



**CITY COUNCIL
WORK SESSION AGENDA
Monday, August 20, 2012
6:30 PM – 6:55 PM
City Hall**

- A. Conference call with National Park Service**
- B. Other Items**
- C. Future Work Sessions**
None planned
- D. Future topics**

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MARSHALL CITY COUNCIL AGENDA

MONDAY – 7:00 P.M.

AUGUST 20, 2012



- 1) CALL TO ORDER
- 2) ROLL CALL
- 3) INVOCATION – Barry Chaffin, Church of Christ
- 4) PLEDGE OF ALLEGIANCE
- 5) APPROVAL OF AGENDA – Items can be added or deleted from the Agenda by Council action.
- 6) PUBLIC COMMENT ON AGENDA ITEMS – Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any agenda item.
- 7) CONSENT AGENDA

A. Charter Amendments – Ballot Language

City Council will consider the recommendation to adopt a resolution for the November 2012 ballot language for the City Charter amendments.

B. Mutual Aid Agreement

City Council will consider the recommendation to authorize the Clerk Treasurer to sign the Mutual Aid Agreement with Consumer's Energy Company.

C. Marshall Utilities – Standard Rules and Regulations

City Council will consider the recommendation to adopt the revisions to the City of Marshall – Standard Rules and Regulations.

D. City Council Minutes

Regular Session.....Monday, August 6, 2012
Work Session.....Monday, August 13, 2012

E. City Bills

Regular Purchases.....\$ 184,274.39
Purchased Power.....\$ 957,859.66
Weekly Purchases –8/3/12.....\$ 15,085.72
Weekly Purchases –8/10/12.....\$ 123,023.81
Total\$ 1,280,243.58

8) PRESENTATIONS AND RECOGNITIONS

9) INFORMATIONAL ITEMS

- A. Event Report – 81st Historic Fly and Drive-In
- B. Event Report – Baker's Dozen Beer Run

10) PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

11) OLD BUSINESS

Mayor:

James Dyer

Council Members:

Ward 1 - Wayne Booton

Ward 2 - Nick Metzger

Ward 3 - Brent Williams

Ward 4 - Jack Reed

Ward 5 - Jody Mankerian

At-Large - Kathy Miller



12) REPORTS AND RECOMMENDATIONS

A. 2013 Storm Sewer Improvements

City Council will consider the recommendation to approve the proposal from FTCH for the 2013 Storm Sewer Improvements for the not to exceed cost of \$49,100 and approve the resolution stating the intent to reimburse expenditures from the anticipated bond proceeds.

B. Chapel Building Lease Agreement

City Council will consider the recommendation to authorize the Clerk Treasurer to sign the Chapel Building Lease with the Marshall Community Foundation.

C. Proposed Establishment of a Redevelopment Project Area

City Council will consider the recommendation to approve the resolution establishing the Downtown Redevelopment Project Area.

D. Fourth Quarter Investment Portfolio Report

City Council will consider the recommendation to accept the 4th Quarter Investment Portfolio report as presented.

E. FY 2013 Mid-Year Budget Amendment

City Council will consider the recommendation to adopt the FY 2013 Mid-Year Budget Amendment.

13) APPOINTMENTS / ELECTIONS

A. Appointment to the Local Development Finance Authority

City Council will consider the recommendation to appoint Mark Oerther of Borg Warner Thermal Systems to the Local Development Finance Authority with a term expiring June 2, 2013.

14) PUBLIC COMMENT ON NON-AGENDA ITEMS

Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any item not on the agenda.

15) COUNCIL AND MANAGER COMMUNICATIONS

16) ADJOURNMENT

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Tom Tarkiewicz", written over a horizontal line.

Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
AUGUST 20, 2012 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members
FROM: Tom Tarkiewicz, City Manager
SUBJECT: Charter Amendments - Ballot Language Resolution

BACKGROUND: At the July 2nd meeting, the Council approved a resolution for the proposed Charter Amendments. The resolution listed the ten questions which would be on the November 2012 ballot. The State of Michigan Attorney General's office has reviewed the November 2012 ballot questions. Even though they did a preliminary review, they have recommended some minor changes and therefore a new resolution needs to be adopted.

RECOMMENDATION: It is recommended that the City Council adopt the attached resolution for the November 2012 ballot language for the City Charter amendments.

FISCAL EFFECTS: There will be no additional cost for the November ballot proposal.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

A handwritten signature in blue ink that reads "Tom Tarkiewicz". The signature is written in a cursive style.

Tom Tarkiewicz
City Manager

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CITY OF MARSHALL
RESOLUTION NO. _____
CHARTER AMENDMENTS

The Marshall City Council adopted Resolution No. 2012-20 at its July 2, 2012 meeting. A certified copy of that resolution was then forwarded to the offices of the Governor of the State of Michigan and to the Attorney General of the State of Michigan. The resolution was rejected in its initial form and various modifications were then proposed by the office of the Attorney General. In consideration of the comments and proposed changes, the resolution has been modified.

The City of Marshall has determined that with the passage of time it is in the best interests of the City to redefine the organizational structure between the City Council, the City Manager, the clerk-treasurer, and the assessor by amending the City Charter to provide that the City Manager shall appoint a clerk, a treasurer and an assessor, who thereafter shall be immediately responsible to the City Manager for the administration of their respective duties.

Further, because the Marshall District Library has been organized under the District Library Establishment Act, Public Act 24 of 1989, the references to a public library contained within the City Charter are obsolete.

IT IS HEREBY RESOLVED:

- A. That the existing City of Marshall Charter Article II, Section 2.02(b) shall be amended to read as follows:

Section 2.02, Qualifications

(b) Oath and Bond of Office. Every elected officer, before entering upon the duties of office, shall take the oath of office prescribed in Section 1 of ~~ARTICLE II~~ 11 of the Constitution of 1963 of the State of Michigan, and shall file the same with the clerk together with any bond which may be required by this charter or by the council. In the case of failure to comply with the provisions of this section within ten (10) days from the

date of election, such officers shall be deemed to have declined the office and such office shall thereupon become vacant unless the council shall, by resolution, extend the time which such officer may qualify as above set forth.

- B. That the existing City of Marshall Charter Article II, Section 2.04 shall be amended to read as follows:

Section 2.04, Compensation and Expenses

~~The salary of the members of the council, with the exception of the mayor, shall be \$300.00 per year. Salary of the mayor shall be \$500.00 per year. These salaries shall constitute the only remuneration which shall be paid to the members of the council and mayor for the discharge of their official duties; The members of the council, including the mayor, shall receive no salary or other compensation for their services except that expenses incurred on behalf of the city shall be paid if authorized by the council.~~

- C. That the existing City of Marshall Charter Article II, Section 2.10 shall be amended to read as follows:

Section 2.10, Appointment of City Officials.

~~The clerk treasurer, assessor, and city attorney shall hold office by virtue of appointment by the mayor and subject to confirmation of two thirds (2/3) of the council, which body shall also set their compensation. These appointees may be removed for cause by a two thirds (2/3) vote of the council. All such appointments shall be made at the first regular meeting of the Council in May following each regular city election, and the persons so appointed shall hold office for terms of two (2) years from the first day of June following their appointment.~~

- (a) **Clerk, treasurer and assessor.** The clerk, the treasurer and the assessor shall each hold office by virtue of appointment by the City Manager. The compensation of the clerk, the treasurer and the assessor shall be set by the council.
- (b) **Attorney.** The city attorney shall hold office by virtue of appointment by the mayor and subject to confirmation of two-thirds (2/3) of the council, which body shall also set the attorney's compensation. The city attorney may be removed for cause by a two-thirds (2/3) vote of the council. The appointment shall be made at the first regular meeting of the Council in May following each regular city election, and the person so appointed shall hold office for terms of two (2) years from the first day of June following the appointment.

- D. That the existing City of Marshall Charter Article II, Section 2.11 shall be amended to read as follows:

Section 2.11, Appointment of City Manager.

The city manager shall be appointed by a two-thirds (2/3) vote of the entire council for an indefinite term. The appointment shall be primarily on the basis of executive and administrative qualifications. The council shall fix the city manager's compensation. ~~The city manager, once appointed, shall become a resident of the city.~~

- E. That the existing City of Marshall Charter Article II, Section 2.15 shall be amended to read as follows:

Section 2.15, Procedure

- (a) Meetings. The council shall meet regularly ~~at least twice in~~ every month at such time and places as the council may prescribe by resolution. Special meetings shall be called by the clerk upon written request by the mayor or four (4) members of the council. All meetings shall be open to the public, except as provided by State law, and notice of all meetings shall be made in accordance with State law.

- F. That the existing City of Marshall Charter Article II, Section 2.27 shall be amended to read as follows:

Section 2.27, Annual Compensation

The city council shall set the salaries of all administrative officials, department heads and salaried personnel by June ~~±~~ 30 of every year, except as provided by State law. Such salaries shall be included in the annual budget to be adopted ~~by June ±~~ not later than the first meeting of the council in June.

- G. That the existing City of Marshall Charter Article III, Section 3.01 shall be amended to read as follows:

- (a) **Administrative Officials.** The administrative officials of the city shall be the city manager, city clerk, city treasurer, city assessor and city attorney. The council may create additional administrative offices combine, or separate administrative offices in any manner not inconsistent with law or this charter and shall prescribe the duties thereof in order to insure the proper operation of the city government.
- (b) **Oath and Bond of Office.** Every appointed officer, before entering upon the duties of office, shall take the oath of office prescribed by Section 1 of ~~ARTICLE H~~ 11 of the Constitution of 1963 of the State of Michigan, and shall file the same with the clerk together with any bond which may be

required by this charter or by the council. In case of failure to comply with the provisions of this section within ten (10) days from the date of appointment, such officers shall be deemed to have declined the office and such office shall thereupon become vacant unless the council shall, by resolution, extend the time in which such officer may qualify as above set forth.

H. That the existing City of Marshall Charter Article III, Section 3.03 shall be amended to read as follows:

(a) Appointment. When the city manager is absent from the city, or disabled, a qualified city ~~administrative official~~ employee shall be designated by the city manager, to exercise the powers and perform the duties of the city manager during this absence or disability. The city manager shall file with ~~the~~ city clerk ~~treasurer~~ a list, by name and title, of three qualified city ~~administrative officials~~ employees to exercise such powers and perform such duties. The city ~~administrative officials~~ employees shall be listed in the order by which each shall be designated to temporarily assume the city manager's duties. During this absence or disability, the council may revoke such designation at any time and appoint another city ~~administrative official~~ employee ~~or department head~~ to serve until the city manager shall return or the city manager's disability shall cease.

I. That the existing City of Marshall Charter Article III, Section 3.05 shall be amended to read as follows:

Section 3.05, Duties of the City Clerk-Treasurer

The clerk ~~treasurer~~ shall:

(a) be clerk of the council and shall attend all meetings of the council and keep a permanent journal of its proceedings.

(b) have power to administer all oaths required by law, this charter or the ordinances of the city.

(c) be custodian of the city seal, and shall affix it to all documents and instruments requiring the seal, attest the same, and shall also be custodian of all papers, documents, and records pertaining to the City of Marshall, the custody of which is not otherwise provided for by this charter and shall attest the same whenever required to do so.

(d) give the proper officials of the city ample notice of the expiration or termination of any official bonds, franchises, contracts or agreements.

~~(e) examine and audit all accounts and claims against the city; perform such other duties as may be prescribed in the capacity of clerk of the city, by law or this charter.~~

~~(f) be the general accountant of the city and shall keep the books of account of the assets, receipts and expenditures of the city except as otherwise provided by state law or by this charter; the system of accounts of the city shall conform to such uniform system as may be required by law.~~

~~(g) have the custody of all moneys of the city, and all evidences of value belonging to the city, or held in trust by the city.~~

~~(h) receive all moneys belonging to and receivable by the city, including license fees, taxes, assessments, and all other charges, belonging to and payable to the city and shall in all cases give a receipt therefore.~~

~~(i) keep and deposit all moneys or funds in such manner and only in such places as the council may determine, and report the same to the city manager, and to the council.~~

~~(j) have such powers, duties and prerogatives in regard to the collection and custody of State, County, School District and City taxes and moneys as are conferred by law to enforce the collection of State, County, Township, School District, and City taxes upon real and personal property.~~

~~(k) perform such other duties as may be prescribed in the capacity of clerk-treasurer of the city, by law or this charter.~~

J. That the existing City of Marshall Charter Article III, Section 3.06 shall be amended to read as follows:

Section 3.06, Duties of the Deputy Clerk- City Treasurer

~~—The clerk treasurer may appoint a deputy subject to the written confirmation by the city manager. The clerk treasurer may terminate the status of the deputy upon written notice to the city manager. The deputy clerk treasurer shall have the authority to assume the duties of the clerk-treasurer in the clerk treasurer's absence.~~

The treasurer shall:

(a) be the general accountant of the city and shall keep the books of account of the assets, receipts and expenditures of the city except as otherwise provided by state law or by this charter; the system of accounts of the city shall conform to such uniform system as may be required by law.

(b) have the custody of all moneys of the city, and all evidences of value belonging to the city, or held in trust by the city.

(c) receive all moneys belonging to and receivable by the city, including license fees, taxes, assessments, and all other charges, belonging to and payable to the city and shall in all cases give a receipt therefore.

(d) keep and deposit all moneys or funds in such manner and only in such places as the council may determine, and report the same to the city manager, and to the council.

(e) have such powers, duties and prerogatives in regard to the collection and custody of State, County, School District and City taxes and moneys as are conferred by law to enforce the collection of State, County, Township, School District, and City taxes upon real and personal property.

(f) perform such other duties as may be prescribed in the capacity of treasurer of the city, by law or this charter.

K. That the existing City of Marshall Charter Article VII shall be abrogated:

~~ARTICLE VII, LIBRARY~~

~~————The Marshall Public Library shall be continued and maintained as a public library and reading room pursuant to the governing state statutes. The manner of selection of the board of directors and officers thereof, the duties of the board of directors and officers, the control of moneys collected to the credit of the library fund, the acquisition and disposal of real and personal property, the construction and leasing of buildings and property, the appointment and removal of a librarian, library assistants and staff, the fixing of salaries and all other matters pertaining to the operation of the public library and reading room shall be as provided by state law.~~

IT IS FURTHER RESOLVED that the proposed Amendments to the City Charter relating to organizational structure shall be submitted to the electors in the following form:

Question #1 – Shall the reference to the Oath of Office prescribed for by the Constitution of the State of Michigan of 1963, art 11, sec 1 in Sections 2.02(b) and 3.01(b) of the Marshall City Charter be set out in those sections as referring to that section in place of the current language which refers to section 1 of Article Two of the Michigan constitution?

Yes _____ No _____

Question #2 – Shall Article II, Section 2.04 of the Marshall City Charter be amended to provide that members of the city council, who are currently paid \$300 annually and the mayor who is currently paid \$500 annually, shall receive no compensation for their services?

Yes _____ No _____

Question #3 – Shall Sec. 2.10 of the Marshall City Charter be amended to provide for the city manager to appoint the clerk, treasurer, and assessor in place of the current provision which provides for these offices to be appointed by the mayor subject to confirmation by the council?

Yes _____ No _____

Question #4 – Shall Section 2.11 of the Marshall City Charter be amended to delete the requirement, no longer enforceable under state law, that the city manager shall live in the city?

Yes _____ No _____

Question #5 – Shall Article II, Section 2.15 of the Marshall City Charter be amended to provide that the City Council regularly meet every month rather than twice a month as currently provided for in the Charter?

Yes _____ No _____

Question #6 – Shall Article II, Section 2.27 of the Marshall City Charter be amended to provide that the City Council will set the salaries of all administrative officials, department heads and salaried personnel by June 30 of each year, and that these salaries be included in the annual budget adopted not later than the first meeting of the Council in June of each year?

Yes _____ No _____

Note: Adoption of this Proposal No. 7 is conditioned on the adoption at this election of Proposal No. 9.

Question #7 – Shall Marshall City Charter Sections 2.10, 3.03(a), 3.05 and 3.06 be amended to provide that the combined offices of clerk-treasurer shall be set out in the charter as separate offices with the current duties of the clerk-treasurer apportioned in these sections to the offices of clerk and treasurer?

Yes _____ No _____

Question #8 -- Shall Section 3.03(a) of the City of Marshall charter be amended to; 1) increase the number of persons eligible to be designated by the city manager and by the city council to exercise the city manager's powers in the city manager's absence or disability from the city's administrative officials to all employees of the city?

Yes _____ No _____

Note: Adoption of this proposal No. 9 is conditioned on the adoption at this election of proposal No. 7.

Question #9 – Shall Article III, Section 3.05 and 3.06 of the Marshall City Charter be amended to reflect that the positions of Clerk and Treasurer are separate and state the duties of each office in the corresponding Section? The Charter currently provides that the Clerk-Treasurer is one office, and this amendment would allow the position to be split into two separate offices along with their relevant duties.

Yes _____ No _____

IT IS FURTHER RESOLVED that the proposed Amendment to the City Charter relating to a municipal library shall be submitted to the electors in the following form:

Question #10 – Shall the Charter of the City of Marshall, Article VII be deleted; to remove the requirement of a City-operated library and the remaining chapters in the Charter be renumbered?

Yes _____ No _____

IT IS FURTHER RESOLVED that the City Clerk shall forthwith transmit a copy of the proposed Amendments to the City Charter to the Governor of the State of Michigan for his approval, and transmit a copy of the proposed Amendments to the City Charter to the Attorney General of the State of Michigan for his approval, as required by law.

IT IS FURTHER RESOLVED that the proposed Amendments to the City Charter shall be, and the same are hereby ordered, to be submitted to the qualified electors of this City at the general election to be held in the City on Tuesday, November 6, 2012, and the City Clerk is hereby directed to give notice of the election and notice of registration, therefore, in the manner

prescribed by law and to do all things and to provide all supplies necessary to submit such Amendments to the City Charter to the vote of the electors as required by law.

IT IS FURTHER RESOLVED that the proposed Amendments to the City Charter shall be published in full together with the existing Charter provision altered thereby in the Marshall Advisor/Chronicle (Election Notice) not less than ten (10) days prior to the election.

IT IS FURTHER RESOLVED that the canvass and determination of the votes on said question shall be made in accordance with the laws of the State of Michigan.

CERTIFICATION

I, Sandra Bird, Clerk-Treasurer for the City of Marshall, Calhoun County, Michigan do hereby certify that the foregoing Resolution No. _____ was offered by Councilperson _____ and supported by Councilperson _____, and the same was duly passed at a regular meeting of the City Council in Town Hall held on the 20th day of August, 2012 and that the vote was as follows:

Yeas: _____

Nays: _____

Absent: _____

Sandra Bird



ADMINISTRATIVE REPORT
August 20, 2012 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Carl Fedders, Director of Public Services
Tom Tarkiewicz, City Manager

SUBJECT: Mutual Aid Agreement

BACKGROUND: Staff has been approached by Consumers Energy Company (CE) to enter into a Mutual Aid Agreement to aid both entities during an emergency. The Lansing Board of Water and Light was the first to enter into the agreement with CE and their agreement was used as a model with other municipal utilities. CE is currently pursuing a number of different municipal electric utilities.

The agreement is attached and has been reviewed by the City Attorney. The final decision as to the availability to provide aid to Consumer Energy will be a management decision based on several factors, including but limited to the status of our system, availability of our staff, or the current workload.

The City of Marshall's electric system will not be put in jeopardy at any time to aid Consumer's Energy.

RECOMMENDATION: It is recommended that City Council authorize the Clerk-Treasurer to sign the Mutual Aid Agreement with Consumer's Energy Company.

FISCAL EFFECTS: None.

ALTERNATIVES: As suggested by the Council.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Carl Fedders".

Carl Fedders
Director of Public Services

A handwritten signature in blue ink, appearing to read "Tom Tarkiewicz".

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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MUTUAL AID AGREEMENT

This Agreement is effective this 6th day of August 2012, by and between CONSUMERS ENERGY COMPANY ("Consumers Energy") and CITY OF MARSHALL, a municipal utility ("Participating Party").

WHEREAS, from time to time, it becomes necessary for the parties herein to request emergency assistance from each other with the operation of their respective electric utilities; and

WHEREAS, it is advisable and in the best interest of the parties to this Agreement to have standardized requirements, obligations, and conditions for the furnishing of emergency assistance;

NOW, THEREFORE, in consideration of the foregoing and the mutual benefits to be derived by each of the parties to this Agreement, it is agreed as follows:

1. DEFINITIONS.

- a. Participating Party means City of Marshall
- b. Aided Party means either the Participating Party when receiving emergency assistance from Consumers Energy or Consumers Energy when receiving emergency assistance from the Participating Party.
- c. Aiding Party means either the Participating Party when providing emergency assistance to Consumers Energy or Consumers Energy when providing emergency assistance to the Participating Party.

2. PURPOSE.

The purpose of this Agreement is to set forth the requirements, obligations, and conditions for the furnishing of emergency assistance by the Participating Party to Consumers Energy and vice versa.

3. OBLIGATIONS OF PARTICIPATING PARTY AND CONSUMERS ENERGY.

The Participating Party and Consumers Energy shall have the following obligations:

- a. Upon execution of this Agreement, the Participating Party shall provide the following information to Consumers Energy and Consumers Energy shall provide same to the Participating Party:
 1. The names, addresses, telephone numbers, telefax numbers, email addresses, and titles of the persons authorized on behalf of the Participating Party or Consumers Energy, as applicable, to request emergency assistance from each other. These persons shall be listed in the specific descending order in which they are authorized by the Participating Party or Consumers Energy, as applicable, to request emergency assistance if the person at the top of the list is not timely available under the applicable circumstances.
 2. The names, addresses, telephone numbers, telefax numbers, email addresses, and titles of the persons to be contacted by the Participating Party or Consumers Energy, as applicable, when making a request for emergency assistance. The persons listed as contact persons shall be authorized on behalf of the Participating Party or Consumers Energy, as applicable, to approve requests made for emergency assistance. The contact persons shall be listed in the specific descending order in which they are to be contacted if the person at the top of the list is not timely available under the applicable circumstances.

3. The equipment (including normally stocked materials and supplies) and supporting personnel that the Participating Party or Consumers Energy, as applicable, expects to be available if requested to provide emergency assistance to.
- b. As permitted under confidentiality obligations to third parties, the Participating Party and Consumers Energy, as applicable, shall provide any other information, as requested from time to time by such Participating Party or Consumers Energy, as applicable, as is reasonably necessary to effectuate the purposes of this Agreement. The Participating Party and Consumers Energy shall take all reasonable steps necessary to ensure that information provided hereunder is accurate, and shall promptly notify the respective party if any information previously provided becomes incorrect or obsolete.
- c. The Participating Party and Consumers Energy shall, to the best of its ability under all of the circumstances, maintain in good working order the equipment it intends to make available to provide emergency assistance and shall maintain an adequate stock of materials and supplies for that equipment.
- d. The Participating Party and Consumers Energy shall maintain insurance at its own cost (which includes premiums, deductibles and retentions) adequate to cover any loss, damage, liability or claim resulting from any work or activities performed while furnishing emergency assistance under this Agreement, including insurance coverage for equipment and personnel used during emergency assistance provided outside the territorial limits of the Aiding Party.

4. OBLIGATIONS OF AIDING PARTIES.

The Aiding Party shall:

- a. Respond when emergency assistance is requested by the Participating Party or Consumers Energy, as applicable, by providing personnel, equipment and supplies, as needed. Notwithstanding the foregoing, the Aiding Party has the sole and exclusive discretion to determine whether and for how long it will furnish such assistance based on its then current circumstances and shall not, under any circumstances, be required to offer such assistance that may result in it detrimentally affecting its own electric system.
- b. Provide personnel adequately trained to provide the assistance requested.
- c. Provide equipment in good working order and stocked in accordance with good utility practices.
- d. Bill the Aided Party for services rendered while furnishing requested emergency assistance as provided by paragraph 6 of this Agreement.

5. OBLIGATIONS OF AIDED PARTIES.

The Aided Party shall:

- a. Promptly follow up any oral request for emergency assistance with a confirming written request.
- b. When making a request for emergency assistance, state the nature of the work to be performed in sufficient detail so that the proper personnel and equipment may be supplied by the Aiding Party.
- c. Furnish adequate supervision and communications for outside personnel used in responding to an emergency so that the work may be performed safely. The Aided Party shall be fully responsible for the means and methods of rendering emergency assistance by the Aiding Party.

- d. Furnish system maps and diagrams, if necessary for the Aiding Party to provide the emergency assistance requested.
- e. Arrange housing and arrange and/or provide for meals, fuel or other items that would be out-of-pocket expenses for personnel furnished by the Aiding Party, as necessary.

6. BILLING AND PAYING FOR SERVICES RENDERED.

- a. The Aided Party shall reimburse the Aiding Party for the following costs and expenses incurred by the Aiding Party as a result of furnishing emergency assistance under this Agreement:
 - 1. Employees' wages and salaries for paid time spent in Aiding Party's service area and paid time during travel to and from such service area, plus the Aiding Party's standard payable additives to cover all employee benefits and allowances for vacation, sick leave and holiday pay and social and retirement benefits, all payroll taxes, workmen's compensation, employer's liability insurance and other benefits and contingencies imposed by applicable law or regulation.
 - 2. Employees' travel and living expenses (meals, lodging and reasonable incidentals).
 - 3. Replacement cost of materials and supplies expended or furnished.
 - 4. Repair cost of equipment damaged or lost; however, to the extent the equipment cannot be repaired, the replacement cost is due to the Aiding Party from the Aided Party. This provision/cost reimbursement does not apply to the extent the damage or loss is caused by the Aiding Party's negligence or intentional misconduct.
 - 5. Charges, at rates internally used by the Aiding Party, for the use of transportation equipment and other equipment requested.
 - 6. Administrative and general costs, which are properly allocable to the emergency assistance, to the extent such costs are not chargeable pursuant to the foregoing subparagraphs.
- b. The emergency assistance period shall commence when personnel are provided and/or equipment expenses are initially incurred by Aiding Party in response to the Aided Party's needs. (This would include any request for the Aiding Party to prepare its employees and/or equipment for transport to the Aided Party's location but to await further instructions before departing). The emergency assistance period shall terminate when such employees and/or equipment have returned to the Aiding Party, and shall include any mandated DOT rest-time resulting from the assistance provided, and reasonable time required to prepare the equipment for return to normal activities (e.g. cleaning off trucks, restocking minor materials, etc.).
- c. The Aiding Party shall provide receipts or other applicable data or documentation to the Aided Party to substantiate the billing as rendered. An Aided Party shall promptly pay an Aiding Party for services rendered while furnishing emergency assistance after a bill is rendered and an invoice is received by the Aided Party.

7. GENERAL PROVISIONS.

- a. Personnel furnished by an Aiding Party in response to a request for emergency assistance under this Agreement shall be deemed to remain employees of the Aiding Party and shall remain on the Aiding Party's payroll. Notwithstanding anything to the contrary, the Parties are responsible for their respective employees' claims and losses under worker's compensation law, disability benefits law, or any similar law. Aiding Party shall be an independent contractor of the Aided Party.

- b. To the fullest extent permitted by law, an Aided Party shall save, indemnify, defend, and hold harmless an Aiding Party, its officers, directors, and employees, jointly and severally, from any and all claims, actions, damages, or liability (excluding incidental and consequential damages), resulting from damage to or loss of property or injury to persons (including death), arising out of or connected with the Aiding Party's activities in furnishing emergency assistance to the Aided Party as provided by this Agreement. This obligation of indemnification shall include all costs, including but not limited to expert witness fees, reasonable attorney's fees, and other expenses of litigation, incurred by the Aiding Party in defense of such claims, action, liability, or damage. This obligation of indemnification shall not apply or relate to any claim, action, damages, or liability solely caused by the Aiding Party.

The obligations under this provision shall survive any termination by the parties of this Agreement.

- c. Except as otherwise provided herein, this Agreement shall inure to the benefit of and be binding upon the Participating Party and Consumers Energy only and shall not confer any rights upon any other person.
- d. The Aiding Party shall make and keep as the same accrue, complete records and books of account of its costs, expenses, man-hours and equipment hours relating to the work provided to the Aided Party in accordance with generally accepted accounting practices. Said records and books of account, together with any or all other memoranda pertaining thereto that may be kept by the Aiding Party, shall be open to examination during regular business hours by the Aided Party or its agents for the purpose of inspection, auditing, verifying or copying the same or making extracts therefrom. The Aided Party's payment of invoices hereunder shall not constitute acceptance of the accuracy thereof. Amounts shall be subject to audit in accordance with this subparagraph for two (2) years after the making of the last payment under the applicable emergency assistance period. If the Aided Party gives notice of intent to audit within said two (2) year period, it shall have a reasonable amount of time thereafter to complete the audit. Whenever an audit of the Aiding Party's records shows that the Aided Party is entitled to a refund per this Agreement, the Aiding Party shall promptly make said refund.

The obligations under this provision shall survive any termination by the parties of this Agreement.

8. EFFECTIVE DATE; METHOD OF EXECUTION.

The effective date of this Agreement shall be the date first stated above. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

9. TERMINATION.

The Participating Party and Consumers Energy may terminate this Agreement at any time. The termination by the Participating Party or Consumers Energy shall be effective upon receipt by the Participating Party or Consumers Energy, as applicable, of the written notice. Any invoices properly issued under this Agreement prior to termination by either the Participating Party or Consumers Energy, as applicable, shall be paid regardless of such termination.

10. AMENDMENTS.

This Agreement may be amended at any time only by the mutual written agreement of the parties, and the Agreement, as amended, shall thereafter be binding upon both parties.

11. GOVERNING LAW.

This Agreement shall be deemed to be a Michigan contract and shall be construed in accordance with and governed by the laws of the State of Michigan.

12. ETHICS AND COMPLIANCE.

Consumers Energy is a subsidiary of CMS Energy Corporation. Each Aiding Party shall comply with existing Third Party Ethics & Compliance Guidelines of the Aided Party, which are attached to and made a part of this Agreement.

IN WITNESS WHEREOF, this Agreement has been executed by CITY OF MARSHALL authorized representative and by an authorized individual from CONSUMERS ENERGY COMPANY.

CONSUMERS ENERGY COMPANY

CITY OF MARSHALL

By: _____

By: _____

Name: Michele A. Kirkland

Name: Sandra Bird

Title: Vice President of Energy Operations

Title: Clerk-Treasurer

APPROVED AS TO FORM
OP

2008

THIRD - PARTY

Ethics AND
Compliance

GUIDELINES

CMS ENERGY

To all contractors, consultants and materials/services suppliers to CMS Energy:

THESE GUIDELINES set forth the framework of acceptable conduct CMS Energy Corporation (“CMS Energy”) expects from its suppliers of goods and services and its vendors (“Suppliers”). The guidelines outline the key principles that demonstrate our commitment to conduct all business activities in accordance with high ethical standards and in compliance with all laws, rules and regulations. These guidelines are based largely on the CMS Energy Code of Conduct and Statement of Ethics Handbook.

All work performed for CMS Energy must be performed in full compliance with all applicable laws, rules, regulations and policies, as well as, in accordance with our commitment to high ethical standards. For suppliers who have employees contracted to work directly for CMS Energy, this includes reviewing these standards with all their employees and sub-contractors working on CMS Energy accounts.

We expect our employees and our contractors, consultants and agents to conduct themselves in a safe and professional manner, to refrain from any action that may be considered a conflict of interest, and to treat others with respect, fairness and dignity while working on behalf of CMS Energy.

Additional information on our compliance and ethics commitment, as well as the CMS Energy Code of Conduct and Statement of Ethics Handbook for our employees, is available on the CMS Energy Web site at www.cmsenergy.com.

