

DOWAGIAC CITY COUNCIL MEETING

Monday, March 28, 2016

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

Mayor Lyons led the Pledge of Allegiance to the flag.

PRESENT: Mayor Donald D. Lyons, Councilmembers Charles K. Burling, James B. Dodd, Lori A. Hunt, Bob B. Schuur and City Clerk Jane P. Wilson.

ABSENT: Mayor Pro-Tem Leon D. Laylin; Councilmember Danielle E. Lucas.

STAFF: City Manager Kevin P. Anderson; Assistant City Manager Rozanne H. Scherr; Code Enforcement Officer Steve Allen.

APPROVAL OF MINUTES OF PREVIOUS MEETING

Councilmember Dodd moved and Councilmember Hunt seconded that the minutes of the March 14, 2016 meeting be approved.

Approved unanimously.

COMMENTS FROM THE AUDIENCE (NON-AGENDA)

Reverend Jeri Porter, Conner-Mayo Methodist Episcopal Church, Dowagiac – requested traffic assistance on May 6th during visit of international Bishop, as well as presentation of a Key to the City for the Bishop.

COMMENTS FROM THE AUDIENCE (AGENDA)

Diane Barrett-Curtis, resident – spoke about the poor condition of Jay Street and need for it to be included in Local Street Paving Program.

COMMUNICATIONS

1. Dowagiac High School commencement parking request for Sunday, June 5, 2016

Councilmember Burling offered and moved to approve the request; seconded by Councilmember Schuur.

2. Dogwood Festival temporary liquor license request for support – 25th Anniversary Gala, April 29, 2016

3. Dogwood Festival temporary liquor license request for support – Author event, May 7, 2016

Communications #2 and #3 approved as one request: Councilmember Hunt offered and moved to approve the requests; seconded by Councilmember Dodd.

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PUBLIC HEARING

1. Public hearing to hear comments regarding a blight complaint at 118 Clyborn.

City Manager Anderson provided background on property.

Mayor Lyons opened the public hearing at 7:10 p.m.

Councilmember Dodd asked questions, Code Enforcement Officer Allen provided additional information on property.

There being no further public comment, Mayor Lyons closed the public hearing at 7:12 p.m.

RESOLUTIONS

1. Resolution to abate a public nuisance as defined by Chapter 38, Sections 38.71(13) and 38.41 of the Dowagiac City Code at 118 Clyborn.

Councilmember Dodd offered and moved to approve the following resolution; seconded by Councilmember Burling.

WHEREAS, the Dowagiac City Council has heretofore adopted its resolution scheduling a public hearing on the necessity of abatement of blighted property constituting a public nuisance within the meaning of Sections 38.42 et seq, of the Dowagiac City Code, which structures are described as:

**118 Clyborn Street
Tax #14-160-300-457-00
Described as follows:**

. DW 1514 LOT 65 LYLE ADD CITY OF DOWAGIAC.

WHEREAS, due notice of public hearing to consider the condemnation thereof has heretofore been given in accordance with the requirements of Chapter 66, Section 66.7 of the Dowagiac City Code, both by publication and by mailing to each owner or person in interest in said property as shown by the last general tax assessment roll of the City, at least ten full days prior to the date of said hearing; and;

WHEREAS, said hearing has been conducted and comments thereon received, and;

WHEREAS, the Dowagiac City Council, upon due consideration and deliberation, determines that condemnation of certain structures situated at 118 Clyborn Street, City of Dowagiac, is necessary due to the Blighted condition, and such action must be taken in order to properly and adequately safeguard the public interest, and;

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NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Dowagiac by the affirmative vote of its Council does hereby determine that certain structures situated upon the properties hereinabove described constitutes a public nuisance as defined by Chapter 38, Sections 38.71(13) and 38.41 of the Dowagiac City Code justifying abatement by the City pursuant to the powers granted in Chapter 12 of the Dowagiac City Charter and Chapter 38 of the Dowagiac City Code.

BE IT FURTHER RESOLVED that the improvements, repairs and/or demolition of said structures are those set forth in Appendix A attached hereto and incorporated herein by reference, and that said improvements, repairs and/or demolition is necessary in order to protect the public health, safety and welfare.

