

AGENDA
WYOMING CITY COUNCIL MEETING
CITY COUNCIL CHAMBERS
MONDAY, SEPTEMBER 19, 2011 AT 7:00 P.M.

- 1) Call to Order**
- 2) Invocation**
Pastor Wayne Ondersma, The Dock Ministries.
- 3) Pledge of Allegiance**
- 4) Roll Call**
- 5) Student Recognition**
- 6) Approval of Minutes**
From the regular meeting of September 6, 2011.
- 7) Approval of Agenda**
- 8) Public Hearings**
7:01: To Consider Approval of an Application for Exemption of New Personal Property in the City of Wyoming for Agropur, inc. Division Natrel USA.
7:02: To Consider Approval of an Application for an Industrial Facilities Exemption Agreement for Lee Steel Corporation.
- 9) Public Comment on Agenda Items** (3 minute limit per person)
- 10) Presentations and Proclamations**
 - a) Presentations
 - b) Proclamations
- 11) Petitions and Communications**
 - a) Petitions
 - b) Communications
- 12) Reports from City Officers**
 - a) From City Council
 - b) From City Manager
- 13) Budget Amendments**
- 14) Consent Agenda**
 - a) To Set a Public Hearing Date for the Establishment of an Industrial Development District in the City of Wyoming for Grand Rapids Plastics, Inc. (October 3, 2011 at 7:01 p.m.)
 - b) To Set a Public Hearing Date for the Establishment of an Industrial Development District in the City of Wyoming for Reliance Finishing Co. (October 3, 2011 at 7:02 p.m.)
- 15) Resolutions**
 - c) Resolution to Approve a New Personal Property Exemption Application and to Approve a Property Tax Exemption Agreement for Agropur, Inc., Division Natrel USA
 - d) Resolution to Approve an Application for an Industrial Facilities Exemption Certificate in the City of Wyoming for Lee Steel Corporation and Authorizing the Mayor and City Clerk to Sign the IFT Agreement
 - e) Resolution to Authorize the Possession and Consumption of Alcoholic Beverages on City Property by the Wyoming Community Foundation
 - f) Resolution to Authorize Members of the City Council to Attend the Michigan Municipal League 113th League Convention

- g) Resolution to Approve the Use of Lamar Park for a 24-Hour Charity Event and to Waive Reservation Fees for the Event

16) Award of Bids, Contracts, Purchases, and Renewal of Bids and Contracts

- h) Resolution to Approve and Adopt the 2011 Water Supply Agreement between the City of Wyoming and the City of Grandville
- i) Resolution to Approve and Adopt the 2011 Water Supply Agreement between the City of Wyoming and the City of Kentwood
- j) Resolution to Approve and Adopt the 2011 Water Supply Agreement between the City of Wyoming and Byron Township and the Charter Township of Gaines
- k) Resolution to Authorize the Mayor and City Clerk to Enter into a Contract Amendment with the Area Agency on Aging of Western Michigan, Inc. in Support of Older Adult Transportation (Budget Amendment No. 16)
- l) Resolution to Authorize Final Payment for the Lemery Park Ultra Thin Overlay Project
- m) Resolution to Authorize the Purchase of Eagle Traffic Signals and Opticom System Equipment
- n) Resolution to Accept a Proposal for Brochure Design Services
- o) Resolution for Award of Bid - Four Inline Grinders

17) Ordinances

- 9-11: To Add Article VI, Division I to the Code of the City of Wyoming (Historical Commission) (Final Reading)

18) Informational Material

19) Acknowledgment of Visitors

20) Closed Session (as necessary)

21) Adjournment

RESOLUTION NO. _____

RESOLUTION TO SET A PUBLIC HEARING DATE FOR THE
ESTABLISHMENT OF AN INDUSTRIAL DEVELOPMENT DISTRICT IN
THE CITY OF WYOMING FOR GRAND RAPIDS PLASTICS, INC.

WHEREAS, Grand Rapids Plastics, Inc., has requested that the City establish an Industrial Development District for real and personal property under Act 198, Public Acts of 1974, as amended, for the property located at 3910 Roger B. Chaffee SW, Wyoming, Michigan and legally described on the attached description, and

WHEREAS, Act 198 requires that the City hold a public hearing on the establishment of this district; now therefore,

BE IT RESOLVED, that the Wyoming City Council takes the following action:

1. A public hearing on whether to establish an Industrial Development District for personal property for Grand Rapids Plastics, Inc., shall be held at 7:01 p.m. on October 3, 2011 in the City Council Chambers, City Hall, 1155 28th Street, SW, Wyoming, Michigan.
2. Notice of this hearing shall be given to the owners of all real property within the proposed district, published in a newspaper of general circulation in the City, posted in City Hall.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Attachment

EXHIBIT A

Legal Description

Address: 3910 Roger B. Chaffee SW, Wyoming, MI 49548

Tax Parcel No.: 41-18-18-204-012

Legal Description:

