



**City of Rochester Hills  
AGENDA SUMMARY  
FINANCIAL ITEMS**

1000 Rochester Hills Dr.  
Rochester Hills, MI 48309  
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[www.rochesterhills.org](http://www.rochesterhills.org)

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**Legislative File No: 2011-0265**

**TO: Mayor and City Council Members**

**FROM: Keith Sawdon, Director of Finance, Ext 2535**

**DATE: June 20, 2011**

**SUBJECT: Water & Sewer Rate Changes effective July 1, 2011 – 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**

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**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 Recourses 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 \$113.2 to \$117.34 a \$4.14 per bill increase or 3.7%.**

**Flat Rate Sewer customer's total bill (Customer Charge + Sewer Charge) will go from \$50.40 per bill to \$53.64, a \$3.24 per bill increase or 6.4%.**

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

**BUDGET:**

The approval of these water and sewage rates effective on or about July 1, 2011 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.

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