

## REGULAR MEETING OF THE DOWAGIAC CITY COUNCIL

Municipal Building, 241 S. Front Street, Dowagiac, Michigan

Monday, January 27, 2014, 7:00 p.m.

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### AGENDA

- CALL TO ORDER -Mayor Donald D. Lyons
- PLEDGE OF ALLEGIANCE TO THE FLAG -Mayor Donald D. Lyons
- ROLL CALL -Mayor Donald D. Lyons  
-Mayor Pro-Tem Leon Laylin  
-Councilmember Charles Burling  
-Councilmember James Dodd  
-Councilmember Randall Gross, Sr.  
-Councilmember Lori Hunt  
-Councilmember Bob Schuur
- APPROVAL OF MINUTES OF PREVIOUS MEETING – January 13, 2014
- QUESTIONS FROM CITY COUNCIL –
- COMMENTS FROM THE AUDIENCE (NON-AGENDA) –
- COMMENTS FROM THE AUDIENCE (AGENDA) –
- COMMUNICATIONS –
1. Ice Time Festival, February 1, 2014
  2. Memorial Day Parade and Ceremonies, May 26, 2014

#### RESOLUTIONS –

1. Resolution of intent to apply for funding and to approve a projected 2015 Dial -A -Ride budget in accordance with the master contract with the Michigan Department of Transportation.
2. Resolution of intent to sell City-owned property located at 317 Pokagon Street.
3. Resolution to authorize and direct the City Treasurer to pay the following bills and payroll due: (Roll Call)

**BILLS**  
\$111,481.25

**PAYROLL (9)**  
\$185,617.57

**TOTAL**  
\$297,098.82

ORDINANCES –

1. Second reading of an ordinance to amend Chapter 82, Article V, "Electric Provisions and Rates ", Section 82-279, "Electric rates" of the Dowagiac City Code. (Roll Call)
2. Second reading of an ordinance to amend Chapter 82, Article IV, "Water and Sewer Rates ", Section 82 -224, "Sewer rates and service fees" of the Dowagiac City Code. (Roll Call)

CITY MANAGER REPORT ON QUESTIONS FROM COUNCIL FROM PREVIOUS MEETINGS –

COMMENTS FROM CITY OFFICIALS –

ADJOURNMENT –

Kevin P. Anderson  
City Manager

Attachments

## DOWAGIAC CITY COUNCIL MEETING

Monday January 13, 2014

A regular meeting of the Dowagiac City Council was called to order by Mayor Donald D. Lyons at 7:00 p.m.

Mayor Lyons led the Pledge of Allegiance to the flag.

PRESENT: Mayor Donald D. Lyons; Mayor Pro-Tem Leon D. Laylin; Councilmembers Charles K. Burling, Randall G. Gross, Sr., Lori A. Hunt and Bob B. Schuur.

ABSENT: Councilmember James B. Dodd

STAFF: City Manager Kevin P. Anderson and City Clerk James E. Snow.

Councilmember Laylin moved and Councilmember Hunt seconded that the minutes of the December 9, 2013 meeting and the minutes of the December 16, 2013 Special Meeting be approved.

Approved unanimously.

### COMMUNICATIONS

1. Martin Luther King, Jr. Day Celebration, January 19, 2014

Councilmember Hunt moved and Councilmember Gross seconded to grant the request.

Approved unanimously.

### APPOINTMENTS

1. DART- Recommended by Mayor and offered by Mayor Pro-Tem:  
Appoint Peggy Hood to fill Donna Korzun's expired term of May 2016.

Councilmember Schuur moved and Councilmember Burling seconded to approve the Mayor's appointment.

Approved unanimously.

### DISCUSSION

1. Motion to accept the 2012-2013 audited Financial Statements and place on file.

Kristi L. Watson, CPA, YEO & YEO CPAs & BUSINESS CONSUTLANTS presented to Council a Summary of the City of Dowagiac Audit Results, September 30, 2013.

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***CITY OF DOWAGIAC***

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**MEMO TO: Mayor and Council Members**

**FROM: Kevin P. Anderson, City Manager**

**DATE: January 10, 2014**

**SUBJECT: Financial Statements**

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The auditors completed their work and presented the final audit for FY 2012-13. A copy is attached for your review. The auditors will be present to review the financial statements with you and address any questions you may have. The auditors have reported that our financial statements and procedures comply with good accounting practices and law.

The audit is an independent review of the City's financial position and recordkeeping. Council's action is to accept the report and make it part of the City's records. The audit report is available for public review in the Clerk's office or on the City's website.

ADOPTED unanimously.

Moved by: Laylin

Seconded by: Burling

Ayes: Five (5)

Nays: None (0)

Absent: One (1)

Abstain: None (0)

RESOLUTIONS

1. Resolution to authorize and direct the City Treasurer to pay the following bills an payroll due:

Councilmember Schuur offered and moved the adoption of the following resolution; seconded by Councilmember Gross.

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**WHEREAS**, the following information has been reviewed by the City Manager and City Treasurer and is being presented to City Council with a recommendation to approve invoices and payrolls #6, #7 and #8 for the period ending 1/9/14:

Invoices:	\$1,347,589.16
Payroll #6:	120,258.35
Payroll #7:	178,424.72
Payroll #8:	125,677.79
Total:	<u>\$1,771,950.02</u>

**BE IT RESOLVED** that the City Manager and City Treasurer are hereby authorized and directed to pay the following bills and payroll due:

Invoices	Payroll	Total
<u>\$1,347,589.16</u>	<u>\$424,360.86</u>	<u>\$1,771,950.02</u>

ADOPTED on a roll call vote.

Ayes: Five (5) Burling, Gross, Hunt, Laylin and Schuur

Nays: None (0)

Absent: One (1) Dodd

Abstain: None (0)

**ORDINANCES**

1. First reading of an ordinance to amend Chapter 82, Article V, "Electric Provisions and Rates", Section 82-279, "Electric rates" of the Dowagiac City Code.

**ORDINANCE NO. \_\_\_\_\_, 2014**

**ORDINANCE-----**

AN ORDINANCE TO AMEND CHAPTER 82 UTILITIES ARTICLE V "ELECTRIC PROVISIONS AND RATES" SECTION 82-279 OF THE DOWAGIAC CITY CODE BE AND IS HEREBY AMENDED BY ITS REPEAL OF THE DOWAGIAC CITY CODE.

THE CITY OF DOWAGIAC ORDAINS:

Section 1: That Chapter 82, Utilities; Article V, "Electric Provisions and Rates", Section 82-279 of the Dowagiac City Code be and hereby is amended to read as follows:

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ARTICLE V. ELECTRIC PROVISIONS AND RATES.

**Sec. 82-279. Electric rates.**

(a) *Residential Electric Service.* Available to customers desiring service for all usual domestic purposes through one meter to a single occupancy or individual dwelling unit. This rate is not available for commercial or industrial use.

(1) Nature of Service: Alternating current, single-phase, three wire, 60 Hertz, at approximately 120/240 volts.

(2) Monthly Rate:

Monthly Service Charge (Minimum Monthly Charge) .....	\$11.45
Energy Charge per kWh .....	\$ 0.09961

This rate is subject to the transmission cost adjustment charge.

(b) *General Service.* Available to general service customers not specified in other City rate schedules, with normal monthly maximum demands less than 35 Kw, desiring service for general lighting and/or power purposes. Customers may continue to qualify for this service under this rate until their 12-month average demand is greater than or equal to 35 Kw.

(1) Nature of Service: Alternating current, single-phase, three wire, 60 Hertz, at approximately 120/240 volts. The particular nature of the voltage in each case will be determined by the Department of Public Services (DPS).

(2) Monthly Rate:

Monthly Service Charge (Minimum Monthly Charge) .....	\$17.76
Energy Charge per kWh. ....	\$ 0.12597

This rate is subject to the transmission cost adjustment charge.

(c) *PUBLIC SERVICE.* Available to all Federal, State, and Local Governmental authorities for the supply of electric energy to public buildings, public schools, or other facilities that are supported by public tax levies.

(1) Nature of Service: Alternating current, 60 Hertz, single-phase or three-phase. The particular nature of the voltage in each case will be determined by the DPS.

(2) Monthly Rate:

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Monthly Service Charge (Minimum Monthly Charge) .....\$14.09  
 Energy Charge per kWh .....\$ 0.11895

This rate is subject to the transmission cost adjustment charge.

\* Public School System customers at a single location with loads in excess of an average of 300 kW demands over a 12-month period can be provided service under the Large General Service Rate. (The 12-month period can be excluded for new public school facilities with expected demands in excess of 300 kW)

(d) *MUNICIPAL WATER SERVICE*. Available to all municipally owned and operated waterworks systems and sewage disposal systems, including booster pumps and lift stations.

(1) Nature of Service: Alternating current, 60 Hertz, single-phase or three-phase. The particular nature of the voltage in each case will be determined by the DPS.

(2) Monthly Rate:

Monthly Service Charge (Minimum Monthly Charge) .....\$15.27  
 Energy Charge per kWh .. .....\$ 0.10114

This rate is subject to the transmission cost adjustment charge.

(e) *LARGE GENERAL SERVICE*. Available to any general service customer having a demand of 35 KW or more for general lighting and power purposes. Customers may continue to qualify for this rate until their 12-month average demand drops below 35 kW. This rate is available to public school system customers at a single location with demands in excess of 300 kW over a 12-month period.

(1) Nature of Service: Alternating current, 60 Hertz, single-phase or three-phase for both primary and secondary services. The particular nature of the voltage in each case will be determined by the DPS.

(2) Monthly rate:

	per kwh	700,000	550,000	400,000	250,000	100,000
<u>LGS</u>						
Monthly Service Charge		\$ 119.80				
Demand Charge per KW		\$ 14.30	\$ 13.98	\$ 13.65	\$ 12.99	\$ 12.66
Energy Charge per kWh		\$0.06064	\$0.05932	\$0.05790	\$0.05515	\$0.05372

LGS Discount (Eq  
 supplied by Customer)

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Monthly Service Charge	\$ 146.82				
Demand Charge per KW	\$ 13.29	\$ 12.98	\$ 12.67	\$ 12.07	\$ 11.76
Energy Charge per kWh	\$0.06003	\$0.05861	\$0.05718	\$0.05444	\$0.05311

\*LGS Discount Rate (Equipment supplied by Customer):

Available to customers who furnish and maintain complete substation equipment, including any and all transformers, and/or switches, and/or other apparatus necessary to take entire service at primary distribution voltage.

