

**\$3,080,000**  
**CHARTER TOWNSHIP OF EAST CHINA**  
**COUNTY OF ST. CLAIR, STATE OF MICHIGAN**  
**CAPITAL IMPROVEMENT BONDS, SERIES 2022**  
**(LIMITED TAX - GENERAL OBLIGATION)**

|                      |                    |
|----------------------|--------------------|
| Total Project Cost   | \$3,080,000        |
| Locally Funded       | 0                  |
| Approved Loan Amount | \$3,080,000        |
| Loan Forgiveness     | 0                  |
| Amount of DWSRF Loan | <u>\$3,080,000</u> |
| I/O Date             | <u>11/8/2024</u>   |

**CWSRF # 5776-01**  
**SCHEDULE OF ESTIMATED DEBT SERVICE AND COVERAGE**

| F/Y<br>End<br>12-31, | Total<br>System<br>Revenues <sup>1</sup> | Estimated<br>OM&R<br>Expenses <sup>1</sup> | Project Amt.<br>Available for<br>Debt Service | Existing<br>Sewer<br>Bond Debt<br>Service | \$3,080,000              |                           | CWSRF loan From  |                          | 8/29/2022<br>Total | Amount<br>Over or<br>(Under) Avg<br>145,931 | Total<br>Water<br>Debt | Annual<br>Excess or<br>(Shortfall) | Revenue<br>Coverage<br>Over<br>Debt |
|----------------------|--|--|---|---|--------------------------|---------------------------|------------------|--------------------------|--------------------|---|------------------------|------------------------------------|-------------------------------------|
|                      |  |  |   |   | Interest<br>Due<br>Apr 1 | Principal<br>Due<br>Apr 1 | Interest<br>Rate | Interest<br>Due<br>Oct 1 |                    |   |                        |                                    |                                     |
| 2022                 | \$1,546,847                              | \$1,494,854                                | \$51,993                                      | \$51,199                                  | 0                        | 0                         | 2.125%           | \$0                      | \$0                |   | \$51,199               | \$794                              | 1.02                                |
| 2023                 | 1,555,609                                | 1,433,013                                  | 122,596                                       | 50,399                                    | \$38,543                 | \$0                       | 2.125%           | 32,725                   | 71,268             |   | 121,667                | 929                                | 1.01                                |
| 2024                 | 1,538,005                                | 1,422,252                                  | 115,753                                       | 49,599                                    | 32,725                   | 0                         | 2.125%           | 32,725                   | 65,450             |   | 115,049                | 704                                | 1.01                                |
| 2025                 | 1,571,292                                | 1,370,992                                  | 200,300                                       | 48,799                                    | 32,725                   | 80,000                    | 2.125%           | 31,875                   | 144,600            | (1,331)                                     | 193,399                | 6,901                              | 1.04                                |
| 2026                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 52,949                                    | 31,875                   | 85,000                    | 2.125%           | 30,972                   | 147,847            | 1,915                                       | 200,796                | 11,735                             | 1.06                                |
| 2027                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 52,049                                    | 30,972                   | 85,000                    | 2.125%           | 30,069                   | 146,041            | 109   | 198,090                | 14,441                             | 1.07                                |
| 2028                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 51,149                                    | 30,069                   | 85,000                    | 2.125%           | 29,166                   | 144,234            | (1,697)                                     | 195,383                | 17,148                             | 1.09                                |
| 2029                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 50,249                                    | 29,166                   | 90,000                    | 2.125%           | 28,209                   | 147,375            | 1,444                                       | 197,624                | 14,907                             | 1.08                                |
| 2030                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 49,349                                    | 28,209                   | 90,000                    | 2.125%           | 27,253                   | 145,463            | (469)                                       | 194,812                | 17,719                             | 1.09                                |
| 2031                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 48,449                                    | 27,253                   | 95,000                    | 2.125%           | 26,244                   | 148,497            | 2,565                                       | 196,946                | 15,585                             | 1.08                                |
| 2032                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 52,499                                    | 26,244                   | 95,000                    | 2.125%           | 25,234                   | 146,478            | 547   | 198,977                | 13,554                             | 1.07                                |
| 2033                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 51,499                                    | 25,234                   | 95,000                    | 2.125%           | 24,225                   | 144,459            | (1,472)                                     | 195,958                | 16,573                             | 1.08                                |
| 2034                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 50,451                                    | 24,225                   | 100,000                   | 2.125%           | 23,163                   | 147,388            | 1,456                                       | 197,838                | 14,693                             | 1.07                                |
| 2035                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 23,163                   | 100,000                   | 2.125%           | 22,100                   | 145,263            | (669)                                       | 145,263                | 67,268                             | 1.46                                |
| 2036                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 22,100                   | 105,000                   | 2.125%           | 20,984                   | 148,084            | 2,153                                       | 148,084                | 64,447                             | 1.44                                |
| 2037                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 20,984                   | 105,000                   | 2.125%           | 19,869                   | 145,853            | (78)  | 145,853                | 66,678                             | 1.46                                |
| 2038                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 19,869                   | 105,000                   | 2.125%           | 18,753                   | 143,622            | (2,310)                                     | 143,622                | 68,909                             | 1.48                                |
| 2039                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 18,753                   | 110,000                   | 2.125%           | 17,584                   | 146,338            | 406   | 146,338                | 66,193                             | 1.45                                |
| 2040                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 17,584                   | 110,000                   | 2.125%           | 16,416                   | 144,000            | (1,931)                                     | 144,000                | 68,531                             | 1.48                                |
| 2041                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 16,416                   | 115,000                   | 2.125%           | 15,194                   | 146,609            | 678   | 146,609                | 65,922                             | 1.45                                |
| 2042                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 15,194                   | 115,000                   | 2.125%           | 13,972                   | 144,166            | (1,766)                                     | 144,166                | 68,365                             | 1.47                                |
| 2043                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 13,972                   | 120,000                   | 2.125%           | 12,697                   | 146,669            | 737   | 146,669                | 65,862                             | 1.45                                |
| 2044                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 12,697                   | 120,000                   | 2.125%           | 11,422                   | 144,119            | (1,813)                                     | 144,119                | 68,412                             | 1.47                                |
| 2045                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 11,422                   | 125,000                   | 2.125%           | 10,094                   | 146,516            | 584   | 146,516                | 66,015                             | 1.45                                |
| 2046                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 10,094                   | 125,000                   | 2.125%           | 8,766                    | 143,859            | (2,072)                                     | 143,859                | 68,672                             | 1.48                                |
| 2047                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 8,766                    | 130,000                   | 2.125%           | 7,384                    | 146,150            | 219   | 146,150                | 66,381                             | 1.45                                |
| 2048                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 7,384                    | 135,000                   | 2.125%           | 5,950                    | 148,334            | 2,403                                       | 148,334                | 64,197                             | 1.43                                |
| 2049                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 5,950                    | 135,000                   | 2.125%           | 4,516                    | 145,466            | (466)                                       | 145,466                | 67,065                             | 1.46                                |
| 2050                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 4,516                    | 140,000                   | 2.125%           | 3,028                    | 147,544            | 1,612                                       | 147,544                | 64,987                             | 1.44                                |
| 2051                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 3,028                    | 140,000                   | 2.125%           | 1,541                    | 144,569            | (1,363)                                     | 144,569                | 67,962                             | 1.47                                |
| 2052                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 1,541                    | 145,000                   | 2.125%           | 0                        | 146,541            | 609   | 146,541                | 65,990                             | 1.45                                |
| 2053                 | 1,605,494                                | 1,392,963                                  | 212,531                                       | 0   | 0                        | 0                         | 2.125%           | 0                        | 0                  |   | 0                      | 212,531                            |                                     |
|                      | <u>52,771,079</u>                        | <u>57,260,746</u>                          | <u>(4,489,667)</u>                            | <u>658,639</u>                            | <u>590,671</u>           | <u>3,080,000</u>          |                  | <u>552,128</u>           | <u>4,222,799</u>   |   | <u>4,881,438</u>       |                                    |                                     |