BE IT FURTHER RESOLVED that said premises by and hereby is determined to contain the following violations:

- | | |
|---------------------------------------|-------------------------------------|
| <input type="checkbox"/> Building | <input type="checkbox"/> Electrical |
| <input type="checkbox"/> Plumbing | <input type="checkbox"/> Heating |
| <input type="checkbox"/> Housing | <input type="checkbox"/> Fire |
| <input type="checkbox"/> (xxxx) Other | |

BE IT FURTHER RESOLVED that said nuisances be abated, and that the owner of said premises, to-wit: _____, be and hereby is directed to abate said nuisance by commencement of actions necessary to accomplish same **within 15 days** from the date of this resolution, and that said acts be completed, and said nuisances abated, no later than **20 days** from the date of this resolution.

BE IT FURTHER RESOLVED that if, upon the commencement date herein provided, abatement has not been commenced or if, upon the completion date, such conditions constituting a nuisance have not been abated, the City Manager is directed to cause the abatement of such conditions and nuisances by:

- Demolition
- (xxxxx) Correction of the above-listed Code violations.

BE IT FURTHER RESOLVED that any costs incurred in the abatement of such conditions and nuisances are to be recovered through use of special assessment of the above listed property.

BE IT FURTHER RESOLVED that the City Manager be and hereby is directed to solicit and receive estimates of the costs and expenses associated with the abatement of said nuisances as hereinabove set forth and that such estimates shall be deposited with

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the City Clerk for examination in accordance with the requirements of Chapter 66 of the Dowagiac City Code.

BE IT FURTHER RESOLVED that the City Clerk be and hereby is directed to forthwith send, by certified mail, return receipt requested, a copy of this resolution to the last known address of the property owner, or any person having an interest in said properties, as shown by the last general tax assessment roll of the City, together with copies of the Code Enforcement Report forms submitted in this matter.

APPROVED unanimously.

2. Resolution to authorize Spring Cleanup Vendor for April 25-29, 2016.

Councilmember Schuur offered and moved to approve the following resolution; seconded by Councilmember Dodd.

WHEREAS, the annual spring clean-up program has been highly utilized by the citizens of Dowagiac; and,

WHEREAS, the Department of Public services has received multiple bids from waste disposal firms and recommends the contract be awarded to Republic Services for the spring clean-up program; and,

NOW, THEREFORE, BE IT RESOLVED that the Dowagiac City Council, by the affirmative vote of its City Council, does hereby award the bid for April 25-29, 2016 Spring Clean-up to Republic Services.

APPROVED unanimously.

3. Resolution to authorize a Performance Resolution with the Michigan Department of Transportation for work to be performed within the State Highway Right of Way.

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

Michigan Department
Of Transportation
2207B (10/14)

**PERFORMANCE RESOLUTION FOR
GOVERNMENTAL AGENCIES**

Page 1 of 2

This Performance Resolution is required by the Michigan Department of Transportation for purposes of issuing to a municipality an "Individual Permit for Use of State Highway Right of Way" or an "Annual Application and Permit for Miscellaneous Operations Within State Highway Right of Way".

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RESOLVED WHEREAS, the City of Dowagiac, hereinafter referred to as the "GOVERNMENTAL AGENCY," periodically applies to the Michigan Department of Transportation, hereinafter referred to as the "DEPARTMENT," for permits, referred to as "PERMIT," to construct, operate, use and/or maintain utility or other facilities, or to conduct other activities, on, over, and under State Highway right of way at various locations within and adjacent to its corporate limits;

NOW THEREFORE, in consideration of the DEPARTMENT granting such PERMIT, the GOVERNMENTAL AGENCY agrees that:

