



NOTICE OF RATE INCREASES

The City Commission approved new rates for the City's water & sewer utility systems. These new rates will go into effect on January 1st, 2024. The new rates will be reflected for the first time on the water & sewer bills received by customers in January and due on 2/1/2024.

WHY DID THE WATER & SEWER RATES INCREASE?

The City of Scottville renewed a 40-year contract with Ludington for Water/Sewer services in 2015. Annual rate increases from Ludington have not been matched by annual increased rates in Scottville. Water/Sewer rates here were last raised in 2020. They were previously raised in 2015 and 2017. Water & Sewer rates are evaluated and adjusted to ensure that revenues received from users of the systems are sufficient to cover the cost of water, operating costs, maintenance of the system, and complete budgeted capital improvements. Without increases, funds to cover these costs will come from the general fund taking away funding that go toward roads, parks, equipment upgrades, and general operations of the city.

Earlier this year Ludington passed an ordinance increasing water rates each of the next 3 years by 7.5% on water customers including Scottville. Rates were also increased by at least 7% each of the last 3 years as well. Rather than pile on all these increases into a larger rate it was decided that 12% would be sufficient for 2024 until a rate study could be conducted.

The City of Scottville provides safe, clean drinking water and is dedicated to keeping rates affordable by maintaining lean staffing and using reserves when necessary. However, the following costs continue to rise including (1) overall water costs, (2) maintenance, and (3) building or maintaining adequate financial reserves for emergencies and future needs. The City also used ARPA funds to purchase new water meters that are being installed to replace old, non-functioning meters to increase efficiency and accuracy. These new water meters are replacing hand-read meters with radio read meters that reduce time/labor costs and make the process of reading water meters much more efficient.

Additionally, because of the water crisis in Flint, Benton Harbor, and other locations the Michigan Department of Environment, Great Lakes and Energy (EGLE) issued new rules requiring utilities across the state to remove all lead service lines that connect homes to water mains, including any galvanized steel lines that are connected or could have been connected to lead lines over the next 20 years. The City of Scottville is committed to seeking any available State or Federal funding that will provide funding for the new lead line replacement mandate as well as other future infrastructure improvements. A portion of the \$8.7 million grant will provide for up to 160 service lines to be "potholed" to check what material those lines are made of. It also provides for replacement of up to 75 of those lines that meet the state rules for replacement.

HOW IS MY BILL CALCULATED?

The City's rate structure is a two-part rate structure: (1) The Fixed Monthly Fee (RTS) is based on a Ready to Serve maintenance cost and (2) a commodity rate charge for each 1000 gallons of metered usage. Water usage is synonymous with sewer usage. For example, 1,000 gallons of water used will equate to 1,000 gallons of sewer usage. Each Residential and Commercial line is assessed the RTS monthly service fee based on water line size at the meter. The Commodity Charge is applied to current usage for the billing period. Water bills are due the 1st of every month with a 10% late penalty added if not paid by the 5th.

HOW CAN I REDUCE MY WATER & SEWER BILL?

Customers can reduce their direct water usage by installing water saving toilets, applying a water-saving showerhead, limiting shower and bath time, closing the tap while brushing your teeth, inspecting your home for other plumbing leaks (e.g., sinks, faucets, water heaters, furnace humidifiers, water conditioners, sprinkler systems, etc.), purchasing high-efficiency appliances.

The following chart shows how the increase will affect users of different use levels. Check your bill and calculate your water usage

Commission

Marcy Spencer-
Mayor
(231)730-4849-
mspencer@cityofscottville.org

Aaron Seiter-
Mayor Pro-Tem
(231) 301-2343-
aseiter@cityofscottville.org

Dixie Spore -
At Large
(231) 757-2032-
dspore@cityofscottville.org

Darcy Copenhaver-
At Large
(231) 794-8528-
dcopenhaver@cityofscottville.org

Al Deering-
At Large
(231) 757-3973-
adeering@cityofscottville.org

Randy Wyman-
At Large
(231)690-2724-
wyman@cityofscottville.org

Eric Thue-
At Large
(231) 233-8962
ethue@cityofscottville.org

City Manager

Jimmy Newkirk
(231) 239-0031
citymanager@cityofscottville.org

WATER & SEWER RATE INCREASE 2023

Old rate 2023 \$4.10 Per 1000 Gallons

<u>WATER (Gallons)</u>	<u>Ready to Serve</u>	<u>Commodity</u>	<u>Water Bill</u>
2,000	\$25.60	\$8.20	\$33.80
4,400	\$25.60	\$18.04	\$43.64
6,500	\$25.60	\$26.65	\$52.25
10,000	\$25.60	\$41.00	\$66.60

New Rate 2024 \$4.59 Per 1000 Gallons

<u>WATER (Gallons)</u>	<u>Ready to Serve</u>	<u>Commodity</u>	<u>Water Bill</u>
2,000	\$28.67	\$9.18	\$37.85
4,400	\$28.67	\$20.20	\$48.87
6,500	\$28.67	\$29.84	\$58.51
10,000	\$28.67	\$45.90	\$74.57

Old rate 2023 \$7.30 Per 1000 Gallons

<u>SEWER (Gallons)</u>	<u>Ready to Serve</u>	<u>Commodity</u>	<u>Sewer Bill</u>
2,000	\$29.80	\$14.60	\$44.40
4,400	\$29.80	\$32.12	\$61.92
6,500	\$29.80	\$47.45	\$77.25
10,000	\$29.80	\$73.00	\$102.80

New Rate 2024 8.18 Per 1000 Gallons

<u>SEWER (Gallons)</u>	<u>Ready to Serve</u>	<u>Commodity</u>	<u>Sewer Bill</u>
2,000	\$33.38	\$16.36	\$49.74
4,400	\$33.38	\$35.99	\$69.37
6,500	\$33.38	\$53.17	\$86.55
10,000	\$33.38	\$81.80	\$115.18

Combined Bill (Gal.) Old Rate New Rate Difference

2,000	\$78.20	\$87.59	\$9.39
4,400	\$105.56	\$118.24	\$12.68
6,500	\$129.50	\$145.06	\$15.56
10,000	\$169.40	\$189.75	\$20.35

***Winter Parking Ordinance 72.01**

To facilitate the removal of snow, parking shall be prohibited on any street, in any alley, or in any city parking lot during the hours of 2:00 a.m. to 7:00 a.m. from November 1 to April 1.

***Sidewalk Clearing 95.42**

The occupant of any lot adjacent to and abutting a sidewalk shall clear and keep clear the sidewalk from snow and ice so that less than one inch of snow and ice remain the entire width of the sidewalk.

POSTAL CUSTOMER

PRSR STD
ECRWSS
US POSTAGE PAID
EDDM RETAIL