



PUBLIC HEARING

PRELIMINARY RATE REVIEW

FISCAL YEAR 2021

April 15, 2020

Water Rates

Water Volume Rate (per Mcf)

- Mcf Budgeted Volumes
 - Year over Year budgeted volume decrease of 2.04%
- Mcf Rate - assuming a rate increase of 3.5% for 2021 and 3% for 2022
 - FY 2020- \$25.20
 - FY 2021- \$26.08
 - FY 2022- \$26.86

Meter Charges

- Equivalent Meters
 - Increase of 1.71% from 285,700 to 290,600
- Meter Rate - assuming a rate increase of 3.5% for 2021 and 3% for 2022
 - FY 2020- \$7.45
 - FY 2021- \$7.71
 - FY 2022- \$7.94



Retail Water Revenue

	Forecast 2020	Budget 2021	Budget 2022
Volume (Mcf)	2,751,911	2,758,800	2,765,697
Rate	<u>\$ 25.20</u>	<u>\$ 26.08</u>	<u>\$ 26.86</u>
Total Commodity Sales	<u>\$ 69,348,200</u>	<u>\$ 71,949,500</u>	<u>\$ 74,286,600</u>
Equivalent 5/8" Meters	290,488	290,581	292,760
Monthly Rate	<u>\$ 7.45</u>	<u>\$ 7.71</u>	<u>\$ 7.94</u>
Total Service Charge	<u>\$ 25,969,600</u>	<u>\$ 26,884,600</u>	<u>\$ 27,894,200</u>
Equivalent 6" Fireline	1,622	1,622.6	1,624.6
Monthly Rate	<u>\$ 186.31</u>	<u>\$ 192.83</u>	<u>\$ 198.61</u>
Total Fireline Charge	<u>\$ 3,626,300</u>	<u>\$ 3,754,600</u>	<u>\$ 3,871,900</u>
Penalties & Fees	\$ 6,820,000	\$ 4,899,100	\$ 4,899,100
Permits & Other	<u>1,250,000</u>	<u>1,250,000</u>	<u>1,262,500</u>
Total Retail Revenue	<u>\$ 107,014,100</u>	<u>\$108,737,800</u>	<u>\$ 112,214,300</u>

Sewer Rates

Detroit Disposal Rate (per Mcf)

- Mcf Budgeted Volumes
 - Year over Year decrease of 2.34%
- Mcf Rate- assuming a rate increase of 2% for 2021 and 3% for 2022
 - FY 2020- \$55.94
 - FY 2021- \$57.06
 - FY 2022- \$58.77

Sewerage Service Charge (per bill)

- Increases from \$6.41 to \$6.54 in 2021 and \$6.74 in 2022

Drainage Charge (per Acre)

- Pre-determined Rate Schedule
- Increases from \$602 to \$626 in 2021 and \$677 in 2022

Highway Drainage (Conveyance Acreage)

- Open Legal Issues in discussion with MDOT
- Rate will remain the same until resolved



