

AKRON TOWNSHIP WATER SYSTEM ORDINANCE
ORDINANCE NO: 2014-01
Resolution: 2018-2

An Ordinance to promote the public health, safety, and welfare of the citizens of Akron Township in the operation of the Akron Township Water System, to provide for connections to the System; to provide for the imposition, collection, and enforcement of charges and fees for connection thereto sufficient to pay for the costs of construction, operation, maintenance, repair, and principal and interest on bonds issued to finance the System and services therefrom; and to otherwise provide for other matters relative to the Akron Township Water System and the use and operation thereof.

THE TOWNSHIP OF AKRON, COUNTY OF TUSCOLA, AND STATE OF MICHIGAN, ORDAINS:

Sec. 1. Title.

This Ordinance shall be known as the Akron Township Water System Ordinance.

Sec. 2. Definitions.

The following words and phrases, when used in this Ordinance, shall have the meanings ascribed to them below, unless the context in which the words and phrases are used specifically indicates otherwise:

Connection means that part of the System connecting from the water main to a point terminating at a curb stop box that serves one Customer.

Connection Fee means the fee charged to each Customer that connects to the System, which is intended to pay for the benefit of having the System available to serve the Customer's Premises and to recover a portion of the cost to construct the System.

Cross Connection means any physical Connection or arrangement of piping or appurtenances through which water of questionable quality, wastes, or other contaminants could possibly flow back into the System because of a reversal of flow. It also means any physical Connection between the System and any waste pipe, soil pipe, sewer, drain, or any other unapproved source or System, and is any potable water supply outlet that is submerged or can be submerged in wastewater and/or any other source of contamination.

Customer means a Person or legal entity served by or using water supplied by the System.

DWS means the Bay County Department of Water and Sewer, a department of the Board of County Road Commissioners, County of Bay, Michigan, or its designee.

Person means any individual, firm, partnership, association, public or private corporation, public agency, or instrumentality or any other entity receiving water service.

Premises means a single family residential structure or a single commercial structure.

System means the complete water distribution and supply system servicing the Akron Township Water System Districts A and B, through which water is distributed and used or intended for use for drinking or household purposes, including but not limited to, all water pipes, storage facilities and transmission lines, whether located within or outside the boundaries of Akron Township Water System Districts A and B, including all appurtenances thereto and including all extensions and improvements thereto.

Township means the Township of Akron, Michigan, a general law Township, or any agent thereof.

Township Board means the governing body of the Township.

Sec. 3. Administration and Management

A. *Establishment of a Public Utility.* The Township hereby determines it to be desirable and necessary for the public health, safety and welfare of the Township that the Township's System be operated pursuant to the terms, rates, fees and charges as established in accordance with this Ordinance.

B. *Supervision.* The operation, management, maintenance and administration of the System shall be under the immediate supervision of the DWS.

C. *Authority to Establish Fees, Rate and Charges and to Make Regulations.* The Township or its assigns have the right to establish, maintain, and collect rates, connection fees and charges for water supply service from the System in the Township, and may make any rules, orders, or regulations as they deem advisable and necessary to assure the efficient operation, management, maintenance and administration of the System. The Township may also establish special assessments and other charges as provided for by law and under the terms of this Ordinance.

D. *Employees and Contractors.* The DWS may employ or contract with any Person or Persons in any capacity or capacities as it deems advisable to carry out the efficient management and operation of the System.

E. *Assignment of Authority to DWS.* The Township assigns the DWS with the responsibility of administering the System. The DWS may establish rules and regulations concerning the System, Connection to the System, rates and charges, and practices for meter installation and maintenance, and other matters related to the operation, maintenance, and administration of the System. The rules and regulations, rates and charges, and practices shall be effective upon approval by the DWS.

F. *Compliance with State and Federal Standards and Regulations.* Standards and regulations established in this Ordinance or pursuant hereto are deemed to be the minimum standards consistent with preserving the public health, safety, and welfare, and are necessary to fulfill the obligations herein regarding state and federal rules and regulations adopted pursuant thereto.

