

RE: AMENDMENTS  
RE: IRON RIVER TOWNSHIP ORDINANCE NO. 19 SEWER

Be it resolved that the Iron River Township Ordinance #19 Sewer be and hereby is amended as:

Section 2.1 Definitions:

(57) USER (S)

Any premises as defined by Section 6.1 without regard to actual connection or contribution to the system and including any premises and/or person who contributes, causes or permits the contribution of material of any nature into the Iron River Township System.

Section 6: Sewage Charges for Premises Connected to the System:

Section 6.1: Sewer Charges:

6.1 Charges for premises within the service area.

Commencing on the effective date of this amendment all premises within the service area of the system shall pay charges based on rates as follows:

DEFINITIONS:

In addition to the definitions provided by Article 2 hereof, the following shall apply:

Availability Charge is the monthly rate charged by the Township for the benefits conferred on a premise by the availability of a public sewer system to that premises. This charge is for availability; as such the charge is NOT related to an actual connection to the system, or active use of the system, but rather the opportunity to connect.

A Premises is a parcel of property within the service area under distinct ownership. As used herein premises includes property without regard to improvements thereon.

Service Area is all of the geographic area within 200' of the Township sewer system.

RATES:

Commencing on the effective date of this amendment each premises within the service area shall pay monthly charges as follows:

Availability Charges: Being the charges imposed for the benefits conferred by availability of public sewer services on all premises within

the service area of the system. Revenue collected from said availability charges may be allocated by the Township Board to OM&R, debt retirement charges, and/or service demand charges.

OM&R Charges: Being additional charges imposed for the operation maintenance and replacement of the sewer system, including transport and treatment services contracted to other entities.

Volume Charges: Additional OM&R charges previously provided for herein are imposed based on an average residential unit using not more than 5000 gallons of water per month. In addition, a volume charge rate for OM&R, including transport and treatment services contracted to the entities will be charged to higher volume users.

Users who are not connected to the Township water system or are connected but do not have metered water service, shall be assessed volume charges on a flat rate basis as provided herein.

Assessment of said charges by user type shall be:

1. For premises without structure(s) required to be connected to the system:  
Monthly:

Availability charge:	\$20.00
OM&R charge:	0.00
Volume charges per 1000 gal. > 5000 gal. or	0.00
Unmetered/no water service	0.00
  
2. For each single family residential dwelling connected or required to be connected to the system directly or indirectly:  
Monthly:

Availability charge:	\$20.00
OM&R charge:	6.20
Volume charges per 1000 gal. > 5000 gal. or	1.00
Unmetered/no water service	2.50
  
3. For multiple (2 or more) unit residential structures per each unit within the structure:  
Monthly:

Availability charge:	\$20.00
OM&R charge:	6.20
Volume charges per 1000 gal. > 5000 gal. or	1.00
Unmetered/no water service	2.50
  
4. Restaurants:  
Monthly:

Availability charge:	\$60.00
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	OM&R charge:	18.60
	Volume charges per 1000 gal. > 5000 gal. or	1.00
	Unmetered/no water service	7.50
5.	Church:	
	Monthly:	
	Availability charge:	\$30.00
	OM&R charge:	9.30
	Volume charges per 1000 gal. > 5000 gal. or	1.50
	Unmetered/no water service	3.75
6.	Retail Store:	
	Monthly:	
	Availability charge:	\$30.00
	OM&R charge:	9.30
	Volume charges per 1000 gal. > 5000 gal. or	1.50
	Unmetered/no water service	3.75
7.	Office, Governmental, Institutional Buildings:	
	Monthly:	
	Up to 3 bathrooms:	
	Availability charge:	\$20.00
	OM&R charge:	6.20
	Volume charges per 1000 gal. > 5000 gal. or	1.00
	Unmetered/no water service	2.50
	4-6 bathrooms:	
	Availability charge:	\$40.00
	OM&R charge:	12.40
	Volume charges per 1000 gal. > 5000 gal. or	2.00
	Unmetered/no water service	5.00
	Etc. per 3 bathrooms	
8.	Commercial Garages, Convenience Stores, Service Stations:	
	Monthly:	
	Availability charge:	\$40.00
	OM&R charge:	12.20
	Volume charges per 1000 gal. > 5000 gal. or	1.00
	Unmetered/no water service	5.00
9.	Prison Camp:	
	Monthly:	
	Availability charge:	\$4000.00
	OM&R charge:	1240.00
	Volume charges per 1000 gal. > 5000 gal. or	1.00
	Unmetered/no water service	260.00

