

TOWNSHIP OF NORVELL
COUNTY OF JACKSON, MICHIGAN

At a special meeting of the Township Board of the Township of Norvell, County of Jackson, Michigan, held in the Township Hall located at 106 E. Commercial Street, Norvell, Michigan, on November 3, 2004, at 6:00 p.m. Local Time.

PRESENT: Members: ULBIN, HAGADORN, BRISBOIS, MILLER, SMITH

ABSENT: Members: None

It was moved by Member Brisbois and seconded by Member Hagadorn that the following Ordinance be adopted pursuant to the procedures set forth in the Revenue Bond Act of 1933, being Act 94 of the Public Acts of Michigan of 1933, as amended:

ORDINANCE NO. 47

AN ORDINANCE TO REGULATE THE USE OF PUBLIC AND PRIVATE SEWERS AND DRAINS, PRIVATE SEWAGE DISPOSAL, THE INSTALLATION AND CONNECTION OF BUILDING SEWERS, AND THE DISCHARGE OF WATERS AND WASTES INTO VINEYARD LAKE SEWAGE DISPOSAL SYSTEM IN THE TOWNSHIP; TO PROVIDE FOR THE CONNECTION TO AND THE FIXING AND COLLECTION OF RATES AND CHARGES FOR THE USE OF THE SEWER SYSTEM AND THE ALLOCATION AND USE OF REVENUES DERIVED THEREFROM; AND TO PROVIDE PENALTIES FOR ORDINANCE VIOLATIONS.

The Ordinance was then discussed.

Upon roll call vote, the vote upon the motion adopting said Ordinance was as follows:

YEAS: Members: Smith, Brisbois, Miller, Hagadorn, Ulbin

NAYS: Members: None

The Township Clerk declared the Ordinance adopted.

The following is Ordinance No. 47 as adopted:

AGREEMENT RE: VINEYARD LAKE SEWER COMMON FUND

THIS AGREEMENT is made and entered into as of this 1st day of December, 2004, (the "Agreement") by and between the County of Jackson, Michigan, (the "County") acting by and through its Board of Public Works (the "Board"), the governing body of its Department of Public Works pursuant to Act 185 of the Public Acts of Michigan of 1957, as amended ("Act 185"), whose address is 120 West Michigan Ave., Jackson, Michigan 49201; the Township of Columbia, a general law township located in the County ("Columbia"), whose address is 8500 Jefferson Road, Brooklyn, Michigan 49230-9702; the Township of Norvell, a general law township located in the County ("Norvell"), whose address is 106 E. Commercial St., P.O. Box 188, Norvell, Michigan 49263-0188; and the Township of Cambridge, a general law township located in Lenawee County ("Cambridge"), whose address is 302 Conner St., P.O. Box 417, Onsted, Michigan 49265-0417.

WITNESSETH:

WHEREAS, the County, Columbia, Norvell and Cambridge are parties to the Jackson County Wastewater Disposal Facility (Vineyard Lake Area Section) Bond Contract dated as of April 1, 2003, as amended by the First Amendment to Jackson County Wastewater Disposal Facility (Vineyard Lake Area Section) Bond Contract dated as of September 2, 2003 (together, the "Bond Contract"), with respect to the Jackson County Wastewater Disposal Facility (Vineyard Lake Area Section) (as defined in the Bond Contract, the "System"); and

WHEREAS, Section 10(C) of the Bond Contract provides in part for the following:

"There is hereby created a single common fund (the "Common Fund") and within such Fund there shall be established an Operation and Maintenance Account, a Debt Service Account and a Renewal, Replacement and Improvement Account. The Common Fund shall initially be held and administered by the County and may hereafter be held and administered by any of the parties to this Contract as the parties hereto shall from time to time determine."

; and

WHEREAS, Section 2 of Act 35 of the Public Acts of Michigan of 1951, as amended (“Act 35”) authorizes municipal corporation(s), including counties and townships, to join with any other municipal corporation(s) by contract for the ownership, operation or performance, jointly, or by any one municipal corporation on behalf of all, of any property, facility or service which each municipal corporation would have the power to own, operate or perform, separately; and

WHEREAS, the County, Columbia, Norvell and Cambridge propose to enter into this agreement pursuant to the Bond Contract and Act 35 to provide that the Common Fund shall be held and administered by Columbia.

IT IS THEREFORE AGREED BY AND BETWEEN THE PARTIES HERETO, for and in consideration of the agreement and covenants of each other and moneys to be paid one to the other, as follows:

1. **TRANSFER AND ASSIGNMENT OF COMMON FUND BY COUNTY TO COLUMBIA.** Effective upon the date of this Agreement, the County shall transfer and assign to Columbia the Common Fund established, held and administered by the County in accordance with the Bond Contract, together with all amounts then held on deposit in the Common Fund by the County, including any funds invested by the County, and provide a final written report summarizing all financial activity with regard to the Common Fund while held by the County. Following such transfer, assignment and reporting, the County shall have no further responsibility for the Common Fund.

2. **COLUMBIA TO HOLD AND ADMINISTER THE COMMON FUND.** Columbia shall hold and administer the Common Fund on behalf of Columbia, Norvell and Cambridge (each a

“Township,” together, the “Townships”) in accordance with the provisions of the Bond Contract and this Agreement. In particular:

(a) The Columbia Treasurer shall maintain and manage the Common Fund and shall have custody of all records and accounts attributable to the Common Fund, subject to the statutory responsibilities of the Columbia Clerk to keep and maintain records, accounts, journals and ledgers for Columbia.

(b) The Common Fund shall be a receiving fund, shall be entitled the “Vineyard Lake Sewer Common Fund” and shall be maintained as an enterprise fund utilizing the Uniform Chart of Accounts prescribed by the State Treasurer.

(c) The bank accounts comprising the Common Fund shall be held at one or more federally insured banks selected by Columbia. Columbia shall determine the signatories on Common Fund accounts.

(d) The funds on deposit in the Common Fund and its separate accounts shall be invested by Columbia in accordance with the Columbia Township Investment Policy, adopted in accordance with Act 20 of the Public Acts of Michigan of 1943, as amended, provided that:

(i) No funds in the Common Fund shall be invested in commercial paper, stocks or mutual funds.

(ii) The liquidity needs of the Common Fund shall be observed such that no funds shall be invested with a maturity date that is beyond the reasonably expected date when such funds will be needed to pay expenses payable from the Common Fund, unless such investment may be cashed or redeemed at the option of Columbia prior to its maturity date at par plus accrued interest and without a penalty.

(iii) Interest earnings shall be credited to the account containing the principal which was invested to generate the interest.

(e) Columbia:

(i) shall prepare and forward to Norvell, Cambridge and the County by the 10th day of each month a report summarizing all financial activity with regard to the Common Fund for the preceding month;

(ii) shall prepare and forward to Norvell and Cambridge an annual summary of Common Fund revenues and expenses; and

(iii) shall cause an auditor selected by Columbia, which may be the same auditor which conducts the annual Columbia audit, to conduct an annual audit of the Common Fund and to provide an audit report of the Common Fund to Norvell, Cambridge, the County and the County Treasurer on or before September 30 of each year.

(f) Columbia shall hold the Common Fund as a fiduciary for the Townships and shall secure a fidelity bond in the amount of \$500,000 for all persons handling the Common Fund under the supervision of Columbia. Each year, Columbia shall provide a copy of the fidelity bond to Norvell and Cambridge.

(g) All expenses incurred by Columbia to maintain the Common Fund shall be payable from the Operation and Maintenance Account of the Common Fund, including the cost of the financial reporting required by subparagraph (e) and the cost of the fidelity bond required by subparagraph (f).

3. **VINEYARD LAKE SEWER COMMITTEE.**

(a) The Vineyard Lake Sewer Committee (the "Sewer Committee") is hereby established.

(b) The Sewer Committee shall have six members and shall be comprised of the Supervisor and Treasurer from each Township. The Sewer Committee shall meet periodically as needed but not less often than quarterly. The meetings of the Sewer Committee shall be held in accordance with the Open Meetings Act.

(c) The Sewer Committee shall act in a non-binding advisory role to the Townships with respect to matters pertaining to the System, the Common Fund, this Agreement and the Sewer Connection, Use and Rate Ordinance (the "Sewer Ordinance") adopted by each of the Townships for the System. The Sewer Committee shall consult with the County, engineers, attorneys, financial consultants and other consultants as needed. The Sewer Committee shall, as necessary, make recommendations to the Township Boards.

(d) The Sewer Committee shall prepare an annual budget for the administration, operation, maintenance, repair and replacement of the System (the "System Budget"), and the related necessary expenses to preserve the System in good repair and working order. The System Budget shall be submitted to each Township for approval. Based on the System Budget, the Sewer Committee shall periodically review and recommend to the Townships **Sewer Rates and Charges** (as defined in the Sewer Ordinance) for connection to and use of the System. The Townships shall by resolution establish the **Sewer Rates and Charges** recommended by the Sewer Committee. Notwithstanding the foregoing, it is understood and agreed by the parties that the User Charge for the System, to the extent practicable, shall be uniform with the similar user charge established from time to time by Columbia for the Lake Columbia Sewer System and the Clark Lake Sewer System and further that Columbia shall establish the amount of the Interceptor Connection Fee and the Interceptor O,M&R Charge.

(e) The Sewer Committee shall review the revenues received and expenses incurred by the Townships for the operation, maintenance and management of the Sewer System.

4. **BILLING OF SEWER RATES AND CHARGES AND SPECIAL ASSESSMENTS.**

(a) The Townships shall each be separately responsible for the billing and collection of **Sewer Rates and Charges** for connection to and use of the System within their respective Township, and in addition, all special assessments (including principal, interest and penalties) levied by the Township to offset costs of the Project (as defined in the Bond Contract) (the “**Special Assessments**”). The **Sewer Rates and Charges** include (each, as defined in the Sewer Ordinance) the **Connection Fee** (which includes the Interceptor Connection Fee), **Inspection and Administration Fee, User Charge, Debt Service Charge, User Surcharge, Miscellaneous User Fee** and the civil penalty imposed for failure to connect to the System in a timely manner and all interest and penalties thereon. The Townships shall bill the **User Charge** and the **Debt Service Charge** to all Users of the System within their respective Township on a quarterly basis. The Townships shall bill the **Special Assessments** on an annual basis in accordance with the resolutions adopted by their respective Township Boards to confirm the special assessment rolls.

(b) As of the date of this Agreement, the **User Charge** for the System is \$24.00 per month per Unit. With respect to the current **User Charge**, each Township shall retain \$2.00 per month per invoice to cover the expense of administration and billing Users located within their respective Township boundaries and the balance of \$22.00 (approximate) per month per Unit shall be forwarded to the Columbia Treasurer for deposit to the Common Fund as follows: \$19.50 per month per Unit to be deposited to the Operation and Maintenance Account, with \$9.50 per month per Unit used for payment to the Township of

Leoni ("Leoni") for wastewater treatment in accordance with the Wastewater Treatment Agreement dated August 31, 1994 by and between Columbia and Leoni and the Wastewater Service Agreement dated October 1, 2003 by and between the Townships and Leoni (the "Wastewater Service Agreement"), \$5.65 per month per Unit used for payment to Columbia of the Interceptor O,M&R Charge in accordance with the Wastewater Service Agreement and the balance of \$4.35 (approximate) per month per Unit used for routine System operation and maintenance expenses; and \$2.50 per month per Unit to be deposited to the Renewal, Replacement and Improvement Account to be used for non-routine System expenses.

(c) As of the date of this Agreement, the **Debt Service Charge** is \$-0- per month per Unit. All collections of **Debt Service Charges** shall be forwarded to the Columbia Treasurer for deposit to the Debt Service Account of the Common Fund.

(d) The civil penalty imposed by the Sewer Ordinance for failure to connect to the System in a timely manner, which is equal in amount to the **User Charge** and **Debt Service Charge** that would otherwise have been payable had the connection to the System been timely, shall be treated in the same manner as the **User Charge**, in accordance with subparagraph (b), and the **Debt Service Charge**, in accordance with subparagraph (c).

(e) Penalties received by any Township in the event of late payment of **Sewer Rates and Charges** shall be retained by the billing Township to offset the additional expense of collecting delinquent accounts.

(f) The monies received by each Township from **Inspection and Administration Fees** shall be retained by each Township only if the expenses associated with the expense of issuing a connection permit and inspecting and approving the connection of a building sewer and service connection to the System are paid by the Township receiving the fee. In the alternative, if all such expenses are to be paid by Columbia for the System

from the Operation and Maintenance Account of the Common Fund, then the monies received from the **Inspection and Administration Fees** shall be forwarded by Norvell and Cambridge to Columbia, as applicable, and deposited by Columbia to the Operation and Maintenance Account of the Common Fund.

(g) The monies received by each Township from the payment of **Connection Fees** shall be forwarded by Norvell and Cambridge to Columbia, as applicable. The sum equal to the Interceptor Connection Fee, currently \$280 per Unit for the MIS Interceptor, \$260 per Unit for the Brooklyn Interceptor and \$674 per Unit for the Clark Lake Interceptor, for a total of \$1,214 per Unit, shall be retained by Columbia in accordance with Paragraph 6 of the Wastewater Service Agreement and the balance of the monies attributable to each Connection Fee (the “**Net Connection Fee Revenue**”) shall be deposited by Columbia first to the Debt Service Account of the Common Fund in accordance with paragraph 5(b)(iii) and, second to the Renewal, Replacement and Improvement Account, in accordance with paragraph 5(c).

To summarize this subsection (g):

	<u>Direct Connection</u>	<u>Indirect Connection</u>
Connection Fee	6,090	4,685
Less: Interceptor Connection Fee (to be retained by Columbia)	<u>1,214</u>	<u>1,214</u>
Equals: Net Connection Fee Revenue (to be deposited to Debt Service Account of Common Fund)	4,876	3,471

(h) Monies paid to a Township for the cost of purchasing and installing a Service Connection (as defined in the Sewer Ordinance), i.e. a grinder pump, shall be forwarded by

Norvell and Cambridge to Columbia, as applicable, and deposited by Columbia to the Operation and Maintenance Account of the Common Fund.

(i) Monies received from a **User Surcharge** shall be forwarded by Norvell and Cambridge to Columbia, as applicable, and deposited by Columbia to the Operation and Maintenance Account of the Common Fund.

(j) Monies received by a Township from **Miscellaneous User Fees** shall be retained by the Township only if the expenses associated with the **Miscellaneous User Fee**, i.e. excess inspection costs, the cost of repairing a damaged grinder pump, the cost to shut off or turn on a sewer service, etc. are paid by the Township. However, if such expenses are to be paid by Columbia for the System from the Operation and Maintenance Account of the Common Fund, then the monies received from the **Miscellaneous User Fee** shall be forwarded by Norvell and Cambridge to Columbia, as applicable, and deposited by Columbia to the Operation and Maintenance Account.

(k) All collections of **Special Assessments** shall be forwarded to the Columbia Treasurer for deposit to the Debt Service Account of the Common Fund.

(l) To summarize the foregoing:

Monthly Revenue/ Unit	Revenue Source	Deposit to/Use
\$ 9.50	User Charge	Operation and Maintenance Account/ Leoni Treatment
\$5.65	User Charge	Operation and Maintenance/Columbia Interceptor O,M&R
<u>\$4.35</u>	User Charge	Operation and Maintenance Account - Routine System Operation and Maintenance
<u>\$19.50</u>		
<u>\$2.50</u>	User Charge	Renewal, Replacement and Improvement Account – Non-Routine

<u>\$2.00</u> (per invoice; not per Unit)	User Charge	Retained by each Township/ Administration and Billing
<u>\$ -0-</u>	Debt Service Charge	Debt Service Account
Total: <u>\$24.00</u>	Civil penalties for failure to connect	Deposit and allocate for use in same manner as User Charge and Debt Service Charge
	Penalties for late payments of Sewer Rates and Charges	Retained by billing Township/ Administration and Billing
	Inspection and Administration Fees	Retained by billing Township <u>or</u> deposited to Operation and Maintenance Account, depending upon source of payment of related expense
	Connection Fees	Portion attributable to Interceptor Connection Fees shall be retained by Columbia and balance (i.e. "Net Connection Fee Revenues") shall be deposited: First: Debt Service Account; and Second: Repair, Replacement and Improvement Account
	Cost of Purchase and Installation of Service Connection (i.e. Grinder Pump)	Operation and Maintenance Account
	User Surcharge	Operation and Maintenance Account
	Miscellaneous User Fee	Retained by billing Township <u>or</u> deposited to Operation and Maintenance Account, depending upon source of payment of related expense
	Special Assessments	Debt Service Account

(m) The Townships acknowledge that the amount of the various **Sewer Rates and Charges** is subject to change, and in such event, the proceeds thereof shall be allocated in a manner consistent with the foregoing and the approved System Budget.

