



January 4, 2023

Dear Sagola Township Commercial Sewer Customer:

This letter is to inform you of the upcoming rate increase for the sewer fees, that was approved by the Sagola Township Board. The increase takes effect March 1, 2023. The table below reflects the rates increases per quarter.

Billing Date	Monthly	Total Due
1st Quarter 2023	\$ 40.00	\$ 120.00
2nd Quarter 2023	\$ 44.00	\$ 132.00
3rd Quarter 2023	\$ 48.00	\$ 144.00
4th Quarter 2023	\$ 52.00	\$ 156.00
1st Quarter 2024	\$ 56.00	\$ 168.00

The rate increase is necessary due to the upcoming repairs of the sanitary sewer system in Sagola and Channing. Coleman Engineering was contracted in October 2021 to review and evaluate the sewer needs for Sagola and Channing. Vital replacement components are needed to ensure the safety and effectiveness of the septic systems in both areas. Once reviewed, bids were sent out to multiple vendors for the scope of work. The scope of work includes replacements of lift stations with newer more efficient units, replacement of the septic tank that serves Sagola and replacement of vital valves that control the lagoon levels in Channing. The cost of the upgrades is \$1.2 million, of which \$529,000 is in the form of a loan and \$732,000 is in the form of a grant. Construction has already begun and estimated time of completion is end of 2023. To cover the loan payments the monthly rates, need to increase. To avoid a large increase, the increase is in steps from 2<sup>nd</sup> quarter 2023 to 1<sup>st</sup> quarter 2024.

You may pay your bill the same way you have been paying.

If you pay your bill thru your bank or lending institutions bill pay, please change the monthly rate. Also, if you pay your bill thru your escrow on your winter taxes, let them know of this increase. Just a little reminder to those of your who choose to pay thru your escrow accounts, that you are paying more, as interest is accruing every month. You would pay less if you paid the bill directly to the township.

Thank You,

Sagola Township Board