

There came on for consideration at a duly constituted meeting of the Mayor and Members of the City Council of the City of Gulfport, Mississippi, held on the ____ day of _____, 2014, the following Ordinance:

ORDINANCE NO. _____

**AN ORDINANCE CHANGING UTILITY RATES AND
AMENDING SECTIONS 11-64(a) AND 11-66(a)
OF THE CODE OF ORDINANCES OF
THE CITY OF GULFPORT, MISSISSIPPI**

WHEREAS, the Gulfport City Council has enacted various ordinances over time regulating water and sewers in the City of Gulfport and the rates to be charged by the City of Gulfport for water, sewer collection, sewer treatment and wastewater debt, which ordinances have been codified as Chapter 11, Articles I, II, III, IV, V, and VI of the Code of Ordinances of the City of Gulfport, Mississippi; and

WHEREAS, certain sections contained within Chapter 11, Article III, which regulate the rates and minimums charged for water and sewer, are in need of amendment for purposes of changing the rates and minimums charged therefore and for other purposes.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF
THE CITY OF GULFPORT, MISSISSIPPI, AS FOLLOWS:**

SECTION 1. That the matters and things set forth in the above preamble are hereby accepted as stated as the findings of the Gulfport City Council.

SECTION 2. That Chapter 11, Article III, Section 11-64(a), of the Code of Ordinances of the City of Gulfport, Mississippi, should be amended to read as follows:

(a) *Meter rates for water service.* The rate for water service delivered through a meter for each monthly period shall be at the rate of two dollars and thirty

cents (\$2.30) per one thousand (1,000) gallons of water measured for the first three thousand (3,000) gallons, at the rate of two dollars and forty cents (\$2.40) per one thousand (1,000) gallons of water measured for four thousand (4, 000) gallons through ten thousand (10,000) gallons, and at the rate of two dollars and fifty cents (\$2.50) per one thousand (1,000) measured for the remainder exceeding ten thousand (10,000) gallons during a monthly period.

Temporary Unmeasured Service. Where meters have not been provided or not placed in service by the city, the fee charged for water service for each monthly period shall be based upon a projected average consumption of six thousand (6,000) gallons of water consumed for residential users and shall be billed at the rate of two dollars and thirty cents (\$2.30) per one thousand (1,000) gallons of water measured for the first three thousand (3,000) gallons, at the rate of two dollars and forty cents (\$2.40) per one thousand (1,000) gallons of water measured for four thousand (4, 000) gallons through ten thousand (10,000) gallons, and at the rate of two dollars and fifty cents (\$2.50) per one thousand (1,000) measured for the remainder exceeding ten thousand (10,000) gallons during a monthly period.

SECTION 3. That Chapter 11, Article III, Section 11-66(a) of the Code of Ordinances of the City of Gulfport, Mississippi, should be amended to read as follows:

(a) *Rates for sewerage collection.* The monthly rate for sewerage collection service shall be calculated based upon the quantity of water delivered through a meter or as metered separately as provided in subsection (c) or (f) at the rate of four dollars and twenty cents (\$4.20) per one thousand (1,000) gallons measured for the first three thousand (3,000) gallons, at the rate of four dollars and thirty-five cents (\$4.35) per

one thousand (1,000) gallons measured for four thousand (4,000) gallons through ten thousand (10,000) gallons, and at the rate of four dollars and fifty-four cents (\$4.54) per one thousand (1,000) gallons measured for the remainder exceeding ten thousand (10,000) gallons during a monthly period.

Temporary Unmeasured Service. Where meters have not been provided or not placed in service by the city, the fee charged for sewer {sewerage] collection for each monthly period shall be based upon a projected average consumption of four thousand (4,000) gallons of water consumed for residential users or as provided for in subsection (c) or (f) and shall be billed at the rate of four dollars and twenty cents (\$4.20) per one thousand (1,000) gallons measured for the first three thousand (3,000) gallons, at the rate of four dollars and thirty-five cents (\$4.35) per one thousand (1,000) gallons measured for four thousand (4,000) gallons through ten thousand (10,000) gallons, and at the rate of four dollars and fifty-four cents (\$4.54) per one thousand (1,000) gallons measured for the remainder exceeding ten thousand (10,000) gallons during a monthly period.

SECTION 4. All provisions of Chapter 11 of the Code of Ordinances of the City of Gulfport, Mississippi, not in conflict herewith shall remain in full force and effect as heretofore provided.

