

**ANN ARBOR CHARTER TOWNSHIP BOARD OF TRUSTEES
AMENDMENT TO CHAPTER 70 – UTILITIES, ARTICLE II – WATER SYSTEM,
DIVISION 2 –RATES, FEES AND CHARGES, TO AMEND
SECTIONS 70-71 WATER RATES AND 70-72 – CONNECTION FEES, AND
TO ADD SECTION 70-81 – OTHER FEES, AND
ARTICLE III – SEWER SYSTEM, DIVISION 2 – RATES, FEES AND CHARGES, TO
AMEND SECTIONS 70-241 – SANITARY SEWER RATES, AND 70-242 –
CONNECTION FEES, AND TO ADD SECTION 70-251 – OTHER FEES**

ORDINANCE NO. 2-2017

The Ann Arbor Charter Township Board of Trustees ordains and adopts the following amendments to Chapter 70, to amend Sections 71, 72, 241 and 242 and to add Sections 81 and 251.

Sec. 70-71. - Water rates.

Water rates shall be established each year by resolution of the Township Board based on each 100 cubic feet of water service during a quarterly period, considering the following factors:

- (1) *City charges.* City of Ann Arbor rate charges for water service to the Township.
- (2) *Operating costs.* A proportionate share of the Township's net cost of operating the system.
- (3) *Wear and tear expense.* A proportionate share of the annual use (wear and tear) of the system assets based on the original value and the useful life of the system assets.
- (4) *Time periods to be considered.* To help reduce year-to-year fluctuations in establishing rates, the Township Board may consider usage, operating costs and wear-and-tear expenses for up to five of the preceding years.

Sec. 70-72. - Connection fees.

A connection fee shall be charged for every: (a) new connection to the system, and (b) new water connection to a building or other improvement connected to the system, and shall vary based on the size of the new connection. Each connection size shall be assigned a residential equivalent user number based on appropriate industry standards. Connection fees shall be established each year by resolution of the Township Board considering the following factors:

- (1) *City charges.* City of Ann Arbor water connection charges to the Township.
- (2) *Equity buy-in component.* An equitable portion of the value of the system, which value may include the value of assets the Township reasonably anticipates will be added to the system during the next five years. The equity buy-in component for each new connection shall be computed by dividing an appropriate equitable portion of the value of the system

by the number of residential equivalent users of the system, and multiplying that quotient by any new connection's residential equivalent user number.

- (3) *Connection size.* The required size of each new connection shall be determined by the department based on equivalent residential units considering the proposed use of the parcel or premises and applicable engineering standards.

Sec. 70-81. – Other Fees.

The Township Board may, by resolution, adopt other water service related fees, including those for:

- (1) *Meter and material costs.* The cost of meters and accessories, radio units, and costs associated with turn on and turn off of such equipment.
- (2) *Inspection/installation charge.* The cost of installation and inspection of any connection, meter or appurtenances.

Sec. 70-241. - Sanitary sewer rates.

Sanitary sewer rates shall be established by resolution of the Township Board and, except as otherwise provided in section 70-244, shall be based on each 100 cubic feet of water service, as defined in section 70-32, during a quarterly period, considering the following factors:

- (1) *Rate; city charges.* City of Ann Arbor rate charges for sanitary sewer service to the Township.
- (2) *Operating costs.* A proportionate share of the Township's net cost of operating the system.
- (3) *Wear and tear expense.* A proportionate share of the annual use (wear and tear) of the system assets based on the original value and the useful life of the system assets.
- (4) *Time periods to be considered.* To help reduce year-to-year fluctuations in establishing rates, the Township Board may consider usage, operating costs and wear-and-tear expenses for up to five of the preceding years.

Sec. 70-242. - Connection fees.

A connection fee shall be charged for every: (a) new connection to the system, and (b) new sanitary sewer connection to a building or other improvement connected to the system, and shall vary based on the size of the new connection. Each connection size shall be assigned a residential equivalent user number based on appropriate industry standards. Connection fees shall be established by resolution of the Township Board considering the following factors:

- (1) *City charges.* City of Ann Arbor sanitary sewer connection charges to the Township.
- (2) *Equity buy-in component.* An equitable portion of the value of the system, which value may include the value of assets the Township reasonably anticipates will be added to the system during the next five years. The equity buy-in component for each new connection shall be computed by dividing an appropriate equitable portion of the value of the system

by the number of residential equivalent users of the system, and multiplying that quotient by any new connection's residential equivalent user number.

- (3) *Connection size.* The required size of each new connection shall be determined by the department based on equivalent residential units considering the proposed use of the parcel or premises and applicable engineering standards.

Sec. 70-251. – Other Fees.

The Township Board may, by resolution, adopt other sanitary sewer service related fees, including those for:

- (1) *Meter and material costs.* The cost of accessories, radio units, and turning on and off such equipment.
- (2) *Inspection/installation charge.* The cost of installation and inspection of any connection, and appurtenances.

CERTIFICATION:

It is hereby certified that the foregoing Ordinance was adopted by the Township Board of Ann Arbor Charter Township, Washtenaw County, Michigan, at a meeting of the Board duly called and held on June 19, 2017.

ANN ARBOR CHARTER TOWNSHIP BOARD
OF TRUSTEES

By: _____
Michael Moran, Supervisor

By: _____
Rena Basch, Clerk

First Reading: May 15, 2017
Second Reading: June 19, 2017
Approved by Board: June 19, 2017
Published and Effective: June 26, 2017