

**VILLAGE OF SHERIDAN**  
**MONTCALM COUNTY, MICHIGAN**  
**ORDINANCE NO. 851**  
**AMENDED JANUARY 10, 2012**

**SECTION 7: SYSTEM CHARGES AND RATES**

5) Hydrant Rental Charges:

For the use of water through fire hydrants for fire protection and for the availability of such water, the Village shall pay in equal quarterly installments, the sum of \$0.00 per hydrant per year, said payment to be made from funds of the Village legally available for such purpose or from the proceeds of taxes which the Village shall levy within its legal tax-rate limitations.

Dated: January 10, 2012  
Village of Sheridan  
Marcia Hersch, Village Clerk

Dated: January 10, 2012

  
Marcia Hersch, Village Clerk

**VILLAGE OF SHERIDAN**  
**MONTCALM COUNTY, MICHIGAN**  
**ORDINANCE NO. 851**  
**AMENDED AUGUST 24, 2004**  
**EFFECTIVE OCTOBER 1, 2004 BILLING**

The Village of Sheridan amends the Water Ordinance No. 851 as follows:

**SECTION 7: SYSTEM CHARGES AND RATES:**

7. D): Metered Customers. Rates charged for water service to metered customers shall be as follows:

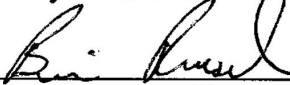
- (1) Quarterly service demand charge shall be paid by all metered Customers based on the size of the customer's meter, as follows:

<u>Meter Size</u>	<u>Quarterly Payments</u>
5/8" and 3/4"	\$22.55
1"	\$56.37
1.5"	\$70.46
2"	\$135.84
3"	\$201.23
4"	\$268.87

- (2) Commodity Charge. Each metered customer shall pay \$1.544 per 1,000 gallons of water metered.

Dated: August 24, 2004

  
Marilyn Hancock, Village Clerk

  
Brian Russel, Village President

**VILLAGE OF SHERIDAN**  
**MONTCALM COUNTY, MICHIGAN**  
**ORDINANCE NO. 851**  
**AMENDED AUGUST 10, 2004**  
**EFFECTIVE OCTOBER 1, 2004 BILLING**

The Village of Sheridan amends the Water Ordinance No. 851 as follows:

**Section 7: System Charges and Rates:**

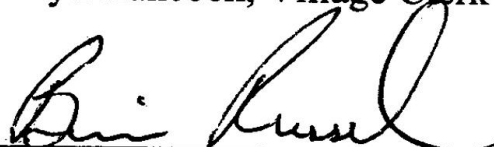
2. a) Non-Metered Single Family Residence. Quarterly charges for a non-metered single-family residence shall be \$52.15.

**Section 7: Hydrant Rental Charges:**

5.) For the use of water through fire hydrants for fire protection and for the availability of such water, the Village shall pay in equal quarterly installments, the sum of \$200.00 per hydrant per year, said payments to be made from funds of the Village legally available for such purpose or from the proceeds of taxes which the Village shall levy within its legal tax-rate limitations.

Dated: August 10, 2004

  
Marilyn Hancock, Village Clerk

  
Brian Russel, Village President

**VILLAGE OF SHERIDAN**  
**MONTCALM COUNTY, MICHIGAN**  
**ORDINANCE NO. 851**  
**AMENDED 01/07/2003**

**An Ordinance to provide for the operation and maintenance of the Village of Sheridan Water System, pursuant to the provisions of the Public Act 94 of 1933; to provide for the ownership, operation and connection to said system; to provide and establish a system of rates and charges; establish administrative and financial procedures for the operation of the system; define terms, establish funds and provide remedies and penalties for the violation of this ordinance; and to provide for an effective date hereof. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.**

**THE VILLAGE OF SHERIDAN ORDAINS:**

**SECTION 1. TITLE**

This ordinance shall be known as the Village of Sheridan Municipal Water System Ordinance.