PART OF LOT 80 COM AT SW COR SD LOT TH N 6D 00M W 250 FT ALONG W LINE SD
LOT TH N 89D 55M E 597.19 FT PAR S LINE SD LOT TH S 6D 00M E 28.35 FT TH S 89D
55M 20S E 65.35 FT TH S 6D 00M E 221.65 FT TO SE COR SD LOT TH S 89D 55M W
662.54 FT ALONG S LINE SD LOT TO BEG. KENT INDUSTRIAL CENTER #2

RESOLUTION NO. _____

RESOLUTION TO SET A PUBLIC HEARING DATE FOR THE
ESTABLISHMENT OF AN INDUSTRIAL DEVELOPMENT DISTRICT IN
THE CITY OF WYOMING FOR RELIANCE FINISHING CO.

WHEREAS, Reliance Finishing Co., has requested that the City establish an Industrial Development District for real and personal property under Act 198, Public Acts of 1974, as amended, for the property located at 1236 and 1238 Judd SW, Wyoming, Michigan, and legally described on the attached description, and

WHEREAS, Act 198 requires that the City hold a public hearing on the establishment of this district; now therefore,

BE IT RESOLVED, that the Wyoming City Council takes the following action:

1. A public hearing on whether to establish an Industrial Development District for real and personal property for Reliance Finishing Co. shall be held at 7:02 p.m. on October 3, 2011 in the City Council Chambers, City Hall, 1155 28th Street, SW, Wyoming, Michigan.
2. Notice of this hearing shall be given to the owners of all real property within the proposed district, published in a newspaper of general circulation in the City, posted in City Hall.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Attachment

Resolution No. _____

EXHIBIT A

Legal Description

Address: 1236 Judd Avenue SW, Wyoming, MI 49509

Tax Parcel No.: 41-17-02-126-015

Legal Description:

Y31M: PART NW 1/4 COM AT N 1/4 COR TH S 3D 12M E ALONG N&S 1/4 LINE 723.8 FT TO SE COR OF N 20 A. OF E 62.83 A. OF NW 1/4 TH S 88D 59M W ALONG S LINE OF SD 20 A. 782.84 FT TH N 3D 12M W 233.15 FT TO BEG OF THIS DESC - TH N 3D 12M W 215.17 FT TH S 86D 58M W 336.25 FT TO E LINE OF JUDD AVE /66 FT WIDE/ TH SELY ALONG E LINE OF JUDD AVE 200.25 FT ON A 1107.7 FT RAD CURVE TO RT /LONG CHORD BEARS S 8D 35M 20S E 199.98 FT/ TO A LINE BEARING S 89D 52M 30S W FROM BEG TH N 89D 52M 30S E 317.71 FT TO BEG SEC 2 T6N R12W 1.55 A

Address: 1238 Judd Avenue SW, Wyoming, MI 49509

Tax Parcel No.: 41-17-02-126-016

Legal Description:

Y31L: PART NW 1/4 COM AT N 1/4 COR TH S 3D 12M E ALONG N&S 1/4 LINE 723.8 FT TO SE COR OF N 20 A. OF E 62.83 A. OF NW 1/4 TH S 88D 59M W ALONG S LINE OF SD 20 A. 782.84 FT TH N 3D 12M W 139.0 FT TO BEG OF THIS DESC - TH N 3D 12M W 94.15 FT TH S 89D 52M 30S W 317.71 FT TO E LINE OF JUDD AVE TH SLY ALONG E LINE OF JUDD AVE 85.25 FT ON A 1107.7 FT RAD CURVE TO RT /LONG CHORD BEARS S 1D 00M W 2.65 FT ALONG E LINE OF JUDD AVE TO A LINE BEARING N 89D 01M 40S W FROM BEG TH S 89D 01M 40S E 321.26 FT TO BEG SEC 2 T6N R12W 0.67 A.

RESOLUTION NO. _____

A RESOLUTION TO APPROVE A NEW PERSONAL PROPERTY
EXEMPTION APPLICATION AND TO
APPROVE A PROPERTY TAX EXEMPTION AGREEMENT FOR
AGROPUR INC., DIVISION NATREL USA

WHEREAS, Act 328 of the Public Acts of Michigan of 1998, as amended MCL 211.9f (“Act 328”), authorizes the governing body of an “eligible local assessing district” to adopt a resolution to exempt from the collection of taxes under the Michigan General Property Tax Act all new personal property owned by an eligible business; and

WHEREAS, Agropur inc., Division Natrel USA, a manufacturing eligible business under Act 328, has filed an application for Exemption of New Personal Property; and

WHEREAS, Agropur inc., Division Natrel USA intends to acquire and install new personal property at its facility located at 5252 Clay Avenue, SW, in the City, said facility being located within an “eligible district” as defined in subsection 7(e) of Act 328; and

WHEREAS, the Wyoming City Council has determined that the acquisition and installation of new personal property by Agropur inc., Division Natrel USA at its facility in the City will reduce unemployment, promote economic growth, and increase capital investment in the City; and

WHEREAS, before acting on Agropur inc., Division Natrel USA’s application, the Wyoming City Council held a public hearing on September 19, 2011, at Wyoming City Hall, at which a representative of Agropur inc., Division Natrel USA, the City Assessor and representatives of the effected taxing jurisdictions were given written notice and were afforded an opportunity to be heard; and

WHEREAS, the Wyoming City Council has determined to enter into a Property Tax Exemption Agreement with Agropur inc., Division Natrel USA, in the form attached as Exhibit A (the “Agreement”), finding it to be in the best interests of Wyoming after considering all of the factors and issues recited in the Agreement.

