

AGENDA REPORT

TO: Mayor & City Commission
FROM: Ken Hibl, City Manager
DATE: September 16, 2009
RE: Extension of Summer Sewer Credits

For the Agenda of September 21, 2009

Background. The City provides its residential sanitary sewer customers a summer sewer credit for the months of May, June, July, and August to adjust sanitary sewer rates for residents who water their lawns and use water to accomplish summer-related activities (e.g., car washing, filling of pools, etc) that consume water that is not injected into the city's sanitary sewer system for processing and treatment. Due to the lack of moisture we have experienced thus far in September, we have received a number of requests from residents asking that the City consider extending the summer sewer credits through the September-usage period this year.

We have granted this extension for September in past years (the last time being 2004) when the rainfall for the month was below normal. The City Commission is asked to consider granting the extension for September 2009.

Issues & Questions Specified. Should the City Commission extend the City's summer sewer credits to include the month of September, 2009?

Alternatives.

1. Extend the summer sewer credits for one more month this year.
2. Do not extend the summer sewer credits.
3. Defer/delay/postpone decision regarding the date/time to a future scheduled Commission meeting.

Financial Impact. While it is difficult to estimate the exact amount of lost revenues to the City if we extend the credit for another month due to the fact that it will be based on the actual amount of usage, we believe the cost to the City in lost sewer revenues would be approximately \$4.5K, which equates to approximately one-half of one percent of our projected metered sewer revenues for this fiscal year.

Recommendation. I recommend that the City Commission extend the 2009 Summer Sewer Credits to include September by adoption of the proposed Resolution 2009-099 (copy att'd).

Attachment. Resolution 2009-099.

RESOLUTION 2009-099

A RESOLUTION OF THE CLARE CITY COMMISSION EXTENDING THE 2009 SUMMER SEWER CREDIT PERIOD.

WHEREAS, the City traditionally grants summer sewer credits to its residential sanitary sewer customers during the months of May, June, July, and August to compensate for the use of water that is not processed through the City's sanitary sewer system but instead is utilized for uses such as irrigation of lawns and gardens; washing of vehicles; filling of swimming pools, etc.; and

WHEREAS, this region of Michigan has received less than average rainfall amounts during the month of September, thereby extending the traditional summer water usage season; and

WHEREAS, the Clare City Commission has deemed it to be in the best interests of its sanitary sewer customers and the City of Clare in general to extend the 2009 Summer Sewer Credit period to include the month of September.

NOW THEREFORE BE IT RESOLVED THAT the City Commission of the City of Clare hereby extends the 2009 Residential Summer Sewer Credit period to include the month of September.

BE IT FURTHER RESOLVED THAT the City Commission directs the City Staff to take necessary action(s) to adjust residential sanitary sewer customers of the City of Clare accordingly.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INsofar AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 21st day of September 2009.

Diane Schmidt, City Clerk