

CHARTER TOWNSHIP OF GAINES

COUNTY OF KENT, MICHIGAN

RESOLUTION TO ESTABLISH WATER SUPPLY AND
SEWER RATES AND CHARGES

RESOLUTION NO. 11-12 WATER AND SEWER RATES

Minutes of a regular meeting of the Township Board of the Township of Gaines, Kent County, Michigan, held at the Township Hall in said Township on the 12th day of December, 2011, at 7:00 p.m. Local Time.

PRESENT: Members: Fryling, Fouch, Osterink, Hilton, Lemke, Van Laan, Haagsma

ABSENT: Members: None.

The following resolution was offered by Member Haagsma and supported by Member Fouch:

WHEREAS, the Water and Sewer Ordinance provides that the amounts of the various Water Supply Rates and Charges and Sewer Rates and Charges, shall be established by a Schedule of Rates and Charges, adopted by resolution of the Township Board from time to time; and

WHEREAS, the Township deems it advisable to adopt by resolution the Schedule of Rates and Charges.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS:

1. The Schedule of Rates and Charges, attached hereto as Exhibit A, is hereby adopted.

This schedule shall remain in effect until amended or replaced.

2. Terms used in this Resolution shall have the meanings defined in the Water and Sewer Ordinance.

EXHIBIT A
CHARTER TOWNSHIP OF GAINES
COUNTY OF KENT, MICHIGAN
SCHEDULE OF RATES AND CHARGES

EFFECTIVE JANUARY 1, 2012, UNTIL AMENDED OR REPLACED

I. WATER SUPPLY RATES AND CHARGES

A. Inspection Fee (Section 1601)

- Minimum fee (connection and disconnection) for Residential Customer: \$50 per inspection. Additional fees based on actual costs incurred for missed inspection appointments, repeat inspections and complicated inspections requiring more than one (1) hour shall be charged as a Miscellaneous Customer Fee.
- Minimum fee (connection and disconnection) for Commercial or Industrial Customer: \$100 per inspection. Additional fees based on actual costs incurred for missed inspection appointments, repeat inspections and complicated inspections requiring more than two (2) hours shall be charged as a Miscellaneous Customer Fee.

B. Water Availability Fee (Section 1602(a))

Commercial/Residential Customers

- For Premises with a frontage of 120 feet or less, or combined frontage of 300 feet or less for a Corner Lot: \$5,229 for an application filed in calendar year 2012, subject to the annual adjustment set forth in M, below, for each calendar year thereafter; plus
- For frontage in excess of 120 feet, or 300 feet for a Corner Lot: \$52.29 per foot for an application filed in calendar year 2012, subject to the annual adjustment set forth in M, below, for each calendar year thereafter.

Commercial Customers needing an Unmetered Fire Protection Service and Industrial Customers

- For Premises with a frontage of 120 feet or less, or combined frontage of 300 feet or less for a Corner Lot: \$5,873 for an application filed in calendar year 2012, subject to an annual adjustment set forth in M, below, for each calendar year thereafter; plus
- For frontage in excess of 120 feet, or 300 feet for a Corner Lot: \$58.73 per foot for an application filed in calendar year 2012, subject to the annual adjustment set forth in M, below, for each calendar year thereafter.

C. Water Trunkage Fee (Section 1602(b))

\$589 per Trunkage Unit for applications filed in calendar year 2012, subject to the annual adjustment set forth in M, below, for each calendar year thereafter.

D. Water Service Fee (Section 1602(c))

\$1,205 for a 1 inch diameter Water Service, \$1,605 for a 1 1/2 inch diameter Water Service, and \$2,073 for a 2 inch diameter Water Service for an application filed in calendar year 2012, subject to the annual adjustment set forth in M, below, for each calendar year thereafter. The Water Service Fee for a Water Service with a diameter larger than 2 inches shall be determined on the basis of actual cost.

