



Legislation Details (With Text)

File #: 20-0487 **Version:** 1 **Name:** 5/4/20 Water Rates - Ordinance Amendment Chp 29
Type: Ordinance **Status:** Lay on Table
File created: 5/4/2020 **In control:** City Council
On agenda: 6/1/2020 **Final action:** 6/1/2020
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Title: An Ordinance to Amend Section 2:63 of Chapter 29 (Water Rates) of Title II of the Code of the City of Ann Arbor

Sponsors:

Indexes:

Code sections:

Attachments: 1. ORD-20-15 Water_Ordinance_FY21 Briefed.pdf, 2. Water Ordinance FY 21.pdf

| Date | Ver. | Action By | Action | Result |
|-----------|------|--------------|-----------------------------|--------|
| 6/1/2020 | 1 | City Council | Held and Closed | |
| 6/1/2020 | 1 | City Council | | |
| 6/1/2020 | 1 | City Council | Lay on the table | Pass |
| 5/18/2020 | 1 | City Council | Held and Closed | |
| 5/18/2020 | 1 | City Council | | |
| 5/18/2020 | 1 | City Council | Postponed at Second Reading | Pass |
| 5/4/2020 | 1 | City Council | Approved on First Reading | Pass |

An Ordinance to Amend Section 2:63 of Chapter 29 (Water Rates) of Title II of the Code of the City of Ann Arbor (Ordinance No. ORD-20-15)

Your approval is requested to amend Section 2:63 of Chapter 29 of Title II of the Code of the City of Ann Arbor to increase water rates for upcoming operating and capital infrastructure investment needs. Rates will help finance the increasing operational costs and increased costs associated with regulation of the water supply system, such as on-going carbon change outs associated with per- and polyfluoroalkyl substances (PFAS). In addition, the revenue requirements driving this increase will be used for capital expenditures required to maintain and rehabilitate the water infrastructure, both in at the water treatment facility and in the distribution system. The financial plan also implores the water fund to begin accumulating fund balance for the impending major rehabilitation at the water treatment plant.

The revenue requirement increase of 6.5% is projected to increase revenues to the Water Supply System by \$753,362.00.

City Customers are billed in conjunction with the sewer and stormwater utility. The increase for the water portion of a customer's bill is an estimated \$4.32 per quarter, or \$17.28 annually. For the purposes of this comparison, the bill is calculated as a residential customer, with a 5/8" meter, using 18 CCF per quarter. The early payment discount (10%) is *not* included in this calculation.

Prepared by: Marti Praschan, Chief of Staff, Public Services

Reviewed by: Craig Hupy, Public Services Area Administrator
Approved by: Tom Crawford, Interim City Administrator.
(See Attached Ordinance)