

GCDC-WWS SEWER RATE FACT SHEET
November 2021

- ❖ **Last Sewer Rate Increase: July 2014 7.5 years ago**
- ❖ **Last Water Rate increase: March 2018? 3.5 years ago**

❖ **Sewer Rate increase is for 5 years: 2022-2027**

❖ **Cost to Homeowner:**

- Average 2 person home: 500 cf* or 3,740 gals/month (125 gallons per day)
\$3 month increase
- Average 4 person home: 1000 cf or 7,480 gals/month (250 gallons per day)
\$6 month increase
- Average Large Family home:1500 cf or 11,220 gals/month(375 gallons per day)
\$9 month increase
- Flat Rate customers will see a \$7 per month increase

Note: Local Municipalities add their own rate to the GCDC-WWS base rate
* cf = cubic feet, one cubic foot of water is equivalent to 7.48 gallons

❖ **GCDC-WWS Rate increase is primarily due to the following requirements:**

- The Sewage Treatment Plants 2021 New Discharge Permit requires significant I&I investigation, planning, engineering, and capital expenditures
- Emerging PFAS/PFOS Monitoring, Response Requirements, Solids Handling cost impacts
- Increased Electrical costs due to new Consumers/DTE Peak Demand Charges
- Increased Rehabilitation of Existing Infrastructure – Original System 60 years old
- Increased Costs for Chemicals, Equipment, Parts, Covid Related Inflation, and Supply Chain Costs

❖ **Utility Bill Comparison**

- We provide Drinking Water Supply, Sewage Disposal, and Sewage Treatment as a Utility Service
- Low Monthly Cost when compared to similar utilities such as Gas, Electric, Cable, Phone
- This rate increase represents approximately a 26% increase for five years or an average of 5.2% per year. The Consumer Price Index (CPI) rose 33% since our last rate increase.



GENESEE COUNTY DRAIN COMMISSIONER'S OFFICE

- DIVISION OF -

WATER & WASTE SERVICES

G-4610 BEECHER ROAD - FLINT, MICHIGAN 48532-2617

PHONE (810) 732-7870 - FAX (810) 732-9773

JEFFREY WRIGHT
COMMISSIONER

Date: November 18, 2021
To: The Governing Bodies of Each of the Communities
Served by the Drain Commissioner's - Division of
Water & Waste Services
Attention: Clerk
Re: Notices of Rates to be Charged
I&T Rates
District 1, 2, 4, and 5
Rates Effective January 2, 2022

Dear Ladies and Gentlemen:

On November 3, 2021, the Advisory Committee reviewed and gave their recommendation of approval of new sewer rates to the Drain Commissioner. The Drain Commissioner has accepted their recommendation and has approved the new sewer rates effective January 2, 2022, for the I&T sewer system, which serves your community.

The County has adopted a five-year rate structure system. Rather than annual increases, the County sets rates on a five-year basis. This allows for a stabilization of rates over that period. Therefore, the rates are established for 2022 through 2026. Find enclosed the new rate sheet. Only Sections 1A, 1B, and 1C have changed. Also attached is a simple fact sheet that may assist in answering questions.

The chart below compares the existing to the increase:

	Existing	Budget Subcommittee Recommendations
RTS (per unit)	4.67	5.70
Commodity (per 100 cf)	1.82	2.20
Flat Rate (per month)	27.43	33.25
Bulk (per 100 cf)	2.07	2.55

This represents approximately a 21 percent rate increase. This is the first increase for the I&T rate since 2014.

Please remember these are charges to the local municipality. Each municipality needs to evaluate these rates and the rate structure and determine the necessary changes required for the rates and the savings they will be pass on to the individual customer.

We would be pleased to assist you in the preparation of the adjustments that you may wish to make. For those customers who have contracted with the County for billing services, we will need your rate information by the 15th of the month of implementation. For example, if you wish to update your rate for January 2, 2022, we will need your Council/Board approval rate by December 15, 2021, to allow us time to implement. If there are any questions relative to the rate adjustment, please contact this office.

