

**ORDINANCE NO. 1278
WATER RATES**

THE ORDINANCE FIXING THE RATES TO BE CHARGED BY THE CITY OF ESCANABA FOR WATER DISTRIBUTION, TREATMENT, AND AVAILABILITY TO BE IN FULL FORCE AND EFFECT ON THE BILLINGS PROCESSED AFTER JUNE 30, 2023, AND ALL BILLINGS THEREAFTER UNTIL FURTHER AMENDED BY THE COUNCIL.

THE CITY OF ESCANABA ORDAINS:

**CHAPTER I
RATES**

For water distribution and treatment, there shall be charged by the City of Escanaba the rates herewith set forth as follows:

Section 101. Metered Water Rates (Monthly):

\$6.05 Net Per Thousand Gallons

Plus, a monthly availability charge based on the size of the customer's service to be determined as follows:

5/8" & 3/4" Meter.....	\$33.32 per month
1" Meter.....	41.64 per month
1 1/4" Meter.....	58.19 per month
1 1/2" Meter.....	83.23 per month
2" Meter.....	124.96 per month
3" Meter.....	249.74 per month
4" Meter.....	332.87 per month
6" Meter.....	749.13 per month
8" Meter.....	1,082.39 per month
10" Meter.....	1,498.16 per month
12" Meter.....	1,664.66 per month

Minimum Bill: The minimum monthly bill shall be the "availability" charge herein set forth.

Irrigation Meters: Residential customers who have a secondary meter for non-potable irrigation purposes will not be charged a meter fee for the irrigation meter. Water usage will be charged at the rate listed above.

Section 102. Outside City Metered Water Rates:

The outside City water rates shall be one and one-half times (1.5x) the inside City charge for availability and commodity fees.

Section 103. Construction Service:

103.1 Use of City Hydrants or Standpipes as a Source of Water.

- A deposit of \$100.00 shall be required for each hydrant connection;
- Payment of \$140.00 shall be made at time of application and will include the initial installation and 1st month rental fee for both hydrant and backflow device;
- Relocation fee shall be \$55.00 each time the meter is moved;
- Additional month meter rental shall be \$55.00 per month;
- Additional month back flow device rental shall be \$30.00 per month;
- All metered water shall be billed at \$6.05/1,000 gallons.

103.2 When a service line is installed at construction site and it is not feasible to set a meter, the flat rate charge for water used will be as follows:

1" Service Line . . . \$76.21 per month

103.3 Customers will be charged actual cost for construction of all services, regardless of size.

Section 104. Special Cases

The City Manager will set the charge for any service not included in this action, including charges for meters which are damaged or faulty. The City retains the right to discontinue service to a customer in order to bring the customer's installation up to City standards.

Section 104.1. Exemptions for Unintentional Water Loss

Requests for special exemption for an unintentional water loss of metered water due to extenuating circumstances will be considered by the City Manager or his/her designee. Approved exemptions will receive a 75% billing reduction for any usage over the normal monthly average usage of the account. This reduction will be calculated for the 45-day period immediately preceding the corrective action to eliminate the unintentional loss.

Section 105. Unmetered Water Sales

Unmetered water rates shall be charged at the rate of \$6.05 per thousand gallons on the estimated usage for each month, plus, a minimum monthly service charge based upon an estimated meter size requirement, if the consumer were metered, which shall be levied from the metered water rate service charge schedule.

The basis for estimating residential flat rate or unmetered water sales shall consist of a representative average residential usage for each month.

Section 106. Fire Protection Charges

Charge per fire hydrant will be computed at \$762.96 per year per hydrant. The annual availability charge for a special water line for a fire protection system shall be \$762.96 for a six-inch line, \$1,353.72 for an eight-inch line, \$2,116.44 for a ten-inch line, \$3,051.60 for a twelve-inch line, and \$5,422.56 for a sixteen-inch line. Rates for hydrant rental in Wells Township will be \$762.96 per year per hydrant.