1 - As estimated in the Part 1 application.

**RESOLUTION 15-2022**  
**ADOPT WATER and SEWER RATES**

East China Charter Township  
County of St. Clair, Michigan

Minutes of a regular meeting of the Township Board of East China, County of St. Clair, Michigan, held in the Township Hall on the 1<sup>st</sup> day of **August, 2022** at 7:30 p.m.

**PRESENT:** Westrick, Mattei, Babel, Reichle, Knotts.

**ABSENT:** Blackstock, Hart.

The following Resolution was offered by Westrick and supported by Knotts.

**WHEREAS**, the Township Board of Trustees is authorized by statute and by the provisions of the East China Township Code of Ordinances, Chapter 453-14, and Chapter 453-15 Section A, which indicates that water and sewer rates shall be set by resolution of the Township Board of Trustees, and

**WHEREAS** the cost of repairs, operation and maintenance of the East China Township Water Distribution System are anticipated to increase, and these rates would move toward making both water and sewer services self-supporting systems, and

**WHEREAS** the proposed increases have been provided upon the recommendation of the Rate Review Committee, and

**WHEREAS** the Township Board of Trustees finds that the amended proposed schedule of rates is reasonable and necessary, that these rates will become effective on October 1, 2022 with an annual review required.

**NOW, THEREFORE, BE IT RESOLVED**, the East China Township Board of Trustees affirms that the following rate increases will be adopted as shown below and on the attached Schedule A:

**Water Rates**

2022 8.7% increase  
2023 5.0 % increase  
2024 5.0 % increase  
2025 2.5% increase

**Sewer Rates:**

2022 12.0% increase  
2023 5.0 % increase  
2024 5.0 % increase  
2025 2.5% increase

