

VILLAGE OF PAW PAW

111 East Michigan Avenue, P.O. Box 179, Paw Paw, Michigan 49079

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MEMORANDUM

TO: Village of Paw Paw Wastewater System Customers
FROM: Larry Nielsen, Manager
RE: Sanitary Sewer SRF Financing Plan Rate Increase
DATE: January 6, 2016

At the September 28, 2015 meeting of the Village Council, the Council approved, unanimously, a sanitary sewer project financing plan. The financing plan called for the Village to contribute \$2.5 million to the improvement project and borrow the rest from the State Revolving Loan Fund. Of the borrowed funds, \$4,606,232.42, \$500,000 would be forgiven, resulting in the balance, \$4,106,232.41, funded by the 30-year State Revolving Fund Loan. To complete the project, rate increases were approved as part of the financing plan. Effective January 1, 2016 the following rates are in place.

SANITARY SEWER RATES Beginning January 1, 2016:

Ready-to-Serve Fee (RTS) covering Operation and Maintenance of the system for all customers; rates and fees in \$-Dollars; non-residents 120% the Village rate.

<u>METER SIZE</u>	<u>Monthly RTS Fee</u>
Less than 1"	\$ 9.80
1"	\$ 14.78
1-1/2"	\$ 26.65
2"	\$ 48.47
3"	\$ 105.68
4"	\$ 187.64
6"	\$ 413.48

Commodity Charge covering the amount of Wastewater customers put into the collection system;

Commodity Rate Village Customers - \$3.26 / 1,000 gallons

Commodity Rate Non Village Resident Customers - \$3.91 / 1,000 gallons

WATER AND SANITARY SEWER SURVEY

Updated 2-10-2016

COMBINED WATER AND SEWER RATES

MUNICIPALITY		Popu- lation	WATER Rate Per 1,000 Gallons	WATER Monthly Service Charge	Monthly WATER Bill for 6,000 gallons	Sanitary SEWER Rate Per 1,000 Gallons	Sanitary SEWER Monthly Service Charge	Monthly Sanitary Sewer Bill for 6,000 gallons	Combined Monthly Bill for WATER and SEWER	R a n k