(3) Monthly Billing Demand:

Energy supplied hereunder will be delivered through not more than one (1) single-phase and/or one (1) poly-phase meter. Customers demand shall be taken monthly to be the highest registration of a fifteen (15) minute integrating demand meter or indicator, or the highest registration of a thermal-type meter.

(4) Power Factor Adjustment (PFA):

Customers with a monthly maximum demand of 100 kW or more will be subject to a power factor adjustment. The PFA is based on the maintenance by the customer of an average monthly power factor of 85%. If the average monthly power factor, as registered by the City’s metering devices, is other than 85%, the monthly demand charge will be multiplied by a constant as determined by the following formula:

$$\text{Constant} = .9510 + ((.1275) \times (\text{RKVAH/kWh})^2)$$

Customers with a PFA will have their demand charge accordingly debited or credited and shall continue with the PFA until their 12-month average demand drops below 100 kW.

(f) *SECURITY LIGHTS*. Available to all customers desiring security light (yard light) service providing application is made and a “Protective or Yard Light Agreement” is signed by the customer.

Monthly Rate:

175 Mercury Vapor.....	\$12.66
250 Mercury Vapor.....	\$15.60
400 Mercury Vapor.....	\$23.56
1000 Mercury Vapor.....	\$48.55
150 High Pressure Sodium .....	\$12.66

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400 High Pressure Sodium ..... \$35.98

(g) *TRANSMISSION COST ADJUSTMENT CHARGE (TCA)*. The current electric rate charged to customers includes a base amount for transmission services. With the formation of the Independent System Operator additional ancillary service charges are billed to the City of Dowagiac. Ancillary service charges can vary each month and can be difficult to predict with certainty. To ensure customers are charged the cost of service and the financial integrity of the electric system is maintained, charges for “ancillary” transmission services will be passed through to customers through a Transmission Cost Adjustment Charge (TCA) based on the formula listed below:

**Example Formula for Transmission Cost Adjustment (TCA)**

	<b>Example Calculation</b>	<b>Line</b>	<b>Notes</b>
Transmission Costs	\$27,078.18	A	Ancillary service charges for transmission
Reconciliation from Previous Month		B	The City may periodically reconcile transmission recovery with rates
Total Transmission Costs to be Recovered	<u>\$27,078.18</u>	C	(A+B)
Divided by kWh Purchased	6,450,000	D	Actual kWh energy purchased by City
Transmission costs per kWh	\$0.004198	E	Transmission cost per kWh (C/D)
Less Base TCA	0.00238	F	Base TCA
Transmission Adjustment per kWh	0.00182	G	Transmission costs per kWh less base (E-F)
Losses	<u>0.00013</u>	H	Transmission costs per kWh times loss factor of .07 (G X .07)
Transmission Cost Adjustment	<u><b>0.00195</b></u>	I	Transmission cost adjustment charged to customer on next month's bill (G+H)

(h) *ECONOMIC DEVELOPMENT RATE*. In an effort to promote job creation, community investment and long-term electric rate stability, the City Manager shall be empowered to establish a temporary economic development rate for large utility customers for a period of up to six (6) months. The rate cannot be less than the City’s actual cost to purchase power plus 10%. The justification will be based on a combination of factors including job creation and/or job retention and new investment in the community consistent with the criteria for tax abatements. Once a large utility customer has received this temporary rate, it shall not be eligible for the economic development rate for three (3) years. The City Manager shall document the rationale and communicate the rationale to City Council.

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(i) *ENERGY OPTIMIZATION RATE (EOP)*. Pursuant to requirements imposed by the State of Michigan and authorized by the Michigan Public Service Commission the following energy optimization rates shall be in effect:

- Residential meter..... \$ .002 per kwh
- Secondary meter.....\$ 15.66 per meter per month
- Primary meter.....\$474.02 per meter per month

(j) *FUEL ADJUSTMENT CHARGE*. Bills will be increased or decreased to offset fuel charge adjustments billed to the City by the supplier. Whenever the energy charge of the wholesale purchased power invoice to the City contains a fuel adjustment debit or credit per kwh, there shall be a corresponding increase or decrease per kwh for all kwh included in the customer’s billing.

Section 2: That pursuant to the provisions of Chapter 1, Section 1-4 of the Dowagiac Charter and due to the length of this Ordinance, the Dowagiac City Clerk be and is hereby directed to forthwith cause posting and publication of this Ordinance on the bulletin board of the Dowagiac City Hall, the same being the usual place of posting for the actions of the City Council.

Moved by: Burling

Seconded by: Laylin

This being the first reading, the Ordinance will be brought before the Council for a second reading and vote at the regular meeting on January 27, 2014.

- 2. First reading of an ordinance to amend Chapter 82, Article IV, “Water and Sewer Rates”, Section 82-224, “Sewer rates and service fees” of the Dowagiac City Code.

**ORDINANCE NO. \_\_\_\_\_, 2014**

*ORDINANCE*-----

AN ORDINANCE TO AMEND CHAPTER 82 UTILITIES ARTICLE IV "WATER AND SEWER RATES" SECTION 82-224 "SEWER RATES AND SERVICE FEES" SUBSECTION (1), (2), (4) AND (5) OF THE DOWAGIAC CITY CODE BE AND IS HEREBY AMENDED BY ITS REPEAL AND THE ADOPTION OF A NEW ARTICLE IV "WATER/SEWER PROVISIONS AND RATES" SECTION 82-224 "SEWER RATES AND SERVICE FEES" SUBSECTION (1), (2), (4) AND (5) OF THE DOWAGIAC CITY CODE.

THE CITY OF DOWAGIAC ORDAINS:

DOWAGIAC CITY COUNCIL MEETING

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Section 1: That Chapter 82, Utilities; Article IV, "Water and Sewer Rates" Section 82-224 "Sewer rates and service fees" of the Dowagiac City Code be and hereby is amended to read as follows:

**ARTICLE IV. WATER/SEWER PROVISIONS AND RATES**

**Sec. 82-224. Sewer rates and service fees.**

Charges for sewer service to each premise connected to the sewer system of the City of Dowagiac shall be as follows:

- (1) *Readiness-to-serve charge.* The readiness to serve charge is utilized to cover expenditures to maintain the sewer collection system and other overhead costs and is the amount of the minimum bill. This charge is based on the actual size of the water meter or equivalent size of a sewer meter:

*Inside the corporate Limits of the city*

Readiness-to-Serve Charge

<i>Meter Size (inches)</i>	<i>Monthly Charge</i>
5/8	\$ 13.85
3/4	15.85
1	20.23
1-1/2	25.82
2	41.60
3	158.51
4	204.45
6	301.17

*Outside the Corporate Limits of the city*

Readiness-to-Serve Charge

<i>Meter Size (inches)</i>	<i>Monthly Charge</i>
5/8	\$ 21.60
3/4	24.61
1	31.37
1-1/2	40.10
2	64.56

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3	246.43
4	312.32
6	467.26

When more than one (1) meter is used, the total readiness-to-serve charge shall be a sum of the charges for all meters.

(2) *Commodity charge.* The commodity charge is based on the amount of water used for customers inside and outside the corporate limits of the City of Dowagiac and will be \$0.306 per 100 gallons. The commodity charge covers expenditures for wastewater treatment and other overhead costs.

(4) *Special rate A – Residential users of sewer only inside city limits.* A charge of thirty-two dollars and seventy-six cents (\$32.68) per month shall be assessed to all residential properties inside the City limits using sewer service only. Any multiple residential users or commercial or industrial users of sewer and not water under rate A shall be charged a rate determined by the city engineer and reported to the City Council by the City Manager. In no event shall the rate be less than would be charged under this section.

(5) *Special rate B - Residential users of sewer only outside city limits.* A charge of thirty-eight dollars and ninety-two cents (\$38.82) per month shall be assessed to all residential properties outside the City Limits, using sewer service only. Any multiple residential users or commercial or industrial users of sewer and not water under rate B shall be charged a rate determined by the city engineer and reported to the City Council by the City Manager. In no event shall the rate be less than would be charged under this section.

Section 2: That pursuant to the provisions of Chapter 1, Section 1-4 of the Dowagiac Charter and due to the length of this Ordinance, the Dowagiac City Clerk be and is hereby directed to forthwith cause publication and posting of this Ordinance on the bulletin board of the Dowagiac City Hall, the same being the usual place of posting for the actions of the City Council.

Moved by: Schuur

Seconded by: Gross

This being the first reading, the Ordinance will be brought before the Council for a second reading and vote at the regular meeting on January 27, 2014.

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Upon motion by Councilmember Laylin and seconded by Councilmember Schuur, the Dowagiac City Council adjourned at 7:35 p.m.

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Donald D. Lyons, Mayor

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James E. Snow, City Clerk



# Chamber of Commerce & DDA

Tour The Grand Old City at [www.dowagiaccchamber.com](http://www.dowagiaccchamber.com)

*"Visit Dowagiac often. There are so many memorable ways to fill a day, a week or a lifetime."*

January 15, 2014

Mayor Don Lyons and City Council  
 Dowagiac City Hall  
 241 S. Front Street  
 Dowagiac MI 49047

Dear Mayor Lyons and Council Members:

On behalf of the Greater Dowagiac Chamber of Commerce and event chairman Kris Lamphere, I am seeking permission for the Chamber to hold its 18th-annual Ice Time Festival in the central business district on Saturday, February 1.

As you may recall, Dowagiac's Ice Time Festival was previously profiled by **The Chamber Executive Network** as one of the many creative ways communities across the nation are celebrating winter. Richard Hakes, publisher of the national publication based in Iowa, said winter festivals and special events are "hot" with chambers of commerce across the country, regardless of the climate. Dowagiac Ice Time was featured in the special report on winter activities, along with Minnesota's Polar Fest and Tennessee's Winterfest.