**SECTION 2. DEFINITIONS**

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

1. "Attorney" shall mean the Village Attorney of the Village of Sheridan, Montcalm County, Michigan.
2. "Inspector" shall mean any person or persons authorized by the Village to inspect and approve the installation of building water services and their connection to the public water system.
3. "Manager" shall mean the manager of the Village of Sheridan Water System, or its authorized agent or representative.
4. "Person" shall mean any individual, firm, company, association, society, corporation, or group.
5. "Premises" shall mean each lot or parcel of land, building or premises having any connection to the water distribution system of the Village.
6. "Property Owner" shall mean the person or persons having legal title to the premises according to the County or Village tax records and shall include in the case of a land contract sale the land contract vendee or vendees, provided that the Village has been furnished with a copy of said land contract or assignment thereof.
7. "Residential Equivalents" or "Equivalent Unit" shall mean the factor representing a ratio of the estimated water consumed by each user to that consumed by the normal single-family residential user.
8. "Replacement". Expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the useful life of the treatment works to maintain the capacity and performance for which the said works were designed and constructed.
9. "Service Connection" shall mean that part of the water distribution system connecting the water main with the premises served, from the main to the curb stop.
10. "Shall" is mandatory; "may" is permissive.
11. "Single Family Residence" shall mean a residence in which only one family resides.
12. "System" shall mean the complete Village of Sheridan water system including all wells, pumps, treatment facilities or other facilities and appurtenances used or useful in the pumping, transportation, treatment and distribution of potable water and all easements, rights and land for same including all extensions and improvements thereto which may hereafter be acquired and constructed.
13. "Table of Unit Factor" shall mean that table which shall be adopted by the Village stating as "residential equivalents" the ratio of such use of the system to that of a single family resident.

14. "Village" shall mean the Village of Sheridan, Montcalm County, Michigan.
15. "Water Main" shall mean that part of the water distribution system located within an easement or public right-of-way, designed to supply more than one water connection.
16. "Water Works" shall mean all facilities pumping, treating, storing and distributing water.

### **SECTION 3. OPERATION AND MAINTENANCE AND CONTROL**

The operation and maintenance of the water system shall be under the supervision and control of the Village. The Village retains the exclusive right to establish, maintain, and collect rates and charges for water pumping, treatment, transmission and debt service, and in such capacity, the Village Council for the Village of Sheridan may employ such person or persons in such capacity or capacities as it deems advisable, and may make such rules and regulations as it deems advisable and necessary to assure the efficient establishment, operation and maintenance of the system, and to discharge its financial obligation.

### **SECTION 4. USE OF PUBLIC WATER SYSTEM REQUIRED**

#### **A. Mandatory Connection Requirement**

1. Each and every owner of property on which is located a structure shall, at his own expense, install suitable water facilities in said structure, and shall cause such facilities to be connected to the available public water system.
2. No wells will be driven or existing wells replaced within the Village limits without permission of the Village Council as of the effective date hereof.

#### **B. Connection Procedures**

1. Such connection shall be completed promptly but in no case later than ninety (90) days from the date of the occurrence of the last of the following events:
  - a. Publication of a notice by the Village Clerk of the availability of the public water system in a newspaper of general circulation within the Village, the mailing of written notice indicating the availability of the public water to the owner or anyone of the owners in the case of co-ownership of the property in question.
  - b. Modification of a structure so as to become a structure where sanitary sewage is connected.
2. If the owner of property on which is located a structure does not complete connection to an available public water system within the ninety (90) day period described in paragraph 1 above, the Village Clerk shall notify said person by written notice that connection to the system

is required forthwith. The giving of said notice shall be made by First Class mail to the owner of the property on which the structure is located or by posting such notice on the property. Notice shall provide the owner with the approximate location of the public water system which is available for connection of the structure involved, and shall advise the owner of the requirements and the enforcement provisions of this Ordinance.

3. Adverse Weather Exception for late connection. In the event the property owner is unable to connect to the system within the time prescribed by this Ordinance due to or on account of inclement or adverse weather conditions, said property owner may appeal to the Village Council to allow said person additional time in which to connect without penalty and without civil and criminal proceedings being initiated against him. The foregoing notwithstanding, this appeal shall be made in writing within ten (10) days of notice of public water availability as hereinbefore set forth.

### **C. Enforcement of Mandatory Connection Requirements**

1. Penalties for Late Connection. Failure or refusal to connect to the system within the time prescribed herein shall result in the property being charged with a penalty of One Hundred Dollars (\$100.00) for each single family residential unit multiplied by the number of units and/or multiplying factors as established by the table of Residential Equivalents.