Schoolcraft	6/15	1,525	\$ 4.39	\$ 17.36	\$ 43.70	\$ -	\$ -	\$ -	na	na
NeGaunee	2/16	4,568	\$ -	\$ -	\$ 74.44	\$ -	\$ -	\$ 79.15	\$ 153.59	1
Holly	2/15	6,086	\$ 6.80	\$ 17.93	\$ 58.73	\$ 9.41	\$ 24.75	\$ 81.21	\$ 139.94	2
Ishpeming	2/16	6,470	\$ -	\$ -	\$ 68.16	\$ -	\$ -	\$ 69.48	\$ 137.64	3
L'Anse	2/16	2,011	\$ -	\$ -	\$ 63.00	\$ 6.25	\$ 36.50	\$ 74.00	\$ 137.00	4
Ontonagon	2/16	1,494	\$10.00	\$ 22.00	\$ 82.00	\$ 5.00	\$ 21.00	\$ 51.00	\$ 133.00	5
Munising	2/16	2,355	\$ -	\$ -	\$ 54.72	\$ -	\$ -	\$ 76.17	\$ 130.89	6
Constantine	2/16	2,076	\$ 2.00	\$ 15.85	\$ 27.85	\$ 14.05	\$ 15.85	\$ 100.15	\$ 128.00	7
Almont	2/16	2,674	\$ 5.25	\$ 12.08	\$ 43.58	\$ 10.35	\$ 13.17	\$ 75.27	\$ 118.85	8
Norway	2/16	2,845	\$ 5.00	\$ 20.00	\$ 50.00	\$ 8.00	\$ 20.00	\$ 68.00	\$ 118.00	9
Fraser	2/16	14,480	\$ -	\$ -	\$ 28.46	\$ -	\$ -	\$ 84.40	\$ 112.86	10
Essexville	2/16	3,478	\$ 6.18	\$ 3.33	\$ 40.41	\$ 8.02	\$ 23.33	\$ 71.45	\$ 111.86	1
Cheasaning	2/16	2,394	\$ 4.46	\$ 8.10	\$ 34.86	\$ 11.63	\$ 6.50	\$ 76.28	\$ 111.14	2
Union City	2/16	1,500	\$ 3.10	\$ 24.98	\$ 43.58	\$ 3.57	\$ 42.98	\$ 64.40	\$ 107.98	3
Chelsea	2/16	4,944	\$ 6.44	\$ 6.76	\$ 45.40	\$ 7.44	\$ 17.10	\$ 61.74	\$ 107.14	4
Au Gres	2/16	889	\$ -	\$ -	\$ 47.33	\$ 4.41	\$ 31.59	\$ 58.05	\$ 105.38	5
N. Muskegon	2/16	3,786	\$ 4.88	\$ 30.00	\$ 59.28	\$ 4.01	\$ 22.00	\$ 46.06	\$ 105.34	6
Marquette	2/16	21,355	\$ 5.65	\$ -	\$ 33.90	\$ 11.10	\$ -	\$ 66.60	\$ 100.50	7
Durand	2/16	3,446	\$ 4.35	\$ 16.30	\$ 42.40	\$ 5.15	\$ 22.70	\$ 53.60	\$ 96.00	8
South Haven	2/16	4,403	\$ 2.97	\$ 32.42	\$ 50.24	\$ 3.66	\$ 22.72	\$ 44.68	\$ 94.92	9
Williamston	2/16	3,854	\$ 3.58	\$ 26.88	\$ 48.36	\$ 4.06	\$ 22.07	\$ 46.43	\$ 94.79	20
Hartland	2/16	14,633	\$ -	\$ -	\$ 33.68	\$ -	\$ -	\$ 60.99	\$ 94.67	1
Scottville	2/16	1,214	\$ -	\$ -	\$ 34.23	\$ -	\$ -	\$ 60.40	\$ 94.63	2
Elk Rapids	2/16	1,642	\$ 1.24	\$ 17.50	\$ 24.94	\$ 6.14	\$ 31.45	\$ 68.29	\$ 93.23	3