Members of the Michiana Ice Carving Association will carve numerous 400-pound ice blocks into art sculptures, with work beginning Saturday at 8 a.m. Area businesses have the opportunity to sponsor the carving of ice blocks.

**I am requesting permission to:**

- Locate the ice blocks on Front, Commercial and Beeson street sidewalks, and also within the Beckwith Park, where the professional ice carving competition will be held in the afternoon. Carvers will be instructed to carefully move all discarded chunks of ice to a safe zone, within a snow bank or one of the landscaped islands.
- Utilize electric outlets within the landscaped areas of Front Street and within the park.
- Charge a nominal participatory fee to those organizations, businesses or individuals, which do not have businesses downtown and wish to be a part of the activities on festival day, when they: set up a sidewalk display or food booth, bake sale, or sell raffle or other tickets. Vendor fees provide essential and supplemental funding to our non-profit organization.
- Reserve on Friday afternoon several parking spaces adjacent to Beckwith Park for the arrival and overnight parking of the truck, transporting the ice.
- Close Commercial Street, from Front to Penn Avenue, for the location of the food concession operated by Smokin' Good BBQ; and the warming station and contained campfire, which is being hosted by the City's Department of Public Safety and its police and fire personnel, and CERT volunteers, who will prepare warm and chocolaty S'mores for festival goers. Closure of Commercial Street will only be to the alleyway, with the remainder of that section of Commercial Street open for parking.
- Utilize the three parking spaces in front of The Red Raven storefront for the second food vendor trailer.
- Close Commercial Street, from Front to Depot Drive, for the location of demonstrations by the timber carver and the festival's Silent Art Auction.
- Run a snow shuttle from Depot Drive to the Dowagiac Area History Museum, which will involve a rubber-tracked snow groomer.
- Have the train depot open on festival day to allow access to public restrooms.

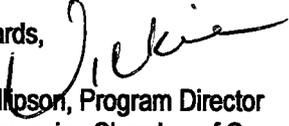
**In terms of support services from the City, I would like to request the assistance of city crews to:**

- **Override outlets on the street lights on Front, Beeson and Commercial streets, providing access to same for ice artisans, who use electric tools.**
- **Ensure sidewalks and the bricked area of the Beckwith Park are clear of snow to allow room for carving to take place. The sidewalk winding through the park should also be cleared. However, we do caution the use of salt on the sidewalks, as this will prematurely melt the bottom of the ice blocks, causing them to tip over.**
- **Install snow fencing within Beckwith Park for the ice carve-off.**
- **Shovel out the electrical boxes within the landscaped islands on Front and Commercial streets, and in front of City Hall, and make certain all electrical outlets are working, including those at Beckwith Park.**
- **Provide the necessary barricades to close Beeson and Commercial streets, and the assistance of police to set up those barricades early Saturday morning, after restaurants close Friday evening, and to keep a watchful eye on the ice blocks and sculptures to guard against vandalism during the day and over night.**

Chamber volunteers will begin unloading ice blocks Saturday by 5:30 a.m. In preparation for same, the week prior to the festival, we will provide the Department of Public Services with a map, showing the location of the ice blocks, to ensure our placement of same will not hinder snow removal that may occur during or after the festival. The ice blocks will remain on the sidewalks through the weekend and until they have melted or have lost a significant amount of their form.

As always, a BIG thank you to City personnel for their essential support services . We look forward to seeing you at Ice Time and at that day's Winter Hibernation Sale!

Best Regards,

  
Vickie Phillipson, Program Director  
Greater Dowagiac Chamber of Commerce  
And Downtown Development Authority

## **2014 DOWAGIAC ICE TIME FESTIVAL**

- 8 am** Ice Carving begins  
Select specialty shops offer hibernation sales. Visit retailers for details.
- 10 - 2** Sled Dog Meet & Greet @ Commercial Street  
**10 - 2** Live Statue Jack Frost @ WHO kNEW Consignment  
**10 - 2** Golf Swing Off Ice @ Benny's Barbershop. All ages can enter (\$5) virtual golf tournament.  
**10-2** Frost cookies with Miss Dowagiac & Court @ Dowagiac History Museum  
**10-2** Snow Shuttle to Museum @ Beeson Street & Depot Drive provided by Four Flags Snowmobile Club
- 10 - 3** Lil' Chippers outside games @ Commercial Street  
**10 - 3** Timber Carver & Silent Auction @ Beeson Street. Bid and take timber art home with you!
- 10 - 4** Carvers' Cave, Fruitbelt Woodcarvers demonstrations @ Front Street Crossing (COA)  
**10 - 4** Penguin craft @ WHO kNEW Consignment
- 11, 1 & 3pm** Snuggly Storytime with Hot Cocoa@ Dowagiac Public Library
- 11 - 3** HOT SPOT Bonfire & s'mores @ Commercial Street provided by Dowagiac Department of Public Safety.  
**1** *Winter's First Snowflake* storytime by the author @ Frame of Mind  
**1 - 3:30** Ice Carve Off Competition @ Beckwith Park Gazebo  
**1 - 4** Chili Crawl @ participating sites (see map) Bringing the Fire.Taste for free & vote for your FAVE!
- 2** Ice Cream Eating Contest @ Caruso's Candy Kitchen. Arrive early to enter.  
**2 - 4** Valentine Card Craft @ The Mane Attraction  
**3:30** Judging of Ice Carve off Sculptures @ Beckwith Park Gazebo

### **OUR PROUD SPONSORS**

The Greater Dowagiac Chamber of Commerce extends its sincere appreciation to our 2014 sponsors.

Platinum Level..... The Pokagon Fund, Lyons Industries  
Gold Level .....Dowagiac Area federal Credit Union  
Silver Level ..... Dowsett Chiropractic  
Bronze Level ..... Clark Chapel, WHO kNEW Consignment

**CITY OF DOWAGIAC**  
**EVENT APPROVAL FORM**

Name of Event: 18<sup>th</sup> Annual Ice Time Festival  
Date(s) of Event: February 1, 2014  
Sponsoring Organization: Greater Dowagiac Chamber of Commerce  
Contact Person(s): Vickie Phillipson, Program Director  
Contact Person's Telephone: 782-8212

**CITY MANAGER:**

\_\_\_\_\_ Final Approval \_\_\_\_\_ Denial

Comments: \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Department Heads:

Please review the attached event/activity request; indicate conditional approval, approval or denial; and provide comments regarding possible concerns. All comments will be taken under consideration and final approval remains with the City Manager.

**DEPARTMENT OF PUBLIC SAFETY:**

Approval \_\_\_\_\_ Approval with conditions \_\_\_\_\_ Denial \_\_\_\_\_

Comments: \_\_\_\_\_

Signature *St. L. Merrill* Date 1/15/14

**DEPARTMENT OF PUBLIC SERVICES:**

Approval \_\_\_\_\_ Approval with conditions \_\_\_\_\_ Denial \_\_\_\_\_

Comments: \_\_\_\_\_

Signature *James B. ...* Date 1-15-14

**DOWNTOWN DEVELOPMENT AUTHORITY:**

Approval \_\_\_\_\_ Approval with conditions \_\_\_\_\_ Denial \_\_\_\_\_

Comments: \_\_\_\_\_

Signature *J. Phillipson* Date 1-16-14

Communication #2  
January 27, 2014



Masons. Live better.

Peninsular Lodge No. 10, F&AM

**RECEIVED**  
JAN 20 2014

January 13, 2014

Dowagiac City Council  
Dowagiac City Hall  
241 S. Front St.  
Dowagiac, MI 49047

Dear Council Members,

The Masons of Dowagiac consider it a great honor to have been entrusted to produce the annual Dowagiac Memorial Day Parade. Your ongoing trust is truly humbling.

We again approach you for permission to host the 2014 edition of the Memorial Day Parade and Ceremonies to be held May 26. We anticipate the format, times and parade route to be similar to that of the past. We will open with ceremonies at City Hall. Again, each of you will be invited to participate. The parade will proceed from City Hall to Riverside Cemetery to offer a final salute to our fallen veterans.

Thank you in advance for your support and encouragement.

Sincerely

A handwritten signature in black ink, appearing to read 'Tim Feirick'.

Tim Feirick  
Worshipful Master

**CITY OF DOWAGIAC**  
**EVENT APPROVAL FORM**

Name of Event: Memorial Day Parade and Ceremonies  
Date(s) of Event: May 26, 2014  
Sponsoring Organization: Peninsular Lodge No. 10, Free and Accepted Masons of Michigan  
Contact Person(s): Tim Feirick, Worshipful Master  
Contact Person's Telephone: None

**CITY MANAGER:**

\_\_\_\_\_ Final Approval \_\_\_\_\_ Denial

Comments: \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

Department Heads:

Please review the attached event/activity request; indicate conditional approval, approval or denial; and provide comments regarding possible concerns. All comments will be taken under consideration and final approval remains with the City Manager.

**DEPARTMENT OF PUBLIC SAFETY:**

Approval \_\_\_\_\_ Approval with conditions \_\_\_\_\_ Denial \_\_\_\_\_

Comments: \_\_\_\_\_

Signature St. L. Gurnell Date 1/20/14

**DEPARTMENT OF PUBLIC SERVICES:**

Approval \_\_\_\_\_ Approval with conditions \_\_\_\_\_ Denial \_\_\_\_\_

Comments: \_\_\_\_\_

Signature James Bradford Date 1-20-14

**DOWNTOWN DEVELOPMENT AUTHORITY:**

\_\_\_\_\_ Approval \_\_\_\_\_ Approval with conditions \_\_\_\_\_ Denial \_\_\_\_\_

Comments: \_\_\_\_\_

Signature Dickie Phillips Date 1-20-14

***CITY OF DOWAGIAC***

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**MEMO TO: Mayor Lyons and City Council Members**

**FROM: Kevin P. Anderson, City Manager**

**DATE: January 24, 2014**

**SUBJECT: Dial-A-Ride MDOT Contract**

---

A resolution is on Monday's agenda to express the City's intention to apply for funding and to approve a projected 2015 Dial-A-Ride budget in accordance with the master contract with the Michigan Department of Transportation (MDOT). While we operate under a master contract for these funds with the State, we still need to apply for funding on an annual basis and include budget projections.

