



CITIZEN'S GUIDE: UTILITY BILLS

Revised – June 22, 2022

General Information

When does the utility increase approved by City Council take effect and how much is it?

On May 2, 2022, City Council approved an increase to the utility rates of 12% to cover system expenses. This takes effect July 1 and will be reflected in bills received in August.

The impact of this increase is as follows:

Rate Type	June 1, 2022	July 1, 2022
Water Charge – zero unit	\$2.61	\$2.92
Water Charge – per unit	\$4.57	\$5.12
Water Capital Improvement – per unit	\$3.23	\$3.62
Sewer Charge – zero units	\$4.26	\$4.77
Sewer Charge – per unit	\$6.45	\$7.22
Sewer Capital Improvement – per unit	\$0.87	\$0.97

The meter charge is included in this increase to cover the actual increased costs of the meter. This increase is for all meter sizes and is a direct result of the increasing cost of materials for that specific meter.

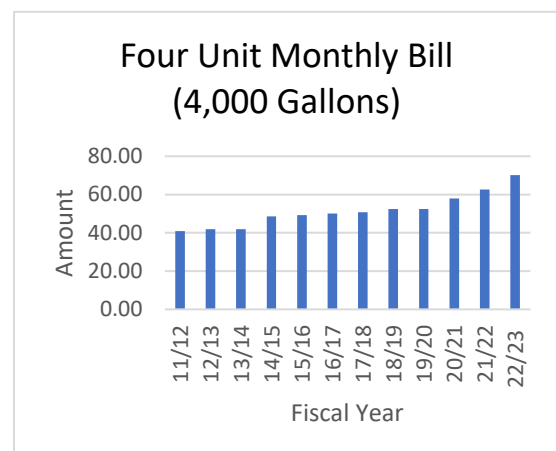
Meter Size	June 1, 2022	July 1, 2022
5/8" & 3/4"	\$2.11	\$2.36
1"	\$3.26	\$3.65
1.5"	\$8.48	\$9.50
2"	\$9.97	\$11.17
3"	\$25.31	\$28.35
4"	\$32.34	\$36.22
6"	\$53.57	\$60.00

How will the increase impact the average bill?

	June 1, 2022	July 1, 2022
1 Unit of Water (1,000 Gallons)	\$17.23	\$19.29
Average Home Use (4 Units)	\$62.59	\$70.08

How much has our bill increased over time?

