

TO: Board of Trustees

FROM: Michelle DeLancey, Director of Accounting and Human Resources
Tony Randazzo, Director of Technical Services & Utilities

DATE: June 13, 2024

AGENDA ITEM TOPIC: Sewer rate change and allocation FY 24/25

Number of Supporting Documents: **2**

Requested Action

- Motion to set the Hamburg Township sewer rate at \$167.00 per quarter per REU effective July 1, 2024, with an allocation of \$124.78 towards operation and maintenance, and \$42.22 towards debt service and to set the late penalty at \$5.00 per quarter.

Background

Part of the annual budget approval process requires the annual establishment of sewer utility operations & maintenance and debt service fees. For the FY 24/25 budget, we have determined that the sewer rate needs to be increased. The quarterly charge will increase 2.3% to \$167.00 for FY 24/25. The allocation between operations & maintenance and debt needs to be changed as shown in the table below.

	CURRENT ALLOCATION	PROPOSED ALLOCATION
OPERATION & MAINTENANCE	\$121.08	\$124.78
DEBT SERVICE	\$42.22	\$42.22
TOTAL	\$163.30/QUARTER/REU	\$167.00/QUARTER/REU



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EXCERPT FROM HAMBURG TOWNSHIP MUNICIPAL UTILITIES COMMITTEE MEETING MINUTES

To the attention of: Patrick J. Hohl, Supervisor
Hamburg Township Board of Trustees

Re: **Sewer Quarterly O & M Rate Increase Recommendation**

Please be apprised of this excerpt from the ☒Unapproved ☐Approved Minutes of the Meeting
of the Hamburg Township Sewer Committee:

Date of Meeting: June 12th, 2024

Sewer Committee Members Present: Hohl, Hahn, Michniewicz

Sewer Committee Members Absent: None


Text of Motion: MOTION BY HOHL, SUPPORTED BY MICHNIEWICZ TO
FORWARD TO THE BOARD WITH THE RECOMMENDATION TO
APPROVE THE SEWER QUATERLY O & M RATE INCREASE
FROM \$163.30 TO \$167.00 PER REU EFFECTIVE ON JULY 1st, 2024 .

Ayes: Hohl, Hahn, Michniewicz Absent: None Nays: None

MOTION CARRIED.

State of Michigan }
County of Livingston }
Township of Hamburg }

I, BRITTANY K. CAMPBELL, Hamburg Township Utilities Coordinator and recording
secretary to the Municipal Utilities Committee, do hereby certify that the foregoing is a true and
correct excerpt of the Minutes of the aforementioned Regular/Special Meeting of the Hamburg
Township Municipal Utilities Committee.

 Date: June 12th, 2024
BRITTANY K. CAMPBELL
HAMBURG TOWNSHIP UTILITIES COORDINATOR



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06/12/24

To: Municipal Utilities Committee
From: Tony Randazzo

Re: Sewer Rate - 24-25 Fiscal Year

At a meeting with the Supervisor and the Director of Accounting yesterday, we decided that it would be prudent to implement a small sewer rate increase of 2.5% for the upcoming fiscal year primarily due to PFAS concerns. This will raise the rate from \$163.30 to \$167.00 per quarter when rounded down. We've found that round numbers cause less confusion for our customers and make it easier for those at the Township who are taking in payments.