Bangor	2/16	1,885	\$ 3.93	\$ 12.50	\$ 36.08	\$ 6.25	\$ 18.05	\$ 55.55	\$ 91.63	4
Frankenmuth	2/16	4,944	\$ -	\$ -	\$ 36.48	\$ -	\$ -	\$ 52.84	\$ 89.32	5
Dexter	2/16	4,067	\$ 3.44	\$ 7.63	\$ 28.27	\$ 8.76	\$ 7.12	\$ 59.68	\$ 87.95	6
Cass City	7/14	2,428	\$ -	\$ 36.15	\$ 36.15	\$ -	\$ 50.46	\$ 50.46	\$ 86.61	7
Grand Blanc	2/16	8,276	\$ -	\$ -	\$ 36.00	\$ -	\$ -	\$ 50.19	\$ 86.19	8
Clawson	2/16	11,825	\$ 3.38	\$ 5.25	\$ 25.53	\$ 8.70	\$ 8.33	\$ 60.53	\$ 86.06	9
Crystal Fall	2/16	1,469	\$ -	\$ -	\$ 61.00	\$ -	\$ -	\$ 24.75	\$ 85.75	30
Jonesville	2/16	2,258	\$ -	\$ -	\$ 24.23	\$ -	\$ -	\$ 61.49	\$ 85.72	1
Corunna	2/16	3,497	\$ 3.10	\$ 20.60	\$ 39.20	\$ 3.30	\$ 26.65	\$ 46.45	\$ 85.65	2
Fenton	2/16	11,756	\$ 5.20	\$ 16.00	\$ 47.20	\$ 3.71	\$ 16.10	\$ 38.36	\$ 85.56	3
Imlay City	9/13	3,597	\$ 7.12	\$ -	\$ 42.72	\$ 7.00	\$ -	\$ 42.00	\$ 84.72	4
Beverlel Hills	2/16	10,267	\$ -	\$ -	\$ 14.60	\$ 6.87	\$ 28.34	\$ 69.56	\$ 84.16	5
Buchanan	2/16	4,456	\$ 3.75	\$ 9.69	\$ 32.19	\$ 6.76	\$ 9.68	\$ 50.24	\$ 82.43	6
Lawrence	2/16	996	\$ 4.45	\$ 12.94	\$ 39.64	\$ 4.92	\$ 13.26	\$ 42.78	\$ 82.42	7
Rogers City	2/16	2,827	\$ -	\$ -	\$ 30.25	\$ -	\$ -	\$ 51.59	\$ 81.84	8
Pleasant Rudge	2/16	2,526	\$ -	\$ -	\$ 25.80	\$ -	\$ -	\$ 55.65	\$ 81.45	9
Oxford	2/16	3,436	\$ 3.96	\$ 16.45	\$ 40.21	\$ 1.75	\$ 29.00	\$ 39.50	\$ 79.71	40
Lowell	7/14	3,783	\$ 1.98	\$ 22.46	\$ 34.34	\$ 3.74	\$ 22.60	\$ 45.04	\$ 79.38	1
Onaway	2/16	2,827	\$ -	\$ -	\$ 25.30	\$ -	\$ -	\$ 54.00	\$ 79.30	2
Caro	2/16	4,229	\$ -	\$ -	\$ 24.18	\$ 8.40	\$ 4.00	\$ 54.40	\$ 78.58	3
Marshall	2/16	7,088	\$ -	\$ -	\$ 38.09	\$ -	\$ -	\$ 40.23	\$ 78.32	4
Charlotte	2/16	9,074	\$ -	\$ -	\$ 30.16	\$ -	\$ -	\$ 47.67	\$ 77.83	5
New Buffalo	2/16	1,883	\$ 3.16	\$ 12.02	\$ 30.98	\$ 4.38	\$ 20.28	\$ 46.56	\$ 77.54	6
Allegan	2/16	4,948	\$ 3.53	\$ 16.04	\$ 37.22	\$ 3.95	\$ 16.45	\$ 40.15	\$ 77.37	7
Newago	7/14	1,976	\$ 3.11	\$ 19.26	\$ 37.92	\$ 3.69	\$ 16.40	\$ 38.54	\$ 76.46	8
Benton Twp.	2/16	14,749	\$ 3.73	\$ 6.19	\$ 28.57	\$ 3.75	\$ 25.00	\$ 47.50	\$ 76.07	9
Blissfield	7/14	3,340	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76.02	50
Dewitt Twp.	2/16		\$ -	\$ -	\$ 30.66	\$ -	\$ -	\$ 44.65	\$ 75.31	1
Three Rivers	7/14	7,811	\$ -	\$ -	\$ 38.20	\$ -	\$ -	\$ 37.10	\$ 75.30	2
Sparta	2/16	4,140	\$ 2.40	\$ 18.04	\$ 32.44	\$ 3.98	\$ 18.54	\$ 42.42	\$ 74.86	3
Milan	2/14	5,836	\$ 2.55	\$ 5.45	\$ 20.75	\$ 4.00	\$ 29.83	\$ 53.83	\$ 74.58	4
Mattawan	2/16	1,997	\$ 3.97	\$ 2.80	\$ 26.62	\$ 5.68	\$ 13.70	\$ 47.78	\$ 74.40	5
Shelby	2/16	2,065	\$ -	\$ -	\$ 27.30	\$ -	\$ -	\$ 47.10	\$ 74.40	6

