



MEMORANDUM

Regular City Council Meeting

September 15, 2025, at 6:00 P.M.

TO: Douglas City Council

From: Lisa Nocerini, City Council

Subject: Saugatuck Township Wastewater Purchase Request

Saugatuck Township has submitted a revised formal request to purchase additional wastewater treatment capacity from the City of the Village of Douglas. The Township has emphasized the value of its partnership with Douglas and our shared commitment to addressing regional infrastructure challenges collaboratively.

As Council may recall, the Township is nearing the limit of its allotted capacity at the regional Wastewater Treatment Plant (WWTP). While sewer infrastructure exists to convey wastewater, the Township lacks contractual treatment rights within the plant. At present, the WWTP is operating at approximately 47% of its design capacity, leaving significantly unused treatment space.

With the City of Saugatuck largely built out, future population growth and economic development are expected to occur primarily in Douglas and the Township. The Township is therefore seeking to purchase additional treatment capacity to meet its immediate needs while also delivering long-term financial and operational advantages for Douglas.

The Township respectfully requests to purchase 55,000 gallons per day (gpd) of unused Douglas capacity. Based on the jointly adopted regional valuation method, the Township is prepared to remit \$252,340.00 for this acquisition.

It should be noted that this request reflects a decrease from the Township's earlier request. Following a reevaluation of near-term development projects, the Township reduced its capacity request to reflect a more cautious, measured projection of its

needs. Douglas' engineering review confirms that while the request is scaled back, Douglas has sufficient capacity to meet this need and still protects its own long-term growth projections.

If approved, Douglas would retain 441,000 gpd of treatment rights—sufficient to meet our future growth forecasts—while supporting the Township's immediate capacity needs.

Douglas' engineering team has reviewed the Township's revised request and has confirmed that the transfer of capacity is feasible within the current WWTP operations.

Suggested Motion: Approve the sale of 55,000 gallons per day (gpd) of unused wastewater treatment capacity to Saugatuck Township in the amount of \$252,340.00.