



**CITY OF EATON RAPIDS**  
**NOTICE OF WATER AND SEWER RATE INCREASE**  
EFFECTIVE JULY 1, 2025

May 27, 2025

Dear Utility Customer,

We are writing to inform you about an upcoming change that will affect your utility bill. As of July 1, 2025, there will be an increase in the cost of water and sewer services for all customers of the City of Eaton Rapids. We want to assure you that we made this decision after careful consideration, and it is necessary to maintain the quality and reliability of your water and sewer services.

**Background - Water**

The City of Eaton Rapids is committed to improving the reliability, safety, and sustainability of its drinking water system. In pursuit of this goal, the City submitted a Drinking Water State Revolving Fund (DWSRF) Project Plan in 2022, which identified a range of critical system improvements based on findings from its Water System Reliability Study and Asset Management Plan. Although the initial submission fell outside of the DWSRF fundable range, the City amended and resubmitted the Project Plan in 2023 to include additional water main improvement projects.

The Michigan Department of Environment, Great Lakes, and Energy (EGLE) informed the City in a November 25, 2024 meeting that funding would be extended due to available resources. As a result, the City received a loan offer that included grant funding for lead service line replacement (LSLR) and water main improvements, covering 20% of the total project cost, up to \$6,762,000, based on the recognized \$33,810,000 in need.

With this favorable funding scenario, the City has elected to move forward with the full project scope as outlined in the DWSRF FY25 Project Plan, with the goal of completing construction in State Fiscal Year 2026.

**Planned Upgrades:**

While the City has been diligent in maintaining its equipment as long as possible, the majority is well beyond its useful life and has become unsafe for our staff to maintain.

Upgrades include, but are not limited to:

- **Water Treatment Pressure Filter Improvements (Water Treatment Plant)** The water treatment process includes three existing dual-cell horizontal pressure filters, located within the water treatment plant building, that were installed in the 1950's (No. 1 & 2 in 1957, No. 3 in 1959) as a means of removing dissolved metals and sediment from the groundwater supply prior to distribution. The filters were rehabilitated in 2000 as a cost-effective means to extend the serviceable life. At the time of rehabilitation, the additional service life was 12 years; the City has utilized the pressure filters for 24 years following the upgrades.

- **High Service Pump Improvements (Water Treatment Plant)** Two vertical centrifugal high service pumps, installed in 1958, move raw water from the detention tank and discharge flow through the pressure filters, and eventually into the distribution system. Currently, the firm pumping capacity of the high service pumping is approximately 1,400,000 GPD. Over the 66 years in service, the pumps have been maintained proactively, including being rebuilt in 1994.
- **Water Main Replacements (Multiple Locations)** This work involves replacement of undersized water mains at multiple locations throughout the City drinking water distribution system. Criteria considered for water main replacement includes break history, useful life expectancy, pipe material, and water service line materials. Replacement of the chosen water mains will increase reliability, operability, and fire flows throughout the City.
- **Lead Service Line Replacements (Multiple Locations)** This work involves replacement of lead and galvanized water services at multiple locations throughout the City drinking water distribution system. Lead and galvanized materials were used in water service materials prior to the mid-1980's. Lead and galvanized materials in drinking water services can lead to a decline in water quality, service reliability, and cause health issues. In addition, galvanized water services are known to be susceptible to corrosion and eventually leaking/breaking over time. The U.S. EPA Lead and Copper Rule, and Lead and Copper provisions promulgated under the Michigan Safe Drinking Water Act, mandate that public water supplies inventory water service lines and provide updated inventories and replacement for those known to be lead or galvanized previously connected to lead (GPCL).

The upgraded WTP will provide an efficient, safe, and reliable plant to serve Eaton Rapids residents for the next 40- 50 years

### Background - Sewer

In 2025, the City of Eaton Rapids completed a \$4,025,000 sewer infrastructure improvement project, partially funded by a \$2,012,500 AARP-SRF grant from EGLE. The project included lift station improvements, replacement of centrifugal blowers, installation of dissolved oxygen controls, new piping and elevated walkways, and SCADA system integration to enhance operational efficiency and monitoring.

### Financial Impact and Reason for Rate Increase

The total project cost, including cost of financing, is approximately \$34,810,000. The City has worked hard to obtain financial support from other entities including our Federal and State partners and has successfully secured support sufficient to significantly reduce the cost of the project to users. Approximately **80% of the project's cost** must be paid for by the users of the system and this is the reason for the rate increase.

### Addressing Concerns and Questions:

We understand that you may have questions or concerns regarding this rate increase. We have included a Frequently Asked Questions (FAQ) document with responses to some commonly asked questions.

