

**ORDINANCE 67A-2**  
**WHITEFORD TOWNSHIP MONROE COUNTY, MICHIGAN**

**AMENDMENT TO WHITEFORD TOWNSHIP WATER ORDINANCE**

An ordinance to amend and restate Whiteford Township Water Ordinance 67, Article 2, Section 2 entitled Township Responsibilities and Rights in its entirety and to ratify and confirm a user charge system pursuant to Act 94, Public Acts of Michigan, 1933, as amended.

WHITEFORD TOWNSHIP, COUNTY OF MONROE, MICHIGAN HEREBY ORDAINS:

**Section 1. Title**

This ordinance amendment shall be known and cited as Whiteford Township Ordinance 67A-2.

**Section 2. Amendment and Restatement of Article 2 Section 2 entitled Township Responsibilities and Rights.**

Whiteford Township Water Ordinance 67, Article 2, Section 2 is hereby amended and restated in its entirety and shall read as follows:

**Section 2. TOWNSHIP RESPONSIBILITIES AND RIGHTS**

A. The Township shall own, operate and/or maintain the municipal water system on the landowner's real estate. The water system shall continue to be operated and maintained on a public utility basis as authorized by law. It is hereby declared to be the intent and purpose of the Township Board to maintain reasonable and uniform rates and charges applicable to various classifications of users:

1. Operate and maintain the water system in a reasonable, proper and efficient manner; and
2. Make the water debt retirement payments as they become due, and to provide from time to time for such enlargement and extension of the system as shall appear necessary.

a. The cost of purchasing water, and the proper maintenance of the existing system and extensions thereof, together with trunk and lateral extensions thereto, as established from time to time by rates fixed by and shall be considered as operating expenses of the municipal water system.

b. No free service shall be furnished by the municipal water system to any person, firm or corporation, public or private, or to any public agency or instrumentality. For service and benefits furnished by the system, there shall be rates and charges established by the Township Board which shall be based upon a methodology which complies with appropriate industry standards and applicable federal and state statutes and regulations. The amount of the rates and charges shall be sufficient to provide for payment of debt service and for the expenses of operation, maintenance and replacement of the system as necessary to preserve the same in good repair and working order. 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 replacement expenses. It is recognized that the Township will maintain multiple water districts, and that each water district establishes its own rates for connection and transportation.

B. The Township shall maintain the municipal water system in an operational condition; provided however, the Township shall not be responsible for the maintenance of the landowner's service line. The water system shall remain under the overall management and control of the Township Board. For the purpose of carrying out the provisions of this Article and the improvement, alteration, repair and management of the system, there shall be created a Department of Public Works (DPW), which shall be responsible to the Township Board. The DPW shall consist of the DPW Manager and such other persons as shall be employed by the Township. The DPW Manager shall be in immediate charge of the DPW and shall be responsible to the Township Supervisor and Township Board. For circumstances or conditions which are unusual or unique and which are not specifically addressed by provisions of rules or regulations adopted by the Township Board, the DPW is authorized to establish or approve a policy or guideline relating to the use of the water system and the making of connections thereto which policy or guideline does not impair the financial integrity of the water system and which satisfies the goals, objectives and purposes of the water system. Each such policy or guideline established or approved by the DPW Manager may be reviewed and modified by the Township Board upon the request of the Township Supervisor.

C. Unless otherwise required by the Township, the meters shall be owned by and remain the property of the Township. The Township reserves the right to examine and repair or change any meter at any time.

D. The Township reserves the right to determine the size and type of meter to be installed. Meters shall be installed in an accessible location approved by the Township.

E. Any qualified employee of the Township, or its agent, at all reasonable hours, shall have the right to enter onto the premises where a meter is installed for the purposes of reading, testing, removing or inspecting the meter and no person shall hinder, obstruct, or interfere with such employee or agent. The Township shall have the right to shut off water service to any property where the Township is not able to obtain access to the meter.

F. The Township reserves the right at all times, and will endeavor to give due notice of its decision to shut off the water to require reduced use or no use of the municipal water system for the purposes of making repairs, extensions or other purposes. All persons having equipment that is dependent upon water from the municipal water system are hereby cautioned against danger that may arise from emergency shutting off of water.

G. In case of an emergency, the Township may regulate, limit or prohibit the use of water for any purpose. Such regulations shall restrict less essential water uses to the extent deemed necessary to assure an adequate supply for essential domestic and commercial needs. In the event an emergency situation arises in the operation and maintenance of the water system, which emergency situation creates an immediate, verifiable risk to public health and safety, the Township Board authorizes the DPW Manager to expend funds necessary to correct and repair such

emergency situation without the necessity of compliance with the Township's bidding and purchasing policies and requirements.

