

## **Tom Casari Presentation Questions**

### **Mike Schroder, Northville Colony Estates**

Q. Why is there a solid waste fee charged for water sprinkler use?

*That is not a solid waste charge it is the sewer charge. All irrigation meters pay both water and sewer charges.*

### **Don Meto, 49117 Rainbow Lane N.**

Q. How do you explain my water/sewer bill increasing 75% for 2 month period end 4/15/15 over 2014? 2014-\$48, 2015-\$84

*The fixed charge increased from \$20.27 to \$56.14 per billing cycle. This was due to the DWSD fixed charge for water and sewer that was passed along to our customers.*

### **Vic Leo**

Q. Please comment on Northville Township cost increase of 316% over 2 years. 2014 compared with 2016. How much increase in fixed rates for (WA) and (SE) in FY 2016 over 2014?

*We do not know what our rates will be moving into 2016. Late this year we will understand better what increases we might see from DWSD/GLWA. An increase of 316% would be for a very small user. Somebody that uses around 1,000 gallons per month. Many communities have a minimum monthly charge to address low users. We use a fixed charge because that is what DWSD assesses to the Township. In the example given, a 20,000 gallon per cycle user sees a 16% increase in their bill from 2014 to 2015. A 15,000 gallon per cycle user sees a 21% increase in their bill from 2014 to 2015.*

### **Neal Greenfield, 18061 Blue Heron Pte.**

Q. What would it take to change the two year average to a four year average? Northville Township was disproportionately hit harder as a result of the two year methodology.

*The use of the 2 year average was based on the desire to accurately estimate water usage and thereby stabilize the system revenue. The preliminary data for FY 16 (July and August) shows that the methodology was accurate (within 1%). The Rates Work Group, which includes representatives from all customer communities that choose to participate, will be looking at the methodology for FY 17 this fall. The main criteria will likely be stabilization of revenue.*

Q. Who sets the cost for the amount of water we must buy in 2016? Is the low consumption in 2015 a factor?

*DWSD sets the rates for Northville Township (wholesale). Northville Township then sets the rates for its customers (retail). The DWSD methodology is uniform for all wholesale customers. The annual volume for current DWSD rates, which started July, 2015, was based on the actual usage in each community from October 1, 2012 through September 30, 2014.*

Q. What about fixing the pipes, etc. that are so old coming from Detroit? When is that cost coming to us?

*Rehabilitation and replacement of infrastructure that has outlived its useful life has been a part of the DWSD capital improvement program for a number of years. However, the amount of work required is growing and will become a larger part of the capital budget. Even with this additional investment required, it is expected that the DWSD budget will increase by no more than 4% per year for the next 5 years.*

Q. Why 33% reduction of usage while population was growing?

*The population of Southeast Michigan has declined over the last decade. The largest reductions in water usage appear to be in industrial consumption, particularly in building of closed-loop cooling systems, and in reduction of summer irrigation usage. For Northville Township, this is based on the climate. Hot and dry equates to higher usage. Cool and/or wetter equates to lower usage. We have had cooler and/or wetter weather the last couple years.*

Q. What % of billing to retail customers vs. 100% paid to DWS?

*Mr. Fausone mentioned that at one time 55% were paying their bills in the DWSD retail system. He said more recently that number is closer to 85% based on actions DWSD and others have taken to get folks to pay their bills.*

Q. The fixed rate is now \$28/Month. This equals approximately \$340/year. This is not explained on the water bill. There is no rate information on my bill. Why?

*The water and sewer bill did not contain enough room to put the information. So we placed it on our web-site, provided handouts and published it in the local paper. We will try to include this on the bill going forward, but may have to redesign it to accomplish the task.*

Q. How would a flat rate price system affect our water bills? Will the GLWA consider a flat rate for wholesale customers?

*The GLWA may consider further increasing the fixed charge component if the revenue does not stabilize. Preliminary data for July and August 2015 indicates that the actual revenue was very close to the budget, which may indicate that the changes previously implemented are effective.*

Q. Your Public Works cost is approximately 25%. How does that compare to other communities?

*A comparison reveals that the neighboring communities range from 22% to 41%. Northville Township is at 25%.*

Q. What percentage of our bill is due to Township Public Works Administration cost? Are Township golf courses major peak users?

*NVT at 25%. The golf courses use wells to water not the public water supply.*

Q. Can the Northville Township Water Department include a note on all spring/summer bills to set sprinklers to run between Midnight and 6:00 am? I have been running my system from 5:00 am to 7:00 am and thought I was doing ok.

*This information is included on the bill and in other locations.*