All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

| <b>SCHEDULE A - RATES CHANGE ON OCTOBER 1 OF EACH YEAR</b> |                            |                  |                            |                 |
|--|----------------------------|------------------|----------------------------|-----------------|
|  | 2021 WATER<br>CURRENT RATE | 2022 WATER: 8.7% | 2021 SEWER<br>CURRENT RATE | 2022 SEWER: 12% |
| ¾" & 1" meters   | \$26.08                    | \$28.35          | \$29.19                    | \$32.69         |
| 1 ½" meter   | \$130.34                   | \$141.68         | \$145.96                   | \$163.48        |
| 2" meter   | \$208.55                   | \$226.69         | \$233.53                   | \$261.55        |
| 3" meter   | \$391.04                   | \$425.06         | \$437.86                   | \$490.40        |
| 4" meter   | \$729.93                   | \$793.43         | \$817.35                   | \$915.43        |
| 6" meter   | \$1,668.41                 | \$1,813.56       | \$1,868.45                 | \$2,092.66      |
| 10" to 12" meter   | \$6,673.66                 | \$7,254.27       | \$7,472.93                 | \$8,369.68      |
| CONSUMPTION RATE<br>PER 1000 GALLONS:                      | \$6.94                     | \$7.54           | \$6.89                     | \$7.72          |
| <b>2023</b>  |                            |                  |                            |                 |
|  | WATER: 5.0%                | SEWER: 5.0%      |                            |                 |
| ¾" & 1" meters   | \$29.77                    | \$34.33          |                            |                 |
| 1 ½" meter   | \$148.76                   | \$171.65         |                            |                 |
| 2" meter   | \$238.03                   | \$274.63         |                            |                 |
| 3" meter   | \$446.31                   | \$514.92         |                            |                 |
| 4" meter   | \$833.11                   | \$961.20         |                            |                 |
| 6" meter   | \$1,904.24                 | \$2,197.30       |                            |                 |
| 10" to 12" meter   | \$7,616.98                 | \$8,788.17       |                            |                 |
| CONSUMPTION RATE<br>PER 1000 GALLONS:                      | \$7.92                     | \$8.10           |                            |                 |
| <b>2024</b>  |                            |                  |                            |                 |
|  | WATER: 5.0%                | SEWER: 5.0%      |                            |                 |
| ¾" & 1" meters   | \$31.25                    | \$36.04          |                            |                 |
| 1 ½" meter   | \$156.20                   | \$180.23         |                            |                 |
| 2" meter   | \$249.93                   | \$288.36         |                            |                 |
| 3" meter   | \$468.63                   | \$540.67         |                            |                 |
| 4" meter   | \$874.76                   | \$1,009.26       |                            |                 |
| 6" meter   | \$1,999.45                 | \$2,307.16       |                            |                 |
| 10" to 12" meter   | \$7,997.83                 | \$9,227.57       |                            |                 |
| CONSUMPTION RATE<br>PER 1000 GALLONS:                      | \$8.32                     | \$8.51           |                            |                 |
| <b>2025</b>  |                            |                  |                            |                 |
|  | WATER: 2.5%                | SEWER: 2.5%      |                            |                 |
| ¾" & 1" meters   | \$32.04                    | \$36.94          |                            |                 |
| 1 ½" meter   | \$160.11                   | \$184.74         |                            |                 |
| 2" meter   | \$256.18                   | \$295.57         |                            |                 |
| 3" meter   | \$480.34                   | \$554.19         |                            |                 |
| 4" meter   | \$896.63                   | \$1,034.50       |                            |                 |
| 6" meter   | \$2,049.44                 | \$2,364.84       |                            |                 |
| 10" to 12" meter   | \$8,197.78                 | \$9,458.26       |                            |                 |
| CONSUMPTION RATE<br>PER 1000 GALLONS:                      | \$8.52                     | \$8.72           |                            |                 |

**AYES:** Westrick, Mattei, Babel, Reichle, Knotts.

**NAYS:** None.

**ABSENT:** Blackstock, Hart.

**RESOLUTION DECLARED ADOPTED.**

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Sandra A. Mattei, Clerk  
East China Township

#### **CERTIFICATION**

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Board of Trustees of East China Charter Township, St. Clair County, Michigan, at a regular meeting held on **August 1, 2022** and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act No. 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

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Sandra A. Mattei, Clerk  
East China Township

**CHARTER TOWNSHIP OF EAST CHINA**  
**WATER ORDINANCE RATES**  
 Effective October 1, 2023

**Quarterly Ready to Serve charge**

|                  |            |
|------------------|------------|
| ¾" & 1" meters   | \$29.77    |
| 1 ½" meter       | \$148.76   |
| 2" meter         | \$238.03   |
| 3" meter         | \$446.31   |
| 4" meter         | \$833.11   |
| 6" meter         | \$1,904.24 |
| 10" to 12" meter | \$7,616.98 |

**Water Consumption**

|              |                                   |
|--------------|-----------------------------------|
| Regular Rate | \$ 7.92 per 1,000 gallons         |
| Special Rate | Per agreement with Detroit Edison |

**Connection Charges**

| Meter Size                             | Tap Charge                                   |
|--|--|
| ¾ " meter                              | \$ 3,250.00*                                 |
| 1" meter                               | \$ 3,250.00*                                 |
| 1 ½ " meter                            | \$ 3,950.00*                                 |
| All meters over 1 ½ "                  | \$ 1,700.00*<br>*plus cost of meter plus 10% |
| Benefit Fee                            | \$ 1,100.00                                  |
| Per capacity unit factor (Sec. 453-12) |  |

**Residential Meters**

| Meter Size   | Cost                 |
|--------------|----------------------|
| Less than 1" | \$ 295.65            |
| 1"           | \$ 461.59            |
| Radio Read   | \$200.00             |
| 1 ½ "        | Actual cost plus 10% |

**Commercial & Industrial Meters**  
**Meter Service, Repair, Replacement**

| Meter Size                                 | Testing Frequency |
|--|-------------------|
| 1 ½ "                                      | 10 years          |
| 2"   | 5 years           |
| 3"   | 3 years           |
| 4"   | 2 years           |
| 6" +                                       | 1 year            |
| <b>COST - Labor and Materials plus 10%</b> |                   |

**Residential Meters**  
**Replacement Charges**

| Meter Size   | Residential Quarterly |
|--------------|-----------------------|
| Less than 1" | \$ 5.00               |
| 1"           | \$ 6.00               |
| 1 ½ "        | \$ 10.00              |

**Water Turn On/Off Fees**

|                            |           |
|----------------------------|-----------|
| During regular work hours  | \$ 50.00  |
| Outside regular work hours | \$ 250.00 |

Recommended replacement interval every 20 years, or 3 million gallons (mg) for a 1" meter, or 2 mg for a ¾" or 5/8" meter.

