ORDINANCE NO. <u>/07</u>

AN ORDINANCE TO PROVIDE FOR THE OPERATION AND MAINTENANCE OF GRAND TRAVERSE COUNTY SEWAGE DISPOSAL SYSTEM NO. 3 (EAST BAY TOWNSHIP) ON A PUBLIC UTILITY BASIS UNDER THE PROVISIONS OF ACT 94, PUBLIC ACTS OF MICHIGAN, 1933, AS AMENDED.

THE TOWNSHIP OF EAST BAY HEREBY ORDAINS:

Section 1. It is hereby determined to be desirable and necessary for the public health, safety and welfare of the Township of East Bay that the Grand Traverse County Sewage Disposal System No. 3 (East Bay Township) be operated by said Township on a public utility rate basis in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended.

Section 2. Whenever the words "the System" are referred to in this ordinance, they shall be understood to mean the complete Grand Traverse County Sewage Disposal System No. 3 (East Bay Township), including all sewers, pumps, lift stations, flowage rights in interceptors of other systems, treatment facilities or interests therein, and all other facilities used or useful in the collection, treatment and disposal of domestic, commercial or industrial wastes, including all appurtenances thereto and including all extensions and improvements thereto which may hereafter be acquired.

Whenever the words "revenues" and "net revenues" are used in this ordinance, they shall be understood to have the meanings as defined in Section 3, Act 94, Public Acts of Michigan, 1933, as amended.

Section 3. The operation, maintenance, alteration, repair and management of the System shall be under the supervision and control of the Grand Traverse County Board of Public Works, subject to the terms of the contract dated December 10, 1974 between the County of Grand Traverse and the Township of East Bay. Said Board may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System and may make such rules, orders and regulations as it deems advisable and necessary to assure the efficient management and operation of the System, and the Township shall set the rates and charges for the use of the System unless otherwise provided pursuant to said contract.

System shall be as follows:

Rates to be charged for service furnished by the

Sewer Use Charge

Sewer use charges to each single-family residential premises served by the System shall be in the flat amount of \$4.82 per month. Each premises other than a single-family residence shall pay a monthly charge in the foregoing amount multiplied by a factor representing a ratio of sewage use by such class of premises to normal single-family residential sewage use, as set out in Table 1 of Section 15 of this ordinance; provided, however, that the minimum monthly charge to any premises shall be \$4.82. At the option of the Township Board either water or sewage flow metering devices may be installed on premises determined by said Board to be large volume users. If such a device or devices are installed, the cost of such installation shall be borne by the user, and the sewer use charge shall be based upon flowage shown by such device or devices, at a rate of \$.57 per 1,000 gallons.

Benefit and Riser Charge

(a) Prior to the time specified in subsection (b) hereof, there shall be paid on behalf of each single-family residential premises using, directly or

indirectly, any of the sewer lines comprising the System, in cash, at the time of application for the tap permit, the following charges for the purchase of the privilege of using the facilities and receiving the service of the System:

Benefit charge
Riser charge (for
connection from
sewer to property
line if not otherwise paid by
property owner)

\$350.00

\$850.00

plus such sums as will compensate for the cost of making and inspecting the tap; provided, however, that such purchase represented by either or both charges for other than new construction may, at the option of the payor, be paid for over a 20-year period, in equal quarterly installments, upon the giving of such security documents as the Township may require, on a time-price differential basis, at increased amounts, as follows:

Benefit charge Riser charge \$1,715.00 (\$21.44 quarterly) 705.00 (\$ 8.82 quarterly)

and provided further, however, that in the event of such extended payment, the cost of making and inspecting the tap shall be paid, in cash, upon application for the tap permit. Any charges being paid on a time-price differential basis may be satisfied in full, but only on any anniversary date of the first quarterly payment, by payment of such percentage of the above increased amounts as is shown in Table 2 of Section 15 of this ordinance.

(b) Upon the expiration of eighteen (18) months following the first day of the calendar month after publication of a notice by the Township in a newspaper of general circulation in the Township announcing that the entire System as presently constituted is completed and available for use, any application for a permit to tap a single-family residential premises, directly or indirectly, into any sewer lines of the System shall be accompanied by payment, in cash, of charges for the aforesaid purchase, in the following amounts:

Benefit charge

\$1,370.00

Riser charge 525.00

plus such sums as will compensate for the cost of making and inspecting the tap.

(c) Premises other than single-family residences

shall pay the above benefit charges in the appropriate amounts specified above, multiplied by the factors provided for in Table 1 of Section 15 of this ordinance; provided, however, that the minimum charges shall be the amounts set out above for benefit and riser charges for the applicable time periods. Riser charges in appropriate amounts will be paid in multiples of the number of sewer risers necessary to serve the premises connecting, or may be eliminated entirely if the cost of such riser or risers is paid directly by the party requesting the tap permit and such elimination is approved by the Township Board.