E. Water Meter Fee (Section 1602(d))

<u>Size</u>	<u>Fee</u>
5/8"	\$400
1"	\$400
1-1/2"	\$1,500
2"	\$1,750
Over 2"	Applicant pays actual cost of Meter and installation

F. Water Readiness to Serve Fee (Section 1603)

5/8" Meter	\$15.60 per quarter
1" Meter	\$15.60 per quarter
1-1/2" Meter	\$62.99 per quarter
2" Meter	\$110.77 per quarter
3" Meter	\$249.78 per quarter
4" Meter	\$445.26 per quarter
6" Meter	\$1,001.29 per quarter
8" Meter	\$1,778.87 per quarter
10" Meter	\$2,780.16 per quarter
12" Meter	\$4,007.34 per quarter

G. Water Use Fee (Section 1604)

\$2.25 per 1,000 gallons

H. Unmetered Fire Protection Fee (Section 1605)

<u>Size</u>	<u>Fee</u>
4" service or smaller	\$25 per quarter
6" service	\$55 per quarter
8" service	\$95 per quarter
10" service	\$150 per quarter

12" service	\$220 per quarter
16" service	\$390 per quarter

I. Water Meter Bypass Violation Fee (Section 1606)

The Water Meter Bypass Violation Fee shall be charged at the rate of \$6.03 per 1,000 gallons for Public Water used during the period of the bypass and shall be based upon 100% of the historical water usage before and after the Water Meter bypass violation.

J. Fee for Use of Fire Hydrants by Private Parties (Section 1305)

- Fee for one day use only: \$60
- Fee for use for more than one day: Administrative Fee of \$25 plus Water Use Fee for actual volume of water used, with an aggregate minimum of \$60.
- Seasonal Use Fee: Administrative Fee of \$25 plus Water Use Fee for actual volume of water used, with an aggregate minimum of \$165.

K. Miscellaneous Customer Fee (Section 1607)

See Section III.A., below.

L. Public Fire Hydrant Rental (Section 1608)

\$10.00 per year per hydrant

M. Annual Adjustment to Water Availability Fee, Water Trunkage Fee and the Water Service Fee.

The Water Availability Fee, the Water Trunkage Fee and the Water Service Fee shall be increased in calendar year 2012 and in each calendar year thereafter by an amount equal to 3%¹ of the Water Availability Fee, Water Trunkage Fee or Water Service Fee, as the case may be, applicable in the preceding calendar year, rounded up to the nearest one dollar.

Note: ¹3% is intended to approximate the 15-year annual average increase in the construction cost index maintained by the engineering news records (www.enr.com).

II. SEWER RATES AND CHARGES

A. Inspection Fee (Section 1609)

- Minimum fee (connection or disconnection) Residential Customer: \$50 per inspection. Additional fees based on actual costs incurred for missed inspection

appointments, repeat inspections and complicated inspections requiring more than one (1) hour shall be charged as a Miscellaneous Customer Fee.

- Minimum fee (connection and disconnection) for Commercial or Industrial Customer: \$100 per inspection. Additional fees based on actual costs incurred for missed inspection appointments, repeat inspections and complicated inspections requiring more than two (2) hours shall be charged as a Miscellaneous Customer Fee.

B. Sewer Availability Fee (Section 1610(a))

Commercial/Residential Customers

- For Premises with a frontage of 120 feet or less, or combined frontage of 300 feet or less for a Corner Lot: \$8,613 for an application filed in calendar year 2012, subject to the annual adjustment set forth in L, below, for each calendar year thereafter; plus
- For frontage in excess of 120 feet, or 300 feet for a Corner Lot: \$86.13 per foot for an application filed in calendar year 2012, subject to the annual adjustment set forth in L, below, for each calendar year thereafter

Industrial Customers

- For Premises with a frontage of 120 feet or less, or combined frontage of 300 feet or less for a Corner Lot: \$9,263 for an application filed in calendar year 2012, subject to the annual adjustment set forth in L, below, for each calendar year thereafter; plus
- For frontage in excess of 120 feet, or 300 feet for a Corner Lot: \$92.63 per foot for an application filed in calendar year 2012, subject to the annual adjustment set forth in L, below, for each calendar year thereafter.

C. Sewer Trunkage Fee (Section 1610(b))

\$874 per Trunkage Unit for an application filed in calendar year 2012, subject to the annual adjustment set forth in L, below, for each calendar year thereafter.