2. Civil Penalties to Compel Connection. Where any structure where-in sanitary sewage is connected is not connected to the system (90) days after the date of mailing or otherwise serving notice to connect herebefore set forth, the Village may bring an action for mandatory injunction or injunctive order in any court of competent jurisdiction in the county of Montcalm to compel the owner of the property on which said property is located to connect to the system. The Village may charge in such action or actions any number of owners of such properties to compel the said person or persons to connect to the system.

3. By Criminal Proceedings. Any violation of this Ordinance including failure to comply with the mandatory connection requirements of the Ordinance shall be punishable by a fine not to exceed One Hundred Dollars (\$100.00) or incarceration for a period of not more than ninety (90) days or both such fine and imprisonment in the discretion of the court. Each day that a violation of this Ordinance shall continue shall be construed to constitute a separate offense.

## **SECTION 5. USE OF PUBLIC WATER SYSTEM**

### **A. CONNECTION PROCEDURES**

- 1. Application Procedure.** Applications for service connection shall be made to the Village on forms prescribed and furnished by it. Service connections and water meters shall be installed in accordance with rules and regulations of the Village and upon payment of the required fees.
- 2. Connection Procedure.** No unauthorized person shall uncover, make any connections with or opening into, use, alter, or disturb any public water main or appurtenance thereof without first obtaining a written permit from the Village. Before a permit may be issued for excavating for plumbing in any public street, way or alley, the person applying for such permit shall have executed unto the Village and deposited with the Treasurer a corporate surety in the sum of \$10,000.00 conditioned and that he will perform faithfully all work with due care and skill, and in accordance with the law, rules and regulations established under the authority or any ordinance of the Village pertaining to plumbing. This bond shall state that the person will indemnify and save harmless the Village and the owner of the premises against all damages, costs, expenses, outlays, and claims of every nature and kind arising out of the unskillfulness or negligence on his part in connection with plumbing or excavating for plumbing as prescribed in this Ordinance. Such bond shall remain in force and must be executed for a period of one (1) year except that on such expiration it shall remain in force as to all penalty claims, and demands that may have accrued thereunder prior to such expiration.
- 3. Connection Fees.** The fees, if any, for the connection permit shall be \$600.00 minimum for water.
- 4. Permit.** The owner or contractor applying for a connection permit will receive three (3) copies of the permit; one copy each for the contractor and the property owner, with the third copy to be returned to the Village with a sketch of the installation on the back showing all dimensions, directions, and other important information concerning the installation. The latter copy will remain the property of the Village.
- 5. Necessity of Available Capacity.** No connection to the system will be permitted unless there is capacity available in the water system.
- 6. Use of Licensed Contractors and Plumbers.** All connections to the system will be made by a licensed contractor or plumber provided, however, that a property owner may make his own installation and connection in accordance with the requirements of this Ordinance and law so long as he has secured a connection permit. This does not allow a property owner to hire an unlicensed contractor to do his work.
- 7. License and Insurance Requirements.** All licensed contractors and plumbers making connections to the system shall file with the Village a copy of their plumbers' or contractors' license from the State of Michigan and a copy of their liability insurance prior to performing any connection to the system. The liability insurance limits shall be set by resolution of the Village Council. **Inspection Requirements.** No water connection shall be covered until after it has been inspected and approved by authorized personnel of the Village or its designee. No water connection may be used until finally approved after the trench is backfilled.



8. **Inspection Requirements.** No water connection shall be covered until after it has been inspected and approved by authorized personnel of the Village or its designee. No water connection may be used until finally approved after the trench is backfilled.

## **B. USE OF PUBLIC WATER SYSTEM**

**1. Hydrant Use.** No person, except a fireman or authorized employee of the Village in the performance of his duties, shall open or use any fire hydrant, except in case of emergency, without first securing a written permit from the Village. Permits for a period not in excess of fifteen (15) days may be granted by the village, upon written application in such form as it shall prescribe and upon payment of the required fees. Permits may be granted only on such terms and fees as the council, by resolution, shall prescribe. In no case shall any hydrant be opened or closed except with a hydrant wrench provided by the Village.