1. Each party to this Agreement shall remain responsible for any claims arising out of their own acts and/or omissions during the performance of this Agreement, as provided by law. This Agreement is not intended to increase either party's liability for, or immunity from, tort claims, nor shall it be interpreted, as giving either party hereto a right of indemnification, either by Agreement or at law, for claims arising out of the performance of this Agreement.
2. Any work performed for the GOVERNMENTAL AGENCY by a contractor or subcontractor will be solely as a contractor for the GOVERNMENTAL AGENCY and not as a contractor or agent of the DEPARTMENT. The DEPARTMENT shall not be subject to any obligations or liabilities by vendors and contractors of the GOVERNMENTAL AGENCY, or their subcontractors or any other person not a party to the PERMIT without its specific prior written consent and notwithstanding the issuance of the PERMIT. Any claims by any contractor or subcontractor will be the sole responsibility of the GOVERNMENTAL AGENCY.
3. The GOVERNMENTAL AGENCY shall take no unlawful action or conduct, which arises either directly or indirectly out of its obligations, responsibilities, and duties under the PERMIT which results in claims being asserted against or judgment being imposed against the State of Michigan, the Michigan Transportation Commission, the DEPARTMENT, and all officers, agents and employees thereof and those contracting governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract. In the event that the same occurs, for the purposes of the PERMIT, it will be considered as a breach of the PERMIT thereby giving the State of Michigan, the DEPARTMENT, and/or the Michigan Transportation Commission a right to seek and obtain any necessary relief or remedy, including, but not by way of limitation, a judgment for money damages.
4. The GOVERNMENTAL AGENCY It will, by its own volition and/or request by the DEPARTMENT, promptly restore and/or correct physical or operating damages to any State Highway Right of Way resulting from the installation construction, operation and/or maintenance of the GOVERNMENTAL AGENCY'S facilities according to a PERMIT issued by the DEPARTMENT.
5. With respect to any activities authorized by PERMIT, when the GOVERNMENTAL AGENCY requires insurance on its own or its contractor's behalf it shall also require that such policy include as named insured the State of Michigan, the Transportation Commission, the DEPARTMENT, and all officers, agents, and employees thereof and those governmental bodies performing permit activities for the DEPARTMENT and all officers, agents, and employees thereof, pursuant to a maintenance contract.

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6. The incorporation by the DEPARTMENT of this resolution as part of a PERMIT does not prevent the DEPARTMENT from requiring additional performance security or insurance before issuance of a PERMIT.
7. This resolution shall continue in force from this date until cancelled by the GOVERNMENTAL AGENCY or the DEPARTMENT with no less than thirty (30) days prior written notice to the other party. It will not be cancelled or otherwise terminated by the GOVERNMENTAL AGENCY with regard to any PERMIT which has already been issued or activity which has already been undertaken.

BE IT FURTHER RESOLVED, that the following position(s) are authorized to apply to the DEPARTMENT for the necessary permit to work within State Highway Right of Way on behalf of the GOVERNMENTAL AGENCY.

NAME AND/OR TITLE

Public Services Director

Public Services Engineering Technician

Public Works Operations Superintendent

Public Services Administrative Assistant

City Manager

Public Services Assistant Director

APPROVED unanimously.

4. Resolution to authorize a bid award for the 2016 Local Street Paving Contract.

Councilmember Dodd offered and moved the adoption of the following resolution; seconded by Councilmember Burling.

WHEREAS, bids have been received for the 2016 Local Street Paving Bid Award, and;

WHEREAS, staff has reviewed the bids and recommends that Michigan Paving & Materials, Inc., of Paw Paw, MI be awarded said bid,

NOW, THEREFORE BE IT RESOLVED that the bid be awarded to Michigan Paving & Materials, Inc., of Paw Paw, MI and that the Mayor and Clerk be and hereby are authorized to execute any and all documents necessary and appropriate to effectuate said award.

APPROVED unanimously.

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

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

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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 for period ending 03/24/2016 and payroll #13:

Invoices \$260,304.22 PR #XX \$122,685.75 Total \$382,989.97

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

<u>BILLS</u>	<u>PAYROLL</u>	<u>TOTAL</u>
\$260,304.22	\$122,685.75	\$382,989.97

ADOPTED on a roll call vote.

Ayes: Four (4) Burling, Dodd, Hunt, Schuur

Nays: None (0)

Absent: Two (2) Laylin, Lucas

Abstain: None (0)

ORDINANCES –

1. First reading of an ordinance to amend Chapter 82 Utilities; Article V “Electric and Electrical Rates,” Section 82-279, “Electric rates” of the Dowagiac City Code.

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.