**CHARTER TOWNSHIP OF EAST CHINA**  
**WATER ORDINANCE RATES**  
Effective October 1, 2023

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**Separate Water Meter for Lawn Sprinkling**

|                       |          |
|-----------------------|----------|
| Application fee       | \$150.00 |
| Meter - less than 1"  | \$295.65 |
| Meter - 1"            | \$461.59 |
| Radio Read            | \$200.00 |
| Special Meter Reading | \$ 10.00 |

**Water Turn On/Off Fees**

|                            |          |
|----------------------------|----------|
| During regular work hours  | \$ 20.00 |
| Outside regular work hours | \$ 50.00 |

**Sprinkler Meter Replacement Charges**

| Meter Size         | Quarterly |
|--------------------|-----------|
| Meter less than 1" | \$ 5.00   |
| 1" Meter           | \$ 6.00   |
| 1 ½" Meter         | \$ 10.00  |

**Fire Hydrants**

|                             |           |
|-----------------------------|-----------|
| Deposit & permit fee        | \$ 500.00 |
| Meter Rental Charge Per Day | \$ 25.00  |
| Cost per 1,000 gallons      | \$ 10.00  |

**Un-metered Fire Lines**

|                |          |
|----------------|----------|
| Monthly Charge | \$ 10.00 |
|----------------|----------|

**Cross Connection Program**  
Inspection - Labor & materials plus 10%

**Water Haulers**

|                      |         |
|----------------------|---------|
| Cost per 100 gallons | \$ 1.00 |
|----------------------|---------|

**CHARTER TOWNSHIP OF EAST CHINA**  
**SEWER ORDINANCE RATES**  
 Effective October 1, 2023

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**Quarterly Ready to Serve Charge**

|                  |            |
|------------------|------------|
| ¾" to 1" meters  | \$34.33    |
| 1 ½" meter       | \$171.65   |
| 2" meter         | \$274.63   |
| 3" meter         | \$514.92   |
| 4" meter         | \$961.20   |
| 6" meter         | \$2,197.30 |
| 10" to 12" meter | \$8,788.17 |

**Sewer Consumption**

|              |                                   |
|--------------|-----------------------------------|
| Regular Rate | \$ 8.10 per 1,000 gallons         |
| Special Rate | Per Agreement with Detroit Edison |

No meter accounts \$155.83 per quarter. *(Based on 15,000 gallons PLUS \$34.33 Ready to serve charge)*

**Surcharge**

| Compound              | Rate per Pound |
|-----------------------|----------------|
| Biochemical Oxygen    | \$ 0.28        |
| Suspended Solids (SS) | \$ 0.29        |
| Phosphorus            | \$ 0.70        |

**Connection Charge**

|  |             |
|--|-------------|
| Tap Charge                             | \$ 1,700.00 |
| Benefit Fee                            | \$ 500.00   |
| Per capacity unit factor (Sec. 453-12) |             |



# Charter Township of East China

OFFICES AT 5111 RIVER ROAD ♦ EAST CHINA, MI 48054 ♦ 810-765-8879 ♦ FAX 810-765-1408

## East China Township Water / Sewer Rate Review Committee

9/12/2022 AGENDA

Water & Sewer Rate Advisory Committee membership :

Township Supervisor – Verne Westrick

Township Treasurer – Nicole Hart

Township Manager – Cynthia Paparelli

Water Plant Superintendent – Travis Frenndt

Wastewater Treatment Plant Superintendent – Charles Bayly

DPW Supervisor – Blayn Szyska

Township Engineer – John Monte

SCRSWA member – Ralph Knotts

Citizen at Large –

- Appoint secretary / note taker and chair/leader
- Review cost / revenue of meter replacement program
- Review water connection/tap & line benefit fees
- Review drinking water funding and rates as previously recommended through 2025
- Review sewer connection/tap & benefit fees
- Review waste water funding and rates as previously recommended though 2025
- Recommending Reserve Policies
- Recommending implementation of additional Standard Infrastructure Investment Fee(s):  
*Description: The Infrastructure Investment Fee is a fixed fee that funds (part of the debt service associated with) water and sewer systems reconstruction under ECT Capital Improvements Program.*
- Make final recommendation for rates effective October 1, 2023 – September 30, 2026



## 2022 Utility Rate Review Recommendation Committee Meeting July 7, 2022

Meeting started at 10:15

Attendees:

Staff: Travis Frendt, Chuck Bayly, Blayn Szyska, Cindy Paparelli

Elected Officials: Verne Westrick, Ralph Knotts, Nicole Hart

Other attendees: Jim Light (resident), Anthony Theodorou (PCE), Calvin Coles (Waterworth – virtual)

Resolution 12-2021 was handed out for review (APPENDIX A)

Calvin gave an overview of Waterworth tables, charts, data, capabilities.

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### **SEWER SIDE:**

Discussed CWSRF debt and projects. Reviewed repayment schedule (30 year).

Reviewed and input Sewer Fund Capital Projects list as provided by Blayn and Chuck.

2023: \$150k Begin annual sanitary sewer lining/rehab program

2032\* or earlier: \$200k Begin annual Lift Station Dry Pit abandonment program; 5 Lift station dry pits to be removed, existing pumps installed in new wet well.