Subsequent changes in the character of the use or type of occupancy of any premises (including destruction, removal or abandonment of any or all improvements thereon) shall not abate the obligation to continue the payment of the benefit charge or the riser charge as herein set forth applicable to said premises in the amount and for the period herein provided, and if such subsequent changes place said premises in a higher ratio-factor category, the Township Board may, in its discretion, increase the number of units assigned to said premises, and thereupon any additional charges occasioned by such increase shall be payable, in cash, at time a construction permit or other permit is issued by the Township for such changes or at the time such changes occur if no permit is issued or required.

Special Rates

For miscellaneous or special services for which a special rate shall be established, such rates shall be fixed by the Township Board.

Billing

Bills will be rendered quarterly, payable without penalty within fifteen (15) days after the date thereon. Payments received after such period shall bear a penalty of ten per cent (10%) of the amount of the bill.

Enforcement

The charges for services which are under the provisions of Section 21, Act 94, Public Acts of Michigan, 1933, as amended, made a lien on all premises served thereby, unless notice is given that a tenant is responsible, are hereby recognized to constitute such lien, and whenever any such charge against any piece of property shall be delinquent for six (6) months, the Township official

or officials in charge of the collection thereof shall certify annually, on September 1st of each year, to the tax-assessing officer of the Township the facts of such delinquency, whereupon such charge shall be by him entered upon the next tax roll as a charge against such premises and shall be collected and the lien thereof enforced in the same manner as general township taxes against such premises are collected and the lien thereof enforced: Provided, however, where notice is given that a tenant is responsible for such charges and service as provided by said Section 21, no further service shall be rendered such premises until a cash deposit in the amount of \$100.00 shall have been made as security for payment of such charges and service.

In addition to the foregoing, the Township shall have the right to shut off sewer service to any premises for which charges for sewer service are more than three (3) months delinquent, and such service shall not be reestablished until all delinquent charges and penalties and a turn-on charge, to be specified by the Township Board, have been paid. Further, such charges and penalties may be recovered by the Township by court action.

Section 5. No free service shall be furnished by said System to any person, firm or corporation, public or private, or to any public agency or instrumentality.

Section 6. All premises to which services of the System shall be available shall connect to the System within eighteen (18) months following the first day of the calendar month after publication of a notice by appropriate officials in charge of the System indicating that such services are available.

Section 7. The rates hereby fixed are estimated to be sufficient to provide for the payment of the expenses of administration and operation, such expenses for maintenance of the said System as are necessary to preserve the same in good repair and working order, to provide for the payment of the contractual obligations of the Township to the County of

Grand Traverse pursuant to the aforesaid contract between said County and the Township of East Bay as the same become due, and to provide for such other expenditures and funds for said System as this ordinance may require. Such rates shall be fixed and revised from time to time as may be necessary to produce these amounts.

Section 8. The System shall be operated on the basis of a fiscal year corresponding with that of the Township.

Section 9. The revenues of the System shall be set aside as collected and deposited in a separate depository account in NATIONAL

BANK TRUST . TRAVERSE CITY. Michigan, a bank duly qualified to do business in Michigan, in an account to be designated SEWAGE DISPOSAL SYSTEM RECEIVING FUND (hereinafter, for brevity, referred to as the "Receiving Fund"), and said revenues so deposited shall be transferred from the Receiving Fund periodically in the manner and at the times hereinafter specified.

(A) OPERATION AND MAINTENANCE FUND

Out of the revenues in the Receiving Fund there shall be first set aside quarterly into a depository account designated OPERATION AND MAINTENANCE FUND a sum sufficient to provide for the payment of the next quarter's current expenses of administration and operation of the System and such current expenses for the maintenance thereof as may be necessary to preserve the same in good repair and working order.

(B) CONTRACT PAYMENT FUND

There shall next be established and maintained a depository account to be designated CONTRACT PAYMENT FUND, which shall be used solely for the payment of the Township's obligations to the County of Grand Traverse pursuant to the aforesaid contract. There shall be deposited in said fund

quarterly after requirements of the Operation and Maintenance Fund have been met such sums as shall be necessary to pay said contractual obligations when due. Should the revenues of the System prove insufficient for this purpose, such revenues may be supplemented by any other funds of the Township legally available for such purpose.

(C) REPLACEMENT FUND

There shall next be established and maintained a depository account designated REPLACEMENT FUND, which shall be used solely for the purpose of making major repairs and replacements to the System if needed. There shall be set aside into said fund after provision has been made for the Operation and Maintenance Fund and the Contract Payment Fund such revenues as the Township Board shall deem necessary for this purpose.

(D) IMPROVEMENT FUND

There shall next be established and maintained an IMPROVEMENT
FUND for the purpose of making improvements, extensions and enlargements
to the System. There shall be deposited into said fund after providing for the
foregoing fund such revenues as the Township Board shall determine.

(E) SURPLUS MONEYS

Moneys remaining in the Receiving Fund at the end of any operating year after full satisfaction of the requirements of the foregoing funds may, at the option of the Township Board, be transferred to the Improvement Fund or used in connection with any other project of the Township reasonably related to purposes of the System.

(F) BANK ACCOUNTS

All moneys belonging to any of the foregoing funds or accounts may be kept in one bank account, in which event the moneys shall be allocated on the books and records of the Township within this single bank account in

the manner above set forth.