SECTION 5. This ordinance shall be in full force and effect thirty (30) days after the date of passage except where it passes unanimously in which case it shall be in full force and effect immediately upon its passage. It shall be published according to law and shall be spread on the minutes of the Gulfport City Council.

The above and foregoing Ordinance, after having been first reduced to writing and read by the Clerk, was introduced by _____, seconded by _____, and was adopted by the following roll call vote:

AYES

NAYS

ABSENT/ABSTAIN

WHEREUPON, the President declared the motion carried and the Ordinance adopted, this the _____ day of _____, 2014.

(SEAL)

ATTEST:

ADOPTED:

CLERK OF THE COUNCIL

PRESIDENT

The above and foregoing Ordinance was submitted to and approved by the Mayor, this the _____ day of _____, 2014.

APPROVED:

MAYOR

FY 2014 WATER, SEWER, STREETS, DRAINAGE, AND LEISURE SERVICES FUNDING PLAN

FY 2014 General Fund Projects

Project No.	Type	Ward	Project Description	Total Project Cost
1	Bridge	6	Biloxi River Bridge Replacement (Construction Ready)	\$ 650,000.00
2	Drainage	3	Poole Street Drainage	\$ 100,000.00
3	Drainage	5	Gary & Darren Street Drainage (Construction Ready)	\$ 200,000.00
4	Drainage	5	Whitney Drive Drainage (Construction Ready)	\$ 100,000.00
5	Drainage	2,3	Colony Park Drainage (Construction Ready)	\$ 250,000.00
6	Drainage	1,3	Brickyard Bayou Phase 2 (8th Ave to Highway 49)	\$ 1,000,000.00
7	Drainage	6	Mary Drive Drainage (Construction Ready)	\$ 50,000.00
8	Drainage	4	Hand Drive Drainage (Construction Ready)	\$ 75,000.00
9	Drainage	1,3	Harrison Avenue Box Culvert (Construction Ready)	\$ 100,000.00
10	Drainage	2,3	Highway 49 @ 18th Street Drainage	\$ 300,000.00
11	Drainage	2	Greenville Drainage	\$ 250,000.00
12	Drainage	3,4	Coffee Creek Drainage Improvements	\$ 250,000.00
13	Drainage	all	EPA Stormwater Phase 2 Projects	\$ 25,000.00
14	Street	4	Glendale Street Panel Replacement (Construction Ready)	\$ 95,000.00
15	L.S.	all	Leisure Services Projects	\$ 500,000.00
16	Street	7	Oneal Road Widening Phase 2(Flat Branch to Three Rivers) Engineering Only	\$ 125,000.00
17	Street	5	Three Rivers Road Widening (Seaway to Dedeaux) Engineering Only	\$ 125,000.00
18	Street	all	ADA Compliance Projects	\$ 25,000.00
19	Drainage	7	Royal Street/St. Charles Drainage	\$ 200,000.00
			Contingency	\$ 80,000.00
Total FY 2014 Projects				\$ 4,500,000.00

FY 2014 Water & Sewer Projects (\$14.0M):

Project No.	Type	Ward	Project Description	Total Project Cost
1-1	Water	4	Replacement of Bayou View Tank	\$ 2,071,700.00
1-2	Water	4	Interconnect the Seaway Island and Bayou View Systems	\$ 873,787.50
	Sewer	7	Hatten Lane Sewer Improvements	\$ 800,000.00
	Sewer	1,3	38th Avenue Sewer Improvements	\$ 300,000.00
	Water	7	I-10 Water Main Connection @ Highway 49	\$ 400,000.00
1-24	Water	1	West 28th Street Area Water Main Improvements	\$ 3,456,002.50
1-8	Water	6	Retreat Village/Oakleigh Manor Water Main Improve.	\$ 1,647,058.75
	Sewer	all	Pump Station Rehabilitation Phase 1	\$ 675,000.00
	Sewer	all	Pump Station Rehabilitation Phase 2	\$ 227,343.75
	Sewer	all	Pump Station Rehabilitation Phase 3	\$ 293,750.00
1-1	Sewer	4	Poplar Circle Replacement	\$ 882,100.00
1-2	Sewer	4	Benefield Replacement	\$ 1,388,825.00
2-1	Sewer	7	Lyman Gravity Sewer	\$ 688,517.50
			Contingency	\$ 295,915.00
Total Water & Sewer Projects				\$ 14,000,000.00

PROPOSED NEW ISSUE SUMMARY – 20 YEAR

- The table at right presents a detailed net debt service comparison for the City's current Water and Sewer debt and the proposed 20-year new money issue.
- The table below shows a summary statistics of the proposed series to be issued in 2014.