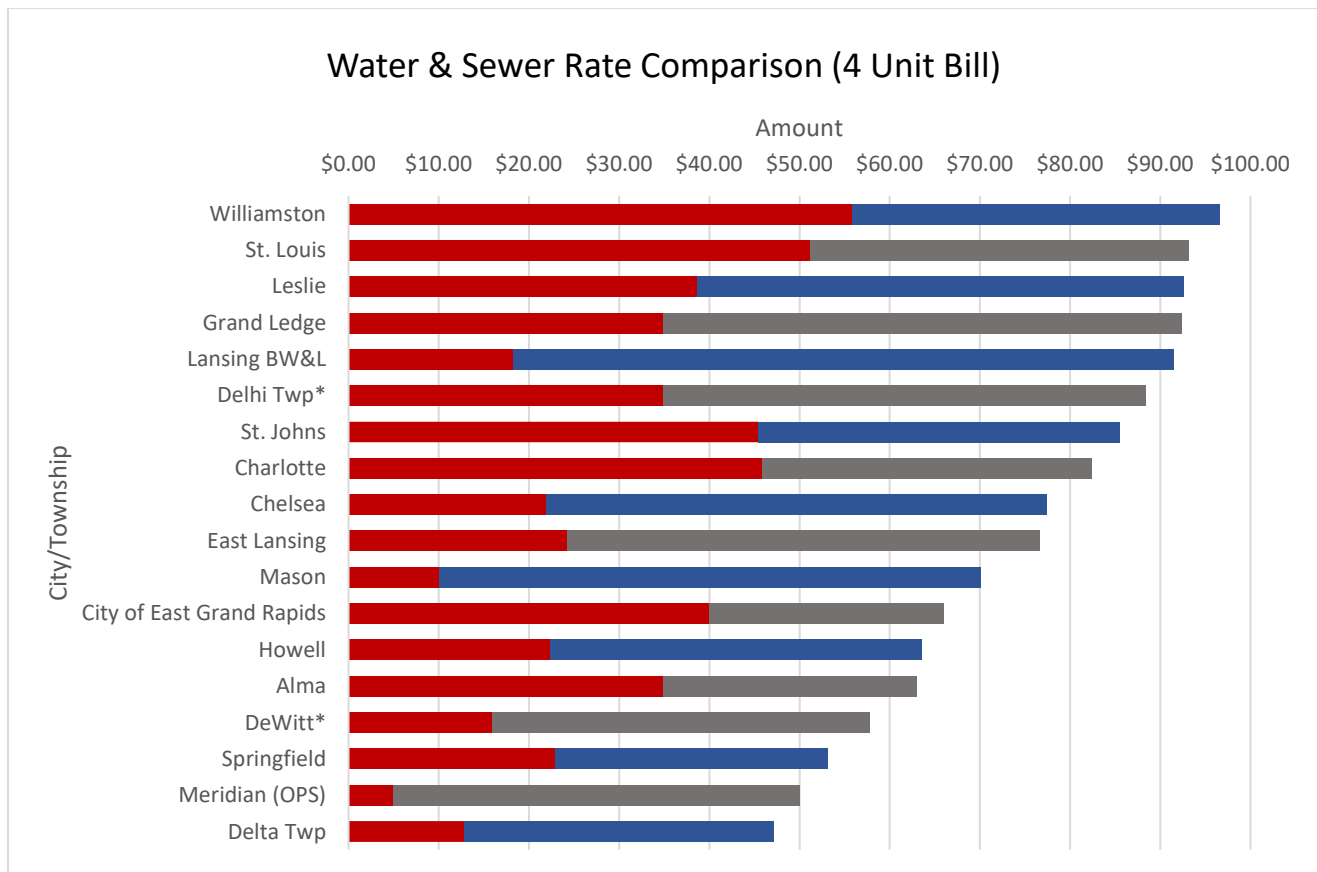
Fiscal Year	4 Unit Bill	Rate Increase
11/12	40.94	No Increase
12/13	41.94	3.20%
13/14	41.94	No Increase
14/15	48.56	15.10%
15/16	49.30	1.50%
16/17	50.04	1.50%
17/18	50.80	2.00%
18/19	52.39	2.20%
19/20	52.39	No Increase
20/21	57.95	11.00%
21/22	62.59	8.00%
22/23	70.10	12.00%



How do our rates compare with other communities?

City /Township	Why Compare	4 Unit Total Water & Sewer
Williamston	Population (3.9K)	\$96.60
St. Louis	Population (7.4K)	\$93.12
Leslie	Population (1.8K)	\$92.65
Grand Ledge	Population (7.7K)	\$92.38
Lansing BW&L	Population (118K)	\$91.43
Delhi Twp*	Population (25.8K)	\$88.33
St. Johns	Population (7.9K)	\$85.48
Charlotte	Population (9K)	\$82.42
Chelsea	Population (5.4K)	\$77.38
East Lansing	Population (48.8K)	\$76.61
Mason		\$70.10
City of East Grand Rapids	Population (10.6K)	\$66.00
Howell	Population (9.6K)	\$63.58
Alma	Population (8.9K)	\$62.98
DeWitt*	Population (4.5K)	\$57.75
Springfield	Population (5.1K)	\$53.15
Meridian (OPS)	Population (42.6K)	\$50.08

Please note: Every public utility is one-of-a-kind; from population and geographic location, to water treatment necessities and the condition of their infrastructure. One provider may treat water for different minerals or compounds in their ground water due to location, while another may have more (or fewer) employees, residents, and water system improvements to make. There are many variables that make service rates different from one community to the next, making it hard to compare them. However, our residents often ask us for this data, so we have provided it here based on information provided to us in 2021.



Does the City of Mason make money from paid utility bills? Are the rates going up because of other proposed projects like Park Improvements and Library Renovation?

No, as a public water/sewer (utility) provider, the City of Mason can ONLY charge customers for the costs associated with providing utility service, which means it cannot earn a profit.

