



Notice of Sewer Rate Increases

Dear Sewer Customer:

For each of the past two years Plainfield Township has implemented a 20% increase in our sewer rates. Each time, we sent you a letter explaining the purpose for the rate increase, and also notification that they were the two first steps in a series of three increases. This increase is the third step, which is a 10% increase in both the "Base Charge" and the "Commodity Charge". This is being implemented starting with the billing cycle dated May 01, 2008.

North Kent Clean Water Plant

After six years of negotiations and study, the five communities that formed the North Kent Sewer Authority (NKSA) decided to end a 40-year contract with the City of Grand Rapids to receive and treat our sewage. This decision was based on the determination that the huge increase in payments to Grand Rapids beginning in 2006 was unfair and not in the best interest of our communities. Instead, we decided that, rather than pay Grand Rapids for this service and tie our communities permanently to the City's system, we would use that money to fund the construction and operation of our own Clean Water Plant. **Whether we decided to stay with Grand Rapids or build and operate our own plant, your quarterly sewer charges would increase substantially.** The additional money is being used to offset increased costs associated with this decision, including Plainfield Townships' allocated portion of two bond issues totaling \$45.67 million to build the plant. Had we signed with Grand Rapids eight years ago, your sewer rates would have risen significantly then. We have calculated that NKSA customers have avoided over \$8 Million in additional payments to Grand Rapids since 2000.

Future Rate Increases

Although a 10% increase is substantial, a typical single-family residence using 16,000 gallons of water per quarter will see their sewer charges rise from \$74.08 to \$81.42. That's \$2.45 per month. If they haven't already done so, businesses and institutions that irrigate landscaping should consider installing a separate ("water only") meter to avoid sewer charge for sprinkling. Residential customers are already billed using their winter quarter average, so a separate meter is not needed. Call 726-8885 for more information on this. We are confident that these three consecutive large increases (delayed until the "last minute") will be sufficient to pay for the new Clean Water Plant, which will begin operations late 2008. At that time, we will also stop paying Grand Rapids. As we have no experience with the costs of operating and maintaining our new facility, it is premature to say that there will be no future rate increases. Costs for everything will likely continue to rise, and we will analyze the need for future rate increases based on the needs of this plant and the needs of our entire collection system. **With this latest round of sewer rate increases, a residential customer in Plainfield Township using 16,000 gallons of water per quarter will pay less than a Grand Rapids residential customer using the same amount of water.**

The Future

The Clean Water Plant being built on Coit Avenue will discharge "high quality" effluent into the Grand River at a level of treatment far superior to that of the Grand Rapids plant. With the expected continued growth and development of the NKSA communities, new customers are required to pay additional connection charges to support the system. This also represents money that would have been paid out to Grand Rapids, had we remained with the City's system under their proposed agreement.

The Township's website contains much more background information on this complex issue. When you log onto the website, find "NKSA" on the menu and click on it. You may contact us with any questions.

Robert C. Homan
Plainfield Township Manager