

Proposed Resolution Adopting Water Rates in Q3 of FY2014

August 21, 2014

WHEREAS, Chapter 2061 Section 14 of the Village of Elberta Code provides for an annual review of the water rates and charges along with recommendations for the rates and charges; and

WHEREAS the Village, with assistance from the Michigan Rural Water Association, has completed their review of the water system assets and rates; and

WHEREAS it has been determined that the Village Water system does not generate sufficient revenue to cover the cost of operations, maintenance, and repairs of the Water Service; and

WHEREAS Chapter 2061 Section 6C of the Village Code authorizes the Village Council to set rates and charges for the Water Service.

BE IT RESOLVED that beginning October 1, 2014 water rates shall be as follows:

	ELBERTA WATER	APARTMENTS
PER 1,000 GAL	\$4.67	
METER SIZE	BASE RATE PER MONTH	
“3/4	\$16.25	\$16.25
1”	\$22.75	
1.25”	\$30.88	
1.5”	\$40.63	
2”	\$66.63	
3”	\$138.14	
4”	\$242.15	
6”	\$528.18	

Irrigation meters shall not be charged a monthly Ready to Serve fee.

Motion: 1st:

2nd:

Vote: Yeas:

Nays:

Absent:

Proposed Ordinance No 27

An ordinance to repeal Section 14 of Chapter 2061 of the Code and to add a new section thereto, which new section shall be Section 14 of Chapter 2061 of said Code.

From (Repealed):

2061.14 ANNUAL REVIEW; ADJUSTMENT IN RATES AND CHARGES

An annual review will be performed on a fiscal year basis to determine the actual cost of water, sewer and garbage services, including bond retirement, maintenance of an operational and maintenance fund, and a replacement fund. A review of this material by the Superintendent of the Department, Village Treasurer and the Village Clerk will establish whether revenue receipts are sufficient to cover costs and funds, and also whether the distribution of charges is equitable.

If adjustment are necessary in the charges or distribution, as outlined in Chapters 2026, 2046, and this Chapter, rates will be established, amended or enacted to provide sufficient revenue for the new fiscal year budget.

To (Added):

2061.14 PERIODIC REVIEW AND COST OF LIVING ADJUSTMENT TO RATES AND CHARGES

Periodic reviews will be conducted to determine the operating and maintenance costs, and replacement costs for the water system projected out for a 20 year period. The reviews shall be at intervals no less than every two years, and no longer than every five years. A review of this material by the Superintendent of the Department and Water and Sewer Committee will establish whether projected revenue receipts are sufficient to cover costs and funds, and also whether the distribution of charges is equitable.

If adjustment are necessary in the charges or distribution, as outlined in Chapters 2026, 2046, and this Chapter, rates will be established, amended or enacted to provide sufficient revenue to cover projected costs.

In addition to the periodic review, the water usage rates shall be subject to an automatic annual cost of living increase beginning on March 1, 2016, and annually on March 1 thereafter, the base rate service charges and the base rate commodity use charge (the "base rate charges") shall be increased by the greater amount of two percent, 2.0% or the "consumer general price level." The adjustments to the base rate charges referenced herein shall become effective on March 1 of the year of the adjustment and shall thereafter constitute the base rate charges for purpose of administering this Ordinance. For purpose of this Ordinance. "Consumer general price level" shall mean the annual averages of the 12 monthly values for the preceding calendar year for the United States consumer price index for all urban consumers as defined and officially reported by the United States Department of Labor, Bureau of Labor Statistics.

Yeas: _____, Nays: _____, Absent: 1 R. Manville

I hereby certify that the forgoing ordinance was adopted by the Village Council during a regular session at 7:00 pm on August 21, 2014.

Mary Kalbach, Village Clerk