Sec. 4. Fees, Rates, and Charges

- A. *Connection.* Those persons owning land adjacent to a Township water main servicing the System whose Premises has not been subject to a special assessment to pay for the construction of the System and who desires to make connection to said System, or those persons owning Premises that have been subject to a special assessment to pay for one connection to said System and who are now requesting to connect another Premises to said System, shall pay a connection fee in the amount specified in the attached Exhibit A. A water Debt Fee Receipt will not be issued until the connection fee due to the Township is paid.
- B. *Establishment of Fees, Rates and Charges.* All Premises connected to the System shall be subject to the payment of such rates, fees, capital improvement charges, and other charges as specified in the attached Exhibit A, or as may be established from time to time by resolution of the Township Board. The fees and/or charges set will be sufficient to provide for the payment of the expenses of administration, operation, and maintenance of the System as are necessary to preserve the system in good repair and working order, and the creation of a reserve therefore required, and to pay the obligations of the Township to DWS pursuant to the terms of the Water Purchase and Management Contract dated April 16, 2014.
- C. *Base Charge.* For each Customer that is connected to the System, there shall be a minimum **charge of \$15.00** for water service due each quarter. The Base Charge may include a Debt Charge component and a Meter Service Charge component. For purposes of billing, a "quarter" is a 90-day period.
- D. *Commodity Charge.* In addition to the Base Charge, there shall be a Commodity Charge calculated based upon the Customer's metered water consumption due each quarter. **-Increase \$2.00/ccf. Rate will change from \$5.00/ccf to \$7.00/ccf the rate increase would start the 3rd Quarter Billing.**
- E. *Connection Fee.* The Township charges a Connection Fee to each Customer that connects to the System. All Connection Fees payable to the Township as stated above shall be due and payable prior to the issuance of any Connection permit.
- F. *Tap Fee.* The DWS may charge a separate Tap Fee for Connection to the System, service lead installation from the water main to the property line, meter and meter installation, and inspection. The Tap Fee may include a Meter Fee component an Inspection Fee component.
- G. *Shut-Off Charge and Restoration Charge.* There shall be imposed a Shut-Off Charge of **\$35.00** and a Restoration Charge of **\$35.00** to a Customer in the event water service is discontinued and subsequently restored to that Customer.
- H. *Late Fee.* There shall be charged a late fee of ten percent (10%) to any rates, fees and charges that are not paid on or prior to the date they are due.
- I. *Miscellaneous Rates, Fees and Charges.* Rates, fees and charges for miscellaneous, special or DWS services shall be established by resolution of the Township Board.

J. *Initial Rates, Fees and Charges; Resolutions.* Rates, fees and charges under this Ordinance shall be as specified in the Attached Exhibit A, or as may be established or amended from time to time by resolution of the Township Board.

K. *Billing.* The rates and charges for service furnished by the System are to be collected quarterly, and quarterly statements will be rendered by the DWS, or other appropriate agency, as agent of the Township to the Customers of the System. Bills shall be due and payable within 20 days from their date. Connection fees shall be payable at the time a Debt Fee Receipt is issued by Akron Township. All bills not paid when due shall be deemed delinquent, and a penalty of ten percent of the amount of the bill shall be assessed and become due. Service that is discontinued shall not be restored until all sums due and owing, including penalties, have been paid.

Sec. 5. Meters.

A. *Meters.* All meters hereafter installed shall be equipped with an outdoor register and Meter Transceiver Unit (MXU-Radio Read) to be installed by the Township or its authorized representative. All costs for installation, repair, and/or replacement of either the meter and/or outdoor register shall be the responsibility of the Customer. No Person other than an authorized representative of the Township shall damage the seal on, or change the location of, or alter, or interfere in any way with any meter that is furnished to any Premises.

B. *Multi-Unit Establishments.* Multi-unit establishments (mobile home parks, strip malls, apartments, duplexes, etc.) shall at the time of connection to the System install a master meter for the establishment. The maximum meter size for any such master meter shall be one (1) inch.

Sec. 6. Cross Connections Prohibited.

No Cross Connection between the System and any other water supply or source of contamination shall be allowed.

Sec. 7. Private Water Wells.

Private water wells are allowed, subject to the following prohibitions and conditions. The private well cannot be connected in any way to the System. The private water well may only be used for outside purposes. If the prior existing private water well is not used for outside water, it shall be abandoned by the property owner in accordance with procedures established by the Tuscola County Health Department and the MDEQ within thirty (30) days of Connection of the Premises to the System.

Sec. 8. Service Connections; Maintenance and Repair.