Water and Sewer Fund Estimates

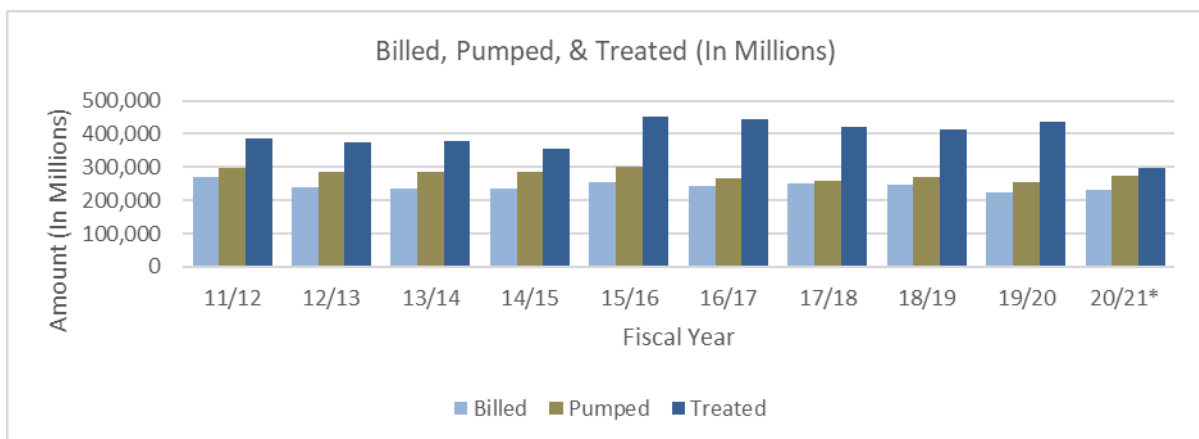
	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
Revenue:						
Water & Sewer Sales	2,976,818	2,873,589	3,120,314	3,519,675	4,364,330	4,791,745
Other Revenue	329,189	120,788	112,012	2,062,170	14,066,970	1,818,040
Total Revenue	3,306,007	2,994,377	3,236,326	5,581,845	18,431,300	6,609,785
Expenditures	3,300,306	3,067,172	3,254,088	6,465,575	17,302,260	6,947,335
Cash on Hand Balance	1,975,391	1,638,214	1,473,486	1,539,756		
Percent of Expenditures	60%	53%	45%	28%		

Note: July 1, 2022 water rates have been increased **12%** for the 2022/2023 fiscal year to meet operational and capital costs and low usage and revenue projections based on the longer impact of COVID-19 than anticipated. A utility rate study has been started, but due to COVID-19 was delayed. We expect it to be completed by fall/winter with a larger change in rates for 2023 due to the large Wastewater Treatment Project. 2023/23 other revenue includes sale of bonds and expenditures include the Wastewater project

Why does the City charge so much for utilities?

The City is dedicated to setting water and wastewater rates that treat customers fairly and reflect the true cost of service while protecting the City's financial stability. Adequate funding levels are critical to the delivery of a safe and reliable supply of water. Additional factors that relate to rate charges are listed below:

- **Rising treatment costs.** Increasingly stringent drinking water regulations have made it necessary for many municipal water suppliers to invest in costly new treatment technologies, adding to the cost of providing water. Future water quality regulations will only increase testing and treatment costs.
- **Aging infrastructure.** The City's water system alone comprises seven wells, two 500,000-gallon elevated storage towers, 600 fire hydrants and one-million-gallon ground storage tank, a centralized treatment plant (removes Radium 226 and 228, as well as iron) and approximately 45 miles of water main. From 2019-2025, the City needs to invest in over \$25 million in upgrades and maintenance to the water and wastewater utility to be in compliance with regulations and aging infrastructure.
- **Increasing energy costs.** It takes significant electricity to pump, treat, and deliver water. As you can see from the graph below, we historically treat more than we pump. It's always been more expensive to treat wastewater than to pump clean water out of the wells.




Do my property taxes pay for utility costs?

No. For every \$1.00 paid toward property taxes, the City of Mason receives approximately \$0.30 if the taxpayer lives in the City. The balance of taxes paid are appropriated to other entities. The tax allocation pays for operations of the City but cannot support a user-based utility such as the City's water and wastewater that has operational costs and user fees dependent on use. The City utilizes an Enterprise Fund to allocate funding for water and wastewater utilities. An Enterprise Fund establishes fees and charges that are designed to recover its costs for the entire system, including capital costs.

Determining My Bill

I'm not sure how to read my utility bill. Can you help me?



