



Hartland Township 2026 water rate increases



This commodity rate increase will fund improvements needed to our current water system.

- Current projects, including media filter replacements have worked to increase water quality to current users on the system.
- Upcoming projects look to increase quality, as well as reliability and service in the case of an emergency.
- Future projects will also increase redundancy, which is lacking in the current layout of our water system. This also gives us a better chance of lessening interruptions of service during an emergency.

Summary Overview

- Hartland Township's water rates have not seen an increase for many years.
- The Township's commodity rates remain one of the lowest in the Greater Livingston County region by a considerable margin.
- The main contributing factors for the rate increases were:
 1. Escalating inflation and the impact on the cost to maintain the water system.
 2. Capital improvements to the water facilities and system to satisfy government requirements for resident service, quality, and reliability.
- Because rates remained unchanged for a long period of time, this led to underfunded maintenance and delayed capital projects.



Why Water Rates Need to Change

1. Major Capital Investments Are Required

- \$14.1 million in planned capital improvements
- Improvements are necessary to meet Michigan EGLE regulatory requirements

2. Proposed Bond Issuance

- \$10.5 million in bonds over two issuances (FY 2026 and FY 2027)
- Annual debt service payments will be about \$730,000 by FY 2031

3. Current Revenue Cannot Support These Projects

- Only \$85,000 currently available annually for new debt service, capital, and reserves
- 2nd lowest current rates among 13 comparable Michigan communities
- Current commodity rate is below any comparable local community

Increasing Costs

- One of the primary reasons for the Township's 2026 water rate increase is the significant increase in cost to properly maintain and replace the water system to the professional standards that our residents deserve and expect.



Capital Improvements

- Another reason for the 2026 water rate increase is the capital improvements that are slated to be constructed in the next three to five years. This includes water main looping projects, additional pressure reducing valve installation, and an elevated storage tank towards the east end of the water system.



Capital Improvements Cont.

- There are also updates slated to our water treatment plant that include valve replacement and automation advancements. SCADA updating is also needed which is long overdue, which allows our operators to monitor water distribution, keeping them up to date on system status in real time.



Proposed Rate Changes

Proposed Five-Year Rate Track

	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031
Quarterly RTS Fee	\$86.08	\$88.66	\$91.32	\$94.06	\$96.88
RTS Year-over-Year Change	0%	3%	3%	3%	3%
Commodity Fee (per 1,000 gal.)	\$4.50	\$4.95	\$5.45	\$5.99	\$6.59

Why Does the Commodity Fee Increase So Much in Year One?

- Commodity fee revenue is only about 17% of total current revenue
- Increasing the commodity fee ensures the heaviest users pay for System usage
- The Township must have a minimum debt service coverage of greater than 1.10x
- \$4.50/1,000 gal. brings the charge closer to national and regional averages
- After FY 2027, increases are modeled at 10% annually



What This Means for a Typical Customer

Quarterly Bill Impact (Current FY 2026 vs. Proposed FY 2027)

Quarterly Usage	Current Bill	Proposed Bill	Change
18,000 gallons	\$111.28	\$167.08	+\$55.80
20,000 gallons	\$114.08	\$176.08	+\$62.00
22,000 gallons	\$116.88	\$185.08	+\$68.20
24,000 gallons	\$119.68	\$194.08	+\$74.40

Hartland water rates remain competitive versus the surrounding communities.



We appreciate your support.....



- **We understand that any increase in rates is frustrating, especially when many households are already managing tight budgets. No one likes paying more for essential services, and we recognize the impact this can have on residents.**
- **At the same time, the rate adjustment is necessary to maintain the reliability and quality of the services our community depends on every day. Costs for infrastructure, maintenance, materials, and operations have increased significantly in recent years. Without periodic adjustments, it becomes difficult to keep systems safe, reliable, and capable of meeting the needs of a growing community.**
- **This increase helps ensure we can continue maintaining aging infrastructure, respond quickly to issues, and invest in improvements that prevent more costly problems in the future. Our goal is always to keep rates as stable and affordable as possible while protecting the long-term reliability of the system.**
- **We appreciate residents' understanding and remain committed to transparency, responsible budgeting, and providing dependable service to the community.**

For questions, please contact Hartland Township at 810-632-7498