A. *Leaks and Repairs.* The Customer shall maintain all service leads free from leaks at all times. Whenever a leak appears in a Customer's installation, and that leak allows water to escape without registering upon the meter, the DWS shall give the Customer notice thereof and the Customer shall immediately repair the service lead. If the repairs have not been completed within 48 (forty- eight) hours after notice, the DWS may stop the service by shutting off the water at the curb stop or by excavating to and closing the corporation stop.

The costs incurred by the DWS of excavating and shutting off the service shall be paid by the Customer or by the owner of the property before service is restored. If, in the determination of the DWS, any leak on the Customer's installation is of any nature that endangers public safety or constitutes a nuisance or a source of waste, the DWS may shut off or stop the service until the leak is repaired.

B. *Township Costs.* The cost of all repairs, maintenance, and replacement of System components up to and including the shutoff valve at the property line is to be borne by the Township, except when damage requiring repair is due to negligent or willful acts of the owner or occupant of the Premises, or any agent or licensee of the owner or occupant. Nothing herein prevents the Township from recovering the costs of the repairs or replacements from any Persons responsible therefor.

C. *Property Owner Costs.* The cost of all repairs, maintenance, and replacement of the service leads, the line from the shutoff valve at the property line, up to but not including the structure's meter, is borne by the property owner. Nothing herein prevents the owner from recovering the cost of the repairs or replacements from other Persons responsible therefor.

D. *Frost or Hot Water.* Customers taking water must keep their service lead and their meter protected from frost and hot water at their own expense. Where the service lead or meter is damaged by frost or hot water, the service lead is to be repaired by the Customer, while the water meter is to be repaired by the Township at the Customer's expense.

E. *Use on One Connection; Limitation:* Unless written approval is granted by the Township, separate Premises shall have separate curb stops, separate service lead installations, and shall be separately metered, even if the separate Premises are on the same parcel of land. Whenever water is to be supplied to more than one (1) Customer located in a single building and supplied through one (1) service, the property owner shall be responsible for the payment of all rates, fees and charges.

F. *Extension of Service Leads.* In no event shall a Customer extend service leads or plumbing across any public way or to an adjacent property in order to furnish service thereto, even though the adjacent property may be owned by the Customer.

Sec. 9. Use of the System

A. *Free Service Prohibited.* No free service shall be furnished by the System to any Person, firm, or corporation, public or private, or to any public agency or instrumentality.

B. *System Prohibitions.* No Person shall:

1. Willfully, negligently, or maliciously break, damage, destroy, uncover, deface or tamper with or alter, any structure, property, appurtenance, equipment or any other item which is a part of the System;
2. Remove any water meter, water pipe, other water equipment or tools;

3. Prevent or circumvent a water meter from measuring water supplied by the System;
4. Fraudulently obtain water from the System.

C. *Limit of Water Use.* The System is designed for residential potable water use, and not for the capability of providing flows for fire protection, nor for large commercial water users. No Customer shall use a quantity or rate of water which is detrimental to the System. For this reason, the maximum service lead size shall be 2" diameter, and the maximum meter size shall be 1" diameter.

D. *Inspections.* As a condition of use of the System, all Customers grant the Township and/or DWS access to their Premises for meter readings and water inspections as deemed necessary by the Township and/or DWS. Any person who receives water from the System shall be deemed to have consented to entry pursuant hereto. No Customer shall refuse to admit to the Premises owned or occupied by the Customer nor hinder any authorized agent of the Township and/or DWS from entering the Premises for the purpose of reading a water meter or inspecting a water meter or any piping connected directly or indirectly with the System.

E. *Turn On or Shut Off.* No Person other than an authorized representative of the Township or DWS may turn on or turn off any water service at the curb stop. Water service shall not be turned on unless all rates, charges and fees have been paid as provided in this Ordinance and resolutions adopted pursuant this Ordinance.

Sec. 10. Emergencies

Nothing contained within this ordinance shall preclude the necessary authority of the DWS, the Township or the County to declare an emergency which could result in temporary cessation of water supply and the distribution thereof. During periods of interruption of service the Township shall take any and all necessary action to see that the interruption of service is minimized.

