

**STATE OF MICHIGAN
COUNTY OF OAKLAND
CHARTER TOWNSHIP OF BLOOMFIELD**

ORDINANCE NO. 674

AN ORDINANCE TO AMEND CHAPTER 38, UTILITIES, ARTICLE IV. RATES AND CHARGES, OF THE CHARTER TOWNSHIP OF BLOOMFIELD CODE OF ORDINANCES, AS AMENDED, TO RESTATE THE GUIDELINES FOR SETTING THE WATER AND SEWER RATES FOR THE TOWNSHIP BY RESOLUTION OF THE CHARTER TOWNSHIP OF BLOOMFIELD BOARD OF TRUSTEES.

THE CHARTER TOWNSHIP OF BLOOMFIELD ORDAINS:

Section 1 of Ordinance

Chapter 38, Utilities, Article IV. Rates and Charges, Division 2. Water, is hereby amended to now read as follows:

DIVISION 2. WATER

Sec. 38-210. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Department shall mean the Water and Sewer Division of the Department of Public Works for the Township of Bloomfield. As an enterprise fund, the department shall be considered a separate entity from the township for purposes of this division.

Direct connection charge shall mean a one-time charge paid by a new water system customer for system capacity for a premises that has not paid for the benefit of access to the water system, and no other special connection charge or special assessment for water has been established by the township board for said premises. The purpose of this charge is to address intergenerational equity.

Lateral or its plural means any pipes other than water service pipes used for conveying or distributing water.

Main or its plural means any pipes other than water service pipes used for conveying or distributing water.

Premises means each lot or parcel of land, building or premises having any connection to the water supply system of the department.

REU (residential equivalent unit) or Unit means any property which uses that quantity of water ordinarily arising from the occupancy of a residence building by a single family of ordinary size as set forth on the Schedule of Unit Assignment of Factors of the Oakland County Water Resources Commissioner, which schedule and its provisions are hereby incorporated herein and made a part hereof. The total unit assignment for any particular usage shall be a whole number

unit assignment and any fractional portion thereof shall be considered the next higher whole unit count.

Township shall mean the Charter Township of Bloomfield.

Township use shall mean water and/or sewer service actually provided to the township by the department for use in the township buildings and facilities, and for irrigation. Township use shall not include services used by the department.

Unaccounted-for water shall mean the difference between the water purchased from the department's wholesale provider and the water sold by the department. Unaccounted-for water, also known as "non-revenue water" or "lost water," includes but is not limited to: water lost from the system due to leaks or breaks in the system; water used by the department or its contractors during construction and maintenance activities; and water that is stolen through illegal taps or hydrant use in the system, or other unknown losses. The value of this water is to be attributed to the department and shall be incorporated into its revenue requirements when setting the water rates.

User means any person, firm, association or corporation actually owning or leasing any premises supplied, or to be supplied, with water supplied by the department, or their authorized agent.

Water service pipes means pipe tapped into the water main or lateral and extending thence to the meter, including appurtenances connected thereto.

Water supply system means the complete water system, including all water mains and laterals, all pumping stations and all other facilities now owned, leased or hereafter acquired by the department, used or useful in connection with the furnishing of water, except those parts of the water service pipes located upon private property.

Sec. 38-211. Water service connection.

Before any connection shall be made to any water main or lateral, application for the same shall be made in writing to the department by the owner of the premises to be served, or by his or her authorized agent. Such application shall be made on forms provided by the department. The owner, user, and/or applicant for a water connection permit by such application implicitly agrees to abide by all rules and regulations of the department in all due respects, but more especially with those respecting the responsibility for the payment for water and this section is expressly made a part of such application.

Sec. 38-212. Payment of charges.

No connection shall be made until the applicant has paid the necessary connection charge, together with the necessary deposit, or fee if known, for the same in accordance with the provisions of this division.

Sec. 38-213. Nonresident connection.

Property owners not within the township may connect into the water system operated by the department only on the prior approval of the township board. All connections shall comply with this division.

Sec. 38-214. Water consumption charge.

