Legislation Details (With Text)

File #:	14-0679	**Version:**	2	**Name:**	5/19/14 - Ordinance to Amend Sections 2:63, 2:64, and 2:69 of Chapter 29 (Increase Water, Sewer, and Stormwater Rates)
Type:	Ordinance			**Status:**	Passed
File created:	5/19/2014			**In control:**	City Council
On agenda:	6/2/2014			**Final action:**	6/2/2014
Enactment date:	5/19/2014			**Enactment #:**	ORD-14-07

Title: An Ordinance to Amend Sections 2:63, 2:64, and 2:69 of Chapter 29 (Water, Sewer, and Stormwater Rates) of Title II of the Code of the City of Ann Arbor (Ordinance No. ORD-14-07)

Sponsors:

Indexes:

Code sections:

Attachments: 1. 14-07 Water and Sewer Rates Briefed and Approved.pdf, 2. 14-07 Water Stormwater Rates Ordinance Briefed.pdf, 3. Chpt 29 - 2014 Rates Ord.pdf, 4. 14-07 Water and Sewer Rate Appoval Notice.pdf

Date	Ver.	Action By	Action	Result
6/2/2014	2	City Council	Held and Closed	
6/2/2014	2	City Council	Adopted on Second Reading	Pass
5/19/2014	2	City Council	Approved on First Reading	Pass

An Ordinance to Amend Sections 2:63, 2:64, and 2:69 of Chapter 29 (Water, Sewer, and Stormwater Rates) of Title II of the Code of the City of Ann Arbor (Ordinance No. ORD-14-07)
Your approval is requested to amend Sections 2:63, 2:64, and 2:69 of Chapter 29 of Title II of the Code of the City of Ann Arbor to adjust water, sewer, and stormwater rates due to debt service coverage and capital improvement requirements in all three systems. The amendments will provide revenue increases of 3.55% in water, 5.33% in sewer and 6.95% in stormwater.

The recommended rate changes in water, sewer, and stormwater are projected to increase revenues in water, sewer, and stormwater by $765,119.00, $1,171,931.00, and $410,235.00 respectively. This rate increase is needed to maintain, debt service coverage, and to maintain funding for capital improvement requirements. The impact of these increases on the average single family customer is $6.25 per quarter or $24.98 per year, a net increase of 4.2%, if consumption is unchanged from last year.

For comparison purposes a typical single family bill is calculated with 19 units per quarter, is in the second tier for stormwater and receives the 10% discount for payment on or before the due date.

This ordinance is recommended to take effect ten (10) days after legal publication or on July 1, 2014, whichever is later.
Prepared by: Marti Praschan, Financial Manager
Reviewed by: Craig Hupy, Public Services Area Administrator

ORDINANCE NO. ORD-14-07

First Reading : May 17, 2014
Public Hearing : June 2, 2014

Approved: June 2, 2014
Published: June 5, 2014
Effective: July 1, 2014

WATER, SEWER AND STORMWATER RATES

AN ORDINANCE TO AMEND SECTIONS 2:63, 2:64, AND 2:69 OF CHAPTER 29 (Water, Sewer and Stormwater Rates) OF TITLE II OF THE CODE OF THE CITY OF ANN ARBOR

The City of Ann Arbor ordains:

Section 1. That Sections 2:63, 2:64, and 2:69 of Chapter 29 of Title II of the Code of the City of Ann Arbor be amended to read as follows:

2:63. Water rates.

(1) The commodity charges for water service shall be as follows. A unit shall constitute 100 cubic feet. The rates shown are per unit.

	Residential 1	**Residential 2**	**Water Only**
1--7 units	$1.351.40	1.351.40	$4.885.08
8--28 units	2.852.96	2.852.96	4.885.08
29--45 units	4.885.08	2.852.96	4.885.08
Over 45 units	4.885.08	2.852.96	4.885.08

	Commercial 1 (including multi-family residential)	Commercial 2 (including multi-family residential)	Commercial 3
All Units	$3.143.28	$5.986.25	$10.2310.71

Commercial Customer Charge per Quarter:

5/8" meter	$12.90
3/4" meter	19.00
1" meter	30.30
1 1/2" meter	62.00
2" meter	97.00
3" meter	195.00
4" meter	308.00
6" meter	613.00
8" meter	1225.00

10" meter	1960.00

Residential Customer Charge per Quarter:

5/8" meter $11.25	
3/4" meter	16.55
1" meter	30.30
1 1/2" meter	62.00
2" meter	97.00
3" meter	195.00
4" meter	308.00
6" meter	613.00
8" meter	1225.00

Fire Service Charge per Quarter:

1" service$55.00	
1 1/2" service	55.00
2" service	55.00
3" service	55.00
4" service	112.00
6" service	112.00
8” service	112.00

2:64. Sewer rates.