The DART Local Advisory Committee has recommended the proposed budget for approval. As projected, the State share of the budget is projected at \$72,978.44 (36.26%) and Federal share at \$32,202.29 (16%) on a total budget of \$201,264.30. Last year's DART budget percentages were State 38.49% and Federal 16.0% on a \$204,182.42 budget.

**RECOMMENDATION**

I recommend that Council approve the resolution for the City's intention to apply for funding and to approve a projected 2015 Dial-A-Ride budget.

Support Documents:  
Cover Memo-City Mgr.  
Resolution  
Dept. Head Reports

# CITY OF DOWAGIAC

## Interdepartmental Memo

**TO:** Kevin Anderson, City Manager      **FROM:** Rozanne Scherr, Transit Coordinator

**RE:** 2015 Proposed DART Budget      **DATE:** January 16, 2014

---

The DART Local Advisory Committee met on January 15, 2014 to review and approve the proposed 2015 DART budget in the amount of \$201,264.30. It is their recommendation that the budget be brought before City Council for formal approval. The operating percentages used for this budget are as follows:

State share: 36.26% or \$72,978.44 (2014 was 38.49%)  
Federal share: 16.00% or \$32,202.29

The Local Operating Assistance item is the budget shortfall amount of \$17,933.58 which may need to be drawn from reserves. Current reserves are \$126,540.88.

I have attached the proposed 2015 Budget and the Resolution of Intent for your review. Should you have any questions or comments please do not hesitate to contact me.

Michigan Department  
Of Transportation  
3078 (10/13)

**FY 2015 RESOLUTION OF INTENT**

*The approved resolution of intent to apply for state formula operating assistance for  
fiscal year 2015 under Act 51 of the Public Acts of 1951, as amended.*

**INSTRUCTIONS: Complete and save the form in PTMS, and attach a signed copy in PTMS**

**WHEREAS**, pursuant to Act 51 of the Public Acts of 1951, as amended (Act 51), it is necessary for the  
Dowagiac, City of \_\_\_\_\_, (hereby known as THE APPLICANT) established under  
*Name of Applicant (legal organization name)*

Act 51 \_\_\_\_\_ to provide a local transportation program for the state fiscal year of 2015 and, therefore, apply  
for state financial assistance under provisions of Act 51; and

**WHEREAS**, it is necessary for the governing body, to name an official representative for all public  
transportation matters, who is authorized to provide such information as deemed necessary by the State  
Transportation Commission or department for its administration of Act 51; and

**WHEREAS**, it is necessary to certify that no changes in eligibility documentation have occurred during the  
past state fiscal year; and

**WHEREAS**, the performance indicators have been reviewed and approved by the governing body.

**WHEREAS**, THE APPLICATION, has reviewed and approved the proposed balance (surplus) budget,  
and funding sources of estimated federal funds \$ 32,202, estimated state funds \$ 72,978,  
estimated local funds \$ 64,934, estimated fare box \$ 30,000, estimated other funds  
\$ 1,150, with total estimated expenses of \$ 201,264

**NOW THEREFORE**, be it resolved that THE APPLICANT hereby makes its intentions known to provide  
public transportation services and to apply for state financial assistance with this annual plan, in accordance with  
Act 51; and

**HEREBY**, appoints Rozanne H. Scherr as the Transportation Coordinator,  
for all public transportation matters, who is authorized to provide such information as deemed necessary by the  
State Transportation Commission or department for its administration of Act 51 for 2015.

I, James E. Snow, City Clerk \_\_\_\_\_, of  
(Name) (Secretary/Clerk)

**THE APPLICANT**, having custody of the records and proceedings of THE APPLICANT, does hereby certify that I  
have compared this resolution adopted by THE APPLICANT at the meeting of January 27, 2014, with  
the original minutes now on file and of record in the office and that this resolution is true and correct.

**IN TESTIMONY WHEREOF**, I have hereunto set my  
hand and affixed seal of said \_\_\_\_\_, this \_\_\_\_\_  
day of \_\_\_\_\_ A.D. 20\_\_\_\_\_  
SIGNATURE

**Dowagiac Dial-A-Ride**

**P.O. Box 430  
Dowagiac, MI 49047**

**(269) 782-2195**

**Nonurban City**

**Regular Service**

**Annual Budgeted**

**2015**

**Operating Revenue: \$30,000**

**Total Eligible Expenses: \$201,264**

**Local Share: \$96,084**

**Comments: -**

**Dowagiac Dial-A-Ride  
Nonurban City  
Regular Service  
Annual Budgeted  
2015**

**Revenue Schedule Report**

Code	Description	Amount
<b>401 :</b>	<b>Farebox Revenue</b>	
40100	Passenger Fares (-)	\$30,000
<b>406 :</b>	<b>Auxiliary Trans Revenues</b>	
40699	Other Auxiliary Trans Revenues (Explain in comment field) (no show and extra bag fees)	\$150
<b>408 :</b>	<b>Local Revenue</b>	
40800	Taxes Levied Directly for/by Transit Agency (-)	\$47,000
<b>409 :</b>	<b>Local Revenue</b>	
40910	Local Operating Assistance (-)	\$17,934
<b>411 :</b>	<b>State Formula and Contracts</b>	
41101	State Operating Assistance (-)	\$72,978
<b>413 :</b>	<b>Federal Contracts</b>	
41301	Section 5311 Operating (-)	\$32,202
<b>414 :</b>	<b>Other Revenue</b>	
41400	Interest Income (-)	\$1,000

**Total Revenues: \$201,264**

**Dowagiac Dial-A-Ride  
Nonurban City  
Regular Service  
Annual Budgeted  
2015**

**Expense Schedule Report**

Code	Description	Amount
<b>501 :</b>	<b>Labor</b>	
50101	Operators Salaries & Wages (-)	\$44,166
50102	Other Salaries & Wages (-)	\$31,532
50103	Dispatchers' Salaries & Wages (-contracted dispatching services)	\$36,000
<b>502 :</b>	<b>Fringe Benefits</b>	
50200	Fringe Benefits (-)	\$22,439
50201	Pensions (-)	\$14,177
50202	Other Post-Employment Benefits (-)	\$300
<b>503 :</b>	<b>Services</b>	
50302	Advertising Fees (-)	\$150
50305	Audit Costs (-)	\$300
50399	Other Services (Explain in comment field) (-general fund admin, cleaning, acct, atty)	\$8,000
<b>504 :</b>	<b>Materials and Supplies</b>	
50401	Fuel & Lubricants (-)	\$20,000
50402	Tires & Tubes (-)	\$2,000
50499	Other Materials & Supplies (-)	\$6,100
<b>505 :</b>	<b>Utilities</b>	
50500	Utilities (-)	\$400
<b>506 :</b>	<b>Insurance</b>	
50603	Liability Insurance (-)	\$4,500

**Dowagiac Dial-A-Ride  
Nonurban City  
Regular Service  
Annual Budgeted  
2015**

**Expense Schedule Report**

<b>Code</b>	<b>Description</b>	<b>Amount</b>
509 :	Misc Expenses	
50902	Travel, Meetings & Training (-)	\$100
50999	Other Misc Expenses (Explain in comment field) (-radio and unexpected expenses)	\$750
512 :	Operating Leases & Rentals	
51200	Operating Leases & Rentals (-)	\$10,350

**Total Expenses: \$201,264**

**Total Ineligible Expenses: \$0**

**Total Eligible Expenses: \$201,264**

**Dowagiac Dial-A-Ride  
Nonurban City  
Regular Service  
Annual Budgeted  
2015**

**Non Financial Schedule Report**

**Public Service**

Code	Description	Weekday DR	Saturday DR	Sunday DR	Total
610	Vehicle Hours	4,500	0	0	4,500
611	Vehicle Miles	46,000	0	0	46,000
615	Unlinked Passenger Trips - Regular	12,500	0	0	12,500
616	Unlinked Passenger Trips - Elderly	5,500	0	0	5,500
617	Unlinked Passenger Trips - Persons w/Disabilities	5,000	0	0	5,000
618	Unlinked Passenger Trips - Elderly Persons w/Disabilities	1,500	0	0	1,500
622	Total Demand-Response Unlinked Passenger Trips	24,500	0	0	24,500
625	Days Operated	250	0	0	250

**Total Passengers: 24,500**

**Vehicle Information**

Code	Description	Quantity
655	Total Demand-Response Vehicles	3
656	Demand-Response Vehicle w/ Lifts	2
658	Total Transit Vehicles	3

**Total Vehicles: 3**

**Miscellaneous Information**

Code	Description	Quantity DR
660	Diesel/Gasoline Gallons Consumed	6,000
661	Total Transit Agency Employees (Full-Time Equivalents)	2
662	Total Revenue Vehicle Operators (Full-Time Equivalents)	2

**CITY OF DOWAGIAC**

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**MEMO TO: Mayor Lyons and City Council Members**

**FROM: Kevin P. Anderson, City Manager**

**DATE: January 24, 2014**

**SUBJECT: Sale of Property-317 Pokagon Street**

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A resolution of intent to sell property located at 317 Pokagon Street to Mr. and Mrs. Trevor Nilson for \$300.00 is on Monday's agenda for your consideration. A final form resolution is also included for your review for the February 24, 2014 Council Meeting.

Once the intent to sell resolution and final form has been introduced, the issue must remain "on the table" for the required 21-day period before final Council action can be taken on February 24, 2014.

Conditions of the sale will be as follows:

- Total sale price will be \$300.00 cash – "as is";

**RECOMMENDATION**

Introduce intent to sell resolution and final form for 317 Pokagon Street.

Support Documents:  
Cover Memo-City Mgr.  
Resolution

Councilmember \_\_\_\_\_ offered and moved the adoption of the following resolution;  
seconded by Councilmember \_\_\_\_\_.

**WHEREAS,** the City of Dowagiac wishes to convey and sell a parcel of real property owned  
by the City in accordance with the provisions of Section 14.9 of the City Charter;  
and,

**WHEREAS,** to do so requires the formal approval of the final-form resolution authorizing such  
conveyance a minimum of twenty-one (21) days in advance of the final adoption  
of the said, final-form resolution.