Sec. 11. Enforcement

A. *Violations; Enforcement.* Any Person found to have violated any provision of this Ordinance shall be served with written notice stating the nature of the violation and providing a reasonable time for the satisfactory correction thereof. The offender shall, within the period of time stated in the notice, permanently cease and/or correct all violations. If the described violation continues to exist after the time stated in the notice, the Township may pursue any and all legal remedies or actions intended to abate or eliminate the violation. Any Person convicted of a violation of any provision of this Ordinance shall be punished by a fine of not more than five hundred dollars (\$500.00), or by imprisonment of not more than ninety (90) days, or both a fine and imprisonment in the discretion of the court. Each day that a violation continues after notice of the violation shall be considered a separate violation.

B. *Public Nuisance.* A violation of this Ordinance is declared to be a public nuisance *per se*, and the Township may enforce the requirements of this Ordinance by injunction or other remedy, including the right to correct the violation and recover the Township's cost of

obtaining the necessary correction from the owner or Person in charge of the Premises therefor, including recovering the Township's attorney fees.

C. *Discontinuance of Service.* In the event the charges for any billing period shall not be paid within twenty (20) days after the due date thereof, all water services to the Premises may be discontinued. Services so discontinued shall not be restored until all sums then due and owing, including late fees, shut-off charges and restoration charges have been paid in full.

D. *Lien Against Premises.* The charges for all water service furnished to any Premises shall be a lien thereon and those charges delinquent for six (6) months or more shall be certified annually on August 1st of each year to the proper tax assessing officer or agency, who shall enter the same upon the next property tax roll against the Premises to which the services shall have been rendered, and the charges shall be collected and the lien shall be enforced in the same manner as provided for the collection of taxes assessed upon the property tax roll and enforcement of the lien therefor; provided, that in all cases where a tenant is responsible for the payment of the charges, and the Township Board is so notified in writing, including a true copy of the lease of the affected Premises, then the charge shall not become a lien against the Premises from and after the date of that notice. In the event of that notice, the Township shall render no further services to the Premises until a cash deposit equal to two (2) times the average quarterly (three months) charge to the Premises has been made as security for the payment of service thereto. In addition to any other lawful methods, the payment of charges for water service to any Premises may be enforced by discontinuing the water service to the Premises.

E. *Water Shut Off.* The DWS reserves the right, after due notice to the Customer, to terminate service to a Customer (a) if payment for water supply has not been timely received in accordance with the payment schedule set by the DWS, or (b) due to a violation of this Ordinance or any rules and regulations adopted pursuant hereto. Notwithstanding the above, the DWS may shut off the water in any main to make repairs or extensions, or for any other necessary purpose at any time without notice to Customers.

Sec. 12. Repealer.

All ordinances and portions of ordinances inconsistent with this Ordinance are hereby repealed.

Sec. 13. Severability.

Should any provision, section, paragraph, sentence or word of this Ordinance be determined or declared invalid by any final court action in a court of competent jurisdiction or by reason of any preemptive legislation, the remaining provisions, sections, paragraphs, sentences or words of this ordinance shall remain in full force and effect.

Sec. 14. Effective Date.

This Ordinance shall take effect immediately upon publication; except that any penalty provisions relating to the enforcement of this Ordinance shall be effective thirty (30) days after publication.

**Exhibit A
Akron Township Initial Water Rates, Fees and Charges**

Base Charge

- **Debt Charge:** As specified in table below:

Meter Size	Debt Charge Per Quarter*
5/8"	\$ 9.00
3/4"	\$ 9.00
1"	\$ 25.00

- **Meter Service Charge:** \$9.89 per quarter* per meter

*for purposes of billing, a "quarter" is a 90-day period

Commodity Charge: ~~\$5.00~~ \$7.00 per hundred cubic feet (ccf) (resolution 2018-2)

Connection Fee: (for each new Connection): \$5,200 per Connection

The Connection Fee has already been paid for one Connection on any parcel that was specially assessed within the Akron Township Water System Special Assessment District through the initial \$5,200.00 special assessment charged to each parcel within the special assessment district; provided, that if more than one Customer on any parcel that was specially assessed within the special assessment district wishes to connect to the System, a Connection Fee must be paid for each Customer beyond the first Customer. In addition, a separate Connection Fee shall be due for each Customer located upon a parcel outside the special assessment district or on any parcel that was not specially assessed for an initial \$5,200.00 special assessment.