If you have questions or concerns about compliance or ethics issues while working for CMS Energy or want to report illegal or unethical activities, you may call our toll-free compliance and ethics hotline at 1-800-CMS-5212 or e-mail cmscompliance@cmsenergy.com. You also may anonymously call 1-800-ethicsp or visit the Web site www.ethicspoint.com.

We regard our supplier base as a critical and necessary extension of our operations and future success, and we thank you for continuing to make compliance and ethics a top priority as you work with CMS Energy.

Safety, Environmental and Health

■ CMS Energy strives to have an injury- and illness-free work environment. To this end, CMS Energy expects its contractors, consultants and agents' suppliers (herein collectively "suppliers") to perform their work in a way that will protect themselves and others and comply with all appropriate safety and health laws, rules, regulations and procedures, including any site-specific safety requirements. You should look for and resolve unsafe situations and help and encourage others to work safely. When involved in CMS Energy-related work, you must report to work fit for duty and remain fit for duty during working hours.

CMS Energy is committed to conducting business in a manner that conserves and protects natural resources and the environment. Suppliers must comply with all applicable environmental laws and regulations and conduct operations on behalf of CMS Energy in an environmentally friendly manner.

CMS Energy is committed to a drug- and alcohol-free workplace. We expect you to avoid using or being under the influence of alcohol while performing work for CMS Energy or on CMS Energy property. Supplier employees shall not consume alcoholic beverages during a meal period if they are to return to work for CMS Energy after the meal. Supplier employees will not work for CMS Energy evidencing any effects of alcohol consumption.

CMS Energy is a drug-free workplace. We expect that you will not use, possess, sell, provide or be under the influence of illegal drugs or other controlled substances while engaged in CMS Energy-related work. You must not allow the use of prescription drugs or over-the-counter medications to affect your ability to work safely or efficiently. Your employees also must comply with applicable state and federal laws and regulations, including the Department of Transportation fitness for duty regulations.

Weapons

■ Supplier employees may not possess any licensed or unlicensed weapon while on CMS Energy property, in personal vehicles parked on CMS Energy property, in CMS Energy vehicles or while conducting CMS Energy business unless otherwise specifically authorized by CMS Energy management. Weapons include, but are not limited to, firearms, explosives, ammunition, pellet guns, paintball guns, tasers, bows/arrows and swords.

Relationships with Others

■ Suppliers must conduct all their operations with CMS Energy in a socially responsible, nondiscriminatory manner and in full compliance with all applicable laws, rules and regulations, including but not limited to equal opportunity, child labor, working hours and harassment-free work environment laws. CMS Energy expects its employees and suppliers to treat one another with respect and dignity and to demonstrate our commitment to being a good corporate citizen in the communities where our Company representatives work.

CMS Energy does not tolerate harassment or discrimination, including behavior, comments, e-mail messages or other conduct that contributes to an intimidating or offensive environment. Slurs based on race, gender or religion, or any other conduct, remarks, jokes or pictures that encourage or foster an offensive work environment are dealt with seriously. In addition, we expect you, in your business activities with CMS Energy, to comply with applicable federal, state and local statutes that prohibit discrimination or harassment based on race, color, religion, age, sex, national origin, ancestry, physical or mental disability, medical condition, veteran status, marital status, sexual orientation, height, weight or any other non-job-related factor.

CMS Energy is committed to providing a safe and secure work environment for its employees and suppliers. CMS Energy will not tolerate acts of violence committed by or against its employees or suppliers.

Responsibility for Company Resources

■ Suppliers are expected to safeguard CMS Energy resources which include property, assets, intellectual property, company technology assets (network, phone, Internet, software applications and e-mail systems) and confidential or sensitive information while performing work for CMS Energy. Use of CMS Energy resources without proper approvals or for anything other than to perform CMS Energy work activities is strictly prohibited. Intellectual property rights of CMS Energy must be protected. CMS Energy confidential or sensitive information must be protected. Suppliers may only possess such information if they need to do so to perform work activities. Suppliers should not use this information for gain or advantage, and never share this information without appropriate CMS Energy approval. All confidential or sensitive information obtained by a supplier must have documented authorization in place. Inappropriate use of CMS Energy Internet or e-mail is strictly prohibited.

CMS Energy retains the right to monitor its assets and work environments in compliance with applicable federal, state and local law. We monitor to promote safety, prevent criminal activity, investigate alleged misconduct and security violations, manage information systems, and for other business reasons.

Conflict of Interest

■ A conflict of interest exists when there is a choice between acting in a personal interest (financial or otherwise) or in the interest of CMS Energy. While engaged in CMS Energy-related work, you must exercise reasonable care and diligence to avoid any actions or situations that could result in a conflict of interest. This includes not accepting any employment or engaging in any work that creates a conflict of interest with CMS Energy or in any way compromises the work you are to perform for our Company. Supplier employees who also are CMS Energy employees must obtain the proper approvals from management and the chief compliance officer.

Suppliers should not give to or accept from any CMS Energy employee or his/her immediate family member any loans, trips, gifts or entertainment that could influence or be perceived to influence business decisions. A gift can be anything of value, including such items as a ticket to a sporting event or play, a nonbusiness meal, a bottle of wine, a special discount or an all-expense paid trip to a conference or event.

Occasionally suppliers may be solicited to donate to CMS Energy-sponsored charitable events. Suppliers who decide to contribute are limited to donating \$1,000 per sponsored event.

CMS Energy expects suppliers to prevent or immediately disclose a conflict of interest or the appearance of a conflict of interest as soon as possible to CMS Energy managers or the compliance department.

Compliance with Laws, Rules and Regulations

■ Suppliers, while working on behalf of CMS Energy, are expected to abide by all regulations from all government agencies that apply to CMS Energy including, but not limited to, Federal Energy Regulatory Commission, North American Electric Reliability Corporation, Michigan Public Service Commission, U.S. Environmental Protection Agency, Department

of Homeland Security, Michigan Department of Environmental Quality, Occupational Safety and Health Administration, Michigan Department of Transportation, U.S. Department of Transportation, Michigan Occupational Safety and Health Administration and Department of Energy.

CMS Energy expects suppliers working on our behalf to abide by the legal requirements prohibiting bribes, kickbacks, corruption and requiring fair dealings and full disclosures. Compliance with all laws, including antitrust laws and the Foreign Corrupt Practices Act, is strictly required for work related to CMS Energy. In addition, suppliers working on our behalf are required to fully comply with any provisions regarding interactions between affiliates in the energy industry and should not share any customer, rates or market information between the affiliates Consumers Energy and CMS Enterprises. Suppliers should obtain proper approvals from CMS Energy managers before sharing information between the affiliates.

Accurate records and disclosures are critical to CMS Energy meeting its legal, financial, regulatory and management obligations. We expect that you will never misstate facts or omit material information related to CMS Energy-related business. You must ensure that all records, including disclosures, accounts, reports, bills, invoices, time-worked records, correspondence and public communications are full, fair, accurate, timely and understandable. You must never hide, alter, falsify or disguise the true nature of any transaction.

CMS Energy must comply with all Sarbanes-Oxley Act requirements regarding the accounting, contracting and payment for goods and services. CMS Energy's commitment to compliance requires that you accept orders only when accompanied by an approved CMS Energy contract, purchase order or charge card. Failure to comply with this requirement may impact our ability to reimburse you for goods or services in a timely manner.

Government officials shape the legal and regulatory environment in which CMS Energy operates. If you interact on CMS Energy's behalf with government officials or candidates for public office, you must understand and comply with the laws and CMS Energy policies that control CMS Energy's participation in the political process including, but not limited to, state and federal lobbying laws, limitations on gifts, the approval process for contributions, reporting of lobbying contacts and regulatory reporting requirements.

CMS Energy expects that you will never make investment decisions regarding any equity or debt securities based on information obtained in the course of your CMS Energy-related work if the information 1) has not been publicly disseminated and 2) could have a material effect on the value

of the investment. Examples of such information include expansion plans, major management changes, dividend rates, earnings, mergers and significant new contracts or projects. Using this information is against CMS Energy's policies and may violate laws or regulations.

Copyrighted works may include newsletters, magazine articles, newspapers, books, videotapes, drawings, musical recordings and software. Copyright law protects such works even if they do not include a copyright notice. If you wish to copy material for distribution related to CMS Energy work, we expect that you will obtain permission from the copyright holder before making copies.

Computer software typically is covered by licensing agreements that prohibit unauthorized use or copying. Do not make unauthorized copies of software that is licensed to CMS Energy. We expect that you will not load unlicensed software onto CMS Energy computer equipment or download unauthorized software from the Internet.

Endorsements

■ CMS Energy does not endorse products/services or the firms or individuals who supply them. You may not use CMS Energy's name or corporate logo in any advertising materials or publicity without first obtaining the prior written consent of CMS Energy.

Supplier Diversity

■ CMS Energy is committed to providing maximum practical business opportunities to women, minority and disabled veteran-owned business enterprises. However, we do not use set-asides, preferences or quotas in administering our supplier diversity program.

Waivers or Exceptions

■ Suppliers seeking an exception to or waiver of a provision of these Guidelines should do so by contacting the appropriate CMS Energy contract administrator. The administrator will present a business case justification for the waiver or exception to the chief compliance officer. Only the CMS Energy chief compliance officer may grant an exception to or waiver of these Guidelines.

Reporting Ethical Concerns

■ The standards of conduct described in these Guidelines are critical to the ongoing success of CMS Energy's relationship with its suppliers. If you have questions or concerns about compliance or ethics issues while working for CMS Energy or want to report illegal or unethical activities, you may call our toll-free compliance and ethics hotline at:

1-800-CMS-5212

or e-mail:

cmscompliance@cmsenergy.com

You also may anonymously call:

1-800-ethicsp

or visit the Web site:

www.ethicspoint.com

The information provided and procedures set forth in these Guidelines do not confer contractual rights of any kind on any supplier or create contractual obligations of any kind for CMS Energy.



ADMINISTRATIVE REPORT
August 20, 2012 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Carl Fedders, Director of Public Services
Tom Tarkiewicz, City Manager

SUBJECT: City of Marshall Utilities – Standard Rules and Regulations

BACKGROUND: Staff has reviewed the Standard Rules and Regulations which were last updated in October of 2011. The revised document is attached to this report with a brief definition of the revisions below:

Rates – The newly adopted utility rates have been included.

Extension Policy – Condensed and clarified the underground and overhead extension policy along with updating extension fees to reflect the current market.

Lawn Sprinkling Sewer Commodity Reduction – Added rules to be applied to the automatic reduction in sewer commodity charges during the summer months. The proposed language follows our current operations.

Net Metering – Added rules to govern customer owned generation interconnections with output less than 30 kW. Customers with these units will be allowed to supplement their energy usage with any excess generation carried over to the next month up to a year. The program will be limited to 1% of the total load for the City of Marshall.

RECOMMENDATION: It is recommended that City Council adopt the attached revisions to the City of Marshall – Standard Rules and Regulations.

FISCAL EFFECTS: None.

ALTERNATIVES: As suggested by the Council.

Respectfully submitted,

Carl Fedders
Director of Public Services

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

City of Marshall Utilities

Rate Classifications

Standard Rules and Regulations

General Shutoff Supplemental Rules

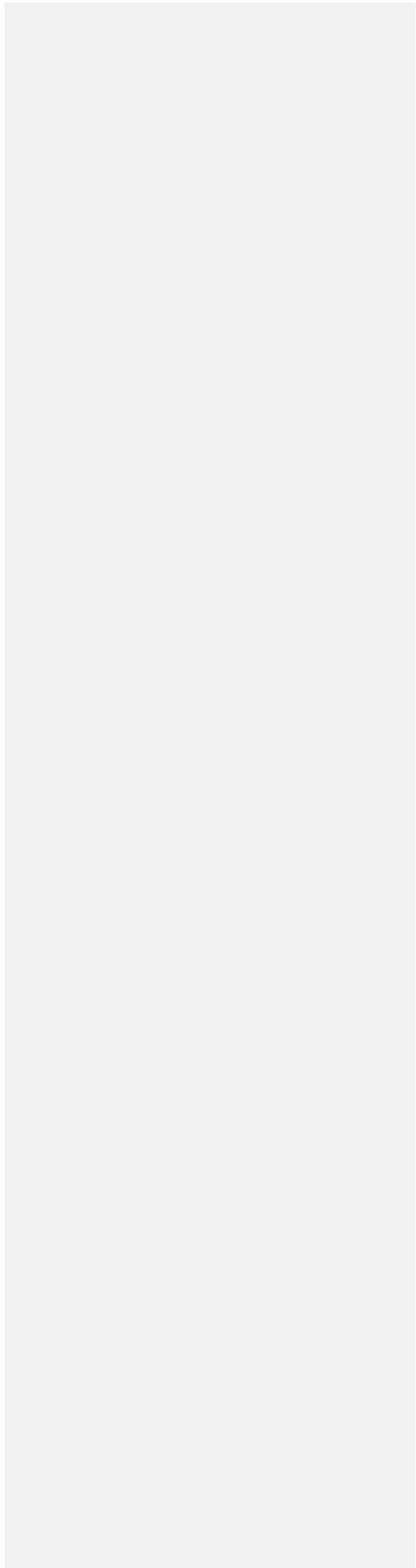
Effective August ~~October~~ 3 20, 2012

The City of Marshall maintains three separate utilities for financial purposes. This document is an accumulation of all three utility's rates, rate classifications, standard rules and regulations.

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Residential Service Rate “A”

Availability:

Open to any customer desiring service for domestic and farm use, which includes only those purposes which are usual in individual private family dwellings, or separately metered apartments, and such appurtenant buildings as garages, barns, chicken houses and similar buildings. This rate is not available for commercial, institutional or industrial uses, or for resale purposes. Specifically, it is not applicable to homes or dormitories for groups other than private family units, to apartment buildings, or other multiple dwellings, such as beauty shops, filling stations, laundries, retail stores, dairies, hatcheries, greenhouses, welding shops, frozen storage plants, etc., except under the terms and conditions contained in the City of Marshall Utilities Standard Rules and Regulations.

Nature of Service:

Alternating current, 60 hertz, single phase, 120/240 nominal volts, 200 amp maximum service.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge: \$7.00 per customer per month plus,
Energy Charge: \$0.106 per KWH plus Power Supply Cost Adjustment

Minimum Charge:

The service charge included in the rate.

Delayed Payment Charge:

A delayed payment charge of 5% of the total net bill shall be added to any bill which is not paid on or before the due date shown on the bill.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility's generation or sale of Electrical energy.

Term and Form of Contract:

Written application required.

Rules and Regulations:

Service governed by City of Marshall Utilities Standard Rules and Regulations.

Service for single phase motors may be included under this rate provided the individual capacity of such motors does not exceed 3 HP, nor the aggregate capacity exceed 10 HP, without the specific consent of the Electric Department.

Residential Rate "A-1"

Availability:

Open to any customer desiring service for domestic and farm uses, which includes only those purposes which are usual in individual private family dwellings or separately metered apartments, and such appurtenant buildings as garages, barns, chicken houses and similar buildings, provided the customer has permanently installed and uses electric heating equipment as the primary source of space heating. This rate is not available for commercial or industrial service, or for resale purposes. Specifically, it is not applicable to homes or dormitories for groups other than private family units, to apartment buildings, or other multiple dwellings, such as beauty shops, filling stations, laundries, retail stores, dairies, hatcheries, greenhouses, welding shops, frozen storage plants, etc., except under the terms and conditions contained in the City of Marshall Utilities Standard Rules and Regulations.

Nature of Service:

Alternating current, 60 cycles, single phase, 120/240 nominal volts.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge	\$7.00 per customer per month, plus
Energy Charge:	
Winter	\$0.106 per kWh plus Power Supply Cost Adjustment for the first 600 kWh (October through May)
	\$0.066 per kWh plus Power Supply Cost Adjustment for all over 600 kWh per month (October through May)
Summer	\$0.106 per kWh plus Power Supply Cost Adjustment for all kWh (June through Sept.)

Minimum Charge:

The service charge included in the rate.

Delayed Payment Charge:

A delayed payment charge of 5% of the total net bill shall be added to any bill which is not paid on or before the due date shown on the bill.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility's generation or sale of Electrical energy.

Term and Form of Contract:

Written application required.

Rules and Regulations:

Service governed by Utilities Standard Rules and Regulations.

Service for single phase motors may be included under this rate, provided the individual capacity of such motors does not exceed 3 HP, nor the aggregate capacity exceed 10 HP, without the specific consent of the Electric Utility.

Residential Service Rate-Life Support "LS"

Availability:

Open to any residential customer desiring service for domestic and life support system use, which includes only those purposes which are usual in individual private family dwellings, or separately metered apartments, and such appurtenant buildings as garages. This rate is not available for commercial, institutional or industrial uses, or for resale purposes. Specifically, it is not applicable to homes or dormitories for groups other than private family units, to apartment buildings, or other multiple dwellings, such as beauty shops, filling stations, laundries, retail stores, dairies, hatcheries, greenhouses, welding shops, frozen storage plants, etc., except under the terms and conditions contained in the City of Marshall Utilities Standard Rules and Regulations.

A signed certificate must be provided by a licensed physician stating that a member of the household is dependent on electric energy for the operation of a life support device. For application of this rate, life support systems are considered to be such devices as a respirator, iron lung or kidney dialysis machine. This certificate must be renewed every 12 months to continue eligibility for this rate.

Nature of Service:

Alternating current, 60 hertz, single phase, 120/240 nominal volts, 200 amp maximum service.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge: \$4.00 per customer per month plus,
Energy Charge: \$0.096 per kWh plus Power Supply Cost Adjustment

Minimum Charge:

The service charge included in the rate.

Delayed Payment Charge:

A delayed payment charge of 5% of the total net bill shall be added to any bill which is not paid on or before the due date shown on the bill.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility's generation or sale of Electrical energy.

Term and Form of Contract:

Written application required.

Rules and Regulations:

Service governed by City of Marshall Utilities Standard Rules and Regulations.

Service for single phase motors may be included under this rate provided the individual capacity of such motors does not exceed 3 HP, nor the aggregate capacity exceed 10 HP, without the specific consent of the Electric Department.

Commercial/Industrial Secondary Service “B”

Availability:

Open to any customer desiring lighting and/or secondary power service for any usual commercial, institutional or industrial use. It is also available for temporary use and for seasonal use in resort areas under special terms and conditions contained in the Utilities Standard Rules and Regulations. Not available for auxiliary or stand-by service.

Nature of Service:

Alternating current, 60 cycles and, at the Electric Department’s option either:
Three phase, 3-wire, 240 or 480 nominal volts, or
Three phase, 4-wire, 120/240 delta or 240/480 delta or 120/208 wye or 277/480 wye, or
Single phase, 120/240 nominal volts.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge: \$15.00 per customer per month, plus
Energy Charge: \$0.107 per kWh plus Power Supply Cost Adjustment for all kWh used per month

Minimum Charge:

The service charge included in the rate.

Delayed Payment Charge:

A delayed payment charge of 5% of the total net bill shall be added to any bill which is not paid on or before the due date shown on the bill.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility’s generation or sale of Electrical energy.

Term and Form of Contract:

Written application required. See Standard Rules and Regulations.

Rules and Regulations:

Service governed by City Utilities Standard Rules and Regulations.

Where service is combined on one meter and the supply is single phase, the individual motor capacity shall not exceed 3 HP, or the aggregate capacity exceed 10 HP, without the specific consent of the City Electric Department. If the supply is three phase, 3 wire; incidental lighting may be included, provided the customer furnishes all transformation facilities required for such purpose, and so arranges the lighting circuits as to avoid excessive unbalance of the three phase load, and further provided the connected load in lighting equipment does not exceed 30% of the connected load in power equipment without the specific consent of the City Electric Department.

The City Electric Department, at its option, may require the customer to provide space, suitable to the City Electric Department, for the installation and operation of transformers.

Commercial/Industrial Secondary Service “C”

Availability:

Open to any customer desiring lighting and/or secondary power service for 5 kW or more. This rate is not available for street lighting service or for resale purposes.

Nature of Service:

Alternating current, 60 cycles and, at the Electric Department’s option either:
Three phase, 3-wire, 240 or 480 nominal volts, or
Three phase, 4-wire, 120/240 delta or 120/208 wye, or
Single phase, 120/240 nominal volts.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge	\$15.00 per meter per month, plus
Capacity Charge:	\$10.35 per kW for all billing demand per month, plus
Energy Charge:	\$0.064 per kWh plus Power Supply Cost Adjustment

Minimum Charge:

The capacity charge included in the rate.

Delayed Payment Charge:

A delayed payment charge of 5% of the total net bill shall be added to any bill which is not paid on or before the due date shown on the bill.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility’s generation or sale of Electrical energy.

Determination of Maximum Demand:

The maximum demand, or rate of use of Electric energy, for each month shall be the greatest average load in kilowatts during any 15-minute period of such month, as registered on suitable instruments installed by the City Electric Department to make such determination.

Adjustment of Maximum Demand:

The City Electric Department may measure or test the power factor of the customer’s load during periods of maximum energy use, and if the power factor is so found to be less than 85% lagging, the maximum kW demand shall be increased by the ratio that 85% bears to the power factor of the customer’s load.

Determination of Billing Demand:

The billing demand shall be the maximum demand for each month (after power factor adjustment and valley hour exclusions, if any), but not less than 60% of the highest billing demand of the preceding 11 months; provided, however, that should resistance type welders, or other equipment which creates high demands of momentary duration be included in the customer's installation. The City Electric Department reserves the right to make such special determination of the billing demand or minimum charge as the circumstances in each case may justify. Billing demand determination, by whatever method used, shall be to the nearest 1/10 kW, up to, and including 10 kW, and to the nearest full kilowatt above 10 kW, but in no case shall the billing demand be less than 5 kW.

Term and Form of Contract:

Written application or contract required. See Standard Rules and Regulations. Customers electing this option rate shall, in the absence of bona fide discontinuance of service, remain thereon for at least twelve (12) months.

Rules and Regulations:

Service governed by the City Utilities Standard Rules and Regulations.

Where service is combined on one meter and the supply is single phase, the individual motor capacity shall not exceed 5 HP, or the aggregate capacity 10 HP, without the specific consent of the City Electric Department. If the supply is three phase, 3-wire, incidental lighting may be included, provided the customer furnishes all transformation facilities required for such purposes, and so arranges the lighting circuits as to avoid excessive unbalance of the three phase load, and further provided the connected load in lighting equipment does not exceed 30% of the connected load in power equipment without the specific consent of the City Electric Department.

Where the total billing demand is 25 kW or more, lighting and power service may be combined without limit as to either class, provided, however, that the customer's wiring shall be so arranged that the service can be measured through a single watt-hour meter, or adjacent watt-hour meters, and a single demand indicator. The City Electric Department may elect to measure the supply for both classes of service on the primary side of the transformers, in which case 3% shall be deducted from the demand and energy measurements thus made.

The City Electric Department, may at its option, require the customer to provide space, suitable to the City Electric Department, for the installation and operation of transformers.

Commercial/Industrial Secondary Service“B1”

Availability:

Open to any customer desiring electric heating and/or air-conditioning service. To qualify for this rate, the only acceptable load is electric heating or air conditioning and must be separately metered. Furthermore, the service shall be three phase only and the load on each phase shall be balanced as much as possible.

Nature of Service:

Alternating current, 60 cycles and, at the Electric Department's option either:
- Single phase, 120/240 nominal volts
- Three phase, 3-wire, 240 or 480 nominal volts, or
- Three phase, 4-wire, 120/240 delta or 120/208 wye

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge:	\$15.00 per meter per month, plus
Energy Charge: Winter	\$0.067 per kWh plus Power Supply Cost Adjustment (October through May)
Summer	\$0.107 per kWh plus Power Supply Cost Adjustment (June through September)

Minimum Charge:

The capacity charge included in the rate.

Delayed Payment Charge:

A delayed payment charge of 5% of the total net bill shall be added to any bill which is not paid on or before the due date shown on the bill.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility's generation or sale of Electrical energy.

Term and Form of Contract:

Written application or contract required. See Standard Rules and Regulations. Customers electing this option rate shall, in the absence of bona fide discontinuance of service, remain thereon for at least twelve (12) months.

Rules and Regulations:

Service governed by the City Utilities Standard Rules and Regulations.

The individual motor capacity shall not exceed 30 Amps, or the aggregate capacity 10 HP on a single phase service, without the specific consent of the City Electric Department. If the supply is three phase, the customer is to arrange the circuits as to avoid excessive unbalance of the three phase load without the specific consent of the City Electric Department.

The City Electric Department, may at its option, require the customer to provide space, suitable to the City Electric Department, for the installation and operation of transformers.

Industrial Primary Service “D”

Availability:

Open to any customer desiring power and incidental lighting service for commercial or industrial use where service is supplied at primary voltages and the billing demand is 25 kW or more. This rate is not available for street lighting or resale purposes.

Nature of Service:

Alternating current, 60 cycles, three phase, 2,400 nominal volts or more, the supply voltage in each case to be determined by the Electric Department.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge:	\$100.00 per meter per month, plus
Capacity Charge:	\$9.15 per kW for all billing demand per month (Minimum 25 kW), plus
Energy Charge:	\$0.076 per kWh plus Power Supply Cost Adjustment

Minimum Charge:

The capacity charge included in the rate.

Time of Use Rate Provision

For customers of this rate with a time-differentiated demand meter installed, the measured kW demand will be the greater of the maximum kW demand in the on-peak period or 50% of the maximum kW demand during the off-peak period. The on-peak period is defined as the period 7a.m. and 11 p.m. local standard time on all non-holiday weekdays. All other time is defined as off-peak. Holidays are New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. In the event New Years Day, Independence Day, or Christmas Day fall on a Sunday, the Monday following that Sunday will be considered to be an off-peak day.

Delayed Payment Charge:

Any bill which is not paid on or before the due date shown thereon shall have a delayed payment charge of 5% added to its net amount.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility's generation or sale of Electrical energy.

Determination of Maximum Demand:

The maximum demand, or rate of use of Electric energy, shall be the greatest average load in kilowatts during any 15-minute period during each month, as determined by instruments installed by the Electric Department for that purpose.

Adjustment of Maximum Demand:

The City Electric Department may measure or test the power factor of the customer's load during periods of maximum energy use, and if the power factor is so found to be less than 85% lagging, the maximum kW demand shall be increased by the ratio that 85% bears to the power factor of the customer's load.

Determination of Billing Demand:

Billing demands shall be determined from maximum demands, after excluding permitted valley hour demands, in accordance with the following methods, as they may apply.

1. The billing demand each month shall be the maximum demand for such month, but not less than 60% of the highest billing demand of the preceding 11 months, and in no case less than 25 kW.
2. When a customer guarantees a billing demand of 2,500 kW or more, the billing demand each month shall be the average of the four maximum weekly demands for such month (the period after the first 21 days of each month being considered to be the fourth week), provided that no billing demand shall be less than 60% of the highest billing demand of the preceding 11 months, and in no case less than 2,500 kW.

Term and Form of Contract:

Written application or contract required. See Standard Rules and Regulations. Customers electing this option rate shall, in the absence of bona fide discontinuance of service, remain thereon for at least twelve (12) months.

Rules and Regulations:

Service governed by the Utilities Standard Rules and Regulations.

Where service is supplied at a nominal voltage of 12,470 or less, the customer shall furnish and maintain all necessary transforming, controlling and protective equipment.

Where service is supplied at a nominal voltage of more than 12,470, the Electric Department may elect to measure the supply at the supply voltage, in which case 2% will be deducted, for billing purposes, from the demand and energy measurements thus made.

Where the Electric Department elects to measure the service at a nominal voltage of less than 12,470 volts, 3% will be added for billing purposes.

Industrial Primary Service Rate “D-2”

Availability:

Open to any customer desiring power and incidental lighting service for commercial or industrial use where service is supplied at primary voltages and the billing demand is 1000 kW or more. This rate is not available for street lighting or resale purposes.

Nature of Service:

Alternating current, 60 cycles, three phase, 2,400 nominal volts or more, the supply voltage in each case to be determined by the Electric Department.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Service Charge:	\$100.00 per meter per month, plus
Capacity Charge:	\$9.15 per kW for all billing demand per month (Minimum 1000 kW), plus
Energy Charge:	\$0.076 per kWh plus Power Supply Cost Adjustment

Minimum Charge:

The capacity charge included in the rate.

Time of Use Rate Provision

For customers of this rate with a time-differentiated demand meter installed, the measured kW demand will be the greater of the maximum kW demand in the on-peak period or 50% of the maximum kW demand during the off-peak period. The on-peak period is defined as the period 7a.m. and 11 p.m. local standard time on all non-holiday weekdays. All other time is defined as off-peak. Holidays are New Years Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day. In the event New Years Day, Independence Day, or Christmas Day fall on a Sunday, the Monday following that Sunday will be considered to be an off-peak day.

Delayed Payment Charge:

Any bill which is not paid on or before the due date shown thereon shall have a delayed payment charge of 5% added to its net amount.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility's generation or sale of Electrical energy.

Determination of Maximum Demand:

The maximum demand, or rate of use of Electric energy, shall be the greatest average load in kilowatts during any 15-minute period during each month, as determined by instruments installed by the Electric Department for that purpose.

Adjustment of Maximum Demand:

The City Electric Department may measure or test the power factor of the customer's load during periods of maximum energy use, and if the power factor is so found to be less than 85% lagging, the maximum kW demand shall be increased by the ratio that 85% bears to the power factor of the customer's load.

Determination of Billing Demand:

Billing demands shall be determined from maximum demands, after excluding permitted valley hour demands, in accordance with the following methods, as they may apply.

1. The billing demand each month shall be the maximum demand for such month, but not less than 60% of the highest billing demand of the preceding 11 months, and in no case less than 1000 kW.
2. When a customer guarantees a billing demand of 2,500 kW or more, the billing demand each month shall be the average of the four maximum weekly demands for such month (the period after the first 21 days of each month being considered to be the fourth week), provided that no billing demand shall be less than 60% of the highest billing demand of the preceding 11 months, and in no case less than 2,500 kW.

Term and Form of Contract:

Written application or contract required. See Standard Rules and Regulations. Customers electing this option rate shall, in the absence of bona fide discontinuance of service, remain thereon for at least twelve (12) months.

Rules and Regulations:

Service governed by the Utilities Standard Rules and Regulations.

Where service is supplied at a nominal voltage of 12,470 or less, the customer shall furnish and maintain all necessary transforming, controlling and protective equipment.

Where service is supplied at a nominal voltage of more than 12,470, the Electric Department may elect to measure the supply at the supply voltage, in which case 2% will be deducted, for billing purposes, from the demand and energy measurements thus made.

Where the Electric Department elects to measure the service at a nominal voltage of less than 12,470 volts, 3% will be added for billing purposes.

Economic Development Rate "E"

Availability:

Open to any new full requirements customer or any existing full requirements customer having measurable load growth where service is supplied at primary voltage and the new load is greater than 200 kW. This rate is not available for street lighting or resale purposes.

Nature of Service:

Alternating current, 60 cycles, three phase, 2,400 nominal volts or more, the supply voltage in each case to be determined by the Electric Department.

Installation Charge:

See Standard Rules and Regulations.

Rate:

Rates will be subject to negotiation with the City, taking into consideration the customer's load and energy requirements and usage characteristics, the facilities and investment required to serve the customer and other matters relating to the service.

Minimum Charge:

To be negotiated with the City.

Delayed Payment Charge:

Any bill which is not paid on or before the due date shown thereon shall have a delayed payment charge of 5% added to its net amount.

Special Taxes:

Bills shall be increased to offset any specific tax or excise imposed by any governmental authority upon the Electric Utility's generation or sale of Electrical energy.