A charge for water service shall be made to each of the premises connected to the system in an amount set by resolution of the township board. In those instances, wherein a premises is connected to the system and a meter has not been installed, the charge for water service shall be an amount set by resolution of the township board.

Sec. 38-215. Meter service charge.

There shall be no meter charge for premises connected to the water system except for those premises utilizing meters in excess of two inches in diameter. The charge for meters in excess of two inches in diameter shall be determined by resolution of the township board.

Sec. 38-216. Presently connected premises.

Premises presently connected to an existing department water main shall not be required to pay a connection or direct connection charge but will pay a debt service charge as hereinafter provided in addition to the water consumption and all other charges provided herein.

Sec. 38-217. Water connection charge.

There shall be a connection charge of \$100.00 per unit, payable at the time the application is approved for connection or reconnection of any premises to the water supply system.

Sec. 38-218. Direct connection charge.

(a) There shall be a direct connection charge of \$7,000.00 payable at the time the application is approved, for the direct connection of any premises to the water supply system in the following instances, to wit:

- (1) A main or lateral wherein the cost was financed by the department or township and no other charge has been established by the township board;
- (2) Such premises was for any reason not specially assessed for the cost thereof and the bond issue therefor has been retired;
- (3) The premises is located upon an off-site water main financed by someone other than the department or the township.

(b) Provided, however, such connection charge shall not apply in the following instances, to wit:

- (1) The premises is directly located on a water main which was financed by a developer solely to serve the subdivision or parcel developed;
- (2) The premises is required to construct [an] eight-inch diameter or larger water main equipped with a hydrant to serve said site;
- (3) The township approves a special charge through a resolution;
- (4) The township board approves a payback agreement through a resolution;
- (5) The premises was part of a special assessment district to extend water main and was assessed for the cost of the project.

Sec. 38-219. Deferred payment.

As an alternative, the direct connection charge required by section 38-218 may be paid over a period of five years. In the event that the owner of such premises selects to make payments over a period of five years, he or she shall give the township and/or the department a lien on such premises for the amount of such charge and pay one-fifth of said charge plus the required fee for recording the lien to the treasurer of the township. On the next successive December 1, and annually thereafter, the treasurer shall bill the owner one-fifth of the said charge plus interest at the rate established by the township board but not to exceed six percent per annum on the unpaid balance. If such annual billings are unpaid by the following January 20 of any year, the yearly charge shall be subject to the penalty as provided by law for unpaid taxes, and if said charges remain unpaid as of the following February 28, they shall be returned delinquent. Any owner may elect to prepay said amount with interest at the rate established by the township board but not to exceed six percent per annum on the unpaid balance at any time so long as he is not delinquent hereunder.

Sec. 38-220. Special charges.

The connection and direct connection charge for any premises shall be set by resolution of the township board.

Sec. 38-221. Water debt service charge.

The township board may, by resolution, establish an annual water debt service charge, such charge to continue until any and all indebtedness for the water supply system is retired by the township.

Sec. 38-222. Effective date of charges.

Any water charges set by the township board shall become effective on the date set by the resolution.

Sec. 38-223. Billings.

Charges for services furnished by the system shall be billed and collected periodically, as determined by the department. Commercial users may be billed on a different schedule at the discretion of the department. Such charges shall become due when billed, which shall not exceed 30 days after reading of the water meter and if such charges are not paid within 20 days from the billing date, then a penalty in an amount set by the township board shall be assessed. In the event that the charges for any such services furnished to any premises shall not be paid within 30 days after the due date thereof, then all services furnished by the system to such premises may be discontinued. Services so discontinued shall not be restored until all sums then due and owing, including penalties, shall be paid, plus a turn-on charge as established by a resolution by the township board.

Sec. 38-224. Collection.

Charges for services furnished by the system to any premises shall be a lien thereon, and on September 1 of each year the person charged with the management of said system shall certify any such charges which have been delinquent six months or more to the supervisor who shall enter same upon the next tax roll against the premises to which said service shall have been rendered, and such charges shall be collected and said lien shall be enforced in the same manner as provided in respect to taxes assessed upon such roll. Prior to occupancy, if notice is given to the department in writing that a tenant is responsible for any such charges with a copy of the lease, if any, the charges shall not become a lien on the property, and in such case, a cash deposit equal to three times the average quarterly charge will be required as security for payment before any service is furnished.