**2. Water Use Limitation Authority.** The manager, subject to approval by the President, may regulate, limit or prohibit the use of water for any purpose. Such regulations shall restrict less essential water use to the extent deemed necessary to assure an adequate supply for essential domestic and commercial needs and for fire fighting. No such regulation, limitation or prohibition shall be effective until twenty-four (24) hours after publication of such regulation, limitation or prohibition of such regulation, either in a newspaper of general circulation in the Village or posting in three (3) places within the Village. Any person violating any such rule or regulation shall, upon conviction thereof, be punished as prescribed in Section 13 of Chapter 1001 of the Village Code.

**3. Turn On/Off Authority.** No person, other than an authorized employee of the Village shall turn on or off any water service, except that a licensed plumber may turn on water service for testing his work (when it must be immediately turned off) or upon receiving a written order from the Village. Provided, that upon written permit from the Village, water may be turned on for construction purposes only, prior to the granting of a certificate of occupancy for the premises, and upon payment of the charges of the application thereto.

**4. Subdivision of Single Family Premise.** Where a building originally built as a single dwelling and fitted with one service pipe shall thereafter be subdivided by a sale or otherwise, the separate division so made must be connected to the water main by adequate service pipe, determined by manager, within sixty (60) days of such subdivision as stated in Section 6-1.

**5. Separate Service.** The owner or occupant of any building or premises entitled to the use of water from the System, shall not supply water to any other persons or premises except upon written permission by the Manager. Whereupon, the owner or occupant will be required to pay an additional rate for each additional service as established by the Ordinances of the Village.

## **SECTION 6. CONDITIONS OF SERVICE**

- 1. Maintenance Responsibilities.** The Village shall maintain at its expense, the public water system. Customers shall install and maintain at their expense, that portion of the service from said lot or easement line to their premises.
- 2. Water Meters.** All water meters and appurtenant water meter connection fittings shall remain the property of the Village. No person except a Department employee shall break or injure the seal or change the location of, alter or interfere in any way with any water meter.
  - a. Meter Location.** Meters shall be set in an accessible location and in a manner satisfactory to the Manager. Where the premises contains no basement or cellar, or when other good and sufficient reason exists in the judgment of the Manager, the meter may be installed outside in a meter pit, the location of which, whether on the premises served by the meter or on the public right-of-way adjoining same, shall be approved by the Manager. Where a meter shall be set in a meter pit, such pit shall be built at the expense of the owner of the premises serviced by the meter as directed by the Manager. When the meter pit falls into disrepair, such condition must be reported to the Manager at once. The pit shall be repaired to the satisfaction of the Manager at the owner's expense.
  - b. Access to Meter.** The Village shall have the right to shut off the supply of water to any premises where the Village is not able to obtain access to the water meter. Any qualified employee of the Village shall at all reasonable hours, have the right to enter the premises where such meters are installed for the purpose of reading, testing, removing, or inspecting same and no person shall hinder, obstruct, or interfere with such employee in the lawful discharge of his duties in relation to the care and maintenance of such water meter.
  - c. Meter Damage.** Any damage which a meter may sustain resulting from carelessness of the owner, agent, or tenant or from neglect of either of them to properly secure and protect the meter as well as any damage which may be wrought by frost, hot water, or steam backing from a boiler, shall be paid by the owner of the property to the Village on presentation of a bill therefore; and in cases where a bill is not paid, the water shall be shut off and shall not be turned on until all charges have been paid to the Village.
- 3. Right of Inspection.** The premises receiving municipal water service shall at all reasonable hours be subject to inspection by duly authorized personnel of the Village.
- 4. Hold Harmless.** The Village shall, in no event, be held responsible for claims made against it by reason of the breaking of any mains or services, or by reasons of any other interruption of the service caused by breaking of machinery or stoppage for necessary repairs; and no person shall be entitled to damage nor have any portion of a payment refunded for any interruption.
- 5. Additional Rules.** The Manager may make and issue additional rules and regulations concerning the water distribution system, connections thereto, meter installations and maintenance, hydrants and water mains

and the appurtenances thereto, not inconsistent herewith. Such rules and regulations shall be effective upon approval by the council.

6. **Repair of Water Leaks.** The owner of the premises served, upon being made aware of a water leak in the water service pipe from the property line to the premises being served, shall immediately repair it. If the Manager shall become aware of a water leak in the owner's service pipe, he may order the property owner to repair said pipe by written notice. Upon receiving said notice, property owner shall have seven (7) days to make the required repair. If the owner of the premises fails to make the repairs in the time prescribed, the Manager may go upon the property to make the repairs and charge the same to the owner of the premises or turn off the water to the premises until such time as the repairs re made by the owner. Whenever the water is turned off as a result of the failure of the owner of the premise to make the repairs, the same shall not be turned on again until the owner has paid a water turn-on fee of twenty-five dollars (\$25.00).

