WATER & SEWER RATE UPDATE

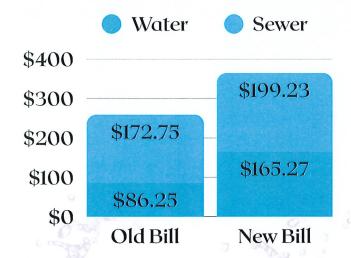
Michigan Rural Water Authority performed a utility rate study for the Village of Pentwater to determine the cost of operating and maintaining our water and sewer systems and evaluate our rate structure for fairness. Following their recommendations, the Village approved a new rate structure to take effect on October 1, 2025. This structure will charge a use fee per every 1,000 gallons. Bills will remain quarterly and there is no change to the waste collection fee.

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| Water | \$144.27 | \$3.50/per 1,000 gallons |
| Sewer | \$174.03 | \$4.20/per 1,000 gallons |

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AVERAGE BILL BASED ON 6,000 GALLONS



WHY DID THE RATES INCREASE?

Stop the water & sewer funds from operating in deficits

Account for the debt from the 2025 DWSRF Project

Begin preparing for future capital expenses

Create a fair model for all users