Determination of Maximum Demand:

For new customers, the maximum demand, or rate of use of electric energy shall be the greatest average load in kilowatts during any 15-minute period during each month, as determined by instruments installed by the Electric Department for that purpose.

For existing customers, unless the new load is separately metered, the maximum demand shall be the greatest average load in kilowatts during any 15-minute period during each month, less the average maximum demand for the twelve months prior to establishing service under this rate.

Adjustment of Maximum Demand:

The City Electric Department may measure or test the power factor of the customer's load during periods of maximum energy use, and if the power factor is so found to be less than 85% lagging, the maximum kW demand shall be increased by the ratio that 85% bears to the power factor of the customer's load.

Determination of Billing Demand:

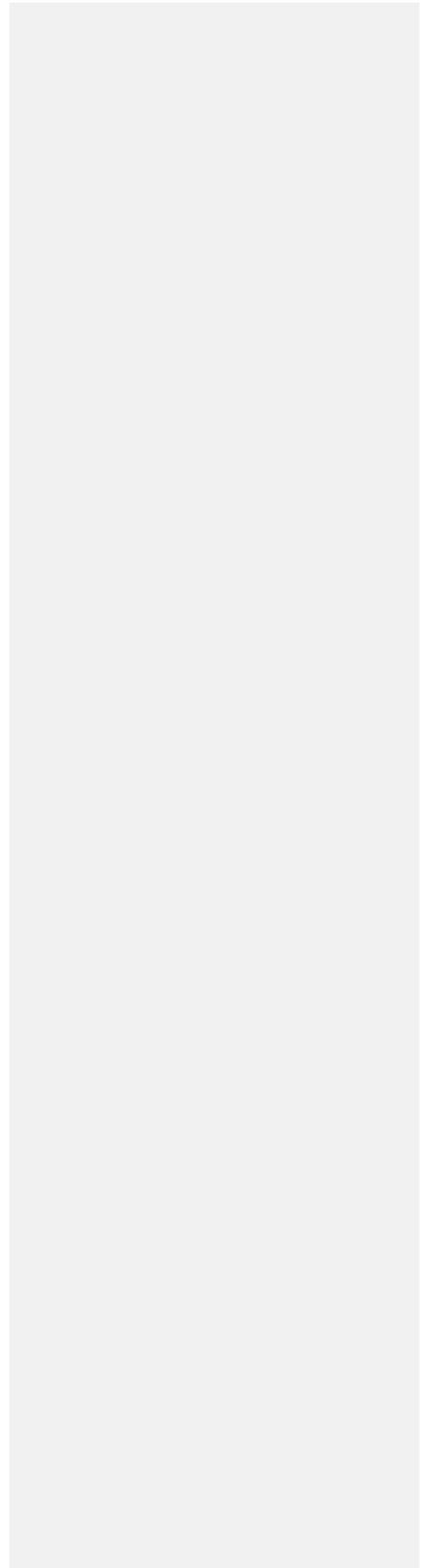
The billing demand each month shall be the maximum demand for such month, but not less than 60% of the highest billing demand of the preceding 11 months, and in no case less than 200kW.

Term and Form of Contract:

Service shall be provided under a written contract which will include the rates, terms and conditions of service and be subject to City Council approval.

Rules and Regulations:

Service governed by the Utilities Standard Rules and Regulations.



Monthly Security Light Rental Rate

Availability:

Available for outdoor lighting to any City of Marshall Electric customer.

7000 Lumen (175W)	Mercury Vapor Lamp Suburbanair Fixture	\$9.00 per month per fixture
19100 Lumen (400W)	Mercury Vapor Lamp	\$15.00 per month per fixture
47200 Lumen (1000W)	Mercury Vapor Lamp	\$18.00 per month per fixture

Terms:

One year minimum with signed agreement.

General:

The City of Marshall Electric Department will, at its own cost, install, furnish the current and maintain its standard outdoor lighting equipment. Facilities shall consist of fixture, with photo-Electric switch control and a 4-foot maximum support mounted on an existing pole or building at which 120 or 240 volt service is available. Cost of any additional facilities required shall be paid for by the customer.

The above facilities shall be owned and maintained by the City of Marshall Electric Department.

The City of Marshall Electric Department will replace burned out lamps and otherwise maintain the equipment during regular working hours, as soon as practical, following notification by the customer.

Lamp burning hours shall be from dusk until dawn, aggregating approximately 4000 hours per year. Credit will not be allowed for normal lamp outages.

Customer shall obtain proper approval for lights to be located on public thoroughfares.

Rental charges will be applied to customer's electrical bill and added as a single charge.

Temporary Electric Service:

Customer desiring lighting and/or secondary power service for a short time only, such as for construction jobs, which service requires the installation of a temporary service connection, meters or other facilities of a temporary nature, shall pay cost of installing and removing all facilities necessary to supply such service. Service connection charge will be a minimum \$35.00, payment to be made in advance of installation. Temporary service will also be subject to minimum monthly charge for KWh consumed, as determined by General Secondary Rate B, and no case less than \$9.00 as determined by Watt-hour meter installed on the job.

For temporary service connection of more than 100 amps, there will be a charge of \$1.50 per amp.

The customer may be required to make a deposit with the City an amount to cover the estimated cost of installing and removing the necessary facilities plus the estimated cost of service under the terms of the rate set forth above. Meters may be read daily and the deposit modified as the energy used may justify such modification.

For temporary services other than service connections, customer should apply at the City Hall, City of Marshall, 323 W. Michigan Ave., Marshall, MI 49068.

Power Supply Cost Adjustment Applicable to City Electric Rate Schedules

Applicability

The Power Supply Cost Adjustment set forth herein shall apply to all of City's Electric Rate Schedules, except for the Monthly Security Light Rental Rate. The applicable adjustment shall be applied to the total kWh billed to customers for the meter reading period that City determines as most nearly corresponding to the meter reading period(s) set forth in City's purchased power billings from its supplier(s).

Base Power Supply Cost

The rates and charges set forth in City's Electric Rate Schedules are based on the cost of City's power supply requirements as furnished by Michigan South Central Power Agency (MSCPA). The Base Power Supply Cost included as City's Electric Rate Schedules is \$0.065 per kWh.

Monthly Determination of Power Supply Cost Adjustment

Each month City's Power Supply Cost Adjustment shall be determined as follows:

- A. The City's Running 6-Month Power Supply Cost per kWh shall be determined to 4 decimal places by dividing (1) the sum of the past 6 months power supply cost, including the most recent months billing, by (2) the sum of the past 6 months net energy delivered to the City, including the most recent months billing.
- B. The Base Power Supply Cost of \$0.065 per kWh shall then be subtracted from the Running 6-Month Power Supply Cost per kWh determined in (a) above.
- C. The Monthly Power Supply Cost Adjustment per kWh shall be determined by multiplying the positive differential derived in (b) by 1.08 to compensate for City's Distribution System Losses. If the differential derived in (b) is negative, the monthly power supply cost adjustment shall be \$0.000 per kWh.

WATER AND SEWER RATES AND FEES

CHAPTER 53: RATES

§ 53.01 WATER RATES.

(A) All metered water shall be charged to a two-part rate consisting of a readiness to serve charge plus a commodity charge.

(B) Water Readiness to Serve Charge shall be billed by meter size. The effective rates are included in the table below:

Meter Size	Readiness to Serve Charge As of: July 1, 2012	Readiness to Serve Charge As of: July 1, 2013
5/8"	\$ 15.40	\$ 17.82
3/4"	\$ 15.40	\$ 17.82
1"	\$ 15.40	\$ 17.82
1.5"	\$ 48.00	\$ 48.00
2"	\$ 86.50	\$ 86.50
3"	\$ 195.00	\$ 195.00
4"	\$ 365.00	\$ 365.00
6"	\$ 785.00	\$ 785.00

(1) The Readiness to Serve Charge outside the corporate limits of the City of Marshall shall be 200% of the rate as established for use within the corporate limits of the City of Marshall, Michigan.

(2) When a battery of more than one meter is used in the place of a large single meter, then the readiness to serve charge shall be the charge of the single sized meter times the number of meters composing the battery.

(3) The "Readiness to Serve Charge" covers the cost necessary to keep the Water Works in good operating condition, and other fixed costs as designated by Council and is the amount of the minimum bill.

(C) Water Commodity Charges shall be based on actual consumption. The effective rates are included in the table below:

	Cubic Foot	Commodity Charges As of: July 1, 2012 (per 100cft)	Commodity Charges As of: July 1, 2013 (per 100 cft)
Up to	1,000	\$ 2.06	\$ 2.14
Next	2,000	\$ 1.88	\$ 2.14
Next	12,000	\$ 1.62	\$ 1.71
Next	385,000	\$ 1.11	\$ 1.28
Over	400,000	\$ 1.11	\$ 1.28

(I) Commodity Charge outside the corporate limits of the City of Marshall shall be: 200% of the rate as established for use within the corporate limits of the City of Marshall, Michigan.

(D) Automatic sprinkler services or hose connections for fire protection services only will be charge the following rates:

Connection Size	Charge per Annum
6" or smaller	\$120
8"	\$220
10"	\$340
12"	\$500

(E) The City may provide a fire hydrant connection for Circuses, Tent Shows, Carnivals, Exhibitions, and for Construction purposes. Fees and charges shall be established by resolution. The Meter Security Deposit will be returned when the hydrant meter is returned without damage. Any loss or damage to the reducing connection, valve, hydrant, meter or operating wrench will be charged to the person making application for the use of the hydrant. On large construction projects, the Water Department may require the setting of an appropriate meter and to charge for water and service as for regular service supply.

(F) All service taps to water mains shall be made by the Water Department except when approved by the Water Superintendent. The charge for the water main tapping shall be paid by the customer and shall include all materials, equipment, and contracted costs incurred by the City.

(G) The City may provide meter testing. The meter testing fees shall be established by resolution. If, after testing, the meter is found to be in error above allowable percent, which is two percent (2%) plus or minus, then the amount deposited will be refunded, but if the water meter is found to be registering within the test limits, then the amount deposited will be retained to cover the cost of the testing.

(H) A turn-on fee for the restoration of service during business hours or after business hours will be charged to a customer in order to reconnect his service if service has been interrupted. A turn-on fee shall be established by resolution.

(I) Anyone seeking to make a connection to any public water main within the City of Marshall shall first obtain a permit to make such connection from the offices of the City of

Marshall. Prior to the issuance of said permit, the applicant must pay to the City a Water Connection Fee representing the cost of construction of that portion of the City-wide water system attributable to the proportionate benefit to be received by the applicant's property.

(I) The Water Connection Fee shall be based on a unit factor system wherein each single-family residence shall be classified as one unit. Other occupational uses shall be charged on multiples of units as may be determined by resolution of the City Council from time to time. Said units and multiples thereof will be established and computed on the same basis as for the Sanitary Sewer Connection Fee contained further in this Section and the number of units charged to a premise shall be the same for both water and sanitary sewer. The Water Connection Fee shall be established by resolution. The fee for premises connected from outside the corporate limits of the City of Marshall shall be 1.5 times the in-city rate.

(J) Designated irrigation meters will only be billed between the months of May to September.

(K) The Charges for water services set forth in this ordinance and furnished to any premises are a lien on the premises to which this service is provided and those charges which are delinquent for six (6) months or more shall be certified by the City Treasurer to the City Assessor who shall enter the charges on the next tax roll against the premises to which the services have been rendered. Said charges shall be a lien as of the date services are provided and shall be enforced in the same manner as provided for by the collection of the taxes assessed upon the tax roll and the enforcement of the lien for taxes. The City Treasurer may certify all charges delinquent for six (6) months or more at any time prior to the date on which the City tax roll is approved.

§ 53.02 SEWER RATES.

(A) Monthly Rates for sewer service inside the corporate limits of the City of Marshall shall be:

Water Meter Size	Service Charge As of January 1, 2012	Service Charge As of January 1, 2013
1" or smaller	\$ 13.60	\$ 14.45
1 1/2"	\$ 17.75	\$ 20.00
2"	\$ 21.50	\$ 25.00
3"	\$ 28.00	\$ 35.00
4"	\$ 48.00	\$ 55.00
6"	\$ 70.00	\$ 80.00

(B) Monthly Rates for sewer service outside the corporate limits of the City of Marshall shall be:

Water Meter Size	Service Charge As of January 1, 2012	Service Charge As of January 1, 2013
1" or smaller	\$ 15.10	\$ 15.95
1 1/2"	\$ 19.25	\$ 21.50
2"	\$ 23.00	\$ 26.50
3"	\$ 29.50	\$ 36.50

(C) The Sewer commodity charge shall be:

	Commodity Charge per 100 cft As of January 1, 2012	Commodity Charge per 100 cft As of January 1, 2013
Within the City of Marshall	\$ 2.90	\$ 3.10
Outside the City of Marshall	\$ 4.35	\$ 4.65

(D) Flat rate customer shall pay the following rates in addition to appropriate service charge:

Flat Rate As of January 1, 2012	Flat Rate As of January 1, 2013
\$ 35.10	\$ 37.50

(E) The sewer commodity may be reduced for residential customers because of lawn sprinkling. The procedure and policy for the sewer discount will be part of the Rules and Regulations.

(F) Anyone seeking to make a connection to any sanitary sewer system within the City of Marshall shall first obtain a permit to make such connection from the offices of the City of Marshall. Prior to the issuance of said permit, the applicant must pay to the City a Sanitary Sewer Connection Fee representing the cost of construction of that portion of the City-wide sewer system attributable to the proportionate benefit to be received by the applicant's property.

(I) The Sanitary Sewer Connection Fee shall be based on a unit factor system wherein each single-family residence shall be classified as one unit. Other occupational uses shall be charged on multiples of units as may be determined by resolution of the City Council from time to time. The Sanitary Sewer Connection Fee shall be established by resolution. The fee for premises connected from outside the corporate limits of the City of Marshall shall be 1.5 times the in-city rate.

(G) The Charges for waste water services set forth in this ordinance and furnished to any premises are a lien on the premises to which this service is provided and those charges which are delinquent for six (6) months or more shall be certified by the City Treasurer to the City

Assessor who shall enter the charges on the next tax roll against the premises to which the services have been rendered. Said charges shall be a lien as of the date services are provided and shall be enforced in the same manner as provided for by the collection of the taxes assessed upon the tax roll and the enforcement of the lien for taxes. The City Treasurer may certify all charges delinquent for six (6) months or more at any time prior to the date on which the City tax roll is approved.

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~~1. METERED WATER~~

~~All metered water shall be charged to a two-part rate consisting of a readiness to serve charge plus a commodity charge.~~

~~2. WATER READINESS TO SERVE CHARGE~~

~~(a) Readiness to Serve Charge shall be billed by meter size.~~

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Effective for bills mailed after May 1, 2011	January 1, 2012	January 1, 2013
Size of Meter	Monthly Charge	Monthly Charge
5/8"	\$13.38	\$14.50
3/4"	\$13.38	\$14.50
1"	\$13.38	\$14.50
1½"	\$47.00	\$48.00
2"	\$86.50	\$86.50
3"	\$194.00	\$195.00
4"	\$355.00	\$365.00
6"	\$775.00	\$785.00

~~(b) The Readiness to Serve Charge outside the corporate limits of the City of Marshall shall be 200% of the rate as established for use within the corporate limits of the City of Marshall, Michigan.~~

~~3. When a battery of more than one meter is used in the place of a large single meter, then the readiness to serve charge shall be the charge of the single sized meter times the number of meters composing the battery.~~

~~4. The "Readiness to Serve Charge" covers the cost necessary to keep the Water Works in good operating condition, and other fixed costs as designated by Council and is the amount of the minimum bill.~~

~~5. WATER COMMODITY CHARGE~~

~~(a) Water Commodity Charges inside the corporate limits of the City of Marshall:~~

Effective for bills mailed after May 1, 2011	January 1, 2012	January 1, 2013
Usage	per 100 cft	per 100 cft
0 to 1000 cft	\$1.79	\$1.87
1001 to 3000 cft	\$1.51	\$1.64
3001 to 15,000 cft	\$1.18	\$1.36
15,001 to 400,000 cft	\$0.94	\$0.96
400,001 cft and over	\$0.84	\$0.96

~~(b) Commodity Charge outside the corporate limits of the City of Marshall shall be: 200% of the rate as established for use within the corporate limits of the City of Marshall, Michigan.~~

~~6. FIRE PROTECTION RATES~~

~~Automatic sprinkler services or hose connections for fire protection services only:~~

6" or smaller connection	\$120 per annum
8" connection	\$220 per annum
10" connection	\$340 per annum
12" connection	\$500 per annum

~~7. RATES FOR CIRCUSES, TENT SHOWS, CARNIVALS, EXHIBITIONS AND CONSTRUCTION~~

~~The City may provide a fire hydrant connection for Circuses, Tent Shows, Carnivals, Exhibitions, and for Construction purposes. Fees and charges shall be established by resolution. The Meter Security Deposit will be returned when the hydrant meter is returned without damage. Any loss or damage to the reducing connection, valve, hydrant, meter or operating wrench will be charged to the person making application for the use of the hydrant. On large construction projects, the Water Department may require the setting of an appropriate meter and to charge for water and service as for regular service supply.~~

~~8. RATES COVERING WATER MAIN TAPPING~~

~~All service taps to water mains shall be made by the Water Department except when approved by the Water Superintendent. The charge for the water main tapping shall be paid by the customer and shall include all materials, equipment, and contracted costs incurred by the City.~~

~~9. METER TESTING~~

~~The City may provide meter testing. The meter testing fees shall be established by resolution. If, after testing, the meter is found to be in error above allowable percent, which is two percent (2%) plus or minus, then the amount deposited will be refunded, but if the water meter is found to be registering within the test limits, then the amount deposited will be retained to cover the cost of the testing.~~

~~10. TURN ON CHARGE~~

~~A turn on fee for the restoration of service during business hours or after business hours will be charged to a customer in order to reconnect his/her service. A turn on fee shall be established by resolution.~~

~~11. WATER CONNECTION FEE~~

~~(a) Water Connection Fee~~

~~Anyone seeking to make a connection to any public water main within the City of Marshall shall first obtain a permit to make such connection from the offices of the City of Marshall. Prior to the issuance of said permit, the applicant must pay to the City a Water Connection Fee representing the cost of construction of that portion of the City wide water system attributable to the proportionate benefit to be received by the applicant's property.~~

~~(b) Computation of Water Connection Fee~~

~~The Water Connection Fee shall be based on a unit factor system wherein each single family residence shall be classified as one unit. Other occupational uses shall be charged on multiples of units as may be determined by resolution of the City Council from time to time. Said units and multiples thereof will be established and computed on the same basis as for the Sanitary Sewer Connection Fee contained further in this Section and the number of units charged to a premise shall be the same for both water and sanitary sewer. The Water Connection Fee shall be established by resolution. The fee for premises connected from outside the corporate limits of the City of Marshall shall be 1.5 times the in-city rate.~~

~~12. IRRIGATION SERVICES~~

~~Designated irrigation meters will only be billed between the months of May to September.~~

~~SEWER RATES AND FEES~~

~~1. METERED SEWEAGE~~

~~All metered sewage shall be charged to a two part rate consisting of a readiness to serve charge plus a commodity charge.~~

~~(a) Monthly Rates for sewer service inside the corporate limits of the City of Marshall shall be:~~

Effective for bills mailed after May 1, 2011	January 1, 2012	January 1, 2013
Service Charge	Service Charge	Service Charge
1" Water Meter	\$12.50	\$13.60
1½" Water Meter	\$15.50	\$20.00
2" Water Meter	\$18.00	\$25.00
3" Water Meter	\$25.00	\$35.00
4" Water Meter	\$42.00	\$55.00
6" Water Meter	\$60.00	\$80.00
Commodity Charge	\$2.54 per 100 cft	\$2.90 per 100 cft

~~(b) Monthly Rates for sewer service outside the corporate limits of the City of Marshall shall be:~~

Effective for bills mailed after May 1, 2011	January 1, 2012	January 1, 2013
Service Charge	Service Charge	Service Charge
1" Water Meter	\$13.70	\$15.10
1½" Water Meter	\$16.70	\$21.50
2" Water Meter	\$19.20	\$26.50
3" Water Meter	\$26.20	\$36.50
Commodity Charge	\$3.81 per 100 cft	\$4.35 per 100 cft
Flat Rate Customers	\$31.19	\$37.50

~~2. SUMMER SEWER DISCOUNT FOR LAWN SPRINKLING~~

~~The sewer commodity may be reduced for residential customers because of lawn sprinkling. The procedure and policy for the sewer discount will be part of the Rules and Regulations.~~

~~3. SANITARY SEWER CONNECTION FEE~~

~~(a) Sanitary Sewer Connection Fee~~

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~~Anyone seeking to make a connection to any sanitary sewer system within the City of Marshall shall first obtain a permit to make such connection from the offices of the City of Marshall. Prior to the issuance of said permit, the applicant must pay to the City a Sanitary Sewer Connection Fee representing the cost of construction of that portion of the City-wide sewer system attributable to the proportionate benefit to be received by the applicant's property.~~

~~(b) — Computation of Sanitary Sewer Connection Fee~~

~~The Sanitary Sewer Connection Fee shall be based on a unit factor system wherein each single family residence shall be classified as one unit. Other occupational uses shall be charged on multiples of units as may be determined by resolution of the City Council from time to time. The Sanitary Sewer Connection Fee shall be established by resolution. The fee for premises connected from outside the corporate limits of the City of Marshall shall be 1.5 times the in-city rate.~~

~~4. WATER AND WASTE WATER SERVICE AS LIEN ON PREMISES~~

~~The Charges for water and waste water services set forth in this ordinance and furnished to any premises are a lien on the premises to which this service is provided and those charges which are delinquent for six (6) months or more shall be certified by the City Treasurer to the City Assessor who shall enter the charges on the next tax roll against the premises to which the services have been rendered. Said charges shall be a lien as of the date services are provided and shall be enforced in the same manner as provided for by the collection of the taxes assessed upon the tax roll and the enforcement of the lien for taxes. The City Treasurer may certify all charges delinquent for six (6) months or more at any time prior to the date on which the City tax roll is approved.~~

STANDARD RULES AND REGULATIONS

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1. Definitions

- City - The City of Marshall Water, Wastewater and Electrical Utility or its authorized representatives.
- Customer - Any person, firm, corporation, association, partnership, municipality, or governmental agency to be served by or legally using water, wastewater and electrical energy supplied by the City.
- Service Line - A pipe connecting the City water main with the plumbing system of a water user.
- Water Main - A pipe or conduit for conveying potable water which is maintained by the City.

2. Character of Service

The City will endeavor, but does not guarantee, to furnish a continuous supply of electric energy and to maintain voltage and frequency within reasonable limits.

The City will endeavor, but does not guarantee, to furnish a continuous supply of water and/or wastewater services.

The City shall not be liable for interruptions in the service, phase failure or reversal, or variations in the service characteristics, or for any loss of damage of any kind or character occasioned thereby, due to causes or conditions beyond the City's reasonable control, and such causes or conditions shall be deemed to specifically include, but not be limited to, the following: acts or omissions of customers or third parties; operation of safety devices except when such operation is caused by the negligence of the City's employees; absence of an alternate supply of service; failure, malfunction, breakage, necessary repairs or inspection of machinery, facilities or equipment the City has carried on a program of maintenance consistent with the general standards prevailing in the industry; acts of God; war; action of the elements; storm or flood; fire; riot; labor dispute or disturbances; or the exercise of authority or regulation by governmental or military authorities.

Before purchasing equipment, installing plumbing, or installing wiring, the customer should secure from the City, the characteristics of the service available.

No ownership rights in any facilities provided by the City shall pass to any person as a result of any contribution or deposit made under these rules. No deposits or contributions made by customers shall be refundable unless expressly so provided in these rules.

Notwithstanding any other provision of these rules, the City may interrupt, curtail or suspend electric service to all or some of its customers in accordance with the provision of Emergency Electrical Procedures rule and the City shall be under no liability with respect to any such interruption, curtailment or suspension.

3. General Provisions of Service

The City shall have complete control of all City water mains and sewers. All water mains and sewers connecting directly or indirectly with City water mains and sewers shall be constructed in accordance with City standards and specifications.

Where suitable service is available, the City will install overhead service connections from its distribution lines to a suitable point of attachment on the customer's premises designated by the City.

All residential customers shall install three-wire service entrance connections of not less than 100 ampere capacity, except as required with pre-manufactured mobile homes. All such service entrances shall comply with the National

Electric Code and / or local electrical codes, whichever governs. Any poles, wires or other equipment required beyond the customer's meter shall be furnished, installed and maintained by the customer. The customer may have to provide a deposit and/or contribution if the service he requires cannot be provided from available distribution lines.

Should it become necessary for any cause beyond the City's control to change the location of the point of attachment of service connections, the entire cost of any necessary changes in the customer's wiring shall be borne by the customer.

The customer may be required to provide, at no expense to the City, space for the City's transformer installations on the customer's premises.

4. Unusual Facility Requirements

The City reserves the right to make special contractual arrangements as to the provisions of necessary service facilities, duration of contract, minimum bills, or other service conditions with respect to customers whose capacity requirements exceed 1,000 kW or whose establishments are remote from the City's existing suitable facilities or whose service requirements otherwise necessitate unusual investments by the City in service facilities or where the maintenance of the service is questionable.

5. Pole Attachment

The City Council may approve the attachment and insertion of other wire, cables and appurtenances to City owned poles or conduits through a pole attachment agreement. The attaching company shall pay for any engineering and "make ready" cost incurred by the City. The attaching company will be required to remove their wire, cables and appurtenances, in a timely fashion, if the City removes their pole. The attaching company will be required to reattach their wire, cables and appurtenances, in a timely fashion, if the City replaces their pole. From time to time, the City Council may reestablish the pole attachment fee schedule.

6. Use of Service

The City reserves the right to deny or terminate service to any customer whose plumbing, wiring or equipment shall constitute a hazard to the City's equipment or its service to others. However, it disclaims any responsibility to inspect the customer's plumbing, wiring or equipment and shall not be held liable for any injury or damage resulting from the condition thereof.

The customer shall so use the service as not to disturb the City's service to other customers. When such interference does occur, the customer may be required to alleviate such condition, and upon his failure so to do, the City may discontinue service.

The City shall not be obligated to furnish service in the case of gaseous or other lighting devices having low power factor whether newly installed, reconnected or moved to another location, unless the customer provides, at his own expense, suitable equipment for improving the power factor of such devices to at least eighty-five per cent (85%).

7. Access to Customer's Premises

The City shall have access to the customer's premises at all reasonable hours, to install, inspect, read, repair or remove its meters and other property and to inspect and determine the connected load in lamps, appliances, motors, etc. Neglect or refusal on the part of the customer to provide reasonable access shall be sufficient cause for discontinuance of service by the City and assurance of access may be required before service is restored.

8. Deposit Required

The City of Marshall may require a cash deposit by the customer. No interest is accrued or paid on deposits held. Deposit is applied to the final bill of any account if customer is leaving the City of Marshall utility service. Deposit may be transferred to new service location if customer remains in the City of Marshall utility service area. Deposit amounts and restrictions thereto are as follows:

Residential Customers:

\$50 deposit required for owner occupied premises
\$100 or \$150 deposit required for tenant occupied premises*

Upon receipt of regular payments on or before required due date for 12 consecutive months, deposit will be applied to the next regular utility billing.

*check Section 12, Part II Landlord/Tenant Policy if applicable.

Commercial and Industrial Customers:

\$150 deposit required at time of application for service. After minimum six months usage and at any time thereafter, City of Marshall may require additional deposit up to one month average charges for all utilities provided.

If a commercial tenant has been in business in the City of Marshall for five years or more and has not had a utility account with the City of Marshall in his/her or company name, the above deposit requirement shall be waived. Once the commercial tenant becomes a direct commercial utility customer (has an account in his/her or company name), if this account should become delinquent, the commercial customer shall be required to pay the deposit set forth above or be subject to usual and customary service disconnection as described herein.

Deposit is held as long as utility service is provided. Deposit shall be applied to final billing upon termination of service.

9. Application of Rates

A. General:

Copies of the City's rates for water, sewer, and electric service are available at City Hall and are open to public inspection.

The rates specified in this schedule are predicated upon the delivery of each class of service to a single metering point for the total requirements of each separate premises of the customer, unless otherwise provided for in the rate schedule. In no case may service be shared with another or transmitted off the premises at which it is delivered. Service at different points and at different premises shall be separately measured and separately billed.

B. Combined Residence and Commercial or Industrial Service:

Where one building is used by a customer as a commercial or industrial establishment and also as a residence, the wiring shall be so arranged that the business part and residence part may be metered separately and each class of service billed on the appropriate rate. If separation is not effected, the combined service shall be billed under the appropriate General City Service Rate.

C. Choice of Rates:

In some cases the customer is eligible to take service under any one of two or more rates. Upon request, the city will advise the customer in the selection of the rate which will give him the lowest cost of service, based on the

information at hand, but the responsibility for the selection of the rate lies with the customer. Once a rate is selected, the customer will not be permitted to change to another rate until at least twelve months have elapsed. No refund will be made of the difference in charges under different rates applicable to the same class of service.

D. Special Minimum Charges:

Where the customer is billed on Rate "B", and the resistance type welders or other equipment which creates high demands of momentary duration is used, and the City continuously maintains transformers and distribution facilities primarily for the customer's use, the sum of the net monthly bill shall not be less than the following minimum charge for each contract year or any part thereof:

- i. \$7.00 per kVA for the first 10 kVA or less of transformer capacity, plus
- ii. \$2.00 per kVA for all over 10 kVA or transformer capacity.

If the customer provides and maintains the necessary transformers and other distribution facilities beyond the point of delivery, the minimum yearly charge shall be 50% of that specified above. In this event the City may elect to measure the supply of service on the primary side of the transformers, in which case 3% shall be deducted from the energy measurements thus made.

When, in any contract year, the customer's net monthly bills aggregate less than the annual minimum charge calculated as above, the deficiency for at the end of such contract year.

Customers subject to the above Special Minimum Charges shall sign a contract for at least one year.

E. Resale:

Except as to customers served under rates expressly made available for resale purposes, no customer shall resell his service to others except as permitted under this rule.

The owner or operator of an office building, apartment building, mobile home park or similar structure, whose combined requirements exceed 50 kW, may purchase energy from the City for resale to the tenants of the building on condition that service to each tenant shall be separately metered, that the tenants shall be charged for such service on the appropriate rate in the City's schedule available for similar service under like conditions, and that all the energy used in such building shall be purchased from the City. If any of these provisions should be violated, the City may refuse or discontinue service. In order to avail himself of the privilege or reselling to his tenants, the building owner's or operator's service contract shall provide for such resale privilege. The City will not furnish or maintain meters or other facilities for the resale of service by landlords to tenants.

The owner or operator of an office building, apartment building, mobile home park or similar structure, may purchase water from the City for resale to the tenants of the building on condition that service to each tenant shall be separately metered, that the tenants shall be charged for such service on the appropriate rate in the City's schedule available for similar service under like conditions, and that all the energy used in such building shall be purchased from the City. If any of these provisions should be violated, the City may refuse or discontinue service. In order to avail themselves of the privilege or reselling to his tenants, the building owner's or operator's service contract shall provide for such resale privilege. The City will not furnish or maintain meters or other facilities for the resale of service by landlords to tenants.

F. Apartment Buildings and Multiple Dwellings:

When service is supplied through a single meter to a building containing more than one apartment, the customer may have the option of being billed under either the Residence Service Rate or any General Light and Power Service Rate. Not more than one choice in rate will be permitted, as to any customer, within any 12-month period.

