

IMLAY CITY WATER AND SEWER

New Water and Sewer Rate Structure and “Ready to Serve” Rates Effective

July 1, 2023

After an extensive and almost yearlong study by “Municipal Analytics,” a firm hired by the City Commission to review and restructure the City’s water and sewer rates, the City Commission accepted their recommendations and recently voted to adopt a new water and sewer rate structure effective July 01, 2023. The goal of the new structure is to sufficiently fund all operations, maintenance, capital, and debt service needs of the water and sewer funds.

What’s changed? The previous rate design included two (2) minimum usage tiers and a commodity rate (metered usage over minimum). The new industry standards and best practices suggest minimum usage charges should be avoided and replaced with fixed operating costs with a fixed charge. The fixed charges reflect capacity demand on the system, and the size of the water meter. Variable costs will be recovered on actual usage. Customers will pay costs proportionate to their impact on the systems.

What does this mean for me? In simple terms, a customer will be charged a quarterly “Ready to Serve” charge based on their meter size, and charged for the actual gallons they use. For new water rates, on average there will be a 7.5% increase each year for the next four (4) years. As for sewer rates, there will be on average a 10% increase each year for the next Four (4) years.

Why the Change? The bulk of the City’s water and sewer lines and infrastructure, including the Waste Water Treatment Plant is over 35 years old. In an effort to keep water and sewer rates as low as possible, prior rates did not calculate the long-range repair, maintenance, depreciation and inevitable replacement and upgrades to the systems. To ensure that City Residents have a water and sewer system they can depend on for years to come, the City Commission has taken these much-needed steps.

Changing from the previous rate structure to the new rate structure will impact customers differently. The first-year water and sewer total impact for typical 3/4-inch meter residential customer is the following:

Average Example:

- 5,000 gallons: 36.8% (\$0.39/day)	Old: \$ 94.40 Per Qtr.	New: \$129.24 Per Qtr.
- 10,000 gallons: 6.5% (\$0.13/day)	Old: \$182.15 Per Qtr.	New: \$198.14 Per Qtr.
- 15,000 gallons: 13.9% (\$0.42/day)	Old: \$266.20 Per Qtr.	New: \$281.99 Per Qtr.

The new water and sewer rate structure and rates are on the following page. If you have any question on how the new structure affects you, please contact the City Water/Sewer Department.

New Water and Sewer Rate Structure and “Ready to Serve” Rates Effective

July 1, 2023

Water	FY 23/24	Sewer	FY 23/24
Rate Components		Rate Components	
QUARTERLY READY TO SERVE		Sewer Only	\$62.25
1/2 Inch	\$39.14	QUARTERLY READY TO SERVE	
5/8 Inch	\$39.14	1/2 Inch	\$21.20
3/4 Inch	\$39.14	5/8 Inch	\$21.20
1 Inch	\$97.85	3/4 Inch	\$21.20
1-1/2 Inch	\$195.70	1 Inch	\$52.75
2 Inch	\$313.12	1-1/2 Inch	\$105.50
3 Inch	\$587.10	2 Inch	\$168.80
4 Inch	\$978.50	3 Inch	\$316.80
6 Inch	\$1,957.00	4 Inch	
8 Inch	\$3,131.20	6 Inch	\$1,055.00
		8 Inch	\$1,688.00
READY TO SERVE OUTSIDE CITY*		READY TO SERVE OUTSIDE CITY	
1/2 Inch	\$78.28	1/2 Inch	\$42.20
5/8 Inch	\$78.28	5/8 Inch	\$42.20
3/4 Inch	\$78.28	3/4 Inch	\$42.20
1 Inch	\$195.70	1 Inch	\$105.50
1-1/2 Inch	\$391.40	1-1/2 Inch	\$211.00
2 Inch	\$626.24	2 Inch	\$337.60
3 Inch	\$1,174.20	3 Inch	\$633.00
4 Inch	\$1,957.00	4 Inch	
6 Inch	\$3,914.00	6 Inch	\$2,110.00
8 Inch	\$6,262.40	8 Inch	\$3,376.00
USAGE CHARGE (per 1,000 gallons)		USAGE CHARGE (per 1,000 gallons)	
0 to 10,000 gallons	\$5.55	Per 1,000 gallons	\$8.23
Over 10,000 gallons	\$8.54	Usage Outside City Rate	
Irrigation Rate		Per 1,000 gallons	\$16.46
All usage	\$11.53		
Usage Outside City Rate			
0 to 10,000 gallons	\$11.10		
Over 10,000 gallons	\$17.08		
Vlasic (Conagra) Usage			
All Usage	\$9.82		

*Water users outside city limits are also charged quarterly equal to six mills multiplied by the taxable value as it appears on the Township tax roll on roll on July 1 of each year.