<Average 77.83

Coloma	2/16	1,483	\$ 1.44	\$ 14.48	\$ 23.12	\$ 2.69	\$ 35.00	\$ 51.14	\$ 74.26	7
Clare	2/16	3,118	\$ 2.49	\$ 10.61	\$ 25.55	\$ 4.54	\$ 21.34	\$ 48.58	\$ 74.13	8
Alpena	2/16	10,483	\$ -	\$ -	\$ 35.66	\$ -	\$ -	\$ 38.06	\$ 73.72	9
Tawas City	2/16	1,827	\$ -	\$ -	\$ 37.60	\$ -	\$ -	\$ 35.64	\$ 73.24	60
Richmond	2/16	5,735	\$ 4.26	\$ 3.33	\$ 28.89	\$ 6.80	\$ 3.33	\$ 44.13	\$ 73.02	1
Leslie	7/15	1,951	\$ 3.82	\$ 14.31	\$ 37.23	\$ 3.62	\$ 13.94	\$ 35.66	\$ 72.89	2
Gladwin	2/16	2,933	\$ 2.55	\$ 5.80	\$ 21.10	\$ 6.70	\$ 11.25	\$ 51.45	\$ 72.55	3
Cassopolis	2/16	1,774	\$ 3.75	\$ 4.00	\$ 26.52	\$ 5.65	\$ 12.00	\$ 45.90	\$ 72.42	4
Ewart	2/16	1,903	\$ -	\$ -	\$ 17.80	\$ -	\$ -	\$ 54.02	\$ 71.82	5
Lake Orion	2/16	2,973	\$ -	\$ -	\$ 33.18	\$ -	\$ -	\$ 38.34	\$ 71.52	6
Manistee	2/16	6,226	\$ -	\$ -	\$ 19.80	\$ -	\$ -	\$ 51.34	\$ 71.14	7
Hudsonville	7/13	7,116	\$ 2.13	\$ 16.93	\$ 29.71	\$ 3.92	\$ 17.87	\$ 41.39	\$ 71.10	8
Hudson	2/16	2,307	\$ 2.75	\$ 9.95	\$ 26.45	\$ 4.50	\$ 16.70	\$ 43.70	\$ 70.15	9
Cedar Springs	7/13	3,112	\$ 3.65	\$ 4.69	\$ 26.59	\$ 4.66	\$ 15.35	\$ 43.31	\$ 69.90	70
Portland	2/16	3,883	\$ 2.62	\$ 10.12	\$ 25.84	\$ 4.52	\$ 16.82	\$ 43.94	\$ 69.78	1
Sturgis	2/16	10,994	\$ 2.30	\$ 9.75	\$ 23.55	\$ 5.00	\$ 15.75	\$ 45.75	\$ 69.30	2
Roosevelt Park	2/16	3,831	\$ 3.38	\$ 8.31	\$ 28.59	\$ 5.07	\$ 9.95	\$ 40.37	\$ 68.96	3
East Tawas	6/15	2,808	\$ 4.00	\$ 12.30	\$ 36.30	\$ 3.40	\$ 12.00	\$ 32.40	\$ 68.70	4
Adrian	2/16	21,133	\$ -	\$ -	\$ 29.32	\$ -	\$ -	\$ 39.00	\$ 68.32	5
Springfield	9/14	5,260	\$ 2.94	\$ 13.00	\$ 30.64	\$ 4.24	\$ 11.81	\$ 37.25	\$ 67.89	6
Clinton	6/15	2,336	\$ 1.38	\$ 6.00	\$ 14.28	\$ 6.75	\$ 13.00	\$ 53.50	\$ 67.78	7
Quincy	2/16	1,652	\$ -	\$ -	\$ 33.40	\$ -	\$ -	\$ 34.20	\$ 67.60	8
Watervliet	2/16	1,735	\$ 4.25	\$ 5.00	\$ 30.50	\$ 4.45	\$ 10.17	\$ 36.87	\$ 67.37	9
Berrien Springs	9/14	1,800	\$ 2.07	\$ 5.06	\$ 17.48	\$ 3.63	\$ 28.05	\$ 49.83	\$ 67.31	80
Birch Run	2/16	1,555	\$ 4.76	\$ 17.95	\$ 46.51	\$ -	\$ 20.64	\$ 20.64	\$ 67.15	1
Parchment	7/14	1,604	\$ 2.82	\$ 5.94	\$ 22.86	\$ 5.99	\$ 8.33	\$ 44.27	\$ 67.13	2
Plainwell	2/16	3,804	\$ 2.19	\$ 7.72	\$ 20.86	\$ 5.26	\$ 14.04	\$ 45.60	\$ 66.46	3
Manchester	7/15	2,091	\$ 2.96	\$ 7.05	\$ 24.81	\$ 3.51	\$ 19.45	\$ 40.51	\$ 65.32	4
Brighton	7/13	7,444	\$ 2.72	\$ 4.13	\$ 20.45	\$ 4.13	\$ 19.73	\$ 44.51	\$ 64.96	5
Ithaca	7/14	2,910	\$ 3.78	\$ -	\$ 22.68	\$ 4.14	\$ 17.17	\$ 42.01	\$ 64.69	6
Lawton	7/15	1,900	\$ 0.80	\$ 9.20	\$ 14.00	-	\$ 50.00	\$ 50.00	\$ 64.00	7
Brooklyn	2/16	1,206	\$ 3.27	\$ -	\$ 19.62	\$ 3.90	\$ 19.24	\$ 42.64	\$ 62.26	8
Coldwater	2/16	10,945	\$ -	\$ -	\$ 26.82	\$ -	\$ -	\$ 34.88	\$ 61.70	9