H. Tap charge. As users make new connections to the municipal water system, they shall be responsible for the cost of making the physical connection (tap) to the main servicing their property. Customers, developers or property owners wishing to tap the main are responsible for the cost of the connection. To make a connection, customers shall contract with a licensed and approved contractor or with the Township directly, to perform the work. Prior to any taps being made, contractors must first apply to the Township for a permit to perform the tap. Property owners, customers or developers are responsible for paying the contractor or Township for the cost of the tap, including street cuts and repairs, excavation, connection, labor, supplies, restoration and all other associated costs. The Township shall not incur any cost for taps, unless it has a contract with the property owner for full repayment of the associated costs. Inspection fees associated with the tap will be assessed.

I. Inspections and Associated Fees. For all new connections (taps) to the municipal water system, property owners, customers or developers shall submit an application for connection to the Township. To ensure proper connections and to maintain the integrity of the public water system, the Township shall inspect all taps and all excavations of water mains, laterals and lines. Inspection fees are intended to recover the cost of labor and materials to perform inspections, and shall be established as set forth in the rate resolution.

J. Residential Equivalent Units (REU). The Township has investigated several methods of apportioning the cost of the municipal water system among users of the system. As part of that investigation, the Township has consulted with its engineers regarding studies of water usage of a variety of establishments to generate a minimum flat rate for the first REU and then a set price for every 1,000 gallons over the initial REU that most closely approximates the actual use by each user of the municipal water system. An REU shall be the equivalent of 4,500 gallons per month. Based on the Township's consultations with its engineers regarding methods of apportioning costs among classes of users, the Township has concluded that the use of Residential Equivalent Units to apportion the direct and indirect costs of providing collection, treatment, storage and distribution of municipal water required from time to time by all users of the municipal water system is the fairest, most reasonable, equitable, and appropriate method.

Based upon the advice of its engineers, the Township hereby finds that the fairest, most reasonable, equitable, and appropriate method of charging users proportionately for payment of the costs of acquiring, constructing, operating, and maintaining the municipal water system is to continue to administer a user charge system based on a Residential Equivalent Unit and then a set price for every 1,000 gallons over the initial REU. The Township finds that this method most accurately reflects each user's reasonably calculated use of the system on the basis of the type of land use of the user's premises. A Residential Equivalent Unit ("REU") shall be the equivalent of 4,500 gallons and regarded as a normal house service connection for a single-family residence.

K. Establishment of User Charge System. The Township hereby determines that the cost of providing water service shall be paid for by users of said service from rates, fees and charges established in compliance with and under the authority of, the provisions of this ordinance, other

applicable ordinances and resolutions of the Township, Act 94, Public Acts of Michigan, 1933, as amended, and other applicable statutes of the State of Michigan.

L. **Basis of User Charges.** The Township has previously found and further currently reaffirms, that the fairest and most reasonable method of providing for the operation, maintenance, repair, replacement and improvement of the municipal water system is to charge each user for the costs of: (i) retiring debt incurred to pay for the construction, improvement, repair and replacement to the municipal water system; (ii) ongoing repair, replacement and improvement paid for and budgeted as part of the annual costs of the municipal water system; and (iii) operation, administration and maintenance costs of the municipal water system, along with necessary reserve funds.

M. **Rates and Charges.** The following user rates, fees and charges are hereby established, ratified, confirmed and approved for services provided by the municipal water system.

1. Minimum Monthly Charge (i.e. Readiness to Serve Charge): All users with a connection to the municipal water system shall pay a fixed rate per month for the first REU as set forth in the Township's rate resolution. The usage charge shall consist of a readiness to serve component which shall include usage for up to the first 4,500 gallons for one month (one REU) which the Township hereby determines is the equivalent of the average monthly usage by a single-family residential building.
2. Additional Charge: As set forth in the Township's rate resolution, all users shall be charged an additional charge per 1,000 gallons of water used over the first 4,500 gallons (i.e. over the first REU).
3. Connection Fee (a.k.a. Tap Fee): Users applying for a permit to connect to the municipal water system shall pay a fee for the initial connection to the system as set forth in the Township's rate resolution.
4. Billing Charge: All users shall be subject to a billing charge for bill processing and customer services as set forth in the Township's rate resolution.
5. Inspection Fee: Users shall be required to apply and pay for all standard Whitford Township permit and inspection fees.
6. Expenses Associated with Installation: All additional charges equal to the actual expenses incurred by the Township or its authorized agent associated with installing and hooking up the commercial, industrial or residential user shall be paid by the user.
7. Other Charges: All additional charges equal to the actual expense incurred by the Township or its authorized agent shall be billed to and paid by any user, including but not limited to charges associated with connection, when it is necessary to collect and analyze wastewater samples discharged by the user, to

remove or treat prohibited material discharged by the user, or to clean or repair the system or any part thereof as a result of the user's actions or omissions.

