



January 25, 2021

Re: Changes to Water and Sewer Utility Rates and Structure for Cass City

Dear Valued Utility Customer,

As elected officials of the Village of Cass City, we must provide leadership that will take into consideration the present and future needs of our Village. The Village Council is committed to fulfilling our responsibility to residents and business owners to be open, honest, and transparent. We would like to provide you with an update on the Village Council's study, review, and changes to the water and sewer utility rates.

As a utility customer, you may or may not be aware that water and sewer rates have not been raised in the past three years. Expenses have continued to increase for water and sewer due to unfunded State mandates and our operational, maintenance, and repair (OMR) costs. The Wastewater Treatment Plant has passed its useful life. The plant has required costly repairs recently and is at a critical stage for potential failure and creating a public health hazard.

The Village Council and staff have spent the past year collecting data and analyzing our rates and rate structure to: 1) cover our costs and future capital needs; and 2) update our rate structure to follow industry standards. The enclosed infographic will provide detailed information on a new rate structure that breaks down the billing into two, line items for both water and sewer. The first is for actual gallons used. The second is for operation, maintenance and repairs (OMR) for the distribution network and plants. The OMR charge is not new, in the past it was included in the single line item for water and sewer. Customers will see the new format in their February bill.

The Village Council is sensitive to the financial challenges faced by our customers, as we are customers also. The "can has been kicked down the road" for way too long and the obligation to change, plan and make improvements, and implement rate increases is our fiscal responsibility. These changes will serve to prevent crisis situations, provide for the welfare, public safety, and public health of Cass City. If you should have questions or concerns, please contact me or a Village Trustee, or staff at the Municipal Building at 989-872-2911.

On Behalf of the Village of Cass City, Village Council,

Daniel Delamarter
Village President

Enclosure: Infographic

Village Council Trustees

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