For the purpose of billing under the Residential Service Rate, the initial charge, the kilowatt hour blocks and the minimum charge shall be multiplied by the number of apartments served through one meter, less one. Any

apartment building or multiple dwelling containing less than nine rooms, however will be billed on a single customer basis.

To determine the number of apartments served through one meter, only those rooms, suites, or groups of rooms having individual cooking and kitchen sink accommodations within the unit shall be counted.

G. Unusual Facility Requirements:

The City reserves the right, with respect to customers whose capacity requirements exceed 1,000 kW, or whose establishments are remote from the City's existing suitable facilities, or whose load characteristics otherwise require unusual investments by the City in service facilities, to make special contractual arrangements as to the provision of necessary service facilities, duration of contract, minimum bills, or other service conditions.

10. Service Connections

The customer shall provide, free of expense to the City and close to the point of service entrance, suitable space for the installation of the necessary metering equipment. The customer shall permit only authorized agents of the City or other persons lawfully authorized so to do, to inspect, test or remove the same. If the meters or metering equipment are damaged or destroyed through the neglect of the customer, the cost of necessary repairs or replacements shall be paid by the customer.

Water meters shall be set horizontally in a clean and suitable place, easily accessible to City personnel. No person shall tamper with any meter or remove or break any seal placed on any meter. No curb box shall be opened and no curb stop shall be operated either to turn on or turn off a water supply by anyone other than a City employee. The City shall maintain the water service from the water main to the curb box. It will be the customer's responsibility to maintain the water service connection from the curb box to the building.

The City tests its meters at intervals for the mutual protection of the customer and the City, but the City will also test any meter upon request of the customer, provided the City is not required to make a test more often than once in six (6) months. Costs for customer requested meter testing shall be established by resolution.

Whenever a meter fails to register, the customer shall pay for service furnished during such period, an estimated amount based either upon the results of a test, upon the use during a similar period, upon both these methods, or by other known factors. If the duration of the meter error is not known, it shall be assumed to have existed for a period of half the time between the discovery of the error and the latest preceding meter test, but not for a period of more than six (6) months, and bills shall be re-computed on this basis.

Whenever other errors occur, the customer shall pay for service furnished during such period. If the duration of the error is known, bills shall be re-computed based on this duration but not to exceed 12 months.

11. Billing Policy

I. Interest Policy

The City of Marshall Utility Department does not charge interest on amounts owed by its customers. Nor does the Utility Department pay interest on amounts owed to its customers.

II. Landlord/Tenant Policy

A. A Landlord must provide a copy of the lease agreement or an affidavit before a tenant moves in. The lease must contain language that the tenant is responsible for the utility bills. Upon the filing of a lease agreement or affidavit, the tenant will be responsible for a \$150.00 utility deposit, payable at the time service is established. The utility deposit will be applied to the tenant's final bill for that premise, with any

excess amount being refunded to the tenant. Any unpaid amount may be turned over to a third party for collection.

B. If no lease is filed, then pursuant to City Ordinance, any utilities delinquent for six months or more may be placed as a lien on the premises to which the service is provided and charged on the next property tax bill for the premises. In this case, the tenant must pay a \$100.00 utility deposit payable at the time service is established. Once the tenant finalizes the account, the deposit will be applied to the tenant's final bill for that premise, with any excess amount being refunded to the tenant.

III. Late Billing Process

The following represents the late billing process to be used when an account becomes delinquent, defined as owing for more than the current month's billing. The dates listed below are used for illustrative purposes; actual dates for a customer depend on their billing cycle.

- A. Bill due on the 1st.
- B. Late charges applied on the 3rd.
- C. Customer is billed again around the 9th.
- D. A letter goes out on the 10th, containing the turnoff date of the 20th.
- E. Customer door is tagged with notice of pending shut off and charged \$25.
- F. If payment is not received by the 20th, shut-off may take place on the next working day pursuant to Section IV contained herein.

Step D through F above will be applied to accounts that have a delinquent balance of over \$25.

IV. Physical Shutoff of Service

A. Time of Shutoff

1. Shutoff will occur only between the hours of 8:00 a.m. and 3:30 p.m., Monday through Friday.

B. Manner of Shutoff

1. The employee performing the shutoff will have in their possession a copy of the delinquent account or arrangement.
2. The employee performing the shutoff is allowed to accept payment from the customer. A \$20.00 collection fee plus the total amount owed will be required to avoid shut-off. If an arrangement is needed, the Customer Service Manager will be contacted and if approved, will need a signature by 12:00 p.m. the following day or the customer will be turned off again.
3. If payment is made to collection serviceman, only checks and money orders will be accepted.
4. If the customer is not at the premises, the employee may shut off service.
5. After shutoff has been completed, a neon green tag will be placed on the

customer's door to inform them that their power has been disconnected and explain the process to reconnect their service.

C. Medical Emergency Shutoff

1. Shutoff will be postponed for a reasonable time, but no longer than 30 days, if the customer presents a certificate or doctor's notice stating that without the utility the existing medical emergency of the customer or a family member of the customer, living at the residence where the utility is supplied would be

- 2. aggravated.
Postponement can reoccur if a doctor's notice or certificate is presented each time, but shall not exceed a total of 90 days in a calendar year.

D. Restoration of Service

- 1. Service will be restored as soon as possible after the customer has made acceptable payment.
- 2. The customer will be charged a turn-on fee as set forth in Section VI.

E. Winter Turn-off Policies (November 15 through March 15)

- 1. Customers will still be responsible for their utility bills in the winter months.
- 2. The customer will not be turned off if it is 35°F or below.
- 3. Arrangements during this time can be made at City Hall between 9:30 a.m. – 5:00 p.m., Monday through Friday. They may also be placed in the City drop box at any time.

F. Removal/Tampering of City Equipment

- 1. The removal of any City equipment including meter seals or the disconnecting of any City wire will result in a \$100.00 fine, and/or immediate shut-off until further notice.
*All of the previous are misdemeanor offenses.

ALL CUSTOMERS WITH LIFE-SUPPORTING EQUIPMENT WILL NEED TO NOTIFY THE CITY OF MARSHALL UTILITY DEPARTMENT AT (269) 781-3967 TO PREVENT A POSSIBLE INTERRUPTION OF SERVICE.

V. After-Hours Service

The green tag, as set forth in IV. B.5., will instruct the customer to call the Powerhouse to re-establish their service after-hours.

- A. After hours is defined as any time outside of the hours of 8:00 a.m. and 3:30 p.m. Monday through Friday (except holidays).
- B. The Utility Department will provide a list of customers who have been shut-off and the amounts they are to pay to have their service reconnected to the Powerhouse staff on a daily basis.
- C. In addition to delinquent amounts owed, the customer will be responsible for a \$115.00 turn-on.
- D. The customer must come in and complete an activation form and pay the amount necessary to be reconnected.
- E. The Powerhouse staff will make sure the correct amount is placed in an envelope.

VI. Turn-on Fees

The charge for reconnecting a service that has been shut-off will be as follows:

\$25.00 8:00 a.m. – 3:30 p.m. Monday through Friday (except holidays)
\$115.00 All other times

VII. Payment Plan

- A. Except for under extreme circumstances, payment plans will be setup to pay off amounts owed over a period not to exceed six months.
- B. A customer will be allowed to have payment arrangements not extending beyond their most current billing due date. Only one payment plan in effect at any given time.
- C. If a customer breaks their payment arrangement, they will be required to pay the arrears plus a turn-on fee in order to have their service reestablished.
- D. If a customer breaks their arrangement three times, they will be required to pay their account in full, including any turn-on fees, before their service will be reestablished.
- E. Payment plans must have a signature, and therefore must be completed in person at the Utility Department. The utility may accept other arrangements at their discretion.
- F. Arrangements can only be made by the customer whose name appears on the account. Identification is required.

VIII. Request for Information

Periodically, the Utility Department receives requests for the status of customer accounts for the sale of property. All requests will be made on a Request for Information form obtained from the Utility Department. The Utility Department shall have up to five business days to process such requests. All requests will be subject to any fees related to the dissemination of such information.

IX. Delinquent Accounts

The City of Marshall Utility Department will perform due diligence in collecting amounts owed by its customers. Ultimately, the person(s) under whom the account has been established will be responsible for payment except as indicated in Section II. Every effort will be made to collect amounts owed up to and including Civil Litigation.

In order to collect money owed, the City reserves the right to apply any payment on one or more account balance if the payee can be identified on the account as applicant or co-applicant. This shall apply to all account balances regardless of status (i.e. delinquent or current).

The charges for services furnished to a premises, which under the provisions of Act 94, Public Acts of 1933, of the state, as amended, are made a lien on the premises to which furnished, and those charges delinquent for 6 months or more on April 1st may be certified annually to the proper tax assessing officer or agency who shall enter the lien on the next tax roll against the premises to which the services shall have been rendered, and the charges shall be collected and the lien shall be enforced in the same manner as provided for the collection of taxes assessed upon the roll and the enforcement of the lien for the taxes.

However, in a case when a tenant is responsible for the payment of the charges and the governing body is so notified in writing, the notice to include a copy of the lease of the affected premises, if there is one, then the charges shall not become a lien against the premises after the date of the notice. In the event of filing of the notice, the City shall render no further service to the premises until a cash deposit is made as security for the payment of the charges. In addition to any other lawful enforcement methods, the payment of charges for services to a premises may be enforced by discontinuing the services to the premises.

X. Budget Billing

- A. New customers will need 12 months of history before they will be able to use budget billing.
- B. Take readings at the beginning and ending of the year and adjust bill accordingly.
- C. All customers will receive an information sheet..
- D. Each customer must submit a signed form in order to enroll in Budget Billing.

XI. Returned Check

If customer payment (check) is returned to the City of Marshall by the bank for any reason, customer will be notified by first class mail. Said notice will require payment in the form of cash, cashiers check or money order within seven (7) days of notification of returned check any processing fees. Failure to make required payment as indicated by the written notice may result in a utility service turn off. If service is discontinued due to a returned check, customer will be required to pay the account balance in full, including any turn-on fees, before their service will be reestablished. The utility reserves the right to require the following three payments after a returned check is processed to be made in the form of cash, cashiers check, or money order.

12. Billing and Payment Standards

Bills for utility service will be on approximately a monthly basis and shall be due and payable on or before the due date shown on each bill. The City will schedule meters to be read each month. In monthly periods intervening between actual meter readings, the bills will (under ordinary conditions) be based on past service records. If, in any instance, the past service records are not available or practicable for use, then such billing will be based upon such service data as is available. All accounts shall be adjusted as necessary each time the actual meter readings are obtained.

13. Overhead Extension Policy

The City will not extend or allow the extension of City water mains and sanitary sewers to service parcels outside of the City limits without an agreement between the City and the Township. Parcels outside the City may be served if water mains and sanitary sewers exist, by approval of the City Manager or their designee.

Proposed extensions of the City water or sanitary sewerage systems must be approved and a construction permit issued by the Michigan Department of Environmental Quality.

When application is made for electric service which requires the extension of the City's existing distribution lines, the City will make such extensions at its own cost when the estimated annual revenue, probably stability of the business and prospective load growth reasonable warrant the capital expenditure required.

Under the above rule, the City will ordinarily make such pole and wire line extensions at its own cost:

- A. When the length of such extensions (as measured from pole to pole) to serve residential customers does not exceed 2400 lineal feet for each permanent year-around residence and 300 lineal feet for each permanent private resort dwelling to be immediately served when the extension is completed, or
- B. When the cost of such extensions to serve commercial lighting and/or secondary power customers does not exceed three times the amount of the estimated annual revenue to accrue from the permanent customer(s) to be immediately served when the extension is completed, or
- C. When the cost of such extensions to serve primary power customers does not exceed three times the amount of the estimated annual revenue to be received from the permanent customer(s) to be immediately served when the extension is completed.

Where the length (or cost) of the line extension is greater than that specified above, the City will charge the applicant, the actual cost associated with the extension.

~~make an investigation along the route of the proposed extension to ascertain the probable extent to which electricity may be used by other prospective customers in the reasonable near future. Where, in the judgment of the City, it is found that there will be sufficient use to justify the~~

~~extension; it will be made at the City's expense. Where, in the judgment of the City, it is found that the probable demand for service will not be sufficient to justify the City making the entire investment, but the City is reasonably assured the permanence of the use of service by the applicant(s) may have the required pole and wire line extension constructed by depositing the following sums with the City in advance:~~

- ~~i. For year-around residential customers, the sum of \$0.50 per lineal foot of which the extension is in excess of 2400 lineal feet for each permanent year-around residence and to be immediately served when the extension is completed.~~
- ~~ii. For commercial lighting and/or secondary power customers, the excess of the estimated cost of such extension (excluding transformers) over and above three times the estimated annual revenue to accrue from the customer(s) to be immediately served there from upon its completion.~~
- ~~iii. For primary power customer, the excess of the estimated cost of such extension over and above three times the estimated annual revenue to accrue from the customer(s) to be immediately served there from upon its completion.~~
- ~~iv. For combinations of year-around residential or with commercial lighting or secondary power customer(s) the excess of the estimated cost of such extension (excluding transformers) over and above \$1,200.00 for each permanent year-around residence, and three times the estimated annual revenue for each commercial lighting and secondary power customer to be immediately served there from upon its completion.~~

~~When deposits are made with the City in accordance with the foregoing, they shall be subject to refund, without interest, during the first five 12-month periods following the month in which each such extension is completed, in accordance with the following:~~

- ~~A. The sum of \$125.00 for each additional permanent year-around residence over and above those for which allowance was initially made, when service to each such additional residence is first commenced.~~
- ~~B. Three times the excess, if any, of the revenue actually accruing from commercial lighting and/or secondary power customers served from the extension during the first 12-month period over and above the estimated annual revenue from such customers upon which the amount of the deposit was determined. The refund, if any, to be made in each of the four subsequent 12-month periods following the first 12-month period shall be three times the excess of the actual revenue of any such subsequent 12-month period over and above the greatest revenue in any preceding 12-month period; provided, however that no refunds will be made unless the revenue of the current 12-month period exceeds the estimated annual revenue upon which the deposit was determined.~~
- ~~C. Twice the excess, if any, of the revenue actually accruing from primary power customers served from the extension during the first 12-month period over and above the estimated annual revenue from such customers upon which the amount of the deposit was determined. The refund, if any, to be made in each of the four subsequent 12-month periods following the first 12-month period shall be twice the excess of the actual revenue of any such subsequent 12-month period over and above the greatest revenue in any preceding 12-month period; provided, however that no refunds will be made unless the revenue of the current 12-month period exceeds the estimated annual revenue upon which the deposit was determined.~~

~~Each distribution line extension financed in part by customers shall be a separate, distance unit and any further extension thereof shall have no effect upon the agreements under which such extension is constructed. Also, refunds shall cease when they equal the amounts deposited, or at~~

~~the close of the fifth 12 month period next succeeding the month during which the line extension is completed. The City shall have no further obligation to refund any remaining portion of line extension deposits.~~

~~_____ Distribution line extensions required to serve prospective customers under circumstances which do not conform to the above plan will be given special consideration, and when any deposits are required, they will be subject to such refund as the circumstances in each case may reasonably justify.~~

| 14. ~~Residential~~ Underground ~~Extension~~ ~~Distribution~~ Policy

| A. General

This policy sets forth the conditions under which the City will install underground electric distribution systems in residential subdivisions, and underground service connections from overhead or underground electric distribution systems for single dwellings and for multiple or apartment dwellings containing not more than nine apartments.

The City will provide, own, maintain and specify the location of all underground cables, service connections, surface mounted transformers, power terminal pedestals, meters, and associated equipment used in such installations, and no ownership rights therein shall pass to applicants or customers by reason of any contribution required hereunder.

Prior to installation of any such residential underground electric distribution system or service connection, the applicants(s) shall enter into a written contract with the City describing the proposed installation and setting forth the respective agreements of the applicant(s) and the City in regard to such installation.

Street lighting, if any, will be served underground in areas served directly by residential underground electric distribution systems. The character and location of the street lights and cables shall conform to specifications prepared by the City. Any additional cost incurred because of the use of special street lighting posts and/or luminaries shall be borne by the sub-divider with credit allowed for standard construction using wood poles and 2500 lumen luminaries and brackets.

The following fees may be waived if trench of proper depth (primary: 42" minimum and 54" maximum; secondary: 24" minimum and 36" maximum) meeting the City of Marshall specifications is provided and backfilled by the customer.

Underground Residential Electric Distribution and Services may be charged a rate of \$6.00 per foot and will constitute an in-aid-of-construction fee representing the difference in cost between overhead and underground.

Underground Commercial and Industrial Distribution and Services may be charged a rate of \$8.00 per foot and will constitute an in-aid-of-construction fee representing the difference in cost between overhead and underground.

| B. ~~Residential~~ Underground Distribution Systems

i. General

Prior to the installation of a residential underground electric distribution system, the

applicant(s) shall furnish, at no expense to the City, recordable easements, in form and substance satisfactory to the City granting rights of way suitable for the installation and maintenance of the residential underground electric distribution system and the street lighting cables as designed by the City for present and future service to the subdivision.

~~The front-foot measurement of each lot to be served by a residential underground distribution system will be made along the contour of the front lot line. The front lot line is that line which usually borders on or is adjacent to a street. However, when streets border on more than one side of a lot, the shortest dimension shall be used. In the case of a curved lot line which borders a street or streets and represents at least two sides of the lot, the front-foot measurement shall be considered as one-half the total measurement of the curved lot line.~~

~~Where a residential underground distribution system serves lots on one side of a street, the later connection of lots on the other side of the street to that existing system shall be considered as an original installation of a residential underground distribution system for such later connected lots.~~

~~Where the underground cable for a subdivision residential underground distribution system extends through areas within the subdivision which, on both sides of the cable, are undeveloped or consist of lots platted for future use and which are not to be served initially by the system the front-foot measurement of both sides of the street or easement along which the cable extends through such areas shall be included in determining the contribution of the applicant(s), at \$5.00 per linear foot of trench required therefore.~~

ii. Original Installations

At the request of any applicant(s), the City will, if feasible, install an underground electric distribution system in a residential subdivision for a group of 10 or more lots which are separated, if at all, only by streets or alleys.

The applicant(s) shall provide, at no expense to the City, rough grading (within 6 inches of finished grade) of the area covered by the rights of way so that the underground electric distribution system and the street lighting cables, if any, can be properly installed in relation to the finished grade. Permanent survey stakes indicating property lines must be installed and maintained by the applicant(s) at no expense to the City, after rough grading.

~~The applicant(s) shall be required to make a contribution, which may be required in advance, to cover the additional cost to the City resulting from the installation of the residential underground electric distribution system. Such contribution shall be computed on the basis of a rate of \$5.00 per front-foot of each lot which is to be served by the underground distribution system.~~

If temporary overhead service is installed for the convenience of the applicant(s) for residential construction purposes, the applicant(s) shall be required to pay the in-and-out costs of such overhead facilities in the underground area.

iii. Conversion of Existing Residential Overhead Distribution Systems

At the request of any applicant(s), the City will, if feasible, convert an existing residential overhead electric distribution system to an underground distribution system.
~~in a residential subdivision for a group of 25 or more lots which are separated, if at all, only by streets or alleys.~~

In the case of an underground service connection from an overhead distribution system, ~~\$4.50 per linear circuit foot of~~ the service cable shall be measured from the point of connection of the underground service with the Marshall Utilities overhead conductors ~~(the customer to install, own, and maintain weathered and conduit placed on pole to connect with overhead lines)~~ to the meter, if the meter is mounted on the exterior of a building wall on the customer's premises, or to the point of service entrance if the meter is not mounted on the exterior of a building wall on the customer's premises; provided, however, that if it is necessary for the Marshall Utilities to extend the underground service connection under a street or road in order to comply with the customer's request, the contribution for that portion of the service cable installed under the traveled portion of the street or road shall be the estimated cost thereof.

In the case of an underground service connection from an underground distribution system ~~the \$4.50 per linear circuit foot of~~ service cable shall be measured from the Marshall Utilities surface mounted transformer or power terminal pedestal, of which will be located on or as near as practicable to the customer's property line, to the meter if the meter is mounted on the exterior of a building wall on the customer's premises, or to the point of service entrance if the meter is not mounted on the exterior of a building wall on the customer's premises.

In the case of an overhead service connection to an overhead distribution system, all conversions to an underground service connection will be paid for entirely by the customer.

~~Commercial and industrial underground service per linear circuit foot cost is \$6.50~~

Winter premium trenching fees may be charged.

~~Before construction is started, the customer shall be required to pay the utility the depreciated cost (net cost) of the existing overhead facilities plus the cost of removal less the salvage value thereof and, also, make a contribution in aid of construction in an amount equal to the estimated difference in cost between new underground and new overhead facilities including, but not limited to, the costs of breaking and repairing streets, walks, parking lots and driveways, and of repairing lawns and replacing grass, shrubs and flowers.~~

iv. ~~Underground Extension Policy~~

~~Subject to the conditions herein provided, the City will, upon application for electric service requiring the same, make underground or combination overhead and underground extensions of the City's existing electric distribution systems in residential subdivisions within its service area. Installations of all portions of any such extension which are to be installed underground shall be subject in all respects to the provisions of this Rule 14, Residential Underground Distribution Policy, including the provisions relating to contributions by the applicant(s) to cover the additional cost to the City of installing underground electric distribution facilities. Where, in the judgment of the City, it is found that the probable demand for service will not be sufficient to justify the City's making the entire investment represented by the remaining portion of the cost, but the City is reasonably assured of the permanence of the use of service by the applicant(s), the applicant(s) may have the required distribution line extension constructed by making a deposit in advance with the City if a deposit would be required by Section (B) of Rule 13, Extension Policy, for an overhead single phase extension of the same length. To determine the amount, if any, of the deposit required from the applicant(s), the total footage of overhead extension, if any, shall be combined with the total footage of trench~~

~~required for primary and secondary cable to arrive at the total footage of extension required. Any deposit required of the applicant(s) shall be in addition to the contribution required of the applicant(s) under this Rule 14 to cover the additional cost to the City of installing underground electric distribution facilities, and shall be subject to refund to the applicant(s) on the same basis as is provided in Sections (A) and (B) of said Rule 13 for overhead single phase extensions.~~

~~Each distribution line extension made hereunder shall be a separate, distinct unit and any further extension there from shall have no effect upon the agreements under which such extension is constructed.~~

~~When, in the judgment of the City, any part of the proposed distribution line extension hereunder should be made on private property, the applicant(s) for such extension shall furnish, without cost to the City, the necessary rights of way and tree trimming permits, in form satisfactory to the City. In the event the required rights of way and tree trimming permits are not provided by the applicant(s) for such extension, and the City on that account, elects to construct all or any part thereof along the public highway, then the City may require the applicant(s) to pay the added construction cost and maintenance expense occasioned by the use of such highways.~~

~~The City will, unless prevented by incomplete right of way grants or other causes beyond its control, proceed with the construction of each line extension qualifying hereunder within sixty (60) days from the date the applicant(s) have complied with the requirements of this Underground Extension Policy and of the City's Standard Rules and Regulations for Electric Service.~~

~~The City reserves the right to make special contractual arrangements as to the provision of necessary service facilities, duration of contract, amount of deposit and refunds thereon, minimum bills or other service conditions with respect to customers or prospective customers whose load requirements exceed the capacity of the available distribution system in the area, or whose load characteristics or special service needs require unusual investments by the City in service facilities, or where there is not sufficient assurance of the permanence of the use of such materials, equipment and supplies it may have on hand from time to time among the various classes of customers and prospective customers and among the various customers and prospective customers of the same class.~~

~~All service rendered shall be subject to the City's Standard Contract Forms and to its Standard Rules and Regulations for Electric Service, of which this Rule 14 is a part.~~

C. ~~Residential Underground Service Connections~~

~~At the request of any applicant(s), the City will install an underground electric service connection from an overhead electric distribution system or from an underground electric distribution system, for a single dwelling or for a multiple or apartment dwelling or dwellings containing a total of not more than nine apartments.~~

~~The customer shall be required to make a contribution which may be required in advance, to cover the additional cost to the City resulting from the original installation of an underground service connection, or from the conversion of an existing overhead service connection to an underground service connection. Such contribution shall be computed as follows:~~

15. Inspection

Service will not be supplied to any new or any remodeled installation until such installation has been inspected and approved by the City and such installation is in accordance with the City's Standard Rules and Regulations in force at the time of inspection.

16. Fire Hydrant Use

Only City personnel or others specifically authorized shall operate fire hydrants. Requests to use water from fire hydrants may be granted by the City when proper backflow prevention is furnished. A fire hydrant meter shall be used and the appropriate fees and rates charged.

17. Retail Customer Demand Response

Retail customers shall be prohibited from participating in any demand response program except one provided by the City of Marshall, Michigan. This authority is provided by the Federal Energy Regulatory Commission Order No. 719 of 2008 and a resolution adopted by the City of Marshall, Michigan City Council on January 20, 2009.

18. Non Emergency turn off

A customer may request to have their water and/or electric utilities disconnected for non emergency purposes. The utility will assess a \$20 fee for the disconnect services and an additional \$20 to reconnect.

19. Lawn Sprinkling Sewer Commodity Reduction

The sewer commodity charge will be reduced automatically during the months of June, July, August, and September to residential customers. The credit calculation average will be based on the water usage during the months of January, February, and March. If there is no use on the account for those months, credit will not be given. The credit calculation average is to be no less than 100 cubic feet per month.

20. Net Metering Program

Eligibility

Customers must meet the following criteria to be eligible for net metering:

- (1) An applicant must be a City of Marshall electric customer.
- (2) Only qualified renewable energy sources are eligible to participate in the Net Metering Program. These sources are solar, wind, biomass, hydro, geothermal, or other approved renewable resources.
- (3) The nameplate capacity of the renewable generator must be less than 30 kilowatts (kW).
- (4) The renewable generator may not be sized to exceed the customer's annual electrical energy needs.
- (5) Customers using biomass may not blend it with any type of fossil fuel.

Enrollment

Customers who wish to participate in the Net Metering Program must meet the **Customer Owned Generation Interconnection Policy** as well as the Electric Generator Interconnection Requirements for projects with aggregate generator output less than 30 kW. The Generator Interconnection Requirements document outlines

the process, requirements, and agreements used to install or modify generation projects with aggregate capacity ratings less than 30 kW and designed to operate in parallel with the utility electric system. Technical requirements (data, equipment, relaying, telemetry and metering) are defined according to type of generation and location of the interconnection. The process is designed to provide an expeditious interconnection to the utility's electric system that is both safe and reliable.

To start the Net Metering application process, the customer must complete the Interconnection Application. After the City of Marshall has reviewed the application a interconnection study may be required. The customer is responsible for any costs associated with the interconnection study and the cost of the construction of the interconnection.

Generator and Generator Interconnection Requirements

Generator Requirements - The customer's electric generator must be fueled by a qualified renewable energy source; solar, wind, biomass, hydro, geothermal or other approved renewable resources.

The generator must be located on the customer's premises and serving only the customer's premises. For non-dispatchable generators, the nameplate rating of the generator shall be less than 30 kW in aggregate and the generator's annual output may not exceed the customer's annual energy needs, measured in kWh. The customer is required to provide the company with a capacity rating in kW for the generating unit and a projected monthly kilowatt-hour output of the generator unit when completing the City of Marshall Interconnection Application.

Interconnection Requirements - Customers must meet approved interconnection requirements before participating in this program.

Metering Requirements

City of Marshall's Net Metering Program requires that the customer have an electronic bi-directional billing meter. This meter will ensure that the customer receives the proper credits for electric generation in excess of their consumption. All metering equipment must meet the City of Marshall is standard specifications and requirements and will be furnished, installed, read, maintained, and owned by the City of Marshall.

Billing

Participating customers will be billed based on the net difference between the amount of electrical energy used and electrical energy generated. If the amount of electrical energy generated exceeds the amount consumed the bill will include a generation credit. Net Excess Generation (NEG) Credits for the electrical energy generated above the current month's consumption will be carried over to the next billing period.

The Net-Metering Program applies to customers on Rate A, A-1, LS, B, C, B-1, D, and D-2

No refunds will be made for any customer contribution under this tariff or for any other costs incurred by the customer in connection with the Net Metering Program

Net Excess Generation Credits

Net Excess Generation (NEG) Credit is the amount of electrical energy generated by a Net Metering participant using a renewable energy source, in excess of the customer's own electric metered use in any billing month.

One NEG Credit equals the Energy Charge for one kilowatt-hour of electrical energy as shown on the customer's rate schedule.

Any negative credits that exist at the end of each program year will be forfeited. NEG Credits are nontransferable.

If a customer terminates participation in the Net Metering Program, NEG Credits will be applied to the customer's final bill. Any remaining credits will be forfeited.

Program Availability

The Net Metering Program is voluntary and is available on a first-come, first-serve basis until the nameplate capacity of all participating generators is equal to the maximum program limit of 1.0% of the City of Marshall's system peak demand for all customers during the previous calendar year.

Program Termination

City of Marshall may terminate a customer's participation in the Net Metering Program if the customer's facilities are causing a safety concern or if the customer's facilities are not in compliance with the Generator Interconnection Standards.

Customers may terminate their participation in the Net Metering Program at any time for any reason on sixty days' notice.

Customer Owned Generation Interconnect Policy

Intent:

It is the intent of the City of Marshall to allow the electrical interconnection of qualified renewable energy sources to the City of Marshall distribution system in accordance with the provisions of this article.

Guidelines:

1. **City of Marshall**
 - a. Will ensure the interconnection is in compliance with Public Utility Regulatory Policies Act (PURPA) and Federal Energy Regulatory Commission (FERC) rules and regulations, as applicable.
 - b. Will inform potential power producers that they have the responsibility to comply with all federal, state, and local regulations.
 - c. Will, upon completion of a satisfactory Interconnection Study, provide interconnection service to any electric consumer installing a less than 30 kW generation unit. Service is evaluated and provided on a case-by-case basis and will require a separate Interconnection and Operating Agreement.
 - d. Will, upon completion of a Satisfactory Interconnection Study, provide interconnection service to any electric consumer installing less than a 30 kW generating unit in which the primary energy source must be solar, biomass, waste, wind, geothermal, or approved renewable energy sources.
 - e. Will own the meters utilized for billing.
2. **The Customer**

- a. Shall install and own conductors and equipment up to the service point as specified in the City of Marshall Overhead Extension Policy and Underground Service Connections.
- b. If the City of Marshall determines that an Interconnection Study is needed the study will be conducted at the customer's expense.
- c. Shall make application to the City of Marshall for the proposed installation, obtain approval of the location, equipment, and design before starting installation, and pay any City of Marshall construction fees for system improvements as specified in the City of Marshall Overhead Extension Policy and Underground Service Connections.
- d. Shall submit a plan view drawing of the installation and shop drawings of switchgear to the City of Marshall for approval prior to finalizing orders for service equipment to avoid delays and unnecessary expense to the customer and the City of Marshall.
- e. The interconnection and parallel operation of generation equipment shall be in conformance with prudent utility practices, shall maintain the integrity of the City of Marshall distribution system and ensure no adverse impacts upon the quality of service to other City of Marshall customers.
- f. Protection, safety, and interconnect equipment must meet standards of accepted good design, engineering, electric safety practices, and all applicable local, state, and federal electrical installation and safety codes.
- g. A suitable disconnect, interconnection breaker, and interconnect relay shall be installed to automatically disconnect and isolate the generation facility from the City of Marshall distribution system in the event of a service interruption. The automatic disconnect equipment shall receive its voltage and frequency reference from the City of Marshall service lines. Such equipment must be capable of preventing the generation facility from energizing the City of Marshall's service lines during a service interruption.
- h. Electrical parameters such as fault protection, voltage levels, synchronization, grounding, harmonics, power factor, voltage regulation, flicker, and frequency regulation shall comply with the latest edition of The Institute of Electrical and Electronic Engineers "Standard for Interconnecting Distributed Resources with Electric Power Systems" (IEEE Standard 1547-2008).
- i. Any exceptions to the above requirements must be specifically approved by the City of Marshall.