#### **SECTION 7. SYSTEM CHARGES AND RATES**

1. **Basis of Charges.** All water service shall be charged for on the basis of water consumed. No free water service shall be furnished to any premise or person.
2. **Service Charges.** From and after the effective date of this Ordinance, charges for each user connected to the system shall be as follows:
  - a. **Non-Metered Single Family Residence.** Quarterly charges for a non-metered single-family residence shall be \$44.60.
  - b. **Other Non-Metered Customers.** Quarterly charges for non-metered customers other than single family residences shall pay a quarterly charge multiplied by a factor representing a ratio of the water consumption of the user to the normal single family residential consumption, as reflected in the table of Unit Factors included in this section, but not less than one (1) equivalent unit.
  - c. **Non-Metered Fire Protection Service.** All non-metered customers that have a fire protection sprinkling system or private fire hydrants shall pay a quarterly fire protection charge, based on the size of the service line connected to the public water supply system, as follows:

Service Line Size	Fire protection Quarterly Charge
Up to 3"	\$10.00 Per Quarter
4"	\$16.00 Per Quarter
6"	\$30.00 Per Quarter

d. Metered Customers. Rates charged for water service to metered customers shall be as follows:

(1) Quarterly service demand charge shall be paid by all metered customers based on the size of the customer's meter, as follows:

Meter Size	Quarterly Payment
5/8" and 3/4"	\$20.00
1"	\$50.00
1 1/2"	\$62.50
2"	\$120.50
3"	\$178.50
4"	\$238.50

(2) Commodity Charge. Each metered customer shall pay \$1.43 per 1,000 gallons of water metered.

e. Meter Failure and Testing.

- (1) Meter Failure. If any meter shall fail to register properly, the Village shall estimate the consumption on the basis of former consumption and bill accordingly.
- (2) Meter Testing. A customer may request that their meter be tested. If the meter is found accurate, a charge of ten dollars (\$10.00) will be made. If the meter is found defective, a new meter will be installed at no charge.

3. Table of Unit Factors. For users of the system not metered, and except as otherwise provided herein, the Village does hereby adopt a Table of Units, the same being entitled "Table of Unit Factors" for the Village of Sheridan Water System, which table is attached hereto and is incorporated herein by reference and made a part hereof as if fully set forth. Said Table shall set forth and identify the user class and all applicable factors to be multiplied by the qua be modified or amended from time to time by Resolution of the Village of Sheridan Village Council.

a Rules for interpreting of Table of Unit Factors:

- (1) The minimum equivalent factor for users shall be 1.0.
- (2) Equivalent units for users not originally contained in said Table may be added thereto from time to time by Resolution of the Village Council.

(3) Where multiple businesses exist at one location, the various businesses shall be divided as separate units and combined for determining the equivalent units at such location.

- b** Review. The equivalent units of users having an equivalent unit factor of more than one (1.0) shall be reviewed by the Village at least once a year. Unless the equivalent unit factor of such user is changed by Resolution of the Village Council on or before the 15 day of the last month preceding the commencement of the system fiscal year, the equivalent unit factor of such user shall remain the same as it was the preceding fiscal year. Failure to specifically review as provided herein shall not cause said factor to be omitted and shall not be considered grounds for discontinuance of said factor.
- c** Appeal. A property owner having equivalent unit factor of more than one, may, upon written request received by the Village Council, appeal his unit factor at a regular or special meeting of the council. Upon receipt of such notification, the Council shall notify the property owner at least ten (10) days in advance as to date his appeal will be heard. The decision of the majority of the Village Council present at the appeal shall be final and binding for purposes of decision on appeal.

**4.** Service Outside Village Limits. The rates to be charged for water service and connection fee outside the corporate limits of the Village shall be double those charged to users within the corporate limits.

**5.** Hydrant Rental Charges. For the use of water through fire hydrants for fire protection and for the availability of such water, the Village shall pay in equal quarterly installments, the sum of \$120.00 per hydrant per year, said payments to be made from funds of the Village legally available for such purpose or from the proceeds of taxes which the Village shall levy within its legal tax-rate limitations.

