Water & Sewerage Department

CITY OF DETROIT

PRESENTATION TO THE BOARD OF WATER COMMISSIONERS

PUBLIC RATE HEARING

FISCAL YEAR 2022

April 21, 2021

Water Rates

Water Volume Rate (per Mcf)

- Mcf Budgeted Volumes
  - Year over Year budgeted volume decrease of 3.3%
- Mcf Rate - assuming a rate increase of 2% for 2022
  - FY 2021- $26.08
  - FY 2022- $26.60

Meter Charges

- Equivalent Meters
  - Increase of approximately 2.9% from 290,600 to 299,000
- Meter Rate - assuming a rate increase of 2% for 2022
  - FY 2021- $7.71
  - FY 2022- $7.86

Retail Water Revenue

	Budget 2021	Budget 2022	Percent Change
Volume (Mcf)	2,758,800	2,666,570	-3.3%
Rate	$ 26.08	$ 26.60	2.0%
Total Commodity Sales	$ 71,949,500	$ 70,930,800	-1.4%
Equivalent 5/8" Meters	290,581	299,073	2.9%
Monthly Rate	$ 7.71	$ 7.86	1.9%
Total Service Charge	26,884,600	28,208,600	4.9%
Equivalent 6" Fireline	1,650.0	1,670.0	1.2%
Monthly Rate	$ 192.83	$ 192.83	0.0%
Total Fireline Charge	$ 3,818,000	$ 3,864,300	1.2%
Penalities & Fees	4,899,100	5,184,900	5.8%
Permits & Other	1,250,000	1,250,000	0.0%
Total Retail Revenue	**$ 108,801,200**	**$ 109,438,600**	**0.6%**

Sewer Rates

Detroit Disposal Rate (per Mcf)

- Mcf Budgeted Volumes
  - Year over Year decrease of 1.4%
- Mcf Rate- assuming a rate increase of 0% for FY 2022
  - FY 2021- $57.06
  - FY 2022- $57.06

Sewerage Service Charge (per bill)

- No increase in FY 2022; Remains $6.54 per account

Drainage Charge (per Acre)

- Pre-determined Rate Schedule
- Increases from $626 to $677 in 2022

Highway Drainage (Conveyance Acreage)

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

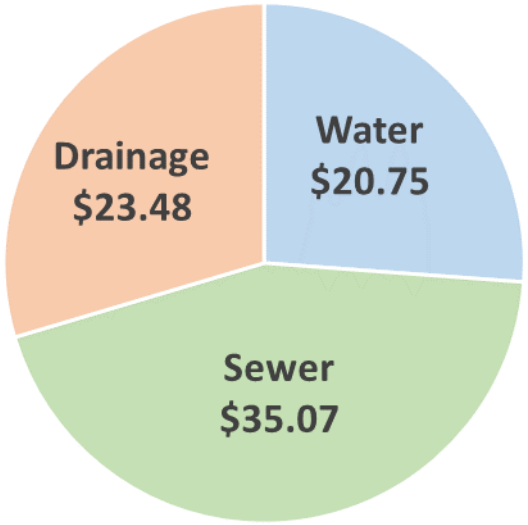
Retail Sewer Revenue

	Budget 2021	Budget 2022	Percent Change
Volume (Mcf)	2,568,960	2,533,990	-1.4%
Rate	$ 57.06	$ 57.06	0.0%
Total Commodity Sales	$ 146,584,900	$ 144,589,500	-1.4%
Sewer Meters	179,200	187,100	4.4%
Monthly Rate	$ 6.54	$ 6.54	0.0%
Total Service Charge	14,063,600	14,683,600	4.4%
Billable Impervious Acreage	26,781.00	27,295.00	1.9%
Monthly Rate	$ 626.00	$ 677.00	8.1%
Gross Drainage Charges	201,178,872	221,744,580	10.2%
Less: Drainage Credits	(38,388,872)	(42,604,580)	11.0%
Net Drainage Charges	162,790,000	179,140,000	10.0%
Industrial Waste Charges	1,481,100	1,501,800	1.4%
Penalities & Fees	5,484,700	6,719,200	22.5%
Permits & Other	150,000	100,000	-33.3%
Total Retail Revenue	$ 330,554,300	$ 346,734,100	4.9%