D. Sewer Lateral Fee (Section 1610(c))

\$1,723 per Sewer Lateral 6 inches or less in diameter for an application filed in calendar year 2012, subject to the annual adjustment set forth in Section L, below, for each calendar year thereafter. The Sewer Lateral Fee for a Sewer Lateral with a diameter larger than 6 inches shall be determined on the basis of actual cost.

E. Sewage Meter Fee (Section 1610(e))

Applicant pays actual cost of Sewage Meter and installation.

F. Sewer Readiness to Serve Fee (Section 1611)

5/8" Meter	\$14.80 per quarter
1" Meter	\$14.80 per quarter
1-1/2" Meter	\$59.10 per quarter
2" Meter	\$103.94 per quarter
3" Meter	\$234.37 per quarter
4" Meter	\$417.79 per quarter
6" Meter	\$939.52 per quarter
8" Meter	\$1,669.12 per quarter
10" Meter	\$2,608.64 per quarter
12" Meter	\$3,760.11 per quarter

Consistent with Section 1611(d), the Sewer Readiness to Serve Fee for an Industrial Customer or a Commercial Customer not connected to the Water System and without a Well Water Meter shall be \$1.00/1,000 gallons of metered Sewage.

G. Sewer Use Fee (Section 1612)

The Sewer Use Fee shall be \$3.78 per 1,000 gallons of metered Public Water usage, as adjusted in the following manner:

- a. Public Water that does not enter the Sewer System, as metered by a Submeter in accordance with Section 1612(b), shall be subtracted from total metered Public Water usage.
- b. Separately metered Dwelling Units shall be billed at 74.6% of total metered Public Water usage, in accordance with Section 1612(c).
- c. The Sewer Use Fee for an Industrial or Commercial Customer with a sewage meter shall be based upon the actual metered flow of Sewage discharged to the Sewer System, in accordance with Section 1612(e).
- d. The Sewer Use Fee for a Residential Customer not connected to the Water System shall be based upon an assumed discharge to the Sewer System of 14,750 gallons of Sewage per quarter per Dwelling Unit, in accordance with Section 1612(f). The "flat rate" Sewer Use Fee shall be \$70.56 per quarter and includes a Sewer Readiness to Serve Fee equivalent to that charged for a residential customer with a 5/8" Meter.

H. Sewage Meter Bypass Violation Fee (Section 1613)

The Sewage Meter Bypass Violation Fee shall be charged at the rate of \$3.78 per 1,000 gallons for Sewage discharged during the period of the bypass and shall be based upon 100% of the historical Sewage usage before and after the Sewage Meter bypass violation. An Industrial Customer or a Commercial Customer not connected to the Water System and

without a Well Water Meter that is subject to a Sewage Meter Bypass Violation Fee shall also pay a Sewer Readiness to Serve Fee upon the same volume of Sewage discharge that is subject to the Sewage Meter Bypass Violation Fee.

I. Customer Surcharge Fee (Section 1614)

The Customer Surcharge Fee is intended to be the amounts established and charged from time to time by the City and applicable to Township Customers in accordance with the applicable Interjurisdictional Pretreatment Agreement.

For Customers served by that portion of the Sewer System subject to the Interjurisdictional Pretreatment Agreement with the City of Wyoming, the Customer Surcharge Fee shall include the following:

PENALTIES AND SURCHARGES

Cyanide and Metals

Average Quarterly Flow, gpd

Concentration Level

	0-10,000 Gals/Day*	10,000- 50,000 Gals/Day*	50,000- 100,000 Gals/Day*	>100,000 Gals/Day*
0-Limit (x)	No penalty	No penalty	No penalty	No penalty
>1(x) - 2(x)	\$ 50.00	\$100.00	\$150.00	\$ 200.00
>2(x) - 3(x)	\$100.00	\$200.00	\$300.00	\$ 400.00
>3(x) - 4(x)	\$150.00	\$300.00	\$450.00	\$ 600.00***
>4(x)	\$200.00	\$500.00***	\$750.00***	1,000.00***

(x) Individual limits as listed.