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(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: (*Effective on bills due on and after June 10, 2016*)

Monthly Service Charge (Minimum Monthly Charge).....\$12.37
Energy Charge per kWh\$ 0.10210

Monthly Rate: (*Effective on bills due on and after October 10, 2016*)

Monthly Service Charge (Minimum Monthly Charge).....\$12.37
Energy Charge per kWh\$ 0.10459

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: (*Effective on bills due on and after June 10, 2016*)

Monthly Service Charge (Minimum Monthly Charge).....\$19.18
Energy Charge per kWh\$ 0.12912

Monthly Rate: (*Effective on bills due on and after October 10, 2016*)

Monthly Service Charge (Minimum Monthly Charge).....\$19.18
Energy Charge per kWh\$ 0.13227

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.

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(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: *(Effective on bills due on and after June 10, 2016)*

Monthly Service Charge (Minimum Monthly Charge).....\$15.22
Energy Charge per kWh\$ 0.12192

Monthly Rate: *(Effective on bills due on and after October 10, 2016)*

Monthly Service Charge (Minimum Monthly Charge).....\$15.22
Energy Charge per kWh\$ 0.12490

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: *(Effective on bills due on and after June 10, 2016)*

Monthly Service Charge (Minimum Monthly Charge).....\$16.49
Energy Charge per kWh\$ 0.10367

Monthly Rate: *(Effective on bills due on and after October 10, 2016)*

Monthly Service Charge (Minimum Monthly Charge).....\$16.49
Energy Charge per kWh\$ 0.10620

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.

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(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: *(Effective on bills due on and after June 10, 2016)*

	per kwh	100,000	250,000	400,000	450,000	700,000
<u>LGS</u>						
Monthly Service Charge		\$ 129.38				
Demand Charge per KW		\$ 14.33	\$ 14.33	\$ 14.33	\$ 14.33	\$ 14.33
Energy Charge per kWh		\$0.06216	\$0.06080	\$0.05935	\$0.05653	\$0.05506
<u>LGS Discount (Eq supplied by Customer)</u>						
Monthly Service Charge		\$ 158.57				
Demand Charge per KW		\$ 13.62	\$ 13.62	\$ 13.62	\$ 13.62	\$ 13.62
Energy Charge per kWh		\$0.06153	\$0.06008	\$0.05861	\$0.05580	\$0.05444

Monthly rate: *(Effective on bills due on and after October 10, 2016)*

	per kwh	100,000	250,000	400,000	450,000	700,000
<u>LGS</u>						
Monthly Service Charge		\$ 129.38				
Demand Charge per KW		\$ 14.33	\$ 14.33	\$ 14.33	\$ 14.33	\$ 14.33
Energy Charge per kWh		\$0.06367	\$0.06229	\$0.06080	\$0.05791	\$0.05641
<u>LGS Discount (Eq supplied by Customer)</u>						
Monthly Service Charge		\$ 158.57				
Demand Charge per KW		\$ 13.62	\$ 13.62	\$ 13.62	\$ 13.62	\$ 13.62
Energy Charge per kWh		\$0.06303	\$0.06154	\$0.06004	\$0.05716	\$0.05577

*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.

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(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: *(Effective on bills due on and after June 10, 2016)*

175 Mercury Vapor	\$13.67
250 Mercury Vapor	\$16.85
400 Mercury Vapor	\$25.44
1000 Mercury Vapor	\$52.43
150 High Pressure Sodium	\$13.67
400 High Pressure Sodium	\$38.86

(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)

	Example Calculation	Line	Notes
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

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Total Transmission Costs to be Recovered	\$27,078.18	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	0.00013	H Transmission costs per kWh times loss factor of .07 (G X .07)
Transmission Cost Adjustment	0.00195	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.

Moved by: Schuur

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Seconded by: Dodd

This being the first reading, the Ordinance will be brought before the Council for a second reading and voted at the regular meeting on April 11, 2016.

