



500 West Big Beaver
Troy, MI 48084
troymi.gov

CITY COUNCIL AGENDA ITEM



Date: May 8, 2023

To: Mark F. Miller, City Manager

From: Robert J Bruner, Assistant City Manager
 Robert Maleszyk, Chief Financial Officer
 Kurt Bovensiep, Director of Public Works
 Paul Troser, Water and Sewer Operations Manager
 Dee Ann Irby, Controller
 Kyle Vieth, Financial Compliance Manager

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

Attached is an amendment to Chapter 20 of the Troy City Code reflecting the water rate adjustment discussed during the 2023/24 budget study sessions. The rate adjustments are a result 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.

These adjustments will provide sufficient funds to operate, maintain and make improvements to our systems. The water and sewer rates are reviewed annually and adjusted when required. The last water and sanitary sewer rate adjustments were on July 1, 2022.

The following water and sewer rates are recommended for City of Troy water bills rendered after July 1, 2023:

| | <u>2022/23 Rate</u> | <u>2023/24 Rate</u> | <u>Adjustment</u> |
|-------|---------------------|---------------------|-------------------|
| Water | \$45.00 | \$48.40 | \$3.40 |
| Sewer | <u>30.30</u> | <u>32.70</u> | <u>2.40</u> |
| | <u>\$75.30</u> | <u>\$81.10</u> | <u>\$5.80</u> |

The average residential bill will increase approximately \$22.62 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.

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 ~~\$45.00~~ **\$48.40** per 1,000 cubic feet. Minimum quarterly bills shall be ~~\$36.45~~ **\$39.20**

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 ~~\$30.30~~ **\$32.70** 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 ~~\$151.50~~ **\$163.50**

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 ~~\$24.54~~ \$26.49 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 ~~July 1, 2022~~ 2023 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 Baker, Mayor

M. Aileen Dickson, City Clerk