Section 107. Connection To Public Water Supply

- (A) No person shall tap any water main or distribution pipe of the water distribution system, or insert therein any corporation cock, stop cock or any other fixture of appliance, or alter or disturb any service pipe, corporation stop, curb stop, gate valve, hydrant, water meter or any other attachment belonging to the water distribution system and attached thereto without the explicit and official permission of an authorized representative of the city. No person shall install any water service pipe or connect or disconnect any such service pipe with or from the mains or distribution pipes of said water distribution system, nor with or from any other service pipe now or hereafter connected with said system, nor make any repairs, additions to, or alterations of any such service pipe, tap, stop cock or any other fixture of attachments connected with any such service pipe, without proper permit for same.
- (B) The owner, tenant or occupant of each lot or parcel of land which abuts upon a street or other public way containing a water main or a water system upon which lot or parcel a building shall have been, is or will be constructed for residential, commercial, or industrial use in the city shall connect such building with such water main and shall cease to use any other source of water supply for any purpose. An exception shall be made for outdoor irrigation purposes.
- (C) Any such owner, tenant or occupant of a lot or parcel of land in the city along a water main constructed prior to July 1, 2021, who has an

existing domestic supply or source of potable water shall be exempt from the provision of this section. However, when the existing water source for the parcel is insufficient or requires maintenance or upgrade, the owner, tenant, or occupant shall immediately connect to the city water system. Buildings which are located more than 600 feet from the public water line are exempt from this article.

- (D) Any such owner, tenant or occupant of a lot or parcel of land in the city who has an existing domestic supply or source of potable water who is exempted from the provisions of this section as provided in this section shall be subject to all fees normally charged for non-users of the public water system for fire protection services.
- (E) No well, spring, or other water supply shall be permitted for residential, commercial, or industrial usage when property is adjacent to public water system, with the exception for outdoor irrigation.
- (F) The owner, tenant or occupant of each lot or parcel of land which abuts upon a street or other public way containing a water main or a water system upon which lot or parcel a building shall have been constructed for residential, commercial or industrial use in the city who has an existing water system shall be required to connect to the public water system in the event the owner, tenant or occupant of any such lot shall cease to use the existing domestic supply or source of potable water or it requires maintenance.
- (G) All costs and expense incident to the installation and connection of the water service line shall be borne by the owner. The owner shall indemnify the city from any loss, damage or restoration costs that may be occasioned by the installation of the water service line.
- (H) The materials of construction of a water service line and the methods to be used in excavation, placing of the pipe, testing, disinfection and backfilling the trench shall all conform to the requirement of the building code or applicable state department of environment quality rules, regulations, and engineering standards of the city. All excavations required for the water service line shall be open trench work, unless otherwise approved by the city engineer. No backfill shall be placed until the work has been inspected in accordance with this section.
- (I) Exceptions:
 - 1. Nothing contained in this article shall restrict the use of existing points, wells, springs, or other sources of water supply for outside irrigation use, provided there shall be no interconnection between such water supply and the city's water system.
 - 2. The city council or its duly designated representative, acting pursuant to rules, regulations and guidelines adopted by the council, may grant exceptions to the requirements of this article based on unusual circumstances existing in a particular case.

Section 107.1. Service Transfers and Fees

For each service transfer request, there shall be a charge of \$10.00. The transfer fee is limited to those situations which require only a meter reading. For any service calls during regular working hours, including meter sets and valve turning, there shall be a charge of \$15.00. These charges are applicable only to requests for turning on a service. There are no charges for the shut-off of a service. Charges for turning on a service outside of regular hours will be \$120.00.

Section 108. Reconnection Charge

The reconnection charge for seasonal service requested by any customer, such as people going away for the winter, seasonal businesses, or seasonal

industries, shall be \$30.00 if the meter is reconnected at the same premises by the same user within one year of disconnection. Any customers who receive shut-off notices which are not paid by the due date and require final notification will be billed a \$25.00 notification fee. There shall be a reconnection charge of \$50.00 for shut offs due to nonpayment. Non-pay reconnects outside of normal business hours shall be billed at \$120.00.

Section 109. Meter Charges - New Construction

A customer who installs a new water service that is not a replacement for an existing service must pay a one-time meter charge equal to the actual cost of the meter plus 15% prior to receipt of services. Meter charges and specifications shall be established by the City Water Superintendent and shall be adjusted at his discretion. Customers are not permitted to remove meters at the end of their service contract.

A customer who requests replacement of an existing, properly functioning, meter shall be charged the actual cost of the new meter plus 15%. In addition, such customer shall pay materials at actual cost plus 15%.