5. **DEPOSITS TO COMMON FUND.** Norvell and Cambridge shall transmit all collections of **Sewer Rates and Charges** (with the exception of the portion of the **User Charge**, currently \$2.00 per month per invoice, and the related portion of the civil penalty imposed by the Sewer Ordinance for failure to connect to the System in a timely manner, to be retained by each for Norvell and Cambridge administration and billing, penalties received by Norvell and Cambridge in the event of a

late payment of **Sewer Rates and Charges** billed by Norvell and Cambridge, and **Inspection and Administration Fees** and **Miscellaneous User Fees** billed and collected by Norvell and Cambridge, to the extent the related expenses are payable by Norvell or Cambridge, as the case may be, and not from the Operation and Maintenance Account of the Common Fund) and **Special Assessments** to Columbia for deposit to the Common Fund in accordance with this Agreement by the tenth day of the month following the month in which such **Sewer Rates and Charges** and **Special Assessments** were collected by Norvell or Cambridge, as the case may be. In turn, Columbia shall deposit by the tenth day of each month in the Common Fund all collections of **Sewer Rates and Charges** (with the exception of the portion of the **User Charge**, currently \$2.00 per month per invoice, and the related portion of the civil penalty imposed by the Sewer Ordinance for failure to connect to the System in a timely manner, to be retained for Columbia administration and billing, penalties received by Columbia in the event of a late payment of **Sewer Rates and Charges** billed by Columbia, **Inspection and Administration Fees** and **Miscellaneous User Fees** billed and collected by Columbia, to the extent the related expenses are payable by Columbia and not from the Operation and Maintenance Account of the Common Fund and that portion of the **Connection Fee** equal to the Interceptor Connection Fee, which currently totals \$1,214 per Unit, which shall be retained by Columbia in accordance with Paragraph 6 of the Wastewater Service Agreement) and **Special Assessments** (whether collected directly by Columbia or collected by Norvell or Cambridge, as the case may be, and forwarded to Columbia), as follows:

(a) **Operation and Maintenance Account.**

(i) A portion of the **User Charge** equal to (current, subject to change) \$22.00 (approximate) per month per Unit, the related portion of the civil penalty imposed by the Sewer Ordinance for failure to connect to the System in a timely manner, all **User Surcharge** revenues, all **Inspection and Administration Fees** and

Miscellaneous User Fees to the extent the related expenses are payable from the Operation and Maintenance Account of the Common Fund and all monies paid to the Townships for the cost of purchasing and installing a Service Connection, i.e., a grinder pump, shall be deposited to the Operation and Maintenance Account.

(b) **Debt Service Account.**

(i) All collections of **Special Assessments**, including principal, interest and penalties, shall be deposited to the Debt Service Account and accounted for separately, with respect to each Township, with the exception of the following:

(1) With respect to Columbia, initial collections on Special Assessment Roll No. 1 for Sanitary Sewer Special Assessment District No. 1 in the amount of \$378,971 forwarded to the County in accordance with Paragraph 10(A) of the Bond Contract for deposit in the Construction Fund (the "Construction Fund") established by Paragraph 11 of the Bond Authorizing Resolution adopted by the County Board of Commissioners on September 16, 2003 (the "Bond Resolution") and used for payment of costs of the Project.

(2) With respect to Norvell, initial collections on Special Assessment Roll No. 1 for Sanitary Sewer Special Assessment District No. 1 in the amount of \$196,253 forwarded to the County in accordance with Paragraph 10(A) of the Bond Contract for deposit in the Construction Fund and used for payment of costs of the Project.

(ii) All **Debt Service Charges**, and the related portion of the civil penalty imposed by the Sewer Ordinance for failure to connect to the System in a timely manner, shall be deposited to the Debt Service Account.

(iii) All collections of **Net Connection Fee Revenue**, including principal, interest and penalties, whether paid by lump sum or by installment agreement, shall be deposited to the Debt Service Account, until such time as the aggregate deposits to the Debt Service Account attributable to **Net Connection Fee Revenue** and **Debt Service Charges** (and related civil penalties) total \$559,500. Upon such occurrence, the Township Boards of the Townships, taking into account the recommendation of the Sewer Committee, shall determine whether it is necessary for the repayment of the bonds issued by the County under the Bond Contract:

- (1) to continue to charge the **Debt Service Charge**; and
- (2) to continue to deposit additional collections of **Net**

Connection Fee Revenue to the Debt Service Account.

If deposits of **Net Connection Fee Revenue** to the Debt Service Account are no longer considered necessary for the repayment of County bonds, then all future collections of **Net Connection Fee Revenue** shall be deposited to the Renewal, Replacement and Improvement Account.

(c) **Renewal, Replacement and Improvement Account.**

(i) A portion, if any, of the **User Charge** equal to the (current, subject to change) \$2.50 per month per Unit, and the related portion of the civil penalty imposed by the Sewer Ordinance for failure to connect to the System in a timely manner, plus all collections of **Net Connection Fee Revenue** (after the determination by the Townships pursuant to subparagraph (b)(iii) that deposits of **Net Connection Fee Revenue** to the Debt Service Account are no longer considered necessary for repayment of County Bonds) plus any other revenues provided by the System Budget shall be deposited to the Renewal, Replacement and Improvement Account.

6. **EXPENDITURES FROM COMMON FUND.** Columbia shall disburse funds from the Operation and Maintenance Account to pay only the costs of operation and maintenance of the System and from the Renewal, Replacement and Improvement Account to pay only the costs of repairs, replacements, improvements, enlargements or extensions to the System or for any other lawful purpose relating to the System, including but not limited to related engineering, legal, financial consulting or other fees or expenses necessary to implement the same, in accordance with the Bond Contract and the agreement of the Townships. In particular:

(a) The Columbia Treasurer shall pay the routine costs of operating and maintaining the System, including the cost of purchasing and installing new service Connections, in accordance with the approved System Budget and, in addition, non-routine expenses of \$1,000 or less. Any invoices received by Norvell or Cambridge for System expenses payable from the Common Fund shall be promptly forwarded by Norvell or Cambridge to the Columbia Treasurer.

(b) Non-routine expenses of more than \$1,000 but less than \$5,000 and emergency repairs shall be paid by the Columbia Treasurer upon the joint approval of the Columbia Supervisor, the Norvell Supervisor and the Cambridge Supervisor.

(c) Non-routine expenses of \$5,000 or more and all System improvements shall be paid by the Columbia Treasurer upon the joint approval of the Columbia Township Board, the Norvell Township Board and the Cambridge Township Board.

(d) Each Township shall purchase property and casualty insurance on the insurable assets of the System located within their respective Township limits, in compliance with the requirements of Section 14 of the Bond Contract. The cost of such insurance shall be paid and/or reimbursed to the respective Township as a budgeted expense of the Operation and Maintenance Account.

(e) Columbia shall purchase liability insurance on the System in compliance with the requirements of Section 14 of the Bond Contract. The cost of such insurance shall be paid and/or reimbursed to Columbia as a budgeted expense of the Operation and Maintenance Account.

(f) Columbia shall pay from the Common Fund, for the account of the Townships, the semi-annual payments of principal and interest on the County Bonds, together with the applicable bond service charges, as and when due in accordance with the Bond Contract (together, the "County Bond Contract Payments"), to the extent first, of available funds in the Debt Service Account and, second, of available funds in the Renewal, Replacement and Improvement Account. In the event the aggregate available funds in the Debt Service Account and in the Renewal, Replacement and Improvement Account are insufficient to pay the County Bond Contract Payments, then, in accordance with Paragraph 10(F) of the Bond Contract, each Township, to the extent applicable, shall advance to Columbia for deposit to the Debt Service Account an amount equal to the **Special Assessments** levied to date by the Township for the Project but not yet collected by said Township. Following such advance(s), if any, if the aggregate available funds are still insufficient to pay the County Bond Contract Payments, then each Township, in accordance with the Township's full faith and credit pledge made in Paragraph 11 of the Bond Contract, shall further advance to Columbia for deposit to the Debt Service Account the Township's allocable share of the shortfall determined by application of the Debt Service Percentages established in Paragraph 10(B) of the Bond Contract. Upon receipt of sufficient funds, the Columbia Treasurer shall pay the required County Bond Contract Payments from the Common Fund, in the foregoing manner, to the County for the account of the Townships.

7. **NO COMMINGLING OF COMMON FUND.** The Common Fund shall be kept segregated from all other Columbia funds and accounts and under no circumstance shall be commingled with the Debt Service Fund established by the County for repayment of the bonds in accordance with Paragraph 10 of the Bond Resolution.

8. **RESERVATION OF RIGHTS.** The parties hereto reserve the right to renegotiate the terms of this Agreement, as needed, insofar as they pertain to the administration and handling of the Common Fund.

9. **TERMINATION.** Any party to this Agreement reserves the right to terminate the Agreement upon the provision of ninety (90) days advance written notice to the three remaining parties upon (i) the repayment in full of the County Bonds, or provision having been made for the repayment in full of the County Bonds in accordance with the Bond Contract and the Bond Resolution (e.g. by defeasance) or (ii) the preparation and approval by each party to this Agreement of a mutually acceptable amendment to this Agreement which provides for the Common Fund to be held or administered by one of the Townships, the County or an authority duly established under state law to handle the Common Fund on behalf of the Townships.

10. **NONDISCRIMINATION.** The Townships and the County, as required by law, shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment, because of race, religion, national origin, age, sex, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight or marital status.

11. **CAPITALIZED TERMS.** The capitalized terms used herein and not otherwise defined herein shall have the meanings assigned thereto in the Bond Contract.

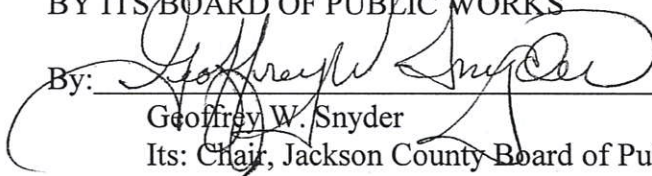
12. **MISCELLANEOUS.** This Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns. Unless otherwise


specifically provided, all notices and other documents to be served or transmitted hereunder shall be in writing and addressed to the respective parties hereto at the addresses stated on page 1 of this Agreement or such other address or addresses as shall be specified by the parties hereto from time to time and may be served or transmitted in person or by ordinary mail properly addressed with sufficient postage. This Agreement has been executed in the State of Michigan and shall be governed by Michigan law. This Agreement may only be amended pursuant to a written document executed by all of the parties hereto. The waiver by any party hereto of a breach or violation of any provision of this Agreement shall not be a waiver of any subsequent breach of the same or any other provision of this Agreement. If any section or provision of this Agreement is unenforceable for any reasons, the unenforceability thereof shall not impair the remainder of this Agreement, which shall remain in full force and effect. It is contemplated that this Agreement shall be executed in multiple counterparts, all of which together shall be deemed to be one contract. This Agreement together with the contracts and agreements specifically referenced in this Agreement represent the entire understanding and agreement between the parties hereto with regard to the matters addressed herein. In the event of a conflict or inconsistency between the terms of this Agreement and the terms of any other contract or agreement referenced in this Agreement, the terms of this Agreement shall control, except in the event of a conflict or inconsistency between the terms of this Agreement and the Bond Contract and the effect of such conflict or inconsistency, if the terms of the Agreement were to control, would in any manner materially affect the security of the Bonds issued pursuant to the Bond Contract or the prompt payment of the principal or interest on the Bonds, then the terms of the Bond Contract shall control. All prior oral or, except to the extent provided herein, written understandings and agreements with regard to the matters addressed herein are specifically merged herein. The captions in this Agreement are for convenience only and shall not be considered as a part of this Agreement or in any way to amplify or modify the terms and provisions hereof. This Agreement

shall be enforceable only by the parties hereto and their successors in interest by virtue of an assignment which is not prohibited under the terms of this Agreement, and no other person shall have the right to enforce any of the provisions contained herein.

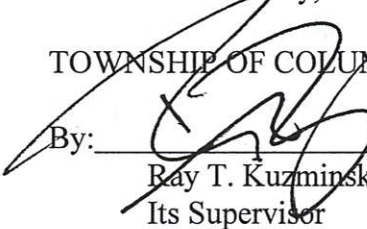
IN WITNESS WHEREOF, the Township of Columbia, Jackson County, Michigan, by its Township Board; the Township of Norvell, Jackson County, Michigan, by its Township Board; and the Township of Cambridge, Lenawee County, Michigan, by its Township Board; and the County of Jackson, by its Board of Commissioners, have each caused its name to be signed to this instrument by their duly authorized officers as of the day and year first above written.


COUNTY OF JACKSON
BY ITS BOARD OF PUBLIC WORKS

By: 
Geoffrey W. Snyder
Its: Chair, Jackson County Board of Public Works

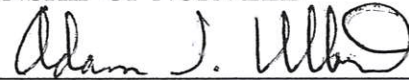
By: 
Kenneth L. Elenbaas
Its: Secretary, Jackson County Board of Public Works

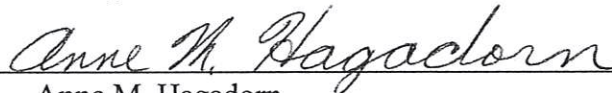
TOWNSHIP OF COLUMBIA

By: 
Ray T. Kuzminski
Its Supervisor

By: 
Barbara Hulburt
Its Clerk

TOWNSHIP OF NORVELL

By: 
Adam G. Ulbin
Its Supervisor

By: 
Anne M. Hagadorn
Its Clerk

TOWNSHIP OF CAMBRIDGE

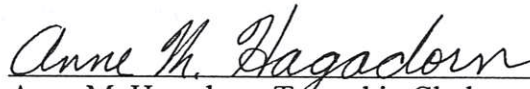
By: John Garrison
John Garrison
Its Supervisor

By: Rick W. Richardson
Rick W. Richardson
Its Clerk

CERTIFICATE OF TOWNSHIP CLERK

I hereby certify that the foregoing is a true and complete copy of an Ordinance adopted by the Township Board of the Township of Norvell, County of Jackson, State of Michigan, at a special meeting held on November 3, 2004, and that public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, including in the case of a special or rescheduled meeting, notice by posting at least eighteen (18) hours prior to the time set for said meeting.

I further certify that said Ordinance has been recorded in the Ordinance Book of the Township and such recording has been authenticated by the signatures of the Supervisor and the Township Clerk.



Anne M. Hagadorn, Township Clerk

THE TOWNSHIP OF NORVELL ORDAINS:

ORDINANCE NO. 47

AN ORDINANCE TO REGULATE THE USE OF PUBLIC AND PRIVATE SEWERS AND DRAINS, PRIVATE SEWAGE DISPOSAL, THE INSTALLATION AND CONNECTION OF BUILDING SEWERS, AND THE DISCHARGE OF WATERS AND WASTES INTO THE VINEYARD LAKE SEWAGE DISPOSAL SYSTEM IN THE TOWNSHIP; TO PROVIDE FOR THE CONNECTION TO AND THE FIXING AND COLLECTION OF RATES AND CHARGES FOR THE USE OF THE SEWER SYSTEM AND THE ALLOCATION AND USE OF REVENUES DERIVED THEREFROM; AND TO PROVIDE PENALTIES FOR ORDINANCE VIOLATIONS.

ARTICLE I
SHORT TITLE; FINDINGS; PURPOSE

Section 101. Short Title. This Ordinance shall be known as the “Sewer Connection, Use and Rate Ordinance” and may be cited as such.

Section 102. Intent. This Ordinance is intended to apply to all properties served by the Township’s Public Sewer System located in Sanitary Sewer Special Assessment District No. 1 within the Township.

Section 103. Objectives Re: Contractual Requirements. This Ordinance is adopted in accordance with and in furtherance of the Township’s obligations as set forth in the Contract and the Wastewater Services Agreement.

Section 104. Objectives Re: State and Federal Law Requirements. This Ordinance sets forth uniform requirements for Users of the Public Sewer System and enables the Township to comply with all State and Federal laws applicable to a publicly owned sanitary sewer collection, transportation and treatment systems, including the Clean Water Act (33 United States Code § 1251 et seq.). In addition, the objectives of this Ordinance include the following:

(a) To prevent the introduction of pollutants into the Public Sewer System which will interfere with the operation of the Public Sewer System and its components or the Sewage Treatment Facility or contaminate the resulting sludge;

(b) To prevent the introduction of pollutants into the Public Sewer System which will pass through the Public Sewer System and its components or the Sewage Treatment Facility, inadequately treated, into the ground water or otherwise be incompatible with the Public Sewer System and its components or the Sewage Treatment Facility;

(c) To improve the opportunity to recycle and reclaim wastewaters and sludges from the Public Sewer System;

(d) To provide for proportional distribution of the cost of the Public Sewer System; and

(e) To protect the physical integrity of the Public Sewer System and its components and the Sewage Treatment Facility, and to provide for the safety of the public and workers on and in the Public Sewer System or the Sewage Treatment Facility.

Section 105. Findings Re: Public Health, Safety and Welfare. The Township hereby determines that the Public Sewer System is immediately necessary to protect and preserve the public health, safety and welfare of the Township. This determination is based upon the express determination of the State Legislature set forth in Section 12752 of the Michigan Public Health Code, which reads as follows:

“Sec. 12752. Public sanitary sewer systems are essential to the health, safety, and welfare of the people of the state. Septic tank disposal systems are subject to failure due to soil conditions or other reasons. Failure or potential failure of septic tank disposal systems poses a threat to the public health, safety, and welfare; presents a potential for ill health, transmission of disease, mortality, and economic blight; and constitutes a threat to the quality of surface and subsurface waters of this state. The connection to available public sanitary sewer systems at the earliest, reasonable date is a matter for the protection of the public health, safety, and welfare and necessary in the public interest which is declared as a matter of legislative determination.”

Section 106. Finding Re: Measure of Sewer Use by Metering of Water Supply. The Township hereby finds that the metering of domestic water supply is the best available technology and preferred method for measuring with relative precision the discharge to and the use of the Public Sewer System. However, the Township recognizes that the cost for the implementation, use and maintenance of this technology is often high especially for residential users of the Public Sewer System. To the extent practicable, the Township will seek to use and require metering for measuring discharges to and use of the Public Sewer System. The Township declares, as its goal, the eventual use of metering of domestic water supply for all users of the Public Sewer System at that time when (a) all or substantially all Users of the Public Sewer System are connected to a public water supply system and/or (b) in the opinion of the Township, the costs for using and maintaining the metering technology is practical and cost effective for residential users of the Public Sewer System. In the interim, the Township finds that the use of a flat-rate User Charge based upon Units is a valid, cost effective, and practical method for measuring use of the Public Sewer System, particularly with respect to detached single family residential users.