**NOW, THEREFORE, BE IT RESOLVED** that the Dowagiac City Council, by the affirmative  
vote of its City Council, does hereby adopt and introduce the attached, final-form  
resolution for the conveyance of City-owned real property in accordance with the  
provisions of Section 14.9 of the City Charter, and further directs the City Clerk  
to maintain on file for public review said same final-form resolution for a period  
of not-less-than twenty-one (21) days preceding the formal action by Council to  
approve the resolution as attached.

ADOPTED/REJECTED

**City Property Sale; 317 Pokagon Street; Mr. and Mrs. Trevor Nilson; \$300.00**

Council member \_\_\_\_\_ offered and moved the adoption of the following resolution, seconded by Council Member \_\_\_\_\_.

**WHEREAS**, at the January 27, 2014 City Council meeting by way of an adopted resolution introducing same, the Dowagiac City Council approved of a final-form resolution authorizing the conveyance of City-owned, real property in accordance with the provisions of Section 14.9 of the City Charter, and the specifications outlined in the City Council Policy enacted on June 21, 1993, and;

**WHEREAS**, having now remained on file for public inspection with the Office of the City Clerk for in-excess-of the minimum twenty-one (21) day period required by the City Charter, the City of Dowagiac wishes to formally convey and sell the parcel of surplus real property legally described in Exhibit "A", commonly known as 317 Pokagon Street in the City of Dowagiac, according to the recorded plat thereof, and more commonly referred to as Parcel Code No. 14-160-100-264-00, to Mr. and Mrs. Trevor Nilson, for the total sale price of three hundred dollars (\$300.00).

**NOW, THEREFORE, BE IT RESOLVED** that the Dowagiac City Council, by the affirmative roll call vote of five or more of its City Council Members, does hereby adopt and approve the sale and conveyance of City-owned real property legally described in Exhibit "A", commonly known as 317 Pokagon Street in the City of Dowagiac, according to the recorded plat thereof, and more commonly referred to as Parcel Code No. 14-160-100-264-00, to Mr. and Mrs. Trevor Nilson, for the total sale price of three hundred dollars (\$300.00).

**BE IT FURTHER RESOLVED** that the said conveyance shall be accomplished by means of the transfer of a Quit-claim Deed, as prepared by the City Attorney, signed by the Mayor and Clerk respectively of the City of Dowagiac, and executed within thirty (30) days following adoption of this resolution.

ADOPTED/REJECTED

January 27, 2014

EXHIBIT A

317 Pokagon Street

Parcel Description:

Tax I.D. #14-160-100-264-00

COM 9 1/2 RDS E OF NW COR E 1/2 NE 1/4 SW 1/4, TH S 8 RDS, E 4 RDS, N 8 RDS, W 4 RDS TO BEG. UNPLATTED POKAGON SEC 1 CITY OF DOWAGIAC.

January 17, 2014

Mr. Kevin Anderson  
City Manager  
City of Dowagiac  
241 S. Front Street  
Dowagiac, MI 49047

Dear Mr. Anderson:

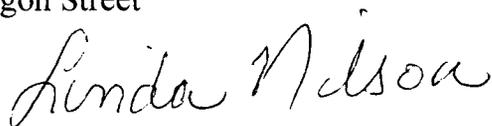
Thank you for taking the time to meet with us today. We are interested in purchasing the city-owned, vacant lot at 317 Pokagon Street for \$300.00.

Thank you for your consideration.

Sincerely,



Trevor & Linda Nilson  
319 Pokagon Street



STREET

POKAGON STREET

317 Pokagon



100-233

100-232  
319  
100-231

100-2649  
317

100-227  
315  
100-219

100-126

100-289  
100-394  
100-392

GRAND

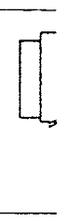
BLVD.

100-185

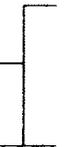
100-180

158

17



1521



# Real Estate Summary Sheet

\*\*\*Information herein deemed reliable but not guaranteed\*\*\*

01/17/2014 10:38 AM

**Parcel:** 14-160-100-264-00  
**Owner's Name:** CITY OF DOWAGIAC  
**Property Address:** 317 POKAGON ST  
DOWAGIAC, MI 49047

**Current Class:** 090.EXEMPT - 090  
**Previous Class:** 090.EXEMPT - 090  
**Gov. Unit:** 160 CITY OF DOWAGIAC  
**MAP #** DW485  
**School:** 14020 DOWAGIAC SCHOOLS  
**Neighborhood:** 403 SOUTHSIDE RESIDENTIAL

**Liber/Page:** 008:227      **Created:** / /  
**Split:** / /      **Active:** Active

**Public Impr.:** None  
**Topography:** None

**Mailing Address:**

CITY OF DOWAGIAC  
PO BOX 430  
DOWAGIAC MI 49047

**Description:**

. DW 485 COM 9 1/2 RDS E OF NW COR E 1/2 NE 1/4 SW 1/4, TH S 8 RDS, E 4 RDS, N 8 RDS, W 4 RDS TO BEG. UNPLATTED POKAGON SEC 1 CITY OF DOWAGIAC.

## Most Recent Sale Information

Sold on 08/15/2002 for 7,929 by .

**Terms of Sale:** WARRANTY DEED

**Liber/Page:** 008:227

## Most Recent Permit Information

Permit P00B026 on 03/14/2000 for \$0 category DEMOLITION.

## Physical Property Characteristics

<b>2014 S.E.V.:</b> 0	<b>2014 Taxable:</b> 0	<b>Lot Dimensions:</b>
<b>2013 S.E.V.:</b> 0	<b>2013 Taxable:</b> 0	<b>Acreage:</b> 0.20
<b>Zoning:</b> MED DEN	<b>Land Value:</b> 3,300	<b>Frontage:</b> 66.0
<b>PRE:</b> 100.000	<b>Land Impr. Value:</b> 0	<b>Average Depth:</b> 132.0

## Improvement Data

None

Councilmember \_\_\_\_\_ offered and moved the adoption of the following resolution;  
seconded by Councilmember \_\_\_\_\_.

**WHEREAS**, the following information has been reviewed by the City Manager and City  
Treasurer and is being presented to City Council with a recommendation to  
approve invoices and payroll #9 for the period ending 1/23/14:

Invoices: 111,481.25  
Payroll: 185,617.57  
Total: \$297,098.82

**BE IT RESOLVED** that the City Manager and City Treasurer are hereby authorized and  
directed to pay the following bills and payroll due:

Invoices	Payroll	Total
\$111,481.25	\$185,617.57	\$297,098.82

ADOPTED/REJECTED

Ayes:

Nays:

Absent:

Abstain:

James E. Snow, City Clerk

Vendor	Invoice #	Description	Amount
ABSOPURE WATER COMPANY	54396922	H&C COOLER RENTAL	8.00
ABSOPURE WATER COMPANY	83041745	BOTTLED WATER/DESPOSIT	28.75
ABSOPURE WATER COMPANY	83041763	BOTTLED WATER-26461 NUBOUR	49.50
ABSOPURE WATER COMPANY	83041758	BOTTLED WATER/DEPOSIT-25830 NUBOUR	23.00
ABSOPURE WATER COMPANY	54399651	C&C COOLER RENTAL-25830 NUBOUR	6.00
ACCOUNTING CONSULTANTS, PC	12/31/13	CONSULTING SVC THROUGH 12/31/13	1,485.00
ACCOUNTING CONSULTANTS, PC	1/15/14	CONSULTING SVC THROUGH 1/15/14	2,700.00
AIRGAS GREAT LAKES	9915432405	WELDING SUPPLIES	42.26
AMERAPLAN	2/14	AMERAPLAN ADMIN FEE	720.00
AMERICAN ELECTRIC POWER	04819785702	MARCELLUS HWY ST LIGHTS	8.89
AMERICAN ELECTRIC POWER	04950133613	CCWS-VANDALIA TOWER	74.52
AUTOZONE	2141135524	#PD053 WIPER BLADES	31.33
BEST WAY DISPOSAL	025708	WWTP SLUDGE DISPOSAL	2,670.00
BRADFORD, JARRID	1/9/14	TRAVEL REIMBURSEMENT-LANSING	18.66
BRADFORD, JARRID	287248950627	CELL PHONE REIMBURSEMENT 11/7-12/6	60.00
CARTER, ALLEN	01/15/2014	UB refund for account: 08-2333-11	95.53
CASS OUTDOOR POWER EQUIPMENT, INC	100336	GASKET/PRIMER/SCABBARD GUARD	22.32
CASSOPOLIS AREA UTILITIES AUTHORITY	1/13/14	CASS WATER SYSTEM	5,766.35
CHET NICHOLS, INC	424867	#9 U-JOINT	19.11
CINTAS LOCATION #336	336-05625	MATS	90.69
CINTAS LOCATION #336	336-07833	MATS & UNIFORMS	385.62
CINTAS LOCATION #336	336-01904	MATS & UNIFORMS	480.80
CLARK HILL PLC	523408	HUSTON PARK ACQUISITION	1,209.50
CLEAN CUT L&L, LLC	10701	CEMETERY CLEANUP	2,900.00
COMMUNITY ANSWERING SERVICE	262801062014	DISPATCHING SERVICES	215.10
CONESTOGA-ROVERS & ASSOCIATES	442185	2013 OMM ACTIVITIES	1,812.56
CREATIVE VINYL SIGNS	25680	EXHIBIT PANELS-MISS DOWAGIAC PAGEANT	72.50
DALE'S AUTO SALES & SERVICE	6093	#07 CUTTING EDGE/#192 WESTERN PLOW SHOES	255.26
DORNBOS SIGN & SAFETY, INC	INV14253	SIGN POSTS	447.90
DOUBLEDAY OFFICE PRODUCTS, INC	147837	DESK CALENDAR	13.99
DOUBLEDAY OFFICE PRODUCTS, INC	148267I	OFFICE SUPPLIES	187.34
DOWAGIAC CLEANERS	1/1/14	UNIFORM DRY CLEANING	40.50
DOWAGIAC UNION SCHOOLS	201314-40	FUEL EXPENSES-DEC 2013	9,130.16
DUST BUSTERS	2/14	CLEANING SERVICES 2/14	1,725.00
DZAKOWIC, MARK	01/15/2014	UB refund for account: 06-3130-15	67.03
ELECTIONSOURCE	22364	MEMORY PACK BATTERY	179.00
FED EX	2-527-28555	SHIPPING CHARGES	43.36
FIA CARD SERVICES	0252	LUNCH MEETING	21.44
FIA CARD SERVICES	0252	EXTERNAL DISC DRIVE	14.94
FIA CARD SERVICES	0252	K-9 MEDS	68.29
FIA CARD SERVICES	0252	CAMERAS	117.98
FIA CARD SERVICES	0252	LIFT STATION REPORTS	24.99
FIA CARD SERVICES	0252	LIFT STATION ALARMS	24.99
FIA CARD SERVICES	0252	SUBSCRIPTION	20.00
FIA CARD SERVICES	0252	#103 TRANSMISSION SENSOR/PIGTAILS	143.77
FLEIS & VANDENBRINK ENGINEERING INC	36978	WWTP-PROJECT PLAN AMENDMENT	468.82
FLINT'S AUTO REPAIR	1/17/14	#14 VEHICLE REPAIRS	711.00
FLINT'S AUTO REPAIR	1/3/14	#330 REPLACE THERMOSTAT	242.50
GLOBAL TELEMATIC SOLUTIONS, LLC	3089	VEHICLE TRACKING SERVICE	220.00
GRAINGER, INC	9336794020	GLOVES	162.36
GRAINGER, INC	9336889937	GLOVES	162.36
GRAINGER, INC	9338606362	6V BATTERIES	42.48
GRAMES TIRE & BATTERY, INC	2730	#101 BATTERY	79.95
GRAMES TIRE & BATTERY, INC	2713	#128 TIRE REPAIR	16.95
HAAS ALARMS AND SERVICE, INC	060033	PULL STATION REPLACEMENT RODS	11.25

