



**EMERGENCY MANAGER
CITY OF FLINT
GENESEE COUNTY MICHIGAN**

ORDER No. 31

WATER AND SEWER RATE INCREASES

BY THE POWER AND AUTHORITY VESTED IN THE EMERGENCY MANAGER ("EMERGENCY MANAGER) FOR THE CITY OF FLINT, MICHIGAN ("CITY") PURSUANT TO MICHIGAN'S PUBLIC ACT 4 OF 2011, THE LOCAL GOVERNMENT AND SCHOOL DISTRICT FISCAL ACCOUNTABILITY ACT, ("PA 4"); MICHAEL BROWN, THE EMERGENCY MANAGER, ISSUES THE FOLLOWING ORDER:

On March 16, 2011, the Local Government and School District Fiscal Accountability Act, Public Act 4 of 2011, ("Public Act 4") was enacted to safeguard and assure the fiscal accountability of units of local government; to preserve the capacity of units of local government to provide or cause to be provided necessary services essential to the public health, safety and welfare of citizens; and

Governor Rick Snyder appointed Michael Brown as the Emergency Manager for the City of Flint on November 28, 2011, and his contract was approved by the State Treasurer on November 29, 2011; and

Pursuant to Public Act 4, the Emergency Manager has broad powers in receivership to rectify the financial emergency and to assure the fiscal accountability of the City of Flint and its capacity to provide or cause to be provided necessary services essential to the public health, safety and welfare; and

Pursuant to Public Act 4, the Emergency Manager acts in place of local officials, specifically the Mayor and City Council, unless the Emergency Manager delegates specific authority; and

Pursuant to Public Act 4, the Emergency Manager may take any action or exercise any power or authority of any officer, employee, department, board, commission, other similar entity of local government, whether elected or appointed, relating to the operation of local government.

Under state law the City has an obligation to set water and sewer rates that are sufficient to cover the costs of operating the water and sewer systems. See MCL 141.121.

The City of Flint determined that it was necessary to raise water and sewer rates, effective September 16, 2011, to adequately cover the system costs and comply with state law. And because the September 16, 2011 rate increases are insufficient to cover the costs of operating the water and sewer systems and pay outstanding bonded indebtedness on the water system, it is necessary to raise rates again, effective July 1, 2012.

Both the September 16, 2011 rates increases and the July 1, 2012 rate increases are necessary to comply with state law. Without the rate increases, the City would run a deficit in both the water and sewer funds.

It is hereby ordered:

The September 16, 2011 rate increases are expressly ratified and confirmed as of September 16, 2011.

Water and sewer rates are revised, effective July 1, 2012, as shown on the attached rate schedules.

Any local ordinance or regulation that is inconsistent with or limits the City's ability to comply with its obligation under state law to charge water and sewer rates that cover the costs of operating the systems and pay bonded debt are invalid, effective September 16, 2011.

This Order shall have immediate effect and is for immediate publication.

This Order may be amended, modified, repealed or terminated by any subsequent order issued by the Emergency Manager.

Dated: May 30, 2012

By: Michael K. Brown
Michael K. Brown
Emergency Manager
City of Flint

xc: State of Michigan Department of Treasury
Mayor Dayne Walling
Flint City Council
Inez Brown, City Clerk

**SCHEDULE OF WATER RATES & CHARGES
EFFECTIVE FOR BILLS DUE AFTER July 1, 2012**

WATER CONSUMPTION RATES

Metered Water

Rates per 100 cubic feet (ccf)	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Rate	Outside City Rate	Inside City Rate	Outside City Rate
Through 35 ccf	6.683	10.008	7.518	11.259
Next 1,965 ccf	6.498	9.569	7.310	10.765
Over 2,000 ccf	5.148	7.713	5.792	8.677

WATER MONTHLY SERVICE CHARGES

Remote Meter Monthly Charge

Meter Size	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Charge	Outside City Charge	Inside City Charge	Outside City Charge
5/8"	19.356	28.874	21.776	32.483
3/4"	37.210	55.739	41.861	62.706
1"	49.140	73.593	55.283	82.792
1-1/2"	49.140	73.593	55.283	82.792
2"	49.140	73.593	55.283	82.792

