



CITIZEN'S GUIDE WATER BILLS

March 4, 2019

General Information

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

As a public water provider, the Mason can ONLY charge customers for the costs associated with providing water service, which means it cannot earn a profit.

Why does the City charge so much for water?

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.

Don't my property taxes pay for water costs?

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 could not 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.

Quarterly to Monthly Billing

Why did the City make this change?

- This was a direct response to our residents requesting more efficient household budgeting, especially for those on a fixed income. Water bills will now align with other utility bills making monthly budgeting easier.
- Users will more quickly notice if their water usage is different than normal. That may help find potential problems more quickly, eliminating costly damage to your home and high bills resulting from leaks.

Why is my monthly bill higher than my quarterly bill? What other increases happened on July 1, 2018?

- The meter charge increased from \$2.64 per quarter (.88 per month) to \$1.95 per month. The \$1.95 is reflective of the actual cost of the meter over 10 years. The cost of the meter is currently \$234.00, but is updated no more than annually to reflect the actual cost of meter replacement.
- The water rate increased 2.2% in July of 2018. Please note: We anticipate there will be a larger increase to rates when we do our next rate study. This is due to the capital improvements required within our system to meet state requirements related to lead and copper along with the need to increase the capacity of our waste water treatment plant.

Do we have estimated bills now?

No. We read every meter every month. Our system allows us to read the entire City in less than one day.

How did these increases impact the average bill?

	Prior to July 1, 2018	After July 1, 2018
1 Unit of Water (1,000 Gallons)	\$12.33	\$12.61
Average Home Use (5 Units)	\$61.65/ Month or \$184.95/Quarter	\$63.05/ Month or \$189.15/ Quarter
Meter Charge	\$.88/ Month or \$2.64/ Quarter	\$1.95/ Month or \$5.85/ Quarter

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 here [here](#) (find your bill, click “Pay Now”, click “Make Payment” and signup in the Invoice Cloud portal) or at Customer Service at City Hall.
- **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.

Determining My Bill

What is a billable unit?

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

Why would my bill be higher in just the last few months?

It might not be. If you add up your last three bills, it should be within one unit or two of your old quarterly bills. If it's not, you may have a water leak or other issue.

Are you rounding up water reads?

No, we are still reading meters the same way. They are read with a remote computer unit and each meter/radio pair have a unique id and number. We read in 1,000-gallon units and we 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.

Why might I have a credit?

Any payments made after the due date may not be applied on the postcard. We have to print 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.

How can you send out bills 12 times a year for the same cost as 4 times per year?

Any increased cost for monthly billing has NOT been included in the water rates. It is currently costing an extra \$400/ month for mailings, but we believe this will be reduced as more users convert to paperless billing.

Water Meters

Who has received new water meters?

A water meter replacement program was initiated in 2004. All meters were replaced with new meters and radios for the computer read system.

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 as 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 there are 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 that 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.

How often are meters replaced?

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.

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-year warranty. The brass meter body has a 10-year warranty for leakage, the register head a 10-year warranty, and the radio box has a 20-year warranty (10 full and 10 pro-rated). There is no labor charge to replace a defective meter. However, if a meter breaks 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.

Welcome to the City of Mason

Full Page Utility Bill.



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

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.

NAME: SMITH, JOHN			
SERVICE ADDRESS: 123 W ASH ST			
ACCOUNT: 0200-06000-03-1			
BILL DATE	DUE DATE	PAY THIS AMOUNT	PAY AFTER DUE DATE
11/30/19	12/20/19	\$39.78	\$43.76

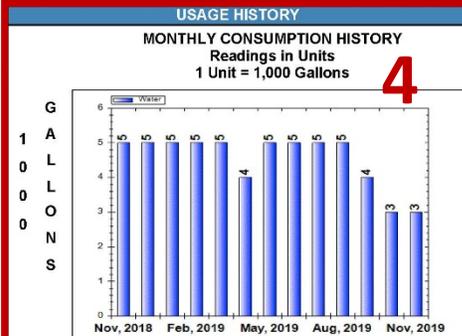
BILLING SUMMARY			
PREVIOUS BALANCE			\$0.00
	RATE	UNITS	
Sewer	Sewer Rate	3	\$16.14
Water	Water Rate	3	\$11.43
Capital Improv-Sewer	Capital Improv - Sewer	3	\$2.19
Capital Improvement	Capital Improv - Water	3	\$8.07
Meter Charge	Meter Charge - Monthly		\$1.95

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 -

DISTRICT		02			
BILLING PERIOD: 10/15/2019 TO 11/15/2019					
METER READING DETAIL					
TO	FROM	CODE	PREV READ	CURR READ	UNITS
10/15/19	11/14/19	Water	953	956	3



PAYMENTS PROCESSED
BY INVOICE CLOUD
DO NOT PAY THIS BILL

Welcome to the NEW City of Mason Full Page Water Bill. Tear-off the bottom for your payment coupon. See this box for further information.

- SEE REVERSE SIDE FOR IMPORTANT INFORMATION -

	CITY OF MASON 201 W Ash St PO Box 370 Mason MI 48854
	ADDRESSEE SMITH, JOHN 123 W ASH STREET MASON, MI 48854

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



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

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.

ALSO NEW – Be sure to check the monthly envelope!
There may be additional inserts with critical information included.

If you have further questions, contact Customer Service at 676-9155 or info@mason.mi.us