

Resolution Establishing Rates, Charges, and Terms for Water System Ordinance

Whereas, the Township of Hematite previously adopted Ordinance 2018.02.13, being a Water System Ordinance. Now, therefore, be it resolved, the following rates, charges, and terms for the Water system Ordinance shall become effective 15 May 2026.

1 BASIC CHARGE

All consumers of Public Water Service shall be charged \$42.84 per month for the availability of or usage of the first 4,380 gallons of water.

Any monthly water usage of more than 4,380 gallons of water shall be at a charge of .015 per 100 gallons or portion thereof.

Commercial customers of Public Water Service shall be charged base rates via a commercial tier system 1-3 with incrementing usage per tier.

Tier 1) 6380 gallons at \$47.84 (2000 extra gallons included with base)

Tier 2) 5380 gallons at \$45.34 (1000 gallons included with base)

Tier 3) 4880 gallons at \$42.84 (500 gallons included with base)

2 MINIMUM MONTHLY AVAILABILITY CHARGE

(a) Any parcel of real estate that had a residential structure existing on January 1st 2002, and that had Public Water Service in existence on January 1st 2002, but subsequently has had all residential structures removed and the public water service disconnected, shall pay a minimum monthly availability charge of \$15, provided no residential structure is present.

A customer may request the Township of Hematite to physically remove the water connection to the public water service. The Township of Hematite, upon the advance payment by the consumer to the Township of Hematite of the estimated cost for equipment rental, time, and materials necessary to undertake such action and any delinquent charges then do the township of hematite under the Water System Ordinance shall remove the connection only during the period of May 15th through October 15th. Once the water connection has been physically removed by the Township of Hematite, the minimum monthly availability charge will no longer be assessed.

(b) Any parcel of real estate with a residential structure that has a water connection to the water main but the water surface has been shut off shall pay a minimum monthly availability charge of \$21.20.

3 CONNECTION/RECONNECTION CHARGE

The connection/reconnection charge shall be \$45 together with the prepayment of any required security deposit and any delinquent charges due to the Township of Hematite under the Water System Ordinance. All customers requesting seasonal shut offs shall incur a \$45 fee for reconnection.

4 INSTALLATION CHARGE

The following installation charges shall be due in addition to the basic connection/reconnection charge:

(a) Services beyond the turn-on of an existing shut off shall be at the rate of \$36 per hour for each Township employee and \$100 per hour for backhoe excavator charges for all services provided together with a market price charge for 3/4 quarter inch service (b) Services beyond the turn on of an existing shut off shall be at the rate of \$36 per hour for each Township employee and \$100 per hour for backhoe excavator charges for all necessary services provided together with a market price charge for 1 inch service

(c) Services beyond the turn-on of an existing shut-off shall be at the rate of \$36 per hour for each Township employee, and \$100 per hour for backhoe excavator charges for all necessary services provided together with a market price charge for a greater than 1 inch service.

The Township of Hematite shall require a deposit from the consumer that equals the estimated cost of time, materials, and equipment to be paid to the Township of Hematite before any installation activities may occur.

5 SECURITY DEPOSIT

A security deposit equal 3 months of basic water charge or estimated 4 months of water usage charge whichever is greater shall be required to be and remain on deposit with the Township of Hematite for all consumers except if the following circumstances apply

- (a) A new consumer with a prior timely water payment history with the Township of Hematite for the most recent 12 consecutive months.
- (b) An existing consumer with a timely water payment history with the Township of Hematite for their last 12 consecutive months.
- (c) An existing consumer with an otherwise timely water payment history with the Township of Hematite for the last 12 consecutive months who pays in full the 10% service charge by the 20th day of the following month

For security deposit purposes a water bill is considered due and payment shall be considered timely if it is paid before the imposition of a 10% service charge.

Any consumer who is required to have a security deposit shall be billed for such deposit on the next monthly billing cycle except for new service consumers and previously disconnected consumers for which security deposit shall be immediately due and paid by the consumer to the Township of Hematite prior to the service being connected or reconnected.

The security deposit, less any outstanding Water System Ordinance payment obligations owed to the Township of Hematite, shall be returned to the former consumer within 60 days after the former consumer is no longer a utility customer of the Township of Hematite. A security deposit shall be returned to an existing customer by the Township of Hematite, upon the written request of a customer, once a 24 consecutive month period of timely Water System Ordinance payment history with the Township of Hematite has occurred.