ARTICLE II DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of terms used in this Ordinance shall be as follows:

Section 201. Available Public Sanitary Sewer System. A public sewer which is part of the Public Sewer System (tapped or untapped) located in a right of way, easement, highway, street or public way which crosses, adjoins, or abuts upon a property, passes not more than 300 feet at the nearest point from a Structure in which Sanitary Sewage Originates; provided, however, that with respect to a Township approved PUD, the terms of which PUD require connection of all property within the PUD to public sewer, an Available Public Sewer System shall be a public sewer which is

part of the Public Sewer System (tapped or untapped) located in a right of way, easement, highway, street or public way which crosses, adjoins, or abuts the PUD. With respect to properties located in the Service District, an Available Public Sanitary Sewer System shall be a public sewer which is part of the Public Sewer System (tapped or untapped) located in a right of way, easement, highway, street or public way which crosses, adjoins, or abuts upon the properties contiguous to Vineyard Lake regardless of distance from the Structure in which Sanitary Sewage Originates and, with respect to properties not contiguous to Vineyard Lake, passes not more than 300 feet at the nearest point from a Structure in which Sanitary Sewage originates.

Section 202. B.O.D.5 or Biochemical Oxygen Demand. As used in this Ordinance, the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedures in five (5) days at 20° C, expressed in PPM by weight.

Section 203. Board of Appeals. The Township Board acting in the capacity as the Wastewater Board of Appeals pursuant to Article X of this Ordinance.

Section 204. Brooklyn Interceptor. The interceptor sewer main, exclusive of related pump stations and pumping facilities, which transports Sewage from the Brooklyn area and the Vineyard Lake Interceptor to the Clark Lake Interceptor, a map of which is attached hereto as Appendix III.

Section 205. Building Drain. That part of the lowest piping of a drainage system which receives the discharge of Sewage inside of the walls of the building and conveys said discharge to the Building Sewer.

Section 206. Building Sewer. The extension from the Building Drain which conveys the discharge of Sewage to the Public Sewer System (typically, the Sewer Lead and its components) or other place of disposal.

Section 207. Claimant. Any person who makes a claim for economic damages which allegedly were caused by a Sewage Disposal System Event, as defined in Section 901.

Section 208. Clark Lake Interceptor. The interceptor sewer main, exclusive of related pump stations and pumping facilities, which transports Sewage from the Clark Lake Area and the Brooklyn Interceptor to the Leoni Township Sewer System for treatment by the Sewage Disposal Facility, a map of which is attached hereto as Appendix IV.

Section 209. C.O.D. or Chemical Oxygen Demand. The oxygen consuming capacity of inorganic and organic matter present in Sewage.

Section 210. Compatible Pollutant. The pollutants which can be treated and removed to a substantial degree by the Sewage Treatment Facility. These pollutants include but are not limited to defined maximum concentrations of B.O.D.5, S.S., pH and additional pollutants identified in the Discharge Permit if the Sewage Treatment Facility was designed to treat such pollutants, and in fact does remove such pollutant to a substantial degree.

Section 211. Connection Fee. The charge imposed by the Township to regulate the connection of a Building Sewer, either directly or indirectly, to the Public Sewer System. This fee represents (a) the proportional cost attributable to each Structure in which Sanitary Sewage

Originates to regulate access to the Public Sewer System and ensures that sufficient capacity exists to accommodate the additional use without overburdening the Public Sewer System or adversely affecting the Township's ability to provide service to the Public Sewer System's existing customers and (b) the benefit to the owner of a Structure in which Sanitary Sewage Originates derived from the connection to the Public Sewer System including, but not limited to, eliminating or reducing the risk of failure of private Sewage Disposal Facilities and the contamination of ground water. See also Direct Connection and Indirect Connection.

Section 212. Contract. The Jackson County Wastewater Disposal Facility (Vineyard Lake Area Section) Bond Contract, dated as of April 1, 2003, by and between the County, the Township, and the Township of Columbia, Jackson County, and the Township of Cambridge, Lenawee County, as amended by the First Amendment to the Jackson County Wastewater Disposal Facility (Vineyard Lake Area Section) Bond Contract, dated September 2, 2003, by and between the County, Columbia Township and Cambridge Township.

Section 213. Control Manhole. The structure installed on the Building Sewer or Service Connection to allow access for measurement and sampling of Sewage discharging from Industrial Users and commercial establishments.

Section 214. Cost of Operation and Maintenance. All costs, direct and indirect, inclusive of all expenditures attributable to administration, Cost of Replacement, treatment and collection of Sewage, necessary to insure adequate treatment and collection of Sewage on a continuing basis in conformance with the Discharge Permit, and other applicable local, state and federal regulations.

Section 215. Cost of Replacement. Expenditures and costs for obtaining and installing equipment, accessories or appurtenances which are necessary during the service life of the System to maintain capacity and the performance for which the System was designed and constructed.

Section 216. County. The County of Jackson, Michigan, acting by and through its Board of Public Works, the designated County Agency under Act 185 of the Public Acts of Michigan of 1957, as amended.

Section 217. Debt Service Charge. The amount charged to Users of the Public Sewer System to pay all or a portion of the principal, interest and administrative costs of retiring the debt incurred for acquisition and construction of the Public Sewer System.

Section 218. Direct Connection. The connection of the Building Sewer directly to the Public Sewer System.

Section 219. Discharge Permit. The permit issued by the MDEQ for the discharge of treated Sewage from each Sewage Treatment Facility.

Section 220. Domestic Sewage. The liquid wastes from all habitable buildings and residences and shall include human excreta and wastes from sinks, lavatories, bathtubs, showers, laundries and all other water-carried wastes of organic nature either singly or in combination thereof.

Section 221. Garbage. Solid wastes from the preparation, cooking and dispensing of food, and the handling, sale and storage of produce and, in addition, all paper, plastic and other household items, including containers, whether or not disposable or biodegradable in nature.

Section 222. Grinder Pump. In a Grinder Pump System, the device to which the Building Sewer connects and which grinds and pumps the Sewage for transportation to the Sewage Treatment Facility.

Section 223. Grinder Pump System. The publicly owned Grinder Pump, controls and pressure discharge pipe, including all control boards, controls, floats, pumps, storage tanks and appurtenances thereto which provides the connection between the privately-owned Building Sewer and the Public Sewer System. A diagram of a typical Grinder Pump System is attached to this Ordinance as Appendix II.

Section 224. Health Department. Jackson County Health Department.

Section 225. Indirect Connection. The connection of a Building Sewer to a sewage collection system which is installed to applicable Township and County specifications and with Township approval, paid for by special assessment or private funds, serves multiple Users, connected to the Public Sewer System, and, after construction, turned over to the Township and/or the County in accordance with the Contract and becomes part of the Public Sewer System (e.g., if a developer constructs collection sewers in a plat and connects the collection sewers to the Public Sewer System, the connection of each lot in the plat would be an Indirect Connection).

Section 226. Industrial Users. Users which discharge Industrial Wastes.

Section 227. Industrial Wastes. The liquid wastes, solids or semisolids from industrial, manufacturing, trade or business processes as distinct from Domestic Sewage.

Section 228. Inspection and Administration Fee. The amount charged to each applicant by the Township at the time an application is made to the Township for connection to the Public Sewer System to cover the actual routine cost of inspecting and approving the physical connection of a Building Sewer and Service Connection to the Public Sewer System, the issuance of a connection permit and related administrative expenses.

Section 229. Inspector. The person responsible for inspecting connections of Building Sewers and Service Connections to the Public Sewer System as designated by the Township.

Section 230. Interceptor Connection Fee. The charge imposed by the Township as part of the Connection Fee for the capital cost attributable to the Clark Lake Interceptor, the Brooklyn Interceptor and/or the Vineyard Lake Interceptor.

Section 231. Interceptor O,M&R Charge. That component of the User Charge attributable to the Cost of Operation and Maintenance of the Clark Lake Interceptor, Brooklyn Interceptor and/or Vineyard Lake Interceptor.

Section 232. May. Is permissive.

Section 233. MDEQ. Michigan Department of Environmental Quality.

Section 234. MG/L. Milligrams per liter, or parts per million.

Section 235. Miscellaneous User Fee. The amount charged to Users for miscellaneous services and related administrative costs associated with the System as the actual cost incurred by the Township plus administration/enforcement costs.

Section 236. NAICS. The North American Classification System or the successor publication, if replaced.

Section 237. Natural Outlet. Any outlet into a Watercourse, pond, ditch, lake or other body of surface or ground water.

Section 238. Normal Strength. Sewage which when analyzed shows a daily average concentration of not more than 200 mg/l of BOD, nor more than 240 mg/l of Suspended Solids; nor more than 10 mg/l of phosphorous; nor more than 50 mg/l of fats, oils and grease; nor other substances which may solidify or become viscous between 32 degrees F and 150 degrees F; nor more than 40 mg/l of TKN.

Section 239. Nuisance. Without limitation, any condition where Sewage or the effluent from any Sewage Disposal Facility is exposed to the surface of the ground; or is permitted to drain on or to the surface of the ground or into any Natural Outlet.

Section 240. pH. The negative logarithm of the concentration of hydrogen ions in solution, in grams per liter. A measure of relative acidity (pH less than 7) or alkalinity of (pH greater than 7) the solution tested. A neutral solution has a pH of 7.

Section 241. PPM. Parts per million, equal to milligrams per liter.

Section 242. Person. Any individual, firm, company, association, society, corporation or group, public or private.

Section 243. Pretreatment. The treatment of extra strength Industrial Wastes in privately owned pretreatment facilities prior to discharge into the Public Sewer System.

Section 244. Properly Shredded Garbage. The wastes from the preparation, cooking and dispensing of foods that have been shredded or cut to such degree that all particles will be carried freely under the flow conditions normally prevailing in Public Sewers, with no particle greater than one-eighth inch in any dimension.

Section 245. Public Sewer System or System. The Vineyard Lake Sewage Disposal System.

Section 246. Revenues. All collections of Sewer Rates and Charges, including time price differential, interest and penalties.

Section 247. Sanitary Sewer. A sewer which carries Sewage and into which storm, surface and ground waters are not intentionally admitted.

Section 248. Sanitary Sewer Special Assessment District No. 1. That portion of the Township served by the Vineyard Lake Sewage Disposal System, as outlined in the attached Appendix I.

Section 249. Service Connection. The portion of the Public Sewer System which extends either to or onto the parcel of land adjacent to the path of the Public Sewer System, and includes the sewer main, tee/wye, valve, check valve, connector pipes, the Sewer Lead, the Grinder Pump System, electrical controls and connections, related pumping facilities and appurtenances, but not including the Building Sewer.

Section 250. Service District. The area located within the Township including, but not limited to, the area within Sanitary Sewer Special Assessment District No. 1, served by the System and any extensions or expansions approved by the Township Board.

Section 251. Sewage. Any combination of the water-carried waste material from residences, business buildings, institutions and industrial establishments, including Industrial Wastes and Domestic Sewage.

Section 252. Sewage Disposal Facilities. Any on-site, private septic tank, Subsurface Disposal System or other devices used in the disposal of Sewage and which are not part of the System.

Section 253. Sewage Disposal System Event. An overflow or backup of the Public Sewer System, as defined in Section 901.

Section 254. Sewage Treatment Facility. The publicly-owned physical plant and appurtenances designated to receive and treat the raw, untreated Sewage of the properties located in the Service District and served by the Public Sewer System, and owned by the Township of Leoni, subject to a Contract dated as of April 20, 1971, by and between the Township of Leoni and the County, and further subject to the allocated flow rights of the Township established by the Wastewater Services Agreement.

Section 255. Sewer Lead. That portion of the Service Connection which connects to the sewer main located in the public right-of-way and extends perpendicular therefrom to the property line.

Section 256. Sewer Rates and Charges. The Connection Fee, Inspection and Administration Fee, User Charge, Debt Service Charge, User Surcharge, Miscellaneous User Fee and the civil penalty imposed pursuant to Section 306.

Section 257. Shall. Is mandatory.

Section 258. Slug. Any discharge of water, Sewage or Industrial Wastes which, in concentration of any given constituent or in quantity of flow, exceeds, for any period of time longer than fifteen (15) minutes, more than five (5) times the average twenty-four (24) hour concentration of flows during normal operation.

Section 259. Special Assessment District. All Special Assessment Districts determined at any time by the Township Board including, but not limited to, Sanitary Sewer Special Assessment District No. 1 for the provision of sanitary sewer service by the Public Sewer System.

Section 260. Special Assessment Roll. All Special Assessment Rolls confirmed at any time for a Special Assessment District by the Township Board.

Section 261. Storm Sewer or Storm Drain. A sewer which carries storm or surface waters, or drainage, but excludes Sewage.

Section 262. Structure in which Sanitary Sewage Originates. A building in which toilet, kitchen, laundry, bathing, or other facilities which generate Sewage are used or are available for use for household, commercial, industrial, or other purposes.

Section 263. Subsurface Disposal System. An arrangement for distribution of septic tank effluent beneath the ground surface (e.g. a "drainfield system," "tile field," "dry well" or "soil absorption system").

Section 264. S.S. or Suspended Solids. Solids either floating or suspended in Sewage, or other liquids and which are removable by laboratory filtering and biologic processes.

Section 265. System. The Public Sewer System.

Section 266. System Receiving Funds. The funds established pursuant to Article VIII to receive collections of Sewer Rates and Charges.

Section 267. Township. The Township of Norvell, located in Jackson County, Michigan, acting by and through its duly authorized agent or representative.

Section 268. Treatment O,M&R Charge. That component of the User Charge attributable to the cost charged by the Township of Leoni for the treatment of Sewage by the Sewage Treatment Facility.

Section 269. U.S. EPA. The United States Environmental Protection Agency which assures the protection of the environment by abating or controlling pollution on a systematic basis.

Section 270. Unit or Units. A standard basis of measuring the relative quantity of Sewage, including the benefits derived from the disposal thereof, arising from the occupancy of a freestanding single-family residential dwelling (but such term shall not necessarily be related to actual use arising from any particular dwelling), with an average daily sewage discharge of 210 gallons. A listing of the relative relationship between the various Users of the System is hereby determined by the Township and is set forth in Appendix V to this Ordinance. The assignment of Unit(s) to a particular User shall be determined from time to time by the Township, based upon available information, studies and investigation of the use to which the User's property is put. In the assignment of Units, the number of Units shall be rounded to the nearest whole number. The assignment of Unit(s) for any use not enumerated in Appendix V shall, in the sole discretion of the Township, be based upon the most similar use enumerated in Appendix V.

Section 271. User. A recipient of services provided by the System including premises which are connected to and discharge Sewage into the System.

Section 272. User Charge. A charge, based on Units, charged to Users of the System for use of the System. The charge represents (a) that User's proportionate share of the Cost of the Operation and Maintenance (and may include Cost of Replacement of the System) and (b) the benefit to that User derived from the availability and use of the System.

Section 273. User Class. A class of Users connected to the System including but not limited to residential, industrial, commercial, institutional and governmental.

(a) **Residential User:** A User of the System whose premises or buildings are used primarily as a domicile for one or more persons including dwelling units such as detached, semi-detached and row houses, mobile homes, apartments or permanent multi-family dwellings (transient lodging is not including, it is considered a Commercial User).

(b) **Industrial User:** A User of the System which discharges Industrial Wastes as distinct from their employees Domestic Sewage.

(c) **Commercial User:** An establishment listed in the current edition of the NAICS, involved in a commercial enterprise, business or service which, based on a determination by the Township, discharges primarily segregated Domestic Sewage and which is not a Residential User or an Industrial User.

(d) **Institutional User:** Any establishment listed in the current edition of the NAICS involved in a social, charitable, religious or educational function which, based on the determination by the Township, discharges primarily segregated Domestic Sewage.

(e) **Governmental User:** Any federal, state or local government User of the System.

Section 274. User Surcharge. A charge imposed on a User of the System for discharges of Sewage that are in excess of Normal Strength Sewage.

Section 275. Vineyard Lake Sewage Disposal System. The sanitary sewer collection and transmission system known as the Vineyard Lake Sewage Disposal System, including all publicly-owned Service Connections, mains, lifts, pumping stations, odor control facilities and all appurtenances thereto, which serves the Service District, including the Sanitary Sewer Special Assessment District No. 1, and the related Sewage Treatment Facility, all as owned by the County, subject to the rights of the Township in accordance with the Contract.

Section 276. Wastewater Services Agreement. The Wastewater Services Agreement dated as of October 1, 2003, by and between the Township of Columbia, the Township of Cambridge, Lenawee County, and the Township, whereby the Township of Columbia allocated a portion of its treatment capacity in the Sewage Treatment Facility to the Township for treatment of the Sewage from the Sanitary Sewer Special Assessment District No. 1.

Section 277. Watercourse. A channel in which a flow of water occurs, either continuously or intermittently.

ARTICLE III CONNECTION TO AND EXTENSION OF PUBLIC SEWER SYSTEM

Section 301. Discharge of Sewage. No Person shall discharge to any Natural Outlet within the Service District any Sewage or other polluted waters except where suitable treatment has been provided in accordance with standards established by the MDEQ, U.S. EPA and this Ordinance.

Section 302. Sewage Disposal Facilities. Except as provided in this Ordinance, no Person shall construct or maintain in the Service District any private Sewage Disposal Facilities. Any person owning property connected to the Public Sewer System shall provide for the proper abandonment or destruction of existing private Sewage Disposal Facilities.

Section 303. Mandatory Connection of Properties in Special Assessment District. All owners of Structures in which Sanitary Sewage Originates, now situated or hereafter constructed within a Special Assessment District in the Service District, are hereby required at their expense to install suitable plumbing fixtures and connect such facilities directly with the Available Public Sanitary Sewer System in accordance with the provisions of this Ordinance. The Township may require any such owners, pursuant to the authority conferred upon it by law or ordinance, to make such installations or connections which must have the approval (during and after construction) of the Inspector.

Section 304. Mandatory Connection of New Construction in Service District Outside Special Assessment District. All owners of parcels located in the Service District, but outside a Special Assessment District, which are presently undeveloped and, if a septic permit has not been obtained prior to the effective date of this Ordinance, which are hereafter improved by a Structure in which Sanitary Sewage Originates, shall be required to connect to the Available Public Sanitary Sewer System in the manner provided by Sections 303 and 306.