2024: \$33k Replacement of #1 Raw Sewage Pump (@80% due to SCRSWA project)

2025: \$344k Effluent Polishing Pond Rehab (@80% due to SCRSWA project)

2026: \$88k Rehab of 2 sludge drying bed cells (@80% due to SCRSWA project)

Reviewed Operating Threshold & Cash Target

Added \$233,463 back to 2022 opening fund balance due to accounting correction done by board on 6/6/2022

Reviewed rate chart as adopted (Res 12-2021)

Removed 2013A&B costs and revenue

Removed all transfers in

Questioned Transfer In of \$16,256 in 2021. Determined from bookkeeper it was an auditor adjustment.

### **FINAL RECOMMENDATION:**

- Amend 2022 budget / Transfer In SEWER FUND \$250k from \_\_\_\_\_ FUND
- Add \$250k to next year's budget as Transfer In to SEWER FUND from \_\_\_\_\_ FUND
- Rate Increases will stay as presented in Res 12-2021, add year 2025 to formerly adopted schedule with increase of 2.5% (THIS INCLUDES RTS and CONSUMPTION FEES)

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Discussed reasoning for October 1 rate change vs. January 1. Determined it is due to billing cycles and how the accounts are "sectioned". Rate increase effective Oct 1 allows that cycle to be collected in January without breaking up the sections / reassessing each address with multiple rates within a billing cycle. New rates will be reflected in the bills that go out in January.

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**WATER SIDE:**

Reviewed charts, revenues, expenses.

Added capital projects as provided by Travis and Blayn:

- 2023: \$50k Repair the 500,000 gallon ground storage tank
- 2024: \$16k Spare strainer and Repair/Rebuild the traveling screen –
- 2024: \$10k Ventilation system in the water plants chemical rooms
- 2025: \$50k VFD on high service pumps –
- 2026: \$30k Flow meters on high service pumps
- 2027: \$15k Rehab filter tanks

**FINAL RECOMMENDATION**

No additional transfers into WATER fund at this time.

- Rate Increases will stay as presented in Res 12-2021, add year 2025 to formerly adopted schedule with increase of 2.5% (THIS INCLUDES RTS and CONSUMPTION FEES)

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**TAP Fees RECOMMENDATIONS**

WATER SIDE:

| METER SIZE       | OLD FEE | PROPOSED NEW FEE                           |
|------------------|---------|--|
| ¾"               | \$1000  | \$3250                                     |
| 1"               | \$1100  | \$3250                                     |
| 1 ½ "            | \$1400  | \$3950                                     |
| METERS OVER 1 ½" | \$1700  | NO LONGER SET FEE. MUST GET QUOTE FROM DPW |
| BENEFIT FEE      | \$300   | PENDING RESEARCH                           |

SEWER SIDE: TAP CHARGE (\$1700) AND BENEFIT FEE (\$500) - Twp Supervisor to research and advise.

**METER REPLACEMENT FEE RECOMMENDATIONS (PER QUARTERLY BILLING)**

*BASED ON A 15 YEAR REPLACEMENT ESTIMATE OF COST*

| METER SIZE | OLD FEE | PROPOSED NEW FEE |
|------------|---------|------------------|
| < 1"       | \$2.25  | \$7.70           |
| 1"         | \$3.25  | \$7.70           |
| 1 ½"       | \$5.25  | \$14.25          |

.....

Meeting adjourned 1:50pm.

# APPENDIX A

## RESOLUTION 12-2021 ADOPT WATER and SEWER RATES

East China Charter Township  
County of St. Clair, Michigan

Minutes of a regular meeting of the Township Board of East China, County of St. Clair, Michigan, held in the Township Hall on the 16<sup>th</sup> day of August, 2021 at 7:30 p.m.

**PRESENT:** Supervisor Rausch, Clerk Mattei, and Trustees Reichle, and Babel.

**ABSENT:** Treasurer Hart, and Trustees Blackstock, and Knotts.

The following Resolution was offered by Clerk Mattei and supported by Supervisor Rausch. Carried.

**WHEREAS**, the Township Board of Trustees is authorized by statute and by the provisions of the East China Township Code of Ordinances, Chapter 453-14, and Chapter 453-15 Section A, which indicates that water and sewer rates shall be set by resolution of the Township Board of Trustees, and

**WHEREAS** the cost of repairs, operation and maintenance of the East China Township Water Distribution System are anticipated to increase, and these rates would move toward making both water and sewer services self-supporting systems, and

**WHEREAS** the proposed increases have been provided upon the recommendation of the Rate Review Committee, and

**WHEREAS** the Township Board of Trustees finds that the amended proposed schedule of rates is reasonable and necessary, that these rates will become effective on October 1, 2021 with an annual review required.

**NOW, THEREFORE, BE IT RESOLVED**, the East China Township Board of Trustees affirms that the following rate increases will be adopted as shown below and on the attached Schedule A:

**Water Rates:**

2021 8.7% increase  
2022 5.0 % increase  
2023 5.0 % increase  
2024 2.5% increase

**Sewer Rates:**

2021 12.0% increase  
2022 5.0 % increase  
2023 5.0 % increase  
2024 2.5% increase

