

**SPECIAL MEETING
LAKE CHARTER TOWNSHIP BOARD**

March 14, 2006

7:00 p.m.

CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

Supervisor Gast called the meeting to order at 7:00 p.m., and led the Pledge of Allegiance. Clerk Payne called the roll board members present were John Gast, Supervisor, Gloria A. Payne, Clerk, Betty Korcek, Treasurer, Tom Carson, Trustee, William "Bill" Geukes, Trustee, Terry Eichler, Trustee and Fritz Wolf, Trustee. Four visitors were present.

OTHERS PRESENT:

Stewart Beach, Lake Charter Township Water Plant Superintendent

SET/AMEND AGENDA

The agenda was approved as presented.

AGENDA ITEM

Water/Sewer Rate Study - Presentation by Tom Traciak of ACI Finance

Supervisor Gast introduced Tom Traciak of ACI Finance. He reviewed the water/sewer rate study he recently finalized. He reported that 1992 was the last time the rates were studied. The rate study he prepared can be used as a tool to review the rates every three years.

Mr. Traciak went over the water fund's annual performance, the water usage patterns and the current rate structure. He indicated our water rates are the lowest by 2% in the State of Michigan. Upon discussing the connection charges for water, he indicated that increasing the water tap fee from \$1,585.00 per tap to \$3,975.00 can be justified, however, if there are not a lot of connections, this would not be cost effective. A moderate increase may be appropriate at this time, for example \$2,500.00.

Overall a 30% increase across the board is recommended with a 3% increase for each year thereafter.

Mr. Traciak went over the sewer fund's annual performance, the sewer usage patterns and the current rate structure. Upon discussing the connection charges for sewer, he recommended a moderate increase of \$2,750.00 per tap. Due to the positive cash flow in the sewer fund, the rate structure can be continued as is.

A copy of the Water/Sewer System Fund Analysis and Rate Study is attached to these minutes.

PUBLIC COMMENT

There was none.

ADJOURNMENT

It was moved by Carson seconded by Eichler to adjourn the meeting. The meeting adjourned at 8:28 p.m. All ayes, motion carried.

Dated: March 21, 2006

Gloria A. Payne, Clerk

John W. Gast, Supervisor