



## CITY COUNCIL AGENDA ITEM

May 8, 2014

TO: Brian Kischnick, City Manager

FROM: Thomas Darling, Director of Financial Services

SUBJECT: Amendment to Chapter 20 of the Troy City Code (Water and Sewer Rates)

Attached is an amendment to Chapter 20 of the Troy City Code reflecting the water rate adjustment discussed during the 2014/15 budget study sessions. There is no rate adjustment for sewer charges. The rate adjustments are a result of the City of Detroit 4.4% increase and an overall sewerage rate increase of 4.0%

The adjustment will provide sufficient funds to operate, maintain and make improvements to our systems. The water and sewer rates are reviewed and adjusted annually when required. The last adjustment was on July 1, 2012.

The following water and sewer rates are recommended for City of Troy water bills rendered after July 1, 2014:

	<u>2013/14 Rate</u>	<u>2014/15 Rate</u>	<u>Adjustment</u>
Water	\$30.35	\$31.00	\$0.65
Sewer	<u>24.80</u>	<u>24.80</u>	<u>0.00</u>
	<u>\$55.15</u>	<u>\$55.80</u>	<u>\$0.65</u>

The average bill for a family of four will increase approximately \$2.53 per quarter.

The amendment also includes a clause that allows the City Manager or his/her designee, under administrative policy, to allow a payment plan, a reduction or relinquishment of charges, late fees and/or penalties in compelling extenuating circumstances resulting in undue hardship.

It is recommended that City Council approve the rates and adjustment clause as outlined herein and reflected in the amendments to Chapter 20 of the Troy City Code.

CITY OF TROY  
AN ORDINANCE TO AMEND  
CHAPTER 20 - CITY OF TROY ORDINANCE

The City of Troy ordains:

Section 1. Short Title

This Ordinance shall be known and may be cited as an amendment to Sections 5 and 5.01 and 5.03 of Chapter 20- City of Troy Ordinance- Water and Sewer Rates.

Section 2. Amendment

Chapter 20, Section 5 shall be amended as follows:

5. Basis of Charges. All water service shall be charged for on the basis of water consumed, as determined by the meter installed by the Department in the premises of water or sewage disposal service customers. ~~No free water service or sewage disposal service shall be furnished to any person.~~

Chapter 20, Section 5.01 shall be amended as follows:

- 5.01 Water Rates. Charges for water service to each premises within the City connected with the water supply system, for each quarterly (3 month) period, shall be ~~\$30.35~~ **\$31.00** per 1,000 cubic feet. Minimum quarterly bills shall be ~~\$24.58~~ **\$25.11**.

Private fire service lines shall be billed at a rate equal to four (4) times the minimum water bill.

Charges for water service to premises outside the City shall be 150% of those for water service within the City.

Chapter 20, Section 5.03 shall be amended as follows:

- 5.03 Billing. Charges for all water service and sewage disposal service shall be billed and collected quarterly by the City Treasurer. Water bills rendered shall be immediately due and payable and may be paid without penalty up to and including the fifteenth day of the month when rendered, and shall thereafter be subject to a ten (10%) per cent penalty. Bills shall be sent to "Occupant" at the metered address, unless other arrangements are made by the owner. **If the City Manager or his/her designee determines that there are compelling extenuating circumstances resulting in an undue hardship, the City Manager or his/her designee may structure a repayment schedule, reduce or waive water and/or sewage charges, late fees and penalties in accordance with the City's policy.**

### Section 3. Repeal

All ordinances or parts of ordinances in conflict herewith are hereby repealed only to the extent necessary to give this ordinance full force and effect.

### Section 4. Savings

All proceedings pending, and all rights and liabilities existing, acquired or incurred, at the time this Ordinance takes effect, are hereby saved. Such proceedings may be consummated under and according to the ordinance in force at the time such proceedings were commenced. This ordinance shall not be construed to alter, affect, or abate any pending prosecution, or prevent prosecution hereafter instituted under any ordinance specifically or impliedly repealed or amended by this ordinance adopting this penal regulation, for offenses committed prior to the effective date of this ordinance; and new prosecutions may be instituted and all prosecutions pending at the effective date of this ordinance may be continued, for offenses committed prior to the effective date of this ordinance, under and in accordance with the provisions of any ordinance in force at the time of the commission of such offense.

### Section 5. Severability Clause

Should any word, phrase, sentence, paragraph or section of this Ordinance be held invalid or unconstitutional, the remaining provision of this ordinance shall remain in full force and effect.

### Section 6. Effective Date

This Ordinance shall become effective July 1, 2014 or upon publication, whichever shall later occur.

This Ordinance is enacted by the Council of the City of Troy, Oakland County, Michigan, at a Regular Meeting of the City Council held at City Hall, 500 W. Big Beaver, Troy, MI, on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

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Dane M. Slater, Mayor

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M. Aileen Bittner, CMC, City Clerk