Section 305. Connection of Existing Improved Properties in Service District Outside Special Assessment District. Owners of all presently situated Structures in which Sanitary Sewage Originates, which are located in the Service District, but outside of a Special Assessment District and which are currently served by private Sewage Disposal Facilities, shall not be required to connect to the Available Public Sanitary Sewer System until such time as

- (a) the existing private Sewage Disposal Facilities fail (as determined by the Health Department) or
- (b) connection of all improved properties within the area in which said premises are located is declared a necessity by the Township for the public health and welfare.

Upon the occurrence of any such event, connection shall be made to the Public Sewer System in accordance with Sections 303 and 306, subject to the availability of capacity in the System. In the alternative, an owner of property subject to this Section 305 may connect to the Public Sewer System at any time in compliance with the terms of this Ordinance, subject to the availability of capacity in the System.

Section 306. Connection Deadline. As a matter of public health, all connections to the Public Sewer System required hereunder shall be completed no later than twelve (12) months after the last to occur of the date of official notice by the Township to make said connections or the modification of a structure so as to become a Structure in which Sanitary Sewage Originates. Newly constructed structures required to connect shall be connected prior to occupancy thereof. Persons who fail to complete a required connection to the Public Sewer System within such twelve (12) month period shall be liable for a civil penalty equal in amount to the User Charges and Debt Service Charges that would have accrued and been payable had the connection been made as required, in addition to the penalties provided in this Ordinance.

Section 307. Enforcement in the Event of a Failure to Connect. In the event a required connection to the Public Sewer System is not made within the time provided by Section 306, the Township shall require the connection to be made immediately after notice given by first class or certified mail or by posting on the property. The notice shall give the approximate location of the Available Public Sanitary Sewer System and shall advise the owner of the affected property of the requirement and enforcement provisions provided by Township ordinance and state law. In the event the required connection is not made within 90 days after the date of mailing or posting of the written notice, the Township may bring an action in the manner provided by law in a court of competent jurisdiction for a mandatory injunction or court order to compel the property owner to immediately connect the affected property to the Available Public Sanitary Sewer System.

Section 308. Extensions of Public Sewer System to Service New Developments.

(a) The owner of premises located within the Service District but not served by an Available Public Sanitary Sewer System may elect to extend the Public Sewer System and connect his premises thereto, subject to the conditions for sewer extensions set forth in Section 310.

(b) The owner (or developer) of lands in the Township proposed for development (whether by site condominium, subdivision, land division or otherwise) for which land use approval is received after the effective date of this Sewer Connection and Rate Ordinance, shall be required to extend the Public Sewer System and connect the premises so developed to the Public Sewer System subject to the conditions for sewer extensions set forth in Section 310 if the distance measured in feet from the nearest edge of the proposed development to the nearest point of the Public Sewer System when divided by the number of Units proposed for the development equals one hundred feet or less. This subsection 308(b) shall not apply to lands improved by one single family residence located adjacent to the then existing terminus of the Public Sewer System.

Section 309. Connection of Premises Located Outside the Service District. Premises located outside the Service District shall be permitted to connect to the Public Sewer System only upon the consent of the Township Board. The consent of the Township Board shall be granted or denied by the Township Board in the exercise of its reasonable discretion and shall be based upon the continued availability of capacity in the Public Sewer System for premises located within the Service District and may be based upon such other considerations deemed appropriate by the Township Board and consistent with this Ordinance, including, but not limited to, the terms of the Wastewater Services Agreement, if applicable. To the extent an extension of the Public Sewer System is required, the conditions set forth in Section 310 shall apply. In its discretion, the Township Board may require the person requesting the connection of premises located outside the Service District to provide, at the sole expense of said person, an engineering report by a consulting engineer acceptable to the Township addressing the cost and feasibility of the proposed sewer service (and any sewer extension necessitated thereby) in the context of the foregoing considerations.

Section 310. Conditions for Extension of Public Sewer System by Property Owner. If connection to the Public Sewer System is required by Section 308(b) of this Ordinance, but there is no Available Public Sanitary Sewer System adjacent to the premises, or if a property owner elects to extend the Public Sewer, such extension shall be in accordance with the following requirements,

unless modified by the terms of a written agreement between the Township and the property owner pursuant to Section 311:

(a) The sewer main shall be extended to the premises in a public right-of-way, or in an easement owned by the public to the premises in question. If the sewer is to be extended for the purpose of serving a new development, including but not limited to a site condominium, subdivision, or division of land which involves the installation of a new public or private road, the sewer main shall be extended throughout such new road so that the sewer abuts all units or lots within the development, within an easement dedicated to the public if not located in a public street right of way.

(b) If a sewer main is extended to a premises, the main shall be installed across the entire frontage of the premises served, to the border of the adjacent premises. For developments for which a new public or private road is constructed, the sewer main shall be extended across the entire frontage of the development on the existing adjacent public or private road, in addition to being extended within the new road to all lots or units within the development. All sewer main extensions shall be located within an easement dedicated to the public, if not located in a public street right of way.

(c) The sewer main shall be constructed in accordance with specifications approved by the Township.

(d) Upon completion of the sewer main, verification by the Inspector that it has been properly constructed, and proof that all contractors have been paid for the cost thereof (including lien waivers if requested), the sewer main shall be dedicated to the Township, without cost to the Township. Upon acceptance of dedication, the Township shall thereafter be responsible for maintenance of the sewer main. The Township shall be assigned, or be a third party beneficiary of, all construction contracts and material and equipment warranties.

(e) The person responsible for installing the sewer shall also reimburse the Township for the cost of acquisition of right-of-way, if necessary, including attorney fees, appraisal fees, cost of land title research and all other expenses of any condemnation proceedings. The person responsible for installing the sewer shall pay an amount to the Township, in advance, at least equal to the estimated fees for such acquisition. Any excess not required to complete the improvements shall be refunded to the responsible party; any shortfall shall be paid before connection of any premises is permitted.

(f) The entire cost of installation of the sewer main, including but not limited to engineering, construction, permits and restoration shall be paid by the owner or owners of the premises to whom sewer is being extended.

(g) In addition to the extension of a sewer main as required, the owner of Premises to be connected to the System shall reimburse the Township for the cost of making improvements to downstream facilities, which are necessary as a result of the additional connections proposed to be made by the owner of the premises or by a development which will be provided with public sewer, including but not limited to increasing the size of downstream sewer mains to provide sufficient capacity, increase in the capacity of lift stations, and increase in treatment capacity of the Wastewater Treatment Plant. In such a

situation, the responsible party and the Township shall enter into an agreement whereby the responsible party pays to the Township, in advance, an amount equal to at least the estimated cost of making such improvements. Any excess not required to complete the improvements shall be refunded to the responsible party; any shortfall shall be paid before connection of any premises is permitted.

(h) In its discretion, the Township Board may require the person requesting the extension or required to construct an extension to provide at the sole expense of said person an engineering report by a consulting engineer acceptable to the Township addressing the cost and feasibility of the proposed extension in the context of the foregoing conditions.

Section 311. Sewer Extension Agreements. The Township shall have the authority to negotiate agreements for sewer extensions with landowners, developers and other municipalities, which agreements may take into consideration issues of demand, benefit, capacity, necessity, timing and funding and may provide for construction advances, prepayment of rates and charges, pay back arrangements of up to 10 years and similar matters.

ARTICLE IV PRIVATE SEWAGE DISPOSAL

Section 401. Private Sewage Disposal Facilities. If a Public Sewer System is not available to a parcel of land located in the Service District in accordance with the provisions of Article III, the Building Sewer shall be connected to private Sewage Disposal Facilities constructed in compliance with requirements of the Health Department and the MDEQ.

Section 402. Operation and Maintenance. The owner shall operate and maintain the private Sewage Disposal Facilities in a sanitary manner at all times, at no expense to the Township.

Section 403. Governmental Requirements. No statement contained in this Article shall be construed to interfere with any additional requirements that may be imposed by the Township, the Health Department, the MDEQ or any other governmental agency with jurisdiction over the Service District.

Section 404. Connection to Public Sewer System; Abandonment. At such time as the Public Sewer System becomes available to a parcel served by private Sewage Disposal Facilities, as provided in accordance with Article III, the Building Sewer shall be connected to the Public Sewer System in compliance with this Ordinance, except as provided in Section 305, and the private Sewage Disposal Facilities shall be abandoned for sanitary use in the manner required by the Health Department.

ARTICLE V BUILDING SEWERS AND CONNECTIONS

Section 501. Permit Requirement. No unauthorized person shall uncover, make any connections with or opening into, use, alter, or disturb any portion of the Public Sewer System without first obtaining a written permit from the Township in accordance with Section 502.

Section 502. Permit Application. A connection to the Public Sewer System shall be made only by an authorized contractor or plumber upon written authorization and a Service Connection

permit issued by the Township. Prior to said connection, the property owner or his agent shall submit a permit application to the Township. This permit application shall be on a form furnished by the Township and shall be accompanied by payment of the applicable Connection Fee determined in accordance with Section 702, any civil penalty which has accrued pursuant to Section 306 above and the Inspection Fee, the plans and specifications of all plumbing construction within the premises (when requested), and all other information required by the Township.

Section 503. Approval of Application. The approval of a Service Connection permit application shall be subject to

- (a) compliance with all terms of this Ordinance, including, without limitation, Section 502, above, and the rules and regulations of the Health Department and the MDEQ,
- (b) the availability of capacity in the System, including Compatible Pollutant capacity,
- (c) to the extent required by Section 504, below, execution of an easement, and
- (d) compliance of the plans and specifications for connection with the following standards for construction:

- (i) The design, installation and connection of the Building Sewer and Service Connection shall meet the specifications approved from time to time by the Township and on file for public inspection at the Township offices. The Sewer Lead shall not be less than four (4) inches in diameter for a Gravity System and not less than 1 1/4 inches in diameter for a Grinder Pump System and a larger diameter may be required by the Township based upon the length of run or grade of the Sewer Lead.

- (ii) The size of the Building Sewer shall not be less than four (4) inches in diameter and is subject to inspection by the Inspector at the time of connection to the Service Connection. In the event such inspection reveals a deficiency or non-conformity in the Building Sewer, the connection of the Building Sewer to the Service Connection shall not be completed or approved until the owner has corrected the said deficiency or non-conformity to the satisfaction of the Inspector.

- (iii) Whenever possible the Building Sewer shall be brought to the building at an elevation below the basement floor. No Building Sewer shall be laid parallel to and within three (3) feet of any bearing wall, which might thereby be weakened. The depth shall be sufficient to afford protection from frost. Where this minimum depth cannot be obtained, the Building Sewer shall be laid at a minimum grade of one-quarter (1/4) inch per foot, sloping towards the Service Connection.

- (iv) In all buildings in which any Building Drain is too low to permit gravity flow to the Service Connection, the Sewage carried by the Building Drain shall be lifted by means acceptable to the Township and discharged to the Service Connection. However, operation and maintenance of all interior lift pumps and injectors shall be the responsibility of the property owner.

(v) Where the Public Sewer System is more than twelve (12) feet deep measured from established street grade, a riser may be constructed on the Service Connection using methods and materials approved by the Township.

(vi) All joints and connections shall be made gastight and watertight.

(vii) A separate and independent Building Sewer shall be provided for every building; except where one building stands at the rear of another on an interior lot and no private sewer is available or can be constructed to the rear through an adjoining alley, court, yard, or driveway, the Building Sewer from the front building may be extended to the rear building and the whole considered as one Building Sewer. Other exceptions will be allowed only by special permission granted by the Township.

(viii) Connection of the Building Sewer to the Public Sewer System shall conform to requirements of the building and plumbing code or other applicable rules and regulations of the Township and/or County. Any deviation from the prescribed procedures and materials must be approved by the Inspector.

Section 504. On-Lot Easement Requirements. Prior to the approval and issuance of a Service Connection permit for a Grinder Pump System, the applicant will be requested to have executed by the property owner(s) of record for the premises to be connected, an easement in a form provided by the Township granting permission to the Township to install, construct, operate, maintain, repair and replace the Service Connection to be installed on the premises.

(a) If the applicant provides such easement, then the Township shall provide, at its cost, all needed repairs, operation, maintenance and replacement of the Service Connection in accordance with Section 511, below.

(b) If the applicant, for any reason, declines to provide said easement, then the permit shall be issued in the discretion of the Township, together with an appropriate bill of sale conveying from the Township to the property owner title to all components comprising the Service Connection. Following installation of the Service Connection by the property owner (which installation is subject to inspection by the Inspector in accordance with the terms of this Ordinance), the property owner shall, at his or her expense, repair, operate, maintain and replace the Service Connection in accordance with Section 512, below.

(c) A property owner or his or her successor may, at any time following the installation of a Service Connection on a premises for which no easement was provided to the Township prior to the issuance of a permit, grant the appropriate easement to the Township. The Township shall accept said easement and assume the responsibility for repair, operation, maintenance and replacement provided that the Inspector has inspected the Service Connection and is satisfied that the Service Connection is in good working order, reasonable wear and tear excepted.

In the event such inspection reveals that the Service Connection has not been properly maintained or that the condition of the Service Connection has deteriorated beyond reasonable wear and tear, the Township may condition its acceptance of the easement and assumption of the financial responsibility for operation, maintenance and repair and replacement of the Service Connection upon

- (i) appropriate repairs of the Service Connection at the expense of the property owner,
- (ii) replacement of the Service Connection or individual components thereof at the expense of the property owner or
- (iii) such other conditions as the Township, in the exercise of its reasonable judgment, deems appropriate.

The acceptance of the easement by the Township shall be accompanied by an executed Bill of Sale by the property owner conveying the Service Connection to the Township.

(a) Section 504 shall not apply to any premises for which the installation of the Service Connection was made by a contractor engaged by the Township or the County pursuant to the Contract or any future supplement or amendment thereto, it being the assumption in these circumstances that the property owner had granted an appropriate easement prior to said installation.

(b) Section 504 shall not apply if the Service Connection is a Gravity System.

Section 505. Excavations, Pipe Laying and Backfill. All excavations, pipe laying and backfill required for the installation of Building Sewers and Service Connections shall be done to conform to requirements and standards approved by the Township. No backfill shall be placed until the work has been inspected and approved by the Inspector.

Section 506. Connection of Building Sewer. The connection of the Building Sewer to the Public Sewer System shall be made at the Service Connection.

Section 507. Connection of Certain Drains is Prohibited. No Person shall make connection of roof downspouts, exterior footing or foundation drains, areaway drains, storm drains, or other points of entry of surface runoff or groundwater to a Building Sewer or Building Drain which in turn is connected directly or indirectly to the Public Sewer System.

Section 508. Public Safety Requirements; Restoration. All excavations for Building Sewer installation and connection to the Public Sewer System shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways and other public property disturbed in the course of the work shall be restored at the cost of the property owner in a manner satisfactory to the Township, the County Road Commission and all other governmental entities having jurisdiction.

Section 509. Cost of Installation of Building Sewer and Connection to Public Sewer; Indemnification. All costs and expenses incidental to the installation of the Building Sewer and the connection thereof to the Public Sewer System shall be borne by the owner of the property being connected. No such work shall be commenced before such owner obtains any necessary permission to work in the public right of way from the County Road Commission. Said owner shall indemnify the Township from all loss or damage that may directly or indirectly be caused by the installation and connection of the Building Sewer to the Public Sewer System.

Section 510. Inspection. A Service Connection permittee shall notify the Inspector when the Building Sewer and Service Connection are ready for inspection. The excavation shall be left open until inspection is complete. If the Inspector determines that the Building Sewer and Service Connection have been constructed and installed in accordance with the requirements of this Ordinance, the Building Sewer shall then be connected with the Service Connection under the observation of the Inspector. The inspection shall include the installation of all required components of the Service Connection, including without limitation, wiring, conduit, sealants, riser, discharge lines and related necessary appurtenances. The inspection required by this Section shall include the abandonment of the private Sewage Disposal Facilities in the manner required by the Health Department.

Section 511. Township's Responsibility for Repairs, Operation and Maintenance. The cost of all repairs, operation, maintenance and replacement of the Public Sewer System, as well as each Service Connection which is a Gravity System or for which the property owner has granted an easement to the Township, shall be borne by the Township as part of the Township's budgeted annual expense of the System, subject to the right of the Township to impose a Miscellaneous User Fee in accordance with Section 705, below.

Section 512. Property Owner's Responsibility for Repairs, Operation and Maintenance. The cost of all repairs, operation, maintenance and replacements of existing Building Sewers and their connection to Public Sewer Systems shall be borne by the property owner. If the property owner has not granted an easement to the Township to maintain the Service Connection which is a Grinder Pump System, then the cost of all repairs, operation, maintenance and replacement of the Service Connection shall also be borne by the property owner.

Section 513. Contractor Requirements. Any person desiring to construct a Service Connection or uncover, make any connection with or opening into, use, alter or disturb any public sewer or appurtenances thereof, must secure an annual license from the Township. The license shall be issued on a calendar year basis. The person applying for such license shall pay a license fee of \$50 and execute unto the Township and deposit with the Township, a cash bond or irrevocable letter of credit in the sum of \$5,000, conditioned that he will faithfully perform all work with due care and skill, and in accordance with the laws, rules and regulations established under the authority of the Township and the County, pertaining to sewers and plumbing. This bond shall state that the person will indemnify and save harmless the Township, the County and the owner of the premises against all damages, costs, expenses, outlays and claims of every nature and kind arising out of mistakes or negligence on his part in connection with the Service Connection installation and connection as prescribed in this Ordinance. Such bond shall remain in force and must be executed for a period of one (1) year, except that, upon such expiration, it shall remain in force as to all penalties, claims and demands that may have accrued thereunder prior to such expiration. The licensee shall also provide to the Township, evidence of public liability insurance insuring the interests of the Township, the property owner, and all persons, for all damages caused by accidents attributable to the work, with limits of \$100,000 for one (1) person, \$300,000 for bodily injuries per accident, and \$100,000 for property damages.