Vendor	Invoice #	Description	Amount
HACH COMPANY	8635034	WWTP LAB SUPPLIES	250.00
HAGEMAN, FRANK	01/15/2014	UB refund for account: 06-1683-2	50.89
HALE'S HARDWARE, INC	C50758	GLOVES	8.00
HALE'S HARDWARE, INC	C51551	HOSE/FITTINGS	33.82
HALE'S HARDWARE, INC	C51050	GAS CYLINDER/TIES/EXT CORD	18.96
HALE'S HARDWARE, INC	C51708	SAFETY HASPS/COUPLING	9.20
HALE'S HARDWARE, INC	C51420	BATTERIES	85.76
HALE'S HARDWARE, INC	C51046	ACRYLIC/TAPE/GAS TREATMENT/HAND WARMERS	83.82
HALE'S HARDWARE, INC	C51251	TUBE SAND/PIG RINGS	10.65
HALE'S HARDWARE, INC	C51256	TUBE SAND	15.31
HALE'S HARDWARE, INC	C51966	UNION/COUPLING/POLY TUBE	23.63
HALE'S HARDWARE, INC	C52515	CLR BATH CLEANER	33.90
HALE'S HARDWARE, INC	C51976	#9 CABLE CLAMP	3.75
HALE'S HARDWARE, INC	C52297	#150 ANGLE IRON	29.08
HALE'S HARDWARE, INC	C52584	CONDUIT	33.54
HALE'S HARDWARE, INC	10089160	LITHIUM BATTERIES	9.98
HALE'S HARDWARE, INC	C52843	ELEC TAPE/PLIERS/BLADE/KNIFE/TAPE	31.37
HANSON BEVERAGE SERVICE	800983	DISTILLED WATER	31.00
HANSON BEVERAGE SERVICE	788700	DISTILLED WATER	40.50
HARDING'S MARKET, INC	337012	OPERATING SUPPLIES	25.15
HI-TECH SMR COMMUNICATIONS	17541	ANTENNA DIAGNOSTIC FEE	130.00
ITRON, INC	310101	QUARTERLY SOFTWARE MTCE	880.17
J & H OIL COMPANY	9672301	CEMETERY GAS	519.15
J & H OIL COMPANY	1282334	GAS NOZZLE	79.46
J DOHENY SUPPLIES INC	A69497	#11 CABLES	133.94
JOHNSON, MARK	1/9/14	SEWER RODDING REIMBURSEMENT	225.00
JRON LLC	1/13/14	TAX BILL OVERPAYMENT 14-160-500-629-00	202.45
JUDD LUMBER COMPANY, INC	2529203	HEAT TAPE W/LIGHT	39.99
JUDD LUMBER COMPANY, INC	2529281	BATTERIES	38.06
JUDD LUMBER COMPANY, INC	2529337	LED WORKLIGHT	9.99
JUDD LUMBER COMPANY, INC	2529518	CONDUIT	26.76
JUDD LUMBER COMPANY, INC	2529527	DUCT TAPE	9.98
KINGDOM COVENANT OUTREACH MINISTRY	01/15/2014	UB refund for account: 01-2631-2	23.41
LAGROW, CINDY	2/14	ECONOMIC DEVELOPMENT SERVICES 2/14	2,060.00
LAKE MICHIGAN MAILERS, INC	294614	NO NOTIFICATION HOLIDAY CLOSURE FEE	30.00
M&R ELECTRIC S W, INC	4819	INSTALL OUTLETS/LIGHTS-DPS GARAGE	807.00
MATHEWS LAW OFFICE PLLC	11	LEGAL SERVICE	638.00
MATTIX, MICHAEL	1/11/14	TRAINING REIMBURSEMENT	20.97
MECHANICAL INSPECTORS ASSOCIATION	0463	2014 MEMBERSHIP FEE-J BRADFORD	75.00
METROPOLITAN MECHANICAL INSP	0463	2014 MEMBERSHIP DUES-J BRADFORD	70.00
MI COMMUNITY ACTION AGENCY ASSOC	1/14	EU-MONTHLY PYMT ALLOCATION-1/14	11,408.42
MI MUNICIPAL ELECTRIC ASSOCIATION	27153	2014 MEMBERSHIP DUES/SPECIAL ASSESSMENT	9,533.00
MICHIANA TRUCK CENTER	46998	#103 HOSES/FITTINGS/ADAPTER	510.39
MICHIGAN CAT	PD3757257	#74 V-BELT/O-RINGS	18.68
MICHIGAN CAT	PD3757258	#74 WATER PUMP/CORE DEPOSIT/COOLANT	392.91
MICHIGAN CAT	CC3763380	#74 CORE DEPOSIT CREDIT	(133.98)
MICHIGAN ELECTION RESOURCES	31944	PRECINCT SUPPLY KIT	55.45
MICHIGAN ELECTION RESOURCES	31951	MASTER VOTER CARD	129.16
MICHIGAN MUNICIPAL LEAGUE	1/17/14	2014 MML CONFERENCE REGISTRATIONS	800.00
MICHIGAN STATE POLICE-CASHIERS OFC	551-407643	LEIN TOKEN	99.00
MORSEAU, SONYA J	01/15/2014	UB refund for account: 15-2733-9	18.13
MWEA	E12120	OP DAY REG-	680.00
MYERS, ASHLEY	01/15/2014	UB refund for account: 08-2228-13	84.83
OIL CAN ALLEY	30254	#1 OIL CHANGE	37.95
PARAGON LABORATORIES, INC	42078-78389	MERCURY TESTING	110.00