	Composite Limit (mg/L)	Grab Sample Limit (mg/L)
Arsenic	1.8	2.7
Beryllium	0.005	0.0075
Cadmium	0.70	1.0
Chromium	2.50	3.70
Copper	2.00	3.00
Lead	1.80	2.70
Nickel	1.50	2.20
Silver	0.72	1.00
Zinc	6.00	9.00
Cyanide	0.80	1.20
Mercury	0.0005	0.0005
Phenol	0.10	0.15

*Based on average day for previous quarter

**Penalties shall be assessed on any sample exceeding the limits listed in this Section.

pH	pH Penalty			
	Average Quarterly Flow, gpd			
	0-10,000	10,000-50,000	50,000-100,000	>100,000
	<u>Gals/Day*</u>	<u>Gals/Day*</u>	<u>Gals/Day*</u>	<u>Gals/Day*</u>
5.0 - 10.5	No penalty	No penalty	No penalty	No penalty
4.0 - 4.9	\$15.00	\$30.00	\$45.00	\$60.00
3.0 - 3.9	\$40.00	\$80.00	\$120.00	\$160.00
0 - 2.9	\$75.00	\$150.00	\$300.00	\$750.00***
>10.5 - 10.9	\$15.00	\$30.00	\$45.00	\$60.00
11.0 - 11.9	\$40.00	\$80.00	\$120.00	\$160.00
12.0 - above	\$75.00	\$150.00	\$300.00	\$750.00***

***Maximum penalty permitted by law.

SURCHARGE RATES

BOD	Rate/lb	Up to 300 mg/L \$0.00	> 300 mg/L \$0.011
SS	Rate/lb	Up to 400 mg/L \$0.00	> 440 mg/L \$0.115
Phosphorus	Rate/lb	Up to 20 mg/L \$0.00	> 20 mg/L \$0.65
Oil and Grease	Rate/lb	Up to 75 mg/L \$0.00	> 75 mg/L \$0.09
COD*	Rate/lb	Up to 700 mg/L \$0.00	> 700 mg/L \$0.04

*Alternative to BOD, surcharges will not be levied for both BOD and COD on any given sample

In the event the applicable Customer Surcharge Fee has been increased or decreased or discharge limits are revised, or additional Customer Surcharges are implemented by the City of Wyoming since the date of approval of this Schedule of Rates and Charges or the most recent amendment to the Schedule of Rates and Charges approved by the Township, the Customer Surcharge Fee, as increased, decreased or additionally implemented by the City of Wyoming shall be applicable within the Township as required by the Interjurisdictional Pretreatment Agreement.

J. Drainage Violation Fee (Section 1615)

The Drainage Violation Fee shall be equal to 300% of the average quarterly Sewer Use Fee charged to the Premises for the last four quarterly billing periods. The Drainage Violation Fee shall be billed periodically from the date of accrual and shall continue until unauthorized connections are disconnected in accordance with the Ordinance, unauthorized discharges are terminated or access is provided to a Premises to verify the absence of the same. The Drainage Violation Fee may be determined on a daily, weekly, monthly or quarterly basis, using as a basis of determination said average quarterly Sewer Use Fee.

K. Miscellaneous Customer Fee (Section 1616)

See Section III.A., below.

L. Annual Adjustment to Sewer Availability Fee, Sewer Trunkage Fee and the Sewer Lateral Fee

The Sewer Availability Fee, the Sewer Trunkage Fee and the Sewer Lateral Fee shall be increased in calendar year 2011 and in each calendar year thereafter by an amount equal to 3%¹ of the Sewer Availability Fee, Sewer Trunkage Fee or Sewer Lateral Fee, as the case may be, applicable in the preceding calendar year, rounded up to the nearest one dollar.

Note: ¹3% is intended to approximate the 15-year annual average increase in the Construction Cost Index maintained by the Engineering News Records (www.enr.com).

M. Significant Industrial User Discharge Permit Fee (Section D104)

It is the intent that the wastewater discharge permit fee shall be set at the same amount established by the City of Wyoming. The fee shall be \$175.00 or such different amount as shall be hereafter established by the City of Wyoming.