**ARTICLE VI
USE OF THE PUBLIC SEWER SYSTEM**

Section 601. Prohibited Discharge of Storm Water. No Person shall discharge or cause to be discharged any storm water, surface water, ground water, water from footing drains, roof runoff, subsurface drainage, unpolluted cooling water or unpolluted industrial process waters to the Public Sewer System.

Section 602. Permissible Discharge of Storm Water. Unpolluted water, storm water and all other unpolluted drain water shall be discharged to the ground surface, to a Natural Outlet or to a Storm Sewer or Storm Drain in accordance with applicable state and federal regulations.

Section 603. Prohibited Discharges to Public Sewer System.

(a) No User shall contribute or cause to be contributed, directly or indirectly, any pollutant or wastewater which will interfere with the operation or performance of the System or the Sewage Treatment Facility. These general prohibitions apply to all such Users whether or not the User is subject to the National Categorical Pretreatment Standards of any other national, state or local Pretreatment Standards or requirements. A User may not contribute the following substances to the System or the Sewage Treatment Facility:

(i) Any liquids, solids or gases which by reason of their nature or quantity are, or may be, sufficient either alone or by interaction with other substances to cause fire or explosion or be injurious in any other way to the System or the Sewage Treatment Facility or to the operation of the System or the Sewer Treatment Facility. Prohibited materials include, but are not limited to, gasoline, kerosene, naphtha, benzene, toluene, xylene, ethers, alcohols, ketones, aldehydes, peroxides, chlorates, perchlorates, bromates, carbides, hydrides and sulfides.

(ii) Solid or viscous substances which may cause obstruction to the flow in a sewer or other interference with the operation of the wastewater treatment facilities such as, but not limited to: grease, garbage that is not Properly Shredded Garbage, animal guts or tissues, paunch manure, bones, hair, hides or fleshings, entrails, whole blood, feathers, ashes, cinders, sand, spent lime, stone or marble dust, metal, glass, straw, shavings, grass clippings, rags, spent grains, spent hops, waste paper, wood, plastics, gas, tar, asphalt residues, residues from refining, or processing of fuel or lubricating oil, mud, or glass grinding or polishing wastes.

(iii) Any Sewage having a pH less than 5.5 or greater than 9.5, or Sewage having any other corrosive property capable of causing damage or hazard to structures, equipment, or personnel of the System or the Sewage Treatment Facility.

(iv) Any Sewage containing toxic pollutants in sufficient quantity, either singly or by interaction with other pollutants, to injure or interfere with any wastewater treatment process, constitute a hazard to humans or animals, create a toxic effect in the receiving waters of the Sewage Treatment Facility, or exceed the limitation set forth in a categorical pretreatment standard.

(v) Any noxious or malodorous liquids, gases, or solids which either singly or by interaction with other wastes are sufficient to create a public nuisance or hazard or to prevent entry into the sewers for maintenance and repair.

(vi) Any substance which may cause the System's or Sewage Treatment Facility's effluent or any other product thereof such as residues, sludges, or scums, to be unsuitable for reclamation and reuse or to interfere with the reclamation process.

(vii) Any substance which will cause the Sewage Treatment Facility to violate its Discharge Permit or the receiving water quality standards.

(viii) Any Sewage with objectionable color not removed in the treatment process, such as, but not limited to, dye wastes and vegetable tanning solutions.

(ix) Any Sewage having a temperature which will inhibit biological activity in the System or the Sewage Treatment Facility resulting in interference, but in no case Sewage with a temperature at the introduction into the System or Sewage Treatment Facility which exceeds 40°C (104°F).

(x) Any pollutants, including oxygen demanding pollutants (BOD, etc.) released at a flow rate and/or pollutant concentration which will cause interference to the System or Sewage Treatment Facility.

(xi) Any Sewage containing any radioactive wastes or isotopes of such half-life or concentration as may exceed limits established by the Township in compliance with applicable state or federal regulations.

(xii) Any Sewage which causes a hazard to human life or creates a public Nuisance.

(xiii) Any unpolluted water including, but not limited to, non-contact cooling water.

(xiv) Any sludge, precipitate or congealed substances resulting from an industrial or commercial process, or resulting from the pretreatment of wastewater or air pollutants.

Upon the promulgation of the national categorical pretreatment standards for a particular industry subcategory, the pretreatment standard if more stringent than limitations imposed under this Ordinance shall immediately supersede the limitations imposed under this Ordinance and shall be considered part of this Ordinance and the Township shall notify all affected Users of the applicable reporting requirements.

Section 604. Discharge Permit Limitations. No Person shall discharge or cause to be discharged into the System any Sewage which would cause effluent from the Sewage Treatment Facility to exceed discharge limits established in the Discharge Permit issued for operation of the System.

Section 605. Remedies; Pre-Treatment. If any Sewage is discharged, or is proposed to be discharged to the Public Sewer System, and such Sewage contains the substances or possesses the characteristics enumerated in Section 603 or Section 604, and which in the judgment of the Township and/or the County may have a harmful effect upon the System or Sewage Treatment Facility, or receiving waters, or which otherwise create a hazard to life or constitute a public Nuisance, the Township may take the actions necessary to:

- (a) Effect a cease and desist of the discharge of the Sewage to the Public Sewer System.
- (b) Reject the Sewage.
- (c) Require pre-treatment of the Sewage to an acceptable condition prior to discharge to the Public Sewer System.
- (d) Require control over the quantities and rates of discharge.
- (e) Require payment of a User Surcharge to cover the added cost of handling and treating the Sewage pursuant to Sections 607, 703(b) and 704 hereof.
- (f) Require new Industrial Users or Industrial Users with significant changes in strength or flow of effluent to submit detailed information to the Township and/or County concerning the proposed flows or effluent.

If the Township and/or County permits the pre-treatment or equalization of Sewage flows, the design and installation of the pre-treatment plants and equipment shall be subject to the review and approval of the Township and/or County, Leoni, the Health Department, the MDEQ, and shall also be subject to the requirements of all applicable codes, ordinances, regulations and laws. No construction of pre-treatment or equalization facilities shall take place until all necessary approvals are obtained in writing, and copies of said approvals are forwarded to the Township and/or County.

Section 606. Maintenance of Pre-Treatment Facilities. Where preliminary treatment or flow equalizing facilities are provided for any Sewage, said facilities shall be maintained continuously in satisfactory and effective operation by the owner at no expense to the Township and/or County.

Section 607. Special Arrangements; Surcharge. No provision of this Ordinance shall be construed as preventing any special agreement or arrangement between the Township and any User whereby Sewage of unusual strength or character may be accepted by the Township for treatment, subject to the consent of Leoni and the payment of a User Surcharge by the User and provided such Sewage will not damage the System, the Sewage Treatment Facility or the receiving water.

Section 608. Grease, Oil and Sand Interceptors. Grease, oil, and sand interceptors shall be installed, operated, maintained, repaired and replaced by the individual User and at no cost to the other Users of the System when determined by the Township to be necessary for the proper handling of Sewage containing ingredients described in Section 603 of this Article; provided that all restaurants shall install a grease interceptor within ninety (90) days after the effective date of this Ordinance. All interceptors shall be properly maintained on a regular basis by the individual user and shall be:

- (a) of the type and capacity prescribed by the Township,
- (b) located so as to be readily and easily accessible for cleaning and inspection,
- (c) constructed of impervious materials capable of withstanding abrupt and extreme changes in temperature, and
- (d) of substantial construction, watertight, and equipped with easily removable covers which when bolted in place shall be gastight and watertight. Interceptors shall not be required for private living quarters or dwelling units.

Section 609. Control Manhole. When required by the Township, the owner(s) of any property serviced by a Building Sewer carrying Industrial Wastes shall install a suitable Control Manhole upstream from the connection to the Public Sewer System. The purpose of this Control Manhole shall be to enable observation, sampling, and measurements of the Industrial Wastes. The Control Manhole shall be at the property line or in a location approved by the Township, shall be easily accessible, and shall be constructed in accordance with plans and specifications approved by the Township and the Township's engineer. Installation of the Control Manhole, sampling equipment and other appurtenances required by the Township shall be at the expense of the property owner. The owner shall operate, maintain, repair and replace the Control Manhole and appurtenances in a safe, accessible and operable manner at all times at the owner's expense.

Section 610. Testing of Industrial Wastes. All measurements, tests, and analyses of characteristics of Industrial Wastes shall be conducted on samples obtained at the Control Manhole. Where no specific control manhole has been constructed, the Control Manhole shall be considered to be in the nearest downstream manhole in the Public Sewer System to the point at which the Building Sewer is connected. Costs incurred by the Township for said testing may, at the discretion of the Township, be charged to the User discharging the Industrial Wastes as a Miscellaneous User Fee.

Section 611. Test Standards. All measurements, tests, and analyses of Sewage characteristics described in this Article shall be determined in accordance with the current "Standard Methods for the Examination of Water and Sewage," as published by the A.P.H.A., A.W.W.A. and W.E.F. (or their successor entities). Sampling shall be carried out by customarily accepted methods to reflect the effect of constituents upon the System and to determine the existence of hazards of life and property. The particular analyses involved will determine whether a 24 hour composite of all outfalls of a premise is appropriate or whether samples should be taken.

ARTICLE VII SEWER RATES AND CHARGES

Section 701. Public Utility Basis; Fiscal Year. The System shall be operated and maintained by the Township on a public utility basis pursuant to state law under the supervision and control of the Township Board, subject to the terms of the Contract. The Public Sewer System shall be operated on the same fiscal year as the Township. The Township shall annually, on or before May 1 of each year, submit for information a report to the County on the revenues and expenditures of the System, including a projected budget for the ensuing fiscal year and recommendations for the Sewer Rates and Charges for such ensuing year.

Section 702. Connection Fee. The owner of all premises required or permitted by Article III to connect to the System shall pay a Connection Fee.

(a) **Computation.** The Connection Fee shall be computed in the following manner:

(i) For a Direct Connection to the Public Sewer System, the Connection Fee, which shall include an Interceptor Connection Fee, shall be a rate per Unit established by resolution of the Township Board from time to time.

(ii) For an Indirect Connection to the Public Sewer System, the Connection Fee, including the Interceptor Connection Fee, shall be a rate per Unit established by resolution of the Township Board from time to time.

(iii) The Interceptor Connection Fee shall be established in accordance with the Wastewater Services Agreement.

(iv) The Connection Fee may be set in different amounts for Direct Connections, Indirect Connections and Interceptor Connection Fees for connections to the Vineyard Lake Sewage Disposal System, Sanitary Sewer Special Assessment District No. 1 or any special assessment district located within the Sewer District, based upon the Contract, the Wastewater Services Agreement and/or the differences in cost attributable to each portion of the Public Sewer System.

(b) **Cost and Expense of Service Connection.** In addition to the Connection Fee as computed in (a) above, the owner of the premises shall be liable for the costs and expenses of acquiring from the Township and installing the Service Connection pursuant to Township specifications on file at the Township. The Township shall determine the type of Service Connection for each User on the basis of conformity to prior installations and the integrity of the Public Sewer System.

(c) **Credit for Special Assessments.** Those parcels located in a Special Assessment District and subject to a full special assessment on the Special Assessment Roll shall be deemed to have paid the Connection Fee, if payments on the special assessment are current; provided, however, that such credit shall not result in a full or partial refund of the special assessment paid or payable pursuant to a Special Assessment Roll; provided further that a partial special assessment (levied for example, on a vacant lot) shall be offset against the Connection Fee and, if applicable, the cost of acquiring a Service Connection.

(d) **Multiple Unit Users.**

(i) A single family residential building which includes two or fewer Dwelling Units will be charged a Connection Fee based on one Unit per Dwelling Unit. All other premises shall pay a Connection Fee based upon the number of Units assigned to such premises by the Table of Unit Factors attached as Appendix III, and the Connection Fee payable with respect to a premises so assigned more than one Unit shall be subject to redetermination in the manner provided in Sections 702(d)(ii) and 702(d)(iii) (the "Users Subject to Redetermination").

(ii) Upon connection to the System, all Users Subject to Redetermination, shall have a water meter, of the size and type approved by the Township, installed on the User's water supply. The cost of both the meter and the installation shall be paid for by the User with the installation to be made or approved by the Township. The meter shall be read on a quarterly basis by the Township.

(iii) After two (2) years of meter readings have been obtained, the Units assigned to the premises, in accordance with Section 702(d)(i) above, shall be redetermined based on said meter readings using an equation, the numerator of which shall be the meter readings, in gallons, for the twenty four (24) month period and the denominator of which shall be 100,000 gallons. Meter readings shall be annualized for seasonal Users, taking into account the months each year of seasonal use and non-use. The resulting number of Units so redetermined, which shall not in any event be less than one, shall be multiplied by the requisite Connection Fee, direct or indirect, to determine the adjusted Connection Fee for the Premises.

(iv) A User Subject to Redetermination and located in a Special Assessment District shall have the option to pay the Connection Fee, as originally determined pursuant to Section 702(d)(i) above and/or redetermined pursuant to Section 702(d)(iii) above, to the extent not offset by a credit pursuant to Section 702(c) above, in installments pursuant to the terms of a written agreement to be entered between the Township and said User(s). This installment payment agreement shall provide for the payment of equal annual installment payments of principal to the Township for a period of time not to extend beyond the term of the special assignments imposed for the construction of that component of the System, with interest on the unpaid balance at a rate not more than 1% higher than the average rate of interest on the bonds sold by the County for the initial construction of the applicable component of the System. This agreement shall be executed and the first installment shall be payable as the case may be (a) prior to the issuance of a Service Connection permit pursuant to Article V or (b) within thirty (30) days after the date of redetermination of the Connection Fee. All subsequent installments plus interest shall be paid annually on or before June 1 of each year thereafter.

(e) Any additional Connection Fees required, based on the redetermination in Section 702(d)(iii), shall be immediately paid in cash by a User located outside of the Special Assessment District within 30 days after notice to the User, or, with respect to a User located within the Special Assessment District, (A) by installment payment in the manner provided by Section 702(d)(iv) or (B) with respect to a User already subject to an installment payment agreement, by an increase in the annual installment payments sufficient to amortize the additional principal amount ratably over the remaining term of the installment payment agreement provided by Section 702(d)(iv). Any reduction in Connection Fees resulting from said redetermination shall be credited towards payment of last installments coming due on the installment payment agreement, if any, and the balance shall be refunded (to the extent said Connection Fees were previously paid) to the User by the Township within 30 days of notice of the redetermination, or, in the discretion of the Township, credited against payment of User Charges and Debt Service Charges accruing or to accrue to the premises.

(f) **Installment Payment.** A single family residential building which includes two or fewer Dwelling Units required or electing to connect, for which an application for Service Connection Permit is filed with the Township prior to the expiration of the twelve (12) month connection period provided by Section 306 shall be entitled to pay the Connection Fee determined in accordance with Section 702(a) to the extent not offset by a credit for a special assessment in accordance with Section 702(c), in equal annual installments of principal, plus interest on the unpaid balance, pursuant to the terms of a written agreement to be entered between the Township and said User providing for annual installment payments to the Township for a period of years at a specified rate of interest. The first installment shall be due and payable prior to the issuance of a permit for a Service Connection in accordance with Section 502.

(g) **Cash Payment.** Except as otherwise provided in Section 702(e) and to the extent not offset by a credit, the Connection Fee shall be paid in cash prior to the issuance by the Township of a Service Connection permit to connect to the Public Sewer System pursuant to Article V.

(h) **Increased Utilization of Public Sewer System.** In the event a change in use of a premises is proposed which will increase the utilization by that premises of the Public Sewer System, then the owner of the premises shall submit a new application for a Service Connection permit to the Township. The Township shall assign additional Units to the premises to reflect such increased utilization and an additional Connection Fee and Inspection and Administration Fee based on the additional assigned Units. Such fees shall be payable in accordance with the procedures set forth in Article V for the issuance of a Service Connection permit. No refunds are given for a change in use which lessens the unit calculations and assignment.

(i) **Hardship Deferment.** The owner or owners of a single family residence, in which residence said owner or owners reside and upon which a Connection Fee has been imposed, may submit a hardship application to the Township seeking a deferment in the partial or total payment of the Connection Fee provided for herein, based upon a showing of financial hardship, subject to and in accordance with the following:

(v) The owners of the premises shall, under oath, complete a hardship application provided by the Township Board, and file said application, together with all other information and documentation reasonably required by the Township, with the Township Board not less than 60 days prior to the due date of the Connection Fee. An application shall be completed and filed by each and every legal and equitable interest holder in the premises, excepting financial institutions having only security interests in the premises.

(vi) Hardship applications shall be reviewed by the Township Board, and after due deliberation of hardship applications, the Township Board shall determine, in each case, whether there has been an adequate showing of financial hardship, and shall forthwith notify the applicants of said determination.

(vii) An applicant aggrieved by the determination of the Township Board may request the opportunity to appear before the Township Board in person for the

purpose of showing hardship and presenting any argument or additional evidence. A denial of hardship following such a personal appearance before the Township Board shall be final and conclusive.

(viii) In the event that the Township Board makes a finding of hardship, the Township Board shall fix the amount of partial or total deferment of the Connection Fee, and in so doing, shall require an annual filing of financial status by each applicant, providing that upon a material change of financial status of an applicant, said applicant shall immediately notify the Clerk of the Township so that a further review of the matter may be made by the Township Board, and provided further that the duration of the deferment granted shall be self-terminating upon the occurrence of any one of the following events:

A. A change in the financial status of any applicant which removes the basis for financial hardship;

B. A conveyance of any interest in the premises by any of the applicants, including the execution of a new security interest in the premises or extension thereof;

C. A death of any of the applicants.

(ix) Upon a determination of the Township Board deferring all or part of the Connection Fee, the owners of the premises shall, within one month after such determination, execute and deliver to the Township as the secured party a recordable security instrument covering the premises, guaranteeing payment of the deferred amounts on or before the death of any of the applicants or, in any event, upon the sale or transfer of the premises. Said security interest shall guarantee payment of an amount necessary to cover all fees and charges deferred and all costs of installation and connection, if applicable, the consideration for said security interest being the grant of deferment pursuant to this Ordinance.