Sincerely,

John F. O'Brien, PE, BCEE, Director
Division of Water & Waste Services

JFO/JMW

Enclosure

cc: Advisory Board

NOTICE OF RATE CHANGE
RATES AND CHARGES TO BE MADE TO THE MUNICIPALITIES
SERVED BY THE GENESEE COUNTY SEWAGE DISPOSAL SYSTEM
INTERCEPTOR AND TREATMENT FACILITIES (DISTRICTS 1, 2, 4, 5)
EFFECTIVE WITH THE BILLINGS TO BE SENT ON OR AFTER JANUARY 2, 2022

I. RATES:

- A. Where individual water meter readings are available, the readings shall be used as the basis for payment. The rate charge shall be based on the water consumption measured by the accumulation of these individual water meter readings and shall be \$2.20 per 100 cubic feet of water consumed or \$2.95 per 1,000 gallons of water consumed, plus a minimum charge of \$5.70 per month (\$17.10 per quarter) per unit.
- B. Where community bulk sewer meter readings are available, the readings shall be used as a basis of payment. The rate charge shall be based on sewer discharged through a meter directly into the county interceptor and shall be \$2.55 per 100 cubic feet (or \$3.37 per 1,000 gallons) of sewage received, plus a minimum charge of \$600.00 per month.
- C. For all other connections having an unmetered water supply, the rate shall be \$33.25 per unit per month (\$99.75 per quarter) based upon the Residential Equivalent Units (REU) set forth below:

<u>USAGE</u>	<u>REU</u>
General Office Building Space.....	0.60 per 1000 sq. ft.
Medical Office Space	0.60 per 1000 sq. ft.
Auto Dealers.....	0.40 per 1000 sq. ft.
Restaurant (Sit Down or Fast Food).....	0.16 per seat
Fast Food Drive-Thru Window	2.00 per window
Outdoor seating & Bar Area- Restaurant	0.06 per seat/stool
Café	0.10 per seat/stool
Carry Out- No Seating.....	2.00 per establishment
Multiple Family Residence	1.00 per unit
RV/ Campground	0.60 per site
Assist. Living /Any Food Prep in Rooms.....	0.60 per Room/Unit
Convalescent Homes	0.30 per bed
Hotels/Motel/Bed & Breakfast.....	0.25 per bed
Rooming/Halfway Houses	0.30 per person
Shelters, Boarding School or Convents.....	0.30 per person
Churches.....	0.01 per seat
Country Clubs	0.10 per member
Fraternal Organizations	1.25 per hall
Fraternal Organizations/ Rental Halls	2.50 per hall
Schools (with Cafeteria/ No Showers/Pool).....	1.50 per classroom
Schools (with Showers/Pool)	2.00 per classroom
Schools (with Cafeteria/ Showers/ Gym).....	2.50 per classroom
Daycares.....	1.50 per classroom
Drug Stores.....	0.35 per 1000 sq. ft.
Grocery Stores & Super Markets	1.10 per 1000 sq. ft.
Retail Store.....	0.20 per employee
Gas Stations.....	0.30 per pump
Convenience Store.....	1.10 per 1000 sq. ft.
Strip Malls	1.00 per tenant space
Bowling Alleys.....	0.20 per alley
Swimming Pool.....	3.50 per 1000 sq. ft.
Pool Table Hall.....	0.20 per table

Theaters (Drive-Ins)	0.10 per car space
Theaters	0.0001 x weekly hours of operation x seats
Fitness Center	0.60 per 1000 sq. ft.
Car Wash (with track)	10.00 per single production line
Car Wash (Stationary w/o recycle)	8.00 per bay
Car Wash (Stationary w/ recycle)	5.00 per bay
Car Wash (Stationary, Do It Yourself.).....	1.50 per wand
Dry Cleaners (Pressing)	1.25 per press
Dry Cleaners (Pick up Only).....	0.20 per employee
Laundromat	1.50 per washer
Barber Shops	0.08 per chair
Beauty Shops/Nail Salon/ Spa Pedicures	0.30 per booth
Factories	0.50 per 1000 sq. ft.
Warehouses	0.10 per 1000 sq. ft.
Hospitals.....	1.40 per bed
Public Institutions (Library/ Courthouse).....	0.40 per employee
Uses that do not correspond to categories above.....	Site Specific Estimates

II. INFLOW AND INFILTRATION

A. Fee

Each community shall pay additional fees for excess inflow and infiltration delivered to the County interceptor for treatment. Excess inflow and infiltration shall be considered to be any flow in excess of two (2) times the annual average flow. If a 25-year storm event results in excess flows, no fee shall be collected by the County Agency.