Section 110. Non-Sufficient Funds Charges (NSF)

Whenever a customer presents a check or draft instrument for which funds are not immediately available upon presentation for deposit at the City's bank, a charge of \$40 will be placed upon the account for which payment was intended. The NSF charge shall also apply to agreements for ACH account debits.

Section 111. Billing Recapture and Customer Credits

Whenever it becomes necessary for the billing department to recapture unbilled charges, the billing department shall use a "look-back" period of two years. If it is determined that unbilled charges are the result of customer fraud, the billing department shall recover all unbilled charges.

If a billing error on the part of the City results in over-billed charges, the City will refund all such over-billings, to the extent that the amount can be reasonably determined.

If an over-billing is not the result of a City error, the billing department shall employ a two-year look-back period in determining the amount of credit.

Section 112. Frozen Meter Charge

If a water meter freezes and becomes damaged as a result of freezing, the account holder shall be required to pay to the City, the actual replacement cost of the meter plus 15%.

Section 113. Cross Connections

The city hereby adopts by reference the Water Supply Cross Connection Rules of the state department of environmental quality, being R 325.11401 through R 325.11407 of the Michigan Administrative Code.

It shall be the duty of the water utility to cause inspections to be made of all properties serviced by the public water supply where cross connections with the public water supply is deemed possible. The frequency of inspections and re-inspections based on potential health hazards involved shall be as established by the water utility and as approved by the state department of environmental quality.

1. The representative of the city water utility shall have the right to enter at any reasonable time any property served by a connection to the public water supply system of the city for the purpose of inspecting the piping system thereof for cross connections. On request, the owner, lessees, or occupants of any property so served shall furnish

to the inspection agency any pertinent information regarding the piping system on such property. The refusal of such information or refusal of access, when requested, shall be deemed evidence of the presence of cross connections.

2. The water utility is hereby authorized and directed to discontinue water service after reasonable notice to any property wherein any connection in violation of this article exists, and to take such other precautionary measures deemed necessary to eliminate any danger of contamination of the public water supply system. Water service to such property shall not be restored until the cross connection has been eliminated in compliance with the provisions of this article. The customer will continue to pay monthly meter fees and estimated usage of billing for water services.
3. Anyone performing a test of backflow or cross connection device must forward a copy of the test results to the City Water Department within 30 days of having completed said test. A property owner shall have sole responsibility for compliance with this section. A property owner shall be responsible for all investigation costs if such investigation results in a finding of “non-compliance”. Failure to comply with this section shall be grounds for discontinuation of water service.

CHAPTER II CONDITIONS OF SERVICE

Section 201. Late Payment Penalty

Meters of all customers shall be read or estimated monthly and a three percent (3%) penalty charge will be made on all bills unpaid after the due date indicated on bill. Penalty charges may be waived at the discretion of the City for good reason in all cases, it will be the exclusive right of the City to determine the facts and judge the validity of the request to waive the penalty payments.

Section 202. Enforcement

In addition to all other lawful enforcement methods, the City agrees and covenants to enforce all charges for water supplied to any premises by discontinuing the water service to such premises if any such charges shall remain unpaid past the due date.

(A) Utility Liens

Charges for water services applied by the system shall constitute a lien on the premises served and if not paid within six (6) months, shall be certified by the official in charge of the collection thereof to the tax assessing officer and shall then be entered upon the next tax roll as a charge against such premises and shall be collected and the lien thereof enforced in the same manner as general City taxes against such premises are collected and the lien thereof enforced. All provisions of the laws of Michigan and the City Charter applicable to the time and manner of certification and collection of delinquent City taxes levied against real estate in the City shall be observed in the certification and collection of such charges.

(B) Landlord Not Responsible

In all cases where a tenant is responsible for the payment of any such charge and the Utility Billing Office is so notified in writing, which notification shall include a true copy of the lease of the affected premises, if there be one, then no such charge shall become a lien against such premises from and after the date of such notice. In the event of the filing of such notice and after the date of such notice, the City shall render no further service to such premises until a cash deposit in an amount of the projected billing for not less than a one-month period and not more than a three-month period

is received, said determination of deposit to be solely at the discretion of the City.

