

**ORDINANCE NO. 56-A2
SEWAGE DISPOSAL SYSTEM NO. 2
TOWNSHIP OF WHITEFORD
COUNTY OF MONROE, MICHIGAN**

An ordinance to amend and restate Whiteford Township Sewage Disposal System No. 2 Ordinance No. 56, Article 3, Section 8, entitled Creation and Enforcement of Liens.

Whereas, the Township has determined that it is in the best interest of the Township to amend and restate Whiteford Township Sewage Disposal System No. 2 Ordinance No. 56, Article 3, Section 8, entitled Creation and Enforcement of Liens to establish, ratify and confirm a user charge rate system pursuant to Act 94, Public Acts of Michigan, 1933, as amended.

NOW, THEREFORE, THE TOWNSHIP OF WHITEFORD, COUNTY OF MONROE, MICHIGAN, HEREBY ORDAINS:

Section 1. Title. This ordinance amendment shall be known and cited as Whiteford Township Sewage Disposal System No. 2 Ordinance 56-A2.

Section 2. Amendment and Restatement of Whiteford Township Sewage Disposal System No. 2 Ordinance No. 56, Article 3, Section 8. Whiteford Township Sewage Disposal System No. 2 Ordinance No. 56, Article 3, Section 8 is hereby amended and restated in its entirety and shall read as follows:

SECTION 8. RATES AND CHARGES; CREATION AND ENFORCEMENT OF LIENS

A. **Proportionality of Classification of Users According to Residential Equivalent Units (REU).** The Township has investigated several methods of apportioning the cost of the 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 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 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 System users proportionately for payment of the costs of acquiring, constructing, operating, and maintaining the 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.

B. Establishment of User Charge System. The Township hereby determines that the cost of providing sewer 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.

C. 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 sewer 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 sewer system; (ii) ongoing repair, replacement and improvement paid for and budgeted as part of the annual costs of the sewer system; and (iii) operation, administration and maintenance costs of the sewer system, along with necessary reserve funds.

D. No Free Service. No free service shall be allowed for any user of the sewer system. The sewer system shall not furnish free service to the Township or to any individual, firm or corporation, public or private, or to any agency or instrumentality.

E. Rates and Charges. The following user rates, fees and charges are hereby established, ratified, confirmed and approved for services provided by the sewer system.

1. Minimum Monthly Charge (i.e. Readiness to Serve Charge): All users with a connection to the sewer 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 sewage discharged to the sewage system 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 Sewage system shall pay a fee for the initial connection to the sewage 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 Whiteford Township permit and inspection fees.
6. High Strength Surcharge Limits: All users shall be subject to the high strength surcharge limits, as established by the City of Sylvania and set forth in

Ordinance 56, which surcharge limits may be amended and updated from time to time by the City of Sylvania, and passed on to the users. If the character of the sewage of any manufacturing or industrial plant or any other building or premises is such as to impose any unreasonable burden upon the sewers or the system or upon the sewage treatment plant in excess of the maximum when it is prescribed by resolution of the Township Board, an additional charge shall be made and assessed over and above the regular rates.

7. 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.
8. 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.
9. Late Fee: All sewage 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.
10. Repair, Replacement and Improvement: All users shall pay a monthly fee per REU for repair, replacement and improvement of the Sewage system as set forth in the Township's rate resolution.
11. Minimum Usage Fee: If it is determined by the Township that a user is not using the sewer system, then the user shall be charged the minimum monthly charge (i.e. the readiness to serve charge) set forth in paragraph E1 above, which shall include the billing charge, repair, replacement and improvement charge, other expenses associated with the township operating the sewer system and the fact that the user has the ability to use the system.
12. Capital Recovery Fee and Connection Fee: Each premises requesting connection to the sewer 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 the 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 system.

13. Debt Service Charge. The Township Board may by resolution establish a debt service charge to be levied upon all customers with a sewer connection to the sewer system.

F. Lien on Premises Served. Pursuant to Section 21 of Act 94, Public Acts of Michigan, 1933, as amended, and by the terms of this Ordinance the rates and charges for services furnished to users of the system shall be a lien on the premises served. The provisions of M.C.L. 141.121(3) and any amendments thereto, are hereby adopted by reference as part of this Ordinance. The Township or its authorized agent shall have as security for the collection of sewer supply rates, assessments or charges due or to become due for the use, installation, repair or maintenance to any property, a lien upon the property upon which the sewer system service was provided. The lien shall become effective immediately upon providing the sewer system service.

G. Charges are a Personal Obligation of Property Owner; Actions to Collect. Any and all charges, such as the property owner's direct charges, operation and maintenance and usage charges, special assessment charges, interest and penalties, and all other charges whatsoever related to the operations under this Ordinance, shall be a personal obligation of the property owner and shall become a lien against the property until paid. Until all such charges are paid, the Township may, at the option of the Township Board or its authorized agent, proceed with a personal action against the owner or foreclose upon the aforesaid lien, or both, to the extent necessary to collect such amounts owed and all related costs of collection, including attorneys' fees, that are incurred by the Township.

H. Placement of Delinquent Accounts on Tax Roll. On the first day of September of each year, any and all balances that are past due for at least ninety (90) days, shall be certified on the next Township tax roll as a lien for collection against the property served. Such lien shall be collected and enforced in the same manner as provided by law for Township taxes assessed on the roll. Any and all charges certified for collection through the tax roll shall have added to them a five (5) percent penalty on the entire amount of the lien in addition to previous charges.

I. Service Outside of Township. All rates, fees, and charges for sewer 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 sewer services provided outside of the Township limits may be set at amounts higher than those charged for sewer services provided within the Township limits as permitted by law.

J. 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 sewer 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. Paragraph Headings. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this Ordinance.

Section 5. 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.

YEAS: Township Board Members: Sahloff, Hill, Heidelberg, Christensen, Ruhl

NAYS: Township Board Members: None

I hereby certify that the above ordinance was adopted by the Township Board of the Township of Whiteford, County of Monroe, Michigan, at a general meeting held on the 21st day of July, 2020.

TOWNSHIP OF WHITEFORD

BY: _____
Angela Christensen, Township Clerk

CERTIFICATE

I hereby certify that the foregoing Ordinance was adopted by the Township Board of the Township of Whiteford at a meeting held on July 21, 2020 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, Public Act 267 of 1976, as amended.

Angela Christensen, Township Clerk

ADOPTED: July 21, 2020

PUBLISHED: July 30, 2020

EFFECTIVE: August 30, 2020