VILLAGE OF CALUMET

COUNTY OF HOUGHTON

ORDINANCE NO. 115

AN ORDINANCE INCREASING RATES AND CHARGES FOR THE USE AND SERVICE OF THE WATER SUPPLY SYSTEM OF THE VILLAGE OF CALUMET, COUNTY OF HOUGHTON, ADOPTING A LEASE, OPERATING AND WATER PURCHASE AGREEMENT BETWEEN THE VILLAGE OF CALUMET AND NORTHERN MICHIGAN WATER COMPANY AND OTHER MATTERS RELATING TO SAID SYSTEM.

WHEREAS, the Village of Calumet (the "Village") has leased the potable and fire protection water systems (the "Water System") of the Village to Northern Michigan Water Company (the "Company") in the past; and

WHEREAS, the Village and the Company desire to make a new Agreement for the lease and operation of the water systems of the Village for the purchase of water, and concerning the Water System of the Village and the sanitary sewage system and storm sewage system of the Village, this Agreement to be entitled "LEASE, OPERATING AND WATER PURCHASE AGREEMENT" and to be dated June 1 , 1982;

WHEREAS, it is necessary for the public health, safety and welfare for the Village to acquire and construct improvements

to the Water System; and

WHEREAS, the cost of said improvements is presently estimated not to exceed \$212,000; and

WHEREAS, the Village expects to obtain grants in the amounts of \$75,000 from the Upper Great Lakes Regional Commission and \$25,000 from the Farmers Home Administration to pay part of said improvements; and

WHEREAS, payment of a principal of and interest on said revenue bonds as due and the creation of a fund for maintenance and improvements requires an increase in the revenues of the Water System in an amount which is approximately twenty-eight percent (28%) greater than the estimated gross revenues of the Company in 1982;

NOW, THEREFORE, THE VILLAGE OF CALUMET ORDAINS:

- 1. The water rates and charges for the services supplied by the Village's Water System as set forth in Article II, paragraph 4 of the proposed LEASE, OPERATING AND WATER PURCHASE AGREEMENT, which rates and charges are to be collected by the Company as lessee of the Water System on behalf of the Village, shall be and are hereby increased by twenty-eight percent per annum. Said increase shall be collected by the Company on behalf of the Village for water provided to users commencing July 1, 1982, and shall be determined by increasing by twenty-eight percent (28%) the bimonthly billing to each customer based on the rates in effect at the time of such billing.
- 2. The proposed LEASE, OPERATING AND WATER PURCHASE AGREEMENT shall be and is hereby approved and adopted, and the President and Village Clerk shall be and are hereby authorized and directed to execute said Agreement on behalf of the Village.
- 3. In the event that the Agreement is not renewed upon its expiration, the Village shall forthwith adopt a rate ordinance that will provide for the collection of revenues sufficient to pay the principal of and interest on the revenue bonds to be issued by the Village to pay part of the cost of the improvements to the Water System and to ensure the payment of expenses of administration, operation and maintenance as may be necessary to preserve the Water System in good repair and working order and for such other purposes as the Village may determine.
- 4. This Ordinance shall be published in full in the Copper Island Sentinel, a newspaper of general circulation in the Village, promptly after its adoption, and shall be recorded in the Ordinance Book of the Village and such recording authenticated by the signatures of the Village President and Village Clerk.

5. This Ordinance is hereby determined by the Village Council to be immediately necessary for the preservation of the peace, health and safety of the Village and is therefore declared to have immediate effect.

Passed and adopted by the Village of Calumet, Michigan,
on the lst day of June , 1982.
HERMAN J. LABONTE,
Village President
Attest: Palem Silarutz
JoAnn Marutz Village Clerk
Elizabeth Caron, Dennis Brewer, Ray Ostermeyer, YEAS: Peggy Germain, Debra Anthony
NAYS: None
I hereby certify that the foregoing is a true and complete
copy of Ordinance No. 115, duly adopted by the Village Council
of the Village of Calumet, County of Houghton, State of Michigan
at a <u>Special</u> meeting held on <u>June 1</u> , 1982,
and that said meeting was conducted and public notice of said
meeting was given pursuant to and in full compliance with the
Open Meeting 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.
I further certify that the following Members were present
at said meeting: Elizabeth Caron, Dennis Brewer, Ray Ostermeyer
Peggy Germain and Debra Anthony
and that the following Members were absent: William Lake
•
I further certify that Member Anthony moved
adoption of said Ordinance and that Member Caron
supported said motion.
I further certify that the following Members voted for
adoption of said Ordinance: Elizabeth Caron, Dennis Brewer,
Ray Ostermeyer, Peggy Germain and Debra Anthony

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 Village of Calumet and that such recording has been authenticated by the signatures of the Village President and Village Clerk.

JOANN MARUTZ,

Village Clerk