III. MISCELLANEOUS

A. Miscellaneous Customer Fee (Section 1607 and Section 1616)

The Miscellaneous Customer Fee shall, in general, be based upon the direct out-of-pocket expense of the Township not covered by other Rates and Charges, plus 10% of the total expense for administration and overhead. In addition, the following shall be charged:

1. The failure to connect fee provided by Section 1004 shall be based upon the Water Readiness to Serve Fee and Water Use Fee that would have accrued, effective upon the expiration of the connection period, based upon the actual Water Readiness to Serve Fee and Water Use Fee charged during the same period of time to similarly situated Water Customers.

2. The failure to connect fee provided by Section 1009 shall be based upon the Sewer Readiness to Serve Fee and Sewer Use Fee that would have accrued, effective upon the expiration of the connection period, based upon the actual Sewer Readiness to Serve Fee and Sewer Use Fee charged during the same period of time to similarly situated Sewer Customers.
3. The Water Meter and Sewage Meter testing fee provided by Sections 1213(a) and 1222(a), respectively, shall be as follows:
 - a. If a Customer requests that a Water Meter be tested, it shall be removed and sent to the factory or shop for testing and the Customer will be required to deposit with the Township a minimum fee, based upon the size of the Water Meter, of:

<u>Size</u>	<u>Fee</u>
5/8"	\$140.00
1"	\$140.00
1 1/2"	\$265.00
2"	\$265.00
3"	\$365.00
4"	\$465.00
6"	\$665.00
8"	\$865.00
10"	\$1,065.00

All additional charges not covered by the deposit will be the responsibility of the Customer as defined in Section 1213(a).

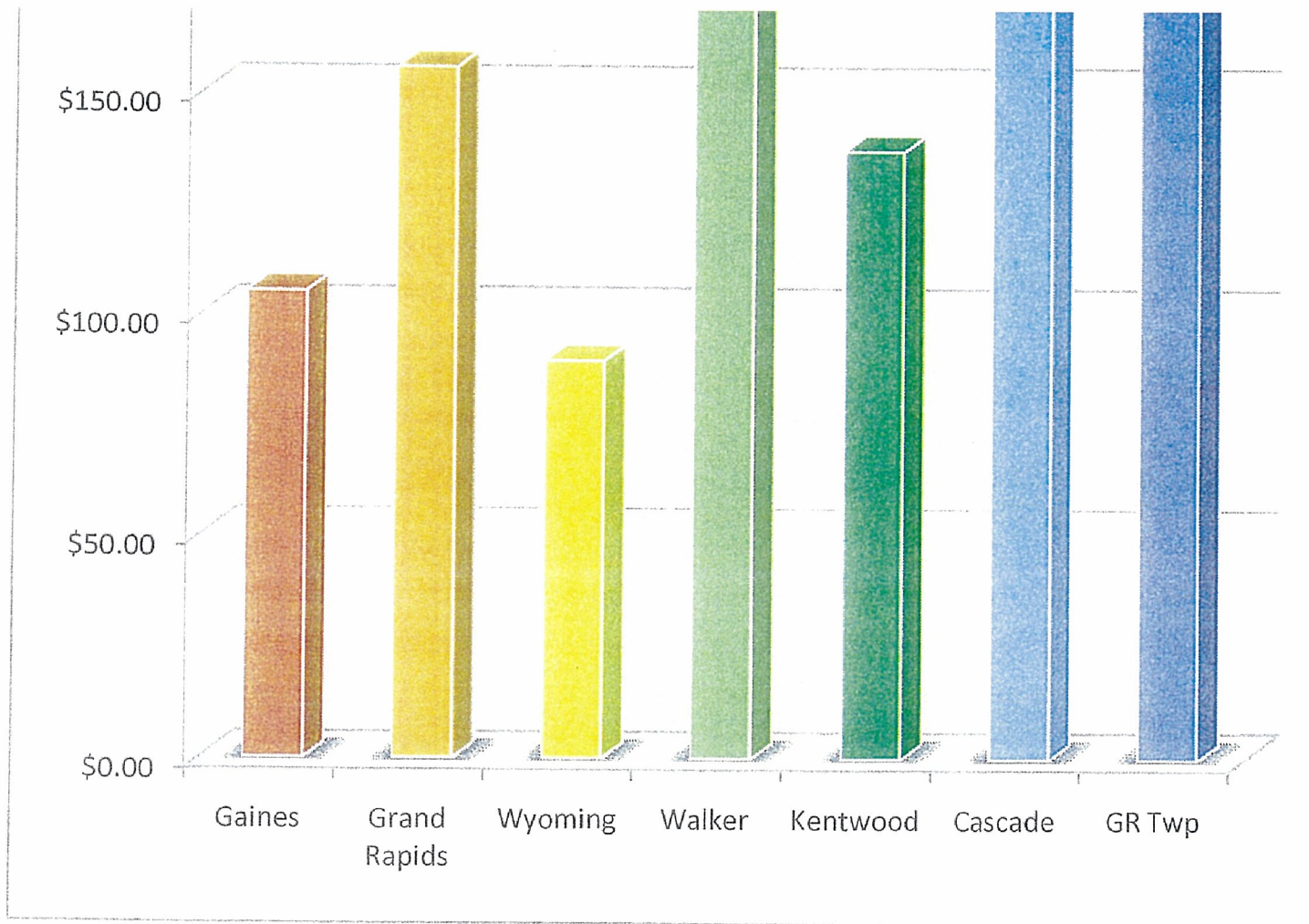
- b. If a Sewer Meter must be removed and sent to the factory or shop for testing, the Customer will be required to deposit with the Township a minimum fee of \$300.00. All additional charges not covered by the deposit will be the responsibility of the Customer as defined in Section 1222(a). The Township may determine that a Sewage Meter can be tested in place; however, the minimum deposit is still required.
4. The deposit for a portable Public Water Meter and Backflow Preventer provided by Section 1305(b) shall be \$500.
5. The central filling location fee provided by Section 1306(c) shall be \$25 for administration and a minimum of \$35 for metered water usage.
6. The fee for failure to submit an inspection report for a Grease Trap or an oil or sand interceptor, as provided by Section 1406(k) shall be \$100 per month (or partial month) per Grease Trap or sand or oil interceptor until such report is filed.