Average Residential Customer Monthly Bill

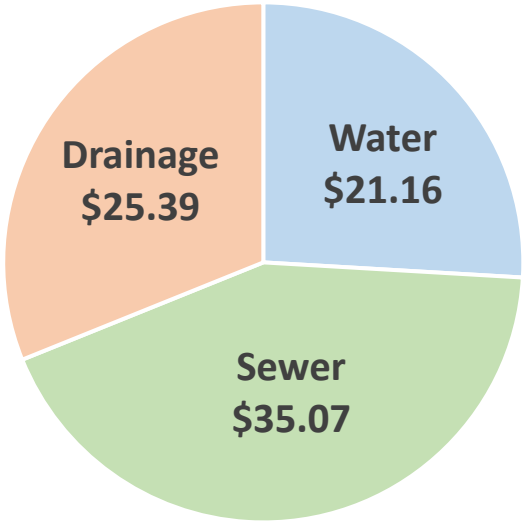
- Avg. Residential Customer Usage
  - In Detroit
    - 0.50 Mcf (approx. 125g/Day)
  - In United States
    - 0.55 Mcf (approx. 138g/Day)
      - SOURCE- Residential End Uses of Water, Version 2, Executive Report

FY 2021



$79.30

FY 2022



$81.62

Recommended Rate Structure

FISCAL YEAR 2022

Rate Card FY 2022

WATER RATES	2022 Detroit
Water Volume Rate (per Mcf*)	$ 26.60
Meter Charges (per month)	
Meter Size	
5/8"	7.86
3/4"	11.79
1"	19.65
1.5"	39.31
2"	62.89
3"	125.79
4"	196.54
6"	393.08
8"	628.93
10"	904.08
12"	1,218.55
14"	1,690.24
16"	2,240.56
18"	2,672.95
20"	3,262.57
24"	4,716.96
30"	7,075.44
36"	9,433.92
48"	14,150.89
60"	18,867.85
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

SEWERAGE RATES	2022 Detroit
Detroit Disposal Rate (per Mcf)	$ 57.06
Sewerage Service Charge (per bill)	6.54
Drainage Charges Residential (per month)	
Per Impervious Acreage	677.00
Industrial Waste Control Meter Charges (per month)[1]	
Meter Size	
5/8"	3.54
3/4"	5.31
1"	8.85
1.5"	19.47
2"	28.32
3"	51.33
4"	70.80
6"	106.20
8"	177.00
10"	247.80
12"	283.20
14"	354.00
16"	424.80
18"	495.60
20"	566.40
24"	637.20
30"	708.00
36"	778.80
48"	849.60

Mcf = 1000 Cubic Feet

[1] Industrial Waste Control Meter Charges are preliminary until approved by GLWA Board

Water and Sewer Fees

Service Type		Fees Schedule 2022
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) Note: Meter Operations only charges for non-compliant customers.		$ 40.00
Missed Appointment (any type)		$ 40.00
Real Estate Closing Fee (non-AMR accounts only)		$ 40.00
Water Service Line Reconnection - Copper Line Reconnect fee for a lead service requires a replacement of the line, which is the customer's responsibility and cost.		$ 660.00
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%

Service Type	Fees Schedule 2022
Sewer Inspections (all types, per day): Permit valid for one year from issue date	$ 650.00
Water Tap, Hydrant Inspection (all pipes sizes, per day): Permit valid for one year from issue date	$ 650.00
Demolitions:	
• Demolition water line disconnection	$ 700.00
• Hydrant water use for residential demolition	$ 510.00
• Hydrant water use for commercial demolition	$ 1,920.00
Illegal Dig-Ups and Sewer Taps:	
• **1st Offense** Illegal dig-ups non-refundable and the contractor's name will be placed on a list	$ 1,000.00
• **2nd Offense** Violators will be suspended from DWSD for one-year period, and pay a reinstatement fee before their name can be removed from list	$ 3,000.00
• **3rd Offense** 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	$ 5,000.00
Sewer Penalty (from previous ending balance)	5%

THANK YOU!

Detroit Water & Sewerage Department

For more information visit: www.detroitmi.gov/dwsd

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