transferred to a person with notice of discontinuance for the purpose of avoiding payment of charges or avoiding enforcement of this section. When a premise shows a history of avoidance, the department may assign the premise as an owner only account. Where service is requested on these premises, only the owner of the property will be allowed to open an account for the premises.”

SECTION 10. That Section 49-10, “Collection Regulations; Payment Substation and Payment Service Contracts,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“SEC. 49-10. COLLECTION REGULATIONS; PAYMENT SUBSTATION AND PAYMENT SERVICE CONTRACTS.

(a) Collection regulations. The director is authorized to promulgate regulations and procedures, not in conflict with this code, the city charter, or applicable state or federal laws or regulations, concerning the collection of charges for service and the handling of customer accounts, receipts, and reports.

(b) Authority for payment service agents and payment processors ~~[substations and payment service companies]~~. The director is authorized to allow payment service agents ~~[provide substations operated by the department]~~ at convenient locations for the general public to pay charges, or the director may negotiate contracts with private persons for the operation of [÷

(1) ~~payment substations; or~~

(2) payment processors ~~[service companies]~~, including but not limited to, telephone (interactive voice response) payment services, and Internet (on-line) payment services~~]; and payment service agents]~~.

(c) Terms of private contracts. A ~~[private substation contract or a]~~ payment processor ~~[service]~~ contract must be for a fixed term and must contain conditions agreed upon by the parties;

except, that each contract must include the collection regulations and procedures promulgated by the director as a part of the conditions. ~~[A private substation contract or a payment service contract must be executed by the city manager and approved as to form by the city attorney.]~~

(d) ~~[Contract security. All substation contractors and payment service contractors shall provide a surety or guaranty bond payable to the city in an amount, not less than \$1,000, that is satisfactory to the director. The bond must secure against loss or disappearance, for whatever reason, of funds collected by the contractor for payment of charges and must generally secure performance under the contract. In lieu of a bond, the director may accept a cash deposit, or an unconditional letter of credit drawn on a state or federally chartered lending institution.]~~

(e) ~~Convenience charge for payment substations. A private payment substation is authorized to collect a convenience charge, not to exceed \$1.00, on each bill collected, which charge may be retained by the substation as a cost of service.~~

(f) Convenience charge for payment services. The director may collect a convenience charge to recover the cost of service associated with credit and debit card transaction fees in accordance with Chapter 132 of the Texas Local Government Code. The fee is designed to recover the actual costs incurred by the water utilities department in providing the payment service, including but not limited to credit and debit card transactions and interchange fees. The fee may be retained by the water utilities department or paid directly to the payment processor as a cost-of-service and must be clearly disclosed to the customer at the time of payment.

(g) Convenience charge for payment service agents. A payment service agent is authorized to collect a convenience charge, not to exceed \$5.00 ~~[4.00]~~, on each bill collected, which charge may be retained by the payment service agent as a cost of service.

(h) Applicability. The collection and payment regulations and procedures provided for in this section apply to:

- (1) charges established under this chapter; and
- (2) charges established under other city ordinances that the director has been authorized to collect by the city manager or the city council.”

SECTION 11. That Section 49-18.3, “General Service: Separate Billing,” of Article II, “Rates, Charges and Collections,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“SEC. 49-18.3. GENERAL SERVICE: SEPARATE BILLING.

(a) Conditions of separate billing. Separate billing will not be initiated until the customer agrees to the terms and conditions in this section, in writing. A general service customer inside the city may receive separate bills for water service and wastewater service if he installs and

maintains, at his expense, meters or other liquid measuring devices that are accurate and approved by the director to measure:

(1) total wastewater discharged directly into the wastewater system from the premises; or

(2) water losses from activities involving evaporation, irrigation or water consumed in products, as illustrated by, but not limited to, cooling towers, boilers, lawn watering systems, or food products.

(b) Customer charge. A customer who chooses to be billed under this section must pay an additional customer charge of \$60.00 per month for each meter installed pursuant to this section, regardless of the size of the meter.

(c) Annual testing. Annual testing by a certified technician is required to ensure that meters are registering correctly for accurate billing. The customer shall provide the director with certified test results from an independent party demonstrating that the meter or device is functioning accurately.