**6.** Connection Fee. The connection fee for each single-family residence shall be \$600.00 plus the cost of street, sidewalk, and ground repair. Connection charges for other than single family residences shall pay a connection charge multiplied by a factor representing a ratio of the water consumption of the user to the normal single family residential consumption, as reflected in the Table of Unit Factors included in this Section but not less than one (1) equivalent unit.

**7.** Meter Deposit. A refundable deposit shall be required of each metered customer in accordance with the following schedule of fees:

1-inch diameter and smaller	\$ 50.00
1-1/2 to 3 inch diameter	\$150.00

Larger than 3 inches

As determined by Village

- 8.** Security Deposit. A cash deposit of \$25.00 as a security for payment of water rates shall be required of each user in such cases as the Village Council shall deem such security to be advisable, or in such cases where a deposit is required by the provisions of Section 21, Act 94, Public Acts of Michigan, 1933, as amended.
- 9.** Turn-On Charges. A charge of \$25.00 shall be levied for reestablishment of water service to premises for which service has been turned off at the request of the property owner or to enforce payment of charges. For an emergency there shall be no charge.
- 10.** Revision of Rates and Charges. The rates established by this Ordinance are estimated to be sufficient to provide revenue for the payment of the operation and maintenance costs, replacement costs and such other charges and expenditures for the system. Such rates shall be revised from time to time as required to maintain the fiscal integrity of the system and the same may be revised and fixed by Resolution of the Village Council as may be necessary to produce the amounts required to pay such charges and expenditures and provide the funds necessary for the maintenance of the financial integrity of the system.
- 11.** Deferring Charges. No free service shall be furnished to any user of the system, and there shall be no waiver or forgiveness of charges levied pursuant to the terms hereof. The foregoing notwithstanding, any resident eligible for deferment of payment of such fees pursuant to the laws of the State of Michigan shall be afforded ample opportunity to request such deferment or partial payment in accordance therewith.
- 12.** Endorsement of Charges
  - a.** Billings. All invoices shall be rendered to property owners quarterly, January 1<sup>st</sup>, April 1<sup>st</sup>, July 1<sup>st</sup>, and October 1<sup>st</sup> each year. These invoices shall be due on the 15<sup>th</sup> of the month, ex, January 15<sup>th</sup>, April 15<sup>th</sup>, July 15<sup>th</sup>, and October 15<sup>th</sup>. Payments may be hand delivered or postmarked on or before the 15<sup>th</sup> of the month in which they are due; if payment is received in the Village office after the 15<sup>th</sup> of the month due, a penalty of ten percent of the total invoice shall be added to the account.
  - b.** Non-Payment of the Special Assessment and/or Connection charges. Non-Payment of said charges shall subject the property owner to a liability for such charges and penalties as herebefore provided,
  - c.** S h u t - o f f
  - d.** Non-Payment of Service Charge.
    - (1)** Discontinuance of Service. Shut off notice shall be sent to customer on the 30<sup>th</sup> of the month, January 30<sup>th</sup>, April 30<sup>th</sup>, July 30<sup>th</sup> and October 30<sup>th</sup>, Payment must be received by the 10<sup>th</sup> of the following month in the Village office.

- (2) Collection by Litigation. In addition to discontinuing service to said property owner, the Village shall have the option of collecting all such delinquencies and penalties due hereunder by legal proceedings in a court of competent jurisdiction.
- (3) Collection by Enforcement of Lien. Service charges, including penalties due thereon which remain delinquent for a period in excess of 45 days, shall constitute a lien on the premises serviced. Such a lien shall be perfected by the Village official or officials in charge of the collection thereon, by certifying not later than March 1 of each year to the tax-assessing officer the fact and the amount of such delinquency. Thereupon, such charge shall be entered by the tax-assessing officer of the Village upon • the next tax roll as a charge against the premises and shall be collected and the lien thereof enforced in the same manner as general taxes against such premises are collected, and the lien thereof enforced.