Vendor	Invoice #	Description	Amount
PETTY CASH	1/9/14	OPERATING SUPPLIES	28.85
PIAZZA, BRANDON	01/15/2014	UB refund for account: 16-1837-9	111.49
POSTMASTER	1/9/14	ANNUAL POST OFFICE BOX FEE	250.00
POWER LINE SUPPLY, INC	5793993	175W LAMPS	403.56
POWER LINE SUPPLY, INC	5792553	GLOVES	63.00
POWER LINE SUPPLY, INC	5792478	EYENUT/DE/CONNECTORS	220.81
POWERNET GLOBAL COMMUNICATIONS	31003435	LONG DISTANCE SERVICE 12/12-1/12	105.94
PRAIRIE RONDE REALTY	1525	GARAGE SPACE RENT-DART	150.00
PRECISION DATA PRODUCTS	I0000398946	INK CARTRIDGE/HD-CAMERA TRUCK	413.23
PRECISION DATA PRODUCTS	I0000399202	USB DRIVES	36.95
PRIORITY COMPUTER SERVICES, INC	201184	ANNUAL EMAIL FILTER SUBSCRIPTION	495.00
QUILL CORPORATION	8328237	JANITORIAL SUPPLIES	1,443.99
REAL PRO SOLUTIONS, LLC	SP197	CCWS-SNOW PLOWING-PENN PUMP HOUSES	65.00
REAL PRO SOLUTIONS, LLC	SP198	CCWS-SNOW PLOWING-VANDALIA TOWER	55.00
REAL PRO SOLUTIONS, LLC	SP199	CCWS-SNOW PLOWING-PENN PUMP HOUSES	65.00
REAL PRO SOLUTIONS, LLC	SP200	CCWS-SNOW PLOWING-VANDALIA TOWER	55.00
REAL PRO SOLUTIONS, LLC	SP201	CCWS-SNOW PLOWING-VANDALIA TOWER	55.00
REAL PRO SOLUTIONS, LLC	SP202	CCWS-SNOW PLOWING-PENN PUMP HOUSES	65.00
REAL PRO SOLUTIONS, LLC	SP203	CCWS-SNOW PLOWING-PENN PUMP HOUSES	65.00
REAL PRO SOLUTIONS, LLC	SP204	CCWS-SNOW PLOWING-VANDALIA TOWER	55.00
REAL PRO SOLUTIONS, LLC	SP205	CCWS-SNOW PLOWING-VANDALIA TOWER	55.00
REAL PRO SOLUTIONS, LLC	SP206	CCWS-SNOW PLOWING-PENN PUMP HOUSES	65.00
REAL PRO SOLUTIONS, LLC	SP207	CCWS-SNOW PLOWING-PENN PUMP HOUSES	65.00
REAL PRO SOLUTIONS, LLC	SP208	CCWS-SNOW PLOWING-VANDALIA TOWER	55.00
REAL PRO SOLUTIONS, LLC	SP209	CCWS-SNOW PLOWING-VANDALIA TOWER	55.00
REAL PRO SOLUTIONS, LLC	SP210	CCWS-SNOW PLOWING-PENN PUMP HOUSES	65.00
ROAD EQUIPMENT PARTS CENTER	KS392582	#106 STROBE LIGHT	108.37
ROHDY'S HEATING & COOLING, LLC	3654	HEATING REPAIR-CITY HALL	152.20
RUPPEL, JAMES	01/15/2014	UB refund for account: 02-3357-13	41.77
SCHERER, JOE DBA LONELY PI	2/14	2/14 INT PMT ACCT 7508450033	6,174.53
SEMCO ENERGY GAS COMPANY	0149077.500	GAS SERVICE 12/3/13-1/3/14	1,034.63
SEMCO ENERGY GAS COMPANY	0149089.500	GAS SERVICE 12/3/13-1/3/14	297.25
SEMCO ENERGY GAS COMPANY	0346992.502	GAS SERVICE 11/27/13-12/31/13	12.44
SEMCO ENERGY GAS COMPANY	0147944.500	GAS SERVICE 12/2/13-1/2/14	111.39
SEMCO ENERGY GAS COMPANY	0148902.500	GAS SERVICE 12/3/13-1/3/14	391.35
SEMCO ENERGY GAS COMPANY	0149080.500	GAS SERVICE 12/3/13-1/3/14	836.21
SEMCO ENERGY GAS COMPANY	0148809.501	GAS SERVICE 12/3/13-1/3/14	666.04
SEMCO ENERGY GAS COMPANY	0146763.501	GAS SERVICE 12/2/13-1/2/14	1,226.27
SEMCO ENERGY GAS COMPANY	0149138.502	GAS SERVICE 12/3/13-1/3/14	310.85
SHARE CORPORATION	864221	SNOW PLOW/DUMP BED COATING	189.44
SISKANINETZ, MARK	1/14/14	BLDG PERMIT INSPECTIONS 12/4/13-1/14/14	5,123.09
SQUIER, JUSTIN	01/15/2014	UB refund for account: 08-2212-22	64.29
STATE OF MICHIGAN	ME-0200312	SALES & TAX-DEC 2013	13,306.05
STEINKRAUS FOREST MANAGEMENT LLC	202	EVALUATION OF AIRPORT TIMBER	75.00
THE RIDGE COMPANY	546247	#104 HALOGEN LAMP/ADAPTERS	13.00
THE RIDGE COMPANY	546252	#104 HEADLIGHT	2.62
THE RIDGE COMPANY	546406	#MT6 HALOGEN BULBS	8.66
THE RIDGE COMPANY	546755	#103 CLAMPS	29.97
THE RIDGE COMPANY	546803	#150 YELLOW PAINT	5.69
THE RIDGE COMPANY	546002	TRANSMISSION FLUID	59.88
THE RIDGE COMPANY	545379	#74 OIL/FUEL FILTERS	42.05
THE RIDGE COMPANY	544979	#FD2001 SPARK PLUG	2.69
THE RIDGE COMPANY	544815	#103/105 WIPER BLADES	36.76
THE RIDGE COMPANY	547097	#102 SNOWPLOW LAMP	115.00
THE RIDGE COMPANY	546974	#MT6 RELAY	11.04

Vendor	Invoice #	Description	Amount
THE RIDGE COMPANY	546976	#MT6 SCREW/NUT	0.70
TIMMONS, REBECCA E	01/15/2014	UB refund for account: 12-2666-11	86.89
TRUE'S SERVICE, INC	125426	#PD091 TOWING	50.00
VANDERVRIES, EDWARD	2/14	ASSESSING SERVICES 2/14	1,775.00
VERIZON WIRELESS	9717250942	TABLET MONTHLY FEE	267.37
WEST SIDE TRACTOR SALES	B02479	#150 BRAKE MASTER CYLINDER REPAIR	2,167.09
WEST SIDE TRACTOR SALES	U14186	#150 EDGE	267.45
WILLIAMS-A-1 EXPERT TREE SERVICE	6306	SNOW REMOVAL	2,890.00
WMCJTC	1/17/14	LETHAL CHEMICAL TRAINING-WIGGINS	200.00
WRIGHT, WAYNE	01/13/2014	UB refund for account: 06-2115-2	71.98
YEO & YEO PC	326481	PROFESSIONAL SVC RENDERED THROUGH	2,300.00
ZIMMER, JAMES C	01/15/2014	UB refund for account: 04-3104-5	162.24
		Total:	111,481.25

## *CITY OF DOWAGIAC*

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**MEMO TO:** Mayor Lyons and City Council Members

**FROM:** Kevin P. Anderson, City Manager

**DATE:** January 24, 2014

**SUBJECT:** Electric Rate Ordinance Amendment – Second Reading

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On January 13, 2014, City Council reviewed this ordinance and made a motion that would allow the ordinance to be considered for adoption on January 27, 2014. The City Council has duly noticed this ordinance pursuant to City Charter. No comments have been received to date. For your convenience, I have copied the staff report from the prior meeting below:

*In 2009 the City entered into a long-term power purchase agreement, which helped stabilize the cost of wholesale power and eliminate the massive market fluctuations of power costs that can occur. This long-term power agreement allowed for City Council to reduce electric rates twice in the last five years. Electric rates were last adjusted July 2012. Over the last two years power use has remained relatively constant and the cost of power has increased modestly. A small rate increase is needed to maintain the current level of service.*

*The 2012-13 budget adopted by Council last May was based on a 2.5% increase. However, after reviewing the audit, the City's financial position and utility usage, a rate increase of 1.75% in the electric utility will be sufficient to offset the increased cost of power and allow the electric utility to remain in a fiscally stable position.*

### RECOMMENDATION

Approve the second reading of the amended Electric Rate Ordinance at the January 27<sup>th</sup> Council meeting.

Support Documents:  
Cover Memo-City Mgr.  
Ordinance

**ORDINANCE NO. \_\_\_\_\_, 2014**

**ORDINANCE-----**

AN ORDINANCE TO AMEND CHAPTER 82 UTILITIES ARTICLE V "ELECTRIC PROVISIONS AND RATES" SECTION 82-279 OF THE DOWAGIAC CITY CODE BE AND IS HEREBY AMENDED BY ITS REPEAL OF THE DOWAGIAC CITY CODE.

THE CITY OF DOWAGIAC ORDAINS:

Section 1: That Chapter 82, Utilities; Article V, "Electric Provisions and Rates", Section 82-279 of the Dowagiac City Code be and hereby is amended to read as follows:

**ARTICLE V. ELECTRIC PROVISIONS AND RATES.**

**Sec. 82-279. Electric rates.**

(a) *Residential Electric Service*. Available to customers desiring service for all usual domestic purposes through one meter to a single occupancy or individual dwelling unit. This rate is not available for commercial or industrial use.

(1) Nature of Service: Alternating current, single-phase, three wire, 60 Hertz, at approximately 120/240 volts.

(2) Monthly Rate:

Monthly Service Charge (Minimum Monthly Charge) .....\$11.45  
Energy Charge per kWh .....\$ 0.09961

This rate is subject to the transmission cost adjustment charge.

(b) *General Service*. Available to general service customers not specified in other City rate schedules, with normal monthly maximum demands less than 35 Kw, desiring service for general lighting and/or power purposes. Customers may continue to qualify for this service under this rate until their 12-month average demand is greater than or equal to 35 Kw.

(1) Nature of Service: Alternating current, single-phase, three wire, 60 Hertz, at approximately 120/240 volts. The particular nature of the voltage in each case will be determined by the Department of Public Services (DPS).

(2) Monthly Rate:

Monthly Service Charge (Minimum Monthly Charge) .....\$17.76

Energy Charge per kWh. ....\$ 0.12597

This rate is subject to the transmission cost adjustment charge.

(c) *PUBLIC SERVICE*. Available to all Federal, State, and Local Governmental authorities for the supply of electric energy to public buildings, public schools, or other facilities that are supported by public tax levies.

(1) Nature of Service: Alternating current, 60 Hertz, single-phase or three-phase. The particular nature of the voltage in each case will be determined by the DPS.

(2) Monthly Rate:

Monthly Service Charge (Minimum Monthly Charge) .....\$14.09  
Energy Charge per kWh .....\$ 0.11895

This rate is subject to the transmission cost adjustment charge.

\* Public School System customers at a single location with loads in excess of an average of 300 kW demands over a 12-month period can be provided service under the Large General Service Rate. (The 12-month period can be excluded for new public school facilities with expected demands in excess of 300 kW)

(d) *MUNICIPAL WATER SERVICE*. Available to all municipally owned and operated waterworks systems and sewage disposal systems, including booster pumps and lift stations.

(1) Nature of Service: Alternating current, 60 Hertz, single-phase or three-phase. The particular nature of the voltage in each case will be determined by the DPS.

(2) Monthly Rate:

Monthly Service Charge (Minimum Monthly Charge) .....\$15.27  
Energy Charge per kWh .. .....\$ 0.10114

This rate is subject to the transmission cost adjustment charge.

(e) *LARGE GENERAL SERVICE*. Available to any general service customer having a demand of 35 KW or more for general lighting and power purposes. Customers may continue to qualify for this rate until their 12-month average demand drops below 35 kW. This rate is available to public school system customers at a single location with demands in excess of 300 kW over a 12-month period.

(1) Nature of Service: Alternating current, 60 Hertz, single-phase or three-phase for both primary and secondary services. The particular nature of the voltage in each case will be determined by the DPS.

(2) Monthly rate:

	per kwh	700,000	550,000	400,000	250,000	100,000
<u>LGS</u>						
Monthly Service Charge		\$ 119.80				
Demand Charge per KW		\$ 14.30	\$ 13.98	\$ 13.65	\$ 12.99	\$ 12.66
Energy Charge per kWh		\$0.06064	\$0.05932	\$0.05790	\$0.05515	\$0.05372
<u>LGS Discount (Eq supplied by Customer)</u>						
Monthly Service Charge		\$ 146.82				
Demand Charge per KW		\$ 13.29	\$ 12.98	\$ 12.67	\$ 12.07	\$ 11.76
Energy Charge per kWh		\$0.06003	\$0.05861	\$0.05718	\$0.05444	\$0.05311

\*LGS Discount Rate (Equipment supplied by Customer):

Available to customers who furnish and maintain complete substation equipment, including any and all transformers, and/or switches, and/or other apparatus necessary to take entire service at primary distribution voltage.