7. The cost incurred by the Township to clean and maintain a Grease Trap or an oil or sand interceptor, as provided by Section 1406(l), shall be the actual cost incurred by the Township plus 100% of the total for Township administration and overhead.
8. The cost of removing or abandoning a Water Service or Sewer Lateral, as provided by Section 1504(b), shall be the actual cost incurred by the Township plus 10% of the total for Township administration and overhead.
9. The fee to turn on or turn off a Water Service as provided by Section 1607 and Section 1616 shall be \$25 for each.
10. The fee for a check returned for insufficient funds shall be established by the Township Board from time to time.
11. The fee for water usage during the construction of a residential building prior to the installation of a Water Meter shall be as follows:
 - a. In accordance with Section 1103, \$25 per building shall be payable prior to the issuance of a permit to connect to the Water System. This fee applies to new construction only and covers the use of water during the period of time that the residential building is being constructed.
 - b. A Water Meter must be installed in the building before (A) the building is occupied or (B) water is used for irrigation purposes.
 - c. This fee will be charged to residential users only including single family homes, duplexes, site condominiums and attached condominiums. All other types of uses including industrial, commercial and apartments will be required to use other means available and allowed by the Ordinance for the use of water during construction.
 - d. Existing residential buildings with an occupancy permit making connection to the Water System should be exempt from this fee.

In addition to the above, it is the intent of the Township to charge as a Miscellaneous Customer Fee all industrial pretreatment fees, surcharges, fines, penalties and other expenses applicable to a Customer of the Sewer System by the terms of the Interjurisdictional Pretreatment Agreement and the related provisions of Appendix D or Appendix E and not otherwise included in other Rates and Charges.

B. Minimum Security Deposit

The Minimum Security Deposit provided by Section 1711(b) shall be \$500 per tenant.



**All rates associated with the GR system calculated from the preliminary rate study for 2011.

***Wyoming rates calculated based on information published on the city website.

*Actual Utility Rates should be confirmed with each individual Community.