

NOTICE TO RESIDENTS

The existing water and sewer rate structure for Loch Alpine Sanitary Authority (LASA) customers does not meet the requirements of the State of Michigan. At its meeting on October 1, 2007, the LASA Board unanimously adopted a new rate structure that meets State requirements. LASA is participating in the State Revolving Fund loan program (1.625% interest rate) to fund needed upgrades at the wastewater treatment plant, and for lining of approximately 2 miles of sewer pipe that is in critical condition. This loan is for a maximum of \$2,200,000.00 that will be paid back over 20 years and requires compliance with the state rules for utility rates.

The new rate structure will begin on the January quarterly billing and will consist of the following:

| | |
|-----------------------------------|-----------------------|
| Water RTS (ready to serve) charge | \$18.25 |
| Water use rate | 3.67 thousand gallons |
| | |
| Sewer RTS | 22.55 |
| Sewer Debt Service | 60.85 |
| Sewer use rate | 4.44/thousand gallons |

There will be no minimum usage charged. There will also no longer be a summer average usage for a discount on outside watering. Beginning in January we will offer residents the opportunity to purchase a second meter that will measure outside watering and save \$4.44 for every 1000 gallons of outside water used. This will be at a cost of materials plus a \$50.00 inspection charge. At this time we are anticipating the total charge for materials and inspection to be \$460.00. For accounts in good standing, if you prefer to spread the cost of the new meter, LASA is offering a payment plan of 1/3 at the time the meter is picked up, and 1/3 on each of your next two quarterly billings. Residents will need to hire a plumber to install the second meter then have it inspected by LASA. LASA can provide a list of qualified plumbers at your request.

On November 19, 2007 there will be a LASA Board meeting at 7:00 pm at Scio Township Hall. At this meeting we will go through how the new rates were calculated. All residents are encouraged to attend this informational meeting.

To aide customers in determining if a second meter will be cost effective please use the following chart:

| | | | |
|--------------------|----------|--------------|--------------|
| Winter usage _____ | x 3.67 = | _____ | water charge |
| Winter usage _____ | x 4.44 = | _____ | sewer charge |
| Water RTS | | 18.25 | |
| Sewer RTS | | 22.55 | |
| Sewer Debt | | <u>60.85</u> | |
| Total Winter Bill | | \$ | |

Now take your summer usage and subtract your winter usage number. The difference is your outside usage. If you multiply that number by \$4.44 that is your savings.

If you still have questions or would like the help of the LASA Business Manager please fill out the request below and include it with your payment. You may also contact her at 433-0835. The best time is 5:30 – 10:00 pm or weekends.

Please contact me to discuss my outside water usage:

Name: _____

Address: _____

Phone: _____

Best time to call: _____