

## DOWAGIAC CITY COUNCIL MEETING

Monday, April 11, 2016

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

Mayor Pro Tem Laylin led the Pledge of Allegiance to the flag.

PRESENT: Mayor Pro-Tem Leon D. Laylin; Councilmembers Charles K. Burling, James B. Dodd, Lori A. Hunt, Danielle E. Lucas, Bob B. Schuur and City Clerk Jane P. Wilson.

ABSENT: Mayor Donald D. Lyons.

STAFF: City Manager Kevin P. Anderson, Assistant City Manager Rozanne H. Scherr.

### APPROVAL OF MINUTES OF PREVIOUS MEETING

Councilmember Dodd moved and Councilmember Burling seconded that the minutes of the March 28, 2016 meeting be approved.

Approved unanimously.

### COMMENTS FROM THE AUDIENCE (AGENDA)

David Fair, owner of Fair's Guns and Gear. Mr. Fair provided comment to council about the proposed utility rate increases on the agenda for council's final action.

### COMMUNICATIONS

1. Arbor Day and tree give away.

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

2. Bishop visit to Dowagiac.

Councilmember Hunt offered and moved to approve the request; seconded by Councilmember Lucas.

3. Beckwith Park Concert Series.

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

### PROCLAMATIONS

1. Dogwood Fine Arts Festival.

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City Manager Kevin Anderson presented a Proclamation to Jim Benedix, President of the Dowagiac Fine Arts Board, in recognition of the 25<sup>th</sup> Anniversary of the Fine Arts Festival.

WHEREAS, 25 years ago, the Dowagiac Dogwood Fine Arts Festival began with a small group of local citizens with one big idea; and

WHEREAS, that one big idea has blossomed and grown from a single author visiting the City of Dowagiac to a major multi-day cultural event that includes a diverse experience in arts and culture; and

WHEREAS, world-wide renowned authors, speakers, performers and celebrities have visited and performed in our community to expand our own appreciation of the arts; and

WHEREAS, the Dowagiac Dogwood Fine Arts Committees continue to use the Festival to assure that our children and our community are given ample opportunity to experience and embrace the power of artistic expression by being personally engaged with internationally renowned artists and performers; and

WHEREAS, the Dogwood Fine Arts Festival presents the very best in the fine arts in southwest Michigan each year; and

WHEREAS, the 2016 Dogwood Fine Arts Festival marks its 25<sup>th</sup> anniversary season with 11 days celebrating Michigan and Michigan artists.

NOW, THEREFORE BE IT PROCLAIMED; that I, Donald D. Lyons, Mayor of the City of Dowagiac, tender this Proclamation to the Dogwood Fine Arts Festival and urge all citizens to join me in congratulating the Festival on its 25 anniversary, this sincere expression of appreciation and our best wishes for a very exciting festival the week of May 5 through May 15, 2016.

RESOLUTIONS

1. Resolution to award a bid to Real Pro Solution for blight mowing.

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

WHEREAS, the City Council desires to contract for the maintenance of properties where property owners fail to mow lawns in a timely manner, and;

WHEREAS, staff has secured 3 bids and recommends the low bidder, Real Pro Solution, be awarded the bid,

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NOW, THEREFORE BE IT RESOLVED that the City Manager be and hereby is authorized to execute any and all documents necessary and appropriate to effectuate agreements with Real Pro Solution to maintain properties on an as needed basis.

APPROVED unanimously.

2. Resolution to authorize an agreement with Domestic and Sexual Abuse Services (DASAS) for support services to the police department.

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

**WHEREAS**, the Domestic And Sexual Abuse Services (DASAS) provides emergency services, outreach, and advocacy for victims of domestic violence and sexual assault in Cass County and St. Joseph County; and,

**WHEREAS**, the DASAS relies upon community funding to support its operations and efforts; and,

**WHEREAS**, the City Council of Dowagiac endorses and supports the mission and objectives of the DASAS.

**NOW, THEREFORE, BE IT RESOLVED** that the Dowagiac City Council, by the affirmative vote of its City Council, does hereby approve the attached contract with the Domestic and Sexual Abuse Services to provide funding equal to \$0.25 per resident, based on a population of 5,786 representing a total allocation of \$1,446.50.

**BE IT FURTHER RESOLVED**, the Dowagiac City Council directs the Mayor and the City Manager to be the authorized signatory for execution of the same.

APPROVED unanimously.

3. Resolution to authorize quarterly budget amendments.

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

**WHEREAS**, the City administration has reviewed the attached budgets for the 2015-16 fiscal year and the actual revenues and expenditures through the second quarter of 2015-16 fiscal year; and

**WHEREAS**, the City administration recommends revision of the attached budgets in accordance with the latest projections available; and

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**WHEREAS**, the attached report for these funds indicates the current budget and the recommended budget revisions.

**NOW, THEREFORE, BE IT RESOLVED** that the City of Dowagiac, by the affirmative vote of its City Council, does hereby adopt the attached, recommended revised budgets.

APPROVED unanimously.