Revisions (Effective November 1, 2009)

October 19, 2009	12.III.D	Remove letter color.
October 19, 2009	12.VI	Increase turn on fees from \$20.00 to \$25.00 and \$75.00 to \$115.00.
October 19, 2009	15.C.i, ii, & iv.	Underground installation fee increase from \$4.00 to \$4.50 and \$6.00 to \$6.50 per foot.

Revisions (Effective October 3, 2011)

October 3, 2011	Electric Rates	Updated utility rates to align with adopted ordinance
October 3, 2011	Water Rates	Updated Water rate to align with adopted ordinance
October 3, 2011	Sewer Rates	Updated Sewer rate to align with adopted ordinance
October 3, 2011	Residential Rates A-1	Required written application
October 3, 2011	Residential Rates – Life Support	Required written application
October 3, 2011	Temporary Services	Consolidated temporary service regulations
October 3, 2011	Water rates and fees -Section 12	Designated irrigation services exempt from service charge between May through September.

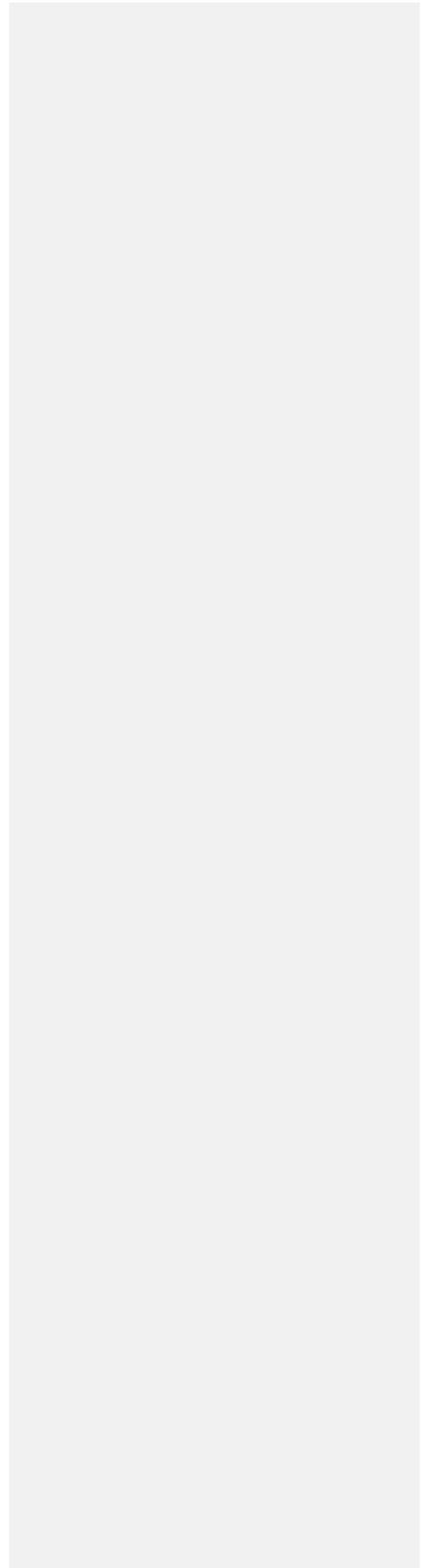
Standard Rules and Regulations

October 3, 2011	Section 3	Deleted electric extension language that was not in agreement with extension policy.
October 3, 2011	Section 10	Allows billing errors to be corrected for up to 12 months.
October 3, 2011	Section 11. II A	Language added to allow staff to turn unpaid amounts to a third party for collections.
October 3, 2011	Section 11. III	Minimum amount to begin late billing process set at \$25.
October 3, 2011	Section 11. IV A 1	Change shut off days to include Friday.
October 3, 2011	Section 11. IV D 1	Eliminated service restoration due to arrangement.
October 3, 2011	Section 11. IV F 1	Eliminated limiter device tampering and increase fine to \$100 for tampering with city equipment.
October 3, 2011	Section 11. V C & D	Police dispatch will no longer will take utility payments.
October 3, 2011	Section 11. VII E	Allows the utility to accept other payment arrangements at their discretion.
October 3, 2011	Section 11. VII F	Identification for arrangements will be required.
October 3, 2011	Section 11. IX	Added language consistent with Act 94 PA of 1933
October 3, 2011	Section 11. X A	Budget sheet replaces pamphlet.
October 3, 2011 of notice.	Section 11 XI	Changes payment of returned check to within 7 days Allows Utility to require the next three payments be made by cash, cashier check, or money order after returned check.
October 3, 2011	Section 16.	Hydrant use will be approved only when proper backflow prevention is furnished.
October 3, 2011	Section 18	Adds Non-emergency turn off and restoration fee of \$20 respectively.
August 20, 2012	Section 13	City will charge the actual cost associated with and electric extension.
August 20, 2012	Section 14	Updated underground extension and conversion policy.
August 20, 2012	Section 19	Added Lawn Sprinkling Sewer Commodity

August 20, 2012
August 20, 2012

Section 20
Water and Sewer Rates

Reduction
Added net metering policy.
Replaced approved rate ordinance.



**CITY OF MARSHALL UTILITY RATE CLASSIFICATIONS AND STANDARD RULES
AND REGULATIONS
SUPPLEMENTAL RULE TO SECTION 12 BILLING POLICY
GENERAL SHUTOFF RULES
EFFECTIVE NOVEMBER 1, 2009**

1. City of Marshall shall not use an electric service limiter
2. City of Marshall shall refund any late fees, fines, or payments related to a shutoff or resumption of service if those late fees, fines, or payments were improperly assessed because of the failure to provide a shutoff notice as required by these Rules.
3. Notwithstanding other requirements of this Rule, service may be shut off temporarily for reasons of health or safety or in a state or national emergency. When service is shut off for reasons of health or safety, a reasonable attempt shall be made to leave a notice at the premises if feasible.
4. City of Marshall may shut off or terminate service to a residential customer for any of the following reasons:
 - A. The customer has not paid a delinquent account that accrued within the last six (6) years.
 - B. The customer has failed to provide a deposit or guarantee as required.
 - C. The customer has engaged in unauthorized use of the utility's service.
 - D. The customer has failed to comply with the terms and conditions of a payment plan.
 - E. The customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises or for the removal of a meter.
 - F. The customer misrepresented his or her identity for the purpose of obtaining service or put service in another person's name without permission of the other person.
 - G. The customer has violated any rules of City of Marshall so as to adversely affect the safety of the customer or other persons or the integrity of the system.
 - H. A person living in the customer's residence meets both of the following:
 - (i) Has a delinquent account for service with City of Marshall within the past three (3) years that remains unpaid.
 - (ii) The customer lived in the person's residence when all or part of the debt was incurred. City of Marshall may transfer a prorated amount of the debt to the customer's account, based upon the length of time that the customer resided at the person's residence. This subdivision does not apply if the customer was a minor while living in the person's residence.
 - I. The customer has not paid for service at a premises occupied by another person, and it is not feasible to provide service to the occupant as a customer without a major revision, as determined by the utility, of existing distribution facilities.

5. Subject to applicable third-party consent, a customer will be permitted to designate a third party to receive bill notifications, including shutoff notices, on the customer's behalf. Such notices may be provided to both the designated third party and the customer.
6.
 - A. City of Marshall shall supply information regarding the following to customers at least two (2) times a year:
 - (i) The energy assistance telephone line number at the Michigan Department of Human Services or an operable 2-1-1 system telephone number.
 - (ii) Medical emergency and critical care protections provided in these Rules.
 - (iii) Military shutoff protections pursuant to MCL 460.9c.
 - (iv) Low income protections provided in these Rules.
 - (v) Senior citizen protections provided in these Rules.
 - B. The information required under Subsection (A) may be supplied in or on a customer's bill, in a bill insert, in a newsletter issued to customers, a public forum, newspaper announcement, an electronic communication, or in any other manner approved by the governing body of the utility.
7. City of Marshall shall, at least once per year, attempt to identify senior citizen customers by at least one (1) of the following methods:
 - A. Conducting customer interviews.
 - B. Obtaining information from a consumer reporting agency or consumer reporting service.
 - C. A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - D. First class mail.
 - E. A personal visit to the customer.
 - F. A written notice left at or on the customer's door.
 - G. On a bill or in a bill insert.
8. Service shall not be shut off unless a notice is sent to the customer by first class mail or is personally served not less than ten (10) days before the date of the proposed shutoff. A record of the date the notice was sent shall be maintained.
9. A notice of shutoff shall contain all of the following information:
 - A. The name and address of the customer, and the address at which service is provided, if different.
 - B. A clear and concise statement of the reason for the proposed shutoff of service.
 - C. The date on or after which service may be shut off unless the customer takes appropriate action.
 - D. The telephone number and address where the customer may make inquiry or file a complaint.

10. For an involuntary shut off, at least one attempt, in addition to the notice provided in Section 8, shall be made one or more days before the shutoff of the service to contact the customer by one (1) or more of the following methods:
 - A. A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - B. First class mail.
 - C. A personal visit to the customer.
 - D. A written notice left at or on the customer's door.
11. All attempts to contact the customer under Section 10 shall be documented.
12. Service may be shut off to a customer on the date specified in the notice of the shutoff or within ten (10) days following that date. If service is not shut off and a subsequent notice is sent, then service shall not be shut off before the date specified in the subsequent notice. Shut off shall occur only between the hours of 8 a.m. and 3 p.m., but not later than 2 hours before the close of business.
13. Service shall not be shut off on a day, or a day immediately preceding a day, when services cannot be restored.
14. Not later than two hours before the close of the utility's business on the day service is shut off, a notice shall be left at the customer's residence stating that service has been shut off and providing the address and telephone number where the customer may arrange to have service restored. Alternatively, a contact by telephone may be made with an adult who identifies himself or herself as a person living at the residence providing the same information within the same time frame.
15. No later than three (3) business days after shutting off service to an eligible senior citizen customer, City of Marshall shall make at least two attempts to contact that customer to advise the customer of the actions that the customer must take to have his or her service restored.
 - A. The following notification methods may be used to contact the customer:
 - (i) A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - (ii) First-class mail.
 - (iii) A personal visit to the customer.
 - (iv) A written notice left at or on the customer's door.
 - (v) Any other method approved by the governing body of the utility.
 - B. A communication described in Subsection (A)(iii) or (iv) made on the day of disconnection meets the requirements of this Rule.

- C. A message left on an answering machine or voice mail or a written notice left at or on a customer's door must include a toll free or local telephone number indicating that it may be used to contact a representative of City of Marshall regarding restoration of service.
 - D. The notice requirement of this section may be met with regard to a senior citizen customer by, within three (3) business days of shutting off service, making a documented referral of that customer to a social service or government agency.
16. Reasonable efforts shall be made to restore service on the day the customer requests restoration. Except for reasons beyond the control of City of Marshall, the service shall be restored not later than the first working day after the customer's request.
17. A charge may be assessed for restoring service.

COOLING SEASON SHUTOFFS

18. Each morning, the temperature forecast in the (local newspaper or another other index) will be reviewed. If the temperature forecast for the current day OR the following day is 95 degrees or greater, eligible senior citizen customers will not be disconnected on the current day. For Fridays, customers will not be disconnected if the forecast is for 95 degrees or greater for Friday, Saturday or Sunday.

HEATING SEASON SHUTOFFS

19. City of Marshall shall not shut off service to a customer during the heating season for nonpayment of a delinquent account if the customer is an eligible senior citizen customer or if an eligible low income customer enters into a winter protection payment plan to pay to the utility a monthly amount equal to 7% of the estimated annual bill for the eligible low income customer or the eligible low income customer and the utility mutually agree upon a winter protection payment plan with different terms and the eligible low income customer demonstrates, within 14 days of requesting shutoff protection, that he or she has applied for state or federal heating assistance. If an arrearage exists at the time an eligible low income customer applies for protection from shut off of service during the heating season, the customer should be permitted to pay the arrearage in equal monthly installments between the date of application and the start of the subsequent heating season.
20. If an eligible low income customer fails to comply with the terms and conditions of a winter protection payment plan, or if the customer fails to pay a monthly installment on a preexisting arrearage, service may be shut off after giving the customer a notice, by personal service, or first class mail, that contains all of the following information:
- A. That the customer has defaulted on a winter protection payment plan or has failed to pay a monthly installment on a preexisting arrearage.
 - B. The nature of the default.
 - C. That unless the customer makes the payments that are past due within ten (10) days of the date of mailing, service will be shut off.
 - D. The date on or after which service will be shut off, unless the customer takes appropriate action.
 - E. That the customer may dispute the claim in writing before the date of the proposed shutoff of service.
 - F. That the utility will not shut off service pending the resolution of a dispute.

- G. The telephone number and address where the customer may make inquiry or file a complaint.
- H. That the customer should contact a social services agency immediately if the customer believes he or she might be eligible for emergency economic assistance.
- I. That the shut off will be postponed if a medical emergency exists at the customer's residence.
- J. That a deposit and restoration charge may be required if the utility shuts off service for nonpayment of a delinquent account.

SHUTOFF OF CRITICAL CARE OR MEDICAL EMERGENCY CUSTOMERS

- 21. Shutoff shall be postponed for not more than 21 days if the customer or a member of the customer's household is a critical care customer or has a certified medical emergency. The customer's certification shall identify any medical or life-supporting equipment being used, and the specific time period during which the shutoff of service will aggravate the medical emergency. Shut off may be extended for further periods of not more than 21 days, not to exceed a total postponement of shutoff of service of 63 days, only if the customer provides additional certification that the customer or a member of the customer's household remains a critical care customer or has a certified medical emergency. If shutoff of service has occurred without any postponement being obtained, the service shall be restored for not more than 21 days, and shall continue for further periods of not more than 21 days, not to exceed a total of 63 days in any 12-month period per household member. Annually, shutoff extensions totaling more than 126 days per household will not be given.
- 22. As used in these Rules:
 - A. "Critical care customer" means a customer who requires, or has a household member who requires, home medical equipment or a life support system, and who has provided appropriate documentation from a physician or medical facility to the City of Marshall identifying the medical equipment or life-support system and certifying that an interruption of service would be immediately life threatening.
 - B. "Electric Service Limiter: means an electric meter or device used in conjunction with an electric meter that automatically interrupts all electric service to a customer without intervening direction from the City of Marshall when a utility-imposed peak usage limit is exceeded.
 - C. "Eligible low income customer" means a customer whose household income does not exceed 150% of the poverty level, as published by the United States Department of Health and Human Services, or who receives any of the following:
 - (i) Assistance from a state emergency relief program.
 - (ii) Food stamps.
 - (iii) Medicaid.
 - D. "Eligible senior citizen customer" means a customer who is 65 years of age or older and who advises the City of Marshall of his or her eligibility.
 - E. "Heating season" means November 1 through March 31.

- F. "Medical Emergency" means the existence of a medical condition of the customer or a member of the customer's household, certified by a physician or public health official on official stationery, which will be aggravated by the lack of utility service.
 - G. "Senior Citizen Customer" means a customer of City of Marshall who is 65 years of age or older.
23. These Rules shall be part of the terms and conditions of the contract for service between City of Marshall and the customer.
 24. These rules apply only to residential customers.

GENERATOR INTERCONNECTION APPLICATION
AGGREGATE GENERATOR OUTPUT BELOW 30Kw

1. The undersigned Project Developer submits this Generator Interconnection Application and appropriate filing fee to interconnect a new project to the City of Marshall Electric System or to increase the capacity of an existing project interconnected to the City of Marshall Electric System.
2. A project developer requesting interconnection or an increase in the capacity of an existing project to the City of Marshall Electric System must provide the following information:
 - a. Description of the equipment configuration and proposed interconnection one-line diagram (one-line diagram must be attached to this Interconnection Application).

c. Generator Information

Capacity Rating of the Generator(s) in kW: _____

Projected monthly kWh output of the generator: _____

Renewable Energy Source: _____ i) Solar
_____ ii) Wind
_____ iii) Biomass
_____ iv) Hydro
_____ v) Other (please specify)

Estimate date for generator installation/operation:

d. Project Developer (single point of contact):

Name:
Address:
Phone Number:
Fax Number:
E-Mail:
Project Site Address: _____

3. This Generator Interconnection application shall be directed to the utility representative as indicated below:

Director of Public Utilities
City of Marshall
323 W. Michigan Ave
Marshall, MI 49068

4. I, the undersigned and authorized representative of the Project, submit this Generator Interconnection Application and required technical data for the City of Marshall. I understand that upon acceptance, the City of Marshall shall subsequently provide an Interconnection Study Agreement, if said Interconnection

Study is determined to be necessary. The Interconnection Study Agreement will include the Scope of the Interconnection Study. I also understand that I shall be required to furnish certain required technical data as requested by the City of Marshall in support of this study and reimburse the City of Marshall for its study expenses.

Authorized Signature: _____

Printed Name:

Title:

Company Name:

Date:

CALL TO ORDER

IN REGULAR SESSION Monday, August 6, 2012 at 7:00 P.M. in the Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Dyer.

ROLL CALL

Roll was called:

Present: Council Members: Booton, Mayor Dyer, Mankerian, Metzger, and Miller.

Also Present: City Manager Tarkiewicz.

Absent: Reed and Williams.

INVOCATION/PLEDGE OF ALLEGIANCE

David Good of First Baptist Church gave the invocation and Mayor Dyer led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Moved Metzger, supported Mankerian, to approve the agenda as presented. On a voice vote: **MOTION CARRIED.**

PUBLIC COMMENT ON AGENDA ITEMS

Daphne and Robin Thurgood of 455 Sherman Drive commented on the parking of commercial vehicles in residential areas.

Bruce Smith of 315 Westbrook Court commented on the leaf and brush pickup and the parking lot rehabilitation and replacement.

CONSENT AGENDA

Moved Mankerian, supported Metzger, to approve the consent agenda:

- A. Adopt a resolution for the November 2012 ballot language for the Annual Trash, Brush and Leaf Collection Millage:

**CITY OF MARSHALL
CALHOUN COUNTY, MICHIGAN**

AUGUST 6, 2012

RESOLUTION #2012-26

RESOLUTION TO ADOPT MILLAGE BALLOT LANGUAGE
TO GENERATE MILLAGE FOR ANNUAL TRASH, LEAF AND BRUSH
REMOVAL

WHEREAS, the Marshall City Council wishes to provide revenue for the collection and removal of trash, leaves and brush on an annual basis from within the city; and

WHEREAS, the Marshall City Council is obligated by the city's charter Section 2.18 to provide for the public peace and health; and

WHEREAS, the removal of trash, leaves and brush is a lawful municipal purpose; and

WHEREAS, cities may impose and levy ad valorem property taxes to finance lawful public services, as authorized by the Michigan Constitution of 1963 and other laws; and

WHEREAS, the Marshall City Council wishes to levy one-half of one mill for trash, leaf and brush removal;

Now, THEREFORE, BE IT RESOLVED that the City Council of the City of Marshall, Calhoun County, approves the following millage ballot question language and directs the Clerk to submit it to be placed on the November 6, 2012, election ballot:

ANNUAL TRASH, LEAF AND BRUSH MILLAGE

Shall the City of Marshall levy 0.5 mills (50¢ per \$1,000 of taxable value), and levied for four years, 2013 through 2016 inclusive, for the purpose of providing revenue for the once annual removal of trash, leaves and brush , which will raise an estimated \$98,000 in the first year the millage is levied?

[] Yes

[] No

I, Sandra Bird, Clerk-Treasurer for the City of Marshall, Calhoun County, Michigan do hereby certify that the foregoing Resolution No. 2012-23 was offered by Councilperson Mankerian and supported by Councilperson Metzger, and the same was duly passed at a regular meeting of the City Council in Town Hall held on the Monday, the 6th day of August, 2012 and that the vote was as follows:

Yeas: Booton, Mayor Dyer, Mankerian, Metzger, and Miller.

Nays: None.

Absent: Reed and Williams.

Sandra Bird, Clerk-Treasurer

- B. Authorize the purchase of two Chevrolet Caprice Police vehicles from Caron Chevrolet for \$25,499 each;
- C. Approve an entertainment permit for Applebee's for the specific use as Trivia Entertainment;
- D. Schedule a work session for Monday, August 13, 2012 at 6:00 p.m. at the Public Service Building, 900 S. Marshall Avenue;
- E. Approve minutes of the City Council Regular Session and Work Session held on Monday, July 16, 2012 and the Work Session minutes for Saturday, July 14, 2012 and Monday, July 23, 2012;
- F. Approve city bills in the amount of \$1,169,655.12.

On a roll call vote – ayes: Booton, Mayor Dyer, Mankerian, Metzger, and Miller; nays: none. **MOTION CARRIED.**

PRESENTATIONS AND RECOGNITIONS

A. Eagle Scout Awards:

Mayor Dyer presented Eagle Scout Awards to Collin Davis and Nicholas Bolger to express congratulations and public appreciation on the occasion of earning the rank of Eagle Scout.

B. 911 Presentation:

Jeff Troyer and Richard Lindsey spoke on behalf of the 911 YES committee regarding the upcoming August 7, 2012 millage proposal.

INFORMATIONAL ITEMS

None.

PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

None.

OLD BUSINESS

None.

REPORTS AND RECOMMENDATIONS

A. Commercial Vehicle Parking:

Council discussed the existing ordinances regarding Parking of Commercial Vehicles in residential areas. No action was taken.

B. SAFER Grant:

Moved Miller, supported Mankerian, to approve the request to submit the FEMA Staffing for Adequate Fire and Emergency Response Grant. On a voice vote – **MOTION CARRIED.**

C. School Crossing Guards Assessment and Recommendations:

Moved Miller, supported Mankerian, to discontinue the crossing guards at the intersections of Gordon Street/Mansion Street and Green Street/Jefferson Street and retain the crossing guard at the intersection of North Drive/Madison Street. On a roll call vote – ayes: Mankerian, Metzger, Miller, Booton, and Mayor Dyer; nays: none. **MOTION CARRIED.**

D. Parking Lot, Water and Wastewater Bids:

Moved Metzger, supported Mankerian, to accept the following bids:

- Parrish Excavating of Quincy in the amount of \$739,488 for the 2012 Water System Improvements.
- Stantec Consulting of Ann Arbor in the amount of \$73,000 for the 2012 Water System Improvements Construction Engineering.
- Davis Construction Inc. of Kalamazoo in the amount of \$1,973,600 for the 2012 Waste Water System Improvements.
- Stantec Consulting of Ann Arbor in the amount of \$164,900 for the 2012 Water System Improvements Construction Engineering.
- J Allen and Co. of Galesburg in the amount of \$62,880 for the Parking Lot Replacement.
- Quality Asphalt of Homer in the amount of \$65,883 for the Parking Lot Rehabilitation.

On a roll call vote – ayes: Metzger, Miller, Booton, Mayor Dyer, and Mankerian; nays: none. **MOTION CARRIED.**

Moved Metzger, supported Mankerian, to adopt the Resolution Authorizing Issuance and Sale of Limited Tax General Obligation Bond, Series 2012 to fund the improvements. On a roll call vote – ayes: Miller, Booton, Mayor Dyer, Mankerian, and Miller; nays: none. **MOTION CARRIED.**

**City of Marshall
County of Calhoun, State of Michigan**

RESOLUTION #2012-25

RESOLUTION AUTHORIZING ISSUANCE AND SALE OF
LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2012

A RESOLUTION TO APPROVE:

- Issuance of up to \$4,500,000 of Bonds for capital improvements to the City's water and sewer systems and parking lots;
- Bonds to be a First Budget Obligation secured by pledge of City's Full Faith and Credit;
- Negotiated Sale of Bonds;
- Appointment of Robert W. Baird & Co., Incorporated as Underwriter;
- Clerk-Treasurer authorized to sell Bonds without further Council Resolution;
- Other matters relative to sale and delivery of Bonds.

PREAMBLE

WHEREAS, the City of Marshall, County of Calhoun, State of Michigan (the "City") has previously determined it to be necessary for the public health, safety and welfare of the City and its residents to acquire and construct capital improvements to the City's water supply system, sewage disposal system, and parking lots (the "Capital Improvements"); and

WHEREAS, under the provisions of Section 517 of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34") a city may issue municipal securities to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, the issuance by the City of bonds in an amount not to exceed \$4,500,000 for the purpose of paying the costs to acquire and construct the Capital Improvements (the "Bonds") appears to be the most practical means to that end; and

WHEREAS, as required by Act 34, on June 9, 2012 the City published in *The Marshall Advisor/Chronicle* a Notice to Electors of Intent to Issue Bonds and Right of Referendum thereon which described issuance of the Bonds in an amount not to exceed \$4,500,000 for the purpose of paying costs of the Capital Improvements; and

WHEREAS, more than 45 days have elapsed since the date of publication of the Notice to Electors, and the City Clerk has advised the City Council that no valid petition for referendum on issuance of the Bonds was filed with the City Clerk during the referendum period; and

WHEREAS, the aggregate outstanding balance of municipal securities issued under Section 517 of Act 34 by a city shall not exceed 5% of the state equalized valuation of the property assessed in that city, and the outstanding balance of all municipal securities issued under Section 517 of Act 34 by the City will not exceed this limit after the issuance of the Bonds; and

WHEREAS, the City is currently qualified by the Michigan Department of Treasury under Act 34 to issue debt without applying for prior approval from State Treasury; and

WHEREAS, the City has received a proposal from Robert W. Baird & Co., Incorporated to act as managing underwriter for the Bonds (the "Underwriter") at a negotiated sale; and

WHEREAS, Act 34 permits the City to authorize, within limitations which shall be contained in the authorization resolution of the governing body, an officer to sell and deliver and receive payment for obligations, approve interest rates or methods for fixing interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters and procedures necessary to complete the transactions authorized; and

WHEREAS, the City Council wishes to authorize the Clerk-Treasurer to sell and deliver and receive payment for the Bonds without the necessity of the City Council taking further action prior to sale and delivery of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. General Obligation Limited Tax Bonds. Bonds of the City designated as the LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2012 shall be issued in the aggregate principal amount of not to exceed Four Million Five Hundred Thousand Dollars (\$4,500,000), as finally determined by the Clerk-Treasurer at the time of sale of the Bonds, for the purpose of paying the costs of the Capital Improvements including payment of legal, engineering, financial and other expenses incident thereto.

2. Bond Details. The principal of the Bonds shall be payable at The Bank of New York Mellon Trust Company, National Association (the "Transfer Agent"). The Bonds shall be registered as to principal and interest and shall be in the denomination of \$5,000 or integral multiples of \$5,000 not exceeding for each maturity the maximum principal amount of such maturity, dated as of the

date of delivery thereof or such other date as may be determined by the Clerk-Treasurer at the time of sale of the Bonds, and numbered as determined by the Transfer Agent. The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC").

The Bonds shall mature as serial bonds or term bonds on the dates and in the amounts as shall be determined by the Clerk-Treasurer at the time of sale of the Bonds, provided that the date of the first maturity shall not be earlier than 2013, and that the date of the final maturity shall not be later than 2032. The Bonds shall bear interest at a rate or rates to be determined by the Clerk-Treasurer at the time of sale of the Bonds, but in any event not exceeding the interest rate shown in Section 13 below, payable on April 1, 2013 or such other initial interest payment date as shall be determined at the time of sale of the Bonds, and semi-annually thereafter on October 1st and April 1st and of each year, by check drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of the registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. The principal of the Bonds shall be payable at the corporate trust office of the Transfer Agent upon presentation and surrender of the appropriate bond. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

The Clerk-Treasurer is authorized to execute an agreement with the Transfer Agent on behalf of the City. The City may designate a new Transfer Agent by notice mailed to the registered owner of each of the Bonds at such time outstanding not less than sixty (60) days prior to an interest payment date.

The Clerk-Treasurer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry-only form.

The Bonds shall be subject to mandatory or optional redemption prior to maturity as determined by the Clerk-Treasurer at the time of sale of the Bonds. Unless waived by any registered owner of bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City and shall conform to the requirements set forth in the Bond. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the redemption date; the redemption price or premium; the place where bonds called for redemption are to be surrendered for payment; and that interest on bonds or

portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Bonds shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk, and the corporate seal of the City shall be manually impressed or a facsimile thereof shall be printed on the Bonds. No Bond authorized under this resolution shall be valid until authenticated by an authorized representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from either the Clerk-Treasurer or the Treasurer of the City upon payment of the purchase price for the Bonds in accordance with the Bond Purchase Agreement for the Bonds. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

3. Bond Form. The Bonds shall be substantially in the following form with such changes as may be necessary to conform the Bonds to the final terms of sale:

United States of America
State of Michigan
County of Calhoun

CITY OF MARSHALL
LIMITED TAX GENERAL OBLIGATION BOND, SERIES 2012

<u>Interest</u> <u>Rate</u>	<u>Date of</u> <u>Maturity</u>	<u>Date of</u> <u>Original</u> <u>Issue</u>	<u>CUSIP</u>
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Registered Owner: Cede & Co.

Principal Amount:

The CITY OF MARSHALL, County of Calhoun, State of Michigan (the "City"), acknowledges itself to owe and for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on April 1, 2013 and semiannually thereafter. Principal of this bond is payable upon presentation and surrender hereof at the principal corporate trust office of The Bank of New York Mellon Trust Company, National Association, Detroit, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner of record not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, the registered owner of record, at the registered address.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of [principal] for the purpose of paying costs to acquire and construct capital improvements for use by the City under and in pursuance of the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a resolution of the City Council adopted on [date].

The limited tax full faith, credit and resources of the City are pledged for the payment of the bonds of this issue, and the City has pledged that it shall pay the principal of and interest on the bonds of this issue as they mature as a first

budget obligation from its general fund and, after taking into account funds which the City may have legally available for payment of principal of and interest on the bonds of this issue, shall levy annually ad valorem taxes on all taxable property in the City sufficient to pay the principal of and interest on the bonds of this issue subject to applicable constitutional, statutory and charter tax rate limitations.

Bonds of this issue maturing on or prior to [date] are not subject to redemption prior to maturity.

Bonds or portions of bonds in multiples of \$5,000 of this issue maturing on or after [date] shall be subject to redemption prior to maturity without a premium, at the option of the City, in such order as the City shall determine and within any maturity by lot, on any date on or after [date], at par plus accrued interest to the date fixed for redemption.

[MANDATORY REDEMPTION]

[The bonds of this issue maturing [date], [date], and [date] (the “Term Bonds”) are subject to mandatory sinking fund redemption by lot prior to maturity on [date], in the years and amounts set forth below, at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.]

<u>[Term Bonds due [date]]</u>		<u>Term Bonds due [date]</u>	
<u>Redemption Dates</u>	<u>Principal Amounts</u>	<u>Redemption Dates</u>	<u>Principal Amounts</u>
[date]	[amount]	[date]	[amount]
[date]	[amount]	[date]	[amount]
[date] (maturity)	[amount]	[date] (maturity)	[amount]

[The principal amount of Term Bonds to be redeemed on the dates set forth above shall be reduced, in the order determined by the City, by the principal amount of Term Bonds of the same maturity which have been previously redeemed (other than as a result of a previous mandatory redemption requirement), or purchased or acquired by the City and delivered to the Transfer Agent for cancellation; provided, that each such Term Bond has not previously been applied as a credit against any mandatory redemption obligation.]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner a new bond of the same maturity and in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to each registered owner of bonds or portions thereof to be redeemed by mailing such notice not less than thirty (30) days [and not more than sixty (60) days] prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the City. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of this bond and the series of bonds of which this is one, in order to make them valid and binding obligations of the City have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of the City, including this bond and the series of bonds of which this is one, does not exceed any constitutional, statutory or charter debt limitation.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.