Non-Remote Meter Monthly Charge

Meter Size	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Charge	Outside City Charge	Inside City Charge	Outside City Charge
5/8"	23.406	35.269	26.332	39.678
3/4"	41.479	62.201	46.664	69.976
1"	53.291	80.055	59.952	90.062
1-1/2"	53.291	80.055	59.952	90.062
2"	53.291	80.055	59.952	90.062

Commercial & Industrial Monthly Charge

Meter Size	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Charge	Outside City Charge	Inside City Charge	Outside City Charge
5/8"	47.453	71.230	53.385	80.134
3/4"	54.456	81.524	61.263	91.715
1"	66.758	100.154	75.103	112.673
1-1/2"	95.783	143.809	107.756	161.785
2"	133.886	200.965	150.622	226.086
3"	264.398	398.639	297.448	448.469
4"	465.329	698.103	523.495	785.366
6"	915.048	1,372.326	1,029.429	1,543.867
8"	1,327.000	1,990.643	1,492.875	2,239.473
10"	1,831.781	2,762.201	2,060.754	3,107.476
12"	2,216.110	3,324.004	2,493.124	3,739.505
16"	2,757.899	4,136.771	3,102.636	4,653.867
20"	2,978.829	4,856.726	3,351.183	5,463.817

**SCHEDULE OF SEWER RATES & CHARGES
EFFECTIVE FOR BILLS DUE AFTER July 1, 2012**

SEWAGE FLOW RATES

Residential Sewage Flow Rates

	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Rate	Outside City Rate	Inside City Rate	Outside City Rate
Rate per 100 cubic feet (ccf) (Based upon metered water)	3.310	3.645	4.800	5.285

Commercial & Industrial Waste Rates

	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Rate	Outside City Rate	Inside City Rate	Outside City Rate
Volume (per 100 cubic feet)	1.238	1.404	1.795	2.036
Suspended Solids (per pound)	0.379	0.378	0.550	0.548
Biological/Chemical Oxygen Demand (per pound)	0.806	0.905	1.169	1.312
Phosphorus (per pound)	1.143	1.161	1.657	1.683
Industrial Charge (per 100 cubic feet)	0.021	0.021	0.030	0.030

Wholesale Rates

Beecher Metro District Rate	1.335	1.335
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SEWER MONTHLY SERVICE CHARGE

Residential - Remote Read Meter Charge

<u>Meter Size</u>	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Charge	Outside City Charge	Inside City Charge	Outside City Charge
5/8"	22.070	28.283	32.002	41.010
3/4"	32.360	38.624	46.922	56.005
1"	45.062	54.473	65.340	78.986
1-1/2"	45.062	54.473	65.340	78.986
2"	45.062	54.473	65.340	78.986

Residential Non-Remote Meter Charge

<u>Meter Size</u>	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Charge	Outside City Charge	Inside City Charge	Outside City Charge
5/8"	24.227	30.348	35.129	44.005
3/4"	34.537	40.811	50.079	59.176
1"	47.137	56.606	68.349	82.079
1-1/2"	47.137	56.606	68.349	82.079
2"	47.137	56.606	68.349	82.079

Commercial & Industrial Charge

<u>Meter Size</u>	Rates Effective September 16, 2011		Rates For Bills Due After July 1, 2012	
	Inside City Charge	Outside City Charge	Inside City Charge	Outside City Charge
5/8"	35.806	40.082	51.919	58.119
3/4"	44.437	50.774	64.434	73.622
1"	58.419	67.622	84.708	98.052
1-1/2"	95.064	113.657	137.843	164.803
2"	135.285	160.299	196.163	232.434
3"	302.126	360.599	438.083	522.869
4"	497.822	610.349	721.842	885.006
6"	1006.861	1220.778	1459.948	1770.128
8"	1481.526	1825.187	2148.213	2646.521
10"	2012.684	2429.339	2918.392	3522.542
12"	2362.919	2850.120	3426.233	4132.674
16"	3119.962	3791.664	4523.945	5497.913
20"	3673.700	4504.842	5326.865	6532.021