Tap Fee: (for each new Connection): As specified in the tables below:

Akron Premises - Connection before September 1, 2015 1" Tap for premises installed with water line project					
Line Size	Meter Size	Tap Fee	Meter Fee	Inspection	Total
1"	5/8"	\$ -	\$ -	\$ 50	\$ 50
1"	3/4"	\$ -	\$ -	\$ 50	\$ 50
1"	1"	\$ -	\$ 45	\$ 50	\$ 95

Akron Premises - Connection on or after September 1, 2015 1" Tap for premises installed with water line project					
Line Size	Meter Size	Tap Fee	Meter Fee	Inspection	Total
1"	5/8"	\$ -	\$ 315	\$ 50	\$ 365
1"	3/4"	\$ -	\$ 375	\$ 50	\$ 425
1"	1"	\$ -	\$ 420	\$ 50	\$ 470

Akron Premises New Premises to Connect - No Tap Installed					
Line Size	Meter Size	Tap Fee	Meter Fee	Inspection	Total
3/4"	5/8"	\$ 1,040	\$ 315	\$ 50	\$1,405
3/4"	3/4"	\$ 1,040	\$ 375	\$ 50	\$1,465
1"	5/8"	\$ 1,075	\$ 315	\$ 50	\$1,440
1"	3/4"	\$ 1,075	\$ 375	\$ 50	\$1,500
1"	1"	\$ 1,075	\$ 420	\$ 50	\$1,545
* subject to higher winter connection and/highway connection costs					

Note: All Tap, Meter, and Inspection Fees are determined and subject to change from time to time by the Bay County Department of Water and Sewer.

Delinquency Shut-Off Charge and Restoration Charge:

- **Delinquency Shut-Off Charge: \$25.00** (non-refundable)
- **Delinquency Restoration Charge: \$25.00** (non-refundable)

Late Fee: **10%** of amount due after due date

This Resolution was adopted by the Akron Township Board at the regular meeting on July 19, 2018.

By: Donald R. Schmuck
Akron Township Supervisor


By: Jamie Schuette
Akron Township Clerk

AKRON TOWNSHIP
RESOLUTION ESTABLISHING WATER RATES

2018-2 RESOLUTION

WHEREAS, by Resolution 2018-2 adopted by the Akron Township Board on July 19, 2018 Akron Township established water rates and related fees; and

WHEREAS, Akron Township Board has reviewed a water rate study that was completed in June, 2018 and has concluded that rate increases as set forth herein are necessary to finance needed infrastructure maintenance. As stated in **Sec. 4. Fees, Rates, and Charges**

B. Establishment of Fees, Rates and Charges."

"The fees and/or charges set will be sufficient to provide for the payment of the expenses of administration, operation, and maintenance of the System as are necessary to preserve the system in good repair and working order, and the creation of a reserve required, and to pay the obligations of the Township to DWS pursuant to the terms of the Water Purchase and Management Contract dated April 16, 2014."

The current water rates do not meet the above requirements.

NOW, THEREFORE, BE IT RESOLVED BY THE AKRON BOARD to update the following sections of the **AKRON TOWNSHIP WATER SYSTEM ORDINANCE**

Sec. 4. Fees, Rates, and Charges

C. Base Charge. For each Customer that is connected to the System, there shall be a minimum charge of **\$15.00** for water service due each quarter. The Base Charge may include a Debt Charge component and a Meter Service Charge component. For purposes of billing, a "quarter" is a 90-day period.

D. Commodity Charge. In addition to the Base Charge, there shall be a Commodity Charge calculated based upon the Customer's metered water consumption due each quarter.- **INCREASE \$2.00/ccf. Rate change from \$5.00/ccf to \$7.00/ccf. The quarter for the increase would start the 3rd Quarter Billing**

G. Shut-Off Charge and Restoration Charge. There shall be imposed a Shut-Off Charge of **\$35.00** and a Restoration Charge of **\$35.00** to a Customer in the event water service is discontinued and subsequently restored to that Customer.

Clerk's Certification

I hereby certify this Ordinance was adopted by the Akron Township Board at a regular meeting held on July 19, 2018, Motioned by Don Schmuck Support by Steve Linzer and that the vote was as follows:

FOR: Steve Linzner, Don Schmuck, Deana Jacoby, Jamie Schuette and Kathryn Sattelberg

AGAINST: None

Motion Carried

A handwritten signature in black ink that reads "Jamie Schuette". The signature is written in a cursive style with a horizontal line drawn through the middle of the name.

Jamie Schuette

Akron Township Clerk