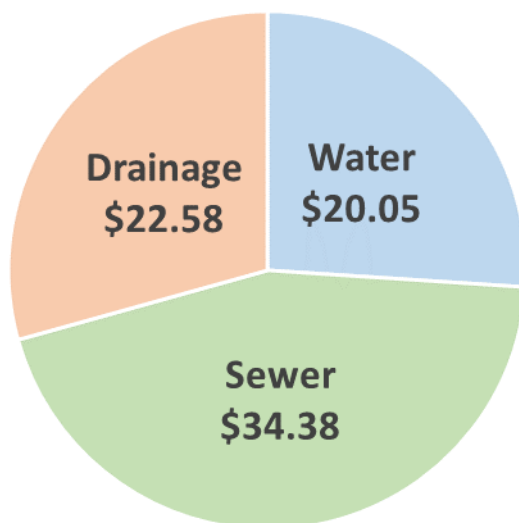
Retail Sewer Revenue

	Forecast 2020	Budget 2021	Budget 2022
Volume (Mcf)	2,577,763	2,568,960	2,575,382
Rate	\$ 55.94	\$ 57.06	\$ 58.77
Total Commodity Sales	\$ 144,200,100	\$146,584,900	\$ 151,355,200
Sewer Meters	178,979	179,200	180,544
Monthly Rate	\$ 6.41	\$ 6.54	\$ 6.74
Total Service Charge	\$ 13,767,100	\$ 14,063,600	\$ 14,602,400
Billable Impervious Acreage	24,463.930	24,433.353	24,402.820
Monthly Rate	\$ 602.00	\$ 626.00	\$ 677.00
Gross Drainage Charges	\$ 176,727,400	\$183,543,300	\$ 198,248,500
Less: Drainage Credits	(27,908,300)	(23,382,900)	(24,337,500)
Net Drainage Charges	\$ 148,819,100	\$160,160,400	\$ 173,911,000
Highway Drainage Acreage	2,349	2,348	2,348
Monthly Rate	\$ 93.28	\$ 93.28	\$ 93.28
Total Highway Drainage	\$ 2,629,200	\$ 2,628,200	\$ 2,628,200
Industrial Waste Charges	\$ 1,481,100	\$ 1,481,100	\$ 1,481,100
Penalties & Fees	5,484,700	5,484,700	5,484,700
Permits & Other	127,200	150,000	151,500
Total Retail Revenue	\$ 316,508,500	\$330,552,900	\$ 349,614,100



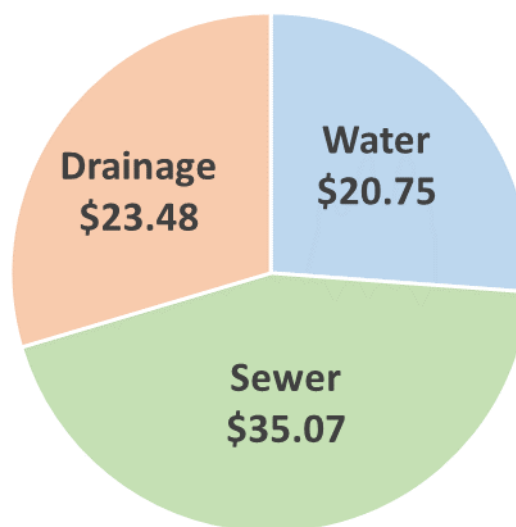
Average Residential Customer Monthly Bill

FY 2020



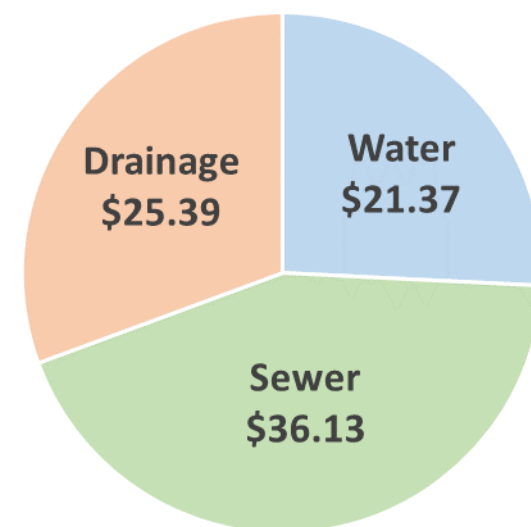
\$77.01

FY 2021



\$79.30

FY 2022



\$82.89

APPENDIX

RECOMMENDED RATE STRUCTURE

FISCAL YEAR 2021



Rate Card FY 2021

WATER RATES		2021 Detroit
Water Volume Rate (per Mcf*)	\$	26.08
Meter Charges (per month)		
Meter Size		
5/8"		7.71
3/4"		11.56
1"		19.27
1.5"		38.54
2"		61.66
3"		123.32
4"		192.69
6"		385.37
8"		616.60
10"		886.36
12"		1,194.66
14"		1,657.10
16"		2,196.62
18"		2,620.53
20"		3,198.59
24"		4,624.47
30"		6,936.71
36"		9,248.95
48"		13,873.42
60"		18,497.89
Private Fireline Charges (per month)		
Fireline Size		
4" or smaller		92.56
6"		192.83
8"		277.68
10"		447.38
12"		663.35