(1) Commodity charge for customers in Ann Arbor shall be $3.653.85 per 100 cubic feet of water flow of which $1.501.61 is a user charge for wastewater plant operation, maintenance and replacement, 3741 cents is a user charge for field operation and maintenance of the sewer system, 2324 cents is a user charge for system planning and administration and $1.551.59 is applied toward a portion of capital expenditures. Charges for sewer service provided to Ann Arbor Township, Pittsfield Township and Scio Township shall be as provided per the provisions of their respective wastewater treatment or sewer agreements with the City of Ann Arbor.

(2) Customer Charge per Quarter:

5/8" meter $11.25	
3/4" meter	16.55
1" meter	30.30
1 1/2" meter	62.00

2" meter	97.00
3" meter	195.00
4" meter	308.00
6" meter	613.00
8" meter	1225.00
10" meter	1225.00

2:69 Stormwater Rates.

(1) Except as provided in this section and Chapter 33, all property shall be subject to the stormwater utility charge.

(2) *Stormwater Discharge Rate*. Each property shall be billed at a quarterly stormwater discharge rate of $355.00376.00 per acre multiplied by the representative impervious area of the property. The representative impervious area of the property shall be the measured impervious area, rounded to the nearest 0.01 acre, of the portion of the property discharging to the City's stormwater system, except for single-family and two-family residential properties and properties considered residential for storm and sewer. These properties have been grouped into the following categories based upon their measured impervious area:

Single-Family and Two-Family Residential		
Measured impervious area	**Representative Impervious Area**	**Quarterly charge**
Less than or equal to 2,187 square feet	0.04 acres	$14.2015.40
Greater than 2,187 square feet to less than or equal to 4,175 square feet	0.07 acres	$24.8526.32
Greater than 4,175 square feet to less than or equal to 7,110 square feet	0.12 acres	$42.6045.12
Greater than 7,110 square feet	0.21 acres	$74.5578.96

(3) *Customer Charge*. Each property shall be billed a customer charge of $6.77 per quarter.

(4) *Credits to Stormwater Discharge and Customer Charges.* The City shall offer the following credits per quarter to property owners fully satisfying pertinent criteria established in Chapter 33 and in regulations promulgated by the Administrator:

Single-Family and Two-Family Residential	**Reduce Total Charge by**	
Rain Barrels (One or more)	$2.032.16	
Rain Gardens / Cisterns / Dry Wells	$3.173.36	
RiverSafe Homes	$1.401.49	
Chapter 63-Compliant Stormwater Control	$8.418.92	
Other Properties	**Reduce Stormwater Discharge Rate by**	**Reduce Customer Charge by**
Community Partners for Clean Streams	0.0%	17.3%
Chapter 63-Compliant Stormwater Control	29.5%	0.0%
Other Approved Stormwater Controls	6.4%	17.3%

(5) *Charges for permitted non-stormwater discharges*. The charges for non-stormwater discharges to the stormwater system that are permitted by the public services area administrator according to Chapter 33, Section 2:217, shall be $0.73.77 per 1,000 gallons. If non-stormwater discharges to the stormwater system are controlled such that the discharges cease during periods of precipitation, then the above rate shall be multiplied by a factor of 0.3. For any month in which the user discharges into the stormwater system, there shall be a minimum bill for 100,000 gallons. Stormwater discharges exempt from discharge prohibitions under Section 2:216 (3) are not subject to this charge.

Section 2. This ordinance shall take effect on the tenth day following legal publication or on July 1, 2014, whichever is later.

C E R T I F I C A T I O N

I hereby certify that the foregoing ordinance was adopted by the Council of the City of Ann Arbor, Michigan, at its regular session of June 2, 2014.

Jacqueline Beaudry, City Clerk

John Hieftje, Mayor

I hereby certify that the foregoing ordinance received legal publication on the City Clerk's Webpage on June 5, 2014.

Jacqueline Beaudry, City Clerk

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