

Sewer Surcharge Explanation

In March of 2019, the Parchment City Commission signed two agreements -- one to sell the water department to the City of Kalamazoo, the other for sewer services with the City of Kalamazoo. After that date, the water department and all of the assets including the pipes, mains, etc. are owned by Kalamazoo. The SEWER lines, mains, etc. are all still owned by the City of Parchment, and we are responsible for maintaining those assets. The only revenue this Sewer Fund receives is the surcharge on your water/sewer bill from the City of Kalamazoo. It is billed as a percentage of what is billed for your sewer usage.

Over the past couple years, Prein & Newhof, civil engineers contracted by the City, have been diligently inspecting every inch of our sewer system with cameras, identifying problems and putting together a plan for repairs and improvements, listing from most important to least, estimating costs, and time to complete. (See attached P&N draft report; maps page 23-25, **project estimates pages 40-52.**) The estimated cost for all identified issues is \$3,750,000. (See draft report page 55.)

The Parchment Sewer Fund does not currently have enough to cover these costs, so other options were investigated. The USDA has grants and loans available to us to complete the work, but one of the stipulations is that the City show that the Sewer Fund receives enough annual revenue to cover its annual costs AND pay back the loans.

The surcharge of 155% (calculated based on annual usage and expected annual costs) was approved by the Parchment City Commission in April, 2021, to begin on the October, 2021 bill. Remember that the Commissioners are also residents who will be paying this surcharge, and they didn't take this responsibility lightly. The truth is that our 100 year old system needs repair, and it would be irresponsible to ignore the infrastructure needs.

Note that if the grants and loans are approved, work is planned to commence in Spring of 2022.

If you have more questions regarding this, contact City Hall, 269-349-3785. Thank you.

Water and Sewer Bill Explanation

Service	Usage	Charges
WATER – METERED	49.205	\$ 30.36
PAR-SURCHARGE-SEWER		31.87
PAR-SURCHARGE-SEWER2		57.95
SEWER-LINKED	41.64	42.18
SEWER OMR QT PS 5/8"		15.77
WATER OMR QT IS 5/8"		35.45
	Total Due	\$213.58

WATER-METERED – This is the usage of water.

PAR-SURCHARGE-SEWER – This charge is based on the sewer linked amount and the sewer OMR amount.

PAR-SURCHARGE SEWER – This line and the one above it equals the 155% surcharge (two lines are used as the system will only take up to 100% on a line)

SEWER – LINKED – Based on the water meter usage (The summer bill is based on the winter usage, as winter is when the least amount of water is used.)

SEWER OMR – This is a ready-to-serve fee. The fee that everyone pays to have sewer service to their residence/business, even if there is zero usage.

WATER OMR – This is the ready-to-serve fee. The fee that everyone pays to have water service to their residence/business, even if there is zero usage.