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

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>Effective on bills due on and after 06/10/16 Monthly Charge</i>	<i>Effective on bills due on and after 10/10/16 Monthly Charge</i>
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5/8	\$ 15.28	\$15.28
3/4	17.49	17.49
1	22.32	22.32
1-1/2	28.48	28.48
2	45.89	45.89
3	174.87	174.87
4	225.55	225.55
6	332.25	332.25

Outside the Corporate Limits of the city

Readiness-to-Serve Charge

<i>Meter Size (inches)</i>	<i>Effective on bills due on and after 06/10/16 Monthly Charge</i>	<i>Effective on bills due on and after 10/10/16 Monthly Charge</i>
5/8	\$ 23.83	\$23.83
3/4	27.15	27.15
1	34.61	34.61
1-1/2	44.24	44.24
2	71.22	71.22
3	271.86	271.86
4	344.55	344.55
6	515.48	515.48

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 \$0.338 per 100 gallons (*Effective on bills due on and after June 10, 2016*). The commodity charge covers expenditures for wastewater treatment and other overhead costs. 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 \$0.388 per 100 gallons (*Effective on bills due on and after October 10, 2016*).
- (4) *Special rate A – Residential users of sewer only inside city limits.* A charge of thirty-six dollars and one cents (\$36.01) 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

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City Council by the City Manager. In no event shall the rate be less than would be charged under this section. This rate is effective on bills due on and after June 10, 2016.

- (5) *Special rate B - Residential users of sewer only outside city limits.* A charge of forty-two dollars and seventy eight cents (\$42.78) 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. This rate is effective on bills due on and after June 10, 2016.

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: Dodd

This being the first reading, the Ordinance will be brought before the Council for a second reading and voted at the regular meeting on April 11, 2016.

3. First reading of an ordinance to amend Chapter 82 Utilities; Article IV "Water and Sewer Rates," Section 82-223, "Water rates and service fees" of the Dowagiac City Code.

AN ORDINANCE TO AMEND CHAPTER 82, UTILITIES, ARTICLE IV, "WATER AND SEWER RATES", SECTION 82-223, "WATER RATES AND SERVICE FEES" 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 82-223, "WATER RATES AND SERVICE FEES" OF THE DOWAGIAC CITY CODE.

THE CITY OF DOWAGIAC ORDAINS:

Section 1: That Chapter 82, Utilities; Article IV, "Water and Sewer Rates" Section 82-223 "Water rates and service fees" of the Dowagiac City Code be and hereby are amended to read as follows:

ARTICLE IV. WATER/SEWER PROVISIONS AND RATES

Sec. 82-223. Water rates and service fees.

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Charges for water service to each premises connected to the water system of the City shall be measured by a meter. All metered water shall be charged at a two-part rate consisting of a "readiness-to-serve charge" plus a "commodity charge". Water rates and service fees shall be as follows:

- (1) *Readiness-to-serve charge.* There shall be charged for water service within the City of Dowagiac a "readiness-to-serve" charge in the following amounts:

Meter Size (inches)	<i>Effective on bills due on and after 06/10/16</i> All Users Monthly Charge	<i>Effective on bills due on and after 10/10/16</i> All Users Monthly Charge
5/8	\$ 9.61	\$ 9.61
3/4	11.21	11.21
1	14.10	14.10
1-1/2	18.27	18.27
2	29.46	29.46
3	112.73	112.73
4	142.49	142.49
6	215.80	215.80
8	383.64	383.64

Outside the corporate limits of the city, the readiness-to-serve charge shall be two hundred (200) percent of the rate as established for use within the corporate limits of the city. If deemed to be in the best interest of the utility, Council may on a case-by-case basis waive the two hundred percent (200%) ready to serve rated for 4" or larger meter customers outside of the corporate limits.

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

When a single large meter is used to serve apartment houses or multiple dwellings, a multiple dwelling charge in addition to the readiness-to-serve charge for the meter size shall be applied and the charge shall be twenty (20) percent of the readiness-to-serve charge for the meter installed for each unit over four (4). Any self-contained living quarters for a single family is a unit.

The readiness to serve charge contributes to paying the cost necessary to keep the water system in good operating condition and other overhead costs and is the amount of the minimum bill.