**SCHEDULE A**

| 2021                               |             |              |
|------------------------------------|-------------|--------------|
|                                    | WATER: 8.7% | SEWER: 12.0% |
| ¾" & 1" meters                     | \$26.08     | \$29.19      |
| 1 ½" meter                         | \$130.34    | \$145.96     |
| 2" meter                           | \$208.55    | \$233.53     |
| 3" meter                           | \$391.04    | \$437.86     |
| 4" meter                           | \$729.93    | \$817.35     |
| 6" meter                           | \$1,668.41  | \$1,868.45   |
| 10" to 12" meter                   | \$6,673.66  | \$7,472.93   |
| CONSUMPTION RATE PER 1000 GALLONS: | \$6.94      | \$6.89       |

| 2022                               |             |             |
|------------------------------------|-------------|-------------|
|                                    | WATER: 5.0% | SEWER: 5.0% |
| ¾" & 1" meters                     | \$27.38     | \$30.65     |
| 1 ½" meter                         | \$136.86    | \$153.26    |
| 2" meter                           | \$218.98    | \$245.21    |
| 3" meter                           | \$410.59    | \$459.76    |
| 4" meter                           | \$766.43    | \$858.22    |
| 6" meter                           | \$1,751.84  | \$1,961.87  |
| 10" to 12" meter                   | \$7,007.34  | \$7,846.58  |
| CONSUMPTION RATE PER 1000 GALLONS: | 7.28        | \$7.23      |

| 2023                               |             |             |
|------------------------------------|-------------|-------------|
|                                    | WATER: 5.0% | SEWER: 5.0% |
| ¾" & 1" meters                     | \$28.75     | \$32.18     |
| 1 ½" meter                         | \$143.70    | \$160.92    |
| 2" meter                           | \$229.93    | \$257.47    |
| 3" meter                           | \$431.12    | \$482.75    |
| 4" meter                           | \$804.75    | \$901.13    |
| 6" meter                           | \$1,839.43  | \$2,059.97  |
| 10" to 12" meter                   | \$7,357.71  | \$8,238.91  |
| CONSUMPTION RATE PER 1000 GALLONS: | \$7.65      | \$7.59      |

| 2024                               |             |             |
|------------------------------------|-------------|-------------|
|                                    | WATER: 2.5% | SEWER: 2.5% |
| ¾" & 1" meters                     | \$29.47     | \$32.98     |
| 1 ½" meter                         | \$147.29    | \$164.94    |
| 2" meter                           | \$235.68    | \$263.90    |
| 3" meter                           | \$441.90    | \$494.81    |
| 4" meter                           | \$824.87    | \$923.66    |
| 6" meter                           | \$1,885.41  | \$2,111.47  |
| 10" to 12" meter                   | \$7,541.65  | \$8,444.88  |
| CONSUMPTION RATE PER 1000 GALLONS: | \$7.84      | \$7.78      |

SEPTEMBER 2022 LOAN

Ratings: S&P "A" (Township LTGO)

**\$6,500,000**  
**ST. CLAIR RIVER SEWER & WATER AUTHORITY (EAST CHINA TOWNSHIP)**  
**COUNTY OF ST. CLAIR, STATE OF MICHIGAN**  
**SEWER AND WATER AUTHORITY BONDS, SERIES 2022**  
**DWSRF # 7610-01**

|                      |                    |
|----------------------|--------------------|
| Total Project Cost   | \$6,500,000        |
| Less DWI Grant       | 0                  |
| Approved Loan Amount | \$6,500,000        |
| Loan Forgiveness     | 0                  |
| Amount of DWSRF Loan | <u>\$6,500,000</u> |
| I/O Date             | 5/10/2024          |