East GR	2/16	10,694	\$2.45	\$0.00	\$ 14.70	\$2.55	\$31.67	\$ 46.97	\$ 61.67	90
Hartford	2/16	2,688	\$ 2.45	\$ 11.37	\$ 26.07	\$ 4.65	\$ 7.51	\$ 35.41	\$ 61.48	1
Paw Paw	1/16	3,534	\$ 2.75	\$ 15.15	\$31.65	\$ 3.26	\$ 9.80	\$ 29.36	\$ 61.01	92
Boyne City	2/16	3,735	\$ -	\$ -	\$ 24.84	\$ -	\$ -	\$ 35.60	\$ 60.44	3
Rockford	7/14	5,719	\$ 3.21	\$ 10.04	\$ 29.30	\$ 2.98	\$ 12.65	\$ 30.53	\$ 59.83	4
Grandville	2/16	8,276	\$ -	\$ -	\$ 24.90	\$ -	\$ -	\$ 34.80	\$ 59.70	5
Middleville	1/15	3,319	\$ 1.75	\$ 8.90	\$ 19.40	\$ 3.31	\$ 19.39	\$ 39.25	\$ 58.65	6
Ferrysburg	2/16	2,892	\$ 2.88	\$ 5.63	\$ 22.91	\$ 3.21	\$ 16.10	\$ 35.36	\$ 58.27	7
Bronson	2/16	2,349	\$ 1.30	\$ 14.00	\$ 21.80	\$ 1.43	\$ 27.85	\$ 36.43	\$ 58.23	8
Vicksburg	2/16	2,906	\$ 2.90	\$ 7.40	\$ 24.80	\$ 3.95	\$ 9.55	\$ 33.25	\$ 58.05	9
Morenci	2/16	2,220	\$ 2.40	\$ 11.44	\$ 25.84	\$ 3.37	\$ 11.43	\$ 31.65	\$ 57.49	100
Otsego	2/16	3,956	\$ 1.83	\$ 3.56	\$ 14.54	\$ 6.19	\$ 5.43	\$ 42.57	\$ 57.11	1
Fowlerville	6/15	2,886	\$ -	\$ 18.96	\$ 18.96	\$ -	\$ 37.25	\$ 37.25	\$ 56.21	2
Dowagiac	2/16	5,879	\$ 2.25	\$ 8.25	\$ 21.75	\$ 3.06	\$ 13.85	\$ 32.21	\$ 53.96	3
Hastings	7/14	7,350	\$ 1.88	\$ 6.22	\$ 17.50	\$ 3.96	\$ 12.53	\$ 36.29	\$ 53.79	4
Wayland	2/16	4,079	\$ 1.98	\$ 7.75	\$ 19.63	\$ 3.57	\$ 12.42	\$ 33.84	\$ 53.47	5
Zeeland	2/16	5,504	\$ 2.39	\$ 6.40	\$ 20.74	\$ 3.72	\$ 10.02	\$ 32.34	\$ 53.08	6
Reed City	2/16	2,425	\$ -	\$ -	\$ 18.31	\$ -	\$ -	\$ 33.46	\$ 51.77	7
Niles	2/16	11,600	\$ 2.40	\$ 12.00	\$ 26.40	\$ 2.56	\$ 8.75	\$ 24.11	\$ 50.51	8
Hart	2/16	2,126	\$ -	\$ -	\$ 10.33	\$ -	\$ -	\$ 39.71	\$ 50.04	9
East Jordan	2/16	2,351	\$ -	\$ -	\$ 22.16	\$ -	\$ -	\$ 24.88	\$ 47.04	110
Decatur	2/16	1,819	\$ 1.37	\$ 16.00	\$ 24.22	\$ -	\$ 18.94	\$ 18.94	\$ 43.16	1
Tecumseh	2/16	8,521	\$ -	\$ -	\$ 12.24	\$ -	\$ -	\$ 28.31	\$ 40.55	2
Whitehall	2/16	2,706	\$ 1.83	\$ -	\$ 10.98	\$ 4.35	\$ -	\$ 26.10	\$ 37.08	3
Ludington	2/16	8,076	\$ -	\$ -	\$ 16.25	\$ -	\$ -	\$ 20.10	\$ 36.35	4
Greenville	2/16	8,481	\$ -	\$ -	\$ 10.82	\$ -	\$ -	\$ 21.73	\$ 32.55	115
Average		4,641		\$ 31.31		\$ 46.65		\$ 77.83		

PAW PAW COMBINED Rate is ranked 92 highest; 91 have higher rates and just 23 have lower rates.

PAW PAW COMBINED RATE is \$16.82 lower than the average monthly payment for water and sewer.

PAW PAW WATER and SANITARY SEWER customers pay \$201.84 LESS per year than the average customer in this survey.

PAW PAW'S SANITARY SEWER RATE is ranked 105th highest; 104 have higher and 9 have lower rates.

PAW PAW SANITARY SEWER RATE is \$17.29 below the average monthly payment.

PAW PAW SANITARY SEWER customers pay \$207.48 less per year than the average sewer customer in this survey.

PAW PAW'S WATER RATE is ranked 46 highest; 69 have higher rates and 81 have lower rates.

PAW PAW WATER RATE is \$0.34 (34 cents) higher per month than the average monthly payment.

PAW PAW WATER customers pay \$4.08 more per year for water than the average customer in this survey.

* Monthly Service Charge = Ready to Serve fee + Debt Service + Special Assessments

* Some reported the monthly bill for 6,000 gallons with the commodity rate & the RtS fees.

* Those that bill by 100 cubic feet (748) gallons were converted to 1,000 gallons for comparisons.

* Some data is from 2014 and 2015