

Dear _____,

I am writing this letter in regards to your May water bill. It was brought to our attention by a resident that we used the wrong formula to calculate the bill. After many hours of working with the numbers it was discovered with the help of Val Larson and Mike Blessum that the formula was correct but your bill was calculated using an estimated rather than an actual reading. I will show the formula and calculation to correct your May 2012 billing.

Allow me to tell you why we had to do what we did. Previously all water bills were created by Tri-County Water with Jay Haugen's quarterly and estimated readings. We decided to do an in house billing which required a new software program. Black Mountain Software information was reviewed at the May 2010 Council meeting. In June 2010 at a special Council meeting it was decided to purchase water billing software from Black Mountain and also update our computer (per recommendation of Mayor Orwick). On June 22, 2010, the Michigan City Council held their organizational meeting for newly elected officials which included newly elected Mayor Bernie Linstad. At this time Bernie took his Oath of Office. The new computer was installed in October 2010 and training dates set up with Black Mountain. The October water bill was the last one created by Tri-County Water. While working with Black Mountain, it was discovered that Black Mountain could not create monthly billing with quarterly readings. Due to this road block, November 2010 thru April 2012, the water bills were calculated and entered into the computer manually to create the bills off of quarterly and estimated readings (not a very efficient use of expensive software). We started actual monthly readings in April 2012 to start our monthly bill cycle in May 2012, which would be our catch up month. This was done to utilize our software program fully.

This is your corrected May 2012 water bill:

April Actual Reading _____

January Actual Reading _____

Water Usage _____

Minimum Gallons _____

Overage _____

\$2.00/1000 Overage _____

You should have paid in overage: _____

You did pay _____ in overage

You were overcharged: _____

You will have a _____ credit on your next water bill.

We have been trying to get to this point for the last 2 ½ years. This is the only thing done wrong:

- 1) The Council did not let the public know they were going to have a larger bill in May 2012.
- 2) We used an estimated reading rather than an actual reading to calculate the catch up month.

I do apologize for this oversight and/or mistake.

X_____

Scott Gilbertson

Acting Mayor for the City of Michigan

****In regard to this letter being reprinted for the website, please note that if you DID NOT receive this letter, you were NOT considered a minimum water user.**