*Mcf = 1000 Cubic Feet

The rate changes shown are effective on and after
July 1, 2020

SEWERAGE RATES		2021 Detroit
Detroit Disposal Rate (per Mcf)	\$	57.06
Sewerage Service Charge (per bill)		6.54
Drainage Charges Residential (per month)		
Per Impervious Acreage		626.00
Industrial Waste Control Meter Charges (per month) ⁽¹⁾		
Meter Size		
5/8"		3.45
3/4"		5.18
1"		8.63
1.5"		18.98
2"		27.60
3"		50.03
4"		69.00
6"		103.50
8"		172.50
10"		241.50
12"		276.00
14"		345.00
16"		414.00
18"		483.00
20"		552.00
24"		621.00
30"		690.00
36"		759.00
48"		828.00
Mcf = 1000 Cubic Feet		
⁽¹⁾ Industrial Waste Control Meter Charges are preliminary until approved by GLWA Board		

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July 1, 2020



Water and Sewer Fees

Service Type	Fees Schedule 2021
Returned Check NSF	\$ 40.00
Illegal Turn-On:	
• 1st Offense	\$ 250.00
• 2nd Offense	\$ 500.00
• On the second offence, unless full payment of all fees is made or a Payment Plan Agreement is initiated, the service line will be disconnected and an additional fee will be assessed	\$ 660.00
Stop Box Replacement	\$ 600.00
Water Turn On/Off (Maintenance & Repair, Commercial Operations and Meter Operations)	\$ 40.00
Note: Meter Operations only charges for non-compliant customers.	
Missed Appointment (any type)	\$ 40.00
Real Estate Closing Fee (non-AMR accounts only)	\$ 40.00
Water Service Line Reconnection - Copper Line	\$ 660.00
Reconnect fee for a lead service requires a replacement of the line, which is the customer's responsibility and cost.	
Meter Operations:	
• Damaged meter equipment Meter sizes 5/8"	\$ 165.00
Meter sizes 1.5" - 2"	\$ 675.00
Meter sizes 3" - 12"	\$ 2,435.00
• Damaged AMR equipment (MIU)	\$ 180.00
Uncovered meter	Refer to meter unrecovered depreciation charge table
Tampered/Cut Cable (AMR):	
• 1st Offense	\$ 50.00
• 2nd Offense	\$ 100.00
• 3rd Offense	\$ 150.00
Water Penalty (from previous ending balance)	5%

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Service Type	Fees Schedule 2021
Sewer Inspections (all types, per day):	\$ 660.00
Permit valid for one year from issue date	
Water Tap, Hydrant Inspection (all pipes sizes, per day):	\$ 660.00
Permit valid for one year from issue date	
Demolitions:	
• Demolition water line disconnection	\$ 710.00
• Hydrant water use for residential demolition	\$ 520.00
• Hydrant water use for commercial demolition	\$ 1,960.00
Illegal Dig-Ups and Sewer Taps:	
• 1st Offense	\$ 1,000.00
Illegal dig-ups non-refundable and the contractor's name will be placed on a list	
• 2nd Offense	\$ 3,000.00
Violators will be suspended from DWSD for one-year period, and pay a reinstatement fee before their name can be removed from list	
• 3rd Offense	\$ 5,000.00
Be placed on a non-compliance list and must pay all above fees plus place a retainer to be held against any further violations for five years	
Sewer Penalty (from previous ending balance)	5%

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Thank You



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