Section 703. User Charge; Debt Service Charge.

(a) **Computation.** A User Charge and Debt Service Charge shall be charged in advance to each premises within the District connected to the Public Sewer System as follows:

(i) **User Charge:** a rate per month per Unit which includes the Interceptor O,M&R Charge and the Treatment O,M&R Charge, established by resolution of the Township Board from time to time.

(ii) **Debt Service Charge:** a rate per month per Unit established by resolution of the Township Board from time to time.

(iii) The Units upon which the User Charge and Debt Service Charge shall be based shall be the Units assigned to the premises in accordance with Section 702 for purposes of the Connection Fee, and in the event the number of Units assigned to the premises is redetermined in accordance with Section 702(d)(ii) and Section

702(d)(iii), then the User shall be billed or credited, as appropriate, for the User Charge and Debt Service Charge from the accrual date established in accordance with Section 703(d) for the number of Units so redetermined.

(iv) The User Charge and the Debt Service Charge may be set in different amounts for Users of the System, based upon the Contract and the differences in cost attributable to each portion of the Public Sewer System.

(b) **Normal Strength Domestic Sewage.** The User Charges imposed pursuant to this Section are applicable only to Users who discharge Normal Strength Domestic Sewage. A User who discharges toxic pollutants or Sewage into the System that does not qualify as Normal Strength Domestic Sewage shall also pay a User Surcharge determined pursuant to Section 704 below.

(c) **Industrial Users.** As of the date of adoption of this Ordinance, it is determined that no Users of the System are Industrial Users. Before the Township permits any Industrial User to connect to the System in the future, the Township shall take the necessary action, including adoption of necessary ordinances, to comply with federal and state guidelines applicable to the collection and treatment of Industrial Wastes.

(d) **Accrual Date.** User Charges and Debt Service Charges shall begin to accrue with respect to an existing structure as of the date of the connection of the Building Sewer to the Public Sewer System in accordance with Article V, above and with respect to a new structure, upon the date of issuance of an occupancy permit. If appropriate, the billing of said charges for the initial billing period shall be pro rated in arrears.

(e) **Responsibility of User to Pay for Service Connection Power.** In addition to the User Charge, each User shall provide and pay for the electrical power necessary for the operation of their individual Service Connection, which is a Grinder Pump System as such electrical power is independently metered and billed.

(f) **Change in Use.** After connection of a premises to the System, subsequent changes in the character of use or type of occupancy of the premises shall not abate the obligation of the User to pay User Charges and Debt Service Charges for the premises based upon the number of Units originally allocated thereto, unless and until the Township determines that the number of Units allocated to such premises shall be increased or decreased based upon such changes in use or occupancy.

(g) **Unoccupied Premises.** A User Charge shall not be charged to a premises which is not used for a period of twelve (12) consecutive months (which fact shall be established to the reasonable satisfaction of the Township). The sewer service for such premises shall be turned off by the Township and the appropriate Miscellaneous User Fee shall be paid by the User.

Section 704. User Surcharge. The User Surcharge payable pursuant to Section 703(b) above, shall be determined from time to time by resolution of the Township Board and shall be sufficient to provide for the proportional distribution of the increased expense of Cost of Operation and Maintenance of the System. Factors such as Sewage strength, volume, discharge flow rate

characteristics and the increased expense of the System for the transportation and treatment of non-qualifying Sewage shall be considered and included as a basis for determining the User Surcharge.

Section 705. Miscellaneous User Fee. The Township shall, from time to time, establish by resolution of the Township Board and impose on one or more Users a Miscellaneous User Fee, as necessary, for miscellaneous service, repairs and related administrative costs associated with the System and incurred, without limitation, as a result of the intentional or negligent acts of such User or Users, including for example, excessive inspection services not covered by the Inspection Fee, costs of repairing and/or replacing a damaged Service Connection, costs of abating a nuisance pursuant to Section 1005 hereof, and costs incurred by the Township to shut off and turn on sewer service.

Section 706. Inspection and Administration Fee. The Inspection and Administration Fee shall be determined from time to time by resolution of the Township Board and shall be based upon the actual cost borne by the Township for its Inspectors.

Section 707. Billing of Sewer Rates and Charges. The Township, or its designee, shall bill and collect all Sewer Rates and Charges on a quarterly basis. The Township shall mail each User a bill on or before the 1st day of the first month of the quarter. The bill shall separately itemize the Sewer Rates and Charges. All Users will receive an annual notification either printed on the bill or enclosed in a separate letter which will show the breakdown of the sewer bill in its components for operation, maintenance and replacement and for debt retirement. Payment of the bill which is rendered by the Township is due and payable on or before the 15th day of that month. Payment of said bill shall be made at a location and in a manner designated by the Township. As an alternative to mailing individual monthly billing statements to each User, the Township may periodically mail to each User a coupon book with a series of consecutive monthly payment coupons, each of which shall specify the monthly due date. In the event the Township utilizes such a coupon book, each User shall be required to detach the appropriate monthly coupon and pay the same on or before the 15th day of the month due.

Section 708. Unpaid Sewer Rates and Charges; Penalty. If Sewer Rates and Charges are not paid on or before the due date then a penalty in the amount of 10% shall be added to the balance due.

Section 709. Unpaid Sewer Rates and Charges; Remedies. If Sewer Rates and Charges are not paid on or before the due date, the Township, pursuant to Act 178 of the Public Acts of Michigan of 1939, as amended, may

(a) discontinue the services provided by the System by disconnecting the Building Sewer from the Service Connection, and the service so discontinued shall not be reinstated until all sums then due and owing, including time price differential, penalties, interest and all expenses incurred by the Township for shutting off and turning on the service, shall be paid to the Township;

(b) institute an action in any court of competent jurisdiction for the collection of the amounts unpaid, including penalties, interest and reasonable attorney fees; or

(c) enforce the lien created in Section 710 below.

These remedies shall be cumulative and shall be in addition to any other remedy provided in this ordinance or now or hereafter existing at law or equity.

Under no circumstances shall action taken by the Township to collect unpaid Sewer Rates and Charges and/or penalties and interest, invalidate or waive the lien created by Section 710 below. Before disconnecting service, the Township shall give thirty (30) days written notice to the User at the last known address according to the Township records and the Township Tax Assessment Roll. The notice shall inform the User that the User may request an informal hearing to present reasons why service should not be disconnected.

Section 710. Lien. The Sewer Rates and Charges shall be a lien on the respective premises served by the System. Whenever Sewer Rates and Charges shall be unpaid for six (6) months or more, they shall be considered delinquent. The Township shall certify all Sewer Rates and Charges delinquent as of August 1 and penalties thereon, annually, on or before September 1, of each year, to the tax-assessing officer of the Township, who shall enter the delinquent Sewer Rates and Charges and interest and penalties, together with an additional penalty equal to 15% of the total, upon the next tax roll as a charge against the premises affected and such charge shall be collected and the lien thereof enforced in the same manner as ad valorem property taxes levied against such premises.

Section 711. No Free Service. No free service shall be furnished by the System to any Person, public or private, or to any public agency or instrumentality.

Section 712. Rental Properties. A lien shall not attach for Sewer Rates and Charges to a Premises which is subject to a legally executed lease that expressly provides that the tenant (and not the landlord) of the Premises or a dwelling unit thereon shall be liable for payment of Sewer Rates and Charges, effective for services which accrue after the date an affidavit is filed by the landlord with the Township. This affidavit shall include the names and addresses of the parties, the expiration date of the lease and an agreement by the landlord to give the Township thirty (30) days written notice of any cancellation, change in or termination of the lease. The filing of the affidavit by the landlord shall be accompanied by a true copy of the lease and a security deposit in the amount equal to the Debt Service Charge and the User Charge for the preceding four (4) quarterly billing periods. Upon the failure of the tenant to pay the Sewer Rates and Charges when due, the security deposit shall be applied by the Township against the unpaid balance, including interest and penalties. The tenant shall immediately make sufficient payment to the Township to cover the amount of the security deposit so advanced. Upon the failure of the tenant to do so within ten (10) days of said advance, the penalties, rights and remedies set forth in Sections 709 and 710 of this Article shall be applicable with respect to the unpaid Sewer Rates and Charges, including time price differential, interest and penalties. The security deposit shall be held by the Township without interest and shall be returned to the landlord upon proof of termination of the lease.

Section 713. Cancellation of Permits; Disconnection of Service. Applications for connection permits may be canceled and/or sewer service disconnected by the Township for any violation of any part of this Ordinance, including, without limitation, any of the following reasons:

- (a) Misrepresentation in the permit application as to the nature or extent of the property to be serviced by the System.
- (b) Nonpayment of Sewer Rates and Charges.

- (c) Failure to keep Building Sewers and Control Manholes in a suitable state of repair.
- (d) Discharges in violation of this Ordinance.
- (e) Damage to any part of the System.

Section 714. Security Deposit. If the sewer service supplied to a User has been discontinued for nonpayment of Sewer Rates and Charges, service shall not be reestablished until all delinquent Sewer Rates and Charges, interest and penalties, and the turn-on charge has been paid. The Township may, as a condition to reconnecting said service, request that a sum equal to the Debt Service Charge and the User Charge for the preceding four (4) quarterly billing periods be placed on deposit with the Township for the purpose of establishing or maintaining any User's credit. Said deposit shall not be considered in lieu of any future billing for Sewer Rates and Charges. Upon the failure of the User to pay the Sewer Rates and Charges when due, the security deposit shall be applied by the Township against the unpaid balance, including interest and penalties. The User shall immediately make sufficient payment to the Township to reinstate the amount of the security deposit so advanced. Upon the failure of the User to do so within ten (10) days of said advance, the penalties, rights and remedies set forth in Sections 709 and 710 of this Article shall be applicable with respect to any unpaid Sewer Rates and Charges, including interest and penalties. The security deposit shall be held by the Township without interest and shall be returned to the User upon continued timely payments by the User of all Sewer Rates and Charges as and when due, for a minimum of four (4) consecutive quarters.

Section 715. Billing Address. Bills and notices relating to the conduct of the business of the Township will be mailed to the User at the address listed on the permit application filed pursuant to Article V unless a change of address has been filed in writing at the business office of the Township; and the Township shall not otherwise be responsible for delivery of any bill or notice, nor will the User be excused from non-payment of a bill or from any performance required in said notice.

Section 716. Interruption of Service; Claims. The Township shall make all reasonable efforts to eliminate interruption of service, and when such interruption occurs, will endeavor to reestablish service with the shortest possible delay. Whenever service is interrupted for purpose of working on the System, all Users affected by such interruption will be notified in advance whenever it is possible to do so. The Township shall, in no event, be held responsible for claims made against it by reason of the breaking of any mains or service pipes, or by reason of any other interruption of the service caused by the breaking of machinery or stoppage for necessary repairs; and no person shall be entitled to damages nor have any portion of a payment refunded for any interruption.

ARTICLE VIII REVENUES

Section 801. Estimated Rates; Sufficiency. The User Charges hereby fixed are established to be sufficient to provide for the cost of Operation and Maintenance of the System as are necessary to preserve the same in good repair and working order. Such rates shall be fixed and revised by resolution of the Township Board from time to time as may be necessary to produce these amounts. An annual audit shall be prepared. Based on this audit, rates for sewage services shall be

reviewed annually and revised as necessary to meet system expenses and to insure that all User Classes pay their proportionate share of the Cost of Operation and Maintenance.

Section 802. Revenues; Depository. The revenues of the System shall be deposited as follows:

(a) Revenues of the System derived from the Vineyard Lake Sewer System shall be deposited to the Common Fund in accordance with the Contract.

(b) All other revenues of the System, to the extent the handling of said revenues are not expressly provided for by the terms of subsection (a), shall be set aside, as collected, and deposited into a separate depository account in a bank duly qualified to do business in Michigan, in an account to be designated Norvell Township Sewer System Receiving Fund (the "Receiving Fund"), and said revenues so deposited shall be transferred from the Receiving Fund periodically in the manner and at the time herein specified.

(i) **System Operation and Maintenance Fund.** Out of the revenues in the Receiving Fund there shall be first set aside quarterly into a separate account, designed "System Operation and Maintenance Fund," a sum sufficient, to the extent not already provided for, 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. Moneys deposits in the System Operation and Maintenance Fund shall not be transferred out of this fund.

(ii) **System Improvement Fund.** There shall next be established and maintained a separate depository account, designated "System Improvement fund," which shall be used for the purpose of making improvements in the efficiency of the System through the use of new technology and the replacement or repair of obsolete or inefficient components to prevent overburdening of or failures in the System. There shall be set aside into said fund, after provision has been made for the System Operation and Maintenance Fund, such revenues derived from User Charges as the Township Board shall deem necessary for this purpose. Moneys deposited in this fund shall not be transferred out of this fund.

(iii) **System Extensions Fund.** There shall next be established and maintained a "System Extension Fund" for the purpose of making extensions and enlargements to the System. Where the Township has utilized System revenues for the enlargement or extension of the System to provide service to a new User of the System, the Connection Fee paid by the new User shall be deposited into the Extension Fund and used by the Township to repay the costs for the enlargement or extension of the Public Sewer System to serve that User. To the extent that there are any unused funds derived from Connection Fees remaining in the Extension Fund after the costs for enlargement or expansion of the Public Sewer System have been paid, the unused funds shall be deposited in the System Improvement Fund.

(iv) **Surplus Moneys.** Moneys remaining in the System 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 System Improvement Fund, or used in connection with any other project of the Township reasonably related to purposes of the System.

(v) **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 803. Transfer of Funds. 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 derived from special assessment collections or tax levies, shall be transferred to the Operation and Maintenance Fund, to the extent of any deficit therein and these moneys shall be replaced in the next operating year. User charges shall then be adjusted to the extent that such transfers are not required.

Section 804. Investment of Funds. Moneys in any fund or account established by the provisions of this Ordinance may be invested in the manner and subject to the limitations provided in the Township Investment Policy, subject to the limitations set forth in Act 94 of the Public Acts of Michigan of 1933, as amended. Income received from such investments shall be credited to the fund from which said investments were made.

ARTICLE IX ADMINISTRATIVE APPEALS; BOARD OF APPEALS

Section 901. Informal Hearing. In order that the provisions of this Ordinance may be reasonably applied and substantial justice done in instances where this Ordinance is misapplied or unnecessary financial hardship would result from carrying out the strict letter of this Ordinance, an informal hearing before the Supervisor may be requested in writing by any Person deeming itself aggrieved by a citation, order, charge, fee, surcharge, penalty or action within thirty (30) days after the date thereof, stating the reasons therefore with supporting documents and data. The informal hearing shall be scheduled at the earliest practicable date, but not later than fifteen (15) days after receipt of the request, unless extended by mutual written agreement. The hearing shall be conducted on an informal basis at the Township Hall or at such place as designated by the Supervisor. The Supervisor shall issue a written statement of his decision within fifteen (15) business days after the informal hearing.

Section 902. Board of Appeals. In order that the provisions of this Ordinance may be reasonably applied and substantial justice done in instances where this Ordinance is misapplied or unnecessary hardship would result from carrying out the strict letter of this Ordinance, the Township Board shall serve as a Wastewater Board of Appeals. The duty of such Board shall be to consider appeals from the decision of the Supervisor and to determine, in particular cases, whether this Ordinance has been misapplied or any deviation from strict enforcement will violate the intent of the Ordinance or jeopardize the public health or safety. In all appeals, the appellant shall have the burden of proof.

Section 903. Appeals from Informal Hearing. Appeals from the written decisions of the Supervisor may be made to the Township Board, acting as a Board of Appeals, within thirty (30)

days from the date of written decision of the Supervisor. Such appeal may be taken by any Person aggrieved. The appellant shall file a Notice of Appeal with the Supervisor and with the Board, specifying the ground therefor. Prior to a hearing, the Supervisor shall transmit to the Board a summary report of all previous action taken. The Board may, at its discretion, call upon the Supervisor to explain the action. The final disposition of the appeal shall be in the form of a resolution, either reserving, modifying, or affirming, in whole or in part, the appealed decision or determination. In order to find for the appellant, a majority of the Board must concur. The Board of Appeals shall fix a reasonable time for the hearing of the appeal, give due notice thereof to interested parties, and decide the same within a reasonable time. Within the limits of its jurisdiction, the same Board of Appeals may reserve or affirm, in whole or in part, or may make such order, requirements, decision or determination as, in its opinion, ought to be made in the case under consideration, and to that end have all the powers of the official from whom said appeal is taken. The decision of said Board shall be final.

The Board of Appeals shall meet at such times as the Board may determine. There shall be a fixed place of meeting and all meetings shall be open to the public in accordance with applicable laws. The Board shall adopt its own rules or procedure and keep a record of its proceedings, showing findings of fact, the action of the Board, and the vote of each member upon each question considered. The presence of four (4) members shall be necessary to constitute a quorum.

Section 904. Payment of Amounts Outstanding. All Sewer Rates and Charges outstanding during any appeal process shall be due and payable to the Township. Upon resolution of any appeal, the Township shall adjust such amounts accordingly; however, such adjustments shall be limited to the previous one year's billing unless otherwise directed by court order.

Section 905. Effect of Administrative Action. If any informal or formal hearing is not demanded within the periods specified herein, such administrative action shall be deemed final. In the event either or both such hearings are demanded, the action shall be suspended until a final determination has been made, except for immediate cease and desist order issued pursuant to this Ordinance.

Section 906. Appeal from Board of Appeals. Appeals from the determinations of the Board of Appeals may be made to the Circuit Court for the County of Jackson within twenty (20) days as provided by law. Such appeals shall be governed procedurally by the Administrative Procedures Act of the State of Michigan, Act 306 of the Public Acts of Michigan of 1969, as amended. All findings of fact, if supported by the evidence, made by the Board shall be conclusive upon the Court.