8. Late Fee: All water bills shall be subject to a late fee of ten percent (10%), compounded monthly, if payment is not received in the offices of the Township or its authorized agent on or before the due date thereof.
9. Repair, Replacement and Improvement: All users shall pay a monthly fee per REU for repair, replacement and improvement of the municipal system as set forth in the Township's rate resolution.
10. Minimum Usage Fee: If it is determined by the Township that a user is not using the municipal system, then the user shall be charged the minimum monthly charge (i.e. the readiness to serve charge) set forth in paragraph M1 above, which shall include the billing charge, repair, replacement and improvement charge, other expenses associated with the township operating the municipal water system and the fact that the user has the ability to use the system.
11. Capital Recovery Fee and Connection Fee: Each premises requesting connection to the municipal water system shall pay a capital recovery fee and connection fee to be collected against property that was previously unserved property. For example, a parcel recently split off from a parent parcel within the special assessment district would be required to pay a capital recovery fee and connection fee. The capital recovery fee shall be equivalent to the per parcel special assessment fee assessed in the special assessment district. The capital recovery fee shall be due at the time of applying for the split. The connection fee (a.k.a tap fee) shall be paid at the time the user connects to the municipal water system.
12. Turn on/ Turn off Charge. A parcel shall be subject to a charge, as set forth in the Township's rate resolution, for each time the water service is turned on and turned off. When the water service has been turned off, the user shall be required to pay the Minimum Usage Fee.
13. Debt Service Charge. The Township Board may by resolution establish a debt service charge to be levied upon all customers with a water connection to the municipal water system.
14. Capacity charges for multi-property developments. Developers making a connection to or extending the Township water system shall be assessed a capacity charge. Developers shall be required to initially pre-pay only that portion of the capacity charges attributable to the first phase planned for the development. The initial capacity charge must be paid prior to extending the water system into the development and before any construction and/or building permits are issued. Developers shall be responsible for paying the remaining balance of capacity charges commensurate with development phasing, prior to the Township issuing construction and/or building permits for the next phase.

As individual properties are connected, the Township shall authorize the installation of meters for properties which have been prepaid. This process shall be repeated, in increments, until all capacity charges for the development are fully paid. Developers shall be responsible for prepayment of all capacity charges before permits are issued to commence the final phase of the development.

N. Service Outside of Township. All rates, fees, and charges for water services provided outside of the Township limits, except as otherwise agreed to in a written contract between the municipal or private customer and the Township, shall be established and may be amended from time to time by resolution of the Township Board. Such rates, fees, and charges for water services provided outside of the Township limits may be set at amounts higher than those charged for water services provided within the Township limits as permitted by law.

O. Revision of Rates, Fees and Charges by Resolution. The Township Board may amend any of the rates, fees or charges charged for services provided hereunder by resolution at any time when review of such rates, fees, charges, costs of service, treatment or other factors related thereto indicate a rate change would be in the best interest of the Township to ensure sound financial operation of the municipal water system.

**Section 3. Conflict and Severability**

All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed, and each section of this Ordinance and each subdivision of any section hereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void shall not be deemed or held to affect the validity of any other section or subdivision of this Ordinance.

**Section 4. Effective Date**

This Ordinance is hereby determined by the Township Board to be immediately necessary for the preservation of the peace, health and safety of the Township and shall be in full force and effect from and after its passage and publication as required by law.

WHITEFORD TOWNSHIP BOARD  
OF TRUSTEES, MONROE COUNTY,  
MICHIGAN

AUTHENTICATED:

By: \_\_\_\_\_  
Angela Christensen,  
Whiteford Township Clerk

By: \_\_\_\_\_  
Walter Ruhl,  
Whiteford Township Supervisor

I, Angela Christensen, do hereby certify that I am the duly elected and acting Clerk of the township of Whiteford, and I do hereby certify that this Ordinance was adopted by the Whiteford Township Board of Trustees, Monroe County, Michigan, at a regular meeting of the Whiteford Township

Board of Trustees held at the Whiteford Township Hall, 8000 Yankee Road, Suite 100, Ottawa Lake, Michigan 49267, on the 18th day of August, 2020 and that:

this Ordinance was offered for adoption by Tim Hill and was seconded by Bernice Heidelberg, the vote being as follows:

YEAS: Sahloff, Hill, Heidelberg, Christensen, Ruhl

NAYS: None

ABSENT / ABSTAIN: None

I, Angela Christensen, Whiteford Township Clerk, do hereby certify that the foregoing is a true copy of an Ordinance adopted at a regular meeting of the Whiteford Township Board of Trustees on the 18<sup>th</sup> day of August, 2020.

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Angela Christensen, Clerk  
Whiteford Township, Michigan

ADOPTED: August 18, 2020

PUBLISHED: August 28, 2020

EFFECTIVE: September 28, 2020