6 CASH DEPOSIT If a cash deposit from a consumer is required by Section 5 of this Ordinance, being the Water System Ordinance of the Township of Hematite, then the cash deposit shall be immediately due and paid by the consumer to the Township of Hematite prior to the service being provided shall be equal to 6 months of basic water charge or estimated 6 months of water usage, whichever is greater, and shall remain on deposit with the Township of Hematite. The cash deposit, less any outstanding Water System Ordinance payment obligations then owed to the Township of Hematite, shall be returned to the former water consumer within 60 days after the former water consumer is no longer a water customer of the Township of Hematite.

7 CONSUMER METER TESTING

A consumer seeking to have the water meter for the consumer tested shall pay in advance to the Township of Hematite a \$40 charge.

8 BILLING CYCLE

Water System Ordinance charges shall ordinarily be billed on a monthly basis for services provided payments shall be do without penalty not later than the 25th day of the month of billing if the 25th is not a business day of the Township of Hematite then the due date shall be the next business day for the Township of Hematite after the 25th and shall be delinquent for other than security deposit purposes if not paid in full by the last business day of the Township of Hematite for the same month.

9 PAYMENT LOCATION

All payments due under the water system Ordinance shall be made by the consumer to the Township of Hematite either delivered to the clerk's office at the Township Hall, deposited in the payment box located at the Township Hall, or made payable to Hematite Township and mailed to PO Box 67, Amasa, Michigan 49903. The first business day of the Township of Hematite that the payment is received by Water Billing office shall be the date of payment.

10 LATE PAYMENT AND INTEREST PROVISIONS

(a) All Water System Ordinance charges that remain unpaid be on the payment due date shall bear a one-time service charge of 10% of the amount then do and 1% per month service charge thereafter until paid in full. All payments received shall be applied as follows: first two security deposits then to cash deposits then to connection/reconnection charges then to installation charges then to one-time 10% service charges then to 1% per month service charges and then to actual water charges.

(b) The Township of Hematite shall be entitled to collect from the consumer for the value of all reasonable costs expenses and services incurred by the Township of Hematite in the enforcement of the terms of the water system Ordinance the costs expenses and services to be collected from the consumer shall include but are not limited to the actual expenses for actions undertaken on behalf of the Township of Hematite and/or actual expenses for any actions undertaken on behalf of the Township of Hematite by any attorney engaged by the Township of Hematite.

In the event judicial action is utilized for the enforcement of the Water System Ordinance, the Township of Hematite shall be entitled to collect from the consumer for all reasonable costs, expenses, and services incurred, including but not limited to, reasonable attorney fees incurred by the Township of Hematite. The expenses of judicial action shall include, but are not limited to, actions arising, in whole or part, from the enforcement of the Water System Ordinance actions for judicial appeal arising, in whole or part, from the enforcement of the Water System Ordinance collection actions arising supplemental to any judgment obtained in whole or part from the Water System Ordinance, and/or any actions in bankruptcy proceedings arising in whole or part from the enforcement of the Water System Ordinance the provisions for judicial actions are in addition to any specific provisions provided for by law or rule.

11 SHUT OFFS (INCLUDING SEASONAL)

A) All customers with a delinquent balance shall be notified with a shut-off notice 30 days prior to shut-off. If balance is not paid within those 30 days, water will be shut off. Once water is shut off, customers shall incur a \$45 reconnection fee plus the amount past due. Customers will also be required to deposit an amount equal to three months of base rate. These amounts will need to be paid in full to reconnect water. Water accounts that are shut off will continue to incur the monthly access fee according to the Hematite Township Water Ordinance for service that is shut off,

currently \$21.20. If a water account balance reaches \$500 or more, this balance shall also be applied to the Hematite Township Tax Roll.

B) All customers requesting seasonal shut offs shall incur a \$45 fee for reconnection.

12 INFLATION MULTIPLIER

The basic monthly charge and minimum monthly availability charges shall, on June 1st of each year, be automatically adjusted upward 2.5%, or the rate of inflation, if greater, up to 6% maximum. The rate of inflation shall be the inflation rate multiplier reported to the Township each year by the Michigan Department of Treasury's State Tax Commission, to be used in Township property tax calculations according to Michigan law.

13 MODIFICATIONS OF RESOLUTION

The provisions of this Resolution, updating and establishing rates, charges, and terms for Water System Ordinance, can only be modified by the formal written action of the Township Board of the Township of Hematite.

The foregoing Resolution was moved by Trustee Richardson and supported by Treasurer Haag; vote to approve: 5 ayes, 0 nays. Motion approved. Adopted this 8th day of April 2026 by the Township of Hematite.

I hereby certify that the foregoing was updated on 8th April, 2026, with a Board approved rate increase and this is a true and correct copy of the resolution adopted at a meeting of the Township Board of the Township of Hematite, on this 8th day of April 2026.

Joseph Hoenig, Township Supervisor

Vanessa Warren, Township Clerk