The fees shall be as follows:

Volume from 2 to 2.5 times the community average flow	\$1.00 per 100 cubic feet
Volume from greater than 2.5 to 3 times the community average flow	\$2.00 per 100 cubic feet
Volume greater than 3 times community average flow	\$3.00 per 100 cubic feet

B. Penalty

For each event in which a community's flow exceeds three (3) times the community's average flow, the community will pay a \$5,000.00 penalty to the County Agency. The funds will be returned to the community on a dollar per dollar basis for each dollar spent on removing / eliminating inflow and infiltration in their collection system.

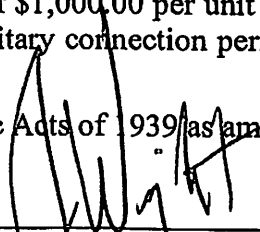
III. CHARGES:

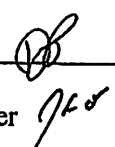
A. County Capital Improvement Fee

The County will charge a Capital Improvement Fee of \$1,000.00 per unit based upon the "Table of Unit Factors" prior to the issuance of a sanitary connection permit (B-Permit). The County Agency shall collect the fee.

The rates are established pursuant to Act 342 Michigan Public Acts of 1939 as amended.

Dated: 11.3.21



 JEFFREY WRIGHT
 Genesee County Drain Commissioner
 The County Agency 

AGENDA MEMO

MEETING DATE: November 16, 2021

PERSON PLACING ITEM ON AGENDA: Director Sears

AGENDA TOPIC: The Board will consider a **Motion** to approve Ordinance 2021-2 which increases the Townships sewer rate from \$12.24/REU per month to \$12.73/REU per month.

WHAT FUND IS BEING USED (GL Expense): N/A

EXPLANATION OF TOPIC: The Board will consider the revisions to the Ordinance as a second reading and adoption.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:

1. 2021 Sewer Rate Increase Ordinance 10-25-21 (1)

POSSIBLE COURSES OF ACTION: N/A

SUGGESTED MOTION: Motion to approve Ordinance 21-2 with immediate effect.

AGENDA MEMO

MEETING DATE: December 14, 2021

PERSON PLACING ITEM ON AGENDA: Jeffrey Sears

AGENDA TOPIC: The Board will consider **Resolution 21-46** accepting the GCDC sewer rate increase for 2022-2027 and authorize the Township Staff to adjust rates for customers as necessary.

WHAT FUND IS BEING USED (GL Expense): Multiple

EXPLANATION OF TOPIC: Recently, the Township received notice that Genesee County was increasing sewer rates for all of its customers. Genesee County provides sewage treatment services for the entire County with the exception of the City of Flint, which operates its own sewage treatment plant. According to the GCDC, the last time they increased rates was in 2014. Upon completion of a utility rate study last year, a rate increase is needed. GCDC bills its users based on four different rates. They include Commodity, which charges water customers an amount per 100cf; RTS, which is also charged to water customers; a flat rate amount which charges sewer only customers the same amount each month; and a bulk rate which is not charged to our community. Each of these rates is being increased on average 20%. The increases are listed as follows:

Commodity	\$	\$
	1.82	2.20
RTS	\$	\$
	4.67	5.70
Flat Rate	\$	\$
	27.43	33.25
Bulk	\$	\$
	2.07	2.55

The average cost for a homeowner with a family of four would be \$6 - \$9 per month increase. This increase is much higher in comparison to our recent increase of 4% which will increase utility bills by \$0.48 per month or \$1.46 per quarter.

MATERIALS ATTACHED AS SUPPORTING DOCUMENTS:

1. Letter from the GCDC

POSSIBLE COURSES OF ACTION: The Board must approve this rate increase

in order to pass it on to users.

SUGGESTED MOTION: The Board will consider a resolution accepting the GCDC sewer rate increase for 2022-2027 and authorize the Township Staff to adjust rates for customers as necessary.