



500 West Big Beaver  
Troy, MI 48084  
troymi.gov



## CITY COUNCIL AGENDA ITEM

Date: May 11, 2020

To: Mark F. Miller, City Manager

From: Robert J Bruner, Assistant City Manager  
Lori Grigg Bluhm, City Attorney  
Robert Maleszyk, Chief Financial Officer  
Kurt Bovensiep, Director of Public Works  
Paul Trosper, Water and Sewer Operations Manager  
Lisa Burnham, Accounting Manager

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

---

Attached is a proposed amendment to Chapter 20 of the Troy City Code, reflecting the water and sewer rate adjustment discussed during the 2020/21 budget study sessions. The rate adjustments are necessary, because of increased prices charged to the City for wholesale water and sanitary sewer disposal services charged by the Great Lakes Water Authority (GLWA) and the Oakland County Water Resource Commission (OCWRC), respectively.

On April 22, 2020 the GLWA Board of Directors approved a resolution to defer the effective date of the FY 2021 water and sewer charge adjustments from July 1, 2020 to October 1, 2020. Attached is a letter from GLWA's Chief Executive Officer Sue McCormick, reflecting this decision for the FY 2021 charges. Oakland County Water Resource Commission (OCWRC) has elected to continue to use the July 1 effective date for its rate adjustment for sanitary sewer charges, as it has done in the past. As a result, the OCWRC charges will be charged to the City starting July 1, 2020.

The City of Troy recognizes that some residents and business have been negatively impacted financially by the current pandemic. In efforts to assist residents and businesses with financial relief, City of Troy Administration is recommending no increase to the water and sewer rate adjustments until October 1, 2020, similar to the action taken by GLWA. Although OCWRC will adjust its rates to the City of Troy on July 1, 2020, there is a benefit to consistency, and it's something that the City has the authority to do to provide additional relief to the rate payers in the aftermath of the COVID pandemic. In the interim, these accounts should have sufficient money to operate, maintain and make necessary improvements to our systems.

The water and sewer rates are reviewed annually as part of the budget process, and can be adjusted when required. The last water and sanitary sewer rate adjustments were effective July 1, 2019.

The following water and sewer rates are recommended for City of Troy water bills rendered after October 1, 2020:



500 West Big Beaver  
 Troy, MI 48084  
 troymi.gov

## CITY COUNCIL AGENDA ITEM

	<u>2019/20 Rate</u>	<u>2020/21 Rate</u>	<u>Adjustment</u>
Water	\$40.50	\$41.50	\$1.00
Sewer	<u>28.20</u>	<u>29.10</u>	<u>0.90</u>
	<u>\$68.70</u>	<u>\$70.60</u>	<u>\$1.90</u>

The average residential bill will increase approximately \$7.41 per quarter.

### Recommendation

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

### Legal Review

This item was submitted to the City Attorney for review pursuant to City Charter Section 3.17.



500 West Big Beaver  
Troy, MI 48084  
troymi.gov

## CITY COUNCIL AGENDA ITEM



**Office of the Chief Executive**  
735 Randolph Street, Suite 1900  
Detroit, Michigan 48226

April 28, 2020

**RE: Deferred Implementation - Great Lakes Water Authority FY 2021 Wholesale Water Schedule of Charges**

Dear Member Partner:

At its meeting on April 22, 2020, the Great Lakes Water Authority ("GLWA") Board of Directors approved deferring the effective date of the FY 2021 Schedule of Service Charges from July 1, 2020 to October 1, 2020. This action reduces the impact of the previously approved charge increase for FY 2021 by approximately 25 percent. This is our way of providing some relief as we work together to address the many challenges that the coronavirus (COVID-19) pandemic has brought to our region. The current FY 2020 schedule of charges remains effective through September 30, 2020.

GLWA continues to extend its thanks for the efforts of the *One Water Partnership* and related activities of the Member Outreach Program to make sure that we continue to be engaged through the expanded use of technology. GLWA's Board of Directors and team members value your ongoing participation and feedback through these forums.

It continues to be our pleasure to provide you these services. If you have any questions regarding the deferral of the charges implementation for FY 2021, or other related matters in this letter, please contact Jon Wheatley, Public Finance Manager at (313) 224-4771.

Sincerely yours,

A handwritten signature in blue ink that reads "Sue F. McCormick".

Sue F. McCormick  
Chief Executive Officer

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 Chapter 20- City of Troy Ordinance.

Section 2. Amendment

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 ~~\$40.50~~ **\$41.50** per 1,000 cubic feet. Minimum quarterly bills shall be ~~\$32.80~~ **\$33.62**.

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.

5.02 Sewer Rates

- A. Charges for sewage disposal, operation and maintenance service shall be levied upon all premises having any sewer connection with the public sewers.

Those premises using metered water shall pay ~~\$28.20~~ **\$29.10** dollars per 1,000 cubic foot of water consumption for sewage disposal and maintenance charges.

Where there is no water meter the sewage disposal and maintenance charges shall be ~~\$141.00~~ **\$145.50**

Water lines used solely for fire protection shall be exempt from sewage disposal and maintenance charges.

- B. 1. Rates and charges established are based upon methodology which complies with applicable EPA regulations.
- 2. Users of the system must be individually notified annually of costs for operation, maintenance, replacement and debt service.
- C. A ready to serve charge shall be levied on each quarterly bill in the amount of ~~\$22.80~~ **\$23.57** dollars less any amount for current consumption up to the maximum of the ready to serve charge.

### 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 October 1, 2020 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 \_\_\_\_\_, \_\_\_\_\_.

---

Ethan D. Baker, Mayor

---

M. Aileen Dickson, City Clerk