(d) Where meter or device is inaccurate. When a meter installed pursuant to this subsection is inaccurate, the director may estimate usage or discharge. If a customer fails to repair or replace an inaccurate meter, the director shall bill the customer for the usage charge in Section 49-18.2(c)(3) or (4), whichever is applicable. A customer is required to repair inaccurate or improperly registered meters or devices within 30 days of receiving a written notification from the utility. Separate billing may be terminated if repairs are not made within 30 days of the written notification. After 30 days, no estimates of usage will be made for a meter or device installed under this section that is inaccurate or improperly registering usage. After repairs, a customer shall provide the director with certified test results from an independent party demonstrating that the meter or device is functioning accurately and properly.

(e) Approved meter or device. Meters and other liquid measuring devices must be purchased from the department-approved product list. Any meter or liquid measuring device that is not on the department's approved products list must be approved by the department before installation. Installation may not begin until the customer receives approval from the department. Approval is at the discretion of the director. Upon approval, the customer must provide certified test results of the meter and/or device from the manufacturer to the department prior to installation of the water, wastewater, or other liquid meter or measuring device.

(f) Non-standard meter or device conditions. Meters or other liquid measuring devices that are not from the department approved product list are not eligible for separate billing. Meters must conform to standards included in a separate billing agreement for the manufacturer type, size, and dials. Meter dials must be configured in accordance with department standards to ensure readings are recorded in hundreds of gallons.

(g) Location. Meters and other liquid measuring devices must be installed to allow safe access for reading and inspection by the department.

(h) Termination. Abuse of the separate billing option, or any attempts to defraud the department, will result in termination of separate billing at the utility's discretion. Further, a violation of any provision of this section will be enforced in accordance with all applicable provisions of this code."

SECTION 12. That Section 49-18.9, "Charges for Use of Fire Hydrants," of Article II, "Rates, Charges and Collections," of Chapter 49, "Water and Wastewater," of the Dallas City Code is amended to read as follows:

"SEC. 49-18.9. CHARGES FOR USE OF FIRE HYDRANTS.

(a) A person requesting the use of water from a fire hydrant pursuant to Section 49-27 shall pay the following application charges:

(1) a deposit of \$2,300 to be refunded when the service is discontinued and the meter is returned to the city by the person or the person's authorized representative, less any unpaid fees for services and any costs to repair damage in excess of normal wear. The deposit will be reduced by any and all unpaid fees for service and costs to repair damage in excess of normal wear. The deposit may be forfeited if the meter is lost, stolen, used outside of city limits, damaged beyond repair, not returned by the customer, not presented to the meter shop semi-annually, or if not exchanged annually;

(2) a monthly fire hydrant service charge of \$89.60; and

(3) a usage charge for water that will be billed at the general service rate prescribed in Section 49-18.1(c)(2)(B)."

(b) A customer commits an offense if the customer fails to provide the director with monthly readings, present the meter to the director semi-annually for inspection, or exchange the meter annually according to the service level agreements schedule."

SECTION 13. That Subsection (b), "Lawn and Landscape Irrigation Restrictions," of Section 49-21.1, "Conservation Measures Relating to Lawn and Landscape Irrigation," of Article III, "Water and Wastewater Generally," of Chapter 49, "Water and Wastewater," of the Dallas City Code is amended to read as follows:

“(b) Lawn and landscape irrigation restrictions.

(1) A person commits an offense if, [~~during the period from April 1 through October 31 of any year and~~] between the hours of 10:00 a.m. and 6:00 p.m. on any day during the year [that period], the person irrigates, waters, or causes or permits the irrigation or watering of any lawn or landscape located on premises owned, leased, or managed by the person. It is a defense to prosecution under this paragraph that the person was only using water from a source other the city’s water or wastewater system.