ARTICLE X SEWER BACKUP OR OVERFLOW REPORTING PROCEDURES

Section 1001. Notice and Claim Procedures Applicable to Overflow or Backup of the Public Sewer System. This section has been adopted in accordance with Act 222 of the Public Acts of Michigan of 2001 ("Act 222") to set forth the notice and claim procedures applicable to an overflow or backup of the Public Sewer System, which, as defined in Act 222, shall be referred to for purposes of this Section 1001 as a "Sewage Disposal System Event." To afford property owners, individuals and the Township greater efficiency, certainty and consistency in the provision of relief for damages or physical injuries caused by a Sewage Disposal System Event, the Township and any

Person making a claim for economic damages, which, as defined in Act 222, shall be referred to for purposes of this Section 1001 as a "Claimant," shall follow the following procedures:

(a) A Claimant is not entitled to compensation unless the Claimant notifies the Township of a claim of damage or physical injury, in writing, within 45 days after the date the damage or physical injury was discovered by the Claimant, or in the exercise of reasonable diligence should have been discovered by the Claimant.

(b) The written notice under subsection (a) shall contain the Claimant's name, address, and telephone number, the address of the affected property, the date of discovery of any property damages or physical injuries, and a brief description of the claim. As part of the description of the claim, the Claimant shall submit an explanation of the Sewage Disposal System Event and reasonable proof of ownership and the value of any damaged personal property. Reasonable proof of ownership and the purchase price or value of the property may include testimony or records. Reasonable proof of the value of the property may also include photographic or similar evidence.

(c) The written notice under subsection (a) shall be sent to the Township Supervisor, who is hereby designated as the individual at the Township to receive such notices pursuant to Section 19 of Act 222.

(d) If a Claimant who owns or occupies affected property notifies the Township orally or in writing of a Sewage Disposal System Event before providing a notice of a claim that complies with subsections (a), (b) and (c), the Township Supervisor shall provide the Claimant with a written explanation of the notice requirements of subsections (a), (b) and (c) sufficiently detailed to allow the Claimant to comply with said requirements.

(e) If the Township is notified of a claim under subsection (a) and the Township believes that a different or additional governmental agency may be responsible for the claimed property damages or physical injuries, the Township shall notify the contacting agency of each additional or different governmental agency of that fact, in writing, within 15 business days after the date the Township receives the Claimant's notice under subsection (a).

(f) If the Township receives a notice from a Claimant or a different or additional governmental agency that complies with this Section 901, the Township may inspect the damaged property or investigate the physical injury. A Claimant or the owner or occupant of affected property shall not unreasonably refuse to allow the Township or its duly authorized representatives to inspect damaged property or investigate a physical injury.

(g) Prior to a determination of payment of compensation by the Township, the Claimant shall provide to the Township additional documentation and proof that:

(i) At the time of the Sewage Disposal System Event, the Township owned or operated, or directly or indirectly discharged into, that portion of the Public Sewer System that allegedly caused damage or physical injury;

(ii) The Public Sewer System had a defect;

(iii) The Township knew, or in the exercise of reasonable diligence, should have known, about the defect in the Public Sewer System;

(iv) The Township, having the legal authority to do so, failed to take reasonable steps in a reasonable amount of time to repair, correct or remedy the defect in the Public Sewer System; and

(v) the defect in the Public Sewer System was a proximate cause that was 50% or more of the cause of the Sewage Disposal System Event and the property damage or physical injury.

(h) Prior to a determination of payment of compensation by the Township, the Claimant shall also provide to the Township additional documentation and proof that neither of the following were a proximate cause that was 50% or more of the cause of the Sewage Disposal System Event:

(i) A obstruction in a Service Connection, a Building Sewer or Building Drain that was not caused by the Township; or,

(ii) A connection on the affected premises, including, but not limited to, a footing drain, sump system, surface drain, gutter, down spout or connection of any other sort that discharged any storm water, surface water, ground water, roof runoff, sub-surface drainage, cooling water, unpolluted air-conditioning water or unpolluted industrial process waters to the Public Sewer System.

(i) If the Township and a Claimant do not reach an agreement on the amount of compensation for the property damages or physical injury within 45 days after the receipt of notice under subsection (a), the Claimant may institute a civil action in accordance with Act 222.

(j) To facilitate compliance with this section, the Township shall make available to the public information about the notice and claim procedures under this Section 901.

(k) The notice and claim procedures set forth in this Section 901 shall be applicable to a Sewage Disposal System Event involving the Public Sewer System.

(l) In the event of a conflict between the notice and claim procedures set forth in this Section 901 and the specific requirements of Act 222, the specific requirements of Act 222 shall control.

(m) As provided in Section 19(7) of Act 222, the notice and claim procedures of this Section 901 do not apply to claims for non-economic damages (as defined in Act 222) arising out of a Sewage Disposal System Event.

(n) Any word, term or phrase used in this Section 901, if defined in Act 222, shall have the same meaning provided under Act 222.

ARTICLE XI ENFORCEMENT

Section 1101. Inspection by Township. The duly authorized representatives, employees or agents of the Township and the County, including, but not limited to, the Inspector, the Township Supervisor, the Township's engineer, the County Drain Commissioner, the Health Department and representatives of MDEQ bearing proper identification shall be permitted to enter at any time during reasonable or usual business hours in and upon all properties in the Service District for the purposes of inspection, observation, measurement, sampling, testing and emergency repairs in accordance with the provisions of this Ordinance. Any Person who applies for and receives sewer services from the Township or owns real property in the Service District shall be deemed to have given consent for all such activities including entrance upon that Person's property.

Section 1102. Damage to System. No unauthorized Person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface, or tamper with, climb upon, or enter into any structure, appurtenance, or equipment of the Public Sewer System.

Section 1103. Notice to Cease and Desist. Except for violations of Section 1102 hereof, any Person found to be violating any provision of this Ordinance shall be served by the Township with written notice stating the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in such notice, permanently cease all violations.

Section 1104. Civil Infraction. Any violation of Section 1102, or any violation beyond the time limit provided for in Section 1103, shall be a municipal civil infraction, for which the fine shall not be less than \$100 nor more than \$500 for the first offense and not less than \$200 nor more than \$2,500 for subsequent offenses, in the discretion of the Court, and in addition to all other costs, damages, and expenses provided by law. For purposes of this section, "subsequent offense" means a violation of this Ordinance committed by the same person within 12 months of a previous violation of the Ordinance for which said person admitted responsibility or was adjudicated to be responsible, provided, however, that offenses committed on subsequent days within a period of one week following issuance of a citation for a first offense shall all be considered separate first offenses. Each day that such violation occurs shall constitute a separate offense. Any person violating any of the provisions of this Ordinance shall, in addition, become liable for any expense, including reasonable attorney fees, loss, or damage occasioned by reason of such violation. The Supervisor is hereby authorized to issue, in the manner provided by law, citations for municipal civil infractions for violations of this Ordinance.

Section 1105. Nuisance; Abatement. Any Nuisance or any violation of this Ordinance is deemed to be a nuisance per se. The Township in the furtherance of the public health may enforce the requirements of this Ordinance by injunction or other remedy and is hereby empowered to make all necessary repairs or take other corrective action necessitated by such nuisance or violation. The Person who violated the Ordinance or permitted such nuisance or violation to occur shall be responsible to the Township for the costs and expenses, including reasonable attorney fees, incurred by the Township in making such repairs or taking such action as a Miscellaneous User Fee.

Section 1106. Liability for Expenses. Any Person violating any of the provisions of this Ordinance shall become liable to the Township and their authorized representatives for any expense,

including reasonable attorney's fees, loss, or damage incurred by the Township by reason of such violation.

Section 1107. Remedies Are Cumulative. The remedies provided by this Ordinance shall be deemed to be cumulative and not mutually exclusive with any other remedies available to the Township.

ARTICLE XII MISCELLANEOUS

Section 1201. Repeal of Conflicts. All ordinances or parts of ordinances in conflict herewith and relating to the Public Sewer System are hereby repealed.

Section 1202. Severability. The validity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given effect without such invalid part or parts.

Section 1203. State and Federal Law Requirements. If any provision of applicable state or federal law imposes greater restrictions than are set forth in this Ordinance then the provisions of such state or federal law shall control.

Section 1204. Article and Section Headings. The Article and Section headings used in this Ordinance are for convenience of reference only and shall not be taken into account in construing the meaning of any portion of this Ordinance.

Section 1205. Refunding of County Bonds. In the event the bonds issued by the County pursuant to the Contract are refunded by an issue of Township bonds and the Contract has been fully defeased, all references to the County in this Ordinance, except with respect to the Health Department, shall no longer have force and effect and the County shall no longer have any right of approval or consent, or any duty to administer, operate or maintain over any aspect of the Public Sewer System.

ARTICLE XIII PUBLICATION AND EFFECTIVE DATE

Section 1301. Publication. A true copy or a summary of this Ordinance shall be published in *The Brooklyn Exponent* within thirty (30) days 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 Township Clerk and Supervisor.

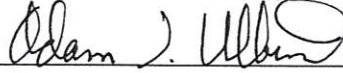
Section 1302. Effective Date. This Ordinance shall be in full force and effect thirty (30) days after its publication as provided by law.

ARTICLE XIV AMENDMENT

Section 1401. Reservation of Right to Amend. The Township specifically reserves the right to amend this Ordinance in whole or in part, at one or more times hereafter, or to repeal the

same, and by such amendment to repeal, abandon, increase, decrease, or otherwise modify any of the Sewer Rates and Charges herein provided.

Passed and adopted by the Township Board of the Township of Norvell, County of Jackson, Michigan on November 3, 2004, and approved by me on November 3, 2004.



Adam G. Ulbin, Supervisor
Township of Norvell

ATTEST:



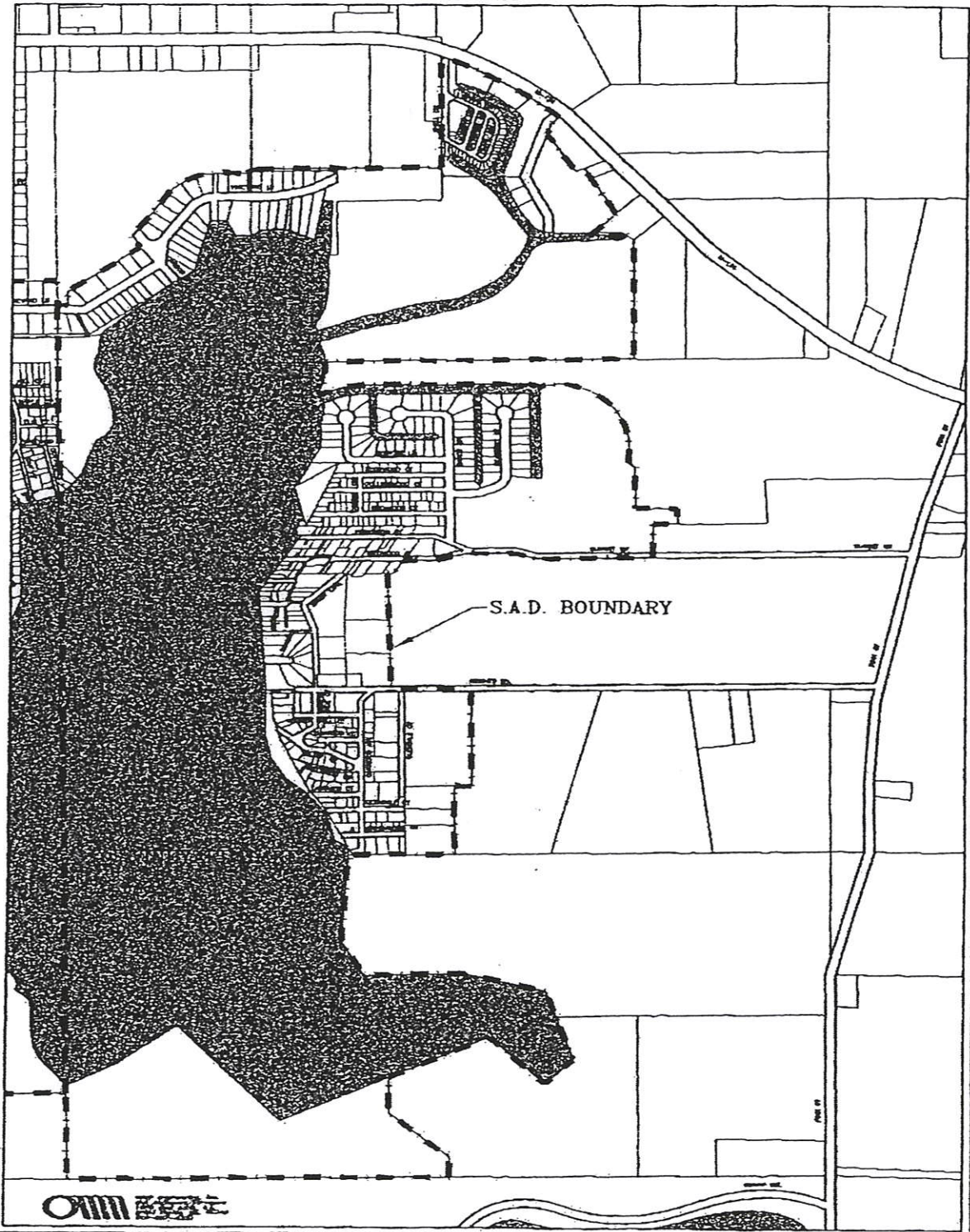
Anne M. Hagadorn, Clerk
Township of Norvell

APPENDIX I

MAP OF SANITARY SEWER SPECIAL ASSESSMENT DISTRICT NO. 1

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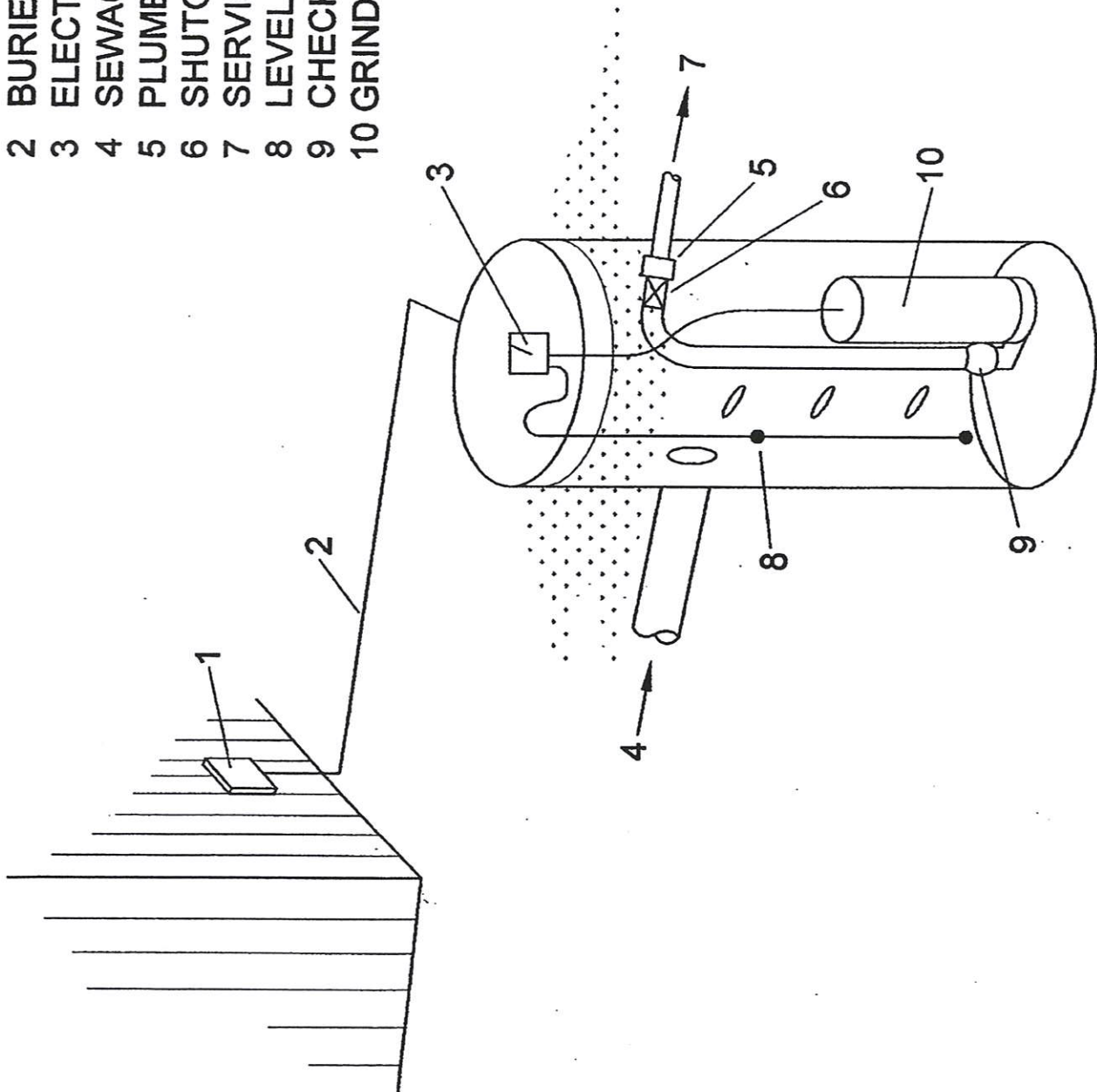
NORVELL TOWNSHIP
JACKSON COUNTY, MICHIGAN
SANITARY SEWER IMPROVEMENTS
VINETARD LAKE



