

We Are One Community

Office of the Water Department Director – Damon L. Garrett, PE Metro Consulting Associates, LLC

# 2024 Highland Park Water Rate Increase Frequently Asked Questions

## Why am I seeing an increase in my monthly water bill?

As part of its recent settlement with the Great Lakes Water Authority (GLWA), the City of Highland Park approved <u>new water and sewer rates</u> for January 1 through June 30, 2024. These water rates were set as a condition of the settlement.

As a result of the settlement, Highland Park has agreed to pay the full amount of GLWA's monthly charges through June 2024. Additionally, the city will immediately take the following measures to ensure charges are accurate and sufficient to cover Highland Park Water Department current and future maintenance and operational costs:

- Install new master water meters to ensure more accurate water use readings. This is funded through Environment, Great Lakes, and Energy (EGLE) at no cost to the City of Highland Park.
- Install temporary wastewater meters to better measure actual sewage flow. At the end of the temporary metering period, Highland Park will work closely with the GLWA on Highland Park becoming a permanent sewer metered customer.
- Hire an independent third-party analyst on an annual basis to conduct a water rate study to help calculate and recommend accurate and fair water and sewer rates for customers.

When information from the above measures is compiled, EGLE will review and approve the third-party analysis for accuracy as outlined in the settlement. Highland Park City Council will also use this information to determine water rates for July 2024 through June 2025 (Fiscal Year 2025). The Highland Park Water Department will notify customers of any changes once a final decision is made.

As a reminder, budget planning for the next fiscal year typically begins in April and public hearing notices are posted prior to scheduled meetings, allowing for community input.

### Where can I go for help paying my water bill?

There are currently three programs available to help Highland Park residents with their household water bills. if you need immediate assistance paying your water bill, the City of Highland Park urges residents to contact one of these organizations directly to learn more or apply for water bill assistance, if needed:

- THAW MiWater
  - Call: 1-800-866-8429
  - Website: <u>https://thawfund.org/assistance-2/</u>



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- Wayne Metro's Water Affordability Program
  - o Call: (313) 388-9799
  - Website: https://www.waynemetro.org/water-affordability-program/
- The Human Utility
  - Email: info@detroitwaterproject.org
  - Website: https://detroitwaterproject.org/

### What are the new water and sewer rates and how will this affect my bill?

Below are examples of what a of what a water bill *might* look like for customers with a 5/8" meter, with the same water usage from month to month. It's important to note that bills will vary based on meter size and monthly individual household water usage as outlined on the <u>new water and rate sheet</u>.



# Before water rate increases

#### **USAGE HISTORY** Water 3.0 2.5 CURRENT BILL DETAILS Meter Reads Read Type Present Previous Units Water 147 146 Service Description Units Unit Rate Charges 02-Sewer 1 4,600 \$4.60 RAINAGE CHARGE \$20.43 1 3.99 1-Water BILLING CHARGE SRTS 5/8 \$5.88 \$16.82 WRTS 5/8 \$38.83 Current Amount Due \$90.55 Past Due Amount \$0.00 Total Amount Due \$90.55 02/10/2024 Due Date

After water rate increases



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Service charges on your bill	What it means
BILLING CHARGE	Department administrative and management
	services, mailings, and billing correspondences
01-WATER (WATER RATE)	The amount of water used during the billing
	period by the customer
02-SEWER (SEWER RATE)	The amount of sewage used during the billing
	period by the customer. Mirrors the water usage.
WRTS (WATER READINESS TO SERVE CHARGE)	A fixed rate based on your meter size to ensure the
	city can provide water service to a facility regardless
	of how much actual water is used
SRTS (SEWER READINESS TO SERVE CHARGE)	A fixed rate based on your meter size to ensure the
	city can provide sewer service to a facility
	regardless of how much actual sewage is returned
STORMWATER/DRAINAGE CHARGE	Charge for runoff estimated to enter the
	combined sewer system from the property

### What is a "Readiness to Service" charge?

The Water and Sewer Readiness to Service Charge (WRTS and SRTS) covers the system-wide costs that Highland Park pays to have water and sewer service ready at any time at any given residence. No matter how much water you use at your house, the Water Department is required to maintain the water and sewer infrastructure to make sure service is available when you need it and our sewer pipes are ready to take the water away when you are done with it. This basic charge has increased to pay on outstanding debt derived from previous water and sewer construction projects and to build necessary funding to ensure that Highland Park water and sewer infrastructure is properly maintained, reliable, and meets all requirements.

### Why did my water bill go up when the water rate went down?

It was a simple reallocation of various charges necessary based on the final agreement with all parties involved in the lawsuit. Our WRTS and SRTS charges increased to reflect the fact that we always need to maintain the water infrastructure in Highland Park no matter how much water is used. A larger portion of your bill now goes to the WRTS and SRTS charge. On top of the WRTS and SRTS charges, you have additional charges based on how much water you use; this is reflected in both your water and your sewer bill (e.g., the charges shown in red and yellow on the sample bill above). Your sewer use is based on the amount of water you use because most of the water that goes into your house comes back out into the sewer. The previous combined water plus sewer rate was \$9.56 per 748 gallons. The new water plus sewer rate is \$8.59 per 748 gallons. The amount you are charged for water you use went down, but the portion of your bill that you pay to maintain the water and sewer mains (RTS) went up.



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#### What is the money from the increased water rates being used for?

Rate increases will be used to pay monthly and annual GLWA bills in full, in addition to paying for any outstanding loans related to rehabilitation or replacement of the old infrastructure. This money will also be used to maintain the existing water and sewer system until full rehabilitation or replacement occurs over the next several years.

While several water mains and lead service lines have been replaced over the past few years, still much of Highland Park's current water and sewer system is almost 120 years old. Without proactive care and funding, the system will see more water main breaks, leaks, sink holes, and service interruptions.

Installing new water infrastructure will also allow for a more accurate measurement of residents' water and sewage usage.

#### How soon will Highland Park's water infrastructure improvement projects begin?

Beginning in spring of 2024, the Highland Park Water Department will begin infrastructure construction projects with approved funding and oversight from EGLE.

Immediate projects include a master meter replacement at the GLWA interconnections, a water main replacement and lead service line replacements.

Our goal is to replace as many lead service lines as possible in the most affordable, safe, and efficient manner. We anticipate these immediate projects will be completed over the course of 18 months, though we are developing a tentative long-range water infrastructure replacement plan for Fiscal Years 2024-2031 that addresses the whole city.

#### Who can I talk to if I have questions or concerns about water rate increases?

Please contact your respective <u>Highland Park City Council member</u> to express your thoughts or ask questions about current or future water and sewer rates.

#### Who can I contact about specific charges or questions about my water bill?

Call the Highland Park Water Department Customer Service Center at 313-865-1876, from 8 a.m. to 4:30 p.m. weekdays. You can also email the Water Department at hpwaterdepartment@metroca.net.