IN WITNESS WHEREOF, the City, by its Council, has caused this bond to be signed in the name of the City by [the facsimile signatures of] its Mayor and Clerk, and a facsimile of its corporate seal to be [manually impressed/printed] hereon, all as of the Date of Original Issue.

CITY OF MARSHALL
County of Calhoun, State of Michigan

By _____ [signature] _____
Mayor

(Seal)

Countersigned:

By _____ [signature] _____
City Clerk

[INSERT STANDARD FORMS OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION and ASSIGNMENT]

4. Debt Retirement Fund. The Treasurer of the City is directed to open a separate depository or trust account with a bank or trust company to be designated as the LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2012 DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for issues of bonds of like character as provided by Act 34 or other state law. An amount sufficient to assure timely payment of the principal of and interest on the Bonds shall be transferred each year from the general fund of the City or other funds legally available therefor into the Debt Retirement Fund. In addition, a portion of the proceeds of sale of the Bonds may be deposited in the Debt Retirement Fund as provided in Section 5 below. The moneys deposited in the fund shall be used solely for the purpose of paying the principal of and interest on the Bonds and, as may be necessary, to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code") for the Bonds.

In the event a deposit of trust is made of cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest of the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

5. Deposit of Bond Proceeds. The City Treasurer shall establish a fund designated as the LIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2012 IMPROVEMENT FUND (the "Improvement Fund"). Upon receipt of the proceeds of sale of the Bonds, the accrued interest and premium, if any, shall be deposited in the Debt Retirement Fund and used to pay interest on the Bonds on the first interest payment date. At the discretion of the Clerk-Treasurer, the City may deposit all or a portion of any premium received upon delivery of the Bonds in the Improvement Fund. The remaining proceeds received upon delivery of the Bonds shall be deposited to the Improvement Fund.

Except for investment pending disbursement the moneys in the Improvement Fund shall be used solely and only to pay costs of the Capital Improvements being financed with proceeds of the Bonds, any legal, financing or other expenses incidental thereto or to the issuance of the Bonds, and as may be necessary to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code. Any balance remaining in

the Improvement Fund after completion of the portion of the Capital Improvements being financed with proceeds of the Bonds may be used (a) for any other projects of the City if bond counsel advises the City that such use is permitted by state law and will not cause the interest on the Bonds to be included in gross income for federal income tax purposes within the meaning of the Internal Revenue Code, or (b) shall be paid into the Debt Retirement Fund and used to pay principal of or interest on the Bonds.

6. Full Faith and Credit Pledge. The City expressly and irrevocably pledges its full faith and credit for the prompt and timely payment of the principal of and interest on the Bonds. The Bonds shall be payable, as a first budget obligation, from the general fund of the City, and the City shall levy annually ad valorem taxes on all the taxable property in the City which, taking into consideration estimated delinquencies in tax collections, shall be fully sufficient to pay the principal and interest on the Bonds provided, however, that if at the time of making any such tax levy there shall be other legally available funds for the payment of principal of and interest on the Bonds, including but not limited to revenues received from the City's water supply system, sewage disposal system, and parking lots, then credit therefor may be taken against the levy for payment of the Bonds. The levy shall be subject to constitutional, statutory and charter tax rate limitations.

7. Tax Covenant. The City shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds pursuant to the Internal Revenue Code in such a manner as to cause the Bonds to be "arbitrage bonds" within the meaning of the Internal Revenue Code. The City hereby covenants that, to the extent permitted by law, it will take all actions within its control and that it shall not fail to take any action as may be necessary to maintain the exemption of interest on the Bonds from gross income for federal income tax purposes, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the City on the date of delivery of the Bonds.

8. Bank Qualification. The City designates the Bonds as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the Internal Revenue Code.

9. Appointment of Managing Underwriter. The City Council hereby determines to sell the Bonds at a negotiated sale instead of a competitive sale for the reason that a negotiated sale will permit the City to enter the market on short notice at a point in time which appears to be most advantageous, and thereby possibly obtain a lower rate of interest on the Bonds.

Robert W. Baird & Co., Incorporated is hereby named as managing underwriter for the Bonds. The City reserves the right to name additional co-managers and/or to develop a selling group. The Clerk-Treasurer is authorized to negotiate a Bond Purchase Agreement with the Underwriter. By adoption of this resolution the City assumes no obligations or liability to the Underwriter for any loss or damage that may result to the Underwriter from the adoption of this resolution, and all costs and expenses incurred by the Underwriter in preparing for sale of the Bonds shall be paid from the proceeds of the Bonds, if the Bonds are issued, except as may be otherwise provided in the Bond Purchase Agreement to be signed by the City at the time of sale of the Bonds.

10. Bond Counsel. The City Council acknowledges that Miller, Canfield, Paddock and Stone, P.L.C., represents Robert W. Baird & Co., Incorporated and many other municipal bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Bonds by the City. The City hereby requests Miller, Canfield, Paddock and Stone, P.L.C. to continue as bond counsel to the City for the Bonds.

11. Municipal Bond Ratings. The Clerk-Treasurer is hereby authorized to apply for bond ratings from such municipal bond rating agencies as deemed appropriate, in consultation with the Underwriter.

12. Municipal Bond Insurance. If the Underwriter recommends that the City consider purchase of municipal bond insurance, then the Clerk-Treasurer is hereby authorized and directed to negotiate with insurers regarding acquisition of municipal bond insurance, and, in consultation with the Underwriter, to select an insurer and determine which Bonds, if any, shall be insured.

13. Preliminary Official Statement. The Clerk-Treasurer is authorized to approve circulation of a Preliminary Official Statement describing the Bonds and to deem such Preliminary Official Statement “final” for purposes of compliance with Securities and Exchange Commission Rule 15c2-12 (“Rule 15c2-12”).

14. Sale of Bonds. The Clerk-Treasurer is hereby authorized, on behalf of the City, subject to the provisions and limitations of this resolution, to negotiate sale of the Bonds to the Underwriter, and to accept an offer by the Underwriter to purchase the Bonds without further resolution of this City Council. This authorization includes, but is not limited to, determination of original principal amount of the Bonds; the prices at which the Bonds are sold; underwriter’s discount for the Bonds, the date of the Bonds; the schedule of principal maturities and whether the Bonds shall mature serially or as term bonds; the provisions for early redemption including mandatory redemption of term bonds, if any; and the interest rates and payment dates of the Bonds.

The net interest cost of the Bonds shall not exceed 6.00%. The first maturity of principal on the Bonds shall occur no earlier than 2013, and the date of the final maturity shall not be later than 2032. The underwriter's discount for the Bonds shall not be greater than 2.00% of the principal amount of the Bonds.

In making such determinations the Clerk-Treasurer is authorized to rely upon data and computer runs provided by the Underwriter or a pricing consultant which may be retained by the Clerk-Treasurer. Approval of the matters delegated to the Clerk-Treasurer under this resolution may be evidenced by execution of the Bond Purchase Agreement or the Official Statement by the Clerk-Treasurer. The Clerk-Treasurer is authorized to sign the Bond Purchase Agreement on behalf of the City.

15. Final Official Statement. After sale of the Bonds, the Clerk-Treasurer is authorized to prepare, execute and deliver a final Official Statement describing the Bonds.

16. Continuing Disclosure Undertaking. In order to enable the Underwriter to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City hereby agrees to undertake Continuing Disclosure as issuer of the Bonds. The Clerk-Treasurer of the City is authorized to execute such Continuing Disclosure Undertaking on behalf of the City in such form as she shall, in consultation with bond counsel, determine appropriate.

17. Other Actions. In the event that the Clerk-Treasurer is not available to undertake responsibilities delegated to her under this resolution, then the City Manager or a person designated by the Clerk-Treasurer or the City Manager is authorized to take such actions. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate issuance and sale of the Bonds, and to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance, sale and delivery of the Bonds in accordance with this resolution, and to pay costs of issuance including but not limited to rating agency fees, costs of printing the Bonds and the preliminary and final official statements, publication of notices, pricing consultant fees, transfer agent fees, bond counsel fees, and any other costs necessary to accomplish sale and delivery of the Bonds.

18. Conflicting Resolutions. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on August 6, 2012, at 7:00 p.m., prevailing Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that if said meeting was a Special meeting, then notice of said Special meeting was given to each member of the Council in accordance with the rules of procedure of the Council.

I further certify that the following Members were present at said meeting: Booton, Mayor Dyer, Mankerian, Metzger, Miller and that the following Members were absent: Reed and Williams.

I further certify that Member Metzger moved for adoption of said resolution and that Member Mankerian supported said motion.

I further certify that the following Members voted for adoption of said resolution: Booton, Mayor Dyer, Mankerian, Metzger, and Miller and that the following Members voted against adoption of said resolution: None.

City Clerk

E. Michigan Avenue Tree Replacement Project:

Moved Mankerian, supported Metzger, to accept the bid from Quality Excavators Inc. in the amount of \$171,458 for the Michigan Avenue tree replacement project. On a roll call vote – ayes: Booton, Mankerian, Metzger, and Miller; nays: none.
MOTION CARRIED.

APPOINTMENTS / ELECTIONS

A. Brooks Nature Area Board Appointments:

Moved Metzger, supported Mankerian, to approve the recommendation to reappoint Dave Fhaner, Patti Hoch-Melluish, and James Coury to the Brooks Nature Area Board with terms expiring August 15, 2015. On a voice vote –
MOTION CARRIED.

B. Parks, Recreation, and Cemetery Board Appointments:

Moved Metzger, supported Mankerian, to approve the recommendation to reappoint Dave Fhaner and Mitch McComb to the parks, Recreation, and Cemetery Board with terms expiring July 1, 2015. On a voice vote – **MOTION CARRIED.**

PUBLIC COMMENT ON NON-AGENDA ITEMS

Duane Cowgill of 624 N. Kalamazoo spoke regarding options for payments in lieu of taxes.

COUNCIL AND MANAGER COMMUNICATIONS

None.

ADJOURNMENT

The meeting was adjourned at 8:45 p.m.

James L. Dyer, Mayor

Sandra Bird, Clerk-Treasurer

IN A WORK SESSION Monday, August 13, 2012 at 6:04 P.M. in the Training Room of the Public Service Building, 900 South Marshall, Marshall, MI, the Marshall City Council was called to order by Council Member Williams.

Present: Mayor Dyer (6:20 P.M.) and Council Members: Booton, Mankerian, Metzger, Miller, Williams and Reed

Also Present: Tom Tarkiewicz, City Manager
Natalie Huestis, Director of Community Services

Absent: None

A. Hospital & Neighborhood Committee Discussion

- Tom Tarkiewicz answered questions from July 23rd work session
 - 1) Oaklawn Hospital Wright Medical Building tax
 - 2) Actual tax loss to DDA from future property loss
 - 3) Clarification of contractual costs for parking structure
- Sue Damron and Eldon Vincent reported to City Council members on the content of the recent DDA and Oaklawn Hospital discussion.
- Community Services Director Natalie Huestis presenting side by side comparison between the earliest version of the HCOD, the HNC recommended version of the HCOD, and the Planning Commission recommended version of the HCOD.

B. Public Comment

- Glenda Jackson, 16053 18 Mile Road, remarked on the lack of setback between the current hospital structure and the residence at 219 High Street.
- Martin Overhiser, 215 N. Marshall St., stated that there is a perceived under-representation for the neighborhood in this matter. Mr. Overhiser also asked which version of the ordinance the Council would be voting on.
- Janet Ostrum, 306 N. Marshall Ave., had questions on the difference between the terms “residentially zoned” and “residentially used”. Mrs. Ostrum also questioned what part of the process could have been done differently.
- Holly Harnden, 401 E. Mansion St., discussed the perceived under-representation of the neighborhood on the HNC. Mrs. Harnden also remarked that during the referendum vote on the passing of the HCHSD, Oaklawn claimed that the block they are currently on was the only area they would expand upon.

- Susan Collins, 222 N. Marshall Ave., offered to set up a conference call between Council and Dena Sanford of the Parks Service.
- Tim Banfield, 307 Division St., asked if the hospital could provide a graphic of an elevation drawing for the northern portion of the overlay. He also stated that he wished Oaklawn had participated during the Master Plan process.
- Brian Munger, 120 S. Grand St., stated that he believes Oaklawn came in knowing what they wanted. He referred to a letter he had written, but not signed, to Council.
- Casey Nager, 126 W. Prospect St., stated that she felt the issues between Oaklawn and the community had been handled appropriately in the past. Mrs. Nager asked to see the points of Oaklawn's compromising.
- Ginger Williams, 606 Ventura Way and President of Oaklawn Hospital, stated that the hospital has been blamed for not telling their future plans and is now being blamed for releasing their future plans.

The meeting was adjourned at 8:43 p.m.

James L. Dyer, Mayor

Sandra Bird, Clerk-Treasurer

EXP CHECK RUN DATES 08/23/2012 - 08/23/2012
 UNJOURNALIZED
 OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
16185	ACTRON INTEGRATED SEC	QUARTERLY MONITORING FEE	300.00
477968-IN	ALEXANDER CHEMICAL CO	CHLORINE & SULFUR DIOXIDE BLANKET PO FO	2,093.00
477971-CM	ALEXANDER CHEMICAL CO	DEPOSIT RETURN	(800.00)
477963-IN	ALEXANDER CHEMICAL CO	CHLORINE	1,323.00
477966-CM	ALEXANDER CHEMICAL CO	DEPOSIT RETURN	(700.00)
73358	ALL-TRONICS INC	SERVICE CALL	444.50
25037	ARISTO CHEM, INC	JANITORIAL SUPPLIES	256.80
11-643708	ARROW UNIFORM	CUST #010198-01	26.37
11-643715	ARROW UNIFORM	CUST #010198-05	20.00
11-643713	ARROW UNIFORM	CUST #010198-04	62.30
11-636101	ARROW UNIFORM	CUST #010198-01	26.37
11-636105	ARROW UNIFORM	CUST #010198-04	62.30
11-636107	ARROW UNIFORM	CUST #010198-05	20.00
11-651264	ARROW UNIFORM	CUST #010198-04	95.30
11-651259	ARROW UNIFORM	CUST #010198-01	26.37
11-651267	ARROW UNIFORM	CUST #010198-05	20.00
11-643714	ARROW UNIFORM	CUST #010198-03	121.24
11-643712	ARROW UNIFORM	CUST #010198-02	50.78
11-636104	ARROW UNIFORM	CUST #010198-02	50.78
11-636106	ARROW UNIFORM	CUST #010198-03	121.24
11-651263	ARROW UNIFORM	CUST #010198-02	50.78
11-651266	ARROW UNIFORM	CUST #010198-03	121.24
432755-0712	AT CONFERENCE	PHONE CONFERENCE	17.98
103196-01	AUSTIN-BATTERIES PLUS	1000 W HPS LAMPS	197.94
225-305877	AUTO VALUE MARSHALL	QUICK CONNECT COUPLERS	106.08
225-305352	AUTO VALUE MARSHALL	J-B KWIK CARDED	5.39
225-304973	AUTO VALUE MARSHALL	ROLOC DISCS	45.50
225-304960	AUTO VALUE MARSHALL	AIR FILTER	33.04
225-305251	AUTO VALUE MARSHALL	DEXRON MERCON	35.88
225-305416	AUTO VALUE MARSHALL	PEAK 50/50 EXTN	111.86
10407	B C REPROGRAPHICS	B/W PRINTING	118.75
85154	B S & A SOFTWARE	TRAINING & IMPLEMENTATION CEMETERY .NET	1,062.50
85153	B S & A SOFTWARE	IMPLEMENTATION & TRAINING FIN & PAYROLL	6,587.50
473222	BANDIT INDUSTRIES INC	LOR DIGITAL AUTOFEED	409.58
43333	BATTLE CREEK LANDSCAP	SPRINKLER SERVICE/REPAIR	601.48
182641-IN	BEAVER RESEARCH CO	KLEEN & GLOW, HAND CLNR	196.75
BLU-4871	BLU FISH CONSULTING,	BLUES FESTIVAL BANNERS	340.00
BLU-4826	BLU FISH CONSULTING,	MEDIA EXPENSES	1,765.00
626520	BOSHEARS FORD SALES I	MOTOR	244.13
61806	BOSHEARS FORD SALES I	2010 FORD REPAIR	728.15
I0013392-A	BROWN WOOD PRESERVING	UTILITY POLES	9,261.00
073112	CALHOUN COUNTY TREASU	JULY TRAILER FEES	80.00
37054-A	COLDWATER BOARD OF	BEAST MAINTENANCE JAN 2011 - JUN 2012	2,847.28
IN14714	CORNERSTONE OFFICE SY	SHARP/X503N	187.41
2011	COURTNEY & ASSOCIATES	JULY RETAINER	250.00
80294	CRT, INC	WARRANTY POST NBD ONSITE 8X5X1	447.00
80365	CRT, INC	BACKUP DR APPLIANCE SERVICE	339.00
661501002	CRYSTAL FLASH ENERGY	FUEL	933.35
601451002	CRYSTAL FLASH ENERGY	GASOLINE	661.56
601451001	CRYSTAL FLASH ENERGY	DYED DIESEL	1,296.03
108700	D & D MAINTENANCE SUP	JANITORIAL SUPPLIES	371.08
108633	D & D MAINTENANCE SUP	JANITORIAL SUPPLIES	150.84
414948	DARLING ACE HARDWARE	BOLT CUTTER ACE 36"	51.99
414952	DARLING ACE HARDWARE	BRUSHES, TACK CLOTH	30.22
414195	DARLING ACE HARDWARE	DUCT TAPE, SEAL TAPE, GLUE PAPER TAK	19.96
415037	DARLING ACE HARDWARE	CHLORINE LIQUID	17.96
414584	DARLING ACE HARDWARE	PAINT SUPPLIES	190.41
414379	DARLING ACE HARDWARE	PADLOCK	5.99
414767	DARLING ACE HARDWARE	GARBAGE BAGS, GLOVES	27.97
414479A	DARLING ACE HARDWARE	TRIMMER LINE	32.95
062812	DENNY CRULL GENERAL C	UNITS #205, 316, 110, 211	2,619.44
118	DENNY CRULL GENERAL C	UNIT #118	13,345.72
315	DENNY CRULL GENERAL C	UNIT 315	13,345.72
12689	DUKE'S SALES & SERVIC	JET POWER II	640.00
11816	EMERGENCY VEHICLE SER	1232 CAB LIFT REPAIR	1,937.46
073112	FRED'S STANDARD SERVI	JULY CHARGES	153.80
997	FUG	POLICE & FIRE VINYL TRANSFERS & DECALS	296.80
2112226512	GANNETT MICHIGAN NEWS	BLUES FEST	700.00
11-10727	GARAGE DOORS UNLIMITE	SERVICE CALL FOR PSB EAST DOOR	287.50
9891641327	GRAINGER	SAMPLER TUBING	183.90
S100889093.001	GREAT LAKES AUTOMATIO	IDE RELAY, PHASE LOSS MONITOR	131.68
66435	HERMANS MARSHALL HARD	PRIMER, PAINT	19.16
66459	HERMANS MARSHALL HARD	SPRAYER, MURIATIC ACID	62.48
66425	HERMANS MARSHALL HARD	WIRE WHEEL	7.99
66454	HERMANS MARSHALL HARD	LAB CLOCK & BRICK CLEANER	49.98
66352	HERMANS MARSHALL HARD	WASHERS, NUT, BIT EXTENSION	9.59
66432	HERMANS MARSHALL HARD	HOSE FITTINGS	3.28

EXP CHECK RUN DATES 08/23/2012 - 08/23/2012
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INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
68323	HERMANS MARSHALL HARD	PIPE	49.99
68262	HERMANS MARSHALL HARD	SHOVELS	35.37
68340	HERMANS MARSHALL HARD	KEYS	3.98
68354	HERMANS MARSHALL HARD	SPRINKLER	23.99
66363	HERMANS MARSHALL HARD	WASP & HORNET SPRAY	47.88
8922	HILTON DEVELOPMENT GR	MOBILELOCK MONTHLY SERVICE--AUGUST	19.95
20701	HOFFMAN AG SERVICE, L	TORDON RTU	56.00
261680146	IDEXX DISTRIBUTION CO	QA SUPPLIES	1,165.87
482919	IRVIN'S HARDWARE	REPAIR POLE SAW	1.35
073012	J & R LINDSAY LOCK SE	SERVICE AT MARSHALL HOUSE	55.00
1533044-00	J.O. GALLOUP COMPANY	UNIV COUPLINGS, BLK NIP, TEES	208.64
73112	JIMMY'S JOHNS	COMPOST CENTER	201.25
073012	K-MART	JULY CHARGES	150.13
124660	KAR LABORATORIES INC	ANALYSIS OF 5 AQUEOUS SAMPLES	260.00
125027	KAR LABORATORIES INC	CYANIDE ANALYSIS	100.00
50434	KEBS INC	2012 LOCAL ROAD RESURFACING	6,618.75
COSTINE	KELLOGG HOTEL & CONF	ED COSTINE, ANNUAL FIRE INSPCTRS CONFRN	325.00
4641	KELLOGG'S REPAIR GARA	FLOW ASSYS	139.70
359184-00	KITCHEN SHOP OUTLET	D/H PANELS	165.00
360019-00	KITCHEN SHOP OUTLET	D/H 4862-07	600.00
362912-00	KITCHEN SHOP OUTLET	LOOSE SPLASH, SHELVES	84.00
359146-00	KITCHEN SHOP OUTLET	RICHELIEU	61.00
359147-00	KITCHEN SHOP OUTLET	SS SINK, STRAINERS, TOP	311.00
363236-00	KITCHEN SHOP OUTLET	RICHELIEU, #215	61.00
359144-00	KITCHEN SHOP OUTLET	#205,	390.00
5409-00	KITCHEN SHOP OUTLET	#215, 217, 316, 221 GEORGETOWN MAPLE	560.00
359626-00	KITCHEN SHOP OUTLET	RICHELIEU, #217	61.00
359627-00	KITCHEN SHOP OUTLET	#217, SS SINK, STRAINERS, 22 X 37	311.00
362770-00	KITCHEN SHOP OUTLET	SET OF TOPS	380.00
5418-00	KITCHEN SHOP OUTLET	#211, GEORGETOWN MAPLE	140.00
360031-00	KITCHEN SHOP OUTLET	RICHELIEU, #211	50.00
360030-00	KITCHEN SHOP OUTLET	#211, SS SINK, STRAINERS, 22 X 37	311.00
5373-00	KITCHEN SHOP OUTLET	7000000000Remodel Cabin	2,102.00
5364-00	KITCHEN SHOP OUTLET	7000000000Remodel Cabin	2,245.00
5356-00	KITCHEN SHOP OUTLET	7000000000APARTMENT REM	2,245.00
5374-00	KITCHEN SHOP OUTLET	#211, GEORGETOWN MAPLE	258.00
98972	LARRY'S FLOOR COVERIN	COVER, SAND BAR, LINER	5.17
98985	LARRY'S FLOOR COVERIN	1 GAL RAV	44.19
1523	LENAWEE RADIATOR SERV	REPAIRED RADIATOR	150.00
673516	LEXISNEXIS OCC HEALTH	CLINIC COLLECTION, HEALTH SCREEN ASSESS	68.84
1528265-20120531	LEXISNEXIS RISK DATA	MAY	139.56
080412	MARSHALL FRAMING STUD	HISTORIC MARSHALL WALKING MAPS	954.00
1023036	MARSHALL LUMBERTOWN	DRYWALL SCREWS	6.32
1023026	MARSHALL LUMBERTOWN	GRAVEL MIX	34.32
1023054	MARSHALL LUMBERTOWN	GRAVEL MIX	42.90
10910	MARSHALL MEDICAL ASSO	UPRIGHT-MURPHY, SULLIVAN, FISHER	388.00
3270	MARSHALL TIRE CITY	TIRES	550.20
492000	MATT DAVIS	CARPET & VINYL	687.90
2012100	MAXIMUM AMMUNITIONS L	PELICAN 1120 BLACK W/FOAM	150.00
16583	MECHANICAL SAFETY EQU	WINCH INSPECTION	154.48
S3246580.002	MEDLER ELECTRIC COMPA	RUBBER SPLICE TAPE	223.52
S3246580	MEDLER ELECTRIC COMPA	TAPE	216.89
080612	MEL RIPLEY	MH SERVICE CALL	550.00
87052	MICHIGAN METER TECHNO	NEPTUNE READ-O	510.72
M 07-12	MICHIGAN SOUTH CENTRA	NATURAL GAS JULY 2012 PURCHASES	2,362.71
31579792	MSC INDUSTRIAL SUPPLY	LATEX GLOVES	122.10
INV63647	MUNICIPAL SUPPLY CO.	VALVE BOX RISER, 6 X 4 REDUCER	131.16
307550	NORTH CENTRAL LABORAT	LAB SUPPLIES	394.45
48349	O'LEARY WATER CONDITI	COOLER RENTAL, WATER	47.00
113032366	PHYSIO CONTROL	AED FOR 12-31	2,380.00
5663029	POWER LINE SUPPLY	DISCONNECT SW	1,517.10
5663027	POWER LINE SUPPLY	WIRE	1,890.00
5657585	POWER LINE SUPPLY	2-HOLE LUG	205.92
5659396	POWER LINE SUPPLY	WR 289 CONNECTORS	141.75
5659397	POWER LINE SUPPLY	5/8 X 14 M BOLTS	61.84
5659398	POWER LINE SUPPLY	3KV ARRESTERS	328.60
5663030	POWER LINE SUPPLY	5/8 X 12 M BOLTS	54.05
5663023	POWER LINE SUPPLY	WR279	32.20
5663021	POWER LINE SUPPLY	PHOTO EYES	448.50
5663028	POWER LINE SUPPLY	1/0 ALUMINUM TRIPLEX	1,116.00
5663031	POWER LINE SUPPLY	GRAY SPOOL INSULATORS	99.68
5663024	POWER LINE SUPPLY	3-WIRE RACK	385.80
5663025	POWER LINE SUPPLY	#6 TIE WIRE	238.00
5661226	POWER LINE SUPPLY	2/0 ALUMINUM TRIPLEX	3,510.00
5663017	POWER LINE SUPPLY	20 AMP FUSE LINKS	97.50
5663018	POWER LINE SUPPLY	200 AMP FUSE LINKS	238.50
5663019	POWER LINE SUPPLY	POISON IVY WIPES	88.95

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INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
5663015	POWER LINE SUPPLY	FRICTION TAPE	275.99
5663026	POWER LINE SUPPLY	3/8 GUY WIRE	192.45
5661737	POWER LINE SUPPLY	HIGH VOLTAGE GLOVES	81.00
3991	PRECISION LAWN CARE	MOW & TRIM - JUNE	600.00
4055	PRECISION LAWN CARE	JULY LAWN CARE	1,390.00
5346542	PUBLIC SAFETY CENTER	BATTERIES	163.30
5469	QUALITY ENGRAVING SER	SUMMER SOFTBALL SPONSOR PLAQUES	363.00
13570	RADIO SHACK	MEMOREX DVD-R 16X	14.99
13532	RADIO SHACK	SPEAKER	29.99
RR118285	REHMANN ROBSON PC	CONSENT LETTER RE BONDS, ECON DEV ALLIA	937.50
331033	ROE-COMM., INC	RADIO EQUIPMENT	2,340.00
49079C	ROSE PEST SOLUTIONS	PEST CONTROL @ MARSHALL HOUSE	110.00
9076234A	SECURITY CAMERAS DIRE	AUDIO MON.KIT	361.12
2207	SEELICKFIX	SCF PLUS MONTHLY LICENSE	1,200.00
21063-0812	SPARTAN STORES	JULY CHARGES	298.45
10303115	STANDARD & POOR'S	ANALYTICAL SERVICES	8,200.00
23029	STANDARD PRINTING & O	MUSEUMS & CEMETERY WALK BROCHURES	1,172.05
23285	STANDARD PRINTING & O	TOWN CRIER	319.22
23425	STANDARD PRINTING & O	DELIVERY CHARGE	7.00
610238	STANTEC CONSULTING MI	WWTP & COLLECTION SYS IMP - DESIGN PHAS	47,857.64
609331	STANTEC CONSULTING MI	0000000000WATERMAIN ENG	6,496.80
19852	SUMMIT POINTE	CONTRACT MOWING	320.00
530339684	UTILITIES INSTRUMENTA	2.4 KV SWITCHGEAR PROJECT - SERVICE CAL	2,070.00
P22569	VERMEER OF MICHIGAN,	EYE SLING	84.04
763212	WESCO	PLANTER ARM	1,426.80
			184,274.39



MICHIGAN SOUTH CENTRAL POWER AGENCY

720 HERRING ROAD • LITCHFIELD, MICHIGAN 49252
 PHONE (517) 542-2346 • FAX (517) 542-3049
 www.mscca.net

ORIGINAL INVOICE

MARSHALL CITY ELECTRIC DEPARTMENT
 323 WEST MICHIGAN AVENUE
 MARSHALL, MICHIGAN 49068
 Attn: Mr. Tom Tarkiewicz

Invoice Date: 15-Aug-12
 Due Date: 31-Aug-12
 Service From: 01-Jul-12
 To: 31-Jul-12

Peak Demand 25,144 kw

Total Energy Received 12,273,468 kWh
 Hydro Generation 55,856 kWh
 Net Billing kWh's 12,217,612 kWh

Area	Entitlement %	Operating and Maintenance Costs	Debt Service Costs and Capacity Credits	Total
PROJECT 1-ENDICOTT	24.0%	518,890.23	-	518,890.23
PROJECT 2	18.0%	201.60	-	201.60
PROJECT 3	20.2%	109.89	-	109.89
PRAIRIE STATE	16.7%	14,378.12	9,878.62	24,256.74
AFEC	15.6%	162,263.77	28,213.75	190,477.52
AMP CONTRACTS	28.8%	178,204.43		178,204.43
CVEC	0.0%	-		-
MISO PURCHASES	14.7%	9,765.85		9,765.85
MISO SALES	7.9%	(59,482.93)		(59,482.93)
TRANSMISSION	22.8%	54,650.25	-	54,650.25
MISO	20.3%	6,188.36		6,188.36
SUBSTATION	34.4%	(58.80)	-	(58.80)
ADMINISTRATION	20.3%	28,163.84		28,163.84
MEMBER	15.6%	10,128.68		10,128.68
MEMBER HYDRO	0.0%	-		-
CAPACITY	15.6%	-		-
RATE STABILIZATION		-		-
TOTAL COST		\$ 923,403.30	38,092.37	961,495.67
		\$/kWh 0.07558	0.00312	0.07870
CREDITS		\$ (3,636.01)	-	(3,636.01)
		\$/kWh (0.00030)	0.00000	(0.00030)
NET COST		\$ 919,767.29	38,092.37	957,859.66
		\$/kWh 0.07528	0.00312	0.07840

Pay this amount	\$ 957,859.66
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Any amounts due and not paid by the due date shall bear interest at the rate of 1% per month until paid.