(3) Monthly Billing Demand:

Energy supplied hereunder will be delivered through not more than one (1) single-phase and/or one (1) poly-phase meter. Customers demand shall be taken monthly to be the highest registration of a fifteen (15) minute integrating demand meter or indicator, or the highest registration of a thermal-type meter.

(4) Power Factor Adjustment (PFA):

Customers with a monthly maximum demand of 100 kW or more will be subject to a power factor adjustment. The PFA is based on the maintenance by the customer of an average monthly power factor of 85%. If the average monthly power factor, as registered by the City's metering devices, is other than 85%, the monthly demand charge will be multiplied by a constant as determined by the following formula:

$$\text{Constant} = .9510 + ((.1275) \times (\text{RKVAH/kWh})^2)$$

Customers with a PFA will have their demand charge accordingly debited or credited and shall continue with the PFA until their 12-month average demand drops below 100 kW.

(f) *SECURITY LIGHTS*. Available to all customers desiring security light (yard light) service providing application is made and a "Protective or Yard Light Agreement" is signed by the customer.

Monthly Rate:

175 Mercury Vapor.....	\$12.66
250 Mercury Vapor.....	\$15.60
400 Mercury Vapor.....	\$23.56
1000 Mercury Vapor.....	\$48.55
150 High Pressure Sodium .....	\$12.66
400 High Pressure Sodium .....	\$35.98

(g) *TRANSMISSION COST ADJUSTMENT CHARGE (TCA)*. The current electric rate charged to customers includes a base amount for transmission services. With the formation of the Independent System Operator additional ancillary service charges are billed to the City of Dowagiac. Ancillary service charges can vary each month and can be difficult to predict with certainty. To ensure customers are charged the cost of service and the financial integrity of the electric system is maintained, charges for “ancillary” transmission services will be passed through to customers through a Transmission Cost Adjustment Charge (TCA) based on the formula listed below:

**Example Formula for Transmission Cost Adjustment (TCA)**

	<b>Example Calculation</b>	<b>Line</b>	<b>Notes</b>
Transmission Costs	\$27,078.18	A	Ancillary service charges for transmission
Reconciliation from Previous Month		B	The City may periodically reconcile transmission recovery with rates
Total Transmission Costs to be Recovered	<u>\$27,078.18</u>	C	(A+B)
Divided by kWh Purchased	6,450,000	D	Actual kWh energy purchased by City
Transmission costs per kWh	\$0.004198	E	Transmission cost per kWh (C/D)
Less Base TCA	0.00238	F	Base TCA
Transmission Adjustment per kWh	0.00182	G	Transmission costs per kWh less base (E-F)
Losses	<u>0.00013</u>	H	Transmission costs per kWh times loss factor of .07 (G X .07)
Transmission Cost Adjustment	<u><b>0.00195</b></u>	I	Transmission cost adjustment charged to customer on next month's bill (G+H)

(h) *ECONOMIC DEVELOPMENT RATE*. In an effort to promote job creation, community investment and long-term electric rate stability, the City Manager shall be empowered to establish a temporary economic development rate for large utility customers for a period of up to six (6)

months. The rate cannot be less than the City's actual cost to purchase power plus 10%. The justification will be based on a combination of factors including job creation and/or job retention and new investment in the community consistent with the criteria for tax abatements. Once a large utility customer has received this temporary rate, it shall not be eligible for the economic development rate for three (3) years. The City Manager shall document the rationale and communicate the rationale to City Council.

(i) *ENERGY OPTIMIZATION RATE (EOP)*. Pursuant to requirements imposed by the State of Michigan and authorized by the Michigan Public Service Commission the following energy optimization rates shall be in effect:

Residential meter..... \$ .002 per kwh  
Secondary meter.....\$ 15.66 per meter per month  
Primary meter.....\$474.02 per meter per month

(j) *FUEL ADJUSTMENT CHARGE*. Bills will be increased or decreased to offset fuel charge adjustments billed to the City by the supplier. Whenever the energy charge of the wholesale purchased power invoice to the City contains a fuel adjustment debit or credit per kwh, there shall be a corresponding increase or decrease per kwh for all kwh included in the customer's billing.

Section 2: That pursuant to the provisions of Chapter 1, Section 1-4 of the Dowagiac Charter and due to the length of this Ordinance, the Dowagiac City Clerk be and is hereby directed to forthwith cause posting and publication of this Ordinance on the bulletin board of the Dowagiac City Hall, the same being the usual place of posting for the actions of the City Council.

ADOPTED/REJECTED

Moved by:

Seconded by:

Ayes:

Nays:

Absent:

Abstain:

\_\_\_\_\_  
Donald D. Lyons, Mayor

\_\_\_\_\_  
James E. Snow, City Clerk

## *CITY OF DOWAGIAC*

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**MEMO TO:** Mayor Lyons and City Council Members

**FROM:** Kevin P. Anderson, City Manager

**DATE:** January 24, 2014

**SUBJECT:** Sewer Rate Ordinance Amendment – Second Reading

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On January 13, 2014, City Council reviewed this ordinance and made a motion that would allow the ordinance to be considered for adoption on January 27, 2014. The City Council has duly noticed this ordinance pursuant to City Charter. No comments have been received to date. For your convenience, I have copied the staff report from the prior meeting below:

*Water rates were last adjusted in November 2010 and sewer rates were last adjusted in June 2012. Since that time, staff has continued to monitor expenses and adjust operations to keep operations expenses to a minimum. During the same period of time reinvestment in the capital needs of our water and sewer utilities have continued. Improvements continue to be made to lift stations, water towers, computers, and planning and grant applications for wastewater plant improvements are complete.*

*During the 2013-14 budget process it was projected that rate increases of 2.25% were likely for the upcoming year. However, after reviewing the audit, the utility's financial positions and utility usage, a rate increase of 2% is for the sewer utility and no increase to the water utility will be sufficient to allow the water and sewer utilities to remain in fiscally stable positions.*

### RECOMMENDATION

Approve the second reading of the amended Sewer Rate Ordinance at the January 27<sup>th</sup> Council meeting.

Support Documents:  
Cover Memo-City Mgr.  
Ordinance

**ORDINANCE NO. \_\_\_\_\_, 2014**

**ORDINANCE-----**

AN ORDINANCE TO AMEND CHAPTER 82 UTILITIES ARTICLE IV "WATER AND SEWER RATES" SECTION 82-224 "SEWER RATES AND SERVICE FEES" SUBSECTION (1), (2), (4) AND (5) OF THE DOWAGIAC CITY CODE BE AND IS HEREBY AMENDED BY ITS REPEAL AND THE ADOPTION OF A NEW ARTICLE IV "WATER/SEWER PROVISIONS AND RATES" SECTION 82-224 "SEWER RATES AND SERVICE FEES" SUBSECTION (1), (2), (4) AND (5) OF THE DOWAGIAC CITY CODE.

THE CITY OF DOWAGIAC ORDAINS:

Section 1: That Chapter 82, Utilities; Article IV, "Water and Sewer Rates" Section 82-224 "Sewer rates and service fees" of the Dowagiac City Code be and hereby is amended to read as follows:

**ARTICLE IV. WATER/SEWER PROVISIONS AND RATES**

**Sec. 82-224. Sewer rates and service fees.**

Charges for sewer service to each premise connected to the sewer system of the City of Dowagiac shall be as follows:

- (1) *Readiness-to-serve charge.* The readiness to serve charge is utilized to cover expenditures to maintain the sewer collection system and other overhead costs and is the amount of the minimum bill. This charge is based on the actual size of the water meter or equivalent size of a sewer meter:

*Inside the corporate Limits of the city*

**Readiness-to-Serve Charge**

<i>Meter Size (inches)</i>	<i>Monthly Charge</i>
5/8	\$ 13.85
3/4	15.85
1	20.23
1-1/2	25.82
2	41.60
3	158.51
4	204.45

6 301.17  
*Outside the Corporate Limits of the city*

Readiness-to-Serve Charge

<i>Meter Size (inches)</i>	<i>Monthly Charge</i>
5/8	\$ 21.60
3/4	24.61
1	31.37
1-1/2	40.10
2	64.56
3	246.43
4	312.32
6	467.26

When more than one (1) meter is used, the total readiness-to-serve charge shall be a sum of the charges for all meters.

- (2) *Commodity charge.* The commodity charge is based on the amount of water used for customers inside and outside the corporate limits of the City of Dowagiac and will be \$0.306 per 100 gallons. The commodity charge covers expenditures for wastewater treatment and other overhead costs.
- (4) *Special rate A – Residential users of sewer only inside city limits.* A charge of thirty-two dollars and seventy-six cents (\$32.68) per month shall be assessed to all residential properties inside the City limits using sewer service only. Any multiple residential users or commercial or industrial users of sewer and not water under rate A shall be charged a rate determined by the city engineer and reported to the City Council by the City Manager. In no event shall the rate be less than would be charged under this section.
- (5) *Special rate B - Residential users of sewer only outside city limits.* A charge of thirty-eight dollars and ninety-two cents (\$38.82) per month shall be assessed to all residential properties outside the City Limits, using sewer service only. Any multiple residential users or commercial or industrial users of sewer and not water under rate B shall be charged a rate determined by the city engineer and reported to the City Council by the City Manager. In no event shall the rate be less than would be charged under this section.

Section 2: That pursuant to the provisions of Chapter 1, Section 1-4 of the Dowagiac Charter and due to the length of this Ordinance, the Dowagiac City Clerk be and is hereby directed to forthwith cause publication and posting of this Ordinance on the bulletin board of the Dowagiac City Hall, the same being the usual place of posting for the actions of the City Council.

ADOPTED/REJECTED

Moved by:

Seconded by:

Ayes:

Nays:

Absent:

Abstain:

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Donald D. Lyons, Mayor

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James E. Snow, City Clerk