City of Gulfport	
Series 2014 Water and Sewer Revenue Bonds	
Mississippi Development Bank	
Structure	<u>20-year Level D/S</u>
Total Par Amount	<u>\$20 mil</u>
Deposit to Construction Fund	19,505,967
Deposit to Debt Service Reserve Fund	1,608,075
Average Annual Debt Service	1,605,769
Total Net Debt Service	32,115,375
Estimated Fees and Expenses (2.5% of Par Amount)	437,500
True Interest Cost	4.25%
Call Date	5/1/2024
Final Maturity	5/1/2034

*Assumes interest rates and credit spreads as of 2/5/2014

<u>20-year Scenario</u>			
Rating: A (Standard & Poor's)			
FY	Current DS	Series 2014 Net D/S	\$20 mil Aggregate D/S
2014	4,649,729	-	4,649,729
2015	4,839,587	1,606,088	6,445,674
2016	4,852,376	1,606,138	6,458,514
2017	4,842,558	1,605,588	6,448,145
2018	4,359,326	1,604,438	5,963,764
2019	4,362,651	1,607,688	5,970,339
2020	4,463,126	1,607,688	6,070,814
2021	4,454,816	1,606,488	6,061,304
2022	4,462,822	1,605,038	6,067,859
2023	4,465,850	1,607,013	6,072,863
2024	4,463,581	1,607,188	6,070,769
2025	1,420,875	1,605,563	3,026,438
2026	1,032,075	1,607,138	2,639,213
2027	1,034,550	1,606,588	2,641,138
2028	-	1,603,013	1,603,013
2029	-	1,606,413	1,606,413
2030	-	1,603,088	1,603,088
2031	-	1,605,163	1,605,163
2032	-	1,603,388	1,603,388
2033	-	1,608,075	1,608,075
2034	-	(4,475)	(4,475)
Total	53,703,923	30,507,300	84,211,223

PROPOSED NEW ISSUE SUMMARY – 25 YEAR

- The table at right presents a detailed net debt service comparison for the City's current Water and Sewer debt and the proposed 25-year new money issue.
- The table below shows a summary statistics of the proposed series to be issued in 2014.

City of Gulfport	
Series 2014 Water and Sewer Revenue Bonds	
Mississippi Development Bank	
Structure	<u>25-year Level D/S</u>
Total Par Amount	<u>\$20 mil</u>
Deposit to Construction Fund	19,590,149
Deposit to Debt Service Reserve Fund	1,452,050
Average Annual Debt Service	1,449,273
Total Net Debt Service	34,779,775
Estimated Fees and Expenses (2.5% of Par Amount)	437,500
True Interest Cost	4.60%
Call Date	5/1/2024
Final Maturity	5/1/2039

*Assumes interest rates and credit spreads as of 2/5/2014

<u>25-year Scenario</u>			
Rating: A (Standard & Poor's)			
FY	Current DS	Series 2014 Net D/S	\$20 mil Aggregate D/S
2014	4,649,729	-	4,649,729
2015	4,839,587	1,450,250	6,289,837
2016	4,852,376	1,451,450	6,303,826
2017	4,842,558	1,447,200	6,289,758
2018	4,359,326	1,447,650	5,806,976
2019	4,362,651	1,447,650	5,810,301
2020	4,463,126	1,452,050	5,915,176
2021	4,454,816	1,450,450	5,905,266
2022	4,462,822	1,450,250	5,913,072
2023	4,465,850	1,448,925	5,914,775
2024	4,463,581	1,451,475	5,915,056
2025	1,420,875	1,447,675	2,868,550
2026	1,032,075	1,447,750	2,479,825
2027	1,034,550	1,449,525	2,484,075
2028	-	1,449,100	1,449,100
2029	-	1,451,475	1,451,475
2030	-	1,449,575	1,449,575
2031	-	1,447,550	1,447,550
2032	-	1,448,050	1,448,050
2033	-	1,447,925	1,447,925
2034	-	1,448,200	1,448,200
2035	-	1,450,450	1,450,450
2036	-	1,449,400	1,449,400
2037	-	1,450,050	1,450,050
2038	-	1,447,125	1,447,125
2039	-	(1,425)	(1,425)
Total	53,703,923	34,779,775	88,483,698