EXP CHECK RUN DATES 08/03/2012 - 08/03/2012
BOTH JOURNALIZED AND UNJOURNALIZED
OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
198-040293-0712	BROADSTRIPE	ACCT #198-040293	178.07
198-040788-0712	BROADSTRIPE	ACCT #198-040788	1,295.05
35122948	CITGO	CITGO FLEET #132271610	12,062.66
575260	COMMERCIAL OFFICE PRO	TICKETS	58.10
073112	GALLOWAY, JENNY	ENERGY OPTIMIZATION - REFRIGERATOR RECY	50.00
073112	KEVIN MCCAULEY	ENERGY OPTIMIZATION - A/C TUNEUP	50.00
073112	OBERLIN, MAYNARD	ENERGY OPTIMIZATION - REFRIGERATOR RECY	35.00
38-6004708 2012	STATE OF MICHIGAN	SALES TAX RETURN FOR SPECIAL EVENT	831.72
080112	TERI TRUDEAU	PLAYGROUND SUPPLIES	26.60
804670	UNEMPLOYMENT INSURANC	UIA #0804670, 12/31/2011	403.63
			14,990.83
		PRESCRIPTION REIMBURSEMENTS	94.89
		TOTAL CASH DISBURSEMENTS	\$15,085.72

User: ctanner

DB: Marshall

EXP CHECK RUN DATES 08/10/2012 - 08/10/2012

JOURNALIZED

BOTH OPEN AND PAID

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	AMOUNT
27-059200-06	ACOSTA-LENIS, CLAUDIA	REFUND UTILITY DEPOSIT	65.34
6100458-000-0812	AD-VISOR & CHRONICLE	JULY CHARGES	267.50
080712	ADALINE ADAMS	ELECTION INSPECTOR	156.00
080712	BARB AARON	ELECTION INSPECTOR	155.00
AUG 2012	BATTLE CREEK UNLIMITE	AUGUST SERVICES	14,041.66
MASTEJ	BOYNE USA RESORTS	MICHELLE MASTEJ, 10/07/12 ARRIVAL	128.62
198-177805-0712	BROADSTRIPE	ACCT #198-177805	32.97
080112	CALHOUN COUNTY EQUALI	CONTRACTUAL ASSESSING SRVC AUGUST	2,122.00
21865	CARON CHEVROLET OLDSM	2011 CHEVY CAPRICE	25,483.70
21866	CARON CHEVROLET OLDSM	2011 CHEVY CAPRICE	25,483.70
080712	CHERYL BEGG	ELECTION INSPECTOR	124.00
577249	COMMERCIAL OFFICE PRO	PAPER, ENVS, RECEIPT BOOKS, STENO PADS	70.92
201269018957	CONSUMERS ENERGY	1000 0033 5602	302.40
869	CORNERSTONE INSPECTIO	INSPECTIONS	1,260.00
1155180-0712	CULLIGAN	WATER, COOLER RENTAL	28.50
080712	DARLENE NEIDLINGER	ELECTION INSPECTOR	175.00
080712	DEB WALBECK	ELECTION INSPECTOR	124.00
072812	FREDS, MATT	MEAL	10.00
19-006700-24	GAIL RIBBEY-WEERS	REFUND UTILITY DEPOSIT	94.74
2112226712	GANNETT MICHIGAN NEWS	MARSHALL HOUSE, CUST #265252BC	538.00
080712	HAGERTY, MELISSA	ELECTION INSPECTOR	172.00
080712	HAGERTY, PHILLIP	ELECTION INSPECTOR	172.00
3202440024	HOUSTON, JAMES	REFUND UTILITY OVERPAYMENT	146.92
073112	JIMMY'S JOHNS	BLUES FEST ACCOMMODATIONS	675.00
2865934-36	KELLOGG HOTEL & CONFE	ED COSTINE, CONFERENCE #2865934, 2865936	303.90
2865936-34	KELLOGG HOTEL & CONFE	ED COSTINE, CONF #2865934, 2865936	288.90
080812	LAKE MICHIGAN MAILERS	POSTAGE	500.00
99007320387-0812	LOWE'S	ACCT #9900 732038 7	884.80
99007320387	LOWES BUSINESS ACCOUN	APPLIANCES	5,829.30
82130231059095-081	LOWES BUSINESS ACCOUN	821 3023 105909 5	35.33
073012	MARSHALL FIREFIGHTERS	CONTRIBUTION FOR HELPING WITH BLUES FES	250.00
080812	MICHIGAN FIRE INSPECT	ED COSTINE 2012 DUES	30.00
080712	MICHIGAN STATE UNIVER	REI CONFERENCE - MIKE HINDENACH	15.00
32-008100-18	MILICIA, ANNA	REFUND UTILITY DEPOSIT	36.56
MASTEJ	MMTA	MICHELLE MASTEJ, FALL CONFERENCE	295.00
RINV01266147	MY ALARM CENTER	ALARM MONITORING	120.00
080712	RAUSCH, JANEAN	ELECTION INSPECTOR	156.00
249-003442672	REPUBLIC SERVICES #24	ACCT #3-0249-1022021	569.47
080712	ROBERTA MACHATA	ELECTION INSPECTOR	156.00
080812	SBISA, TONY	SEWER INCIDENT	1,578.00
080712	SHIRLEY WORKS	ELECTION INSPECTOR	68.00
7-003100-29	SMITH, KEITH	REFUND UTILITY DEPOSIT	35.78
224843832-075	SPRINT	ACCT #224843832	365.08
6035517820348893-0	STAPLES	OFFICE SUPPLIES	1,582.15
38-6004708	STATE OF MICHIGAN	38-6004708, 07/12, SALES TAX	37,491.25
38-6004708-12/2011	STATE OF MICHIGAN	DEFICIENCY ON ANNUAL RETURN - SALES TAX	400.73
080712	SUSAN DAY	ELECTION INSPECTOR	124.00
19-009200-28	SWINGHOLM, KAYLA	REFUND UTILITY DEPOSIT	5.86
073012	TOM TARKIEWICZ	TRAVEL EXPENSE REIMBURSEMENT	16.65
			122,967.73

PRESCRIPTION REIMBURSEMENTS

56.08

TOTAL CASH DISBURSEMENTS

\$123,023.81

EVENT REPORT

EVENT: 81st Historic Fly and Drive-in

EVENT LOCATION: Brooks Field

SPONSOR: Brooks Field Aviation Association (BFAA)

EVENT DATE: Saturday, September 8th

EVENT TIMEFRAME: 7am – noon

MDOT PERMIT REQUIRED: YES NO

MDOT PERMIT GRANTED: YES NO

LANE CLOSURE TIMEFRAME: None

EVENT STREETS AFFECTED: None

DETOUR DETAIL: None

EVENT DETAIL: See event flyer for details.

COUNCIL NOTIFICATION DATE: August 20, 2012

Special Guest
Waco Aircraft Corporation



**BROOKS FIELD'S
81ST Anniversary**

HISTORIC

FLY and DRIVE-IN

Marshall Airport / Brooks Field (KRMY)
1243 S Kalamazoo Ave Marshall MI 49068 (1.5 miles south of fountain)

Saturday Sept 8, 2012 7am–Noon

Pancake Breakfast

Pancakes/Eggs/Sausage - \$6 Person / \$4 Kids under 5

*Free T-shirt for PIC
1st 10 planes*

***Fly-in is an enhancement of Marshall's Historic Home Tour weekend**
www.marshallhistoricalsociety.org



Corvettes

Pancake Breakfast – 7am-12pm	Civil Air Patrol
Hot Air Balloon Launch – 9am	Vintage Planes
Waco Flight Demo – 10am	Remote Control Planes
Car Show Awards – 11am	Skydiving Info
Historic Home Tour Shuttle – 12pm	Ultralights / LSAs
Grand Door Prizes	\$20 Plane Rides
Aviation Colleges	\$80 Glider Rides

** Car Show Hosted by the Corvette Club of Battle Creek*

Bring your
For Sale
aircraft

Car Awards: Pilot's Choice & People's Choice
Bring Your Corvette !



Free Admission / Free Parking
Pilot Shuttle to Downtown Historic Home Tour

Sponsored by Brooks Field Aviation Association - Contact: airport.bfaa@gmail.com

EVENT REPORT

EVENT: The Baker's Dozen Beer Run

EVENT LOCATION: Start on Mansion St. behind Louie's, go east to Gordon Street, go north to Prospect Street, go west to Verona Rd., go west to West Dr., go north to F Drive N., go east to Walters Dr., go north and around to 16 ½ Mile Rd., go south to N Kalamazoo, go south to North Drive W., go east to North Drive E., go east to 17 ½ Mile Rd. go north to G Drive N., go east to Alannah Christine Dr., go through Kesselwood all the way to the very most northern end and come out on to 18 Mile Rd., go south to G Drive N., go east to 18 ½ Mile Rd., go south to Centennial Rd., go west to cross Michigan Ave. and enter Green St., go west on Green St to Grand Street, go south on Grand Street to Spruce Street, go west on Spruce to S. Kalamazoo Ave., go south to Dark Horse. (www.bakersdozenbeerrun.com)

SPONSOR: None

EVENT DATE: September 29, 2012

EVENT TIMEFRAME: 8 AM – 12PM

MDOT PERMIT REQUIRED: YES NO

MDOT PERMIT GRANTED: YES NO

LANE CLOSURE TIMEFRAME: Mansion Street from Eagle Street to Gordon Street.

EVENT STREETS AFFECTED: E. Mansion Street, N. Gordon Street, Prospect Street, Verona Road, North Drive, Green Street, Grand Street, Spruce Street, and S. Kalamazoo Avenue. (Intermittent Lane Closures)

DETOUR DETAIL: None.

EVENT DETAIL: Police escort for runners, with assistance from cyclist club. Race can be run or biked by individuals or teams to maximize participation. The fee is \$15 and covers a shirt, donut, and beer from the Dark Horse (must be 21).

COUNCIL NOTIFICATION DATE: August 20, 2012



ADMINISTRATIVE REPORT
August 20, 2012 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Carl Fedders, Director of Public Services
Tom Tarkiewicz, City Manager

SUBJECT: 2013 Storm Sewer Improvements -Design Services Contract Award

BACKGROUND: On October 4, 2010, the City Council awarded Fishbeck, Thompson, Carr, and Huber (FTCH) the storm sewer study for the drainage issues that were occurring at the North Mulberry and Union Street intersection and the O'Keefe and Allen intersection. The final report was received in March of 2011 and staff began to work on possible funding options.

The 2013 budget included correction to these two drainage systems and the improvement to the culvert over Rice Creek which services Ketchum Park from Gordon Street. The culvert improvements were identified as part of the Rice Creek Dam Removal Project. Staff also identified other storm sewer deficiencies along Michigan Avenue and Marshall Avenue which will be corrected as part of this project. Funds necessary for these improvements will come through the sale of a Motor Vehicle Highway Bond.

Staff has received the attached proposal from FTCH for the amount \$49,100 to perform the design and bidding services for this project. Based on the current estimated fee is within industry standards.

The project will be constructed in the spring of 2013.

RECOMMENDATION: It is recommended that the City Council accept the proposal from FTCH for the 2013 Storm Sewer Improvements for the not to exceed cost of \$49,100. Also, to approve the resolution stating intent to reimburse expenditures from the anticipated bond proceeds.

FISCAL EFFECTS: To approve and appropriate \$49,100 in the MVH Local Street Fund, Capital Outlay expenditure budget line item 203-900-970.00 for the proposed design services of FTCH for the 2013 Storm Sewer Improvements project.

ALTERNATIVES: As suggested by the Council.

Respectfully submitted,

Carl Fedders
Director of Public Services

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #2012-_____**

**RESOLUTION STATING INTENT TO
REIMBURSE EXPENDITURES FROM BOND PROCEEDS FOR THE 2013 STORM
SEWER IMPROVEMENTS**

A RESOLUTION TO PROVIDE FOR:

Statement of Intent to reimburse expenditures from bond proceeds required by Internal Revenue Code for tax-exempt debt.

WHEREAS, the City of Marshall, County of Calhoun, State of Michigan (the "City") is developing a plan to improve various infrastructure in the storm sewer system (the "Project"); and

WHEREAS, the City may receive a Motor Vehicle Highway Bond to finance the Project.

WHEREAS, the Internal Revenue Service has issued Treasury Regulation § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended, governing proceeds of debt used for reimbursement, pursuant to which the City must declare official intent to reimburse expenditures with proceeds of such debt before making the expenditures.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City hereby makes the following declaration of official intent for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

(1) As of the date of this resolution the City reasonably expects to reimburse itself for the expenditures described in (2) below with proceeds of debt to be incurred by the City.

(2) The expenditures described in this paragraph (2) are to pay certain costs associated with the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof or which will be paid prior to the issuance of the debt from the general funds or capital fund of the City.

(3) As of the date hereof, the maximum principal amount of debt expected to be issued for reimbursement purposes, including reimbursement of debt issuance costs, One Million Six Hundred Thousand Dollars (\$1,600,000) which debt may be issued in one or more series and/or together with debt for other purposes.

(4) A reimbursement allocation of the expenditures described in paragraph (2) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the

expenditure is paid, or (ii) the date the Project are placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the debt to be issued for the Project to reimburse the City for a capital expenditure made pursuant to this Resolution.

(5) The expenditures for the Project are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of "placed in service" under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

(6) No proceeds of the borrowing paid to the City in reimbursement pursuant to this Resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in paragraph (4) above.

2. This declaration is executed to indicate the intent of the City only, and does **NOT** bind the City to acquire and construct any improvements or to issue any bonds or other obligations of the City.

3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

Sandra Bird, Clerk-Treasurer

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Marshall, County of Calhoun, State of Michigan, at a Regular meeting held on August 20, 2012 at 7:00 o'clock p.m., prevailing Eastern Time, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

Sandra Bird, Clerk-Treasurer



July 25, 2012

Mr. Carl E. Fedders, P.E.
Director of Public Services
City of Marshall
323 West Michigan Avenue
Marshall, MI 49068

Re: Proposal for Professional Services
FY 2012 Storm Water Improvements

Dear Carl:

Fishbeck, Thompson, Carr & Huber, Inc. (FTC&H) is pleased to submit this proposal for design phase services for the following storm water projects in the City of Marshall (City):

- Union and North Mulberry Streets
- Allen and O'Keefe Roads
- Michigan Avenue (I-94 BL)
- Ketchum Park Culvert over Rice Creek

Specifically our scope of services are itemized as follows:

SCOPE OF SERVICES

Topographic Survey

We will utilize our topographic survey information from the Drainage Study completed in March 2011. We will supplement this information with a detailed topographic survey along the route of the proposed improvements, including the undersized storm crossing at Michigan Avenue. We have determined that additional detailed topographical survey will be required for the Rice Creek culvert. Four days of survey crew time are budgeted for this task.

Geotechnical Investigation

A total of two soil borings to a depth of 10 feet below the bottom of the culvert are proposed at the entrance drive to Ketchum Park at each end of the culvert.

A series of three double-ring infiltrometer tests are proposed at the infiltration depth in "Deadmans" per standard storm water guidelines.

Final Design Calculations

Final design calculations will be performed in conformance with City standards and include:

- Final sizing and grades and location of storm sewer, manholes, and catchbasins
- Earthwork and volume calculations
- Material selection
- Confirmation of design discharges and 100-year floodplain elevation for Rice Creek
- Calculation of bankfull width and depth for Rice Creek
- Sizing, length, grade, and alignment of the culvert
- Selection of culvert end treatment

5913 Executive Dr.
Suite 100
Lansing, MI
48911
ph: 517.882.0383
fax: 517.882.0388
www.ftch.com

Utility and Agency Coordination

The proposed work will be coordinated with existing utilities and the Michigan Department of Transportation (MDOT).

Drawings and Specifications

We anticipate bidding the work as two separate contracts divided as follows:

Contract 1: Union and North Mulberry Streets; Allen and O'Keefe Roads; Michigan Avenue (I-94 BL) with individual bid items for the Michigan Avenue work to facilitate cost sharing by MDOT.

Contract 2: Ketchum Park Culvert over Rice Creek

We will prepare construction drawings for each contract consisting of a cover sheet, notes and legend sheet, plan and profile sheets, and necessary detail sheets.

We will prepare construction specifications and front-end documents to produce a clear, concise bid package for each contract. Contract documents will include requirements from funding agencies.

Permits

MDEQ/USACE Joint Permit

A Michigan Department of Environmental Quality (MDEQ) and U.S. Army Corps of Engineers (USACE) Joint Permit will be required for the culvert installation on Rice Creek under Part 301 Inland Lakes and Streams and Part 31 Floodplain and Water Resource Protection. A pre-application meeting onsite with the MDEQ is recommended to determine specific district requirements (will twin culverts be permitted, need for gravel bottom, etc.). A permit application will be completed and submitted on behalf of the City. An estimated permit fee of \$2,200, including pass-through costs, is included in this proposal. If the permit cost differs from this amount, a credit or increase in budget will be provided/requested. One round of revisions are included in this scope of services.

Soil Erosion and Sedimentation Control Permit

Drawings will include reference to the MDEQ Unified Keying system for SESC. We will apply for an SESC permit from the County Enforcing Agency (CEA). An estimated permit fee of \$1,300, including pass-through costs, is included in this proposal to obtain a SESC permit for each contract. If the permit cost differs from this amount, a credit or increase in budget will be provided/requested.

National Pollutant Discharge Elimination System (NPDES) Construction Permit-by-Rule

A Notice of Coverage (NOC) is required for sites with an earth disturbance of 5 acres or more with discharge of storm water to waters of the state, either directly or through a storm sewer. An estimated permit fee of \$500, including pass-through costs, is included in this proposal to obtain an NOC for Contract 1. If the permit cost differs from this amount, a credit or increase in budget will be provided/requested.

Final Cost Estimate

We will perform a quantity take-off from the drawings and prepare a final, detailed estimate of construction cost.

Bid Package Distribution

An Advertisement for Bid will be provided to your office for publication.

We propose to utilize PlanCommand, our electronic online bid distribution site, to administer the bidding process. PlanCommand allows contractors to easily request and purchase bid sets, provides a current plan-holders list, and all the necessary bidding details. Bidders will be charged for the cost of bid documents.

We will issue any necessary addenda.

Bidding and Recommendations

We will attend the bid opening, review and tabulate contractor bids, check references, and recommend award to the lowest responsive, responsible bidder. We typically bring a laptop computer to the bid opening so bids can be tabulated and checked immediately after the opening. We will issue a tabulation of bids and return bid security of all but the three lowest bidders within seven days of the bid opening. We will also process the Notice of Award for your office to execute.

Meetings

We have included a total of two meetings with your office (in addition to attending the bid opening).

- Preliminary design review meeting.
- Final design review meeting prior to bidding.

SCHEDULE

FTC&H staff is ready to begin work immediately upon receiving authorization to proceed and will complete the work for an early 2013 bid letting and 2013 construction.

BUDGET

Our estimated budget to complete the referenced scope of work is itemized as follows:

Project	Budget
Union and North Mulberry Streets (includes geotech)	\$15,700
Allen and O'Keefe Roads	\$11,300
Michigan Avenue (I-94 BL)	\$ 7,800
Ketchum Park Culvert over Rice Creek (includes MDEQ permit and soil borings)	\$14,300
TOTAL	\$49,100

We will invoice at our standard hourly billing rates for actual time and reimbursable expenses only and will not exceed this amount without prior authorization from the City.

Attached is our Professional Services Agreement. If you concur with our scope of services, please sign in the space provided and return the executed contract to the attention of Ms. Susan Pohlad (skpohlad@ftch.com). This proposal is made subject to the attached Terms and Conditions for Professional Services. Invoices will be submitted every four weeks and payment is due upon receipt.

We sincerely appreciate your continued confidence in our services and look forward to assisting the City with this project. If you have any questions or require additional information, please do not hesitate to contact me at (616) 464-3947.

Sincerely,

FISHBECK, THOMPSON, CARR & HUBER, INC.

Claire E. Schwartz, P.E.

skp
Attachments
By e-mail



Professional Services Agreement

Project Name FY 2012 Storm Water Improvements
FTC&H Contact Claire E. Schwartz, P.E.
Client City of Marshall
Client Contact Mr. Carl Fedders
Address 323 West Michigan Avenue, Marshall, MI 49068

hereby requests and authorizes Fishbeck, Thompson, Carr & Huber, Inc. (FTC&H) to perform the following services:

SCOPE OF SERVICES:

Professional engineering services described in FTC&H proposal letter dated July 25, 2012.

AGREEMENT. The Agreement consists of this page and the documents that are checked:

- Terms and Conditions for Professional Services, attached.**
- Proposal dated July 25, 2012**
- Other:**

1515 Arboretum Dr., SE
 Grand Rapids, MI
 49546
 ph: 616.575.3824
 fax: 616.575.8155
 www.ftch.com

METHOD OF COMPENSATION:

- Lump Sum for Defined Scope of Services**
- Hourly Billing Rates plus Reimbursable Expenses**
- Other:**

Budget for above Scope of Services:

Forty-Nine Thousand and One Hundred Dollars (\$49,100).

ADDITIONAL PROVISIONS (IF ANY):

None.

Approved for:
 City of Marshall

Accepted for:
 Fishbeck, Thompson, Carr & Huber, Inc.

By: _____

By: _____

Title: _____

Title: Senior Vice President

Contract Date: _____

Date: July 25, 2012

TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES

1. **METHOD OF AUTHORIZATION.** CLIENT may authorize FTC&H to proceed with work either by signing a Professional Services Agreement or by issuance of an acknowledgment, confirmation, purchase order, or other communication. Regardless of the method used, these Terms and Conditions shall prevail as the basis of CLIENT's authorization to FTC&H. Any CLIENT document or communication in addition to or in conflict with these Terms and Conditions is rejected.
2. **CLIENT RESPONSIBILITIES.** CLIENT shall provide all criteria and full information as to requirements for the Project and designate in writing a person with authority to act on CLIENT's behalf on all matters concerning the Project. If FTC&H's services under this Agreement do not include full-time construction observation or review of Contractor's performance, CLIENT shall assume responsibility for interpretation of contract documents and for construction observation, and shall waive all claims against FTC&H that may be in any way connected thereto.
3. **HOURLY BILLING RATES.** Unless stipulated otherwise, CLIENT shall compensate FTC&H at hourly billing rates in effect when services are provided by FTC&H employees of various classifications.
4. **REIMBURSABLE EXPENSES.** Those costs incurred on or directly for CLIENT's Project. Reimbursement shall be at FTC&H's current rate for mileage for service vehicles and automobiles, special equipment, and copying, printing, and binding. Reimbursement for commercial transportation, meals, lodging, special fees, licenses, permits, insurances, etc., and outside technical or professional services shall be on the basis of actual charges plus 10 percent.
5. **OPINIONS OF COST.** Any opinions of probable construction cost and/or total project cost provided by FTC&H will be on a basis of experience and judgment, but since it has no control over market conditions or bidding procedures, FTC&H cannot warrant that bids or ultimate construction or total project costs will not vary from such estimates.
6. **PROFESSIONAL STANDARDS; WARRANTY.** The standard of care for services performed or furnished by FTC&H will be the care and skill ordinarily used by members of FTC&H's profession practicing under similar circumstances at the same time and in the same locality. FTC&H makes no warranties, express or implied, under this Agreement or otherwise, in connection with FTC&H's services.
7. **TERMINATION.** Either CLIENT or FTC&H may terminate this Agreement by giving ten days' written notice to the other party. In such event, CLIENT shall pay FTC&H in full for all work previously authorized and performed prior to the effective date of termination, plus (at the discretion of FTC&H) a termination charge to cover finalization work necessary to bring ongoing work to a logical conclusion. Such charge shall not exceed 30 percent of all charges previously incurred. Upon receipt of such payment, FTC&H will return to CLIENT all documents and information which are the property of CLIENT.
8. **SUBCONTRACTORS.** FTC&H may engage subcontractors on behalf of CLIENT to perform any portion of the services to be provided by FTC&H hereunder.
9. **PAYMENT TO FTC&H.** Invoices will be issued every four weeks, payable upon receipt, unless otherwise agreed. Interest of 1 percent per four-week period will be payable on all amounts not paid within 28 days from date of invoice, payment thereafter to be applied first to accrued interest and then to the principal unpaid amount. Any attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by CLIENT.
 CLIENT agrees to pay on a current basis, in addition to any proposal or contract fee understandings, all taxes including, but not limited to, sales taxes on services or related expenses which may be imposed on FTC&H by any governmental entity.
 If CLIENT directs FTC&H to invoice another, FTC&H will do so, but CLIENT agrees to be ultimately responsible for FTC&H's compensation until CLIENT provides FTC&H with that third party's written acceptance of all terms of this Agreement and until FTC&H agrees to the substitution.
 In addition to any other remedies FTC&H may have, FTC&H shall have the absolute right to cease performing any basic or additional services in the event payment has not been made on a current basis.
10. **HAZARDOUS WASTE.** FTC&H has neither created nor contributed to the creation or existence of any hazardous, radioactive, toxic, irritant, pollutant, or otherwise dangerous substance or condition at any site, and its compensation hereunder is in no way commensurate with the potential risk of injury or loss that may be caused by exposure to such substances or conditions. FTC&H shall not be responsible for any alleged contamination, whether such contamination occurred in the past, is occurring presently, or will occur in the future, and the performance of services hereunder does not imply risk-sharing on the part of FTC&H.
11. **LIMITATION OF LIABILITY.** To the fullest extent permitted by law, FTC&H's total liability to CLIENT for any cause or combination of causes, which arise out of claims based upon professional liability errors or omissions, whether based upon contract, warranty, negligence, strict liability, or otherwise is, in the aggregate, limited to the greater of \$50,000 or the amount of the fee earned under this Agreement.

To the fullest extent permitted by law, FTC&H's total liability to CLIENT for any cause or combination of causes, which arise out of claims for which FTC&H is covered by insurance other than professional liability errors and omissions, whether based upon contract, warranty, negligence, strict liability, or otherwise is, in the aggregate, limited to the total insurance proceeds paid on behalf of or to FTC&H by FTC&H's insurers in settlement or satisfaction of CLIENT's claims under the terms and conditions of FTC&H's insurance policies applicable thereto.

Higher limits of liability may be considered upon CLIENT's written request, prior to commencement of services, and agreement to pay an additional fee.

12. **DELEGATED DESIGN.** CLIENT recognizes and holds FTC&H harmless for the performance of certain components of the Project which are traditionally specified to be designed by the Contractor.

13. **INSURANCE.** CLIENT shall cause FTC&H and FTC&H's consultants, employees, and agents to be listed as additional insureds on all commercial general liability and property insurance policies carried by CLIENT which are applicable to the Project. CLIENT shall also provide workers' compensation insurance for CLIENT's employees. CLIENT agrees to have their insurers endorse these insurance policies to reflect that, in the event of payment of any loss or damages, subrogation rights under this Agreement are hereby waived by the insurer with respect to claims against FTC&H.

Upon request, CLIENT and FTC&H shall each deliver to the other certificates of insurance evidencing their coverages.

CLIENT shall require Contractor to purchase and maintain commercial general liability and other insurance as specified in the contract documents and to cause FTC&H and FTC&H's consultants, employees, and agents to be listed as additional insureds with respect to such liability and other insurance purchased and maintained by Contractor for the Project. Contractor must agree to have their insurers endorse these insurance policies to reflect that, in the event of payment of any loss or damages, subrogation rights under this Agreement are hereby waived by the insurer with respect to claims against FTC&H.

14. **INDEMNIFICATION.** FTC&H will defend, indemnify, and hold CLIENT harmless from any claim, liability, or defense cost for injury or loss sustained by any party from exposures to the extent caused by FTC&H's negligence or willful misconduct. CLIENT agrees to defend, indemnify, and hold FTC&H harmless from any claim, liability, or defense cost for injury or loss sustained by any party from exposures allegedly caused by FTC&H's performance of services hereunder, except for injury or loss to the extent caused by the negligence or willful misconduct of FTC&H. These indemnities are subject to specific limitations provided for in this Agreement.

15. **CONSEQUENTIAL DAMAGES.** CLIENT and FTC&H waive consequential damages for claims, disputes, or other matters in question relating to this Agreement including, but not limited to, loss of business.

16. **LEGAL EXPENSES.** If either CLIENT or FTC&H makes a claim against the other as to issues arising out of the performance of this Agreement, the prevailing party will be entitled to recover its reasonable expenses of litigation, including reasonable attorney's fees. If FTC&H brings a lawsuit against CLIENT to collect invoiced fees and expenses, CLIENT agrees to pay FTC&H's reasonable collection expenses including attorney fees.

17. **OWNERSHIP OF WORK PRODUCT.** FTC&H shall remain the owner of all drawings, reports, and other material provided to CLIENT, whether in hard copy or electronic media form. CLIENT shall be authorized to use the copies provided by FTC&H only in connection with the Project. Any other use or reuse by CLIENT or others for any purpose whatsoever shall be at CLIENT's risk and full legal responsibility, without liability to FTC&H. CLIENT shall defend, indemnify, and hold harmless FTC&H from all claims, damages, losses, and expenses, including attorney's fees arising out of or resulting therefrom.

18. **ELECTRONIC MEDIA.** Data, reports, drawings, specifications, and other material and deliverables may be transmitted to CLIENT in either hard copy, digital, or both formats. If transmitted electronically, and a discrepancy or conflict with the electronically transmitted version occurs, the hard copy in FTC&H's files used to create the digital version shall govern. If a hard copy does not exist, the version of the material or document residing on FTC&H's computer network shall govern. FTC&H cannot guarantee the longevity of any material transmitted electronically nor can FTC&H guarantee the ability of the CLIENT to open and use the digital versions of the documents in the future.

19. **GENERAL CONSIDERATIONS.** CLIENT and FTC&H each are hereby bound and the partners, successors, executors, administrators, and legal representatives of CLIENT and FTC&H are hereby bound to the other party to this Agreement and to the partners, successors, executors, administrators, and legal representatives (and said assigns) of such other party, in respect of all covenants, agreements, and obligations of this Agreement.

Neither CLIENT nor FTC&H shall assign this Agreement without the written consent of the other.

Neither CLIENT nor FTC&H will have any liability for nonperformance caused in whole or in part by causes beyond FTC&H's reasonable control. Such causes include, but are not limited to, Acts of God, civil unrest and war, labor unrest and strikes, acts of authorities, and events that could not be reasonably anticipated.

This Agreement shall be governed by the law of the principal place of business of FTC&H.

This Agreement constitutes the entire agreement between CLIENT and FTC&H and supersedes all prior written or oral understandings. This Agreement may only be amended, supplemented, modified, or canceled by a duly executed written instrument.

END OF TERMS AND CONDITIONS FOR PROFESSIONAL SERVICES



ADMINISTRATIVE REPORT
August 20, 2012 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council

FROM: Carl Fedders, Director of Public Services
Michael Hackworth, DPW Superintendent
Tom Tarkiewicz, City Manager

SUBJECT: Chapel Building Lease Agreement

BACKGROUND: In July, the City of Marshall approached the Marshall Community Foundation (MCF) about the possibility of occupying the Chapel Building which has stood vacant for a number of years. City staff met with MCF staff and board members a number of times to discuss arrangements which would be beneficial to the city, the foundation, and the community.

The fiscal year 2013 budget has \$25,000 set aside for repairs to the roof, which have already begun. It is staff's intention to use any savings from that contract to fund other necessary improvements prior to occupancy. These include some plaster repair, painting, and parking lot improvements.

The agreement will be for a two year period with a monthly rent payment of \$200. MCF will be responsible for the utilities and the City of Marshall will continue to provide landscaping and snow and ice removal.

RECOMMENDATION: It is recommended that the City Council authorize the Clerk Treasurer to sign the Chapel Building Lease with the Marshall Community Foundation.

FISCAL EFFECTS: General Fund, Chapel Department, Utilities-Gas expenditure line item 101-226-921.00 and Utilities-Electric 101-226-922.00 expenditure line item will be reduced by approximately \$1,000 and the General Fund Rents revenue line item 101-000-667 will be increased by \$2,400. The budget amendment will be requested through the year-end budget amendment process.

