

**CITY OF BLOOMFIELD HILLS
AMENDED WATER SUPPLY RATES
2017-2018 RESOLUTION**

At a regular meeting of the City Commission of the City of Bloomfield Hills (the "City"), Oakland County, Michigan held on June 13, 2017, the following resolution was approved;

WHEREAS, the City of Bloomfield Hills has designated and employed the Oakland County Water Resources Commissioner ("County"), as agent to operate and maintain its water system, under the provisions of the City of Bloomfield Hills Water Operating Agreement ("Operating Agreement");

WHEREAS, the City has reviewed the letter dated May 31, 2017, which outlined the rate recommendations of the Oakland County Water Resources Commissioner, as operating agent for the City,

WHEREAS, the existing and proposed rates include a \$7.00 per MCF City charge to be collected. The \$7.00 per MCF City charge shall be collected and deposited in the City's Water fund to be used for water system improvements, rehabilitation, reserve accounts for miscellaneous water system expenses, debt service payments, and related administration,

WHEREAS, the City will continue to assess a fixed charge of \$2.41 per MEU to each quarterly water bill to offset fixed program costs. It is recommended that this be paid to the County to fund necessary programs, and the excess be collected and deposited in the City's Water fund to finance future water system improvements and rehabilitation programs.

WHEREAS, the City has issued bonds to finance water system improvements and will assess a fixed charge of \$14.00 per MEU to each quarterly water bill as a debt service charge to address necessary system updates which shall be deposited in the City's Water fund to finance debt service.

WHEREAS, the City will assess a fixed charge of \$14.00 per MEU to each quarterly water bill as a debt service charge to address necessary system updates which shall be deposited in the City's Water fund to finance future system improvements.

NOW, THEREFORE, BE IT RESOLVED that the City of Bloomfield Hills, pursuant to Sec. 21-53. of Chapter 21 of the City Code of the City of Bloomfield Hills amends the existing water rates to the following rates:

Water Consumption Charge: A quarterly charge for water service shall be made to each premise connected to the system in the amount of \$46.42 Per 1,000 cubic feet (1 MCF) of metered water usage with a minimum quarterly charge of \$92.84 based on an assigned use of 2,000 cubic feet (2 MCF).

The City will collect \$30.41 per MEU for debt service, fixed program costs, water system improvements and related administration charges on a quarterly basis. In addition to the consumption charges, the fixed charge of \$30.41 per MEU will be added to each quarterly water bill based on the following MEU chart:

<u>Meter Size</u>	<u>MEU</u>
5/8"	1.0
1"	2.5
1 1/2"	5.0
2"	8.0
3"	22.5
4"	56.7
6"	116.7
8"	200.0
10"	325.0
12"	400.0

Plus a quarterly meter service charge based on meter size as follows:

Meter Size	Quarterly Fee
5/8"	\$1.73
3/4"	\$2.24
1"	\$3.45
1-1/2"	\$5.87
2"	\$9.32
3"	\$12.59
4"	\$15.53
6"	\$25.88
8"	\$39.68
10"	\$53.82

NOW THEREFORE BE IT FURTHER RESOLVED, that the City of Bloomfield Hills hereby requests that the Oakland County Water Resources Commissioner's Office (OCWRC), through all billings starting July 1, 2017, pay the funds to the City of Bloomfield Hills, upon collection, the funds generated by the system improvement charge (\$7.00/MCF), and the funds generated by the debt service MEU charge (\$14.00/MEU) and system improvement MEU charge (\$14.00/MEU) and that this revenue generated be placed in the City's Water fund to be used for water system improvements, rehabilitation, reserve accounts for miscellaneous water system expenses, debt service payments, and related administration.