CITY OF MASON
UTILITY BILL
201 W Ash St, Mason MI 48854
Pay Online at www.mason.mi.us
Pay by Phone at 833-699-7827

Contact Information:
Billing Questions: 517-676-9155
Hours: 8:00 a.m. - 5:00 p.m.
Monday through Friday
(Except Holidays)
After Hours Emergency
517-676-2458

NAME: SMITH, JOHN				DISTRICT: 02					
SERVICE ADDRESS: 123 WASH ST				BILLING PERIOD: 10/15/2019 TO 11/15/2019					
ACCOUNT: 0200-06000-03-1				METER READING DETAIL					
BILL DATE	DUE DATE	PAY THIS AMOUNT	PAY AFTER DUE DATE	TO	FROM	CODE	PREV READ	CURR READ	UNITS
11/30/19	12/20/19	\$39.78	\$43.76	10/15/19	11/14/19	Water	953	956	3

BILLING SUMMARY		
PREVIOUS BALANCE		\$.00
Sewer	Sewer Rate	3 \$16.14
Water	Water Rate	3 \$11.43
Capital Improv-Sewer	Capital Improv - Sewer	3 \$2.18
Capital Improvement	Capital Improv - Water	3 \$8.07
Meter Charge	Meter Charge - Monthly	\$1.90

PAYMENTS PROCESSED BY INVOICE CLOUD		
AUTO DRAFT - DO NOT PAY		\$39.78
AFTER 12/20/2019	PAY LATE AMOUNT -	\$43.76

10% PENALTY ADDED TO CURRENT BILL AFTER DUE DATE. FAILURE TO RECEIVE BILL DOES NOT WAIVE PAST DUE PENALTY.

- KEEP TOP PORTION FOR YOUR RECORDS -

- SEE REVERSE SIDE FOR IMPORTANT INFORMATION -

SERVICE ADDRESS		DISTRICT	
123 WASH ST		02	
ACCOUNT NUMBER	BILL DATE	DUE DATE	
0200-06000-03-1	11/30/19	12/20/19	
AMOUNT DUE		PAY AFTER DUE DATE	
\$39.78		\$43.76	

ADDRESSEE

SMITH, JOHN
123 WASH STREET
MASON, MI 48854

REMIT TO

CITY OF MASON
201 W ASH ST
PO BOX 370
MASON MI 48854

1

This includes the customer name, address, account number, bill due date and amount due.

3

This section is the breakdown for the total due by rate type. It will also show any previous balance or credit.

6

Please tear off the stub and return with payment.

2

This shows the billing period, current read, previous read and units of water used

4

The best part is this new chart that shows water usage. The chart is in units and 1 unit = 1,000 gallons. This chart will update every month with the current usage.

5

Look here for important messages and seasonal information.

What is a billable unit?

A unit is 1,000 gallons. We bill in units used; we don't round up.

Should my water bill be the same every month?

It's good to have consistent usage, it helps predict your monthly cost and any possible leak can be found faster. It's normal to see a change in 1 unit up or down each month. Because we read after 1,000 gallons are used, there may be carryover from the prior month that wasn't on your current bill. A change of 1 unit up or down per month is not uncommon. However, if your bills are consistently the same, that indicates you are using just over a full unit and it may be quite a while before you would see an extra unit. If you have a larger increase, you may have

a water leak. A change in household size or increased usage such as pool fills, outside watering, softener issues, toilet seals wearing out or the toilet chain getting stuck can all cause higher than normal water reading.

Are you rounding up water reads?

No, we use a remote computer unit and each meter/radio pair have a unique id and number. We read in 1,000-gallon units and do not round up. For the City to bill you a unit of water you have to use that unit of water. These are all actual reads, not estimates. For example, if you used 4.5 units (4,500 gallons) you would only be charged for 4 units. The 0.5 units (500 gallons) would be carried over to your next reading.

Why is my bill different from my neighbors? Why is my bill exactly the same?

- It could be different for many reasons. This may include more or less people, weather, water softener, water heater, type of washing machine, age of toilets, outside water usage, etc.
- If you used the same amount of water as your neighbor and neither of you have a credit or a previous balance, you will receive the same bill. 5 units is the same cost for every residential customer in the City.

Do you estimate the utility bills? What if I get an estimated bill?

No. We use a radio and computer to read every meter every month. Our system allows us to read the entire City in less than one day. Any missed reads are re-read the next day. A meter may not read if we didn't get close enough, the meter is on the far side of the house, or metal items are in the way and disrupting the signal. If you have an estimated bill, the E will be next to your ending reading. We will estimate your bill if we can't get a reading. This would usually indicate that your meter, radio, or wire may be broken. We will notify you by mail, phone, or email to set an appointment to make those repairs. There is usually no charge for this service. A cost would be incurred if the radio was thrown away or it was determined the meter was broken due to neglect.

Why might I have a credit?