10. Daycare:
- Monthly:
- Up to 12, staff and attendees:
- |   |         |
|---|---------|
| Availability charge:                        | \$20.00 |
| OM&R charge:                                | 6.20    |
| Volume charges per 1000 gal. > 5000 gal. or | 1.00    |
| Unmetered/no water service                  | 2.50    |
- 12-24 staff and attendees:
- |   |         |
|---|---------|
| Availability charge:                        | \$40.00 |
| OM&R charge:                                | 12.40   |
| Volume charges per 1000 gal. > 5000 gal. or | 2.00    |
| Unmetered/no water service                  | 5.00    |
- Etc. per 12 staff and attendees
11. Medical Office Buildings:
- Monthly:
- |   |         |
|---|---------|
| Availability charge:                        | \$60.00 |
| OM&R charge:                                | 18.60   |
| Volume charges per 1000 gal. > 5000 gal. or | 1.00    |
| Unmetered/no water service                  | 7.50    |
12. Other Commercial and/or Industrial Buildings:
- Monthly:
- Up to 3 bathrooms:
- |   |         |
|---|---------|
| Availability charge:                        | \$20.00 |
| OM&R charge:                                | 6.20    |
| Volume charges per 1000 gal. > 5000 gal. or | 1.00    |
| Unmetered/no water service                  | 2.50    |
- 4-6 bathrooms:
- |   |         |
|---|---------|
| Availability charge:                        | \$40.00 |
| OM&R charge:                                | 12.40   |
| Volume charges per 1000 gal. > 5000 gal. or | 2.00    |
| Unmetered/no water service                  | 5.00    |
- Etc. per 3 bathrooms

The foregoing rates are in addition to other fees, rates and charges provided for herein. Hearing 6/23/09;

Adopted 6/23/09; to be published 6/30/09; effective 7/01/09.

*Amber Laturi*

Amber Laturi, Clerk

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SANITARY SEWER AGREEMENT  
IRON COUNTY, MICHIGAN

THIS AGREEMENT, made this 9<sup>th</sup> day of September, 1990, under authority of 1984 P.A. 431; MCL 18.1101; MSA 3.516 (201) by and between IRON RIVER TOWNSHIP, hereinafter referred to as the TOWNSHIP, and the STATE OF MICHIGAN, hereinafter referred to as the STATE.

WITNESSETH:

WHEREAS, the TOWNSHIP is the owner and operator of a sewer system in the County of Iron, State of Michigan, and is engaged in the collection of sanitary waste in Iron River Township, State of Michigan; and

WHEREAS, the STATE desires to discharge sanitary waste into the TOWNSHIP collection system as required for the Iron County Correctional Camp; and

WHEREAS, the TOWNSHIP desires to provide said sanitary waste collection system (hereinafter referred to as the SYSTEM) as required by the STATE for the Iron County Correctional Camp Facility (hereinafter referred to as the FACILITY); and

WHEREAS, the TOWNSHIP is unable to secure and to provide said collection system within the time schedule required for needed STATE use; and

WHEREAS, the STATE has, under authority of 1987 P.A. 134, appropriated monies which may be used to cover the cost for the plan review, design, permits, inspection fees and construction of the proposed sewer mains from the TOWNSHIP's existing sewer mains along Gibbs City Road, Iron Lake Road, and Gendron Road (the ROUTE) to the FACILITY;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties hereto agree as follows:

1. The TOWNSHIP shall within twenty-one (21) days of execution of this Agreement engage the services of a consulting engineering firm for the design and administration of the construction of sewer mains, which shall be owned and maintained by the TOWNSHIP. No later than ten (10) days after receipt of all bids, the TOWNSHIP shall notify the STATE of the cost of the proposed construction.
2. The TOWNSHIP shall have the right to reject any and all bids received and, further, shall have the right to waive any defect or irregularity in any bid received, however, the TOWNSHIP will award only to the lowest responsive bidder.
3. The STATE shall pay the TOWNSHIP for all reasonable design and construction engineering services (as well as the actual construction cost of the sewer mains incurred by the

FOR THE STATE OF MICHIGAN  
BY: \_\_\_\_\_  
COUNTY CLERK  
IRON COUNTY

TOWNSHIP and normal legal costs associated with same and not including costs involving litigation.

4. It is understood and agreed that the TOWNSHIP or their consultants will inspect the sewer mains and facilities during construction for the purpose of insuring a uniform standard of construction and to avoid any damage arising from inferior material or workmanship in component parts, and to assure compliance with the approved plans and specifications.

5. Upon the TOWNSHIP's acceptance of the completed work each month, the TOWNSHIP shall furnish to the STATE a statement of all current costs of said project. Upon approval by the STATE of the aforesaid statement of costs submitted by the TOWNSHIP, the STATE shall pay the TOWNSHIP each month for the sewer main constructed, engineering services, and other actual costs, less any previous payment.