Sec. 38-225. Service to township.

The township shall pay for all township use of the water service provided by the department to township buildings and township irrigation systems in accordance with the foregoing schedule of rates. The township shall also pay to the department a periodic amount established by the township board per hydrant connected to the system. Charges for hydrants, estimated to compensate the department for the average annual value of water used through fire hydrants for firefighting, hydrant testing, hose testing and training, shall be paid annually. The township determines that any capacity costs associated with firefighting are most appropriately charged to the water customers of the department due to the proximity of hydrants to the properties on the water system.

Sec. 38-226. Unaccounted-for water.

Any water lost from the system due to leakage, breaks, theft, or other causes are normal costs incurred by the department for operating the water system to be included in the revenue requirements of the department for rate setting purposes. Similarly, any water used by the department or its contractors for operation and maintenance of the system, such as during repairs and/or replacement projects, flushing and testing, and other similar activities, (also known as "construction water") are part of the department operations and maintenance costs to be included in the revenue requirements of the department for rate setting purposes.

Sec. 38-227. Basis of charges.

All water service charges shall be established by the township board in an amount that is intended to produce revenue that is proportionate to the costs of providing the services. The rates and charges established shall be based upon a methodology which complies with applicable federal and state statutes and regulations. The cost of providing the services include: debt service; the expenses of operation, maintenance and replacement of the system as necessary to preserve the same in good repair and working order; the expense to implement and execute the capital improvement plan; the cost to provide for payment of the charges for water delivery to the system required to be paid by the department; to maintain sufficient levels of both operating and capital reserves; and to provide for such other expenditures and funds for said system as may be required. The amount of the rates and charges shall be reviewed annually and revised when necessary to ensure system expenses are met and that all users pay their proportionate share of operation, maintenance, and equipment replacement expenses. The rates and charges for operation, maintenance and replacement hereby established shall be uniform within the area serviced by the department. No free service shall be allowed for any user of the water system. For purposes of this section, the township shall be considered a customer of the department.

Sec. 38-228. Water service pipe cost.

The cost of water service pipe shall be paid by the property owner.

Section 2 of Ordinance

Chapter 38, Utilities, Article IV. Rates and Charges, Division 3. Sewer, is hereby amended to now read as follows:

DIVISION 3. SEWER

Sec. 38-254. Definitions.

The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Department shall mean the Water and Sewer Division of the Department of Public Works for the Township of Bloomfield. As an enterprise fund, the department shall be considered a separate entity from the township for purposes of this division.

Direct connection charge shall mean a one-time charge paid by a new sewer system customer for system capacity for a premises that has not paid for the benefit of access to the sewer system, and no other special connection charge or special assessment for sewer has been established by the township board for said premises. The purpose of this charge is to address intergenerational equity.

Evergreen sanitary sewer means the Evergreen Sanitary Sewer acquired and constructed by the County of Oakland pursuant to certain contracts between the County of Oakland and the

township and certain other municipalities, dated November 10, 1958, and as amended December 22, 1958, and February 24, 1959.

Lateral or its plural means any pipes other than sewer service pipes used for conveying or distributing sewage flow.

Main or its plural means any pipes other than sewer service pipes used for conveying or distributing sewage flow.

Premises means each lot or parcel of land, building or premises having any connection to the sewer system of the department.

Public sanitary sewer means the complete sanitary sewer system of the township, including sewers in the township known as Evergreen Sanitary Sewer and Walnut Lake Arm of Farmington Sanitary Sewer.

REU (residential equivalent unit) or Unit means any property which uses that quantity of water ordinarily arising from the occupancy of a residence building by a single family of ordinary size as set forth on the Schedule of Unit Assignment of Factors of the Oakland County Water Resources Commissioner, which schedule and its provisions are hereby incorporated herein and made a part hereof. The total unit assignment for any particular usage shall be a whole number unit assignment and any fractional portion thereof shall be considered the next higher whole unit count.