#### **SECTION 8. FISCAL YEAR RECORDS, AND FUNDS**

1. Fiscal year. The fiscal year of the system shall commence on the 15<sup>th</sup> day of March and end on the 14<sup>th</sup> day of March in each year.
2. Records and Accounts. The Village shall keep and maintain proper books and records and accounts separate from all other records and accounts of the Village in which shall be made full and correct entries of all transactions relating to the system. The Village shall cause an annual audit of such books and records and accounts of the preceding operating year to be made by a recognized independent Certified Public Accountant and will supply such audit to authorized public officials upon proper request as required by 1972 PA 2.
3. Establishment of Funds. Revenues of the system shall be set aside, as collected, and deposited in a separate depository account to be designated WATER SUPPLY SYSTEM RECEIVING FUND (hereafter, for brevity, referred to as the "receiving fund"), and said revenues so deposited are pledged for the purpose of the following funds and shall be transferred from the Receiving Fund periodically in the manner and at the times hereinafter specified.
  - a. Operation and Maintenance Fund. Out of the revenues in the Receiving Fund there shall be first set aside quarterly during each operating year, into a separate depository account designed OPERATION AND MAINTENANCE FUND, a sum sufficient to provide for the payment of the next year's quarter's current expenses of administration and operation of the System and such current expenses for maintenance thereof as may be necessary to preserve the same in good repair and working order.
  - b. Bond and Interest Redemption Fund. There shall next be established and maintained a separate depository account designated BOND AND INTEREST



REDEMPTION FUND, the monies on deposit therein from time to time to be used solely for the purpose of paying the principal of and the interest upon any bonds authorized by the Village. Out of the revenues remaining in the Receiving Fund after provision has been made for expenses of operation and maintenance of the system, there shall next be set aside quarterly during each operation year, in the Bond and Interest Redemption Fund, a sum proportionately sufficient to provide for the payment of the principal of and the interest upon any outstanding bonds payable from the revenues of the System, as and when the same become due and payable.

- c.** Replacement Fund. There shall next be established and maintained a separate depository account designated REPLACEMENT FUND, which shall be used solely for the purpose of making major repairs and replacements to the system, if needed. There shall be deposited into said fund, after providing for all requirements of the Operation and Maintenance Fund and the Bond and Interest Redemption Fund, the sum of Five Hundred Dollars (\$500.00) during each of the operating years, so that the sum in said Replacement Fund shall total Five Thousand Dollars (\$5,000.00). Deposits in said fund shall be in equal quarterly installments during each operating year. If, at any time, it shall be necessary to use monies in said fund for such purpose, the monies so used shall be replaced from the net revenues in the Receiving Fund which are not required by this Ordinance to be used for the Operation and Maintenance Fund or Bond and Interest Redemption Fund.
- d.** Improvement Fund. There shall be next established and maintained a fund designated as the "Improvement Fund" which shall be used solely for the purpose of making improvements, extensions, and enlargements to the system. There shall be deposited into said fund, after providing for the requirements of the funds heretofore enumerated such revenues as the Village Council shall determine.
- 4.** Surplus Revenues. Any revenues remaining in the Receiving Fund in any operation year after meeting all requirements of the Operation and Maintenance Fund, the Bond and Interest Redemption Fund, the Replacement Fund, and the Improvement Fund, shall be deemed to be surplus and may, at discretion of the Village Council, be used for any purpose permitted by law in the manner set forth above.
- 5.** Bank Accounts. All monies belonging to any of the foregoing funds or accounts may be kept in one bank account in which event the money shall be allocated on the books and records of the Village within the single bank account in the manner set forth above.
- 6.** Deficiencies in Funds. In the event the monies in the Receiving Fund are insufficient to provide the current requirements of the Operation and Maintenance Fund or the Bond and Interest Redemption Fund, any monies and/or securities or other funds of the system may be transferred to such fund, to the extent of any deficiency therein.



7. Investment of Funds. Monies in any funds or account established by the provisions of this Ordinance may be invested or deposited in any lawful investments or deposits and may be invested in obligations of the United States of America in a manner and subject to any limitations set forth in the laws of the State of Michigan. Income received from such investments shall be credited to the fund from which said investments were made, or pro rata in the case of a single bank account.
8. Insurance. The Village shall maintain and carry insurance on all physical properties of the system, of a kind and in the amounts normal carried by public utility companies and municipalities. All monies received from losses under such insurance policy shall be applied solely to the replacement and restoration of the property damaged or destroyed.