6. The contract amounts for the work described in paragraphs 1, 3, 4, and 5 herein may be revised only under the following conditions:

a. The TOWNSHIP advises the STATE, in writing, of the revised cost of the work and the reasons necessitating such changes, and

b. The STATE agrees, in writing, to such additional cost by authorizing the TOWNSHIP to issue a change order to the contractor.

c. If the change is necessitated as a result of an emergency immediately endangering life or property, and prior authorization by the STATE for such change will jeopardize life or property, the TOWNSHIP may proceed with the work without prior STATE authorization, but shall advise the STATE of the additional cost and receive authorization as soon as possible.

3. The STATE'S payment to the TOWNSHIP for the cost of additional authorized work will be made upon the STATE'S receipt of an itemized accounting of the cost together with appropriate supporting data. The STATE will also pay the TOWNSHIP for associated engineering and legal fees providing the change was not initiated due to negligent error or omission in the original contract documents.

7. The engineer has estimated the project cost to be Eight Hundred Four Thousand Two Hundred Ninety-Five Dollars (\$804,295.00), based on estimated physical construction costs including surveys, plans, specifications, materials, equipment, normal legal and administration, right-of-way acquisition, and complete engineering including inspection and supervision (as per Attachment "A").

8. The TOWNSHIP will bill the STATE on or before the 1st day of each month for waste collected and treated during the preceding month. Such billing will apply a formula of "equivalent residential hookups". The formula will divide the highest population of residents and employees at the FACILITY during the preceding month, by the number of people served by an average residential hookup. The quotient will be multiplied by the monthly rate charged for residential hookups, equaling the STATE's monthly bill. The average number of people served by a residential hookup is agreed to be 2.64. Initial and minimum billing to the STATE shall be based on a population of 240 persons. The monthly rate charged for residential users is \$25.00, on the date hereof. Based thereon, the STATE's monthly base charge will be \$2,275.00 ( $240 \div 2.64 = 91 \times 25 = \$2,275$ ). The FACILITY populations will be reported to the TOWNSHIP monthly with the payment for the preceding month's service. The TOWNSHIP will apply the foregoing formula based on population increases. The parties recognize that the TOWNSHIP does not now have metered sewage flow for existing hookups. Should the TOWNSHIP institute metering, the billing formula described above will be modified to bill the STATE based on actual flow. As a single high-volume user, the STATE will receive a reduction of Nine Hundred Thirty-Five Dollars (\$935.00) in the monthly base charge for a period of ten (10) year

9. Nothing herein shall restrict the TOWNSHIP's rights to increase monthly sewer rates to all users, including the STATE.

10. The TOWNSHIP shall use reasonable diligence and care to provide a regular and uninterrupted treatment of sanitary waste from the FACILITY. The TOWNSHIP shall not be liable for any failure, interruption, or any loss or damages resulting therefrom occasioned in whole or in part by any cause beyond the control of the TOWNSHIP.

11. The TOWNSHIP may issue rules and regulations pertaining to the quality of the sanitary waste from the FACILITY. The STATE agrees to abide by the same standards as those applying to the residents of the TOWNSHIP.

12. No failure or delay in performance of this Agreement by either party shall be deemed to be a breach thereof when such failure or delay is occasioned by or due to any Act of God, wars, riots, epidemics, explosions, sabotage, breakage or accidents to machinery or lines of pipe, the binding order of any court or

governmental authority, or any other cause not within the control of the party claiming failure or delay in performance.

13. This contract may not be assigned by either party without the written consent of the other.

14. Any waiver by either party of any terms of this contract shall not act as a waiver of any other term of the contract.

15. If any provision of this contract shall become void or unenforceable, the remainder of this contract shall remain ~~void~~. <sup>VAl</sup>

16. The STATE may, by giving the TOWNSHIP thirty (30) days written notice, terminate this contract in whole or in part any time, either for the STATE's convenience or because of the failure of the TOWNSHIP to fulfill its contract obligation under this Agreement. Upon receipt of such notice, the TOWNSHIP shall immediately discontinue all services affected, unless the notice directs otherwise. If the termination is solely for the convenience of the STATE, the STATE agrees to pay the TOWNSHIP for its reasonable, necessary and documented expenses incurred in connection with this project up to the date of termination.

17. This Agreement shall be in full force and effect for a period of twenty (20) years. The parties hereunto will extend this Agreement on a year-to-year basis unless re-negotiated by mutual consent.

This Agreement is signed by the Director of Purchasing, Department of Management and Budget, STATE OF MICHIGAN, and IRON RIVER TOWNSHIP, pursuant to the State Administrative Board approval.

Witnessed by:

*Mary Ann Clark*

*John P. Phillips*

Witnessed by:

*Carolyn K. Phillips*

CAROLYN K. PHILLIPS  
NOTARY PUBLIC  
MICHIGAN

IRON RIVER TOWNSHIP

*James Spicer*  
by: James Spicer, Supervisor

*Joan Luhtanen*  
by: Joan Luhtanen, Clerk

STATE OF MICHIGAN

*William S. Warstler*  
by: WILLIAM S. WARSTLER  
Director, Purchasing Division