Any payments made after the due date may not be applied on the current bill. We have to submit bills to the printer several days before the bills are mailed. If you made a payment in that time, it will not reflect on the bill. For example, if your bill is due 1/21 but you pay on 1/30, that payment will not be shown on the bill you receive that's due 2/20. So, if you pay the total amount due on 2/20 you will have made an overpayment and have a credit showing on your next bill.

What are my payment options?

- **In Person (Credit Card, Cash or Check):** Payments can be dropped off at City Hall to our Customer Service desk or in the drop box in front of City Hall.
- **ACH:** The ACH is a FREE service and is an easy way to move money between your bank and the City without using paper checks, wire transfers, credit card networks, or cash. Sign up at www.mason.mi.us (find your bill, click "Pay Now", click "Make Payment" and signup in the Invoice Cloud portal).
- **On-line or Phone (Credit Card or E-checks Only):** Click [here](#) to pay online (find your bill, click "Pay Now", click "Make Payment" and signup in the Invoice Cloud portal). To pay by phone call 1.833.699.7827. We accept Visa, MasterCard, Discover and American Express by phone, in person and on-line with no processing fee.
- **In Person at Commercial Bank (Check or Cash Only):** Payments can be made at either the Cedar St or Jefferson St branch. Payment stubs are required to make a payment at Commercial Bank.

Water Meters

How do I read my water meter?

Your water meter is normally located along the wall closest to the road, or by your water heater. It is round and about 4 inches across. Our older meters have a manual odometer, and the new meters are digital and require a light source to show readings. Both read the first 4 digits from the left. They each have a leak indicator that will

spin every time water is being used. If you aren't using water and it's spinning, that indicates a leak in your water system. Toilets, water heaters, water softeners, dripping spigots are a few areas to check for leaks.

Who has received new water meters? How often are meters replaced?

A water meter replacement program was initiated in 2004. All meters were replaced with new meters and radios for the computer read system. Meters are replaced as needed. The City is working on a rotating meter replacement program and will soon start replacing 10% of City meters per year.

When is it determined to replace a meter? How will I be informed about a new meter that is needed or installed? How many meters does the city go through a year?

Meter readings are monthly. When a zero reading is found where there is usually usage, we send a zero read letter requesting an appointment to inspect the meter. Sometimes, customers have an explanation for a zero reading and no appointment is needed. Once we have an appointment, our staff will visit to inspect the meter, wiring, and radio to determine if a replacement or repair is necessary. There is a fee if the customer wants the accuracy of the meter checked and that fee will be refunded if the meter is found to be inaccurate. Meters are tested by a private company. On average we replace 40 meters per year.

How much longer will I have a meter charge? After 10 years are there no more meter charges?

Meter charges are ongoing. The meters are owned by the City and the property owner is paying to use and replace them. The American Water Works Association recommended lifespan of a water meter is 10 years. The cost of the meter is spread over those 10 years based on the current cost. These costs could be updated annually based on the actual cost increase of the meter.

Are they changing the price of the meter that is currently installed that we have already been paying for? How much money is collected from them? Are you charging interest?

The meter charge goes up based on the cost of actual replacement of a new meter. Keep in mind that because we do not adjust retroactively but on a rolling cycle when your meter is replaced after 10 years you have not actually paid the total cost of the replacement meter. New water meters were installed in 2004. The meter charge paid from 2004 to 2018 was \$139.22 and did not cover the current cost to replace the meter or radio.

Are there more efficient meters? How were these models chosen and from who?

All meters must meet the industry standard of +/- 2% accuracy. All meter charges are recorded by the City and State records retention rules require that we keep the meter records for the lifetime of the meter. The meter replacement program was sent to bid, bids were opened on September 24, 2003 and SLC was the low bidder. We are using Neptune meters and the new meters have a digital face rather than the old-style odometer.

If a meter breaks, is there a warranty? Who pays for that warranty?

- The property owner is responsible for reasonable care. If the meter becomes damaged from neglect by freezing or physical damage, the City charges \$55 labor to the resident for replacement of the meter.
- The entire meter has a 1-yr warranty. The brass meter body has a 10-yr warranty for leakage, the register head a 10-yr warranty, and the radio box has a 20-yr warranty (10 full and 10 pro-rated). There is no labor charge to replace a defective meter. However, if due to resident neglect, it is not covered under these warranties.

I think there is something wrong with my water meter. What should I do?

If you feel your meter is not operating as it should, please contact our Customer Service Desk at 517.676.9155. We do not charge for City Staff to inspect a water meter.

Resources: More Questions? Please Contact our Customer Service Desk at 517.676.9155 or info@mason.mi.us.