

Department of Public Services

2010 South Lincoln Road Mt. Pleasant, MI 48858

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2020 Municipal Water and Sewer Fact Sheet (As of 1-1-2020)

<u>Water Lateral Fee-</u> The water lateral fee per front foot is intended to recover cost of installing the water lines adjacent to homes and businesses in the immediate area. The basis for this fee (per front foot) is the actual cost of constructing the water lines, which varies from area to area depending on soil conditions, weather, and cost of materials. Water lines are available in specific areas for customer hook-up upon payment of the appropriate lateral fee. Union Township reduced the front foot charge for existing lateral fees upon instituting the Water System Benefit Fee (explained below). Current lateral charges range from \$12.50 to \$33.00 per front foot depending on the area served. Township officials mandated lateral charges be paid in full at time of connection or be spread over a five-year period with interest due on any unpaid balance. The interest rate is set by Township Ordinance and is currently 8%.

Water System Benefit Fee- The water system benefit fee was implemented to help pay for specific costs of the water system at-large, as opposed to the lateral fee which pays only for water lines. Previously, these costs (e.g. new water wells, storage tanks, pumping stations, iron removal facilities) were paid by special assessment charges. This method worked well in the beginning when the water system predominantly served single-family residential customers. With the growth of the system, it has become necessary to implement a mechanism to charge both residential and large or commercial water users which tend to place a greater demand on the system. To avoid unfairly charging single-family users for improvements necessary to service larger users, most municipal water systems have incorporated a system benefit fee. This fee aims to recover system related costs based on the number of residential equivalents (REU) and determined by the use of the property. A Schedule of Residential Equivalents is listed at: http://www.uniontownshipmi.com/Portals/0/Documents/Departments/Utilities/DOC019.PDF
New construction and/or additions to existing facilities require these fees are paid prior to issuance of a building permit. For additions the fee is based on the area/use being added to an existing facility.

<u>Water Hook Up Fee</u> – New customers will pay a hook-up fee to provide a tap to the customer property line. This fee is currently set at \$1,325.00 per unit for a 1" service (includes a 5/8" meter). Fees will be calculated at time of permitting for services larger than 1". The water hook-up fee is payable in full at time of connection. New construction or additions require these fees are paid prior to issuance of a building permit.

<u>Sewer Hook Up Fee</u> – New customers will pay a hook-up fee to provide the tap to the customer property line. This fee is based on the number of residential equivalents for the property and is currently \$2,675.00 per residential equivalent. The fee is payable in full at time of connection/permitting. New construction and/or additions to existing facilities require these fees are paid prior to issuance of a building permit. For additions the fee is based on the area/use being added to an existing facility.

HOOKUP COST (as of January 1, 2019)	
WATER	
1" service (includes 5/8" meter)	\$1,325.00
Benefit Fee (per residential equivalent)	\$1,200.00
Lateral Fee	Please call or e-mail for specific cost
SEWER	
(1) Residential Equivalent	\$2,675.00

Above cost are based on a typical, single-family home (1" service with a 5/8" meter). Cost estimates for larger, commercial/industrial services must be made through the **Department of Public Services at (989) 772-4600 ext. 223/224, or info@@uniontownshipmi.com**