- (2) *Commodity Charge.* There shall be levied a commodity charge inside the corporate limits of the city in the following amounts:

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Monthly Usage (gallons)	Effective on bills due on and after 06/10/16 All Users (dollars per 100 gallons)	Effective on bills due on and after 10/10/16 All Users (dollars per 100 gallons)
0-40,000	\$ 0.236	\$0.258
Over 40,000	0.186	0.203

Outside the corporate limits of the City of Dowagiac, the commodity charge shall be two hundred (200) percent of the rate as established for the use within the corporate limits of the city.

- (3) *Fire Protection Rates.* The charges for automatic sprinkler services or hose connections for fire protection purposes only shall be:

Meter Size (inches)	Effective on bills due on and after 06/10/16 All Users Monthly Charge	Effective on bills due on and after 10/10/16 All Users Monthly Charge
Less than 4-inch meter	\$11.32 per month	\$11.32 per month
4-inch meter	\$20.53 per month	\$20.53 per month
6-inch meter	\$25.91 per month	\$25.91 per month
8-inch meter	\$32.40 per month	\$32.40 per month
10-inch meter	\$38.04 per month	\$38.04 per month
12-inch meter	\$45.71 per month	\$45.71 per month

- (4) *Tapping of water mains.* Following receipt in full of the tap-in fees in subsection (5) of this section, the Department and/or its agents shall be responsible for the provision of any and all service taps to water mains within the City's public distribution system. The service taps or connections shall include all materials and labor, including any and all costs associated therewith, required to install the service connection from the water main to the property line up to and including a cumulative length of 66 feet. For required extensions beyond 66 feet, the City shall impose and collect a charge equal to the complete and total cost of actual labor, equipment, and materials incurred, plus 15 percent, for that portion of the service connection in excess of 66 feet. This cost allocation shall apply to all water service connections without regard to meter or service diameter size. All required water meters shall be provided by the City and shall be and remain the property of the City.

- (5) *Tap-in fees.* There is hereby imposed a tap-in fee, as established and detailed in the schedule of this subsection, which shall be charged against each new connection constructed to serve premises not previously connected to the City water distribution

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system. The tap-in fee shall cover the cost of water meter and main tapping, as outlined in subsection (4) of this section, as well as provide compensation to the water fund and system users in exchange for a representative share in the cumulative past capital investment, including debt service, in facilities serving the system users. A tap-in fee shall not be imposed on, nor applicable to, any premises connected to existing municipally-owned and operated water distribution systems or components or extensions thereof. However, the construction of dedicated, second-service connections, such as lines for fire suppression service or lawn sprinkling, to premises already connected to existing municipal water systems, shall be subject to the imposition of tap-in fees as detailed and scheduled in this subsection:

Tap-In Fees For Water Connections

<i>Service Line (inches)</i>	<i>Meter Equivalent Factor</i>	<i>Tap Fee*</i>
5/8"	1.0	500.00*
3/4"	1.1	550.00*
1"	1.4	700.00*
1 1/2"	1.8	900.00
2"	2.9	1,450.00
3"	5.5	2,750.00
4"	8.0	4,000.00
6"	12.0	6,000.00
8" and larger		Time & material costs plus 15% with minimum Fee equal to 6" tap.

*For detached, single-family residential dwellings, customers may sign a tap-in fee payment agreement for water connections of one-inch or less service diameter. The agreement shall allow payment of the fee due, without interest, if paid in equal monthly installments over a period not to exceed 12 months.

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: Dodd

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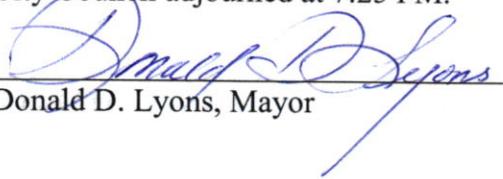
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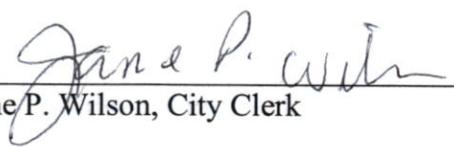
This being the first reading, the Ordinance will be brought before the Council for a second reading and voted at the regular meeting on April 11, 2016.

ADJOURNMENT

Upon motion by Councilmember Schuur and seconded by Councilmember Dodd, the Dowagiac City Council adjourned at 7:25 PM.



Donald D. Lyons, Mayor



Jane P. Wilson, City Clerk