Section 203. Experience - Good Faith Deposit Requirement

(A) Deposit Terms

If a customer of the City of Escanaba, whether he be a tenant, owner, or an owner by land contract, has a history of delinquent payments, or if the City has no history of customer's payments, or if owner or tenant customer service is located outside the corporate limits of the City of Escanaba, or if, in the judgment of the City, the existing deposit is insufficient based on current billings, the City may require a sum not to exceed the projected billing in an average four-month period as a good faith deposit. Projected billing for water sewer and electricity are combined for purposes of determining a customer's total deposit requirement. In no case will a customer's total deposit requirement be less than four hundred dollars (\$400). In the case of an account which does not include electric service or wastewater service, the total deposit requirement shall not be less than two hundred dollars (\$200). This deposit will be held for twelve (12) consecutive months of payments without delinquency.

Deposits for commercial accounts will be estimated on an individual basis. Commercial accounts will pay a deposit of an estimate of four (4) months' utility bills based on the estimated usage for the type of business.

(B) Deposit Interest

Interest will be paid on deposits at the rate of 2.5% per annum effective July 1, 2023. The deposit rate is based on the market rate the City receives on its deposit accounts on that date.

(C) Escrow and Letter of Credit

If a deposit of over \$500 is demanded from a commercial or large power customer, this deposit may be held in a special escrow account at the bank of the customer's choice, and interest will accrue to the benefit of the customer. Alternately, said customer may furnish an irrevocable bank letter of credit in lieu of a cash deposit.

Section 204. Discontinuation of Service

Water services may be discontinued if the wastewater charges are not paid.

Section 204.1 Tampering

The City may discontinue service following a written notice in the event that the user has tampered with the metering, bypassed said metering, or cross connected to the City system. Also, the unauthorized cross connection or tampering with the metering will result in the customer being billed for the estimated cost of the water used, as determined by the City, and the act of cross-connecting or bypassing the meter will be construed as a theft of utility water and appropriately prosecuted.

Section 204.2 Seal Cutting (note: broke out into new section)

Neither customers nor plumbing contractors shall cut a meter seal to perform work without calling the Escanaba Utility Billing Department prior to beginning such work. Permission will be given only to qualified persons to cut meter seals. Anyone not adhering to this provision shall be subject to a \$75.00 seal-cutting fee.

Section 205. Liability

In case the supply of water shall be interrupted or fail by reason of accident or causes beyond the control of the City, the City shall not be liable for

damages by reason of such failure.

Section 206. Location of Meters

All meters must be located in such manner as to provide safe, reasonable access by City personnel for reading, inspection and maintenance, without the need for advance notice during regular City business hours. Conditions which can prevent access by City personnel include, but are not limited to, dogs, fences, locked gates, shrubbery, ice, snow, vehicles, and debris in the way of the meter. Any customer who refuses to remedy a condition which prevents access shall have his or her services disconnected until said condition is corrected to the satisfaction of the utility.

Section 207. Backflow Device Testing

Anyone performing a test of a backflow or cross connection device must forward a copy of the test results to the City Water Department within 30 days of having completed said test. A property owner shall have sole responsibility for compliance with this section. A property owner shall be responsible for all investigation costs if such investigation results in a finding of “non-compliance.” Failure to comply with this section shall be grounds for discontinuation of water service.

CHAPTER III
OTHER ORDINANCES

All rules, regulations, and provisions, which have heretofore been enacted by ordinance or otherwise, shall continue to be in full force and effect unless modified or amended by the terms of this ordinance.

CHAPTER IV
SAVINGS CLAUSE

If any section, subsection, clause, or phrase of this ordinance is, for any reason, held to be unconstitutional, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses, and phrases be declared unconstitutional.

CHAPTER V
EFFECTIVE DATE

In compliance with Section 4 of Chapter XVI of the City Charter, this ordinance shall be in full force and effect for billings processed after June 30, 2023, and after passage of this ordinance and its publication.

APPROVED:

/s/ Laura J. Genovich, City Attorney

Laura J. Genovich
City Attorney

Date Approved: June 5, 2023
Date Published: June 9, 2023

APPROVED:

Mark Ammel
Mayor

Attest:

Phil DeMay
City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Council of the City of Escanaba, County of Delta, Michigan, at a Special Meeting held on Monday the 5th day of June 2023, and was published in the Daily

Press, a newspaper of general circulation in the City of Escanaba on Friday, June 9, 2023, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Phil DeMay
City Clerk