FOR IMMEDIATE RELEASE

August 19, 2022

Contact: Patrick Miller, Director of Public Services

517-629-5535



Albion City Council Authorizes Water Rate Increase

ALBION, MI – The Albion City Council authorized a 50% rate structure increase and a 120% commodity charge increase commencing January 1, 2023, at the August 15th regular City Council Meeting. The City of Albion's water revenues is dwindling while expenses continue to increase due to the aging infrastructure and stringent regulations from the State. City water rates have not increased since 2014, and the current rates are too low to maintain the City's water system and equipment properly. Based on a 2018 state-wide study, the City of Albion's water rates were ranked the lowest – 45th out of 52 municipalities.

Wightman & Associates has prepared a draft Preliminary Engineering Report (PER) for Water System Improvements Projects throughout the City of Albion. The PER assesses the condition of the existing City water treatment, storage, distribution systems, population, and future growth over the next 20 years. A severe need for many repairs and improvements has been identified within the PER. The approved rate increase will fund the various needed city projects related to water.

Current 2022 and future 2023 rates:

Current 2022 Water Base Rates		Current 2022 Water Rate (per unit)	
5/8 inch	\$24.00	Commodity	\$1.42
3/4 inch	\$36.00		
1 inch	\$60.00		
1 1/4 inch	\$84.00		
1 1/2 inch	\$120.00		
2 inch	\$192.00		
3 inch	\$384.00		
4 inch	\$600.00		
6 inch	\$1,200.00		
8 inch	\$1,920.00		
10 inch	\$2,760.00		

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Future 2023 Water Base Rates			Future 2023 Water Rate (per unit)	
5/8 inch	\$	36.00	Commodity	\$3.12
3/4 inch	\$	54.00		
1 inch	\$	90.00		
1 1/4 inch	\$	126.00		
1 1/2 inch	\$	180.00		
2 inch	\$	288.00		
3 inch	\$	576.00		
4 inch	\$	900.00		
6 inch	\$	1,800.00		
8 inch	\$	2,880.00		
10 inch	\$	4,140.00		

Billing Examples:

Current 2022 Utility Billing Breakdown

1-Person Home (typical 7-10 usage units per person)

\$1.42 per unit of **water** X 10 units + \$24 base rate for water = \$38.20 water charge per quarter \$2.66 per unit of **sewer** X 10 units + \$37.30 base rate for sewer = \$63.90 sewer charge/quarter Total 2022 Utility Bill - \$102.10 per quarter for water and sewer service

2-Person Home (typical 7-10 usage units per person)

\$1.42 per unit of **water** X 20 units + \$24 base rate for water = \$52.40 water charge per quarter \$2.66 per unit of **sewer** X 20 units + \$37.30 base rate for sewer = \$90.50 sewer charge/quarter Total 2022 Utility Bill - \$142.90 per quarter for water and sewer service

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3-Person Home (typical 7-10 usage units per person)

\$1.42 per unit of **water** X 30 units + \$24 base rate for water = \$66.60 water charge per quarter \$2.66 per unit of **sewer** X 30 units + \$37.30 base rate for sewer = \$117.10 sewer charge/quarter

Total 2022 Utility Bill - \$183.70 per guarter for water and sewer service

4-Person Home (typical 7-10 usage units per person)

\$1.42 per unit of **water** X 40 units + \$24 base rate for water = \$80.80 water charge per quarter \$2.66 per unit of **sewer** X 40 units + \$37.30 base rate for sewer = \$143.70 sewer charge/quarter

Total 2022 Utility Bill - \$224.50 per quarter for water and sewer service

2023 Utility Billing Breakdown

1-Person Home (typical 7-10 usage units per person)

\$3.12 per unit of **water** X 10 units + \$36 base rate for water = \$67.20 water charge per quarter \$2.78 per unit of **sewer** X 10 units + \$42.55 base rate for sewer = \$70.35 sewer charge/quarter Total 2023 Utility Bill - \$137.55 per quarter for water and sewer service

2-Person Home (typical 7-10 usage units per person)

\$3.12 per unit of **water** X 20 units + \$36 base rate for water = \$98.40 water charge per quarter \$2.78 per unit of **sewer** X 20 units + \$42.55 base rate for sewer = \$98.15 sewer charge/quarter Total 2023 Utility Bill - \$196.55 per quarter for water and sewer service

3-Person Home (typical 7-10 usage units per person)

\$3.12 per unit of **water** X 30 units + \$36 base rate for water = \$129.60 water charge per quarter \$2.78 per unit of **sewer** X 30 units + \$42.55 base rate for sewer = \$125.95 sewer charge/quarter

Total 2023 Utility Bill - \$255.55 per guarter for water and sewer service

4-Person Home (typical 7-10 usage units per person)

\$3.12 per unit of **water** X 40 units + \$36 base rate for water = \$160.80 water charge per quarter \$2.78 per unit of **sewer** X 40 units + \$42.55 base rate for sewer = \$153.75 sewer charge/quarter

Total 2023 Utility Bill - \$314.55 per guarter for water and sewer service