### Support and Assistance:

Some customers may face financial difficulties due to the rate increase. If this is the case, we encourage you to reach out and call 211, Capital Area Community Services at 517-543-5465, Michigan Department of Health & Human Services at 517-241-3740 or online: <http://www.michigan.gov/mdhhs>, or our customer service team at 517-663-8118 or [info@cityofeatonrapids.gov](mailto:info@cityofeatonrapids.gov). We are committed to working with you to explore available assistance programs.

### Looking Ahead:

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We believe in transparency and want to keep you informed about future changes. We can assure you that we will continue to invest in your water and sewer infrastructure prudently and with an eye to minimizing costs and will provide regular updates regarding any future changes. These upgrades are always focused on providing you with a water and sewer system that meets or exceeds all quality standards. To achieve this, we must continue to invest in our systems.

while we know that no one likes rate increases, we appreciate your understanding as we invest in the future of Eaton Rapids. We remain committed to delivering high-quality water and sewer services and maintaining the trust you have placed in us.

If you have any other questions or need assistance, please do not hesitate to contact our customer service team at 517-663-8118 or [info@cityofeatonrapids.gov](mailto:info@cityofeatonrapids.gov).

Sincerely,

Yvonne Ridge  
City Manager



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## Fact Sheet – Frequently Asked Questions

### Why did the City change the Water and Sewer rates and when does it take effect?

Based on the large capital improvement projects starting and the cost to maintain each utility, increases are necessary to guarantee the revenue to make vital improvements to our Water and Wastewater infrastructure. New rates will go into effect July 1, 2025.

### Why can't we use tax dollars to pay for the water and sewer utility costs?

The Water and Sewer Funds are Enterprise Funds, and these funds are self-supporting, meaning all revenue generated from user charges must pay for the expenditures of the system. Tax dollars are not used for the City's utilities' expenses.

### What are the new rates?

The rate structure continues to include a read-to-serve charge with usage or commodity charge for water and sewer. The usage charge will continue to be based on units where each unit equals 1,000 gallons. The new rates were approved by City Council on May 28, 2025.

Utility Customers will pay the ready-to-serve fees based on their meter size. This fee is listed on your utility bill as a Service Charge. A household normally has a 5/8" meter and that is the base amount for the ready-to-serve costs. All users of the system pay the same usage (commodity charge) rate. The commodity charge for water will be \$6.08 per unit and the sewer commodity charge will be \$5.49 per unit (1,000 gallons).

**Below are the monthly WATER and SEWER Service Charges for inside the City limits starting July 1, 2025:**

Rate Type	Ready-to-serve Water	Ready-to-serve Sewer	Ready-to-serve Total
5/8" meter	\$21.00	\$29.46	\$50.46
3/4" Meter	\$23.00	\$29.46	\$52.46
1" Meter	\$30.00	\$32.40	\$62.40
1 1/2" Meter	\$38.00	\$32.40	\$70.40
2" Meter	\$61.00	\$85.44	\$146.44
3" Meter	\$230.00	\$324.07	\$554.07
4" Meter	\$393.00	\$326.31	\$719.31
6" Meter	\$439.00	\$543.95	\$982.95

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**Will the ready-to-serve costs change in the future?**

It depends on what other large projects are in the Capital Improvement Plan (CIP) and any increase in financing needs. The water and sewer systems will always have maintenance and replacement costs and will need upgrades as determined by City Staff and the City Council.

**What are the new rates?**

The new rates, including the ready-to-serve charge with a per unit commodity charge for water and sewer. The usage (commodity) charge will continue to be based on units where each unit equals 1,000 gallons. The final rates were approved by the City Council on May 28, 2025, and will go into effect on July 1, 2025.

**If I use less than 1 unit (1,000) will I pay more than the ready-to serve rate?**

You will pay the flat ready-to-serve charge monthly based on your meter size. You are charged the ready-to-serve charge as the connections are there and ready for you to use.

**Are our rates the highest around?**

Community size, community partnering, CIP, level of service, asset management, lead lines, and water source are examples of what can impact every community's water rates. Every system is unique and comparing rates is extremely difficult due to these factors. The city is aware that many of these communities are also anticipating rate increases due to infrastructure projects in the next 12 months.

**What if I can't afford my bill?**

Please call 211 or contact Capital Area Community Services at 517-676-1065, or the Michigan Department of Health and Human Services at 517-241-3740 or online: <http://www.michigan.gov/mdhhs>. These entities have options and resources to help.

**Resources:** More Questions? Please contact City Hall at 517.663.8118 or through our website at <https://www.cityofeatonrapids.gov/contact/>.