APPENDIX II

DIAGRAM OF TYPICAL GRINDER PUMP SYSTEM

- 1 CONTROL PANEL
- 2 BURIED ELECTRICAL CABLE
- 3 ELECTRICAL JUNCTION BOX
- 4 SEWAGE FLOW FROM HOME
- 5 PLUMBING DISCONNECT
- 6 SHUTOFF VALVE
- 7 SERVICE LINE TO MAIN
- 8 LEVEL SENSORNS
- 9 CHECK VALVE
- 10 GRINDER PUMP



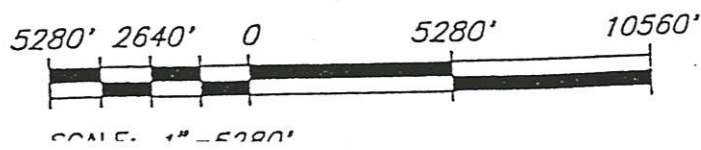
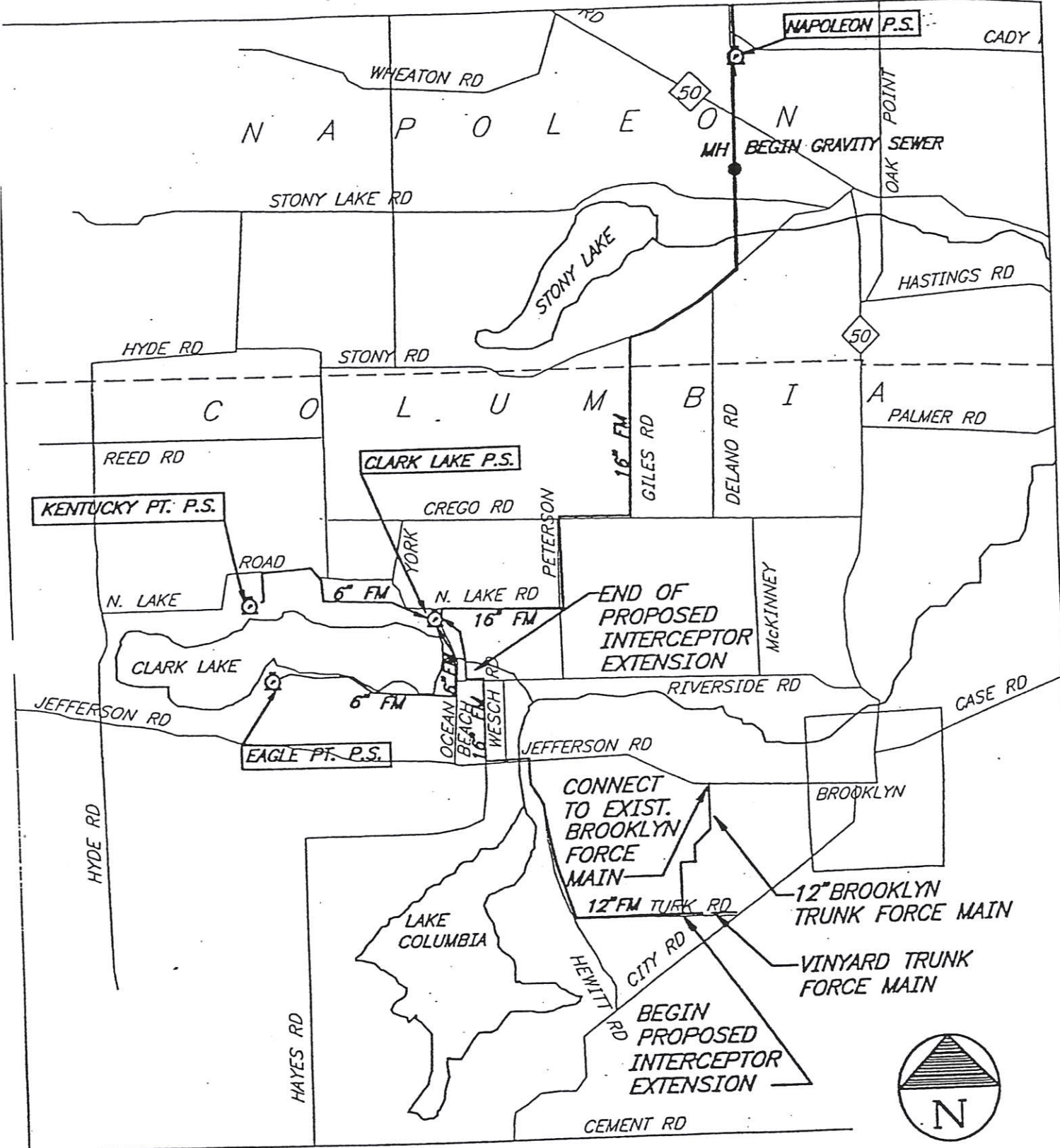
TYPICAL GRINDER PUMP PRESSURE SEWER SCHEMATIC

APPENDIX III

MAP OF BROOKLYN INTERCEPTOR

EXHIBIT B

Clark Lake Extension Interceptor



Ann Arbor, Michigan Detroit, Michigan Escanaba, Michigan Grand Rapids, Michigan Lansing, Michigan		
McNAMEE, PORTER & SEELEY, INC.		
DESIGNED J. YOUNG	CHECKED R. HINSON	
SCALE 1" = 5280'	CADD DATE 10-01-96	

APPENDIX IV

MAP OF CLARK LAKE INTERCEPTOR

NAPOLEON TOWNSHIP
CLARK LAKE
TRANSMISSION MAIN
LOCATION MAP



APPENDIX V

TABLE OF UNIT FACTORS

USAGE

UNIT FACTOR

[Attach Leoni REU Table]

GUIDELINES

1. For purposes of assigning units, a “dwelling unit” has kitchen, bath and sleeping facilities.
2. Each User shall be assigned a minimum of one (1) Unit. A building containing multiple Users shall be assigned a minimum of one (1) Unit for each User.

CERTIFICATE OF PUBLICATION

I, Anne M. Hagadorn, Township Clerk of the Township of Norvell, County of Jackson, Michigan, hereby certify that the Township of Norvell Sewer Connection, Use and Rate Ordinance, or a summary thereof, was published in the *Brooklyn Exponent* on _____, November __, 2004.

Dated: November __, 2004



Anne M. Hagadorn, Township Clerk

BUILDING SEWERS AND CONNECTIONS. Connection to the Sewer System may only be made pursuant to a permit issued by the Township. The Ordinance provides procedures for filing a sewer connection permit application. The Ordinance provides construction standards applicable to sewer connection and building plumbing. The property owner is responsible for the cost of the connection to the Sewer System. Connection shall be subject to inspection by the Township inspector. The Ordinance specifies the responsibility for the repair, operation, maintenance and replacement of the Sewer System and Sewer System connections.

The Ordinance provides for a Grinder Pump Service Connection to be located on private property. A sketch of a typical Grinder Pump connection is attached as Appendix II. With the exception of certain Service Connections, which will be installed as part of the initial construction of the Sewer System, the property owner is responsible for the installation of the Service Connection. Applicants for a Service Connection which includes a Grinder Pump System will be requested to execute an easement granting permission to the Township to construct, operate, maintain and repair the Service Connection.

A property owner who declines to grant an on-site easement to the Township shall be responsible for installing, constructing, operating, maintaining, repairing and replacing the Grinder Pump Station located on his or her lot. In the event the Service Connection has not been properly maintained or has deteriorated beyond reasonable wear and tear, the Township may condition its acceptance of the easement and assumption of the financial responsibility for operation, maintenance, repair and replacement of the Service Connection upon appropriate repairs and/or replacements at the expense of the property owner and upon other conditions as the Township deems appropriate.

If an applicant initially refuses to grant an on-lot easement to the Township, that applicant, or a successor, may later do so and the Township will accept responsibility for maintenance if the Service Connection is in good operating condition.

Installation and maintenance of the Building Sewer, which connects a building's plumbing system to the Service Connection, is the responsibility of the property owner.

Any person desiring to construct a Service Connection or uncover, make any connection with or opening into, use, alter or disturb any public sewer or appurtenances thereof, must secure an annual license from the Township.

ARTICLE VI

USE OF THE PUBLIC SEWER SYSTEM. The Ordinance prohibits the discharge of storm water, ground water, and other unpolluted waters into the Sewer System. The Ordinance also prohibits and regulates the discharge of sewage with characteristics which would damage the Sewer System or which cannot be properly treated at the treatment plant. The Township is empowered to take actions to protect the Sewer System, including requiring pretreatment or grease traps, disconnecting a user, controlling the rate and quantity of discharge, and requiring monitoring facilities.

ARTICLE VII

SEWER RATES AND CHARGES. Responsibility for the operation and maintenance of the Sewer System lies with the Township. The Sewer System operates on the same fiscal year as the Township on a public utility basis. The Township will review and revise rates, charges and expenditures for the operation and maintenance of the Sewer System.

The Ordinance provides that a Connection Fee in an amount to be established for direct and indirect connections, including the interceptor connection fee, from time to time by resolution of the Township Board must be paid to connect to the Sewer System. The Connection Fee is payable in cash at the time of filing a connection application. In addition to the payment of the fees, the property owner must pay the cost of acquiring and installing the Service Connection. Those parcels located in the Special Assessment District and subject to a full special assessment shall be deemed to have paid the Connection Fee if payments on the special assessment are current.

Single family residential buildings which include more than two Dwelling Units shall be charged a Connection Fee based upon the number of Units assigned to such premises by the

ARTICLE IX

ADMINISTRATIVE APPEALS; BOARD OF APPEALS. The Ordinance provides for the Supervisor to conduct informal hearings to consider disagreements over the interpretation and application of the Ordinance and permit deviations from strict enforcement in cases of hardship. Appeals from the decision of the Supervisor may be made to the Township Board, acting as a Board of Appeals. Rules for appeals are set forth in the Ordinance. Appeals from a determination of the Board of Appeals may be made to the Circuit Court for the County of Jackson within twenty (20) days.

ARTICLE X

SEWER BACKUP OR OVERFLOW REPORTING PROCEDURES. In accordance with state law, the Ordinance provides a procedure for providing notice of sewer overflows or backups and resolving claims for damage caused by such overflows and backups. Written notice of the backup and any claim for damages must be provided to the Township within 45 days after the damage or physical injury was discovered or reasonably should have been discovered by the Claimant. After submission of the written claim, and additional documentation and investigations required as set forth in the Ordinance, the Township may make a determination as to liability with respect to the claim.

ARTICLE XI

ENFORCEMENT. Authorized representatives of the Township, the Jackson County Health Department, the Jackson County Drain Commissioner and the MDEQ are permitted to enter at any time during usual business hours all properties in the Service District for the purposes of inspection, observation, measurement, sampling, testing and emergency repairs in accordance with provisions of the Ordinance.

The Township may issue a cease and desist order for violation of the Ordinance. Violation of the Ordinance shall be a municipal civil infraction punishable by fines of \$100 to \$500 for the first offense and \$200 to \$2,500 for subsequent offenses, in addition to other costs, damages and expenses provided by law. In addition, violations of the Ordinance constitute nuisances, and the Township may take action to correct the nuisance and charge the cost thereof against the User. Persons who violate the Ordinance shall be liable for expenses incurred by the Township as a result of such violation.

ARTICLE XII

MISCELLANEOUS. The Ordinance provides guidance in case part of the Ordinance is held invalid and repeals certain prior Township ordinances.

ARTICLE XIII

PUBLICATION AND EFFECTIVE DATE. The Ordinance shall become effective thirty (30) days after publication.

ARTICLE XIV

AMENDMENT. The Township reserves the right to amend the Ordinance in whole or in part at any time.

APPENDICES. The Ordinance includes five Appendices. Appendix I is a map of the Sanitary Sewer Special Assessment District No. 1. Appendix II is a diagram of a grinder pump system. Appendix III is a map of the Brooklyn Interceptor. Appendix IV is a map of the Clark Lake Interceptor. Appendix V is a Table of Unit Factors which assigns Unit Factors to more than 65 different property uses.

A true and complete copy of Township Ordinance No. 47 can be inspected or obtained during normal business hours as follows:

Township of Norvell
Ordinance No. 47
106 E. Commercial Street
Norvell, MI 49263
(517) 536-4370

Township of Norvell - Anne M. Hagadorn, Clerk

SUMMARY OF TOWNSHIP OF NORVELL SEWER CONNECTION, USE AND RATE ORDINANCE ADOPTED BY THE TOWNSHIP OF NORVELL

This is a summary of the Township of Norvell Sewer Connection, Use and Rate Ordinance (the "Ordinance") adopted by the Township of Norvell as Ordinance No. 47 at a special meeting on November 3, 2004.

ARTICLE I

SHORT TITLE; FINDINGS; PURPOSE. The Ordinance is known and referred to as the "Sewer Connection, Use and Rate Ordinance" and applies to all properties served by the available public sewer disposal facilities within the Township, which together are referred to as the Sewer System.

The Ordinance is adopted in accordance with the Township's obligations as set forth in prior contracts and agreements to own, operate and maintain a public sewage disposal system and establishes uniform requirements for users of the Sewer System in compliance with federal and state laws. Other objectives of the Ordinance include preventing pollution, recycling wastewaters and sewage, distributing costs of the System in a proportional manner and protecting the integrity of the System.

Article I of the Ordinance provides detailed objectives and findings with respect to the Ordinance and the Sewer System.

ARTICLE II

DEFINITIONS. Article II of the Ordinance contains seventy-seven (77) definitions of terms which are used throughout the Ordinance.

ARTICLE III

CONNECTION TO AND EXTENSION OF THE PUBLIC SEWER SYSTEM. The Ordinance regulates sewage disposal in the Service District. All owners of Structures in which Sanitary Sewage Originates now situated or hereafter constructed and located within a Special Assessment District in the Service District are required to connect to the Sewer System. Owners of presently undeveloped parcels in the Service District outside of the Special Assessment District are required to connect to the Sewer System if a parcel is improved after the effective date of the Ordinance by a Structure in which Sanitary Sewage Originates and a septic permit is not obtained prior to the effective date of the Ordinance. Owners of current Structures in which Sanitary Sewage Originates which are located in the Service District, but outside the Special Assessment District and which are currently served by private sewage disposal facilities, are not required to connect to the Sewer System until: (a) existing private sewage disposal facilities fail; or (b) connection of improved properties within the area in which the premises is located is declared to be a necessity by the Township for the public health and welfare.

All connections to the Sewer System must be completed no later than twelve (12) months after the date of notice by the Township or the modification of a structure to become a Structure in which Sanitary Sewage Originates. The Ordinance details enforcement procedures and provides a civil penalty for persons who fail to connect in a timely manner.

Premises located outside the Service District shall be permitted to connect to the Sewer System only with the consent of the Township Board, based on the continued availability of capacity in the Sewer System and other considerations deemed appropriate by the Township Board.

The Ordinance details requirements and conditions applicable to the extension of the Sewer System to serve developments and additional lands.

ARTICLE IV

PRIVATE SEWAGE DISPOSAL. If the Sewer System is not available to a parcel of land within the Service District, buildings must be connected to Private Sewage Disposal Facilities which comply with the requirements of the Jackson County Health Department and Michigan Department of Environmental Quality ("MDEQ"). At such time as the Sewer System becomes available to a parcel in the manner specified in the Ordinance, the parcel shall be

Table of Unit Factors attached as Appendix V to the Ordinance, and such Connection Fee shall be subject to periodic redetermination. Single family residential buildings which include two or fewer Dwelling Units shall be entitled to pay the Connection Fee in annual installments, subject to certain terms and conditions. Owners of single family residences may submit a hardship application to the Township seeking deferment of the Connection Fee, based upon a showing of financial hardship, subject to certain terms and conditions.

The Ordinance establishes various rates and charges including a User Charge, Debt Service Charge, User Surcharge, Miscellaneous User Fee, and an Inspection and Administrative Fee. The User Charge and Debt Service Charge are established on a per-unit basis by resolution of the Township Board and the obligation to pay User Charges and Debt Service Charges arises on the date of connection to the Sewer System. The User Charge and Debt Service Charge may be set in different amounts for Users of the System, based upon the Contract and the differences in cost attributable to each portion of the Public Sewer System. A User Surcharge may be imposed on users who discharge sewage containing characteristics in excess of normal strength domestic sewage.

Furthermore, the Township may, with respect to a particular user, charge nonrecurring fees, in the amounts established by Township Board resolution, to users for miscellaneous service, repairs and administrative costs incurred, for example, as a result of damage to the Sewer System caused by the intentional or negligent acts of a user. An Inspection and Administration Fee shall be charged by the Township to cover the cost of inspecting Sewer Connections and related administrative costs. The amount of this fee shall be determined by resolution of the Township Board.

Sewer Rates and Charges shall be billed on quarterly basis. The Township will mail bills on or before the first day of the first month of the quarter. Payment of the quarterly bill is due and payable on or before the 15th day of the first month of the quarter. If Sewer Rates and Charges are not paid on or before the due date then a penalty in the amount of 10% shall be added to the balance due.

Sewer service may be discontinued as a result of non-payment of rates or charges or violation of the Ordinance. Before discontinuing service, the Township shall give thirty (30) days' written notice to the user.

All Sewer Rates and Charges are a lien against the property served. The Township shall enter delinquent sewer rates and charges on the tax roll, and such charges may be collected in the same manner as general property taxes. A lien shall not attach for Sewer Rates and Charges to a property leased to a tenant who is responsible by the terms of a written lease for payment of sewer charges if the landlord executes an Affidavit and provides a security deposit.

If sewer service is discontinued as a result of non-payment of rates or charges or violation of the Ordinance, the property owner must pay disconnection and reconnection fees and a security deposit to insure future payment.

ARTICLE VIII

REVENUES. User Charges established to provide for the cost of operation of the maintenance of the System shall be fixed and revised by resolution of the Township Board from time to time. Revenues of the System derived from the Vineyard Lake Sewer System will be deposited to a Common Fund in accordance with the Ordinance. All other revenues of the System shall be set aside, as collected, and deposited into a separate depository account to be designated the Norvell Township Sewer System Receiving Fund, and said revenues so

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