4. Resolution changing the May 9, 2016 meeting time from 7:00 pm to 6:00 pm..

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

**WHEREAS**, in the month of May there is a local festivals that falls on regularly scheduled meeting days; and

**WHEREAS**, the regularly scheduled City Council meeting for May 9, 2016 falls during Dogwood Fine Arts Festival week of May 5-15; and

**WHEREAS**, in an effort to eliminate a conflict for the public and elected officials who desire to attend the Dogwood Festival event on May 9<sup>th</sup>, the Mayor and Council desire to reschedule the May 9<sup>th</sup> meeting time from 7:00 p.m. to 6:00 p.m.; and

**WHEREAS**, the rescheduling of this Council meeting will not have an adverse effect on the conduct of City business.

**NOW, THEREFORE, BE IT RESOLVED** that the Dowagiac City Council hereby reschedules the Monday, May 9, 2016 City Council meeting from 7:00 p.m. to 6:00 p.m.

APPROVED unanimously.

5. Resolution to authorize purchase of furniture for medical office in the James E. Snow Professional Building.

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

**WHEREAS**, the City Council has a lease with Advanced Dermatology at the James E. Snow Medical building that includes certain office furniture, and;

**WHEREAS**, staff has reviewed pricing from multiple vendors,

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NOW, THEREFORE BE IT RESOLVED that the City Council does hereby approve the quote from Doubleday Office Products in the amount of \$8,125.

APPROVED unanimously.

6. 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 Dodd.

**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 04/08/2016 and payroll #14:

Invoices \$100,456.82      PR \$257,500.44      Total \$357,957.26

**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>
\$100,456.82	\$257,500.44	\$357,957.26

ADOPTED on a roll call vote.

Ayes: Six (6) Laylin, Burling, Dodd, Hunt, Lucas, Schuur

Nays: None (0)

Absent: None (0)

Abstain: None (0)

ORDINANCES –

1. Second 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:

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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: (*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*)

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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.

(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

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

	per kwh	0- 100,000	100,001- 250,000	250,001- 400,000	400,001- 550,000	550,001- 999,999
<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	0- 100,000	100,001- 250,000	250,001- 400,000	400,001- 550,000	550,001- 999,999
<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):

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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.

Once the LGS customer meet the minimum kilowatts for the tier you are billed at that tier's energy charge per kilowatt for all kilowatts consumed for that month.

(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: *(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

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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:

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Residential meter..... \$ 0.0022 per kwh  
Secondary meter.....\$ 17.23 per meter per month  
Primary meter.....\$ 521.42 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.

FIRST READING MARCH 28, 2016

Moved by: Schuur

Seconded by: Dodd

SECOND READING

ADOPTED on a roll call vote.

Ayes: Six (6) Laylin, Burling, Dodd, Hunt, Lucas, Schuur

Nays: None (0)

Absent: None (0)

Abstain: None (0)

2. Second 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:

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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>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	\$ 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>
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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 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.

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FIRST READING MARCH 28, 2016

Moved by: Schuur

Seconded by: Dodd

SECOND READING

ADOPTED on a roll call vote.

Ayes: Six (6) Laylin, Burling, Dodd, Hunt, Lucas, Schuur

Nays: None (0)

Absent: None (0)

Abstain: None (0)

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.**

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:

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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:

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

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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)	<i>Effective on bills due on and after 06/10/16</i>	<i>Effective on bills due on and after 10/10/16</i>
	All Users Monthly Charge	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 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

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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.

FIRST READING MARCH 28, 2016

Moved by: Schuur

Seconded by: Dodd

SECOND READING

ADOPTED on a roll call vote.

Ayes: Six (6) Laylin, Burling, Dodd, Hunt, Lucas, Schuur

Nays: None (0)

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Absent: None (0)

Abstain: None (0)

RESOLUTIONS (CONT)

7. Resolution to go into closed session for the purpose of discussing litigation.

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

**WHEREAS**, the Michigan Open Meetings Law, Public Act 267 of the Public Acts of 1976 as amended, provides that public bodies may meet in closed session for the purpose discussing litigation; and

**WHEREAS**, the Mayor and City Council desire to meet with the City Manager and the City Attorney to receive an update and discuss the litigation.

**NOW, THEREFORE, BE IT RESOLVED** the City Council will hereby adjourn to closed session to discuss litigation.

ADOPTED unanimously.

CLOSED SESSION

TIME: 7:31 PM

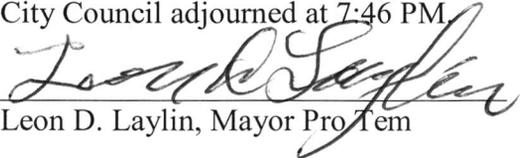
LATER: 7:40 PM

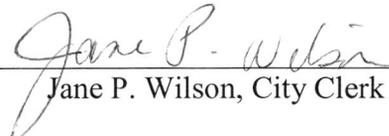
RETURN TO OPEN SESSION 7:41 PM

Discussion of property located at 305 Commercial Street.

ADJOURNMENT

Upon motion by Councilmember Schuur and seconded by Councilmember Dodd, the Dowagiac City Council adjourned at 7:46 PM.

  
Leon D. Laylin, Mayor Pro Tem

  
Jane P. Wilson, City Clerk