Sewer means any public sanitary or combined public storm water and sanitary sewer located within the township.

Sewer connection charge, previously known as the "debt service charge," shall mean charge paid by a new sewer system customer for system capacity or a charge paid by an existing customer requiring increased system capacity due to change in use, or disconnection and reconnection of a premises regardless of the change in use, which will be calculated when REUs are determined. The purpose of this charge is to address intergenerational equity.

Sewer service pipes means a pipe tapped into the sewer main or lateral, including appurtenances connected thereto from a premises in which sewage arises from, also known as a "sewer lead." Sewer leads are privately owned by the property from the connection at the sewer main or lateral to the premises.

Sewer system means the complete sewer system, including all sewer mains and laterals, all pumping stations and all other facilities now owned, leased or hereafter acquired by the department, used or useful in connection with the furnishing of sewage treatment and disposal services, except those parts of the sewer service pipes located upon private property.

Township shall mean the Charter Township of Bloomfield.

Township use shall mean water and/or sewer service actually provided to the township by the department for use in the township buildings and facilities. Township use shall not include services used by the department.

User means any person, firm, association or corporation actually owning or leasing any premises supplied, or to be supplied, with water supplied by the department, or their authorized agent.

Sec. 38-255. Charge for sewage treatment.

Each premises within the township connected directly or indirectly to a public sanitary sewer shall pay to the department a consumption charge or charge for sewage treatment and disposal as follows:

- (1) Each premises shall pay a charge in an amount set by resolution of the township board for sewage disposal services.
- (2) For those premises connected to the department water system the sewage disposal charge shall be an amount set by resolution of the township board.
- (3) For those premises not connected to the department water system but have elected to have a private water supply system metered in conformance to the requirements of those premises connected to the department water system, then such premises shall be charged by an amount set by resolution of the township board.
- (4) For miscellaneous services for which a special rate or charge should be established or for services not covered by provisions of this division, including by way of illustration and not of limitation such as for any parcels of property used for other than single-family residential purposes, the township board shall establish a special rate or charge by resolution.

(Ord. No. 662, § 2, 7-22-2019)

Sec. 38-256. Method of charging for use of the wastewater system.

- (a) All sewer service charges shall be established by the township Board in an amount that is intended to produce revenue that is proportionate to the cost of providing the services.
- (b) Rates and charges for the use of the wastewater system of the department are hereby established and made against each lot, parcel of land or premises which may have direct or indirect connections to the system or which may otherwise discharge wastewater either directly or indirectly into the system.
- (c) The rates and charges hereby established shall be based upon a methodology which complies with applicable federal and state statutes and regulations. The cost of providing the services

include: debt service, for the expenses of operation, maintenance and replacement of the system as necessary to preserve the same in good repair and working order, for the implementation and execution of the capital improvement plan, to provide for payment of the sewage treatment and disposal charges required to be paid by the department, to maintain sufficient levels of both operating and capital reserves, and to provide for such other expenditures and funds for said system as may be required. The amount of the rates and charges shall be reviewed annually and revised when necessary to ensure system expenses are met and that all users pay their proportionate share of operation, maintenance and equipment replacement expenses.

- (d) The amount of such rates and charges and the intervals at which users of the wastewater system are billed shall be determined by resolution of the township board.
- (e) The rates and charges for operation, maintenance and replacement hereby established shall be uniform within the area serviced by the department. No free service shall be allowed for any user of the wastewater system. For purposes of this section, the township shall be considered a customer of the department.
- (f) The township board may, by resolution establish an annual sewer debt service charge. Such charge shall continue until any and all indebtedness for the sewer system is retired by the township.

Sec. 38-257. Charges and rates for sewage service.