**SCHEDULE OF ESTIMATED DEBT SERVICE AND COVERAGE**

| Calend<br>Year | Total<br>System<br>Revenues (1) | Estimated<br>OM&R<br>Expenses (2) | Net<br>Revenue<br>For Debt | Existing<br>Water<br>Bond Debt<br>Service | DWSRF Loan from     |                          |                  | Amount<br>Over or<br>(Under) Avg<br>308,024 | Total<br>Water<br>Debt | Annual<br>Excess or<br>(Shortfall) | Net<br>Revenue<br>Coverage<br>Over Debt |                           |                          |                    |
|----------------|---------------------------------|-----------------------------------|----------------------------|---|---------------------|--------------------------|------------------|---|------------------------|------------------------------------|---|---------------------------|--------------------------|--------------------|
|                |                                 |                                   |                            |   | Year of<br>Maturity | Interest<br>Due<br>Apr-1 | Interest<br>Rate |   |                        |                                    |   | Principal<br>Due<br>Apr-1 | Interest<br>Due<br>Oct-1 | 9/20/2022<br>Total |
| 2023           | \$1,430,091                     | 1,148,284                         | \$281,807                  | \$0                                       | 2023                | \$73,283                 | 2.125%           |   | \$69,063               | \$142,345                          | \$142,345                               | \$139,462                 | 1.98                     |                    |
| 2024           | 1,455,223                       | 1,171,154                         | \$284,069                  | 0   | 2024                | 69,063                   | 2.125%           |   | 69,063                 | 138,125                            | 138,125                                 | \$145,944                 | 2.06                     |                    |
| 2025           | 1,500,800                       | 1,194,481                         | 306,319                    | 0   | 2025                | 69,063                   | 2.125%           | \$170,000                                   | 67,256                 | 306,319                            | (1,706)                                 | 306,319                   | 0                        | 1.00               |
| 2026           | 1,525,928                       | 1,218,275                         | 307,653                    | 0   | 2026                | 67,256                   | 2.125%           | 175,000                                     | 65,397                 | 307,653                            | (371)                                   | 307,653                   | 0                        | 1.00               |
| 2027           | 1,551,424                       | 1,242,543                         | 308,881                    | 0   | 2027                | 65,397                   | 2.125%           | 180,000                                     | 63,484                 | 308,881                            | 857                                     | 308,881                   | 0                        | 1.00               |
| 2028           | 1,577,301                       | 1,267,298                         | 310,003                    | 0   | 2028                | 63,484                   | 2.125%           | 185,000                                     | 61,519                 | 310,003                            | 1,979                                   | 310,003                   | 0                        | 1.00               |
| 2029           | 1,598,619                       | 1,292,547                         | 306,072                    | 0   | 2029                | 61,519                   | 2.125%           | 185,000                                     | 59,553                 | 306,072                            | (1,952)                                 | 306,072                   | 0                        | 1.00               |
| 2030           | 1,625,391                       | 1,318,303                         | 307,088                    | 0   | 2030                | 59,553                   | 2.125%           | 190,000                                     | 57,534                 | 307,088                            | (937)                                   | 307,088                   | 0                        | 1.00               |
| 2031           | 1,652,570                       | 1,344,573                         | 307,997                    | 0   | 2031                | 57,534                   | 2.125%           | 195,000                                     | 55,463                 | 307,997                            | (27)                                    | 307,997                   | 0                        | 1.00               |
| 2032           | 1,680,168                       | 1,371,368                         | 308,800                    | 0   | 2032                | 55,463                   | 2.125%           | 200,000                                     | 53,338                 | 308,800                            | 776                                     | 308,800                   | 0                        | 1.00               |
| 2033           | 1,708,196                       | 1,398,699                         | 309,497                    | 0   | 2033                | 53,338                   | 2.125%           | 205,000                                     | 51,159                 | 309,497                            | 1,473                                   | 309,497                   | 0                        | 1.00               |
| 2034           | 1,736,665                       | 1,426,577                         | 310,088                    | 0   | 2034                | 51,159                   | 2.125%           | 210,000                                     | 48,928                 | 310,088                            | 2,063                                   | 310,088                   | 0                        | 1.00               |
| 2035           | 1,765,584                       | 1,455,012                         | 310,572                    | 0   | 2035                | 48,928                   | 2.125%           | 215,000                                     | 46,644                 | 310,572                            | 2,548                                   | 310,572                   | 0                        | 1.00               |
| 2036           | 1,790,019                       | 1,484,016                         | 306,003                    | 0   | 2036                | 46,644                   | 2.125%           | 215,000                                     | 44,359                 | 306,003                            | (2,021)                                 | 306,003                   | 0                        | 1.00               |
| 2037           | 1,819,981                       | 1,513,600                         | 306,381                    | 0   | 2037                | 44,359                   | 2.125%           | 220,000                                     | 42,022                 | 306,381                            | (1,643)                                 | 306,381                   | 0                        | 1.00               |
| 2038           | 1,850,429                       | 1,543,776                         | 306,653                    | 0   | 2038                | 42,022                   | 2.125%           | 225,000                                     | 39,631                 | 306,653                            | (1,371)                                 | 306,653                   | 0                        | 1.00               |
| 2039           | 1,881,374                       | 1,574,555                         | 306,819                    | 0   | 2039                | 39,631                   | 2.125%           | 230,000                                     | 37,188                 | 306,819                            | (1,206)                                 | 306,819                   | 0                        | 1.00               |
| 2040           | 1,912,828                       | 1,605,950                         | 306,878                    | 0   | 2040                | 37,188                   | 2.125%           | 235,000                                     | 34,691                 | 306,878                            | (1,146)                                 | 306,878                   | 0                        | 1.00               |
| 2041           | 1,944,804                       | 1,637,973                         | 306,831                    | 0   | 2041                | 34,691                   | 2.125%           | 240,000                                     | 32,141                 | 306,831                            | (1,193)                                 | 306,831                   | 0                        | 1.00               |
| 2042           | 1,977,871                       | 1,670,636                         | 307,235                    | 0   | 2042                | 32,141                   | 2.125%           | 245,000                                     | 29,538                 | 306,678                            | (1,346)                                 | 306,678                   | 557                      | 1.00               |
| 2043           | 2,012,814                       | 1,703,952                         | 308,862                    | 0   | 2043                | 29,538                   | 2.125%           | 250,000                                     | 26,881                 | 306,419                            | (1,606)                                 | 306,419                   | 2,443                    | 1.01               |
| 2044           | 2,048,935                       | 1,737,935                         | 311,000                    | 0   | 2044                | 26,881                   | 2.125%           | 260,000                                     | 24,119                 | 311,000                            | 2,976                                   | 311,000                   | 0                        | 1.00               |
| 2045           | 2,085,077                       | 1,772,598                         | 312,479                    | 0   | 2045                | 24,119                   | 2.125%           | 265,000                                     | 21,303                 | 310,422                            | 2,398                                   | 310,422                   | 2,057                    | 1.01               |
| 2046           | 2,122,432                       | 1,807,954                         | 314,478                    | 0   | 2046                | 21,303                   | 2.125%           | 270,000                                     | 18,434                 | 309,738                            | 1,713                                   | 309,738                   | 4,741                    | 1.02               |
| 2047           | 2,160,628                       | 1,844,016                         | 316,612                    | 0   | 2047                | 18,434                   | 2.125%           | 275,000                                     | 15,513                 | 308,947                            | 923                                     | 308,947                   | 7,665                    | 1.02               |
| 2048           | 2,199,683                       | 1,880,801                         | 318,882                    | 0   | 2048                | 15,513                   | 2.125%           | 280,000                                     | 12,538                 | 308,050                            | 26                                      | 308,050                   | 10,832                   | 1.04               |
| 2049           | 2,239,617                       | 1,918,321                         | 321,296                    | 0   | 2049                | 12,538                   | 2.125%           | 285,000                                     | 9,509                  | 307,047                            | (977)                                   | 307,047                   | 14,249                   | 1.05               |
| 2050           | 2,280,449                       | 1,956,591                         | 323,858                    | 0   | 2050                | 9,509                    | 2.125%           | 290,000                                     | 6,428                  | 305,938                            | (2,087)                                 | 305,938                   | 17,921                   | 1.06               |
| 2051           | 2,322,201                       | 1,995,627                         | 326,574                    | 0   | 2051                | 6,428                    | 2.125%           | 300,000                                     | 3,241                  | 309,669                            | 1,644                                   | 309,669                   | 16,905                   | 1.05               |
| 2052           | 2,364,891                       | 2,035,443                         | 329,448                    | 0   | 2052                | 3,241                    | 2.125%           | 305,000                                     | 0                      | 308,241                            | 216                                     | 308,241                   | 21,207                   | 1.07               |
| 2053           | 2,364,891                       | 2,035,443                         | 329,448                    | 0   | 2053                | 0                        | 2.125%           | 0   | 0                      | 0                                  | 0                                       | 0                         | 329,448                  |                    |
|                |                                 |                                   |                            | 0   |                     | 1,239,217                |                  | 6,500,000                                   | 1,165,934              | 8,905,152                          | 8,905,152                               |                           |                          |                    |

