



City of Rochester Hills
AGENDA SUMMARY
FINANCIAL ITEMS

1000 Rochester Hills Dr.
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248.656.4630
www.rochesterhills.org

Legislative File No: 2012-0200

TO: Mayor and City Council Members

FROM: Keith Sawdon, Director of Finance, Ext 2535

DATE: June 18, 2012

SUBJECT: Water & Sewer Rate Changes effective July 1, 2012 – Second Reading to amend Ordinance Sections 54.741, 54.743, 54.744 and 54.745 of Article XII, Utilities, of Chapter 54, Fees of the Code of Ordinances of the City of Rochester Hills, to modify water and sewer rates and fees, repeal conflicting ordinances

REQUEST:

We are requesting that City Council accept, for second reading, an Ordinance to amend Sections 54.741, 54.743 and 54.744 54.745 of Article XII, Utilities, of Chapter 54, Fees, of the code of Ordinances of the City of Rochester Hills, Oakland County Michigan, to modify the water and sewage rates and fees and repeal conflicting ordinances as recommended by the Water & Sewer Technical Review Committee.

REASON FOR CHANGE:

The Water & Sewage Technical Review Committee met and discussed several rate scenarios for water and sewage rates developed based on recent notices, received by DWSD and Oakland County Water Resources related to rate changes. As required by Section 102-62 of the City of Rochester Hills Ordinance, the water and sewage rates have been evaluated to provide revenue for; the payment of the expenses of administration and operation, expenses for maintenance of the water and sewage disposal system as are necessary to preserve the system in good repair and working order, and to provide for such other expenses.

Overall, the average residential user (12 units) will see their water and sewer bill go from \$117.36 to \$120.60 a \$3.24 per bill increase or 2.8%.

Flat Rate Sewer customer's total bill (Customer Charge + Sewer Charge) will go from \$56.70 per bill to \$60.20 a \$3.50 increase per bill or 6.17%.

The proposed water and sewage rates along with other rate scenarios were discussed and reviewed with the Water & Sewer Technical Review Committee resulting in their recommendation for the change to City Council.

BUDGET:

The approval of the water and sewage rates effective on or about July 1, 2012 will assist with the objective of funding the operating expenditures of the Water & Sewer Fund, as required by Section 102-62 of the City of Rochester Hills Ordinance,

RECOMMENDATION:

We recommend City Council accept, for second reading, amendments to Ordinance Sections 54.741, 54.743, 54.744 and 54.745 of Article XII, Utilities, of Chapter 54, Fees, of the code of Ordinances of the City of Rochester Hills, Oakland County Michigan, to modify the water and sewage rates and fees and repeal

conflicting ordinances (changes enclosed) as recommended by the Water & Sewer Technical Review Committee.

APPROVALS:	SIGNATURE	DATE
Department Review		
Department Director		
Budget Content: Finance Director		
Purchasing Process: Supervisor of Procurement		
Mayor		
City Council Liaison		