The charges and rates for sewage services provided in this division which are under the provisions of section 21 of Public Act No. 94 of 1933 (MCL 141.121), made a lien on all premises served thereby, unless notice is given that a tenant is responsible, are hereby recognized to constitute such lien, and whenever any such charge against any piece of property shall be delinquent for six months, the township official in charge of the collection thereof shall certify annually on October 1 of each year, to the assessor of the township, fact of such delinquency, whereupon such charge shall be by him or her entered upon the next tax roll as a charge against said premises and shall be collected and the lien thereof enforced in the same manner as general township taxes against such premises are collected and the lien thereof enforced; provided, however, where notice is given and a tenant is responsible for such charges and service as provided by section 21 of said Act, no further service shall be rendered to such premises until a cash deposit equal to three months of the sewer flat rate charge shall have been made as security for payment of such charges and service. In addition to other remedies provided, the department shall have the right to shutoff and discontinue the supply of water to any premises for the nonpayment of sewer rates and charges when due. If such charges are not paid within 30 days after the due date thereof, then water services to such premises may be discontinued. Water services so discontinued shall not be restored until all sums due and owing are paid, plus a turn-on charge to be set by a resolution of the township Board.

Sec. 38-258. No granting of vested rights, license, privilege or permit.

It is hereby expressly declared that nothing in this division shall be held or construed to give or grant to any person any vested right, license, privilege or permit.

Sec. 38-259. Sewer connection charge.

In addition to the consumption charge or any other lawful charge or fee, and notwithstanding any other ordinance or resolution, each premises within the township connecting to a sewer shall pay a sewer connection charge as follows:

- (1) Each parcel of property used for a single-family purpose connecting directly or indirectly to the Evergreen Sanitary Sewer shall pay a sewer connection charge of \$2,000.00. Said charges shall be paid by each parcel at the time connection is made to any sewer. This shall include the reconnection to the sewer required during reconstruction or redevelopment of property that previously was connected and the structure served had been demolished or reconstructed. As an alternative, said charge may be paid by the premises on which a single-family residential building is located on the effective date of the ordinance from which this division is derived over a period not exceeding five years. In the event that the owner of such premises elects to make the payment over a period of five years, the owner shall give the township a lien on such premises for the amount of said charge and pay one-fifth of said charge plus the fee required for recording the lien to the treasurer of the township. On the next successive December 1, the treasurer shall bill the owner one-fifth of the said charge plus interest at the rate established by the township board but not to exceed six percent on the unpaid balance. If such annual billings are unpaid by the following January 20 of any year, the yearly charge shall be subject to a penalty as provided by law for unpaid taxes, and if said charges remain unpaid as of the following February 28, they shall be returned delinquent, with the interest and penalty added by the county treasurer for collection in the same manner in which the township, county or school taxes are returned delinquent. Any owner of a premises may elect to prepay said amount with interest at the rate established by the township board but not to exceed six percent per annum on the unpaid balance at any time so long as the owner is not delinquent hereunder.
- (2) Each premises connecting directly or indirectly to the Evergreen Sanitary Sewer wherein the capital costs were not specifically assessed against said parcel shall pay a sewer direct connection charge of \$9,000.00 in the same manner as provided in subsection (1) of this section, and provided further, that if permanent easement was required and said permanent easement was voluntarily granted by the owner of said parcel in the construction of said Evergreen Sanitary Sewer, or additions thereto, then and in that event, the sewer connection charge described in subsection (1) shall be waived.
- (3) Each parcel of property used for other than a single family purpose, connecting directly or indirectly to the Evergreen Sanitary Sewer shall pay a sewer connection charge fixed by resolution of the township board, which sum shall be comparable to the charge in subsection (1) of this section, after taking into consideration the amount of sanitary sewage which will be discharged from such building and in accordance with the REU factors adopted from time to time by the Oakland County Water Resource Commissioner; provided however, that the total unit assigned for any particular usage shall be a whole number unit assigned and any fractional portion thereof shall be considered the next higher whole unit count. Said sewer connection charge shall be paid for each parcel of property at the time the connection or reconnection is made to any sewer. The same alternative as set forth in subsection (1) of this section for installment payments of this charge shall be available to those existing uses other than for

single-family residential providing there are no prior liens or mortgages existing against said property, or if any such prior liens or mortgages exist, that the owner of said parcel of property furnish acceptable proof to the township board that the holder of such liens or mortgages as the case may be, has subordinated its liens or mortgages to the lien of the township.