Section 10. In the event the moneys in the Receiving Fund are insufficient to provide for the current requirements of the Operation and Maintenance Fund, any moneys and/or securities in other funds of the System, except sums in the Contract Payment Fund derived from special assessments or tax levies, shall be transferred to the Operation and Maintenance Fund to the extent of any deficit therein.

Section 11. Moneys in any fund or account established by the provisions of this ordinance may be invested in obligations of the United States of America in the manner and subject to the limitations provided in Act 94, Public Acts of Michigan, 1933, as amended. In the event such investments are made, the securities representing the same shall be kept on deposit with the bank or trust company having on deposit the fund or funds from which such purchase was made. Income received from such investments shall be credited to the fund from which said investments were made.

Section 12. If any section, paragraph, clause or provision of this ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this ordinance.

Section 13. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this ordinance are to the extent of such conflict hereby repealed.

Section 14. This ordinance shall be published once, in full, in the TRAVERSE CITY RECORD EAGLE a newspaper of general circulation within the boundaries of the Township and qualified under state law to publish legal notices, promptly after its adoption, and the same shall be recorded in the Ordinance Book of the Township and such recording authenticated

by the signatures of the Supervisor and Township Clerk.

Section 15. Following are the Tables 1 and 2 referred to in prior sections of this ordinance.

Section 16. This ordinance shall become effective immediately upon its adoption.

TABLE 1

Schedule of Residential Equivalents

Use

Apartments

Auto Dealers

Banks

Barber Shops

Bar

Beauty Shops

Car Wash

Churches

Cleaners

Clothing or Shoe Stores -Men or Womens

Clinics - Medical or Dental

Convalescent or Nursing Homes

Drapery Shop or Fabric Retail Store

Drug Store

Factories - exclusive of industrial waste

Fraternal Organizations

Single Family Residential Equivalent

1.0 per unit

.30 per service stall

.50 per 1000 sq. ft.

1.0 per shop plus .10 per chair

.166 per seat

1.0 per shop plus .10 per chair

Attendant operated 12.0 per lane Coin operated 1.0 per stall

1.0 plus .10 per 1000 sq. ft.

1.5 per 1000 sq. ft. plus 2.0 per press

.50 per 1000 sq. ft.

1.0 per doctor

.22 per bed

.50 per 1000 sq. ft.

.75 per 1000 sq. ft.

.50 per 1000 sq. ft. plus industrial process waste

1.0 per 1000 sq. ft.

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Schedule of Residential Equivalents

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Furniture Store

Gift Shop

Grocery Store

Meat Markets or Produce Markets

Hotels or Motels

Laundry - Self Service

Mobile Home Park

Office Building

Restaurants - Food and Beverage

Restaurants - Food Only

Schools

Service Stations

Snack Bars - Drive In Restaurants

Stores - other than listed

Theatres - Drive In

Warchouse

Single Family Residence

Two Family Residence

Motel Units with complete kitchen facilities

Single Family Residential Equivalent

.25 per 1000 sq. ft.

.75 per 1000 sq. ft.

1.0 per 1000 sq. ft.

2.5 per 1000 sq. ft.

. 25 per unit plus restaurant, bar and meeting facilities at respective unit factors

. 50 per washer

1.0 per trailer space

.50 per 1000 sq. ft.

.125 per seat

.10 per seat

. 67 per classroom

.40 per pump

.10 per seat and/or stall

.50 per 1000 sq. ft.

.008 per car space

.10 per 1000 sq. ft.

1.0 per residence

1.0 per residence

.50 per unit

TABLE 2

Table showing percentages of time-price differential charges required for satisfaction in full prior to expiration of deferred payment period.

Anniversary Date No.	Percentage Required
i	50%
$\ddot{2}$	49%
3	48%
4	46%
	45%
5 6	43%
	42%
7	40%
8	38%
9	36%
10	33%
11	
12	31%
13	28%
14	25%
15	22%
16	19%
•	15%
17	11%
18	
19 .	6%

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I hereby certify that the attached constitutes a true and complete
copy of Ordinance No. 107 duly adopted by the Township Board of the
Township of East Bay, County of Grand Traverse, Michigan, at a requise
meeting held on <u>February</u> 1049, 1975, and that public notice of said
meeting was given pursuant to Act No. 261, Public Acts of Michigan, 1968,
including in the case of a special or rescheduled meeting notice by publication
or posting at least twelve hours prior to the time set for the meeting.
I further certify that the following Members were present at said
meeting HARRY & DORMAN, FLORENCE M. HERALD,
Ponna J. FINNILA, JEROME KORB AND THOMAS CSTEATT.
and that the following Members were absent NONE
I further certify that Member KORB moved
adoption of said ordinance, and that said motion was supported by Member
FINNICA.
I further certify that the following Members voted for adoption of
said ordinance DORMAN, HERALD, FINNIUA, KORB
U STRAIT
and that the following Members voted against adoption of said ordinance
NONE.
I further certify that said ordinance has been recorded in the
Ordinance Book of the Township and that such recording has been authenticated
by the signatures of the Supervisor and Township Clerk.
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Floring M. Neraed Township Clerk
Township Clerk