

ORDINANCE NO. 85-1-WR

AN ORDINANCE TO PROVIDE FOR THE OPERATION AND MAINTENANCE OF THE EAST BAY TOWNSHIP WATER SYSTEM LOCATED IN DISTRICT 85-1-W 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 East Bay Township Water System located in District 85-1-W be operated 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 East Bay Township Water System located in District 85-1-W, including storage facilities, mains, pumps, and all other facilities used or useful in the storage, supply and distribution of potable water, 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 and repair of the System shall be under the supervision and control of the City of Traverse City, subject to the terms of a Water Supply Agreement to be entered into by the City of Traverse City and the Township of East Bay. The Township shall set the rates.

and charges for the use of the System unless otherwise provided pursuant to said contract.

Section 4. Rates to be charged for service furnished by the System shall be as follows:

Water Use Charges
(Including Operation & Maintenance)

The water use charges shall be one and one-half (1½) times the City of Traverse City water use rate for the first one thousand (1000) cubic feet (7480 gallons) per month and two (2) times the water use rate for the City of Traverse City for all consumption over one thousand (1000) cubic feet per month.

Water Use Charges for System Debt Service

The water use charges for system debt service shall be thirty-five percent (35%) of the monthly water use charge and shall commence January 1, 1986.

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 and collected by the City of Traverse City in the same manner as provided for customers residing within the City of Traverse City.

Enforcement

The charges for services which are under the provisions of Section 21, Act 94, Public Acts of Michigan, 1933, as amended, and 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 the estimated quarterly charges for such premises shall have been made as security for payment of such charges and services.

In addition to the foregoing, the Township shall have the right to shut off water service to any premises for which charges for water service are more than three (3) months delinquent, and such service shall not be re-established until all delinquent charges and penalties and a turn-on charge 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. 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 payment of the contractual obligations of the Township to the City of Traverse City pursuant to the aforesaid contract between said City and the Township 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 7. The System shall be operated on the basis of a fiscal year corresponding with that of the Township.

Section 8. The revenues of the System (except those collected by the City for water use charges and other service rendered in accordance with the contract between the City and Township) shall be set aside as collected and deposited in a separate depository account in OLD KENT BANK - GRAND TRAVERSE,

of Traverse City, Michigan, a bank duly qualified to do business in Michigan, in an 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 for debt service. 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.

Section 9. 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 10. 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 11. 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 12. This ordinance shall be published once, in full, in 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 13. This ordinance shall become effective immediately upon its adoption.

JOHN S. PORTER, Supervisor
FRANCES FEHRENBACH, Clerk
Adopted: April 22, 1985
Prepared in the Law Offices of:
Running, Wise and Wilson
By: Richard W. Ford
Township Attorneys
Business Address:
326 E. State Street
P.O. Box 686
Traverse City, Michigan 4968

* * *
TO THE RECORD EAGLE:

Please publish on: May 16, 1985
Please send affidavit to: Richard W. Ford
Please send bill to: East Bay Township
* * *

RECEIVED BY THE RECORD EAGLE:

Date: 5/9/85
Time: 5:00
By: Theresa Reagle