ALTERNATIVES: As suggested by the Council.

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

Respectfully submitted,

Carl Fedders
Director of Public Services

Tom Tarkiewicz
City Manager

CHAPEL BUILDING LEASE

The City of Marshall, a Michigan municipality of 323 W. Michigan Avenue, Marshall, Michigan, the “Lessor”, and The Marshall Community Foundation, a Michigan non-profit corporation with a registered address of 1200 W. Michigan Avenue, Marshall, Michigan, the “Lessee”, enter into this lease subject to the following conditions:

1. Premises. The Lessor leases to the Lessee the real property and improvements located at 614 Homer Road, Marshall, Michigan which is commonly known as The Chapel Building.
2. Term. The term of this lease shall be two (2) years, commencing on _____
_____ 2012. The lease may be renewed or modified on the written consent of both parties. Lessor will allow Lessee access to the premises upon the execution of this lease agreement by both parties, at no additional rent.
3. Rent. The Lessee shall pay monthly rent in advance to the City in the amount of \$200.00 on the _____ day of _____, 2012 and a like amount on the _____ day of each month thereafter for the full term of the Lease. If the leases commences on a day other than the first day of any calendar month, then Lessee shall pay \$6.67 per day for the remainder of the month in which the Lessee actually begins to conduct its regular operations at the premises.
4. Signs. All signs placed on the premises shall be in keeping with the character and decor of the premises and shall comply with local zoning requirements.
5. Acceptance of occupancy. The Lessee accepts the premises as they are, subject to Lessor’s obligations to repair of the roof, repair plaster in the conference room, provide access to the basement, and limited interior painting.
6. Vacation of the premises. The Lessee shall not vacate or abandon the premises during the term of this lease or any renewal. If the Lessee does abandon or vacate the premises or is dispossessed by process of law or otherwise, any of the Lessee's personal property that is left on the premises more than thirty days shall be deemed abandoned by the Lessee, at the option of the Lessor.
7. Use. The premises are to be used and occupied by the Lessee for office purposes and associated uses. Under no circumstances shall the premises be used for retail sales or residential purposes. No activities shall be conducted on the premises that do not comply with all state and local laws.

8. Maintenance. The Lessor shall be responsible for maintaining the premises in good and safe condition, and compliance with all building codes and requirements. Lessor's responsibilities shall include but not be limited to: Providing internet access, snow plowing and de-icing of driveway and parking lot, Alarm system and maintenance (Lessee to provide call-assistance), landscaping mowing and grounds maintenance.
9. Lessee's Responsibilities. Lessee shall be responsible for the payment of all utilities to the premises. Lessee shall also be responsible for snow removal from sidewalk and steps, cleaning and garbage service, and signage.
10. Entry and inspection. The Lessee shall permit the Lessor or the Lessor's agents to enter the premises at reasonable times and with reasonable notice, to inspect and repair the premises.
11. Assignment and subletting. Lessor acknowledges that the Marshall office of the United Way will share space on the premises with Lessee, at no additional cost payable to Lessor. The Lessee may not assign its interest in this Lease without the prior written approval of the Lessor. The Lessee shall not sublease any portion of the premises without prior approval in writing from the Lessor. No sublease of any portion of the premises will serve to excuse the Lessee's performance under the terms of this agreement.
12. Fixtures on the Premises. All movable fixtures and movable equipment installed by the Lessee in connection with the operations it conducts on the premises shall remain the property of the Lessee and shall be removed when this lease expires. The Lessee shall restore the premises to their original condition upon entering into this lease, including repairing any damage caused by the removal of any fixtures or equipment.
13. The Lessee's liability. Lessee's personal property, including moveable fixtures and equipment, shall be kept at Lessee's sole risk and Lessor shall not be responsible for any loss or damage to such personal property not occasioned by any act or negligence of Lessor or Lessor's agents.
14. Destruction of the premises. If the premises are totally destroyed through no fault of the Lessee or if the premises cannot be repaired and restored within 180 days, either party may terminate this lease effective the date of the destruction by giving the other party written notice of termination within 10 days after the determination that restoration cannot be accomplished. If such a notice is given within that time period, this lease shall terminate and rent shall be adjusted between the parties at the date of the destruction of the premises.

If the premises are deemed to be restorable and the aforementioned notice is not given, the lease shall continue with rent adjustment for the period of days that Lessee's full use of the premises was limited by such repair and restoration.

15. Indemnity. The Lessor and Lessee agree mutually agree to waive their rights of subrogation against the other for any liability, loss, damage, cost, or expense (including attorney fees) based on any claim, demand, suit, or action by any party with respect to any personal injury (including death) or property damages, from any cause, except for liability resulting from the negligence, intentional acts or gross negligence of the Lessee or Lessor or their employees, agents, invitees, or business visitors.
16. Default and reentry. If the Lessee fails to pay rent when due; if the Lessee fails to perform any other obligations under this agreement within 10 days after receiving written notice of the default from the Lessor the Lessor may terminate this lease, reenter the premises, and seek to relet the premises on whatever terms the Lessor thinks advisable. Notwithstanding reentry by the Lessor, the Lessee shall continue to be liable to the Lessor for rent owed under this lease and for any rent deficiency that results from reletting the premises during the term of this lease.
17. Notices. Any notices required under this lease shall be in writing and served in person or sent by registered or certified mail, return receipt requested, to the addresses of the parties stated in this lease or to such other addresses as the parties substitute by written notice. Notices shall be effective on the date of the first attempted delivery.
18. The Lessee's possession and enjoyment. As long as the Lessee pays the rent as specified in this lease and performs all its obligations under this lease, the Lessee may peacefully and quietly hold and enjoy the premises for the term of this lease.
19. Lessor's Personal Property. Lessee shall upon the termination of this lease return to Lessor all of Lessor's personal property which is located at the premises upon the commencement of this lease. A partial list of such personal property is attached as **Addendum #1**.
20. Holding over. If the Lessee does not vacate the premises at the end of the term of this lease, and the parties do not enter into any renewal or subsequent Lease Agreement, the current terms and conditions of this lease shall extend on a month-to-month basis until a renewal is agreed upon or Lessee vacates.

- 21. Entire agreement. This agreement contains the entire agreement of the parties with respect to its subject matter. This agreement may not be modified except by a written document signed by the parties.
- 22. Waiver. The failure of the Lessor to enforce any condition of this lease shall not be a waiver of its right to enforce every condition of this lease. No provision of this lease shall be deemed to have been waived unless the waiver is in writing.
- 23. Time is the essence. Time is the essence in the performance of this lease.

Lessor
City of Marshall Michigan

Lessee
The Marshall Community Foundation

By: _____
Sandra Bird
Its: Clerk Treasurer

By: _____
Its: _____

Drafted by:
Paul K. Beardslee (P42177)
Beardslee Law Offices
206 S. Kalamazoo Ave.
Marshall, MI 49068
(269) 781-5193

Addendum #1 – Personal Property List

Lessee acknowledges that the following items are, and shall remain, property of the Lessor:

- 1.
- 2.
- 3.
- 4.



ADMINISTRATIVE REPORT
August 20, 2012 – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Barbara Rosene, Marshall DDA/MainStreet
Tom Tarkiewicz, City Manager

SUBJECT: Proposed Establishment of a Redevelopment Project Area

BACKGROUND: In 2006 the State of Michigan enacted Public Act 501 permitting downtowns to establish Redevelopment Project Areas allowing downtown businesses to obtain liquor licenses when others are either not available or cost is prohibitive. One license can be issued for every \$200,000 of public/private investment made over a three year period of time. In addition, the proposed business must expend at least \$75,000 in improvements, not including purchase of property and pay \$20,000 for the license. The license is not owned by the business. Should the business cease, the license would be terminated. The business must apply for this type of liquor license just like any other liquor license (same application). The State of Michigan has offered this to downtowns as an economic development tool.

We have had some challenges in getting a clear picture of exactly how much public/private dollars have been expended over the last 3 fiscal years due to the changes in assessing firms. Therefore, after talking with the Michigan LLC we are only submitting dollars for three projects that total over \$24 million. I will also be working with others in developing an application process for these licenses.

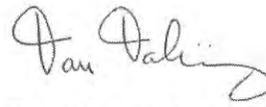
RECOMMENDATION: We would recommend the approval of the resolution establishing the Downtown Redevelopment Project Area.

FISCAL EFFECTS: None at this time.

ALTERNATIVES: As suggested by Council.

Respectfully Submitted,


Barbara Rosene
Marshall DDA/Main Street


Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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f 269.781.3835

cityofmarshall.com

**CITY OF MARSHALL, MICHIGAN
RESOLUTION NO. __
DOWNTOWN REDEVELOPMENT PROJECT AREA**

WHEREAS, the City of Marshall certifies that the Marshall Downtown Development Authority was established pursuant to Public Act 197 of the Public Acts of Michigan of 1975, and with the City of Marshall Ordinance number 2.24 dated August 3, 1981; and

WHEREAS, the City of Marshall wishes to establish the Marshall Downtown Development Authority Area as its redevelopment project area as required in Public Act 501 of the Public Acts of 2006; and

WHEREAS, the legal description for the Downtown Development Authority Area and the newly designated redevelopment project area is attachment #1; and

WHEREAS, attachment #2 is a map outlining the Downtown Development Authority Area and newly designated redevelopment project area;

NOW, THEREFORE BE IT RESOLVED, the City of Marshall by copies of this resolution submits this document with attachments to the Michigan Liquor Control Commission in compliance of its regulations to establish a redevelopment project area for purposes of securing liquor licenses under Public Act 501 of the Public Acts of 2006.

Ayes:

Nayes:

Resolution Declared Adopted

Sandra Bird, Clerk-Treasurer

I, Sandra Bird, being duly sworn as the Clerk-Treasurer for the City of Marshall, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on August 6, 2012 and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available.

Sandra Bird, Clerk-Treasurer

Attachment #1 Legal Description Marshall DDA Area

SECTION 2 - 79 Downtown District; Boundaries Designated

Beginning at the intersection of the centerline of North Kalamazoo Avenue and West Mansion Street; thence Easterly along the centerline of West Mansion Street to the centerline of Marshall Avenue; thence Southerly along the centerline of Marshall Avenue to the centerline of East Green Street; thence Westerly along the centerline of East Green Street to the centerline of South Sycamore Street; thence Northerly along the centerline of South Sycamore Street to the centerline of West Michigan Avenue; thence Easterly along the centerline of West Michigan Avenue to the centerline of Kalamazoo Avenue; thence Northerly along the centerline of Kalamazoo Avenue to the place of beginning, and also including the property described below, excepting therefrom all buildings owned by the State or Federal governments and also excepting therefrom all residential and multi-family dwellings, unless specifically referenced hereinafter.

Part. Of Sec. 25, T2S-R6W. Beg 12 Rods W of NW cor of Mansion & High Sts. - W to NE cor of Madison & Mansion Sts. - N to SE cor Madison and Prospect Sts. - E to pt due N of Beg - S to beg.

Part of Sec. 25, T2S-R6W. Beg at NW cor Mansion & High St. - W 8 rods - N 8 rods - E 8 rods - S 8 rods to Beg.

Part of Sec. 25, T2S-R6W. Beg on N line Mansion directly N of E li Jefferson St. extended - E 4 rods - N 12 rods - W 4 rods - S 12 rods to beg.

Lower Village. E 4 Rods of S 5 Rods of lot 10, Block 12.

Upper Village. Lots 40, 17, 18, 19

Upper Village. S 41.5 ft of E 54 ft of lot 31.

Upper Village. Lot 226

Upper Village. E 72.1 ft of lot 228.

Lower Village. Beg SE cor lot 5 - W88 ft - N 66 ft - W 11 ft - N 16 ft - E 99.38 ft - S to beg. Block 15

Lower Village. Block 13 North ½ of Lot 1, West 24 feet of North ½ of lot 2.

Lower Village. Block 25 Lot 5 except the East 6 feet of the North 66 feet. Also beginning 1 foot East of the Southwest corner of Lot 5; South 1.6 feet; East 30.7 feet; North 1.6 feet; West to the point of beginning.

Lower Village. Block 23 North 40 feet of Lot 8.

Lower Village. Block 25, Lots 3 and 4.

Lower Village. Block 15, North 50 feet of West 53.9 feet of Lot 4. North 3 feet of South 16 Feet of West 33 Feet of Lot 4.

Part Sec 25 T2S R6W Mansion St - N side W-1 lot com on N Line Mansion St 8 Rods W of W line of High St, W 4 Rods, N 8 Rods, E 4 Rods, S 8 Rods to beg.



ADMINISTRATIVE REPORT
August 20, 2012 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Sandra Bird, Clerk-Treasurer
Tom Tarkiewicz, City Manager

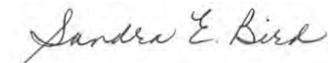
SUBJECT: 4th Quarter Investment Portfolio Report

BACKGROUND: Public Act 213 of 2007 requires local governments to perform their investment reporting quarterly to the governing body. The investments in the portfolio conform to the Investment Policy, approved June 3, 2002. The City's comprehensive written policy has been given the Association of Public Treasurers of the United States and Canada Investment Policy Certification.

The weighted average earnings yield of the portfolio for investments held and/or maturing from July 1, 2011 through February 21, 2013, was .828%. The weighted average of pooled cash as of June 30, 2012 was 0.455%. The weighted average of all investments during the fiscal year, including pooled cash, was 0.658%. The City's portfolio consisted of certificate of deposits and pooled cash. The duration of investments typically range from 60-day CD's to 2-year CD's, which is consistent with the investment policy. The duration is dependent on the time of the year and cash flow needs. The past 2-year purchases have been for less than 2-year duration terms due to low market rates. The portfolio represents diversification by institution as well as by investment type, to the extent possible.

RECOMMENDATION: It is recommended the report be accepted in the form presented.

Respectfully submitted,



Sandra Bird
Clerk-Treasurer



Tom Tarkiewicz
City Manager

**City of Marshall, Michigan
INVESTMENT PORTFOLIO
June, 2012**

Maturity Date	Investment	Purchase Date	Maturity Amount	Ref.	Current Value	Yield to Maturity	Average Interest Rate	Broker/ Bank	Investment Type	Rating
07/18/11	Southern Michigan Bank & Trust	12/18/09	\$ 100,000.00		\$ 100,000.00	1.754%	0.023%	SMBT	CD	
07/21/11	CDARS-Flagstar	04/21/11	\$ 411,941.36		\$ 411,941.36	0.350%	0.019%	FB	CD	
07/26/11	CD-Flagstar	01/25/10	\$ 500,000.00		\$ 500,000.00	1.760%	0.116%	FB	CD	
08/19/11	CD-Flagstar	08/19/10	\$ 400,000.00		\$ 400,000.00	1.400%	0.074%	FB	CD	
08/25/11	CDARS-Flagstar	05/26/11	\$ 304,038.88		\$ 304,038.88	0.350%	0.014%	FB	CD	
10/17/11	Chemical Bank - CD	10/17/10	\$ 96,666.26		\$ 96,666.26	1.190%	0.015%	CB	CD	
10/17/11	Chemical Bank - CD	10/17/10	\$ 96,666.26		\$ 96,666.26	1.190%	0.015%	CB	CD	
10/17/11	Chemical Bank - CD	10/17/10	\$ 94,104.37		\$ 94,104.37	1.190%	0.015%	CB	CD	
11/25/11	CDARS-Flagstar	08/25/11	\$ 304,303.85		\$ 304,303.85	0.450%	0.018%	FB	CD	
12/02/11	National City - CD	12/02/10	\$ 119,877.54		\$ 119,877.54	0.500%	0.008%	NC	CD	
12/18/11	Marshall Community CU	12/18/09	\$ 150,000.00		\$ 150,000.00	1.900%	0.037%	MCCU	CD	
01/19/12	CDARS-Flagstar	07/21/11	\$ 412,300.37		\$ 412,300.37	0.549%	0.030%	FB	CD	
02/16/12	Southern Michigan Bank & Trust	02/16/10	\$ 400,000.00		\$ 400,000.00	2.250%	0.118%	MCCU	CD	
02/20/12	CD-Flagstar	08/19/10	\$ 250,000.00		\$ 250,000.00	0.650%	0.021%	FB	CD	
02/23/12	CDARS-Flagstar	08/25/11	\$ 405,804.80		\$ 405,804.80	0.650%	0.035%	FB	CD	
FY 2012	06/18/12	Monarch Community Bank	06/18/11	\$ 257,548.95	\$ 257,548.95	0.550%	0.019%	MB	CD	
07/18/12	Southern Michigan Bank & Trust	07/18/11	\$ 102,786.76		\$ 102,786.76	0.550%	0.007%	SMBT	CD	
07/19/12	CDARS-Flagstar	01/19/12	\$ 413,429.58		\$ 413,429.58	0.450%	0.024%	FB	CD	
07/26/12	CDARS-Flagstar	07/28/11	\$ 513,482.15		\$ 513,482.15	0.896%	0.060%	FB	CD	
08/23/12	CDARS-Flagstar	02/23/12	\$ 256,779.19		\$ 256,779.19	0.450%	0.015%	FB	CD	
10/17/12	Chemical Bank - CD	10/17/11	\$ 97,822.88		\$ 97,822.88	0.500%	0.006%	CB	CD	
10/17/12	Chemical Bank - CD	10/17/11	\$ 97,822.88		\$ 97,822.88	0.500%	0.006%	CB	CD	
10/17/12	Chemical Bank - CD	10/17/11	\$ 95,230.34		\$ 95,230.34	0.500%	0.006%	CB	CD	
12/06/12	CDARS-Flagstar	12/08/11	\$ 1,324,072.28		\$ 1,324,072.28	0.550%	0.096%	FB	CD	
FY 2013	02/21/13	CDARS-Flagstar	02/23/12	\$ 407,117.94	\$ 407,117.94	0.550%	0.029%	FB	CD	
				\$ 7,611,796.64	a) \$ 3,308,544.00		0.828%			

(Total Includes Matured Investments since 7/1/10)

Pooled Cash:

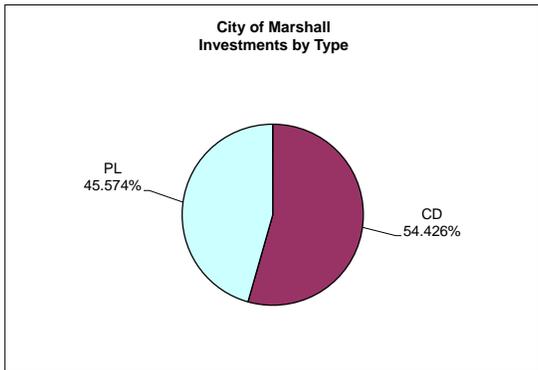
N/A	Bank of America Cash	N/A	N/A	\$ 101,264.95	0.000%	0.000%	BofA	PL	***	
N/A	MBIA Class Account	N/A	N/A	\$ 576,686.25	0.694%	0.144%	MA	PL		
N/A	Comerica	N/A	N/A	\$ -	0.000%	0.000%	CO	PL		
N/A	Comerica	N/A	N/A	\$ -	0.000%	0.000%	CO	PL		
N/A	UBS Financial Services	N/A	N/A	\$ -	0.000%	0.000%	UBS	PL		
N/A	Monarch Bank	N/A	N/A	\$ -	0.000%	0.000%	MCB	PL		
N/A	Fifth Third Bank	N/A	N/A	\$ -	0.000%	0.000%	FIFB	PL		
N/A	Flagstar Bank Gov't Banking Checking	N/A	N/A	\$ 390,189.25	0.500%	0.070%	FB	PL		
N/A	Flagstar Bank Liquid Asset Savings	N/A	N/A	\$ 1,215,847.22	0.550%	0.241%	FB	PL		
N/A	SmithBarney (Citigroup)	N/A	N/A	\$ -	0.000%	0.000%	SB	PL		
N/A	Multi-Bank Securities	N/A	N/A	\$ -	0.000%	0.000%	MBS	PL		
N/A	National City Cash	N/A	N/A	\$ -	0.030%	0.000%	NC	PL		
				b) \$ 2,283,987.67						
				c) \$ 5,592,531.67						
N/A	BofA General Checking A/C	N/A	N/A	\$ 486,395.21	0.000%	0.000%	BofA	PL	***	
N/A	BofA Taxes Checking A/C	N/A	N/A	\$ 0.21	0.000%	0.000%	BofA	PL	***	
				d) \$ 486,395.42						

*** Note: Transferred accounts from Fidelity to Checking-0% interest to reduce overall service charges on all Bank of America pooled cash accounts. Estimated annual service charges savings = \$31,000

Pooled Cash b) + d) \$ 2,770,383.09

Grand Total c) + d) \$ 6,078,927.09

0.65800%



Investment Key:

Certificate of Deposit	CD	\$ 3,308,544.00
Pooled Cash	PL	\$ 2,770,383.09
		\$ 6,078,927.09



ADMINISTRATIVE REPORT
August 20, 2012 - CITY COUNCIL MEETING

TO: Honorable Mayor and City Council
FROM: Sandra Bird, Clerk-Treasurer
Tom Tarkiewicz, City Manager
SUBJECT: FY 2013 Mid-Year Budget Amendment:
1) Decrease Workers Compensation
2) Increase Crossing Guard (1) Part-time Position
3) Increase General Fund Expenditures for Council
Actions Approved in June and July, 2012 with funding
Sources of Prior Use of Fund Balance Reserves

BACKGROUND: Public Act 2 of 1968, better known as the Uniform Budgeting and Accounting Act, requires an amendment to the adopted budget when it can be determined that the budget projections will be materially different than originally anticipated. Typically, budget amendments are proposed at the year-end, when the staff reviews the revenues and expenditures in order to develop an amended budget resolution to more closely reflect the actual operational costs and the use of cash reserves.

1) Decrease Workers Compensation Expenditure Budgets: In June, 2012 the City was informed of a decrease in workers compensation rates over the prior year rates. Historical claims (5-year rolling average), prior year payroll and current experience modification rates comprise the calculation for the current year workers compensation costs. The decrease was derived primarily from older claims dropping off the rolling average. The workers compensation budget amendment will decrease the Workers Compensation expenditure budget line items for account 718, as reflected in the following funds:

<u>Fund</u>	<u>Budget Amendment</u>	
101	\$14,104.33	General Fund
202	683.81	MVH Major Roads
203	433.75	MVH Local Roads
208	2,132.47	Recreation
225	789.00	Compost
295	548.45	Airport
298	1,050.94	DDA
536	1,832.84	Marshall House
582	(650.68)	Electric
588	599.91	DART
590	811.64	Waste Water
591	5,038.18	Water
636	146.87	Data Processing
661	<u>1,095.49</u>	Motor Pool
Total	\$28,617.00	Decrease in Workers Compensation Expenditure Budget

2) Increase General Fund Crossing Guard Expenditure Budget for (1) Part-time Crossing Guard Position: At the August 6, 2012 Council Regular meeting, Council authorized to provide increased funding for one part-time Crossing Guard position, eliminated from the FY 2013 Adopted Budget. The budget amendment will increase the General Fund, Crossing Guard Department, Part-time Salaries expenditure by \$4,000. The funding source is provided by offset savings in the General Fund, Police Department workers compensation expenditure budget line item.

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3) Increase General Fund Expenditures for Council Actions Approved in June and July, 2012 with Funding Sources of Prior Use of Fund Balance Reserves: Council approved increased funding for the following items not funded in the FY 2013 budget with the funding source from General Fund Use of Prior Year Fund Balance Reserves:

- a) \$13,798 Architect services for the City/State joint police facility
 - b) \$35,100 Architect services for the fire station
 - c) \$50,000 City's share of the Marshall Area Economic Development Alliance start-up costs
 - d) \$75,000 Leaf collection services
- \$173,898 Total

During the FY 2013 budget development process, staff included \$170,000 expenditure in the General Fund, Non-Department, Transfer to Other Funds budget line item for contribution to the MVH Local Roads Fund road report capital improvements. \$220,000 was also included in the revenue of the MVH Local Roads, Proceeds from Sale of Bonds revenue for road report capital improvements. The budgeted revenue in the MVH Local Road Funds is overstated by \$170,000.

It is recommended the General Fund, Non-Department, Transfer to Other Funds budget line item be decreased by \$170,000 and the savings from the budget amendment will be used to offset the increased expenditures for the Council action items above.

RECOMMENDATION: To adopt the attached resolution to amend the FY 2013 Budget.

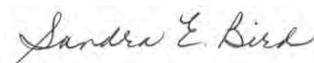
FISCAL EFFECTS: 1) To amend and decrease Workers Compensation expenditure budget line items by (\$28,617) for account 718 in the various funds listed above.

2) To amend and provide increased funding of \$4,000 for the General Fund Crossing Guard Department, Part-time Salaries budget line item 101-316-703.00 for (1) part-time position.

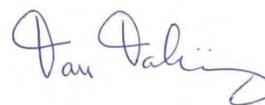
3) To amend and provide increased funding of \$98,898.00 for the General Fund, Non-Department, Contracted Services budget line item 101-294-820.00 for the police and fire buildings architectural services and MAEDA start-up money. To amend and provide increased funding of \$75,000 for the General Fund, Streets Department, Payroll budget line item 101-441-702.00 for leaf collection services. The source of funding will be the decrease of (\$170,000) in the General Fund Non-Department, Transfers to Other Funds expenditure budget line item 101-294-999.00 for the decrease in the contribution to MVH Local Roads Fund.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,



Sandra Bird
Clerk-Treasurer



Tom Tarkiewicz
City Manager

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #12-**

**City of Marshall Authorizing Resolution
To Amend FY 2013 Adopted Budget**

Decrease City-wide Workers Compensation Expenditure Budgets.

WHEREAS, the City was recently informed of a decrease in the projected FY 2013 workers compensation rates resulting from reduced loss claims;

THEREFORE, BE IT RESOLVED, that the following expenditure budgets be decreased by (\$28,617) for the projected net savings in workers compensation costs:

<u>Fund</u>	<u>Budget Amendment</u>	
101	\$14,104.33	General Fund
202	683.81	MVH Major Roads
203	433.75	MVH Local Roads
208	2,132.47	Recreation
225	789.00	Compost
295	548.45	Airport
298	1,050.94	DDA
536	1,832.84	Marshall House
582	(650.68)	Electric
588	599.91	DART
590	811.64	Waste Water
591	5,038.18	Water
636	146.87	Data Processing
661	<u>1,095.49</u>	Motor Pool
Total	\$28,617.00	

Provide Increased Funding for One (1) Crossing Guard Part-time Position.

WHEREAS, City Council authorized at the August 6, 2012 Council Regular meeting increased funding of \$4,000 to fund one (1) part-time crossing guard position, eliminated from the FY 2013 Adopted Budget;

WHEREAS, the position will provide improved safety for the Marshall community;

WHEREAS, the funding source is provided by offset savings in the General Fund, Police Department workers compensation expenditure budget line item;

THEREFORE, BE IT RESOLVED, that the General Fund Crossing Guard Department, Part-time Salaries budget line item 101-316-703.00 be increased by \$4,000 for one (1) part-time crossing guard position.

Provide Increased Funding for Council Actions Approved in June and July, 2012 Council Meetings for Architect Services for the City/State Joint Police Facility, Architect Services for the Fire Station, City's Share of the Marshall Area Economic Development Alliance Start-up Costs and Leaf Collection Services.

WHEREAS, Council approved increased funding for the following items not funded in the FY 2013 budget with the funding source from General Fund Use of Prior Year Fund Balance Reserves:

- a) \$13,798 Architect services for the City/State joint police facility
 - b) \$35,100 Architect services for the fire station
 - c) \$50,000 City's share of the Marshall Area Economic Development Alliance start-up costs
 - d) \$75,000 Leaf collection services
- \$173,898 Total

WHEREAS, during the FY 2013 budget development process, staff included \$170,000 expenditure in the General Fund, Non-Department, Transfer to Other Funds budget line item for contribution to the MVH Local Roads Fund road report capital improvements. \$220,000 was also included in the revenue of the MVH Local Roads, Proceeds from Sale of Bonds revenue for road report capital improvements. The budgeted revenue in the MVH Local Road Funds is overstated by \$170,000;

WHEREAS, the source of funding will be the decrease of (\$170,000) in the General Fund Non-Department, Transfers to Other Funds budget line item 101-294-999.00 for the decrease in the contribution to MVH Local Roads Fund;

THEREFORE, BE IT RESOLVED, that the funding be increased by \$98,898.00 for the General Fund Non-Department, Contracted Services budget line item 101-294-820.00 for the police and fire buildings architectural services and MAEDA start-up money. And that the funding be increased by \$75,000 for the General Fund Streets Department, Payroll budget line item 101-441-702.00 for leaf collection services. The source of funding will be the decrease of (\$170,000) in the General Fund Non-Department, Transfers to Other Funds expenditure budget line item 101-294-999.00 for the decrease in the contribution to MVH Local Roads Fund.

As Amended, August 20, 2012

Sandra Bird, Clerk-Treasurer

I, Sandra Bird, being duly sworn as the Clerk-Treasurer for the City of Marshall, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on August 20, 2012 and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available.

Sandra Bird, Clerk-Treasurer



ADMINISTRATIVE REPORT
August 20, 2012 - CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Tom Tarkiewicz, City Manager

SUBJECT: Appointment to the Local Development Finance Authority

BACKGROUND: According to LDFA by-laws Article II, Section 2, the Board (LDFA) shall consist of eleven members, seven of which shall be appointed by the City Manager of the City of Marshall, subject to the approval of the Marshall City Council. Mike Tuttle has tendered his resignation. His term expires on June 2, 2013. Mark Oerther of Borg Warner Thermal Systems has requested to fill the remaining term.

RECOMMENDATIONS: It is recommended that the City Council approve the appointment of Mark Oerther of Borg Warner Thermal Systems to the Local Development Finance Authority with a term expiring on June 2, 2013 in accordance with Act 281, Public Acts of 1986.

FISCAL EFFECTS: None.

ALTERNATIVES: As suggested by Council.

Respectfully Submitted,

A handwritten signature in blue ink that reads "Tom Tarkiewicz". The signature is written in a cursive style.

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.

Marshall, MI 49068

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cityofmarshall.com

**CITY OF MARSHALL
BOARDS & COMMISSIONS
APPLICATION**

Your interest and willingness to serve the City of Marshall is appreciated. The purpose of this application is to provide the Mayor and Council with basic reference data and information pertaining to residents being considered for appointment to a City board or commission. The information supplied on this form will be available for the Mayor and Council and may be used for their deliberation concerning such appointments.

Date 8-14-12

Please type or print –

Name Mark Oerther

Address 17567 14 mile rd

Home Phone 269-781-8802 Work Phone 269-565-8137

Fax Number 269-565-8200 E-Mail Address moerther@Borgwarner.com

How long have you lived in the City of Marshall? 15 years

Education Masters of Science Primary Personal Interest Family

Please feel free to attach, for example, a resume, brief bio, hobbies, former committee work, etc.

Please indicate your choice(s) –

If you are interested in more than one, designate first choice (1), second choice (2), etc. (Please see reverse for information regarding each board and commission).

- | | |
|---|---|
| <input type="checkbox"/> Airport Board (3 yrs) | <input type="checkbox"/> Parks & Rec Advisory Board (3 yrs) |
| <input type="checkbox"/> Board of Review (2 yrs) | <input type="checkbox"/> Planning Commission (4 yrs) |
| <input type="checkbox"/> District Library Board (3 yrs) | <input type="checkbox"/> Sister City Committee (3 yrs) |
| <input type="checkbox"/> Downtown Development Authority (4 yrs) | <input type="checkbox"/> Zoning Board of Appeals (3 yrs) |
| <input checked="" type="checkbox"/> Local Development Finance Authority (3 yrs) | |