

COUNCIL COMMUNICATION

From: The City Manager

Subject: Changes to Water Rate Charge for Premises Inside and Outside the City, Respectively

Manager's Recommendation:

This communication is for explanation of the attached Ordinance which amends §52.33 "Charge for Premises Within City" and §52.34 "Charge for Premises Outside City" of Chapter 52, "Water" of Title V, "Public Works" of the Saginaw Code of Ordinances.

Justification:

This amendment is intended to amend Subsection A and B of §52.33, "Charge for Premises Within City" of the Saginaw Code of Ordinances. The amendments to §52.33(A)(1) and (2), and §52.33(B)(1), are intended to change water rates for premises within the City. The overall increase to inside City customers is 8.75 %.

Also, the amendment is intended to amend Subsection A and B of §52.34, "Charge for Premises Outside City" of the Saginaw Code of Ordinances. The amendment to §52.34(A)(2) is intended to raise the commodity charge to retail customers outside the City. The amendments to §52.34(B)(1) and (2) are intended to change the rates charged to all wholesale water customers. The overall increase to the total outside City customers is 17.46 %. The changes in rates in both sections are primarily due to increased operating costs and implementation of the water system capital improvement schedule. The changes in rates are expected to generate enough revenue to operate and maintain the City's water system through June 30, 2012.

Council Action:

Council _____ moved that this communication be received and filed.