

March 11, 2025

Scio Township Board of Trustees
827 North Zeeb Road
Ann Arbor, MI 48103

Dear Members of the Scio Township Board of Trustees,

I hope this letter finds you well. I am writing to provide an update on the utility rate study conducted last year and to offer our recommendations for the upcoming fiscal year.

As you are aware, the Township adopted a significant rate increase based on the findings of last year's utility rate study. I am pleased to report that, while the fiscal year 2025 is not yet complete, our activity is trending approximately as predicted or better. This positive trend is encouraging and suggests that the rate adjustments were well-founded.

The Township's recently revised capital improvement plan for water and sewer projects remains largely consistent with last year's plan. Given this stability and the current financial trends, we recommend adopting the new rates for fiscal year 2026 as calculated in last year's model. This approach will allow us to maintain our progress and ensure the continued financial health of Scio's utility services.

	Current Rate	FY 2026 Rate	Increase
Water Variable Charge (per unit)	\$ 12.46	\$ 13.08	5%
Water Readiness To Serve (quarterly fixed)	\$ 20.17	\$ 20.17	No Change
Water Debt Charge (quarterly fixed)	\$ 29.73	\$ 29.73	No Change
Sewer Variable Charge (per unit)	\$ 12.86	\$ 13.51	5%
Sewer Readiness To Serve (quarterly fixed)	\$ 24.29	\$ 24.29	No Change

The fixed rates above are based on a $\frac{3}{4}$ inch meter. Customers with larger meters will also not see an increase to their fixed fees.

Almost all customers will see a 4 to 5 percent increase to their quarterly bill.

We propose to re-evaluate the rates after another year of activity as part of next year's budget development. This will enable us to determine whether it makes sense to continue with the existing model increases or to adjust the rates—either up or down—based on new information and trends observed over the next year.

Thank you for your attention to this matter. We appreciate your continued support and collaboration as we work to provide reliable and efficient utility services to the residents of Scio Township.

Sincerely,



Brian J. Camiller
Partner