(1) As shown in the Part 1 application, slightly increased to show 1.0x coverage  
 (2) As shown in the Part I application



# Charter Township of East China

OFFICES AT 5111 RIVER ROAD ♦ EAST CHINA, MI 48054 ♦ 810-765-8879 ♦ FAX 810-765-1408

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## NOTICE: RATE COMMITTEE WORK SESSION MEETING

Charter Township of East China Rate Committee has scheduled a work session meeting for Tuesday September 12, 2023 at the East China Township Hall. The committee will review the water and sewer rates as proposed August 1, 2022 and consider change recommendations as needed.

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This notice is posted in compliance with PA267 of 1976 as amended (Open Meetings Act), MCLA 41.72a (2) (3) and the Americans with Disabilities Act. Individuals with disabilities requiring auxiliary aids or services should contact the Township Clerk by writing or calling: Sandra Mattei, 5111 River Rd, East China, Michigan 48054 (810) 765-8879 extension 121 or E-mail address: [clerk@eastchinatownship.org](mailto:clerk@eastchinatownship.org)

Posted 9/11/2022

**SCHEDULE A - RATES CHANGE ON OCTOBER 1 OF EACH YEAR**

|                                       | 2021 WATER<br>CURRENT RATE | 2022 WATER: 8.7% | 2021 SEWER CURRENT<br>RATE | 2022 SEWER: 12% |
|---------------------------------------|----------------------------|------------------|----------------------------|-----------------|
| ¾" & 1" meters                        | \$26.08                    | \$28.35          | \$29.19                    | \$32.69         |
| 1 ½" meter                            | \$130.34                   | \$141.68         | \$145.96                   | \$163.48        |
| 2" meter                              | \$208.55                   | \$226.69         | \$233.53                   | \$261.55        |
| 3" meter                              | \$391.04                   | \$425.06         | \$437.86                   | \$490.40        |
| 4" meter                              | \$729.93                   | \$793.43         | \$817.35                   | \$915.43        |
| 6" meter                              | \$1,668.41                 | \$1,813.56       | \$1,868.45                 | \$2,092.66      |
| 10" to 12" meter                      | \$6,673.66                 | \$7,254.27       | \$7,472.93                 | \$8,369.68      |
| CONSUMPTION RATE PER<br>1000 GALLONS: | \$6.94                     | \$7.54           | \$6.89                     | \$7.72          |

| 2023                                  | WATER: 5.0% | SEWER: 5.0% |
|---------------------------------------|-------------|-------------|
| ¾" & 1" meters                        | \$29.77     | \$34.33     |
| 1 ½" meter                            | \$148.76    | \$171.65    |
| 2" meter                              | \$238.03    | \$274.63    |
| 3" meter                              | \$446.31    | \$514.92    |
| 4" meter                              | \$833.11    | \$961.20    |
| 6" meter                              | \$1,904.24  | \$2,197.30  |
| 10" to 12" meter                      | \$7,616.98  | \$8,788.17  |
| CONSUMPTION RATE PER<br>1000 GALLONS: | \$7.92      | \$8.10      |

| 2024                                  | WATER: 5.0% | SEWER: 5.0% |
|---------------------------------------|-------------|-------------|
| ¾" & 1" meters                        | \$31.25     | \$36.04     |
| 1 ½" meter                            | \$156.20    | \$180.23    |
| 2" meter                              | \$249.93    | \$288.36    |
| 3" meter                              | \$468.63    | \$540.67    |
| 4" meter                              | \$874.76    | \$1,009.26  |
| 6" meter                              | \$1,999.45  | \$2,307.16  |
| 10" to 12" meter                      | \$7,997.83  | \$9,227.57  |
| CONSUMPTION RATE PER<br>1000 GALLONS: | \$8.32      | \$8.51      |

| 2025                                  | WATER: 2.5% | SEWER: 2.5% |
|---------------------------------------|-------------|-------------|
| ¾" & 1" meters                        | \$32.04     | \$36.94     |
| 1 ½" meter                            | \$160.11    | \$184.74    |
| 2" meter                              | \$256.18    | \$295.57    |
| 3" meter                              | \$480.34    | \$554.19    |
| 4" meter                              | \$896.63    | \$1,034.50  |
| 6" meter                              | \$2,049.44  | \$2,364.84  |
| 10" to 12" meter                      | \$8,197.78  | \$9,458.26  |
| CONSUMPTION RATE PER<br>1000 GALLONS: | \$8.52      | \$8.72      |