- (4) All new construction or redevelopment shall pay all such sewer connection charge in full prior to the issuance of a building permit.
- (5) The foregoing provisions of this division shall not apply to any parcel upon which a direct connection charge for the Evergreen Sanitary Sewer has heretofore been paid.
- (6) Once a property has been connected to the Evergreen Sanitary Sewer either directly or indirectly, subsequent changes in the character of the use of said property, including partial or total destruction, removal or abandonment of any or all improvements thereon, shall not abate the obligation to continue the payments of the debt service charge assigned at the time of connection, and if subsequent changes in the use of the property increase the amount of sewage emanating from the property, the township board may increase the debt service charge assigned to said parcel computed on the basis of the increased use and it shall be payable during the remainder of the period hereinbefore provided.
- (7) For miscellaneous services for which a special rate should be established, or for services not covered by the provisions of this division or any other applicable ordinance or resolution, the township board shall establish a special rate.
- (8) There shall be direct connection charge of \$9,000.00 payable at the time the application is approved, for the direct connection of any premises to the sewer system in the following instances, to wit:
 - a. A sewer wherein the cost was financed by the department or township; and no other charge has been established by the township board;
 - b. Such premises was for any reason not specially assessed for the cost thereof and the bond issue therefor has been retired;
 - c. The premises is located upon an off-site sewer financed by someone other than the department or the township.
 - d. Provided, however, such direct connection charge shall not apply in the following instances, to wit:
 1. The parcel is directly located adjacent to a sewer which was finance by a developer solely to serve the subdivision or parcel developed;
 2. The township board approves a special charge through a resolution.
 3. The township board approves a payback agreement through a resolution.

4. The premises was part of a special assessment district to extend sewer main and was assessed for the cost of the project.
5. The parcel is required to construct [a] ten-inch diameter or larger sewer to serve said site.

Sec. 38-260. Change of rates.

The rates hereby fixed are established to be sufficient to provide for the payment of the annual payments required to be made to the county in connection with the Evergreen Sanitary Sewer. Such rates may be fixed, or based on metered water volume, or by an approved flat rate, or a combination of all above and revised from time to time by a resolution by the Township Board as may be necessary to produce the required amount.

Sec. 38-261. Required connection.

No property within that portion of the township which lies within the area served by the Evergreen Sanitary Sewer, shall be connected, directly or indirectly, with any sewer until the owner thereof shall have first complied with the provisions of this division or any other applicable ordinance or resolution of the township. Any property or properties from which sanitary sewage emanates as defined, shall be connected to an available public sanitary sewage collection facility as defined in said Act in accordance with the provisions of said Act, and the provisions of this division and other applicable ordinances and resolutions of the township.

Sec. 38-262. Penalty.

Any person convicted of disposing of sewage in a manner contrary to the provisions of this division, or in any other way violating the provisions of this division, shall be guilty of a misdemeanor.

Section 3 of Ordinance

Chapter 38, Utilities, Article IV. Rates and Charges, Division 4. Evergreen Sanitary Sewer is hereby deleted.

Section 4 of the Ordinance

Should any section, subdivision, sentence, clause or phrase of this ordinance, be declared by the courts to be invalid, the same shall not affect the validity of the Ordinance as a whole or any part thereof other than the part as invalidated.

Section 5 of the Ordinance

All proceedings pending and all rights and liabilities existing, acquired or incurred at the time this Ordinance takes effect are saved and may be consummated according to the law in force when they are commenced.

Section 6 of the Ordinance

The provisions of this Ordinance shall take effect on April 1, 2022, upon publication.

Section 7 of the Ordinance

This Ordinance is hereby declared to have been adopted by the Township Board of the Charter Township of Bloomfield at a meeting thereof duly called and held on the 14th day of March, 2022, and ordered to be given publication in the manner prescribed by the Charter Township of Bloomfield.

CERTIFICATION

I hereby certify that the foregoing Ordinance was adopted by the Board of Trustees of the Charter Township of Bloomfield at a meeting held on the 14th day of March, 2022, and that the original of this Ordinance is on file in my office.

Martin C. Brook, Township Clerk

Introduced: February 28, 2022

Published: March 6, 2022

Adopted: March 14, 2022

Published: March 20, 2022