(2) A person commits an offense if, at any time during the year, the person irrigates, waters, or causes or permits the irrigation or watering of any lawn or landscape located on premises owned, leased, or managed by the person with a hose-end sprinkler or automatic irrigation system on a day other than a designated outdoor water use day for the property address. It is a defense to prosecution under this paragraph that the person was:

- (A) using a hand-held hose, drip irrigation device, soaker hose, or hand-held bucket;
- (B) irrigating during the repair or testing of a new or existing automatic irrigation system;
- (C) irrigating nursery stock at a commercial plant nursery; [~~or~~]
- (D) only using water from a source other than the city’s water or wastewater system; or
- (E) watering a foundation using a hand-held hose, drip irrigation device, soaker hose, or hand-held bucket.”

SECTION 14. That Paragraph (3) of Subsection (d) “Variances,” of Section 49-21.1, “Conservation Measures Relating to Lawn and Landscape Irrigation,” of Article III, “Water and Wastewater Generally,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“(3) The extreme hardship or need requiring the variance must relate to the health, safety, or welfare of:

- (A) the person requesting it;
- (B) large properties (i. e. golf courses, school or business campuses, athletic fields, parks, large common areas, etc.); or
- (C) newly installed landscapes not including cool-season grasses.”

SECTION 15. That Section 49-29, “Backflow Prevention Devices,” of Article III, “Water and Wastewater Generally,” of Chapter 49, “Water and Wastewater,” of the Dallas City Code is amended to read as follows:

“SEC. 49-29. BACKFLOW PREVENTION DEVICES.

(a) Authority to require. The director may enforce this section in accordance with the Dallas Plumbing Code, this article, and other applicable regulations promulgated by the Texas Commission on Environmental Quality (TCEQ); Section 290.44 of the Texas Administrative Code; and cross-connection control requirements including ~~[is authorized to]~~:

(1) giving ~~[give]~~ notice and requiring ~~[require]~~ a customer to install an approved backflow prevention device at the customer’s own expense, where the director determines that the device is necessary for protection of the potable water system or private premise plumbing;

(2) giving ~~[give]~~ notice and requiring ~~[require]~~ a customer to correct a defective backflow prevention device at the customer’s own expense. Failure to comply may result in refusal of service and referral to municipal court. Each day that a customer fails to comply with a notice under this paragraph constitutes a separate violation;

(3) refusing ~~[refuse]~~ or discontinuing ~~[discontinue]~~ service if a backflow prevention device is not installed, tested, or corrected as provided in this section; and

(4) inspecting backflow prevention devices and charging ~~[charge]~~ fees for the inspection in accordance with Section 49-18.6(d).

(b) Maintenance responsibility. The customer is responsible for general maintenance and upkeep of an approved backflow prevention device in accordance with the Dallas Plumbing Code, this article, and other applicable regulations promulgated by the Texas Commission on Environmental Quality (TCEQ); and Section 290.44 of the Texas Administrative Code.

(1) All backflow prevention assembly tests must be conducted by a city registered and TCEQ-licensed backflow prevention assembly tester (BPAT).

(2) All backflow prevention assemblies must be tested upon installation and certified to be operating within specifications.

(3) Backflow prevention assemblies that are installed to protect against health hazards must also be tested and certified at least annually to be operating within specifications.

(4) All backflow prevention assembly test and maintenance reports must be submitted to director.

(c) Damage from inspection. The city and the director are not responsible for damage done during inspection that is a result of corrosion or improper maintenance of a backflow prevention device.”

SECTION 16. That a person violating a provision of this ordinance, upon conviction, is punishable by a fine not to exceed \$500.

SECTION 17. That Chapter 49 of the Dallas City Code shall remain in full force and effect, save and except as amended by this ordinance.

SECTION 18. That any act done or right vested or accrued, or any proceeding, suit, or prosecution had or commenced in any action before the amendment or repeal of any ordinance, or part thereof, shall not be affected or impaired by amendment or repeal of any ordinance, or part thereof, and shall be treated as still remaining in full force and effect for all intents and purposes as if the amended or repealed ordinance, or part thereof, had remained in force.

SECTION 19. That the terms and provisions of this ordinance are severable and are governed by Section 1-4 of Chapter 1 of the Dallas City Code, as amended.

SECTION 20. That this ordinance shall take effect on May 26, 2026.

APPROVED AS TO FORM:

TAMMY L. PALOMINO, City Attorney

By _____
Assistant City Attorney

Passed _____