#### **SECTION 9. MISCELLANEOUS PROVISIONS**

1. Protection from Damage. No person shall maliciously or willfully break, damage, destroy, uncover, deface, or tamper with the system or any component thereof.
2. Connection of Privately Constructed Water Systems to the Systems. Before any water system constructed by private, as distinguished from public funding, hereinafter referred to as the "Private water system", shall be permitted to connect to the system, the owner of said system, hereinafter referred to as the developer, shall do and provide the Village with the following:
  - a. Provide the Village with the developer's plans and specifications for construction, an estimate of the cost of construction, and a performance bond and deposit with the Village, the estimated cost of review of construction plans covering the cost of hiring a registered professional engineer to review plans and specifications, which monies shall be placed by the Village in an escrow account in the name of said developer.
  - b. Obtain approval of the Village of the plans and specifications.
  - c. Secure all necessary permits for construction.
  - d. Upon commencement of construction of the private water system, deposit with the Village in the escrow account referred to in paragraph 3.a. of this Section a sum of not less than 10% of the cost of construction of the water system improvements to cover the anticipated cost of inspection of construction and payment of connection charges.




period not exceeding ninety (90) days, or both such fine and confinement in the discretion of the Court. Each day that a violation of this Ordinance is continued or is permitted to continue to exist shall constitute a separate offense, provided that no person shall be confined or jailed for a single but continuing violation for a period longer than ninety (90) days.

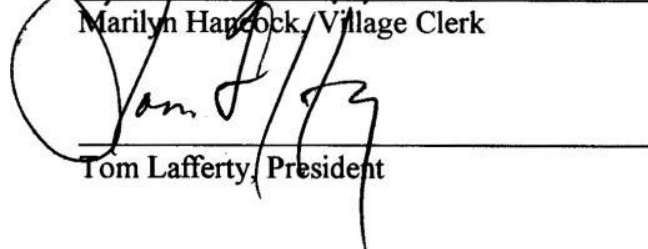
- c. Civil Procedures to Compel Compliance. The Village may bring a civil proceeding for a mandatory injunction or injunctive order or for such other remedial relief as will correct or remedy the violation, including damages for the costs or expenses thereof. The Village may join in such action or actions any number of property owners or users of the system.
- d. Repealer Clause. All other ordinances, resolutions, order, or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby expressly repealed, subject to the Savings Clause of this Section as of the date this Ordinance becomes effective.

- 2. Savings Clause. This Ordinance shall in no manner affect pending litigation, either civil or criminal, founded or growing out of any ordinance, resolution, order or parts thereof, hereby repealed, and this Ordinance shall in more manner affect any right, claims, privileges, immunities, or causes of action of the Village, County, or any other person, either criminal or civil, that may already occurred, accrued or grown out of any ordinance, resolution, order or policy, or any part thereof, hereby repealed.
- 3. Validity of Severability. It is the legislative intent of the Village Council in adopting this Ordinance that all provisions hereof shall be liberally construed to protect the public health, safety, and general welfare of the inhabitants of the Village and other persons affected by this Ordinance, and consequently, should any provision of this Ordinance be held to be unconstitutional, invalid, or of no effect, such holding shall not be construed as affecting the validity of any of the remaining provisions of this Ordinance, it being the intent of the Village Council that this Ordinance shall stand and remain in effect, notwithstanding the invalidity of any provisions hereof.
- 4. 4. Effective Date. This Ordinance shall take effect and be in force from and after fifteen (15) days after publication.

I hereby certify that the foregoing constitutes a true and complete copy of Ordinance No. 851 duly adopted by the Village Council for the Village of Sheridan, County of Montcalm, Michigan, at a regular meeting held on May 13, 2003 at which all

May 13, 2003

  
Marilyn Hancock, Village Clerk

  
Tom Lafferty, President

members  
were  
present  
except M.

McKeown and that public notice of said meeting was given pursuant to Act No. 261, Public Acts of Michigan, 1968, including in the case of a special or rescheduled meeting notice by publication or posting at least twelve hours prior to the time set for the meeting.

I further certify that Member Daryl Bush moved adoption of said Ordinance and that Member Harold Arrington supported said motion.

I further certify that the following Members voted for adoption of said Ordinance: W. Wyckoff, B. Russel, K. Train, H. Arrington, D. Bush, and that the following Members voted against adoption of said Ordinance: None.

I further certify that said Ordinance has been recorded in the Ordinance book of the Village and that recording has been authenticated by the signatures of the President and the Clerk.