Now, therefore, be it resolved as follows:

1. The Wyoming City Council finds and determines that the granting of the Exemption of New Personal Property under Act 328 to Agropur inc., Division Natrel USA shall not have the effect of substantially impeding the operation, or impairing the financial soundness of the taxing unit which levies ad valorem property taxes in the City.

2. The Application for Exemption of New Personal Property filed by Agropur inc., Division Natrel USA and dated August 3, 2011, for new personal property installed at 5252 Clay Avenue, SW, in the City of Wyoming by March 31, 2012, is hereby approved for a period of 10 years, subject to the terms and conditions of the Agreement.

3. The Agreement is approved in all respects. The Mayor and City Clerk are authorized and directed to execute the Agreement on behalf of the City.

4. The City Clerk is authorized and directed to file a copy of this Resolution and the fully executed Agreement with the Michigan Tax Commission.

5. All resolutions and parts of resolutions are, to the extent of any conflict with this resolution, rescinded.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Attachment: Agreement

Resolution No. _____

NEW PROPERTY TAX EXEMPTION AGREEMENT

This New Real Property Tax Exemption Agreement is made as of September 19, 2011, by the City of Wyoming, a Michigan municipal corporation, the principal business address of which is 1155 28th Street, SW, PO Box 905, Wyoming, MI 49509-0905 (the "**City**") and Agropur inc., Division Natrel USA, a Wisconsin corporation, the principal business address of which is 2080 Rice Street, St. Paul, MN, 55113 and the local address of which is 5252 Clay Avenue SW, Wyoming, MI 49548 ("**Agropur**").

RECITALS

- A. Agropur desires to improve its facility located at 5252 Clay Avenue, SW, Wyoming, MI 49548 (the "**Agropur Site**") and to install machinery and equipment at the Agropur Site (the "**Personal Property**") beginning after September 19, 2011 with completion anticipated by March 31, 2012.
- B. The Personal Property is anticipated to cost \$4,500,000.00 and Agropur anticipates to provide 25 new full-time equivalent jobs and maintain 75 existing jobs on the Site (the "**Agropur Jobs**").
- C. Agropur has applied for an exemption of personal property taxes on the Personal Property pursuant to 1998 PA 328, as amended, MCL 211.9f ("**Act 328**").
- D. For the reasons provided above, the City is amenable to granting a tax exemption on the Personal Property, but seeks assurance that the anticipated Agropur investment and job growth occurs.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties agree:

1. Agropur's Acknowledgements, Representations and Covenants. On or about August 11, 2011, Agropur filed with the City an "Application for Exemption of New Personal Property," Michigan Department of Treasury Form 3427 (Rev. 5-06), seeking, pursuant to Act 328, an exemption of all personal property taxes that would otherwise be levied against the Personal Property (the "**Application**"). The City Council's approval of the Application at its meeting of September 19, 2011, was based in significant part on each of the following representations and covenants such that, if Agropur had not made each of them, the City Council would not have approved the Application.
 - a. Agropur expects to invest at least \$4,500,000.00 in acquiring and installing the Personal Property within the Agropur Site.
 - b. Agropur expects to add not less than 25 full-time equivalent jobs (the "**New Agropur Jobs**") at the Agropur Site as a result of installing the New Personal Property within the Agropur Site.
 - c. Agropur's investment in the Agropur Site by installing the New Personal Property will make the Agropur Site more competitive in the global market place, better ensuring its long-term sustainability.
 - d. Agropur expects that all of the New Personal Property (or replacements for it) and all of the New Agropur Jobs will remain at the Agropur Site for not less than 10 years in addition to the 75 current full-time equivalent positions.
2. Annual Certification and Record Keeping.
 - a. Agropur will file a separate personal property statement in the form required under Michigan law for all Personal Property for each year that the exemption is in effect. These statements will be filed no later than February 20 following each year of the exemption.

b. Agropur will keep sufficient personal property fixed asset records to determine which items of personal property on the Agropur Site are covered by the exemption and which are not.

c. No later than February 20 following each year that the exemption is in effect, Agropur will file an annual letter certifying as of the previous December 31 the number of full-time equivalent jobs at the Agropur Site and an indication of the annual pay range (without revealing confidential information). The first letter will be due on February 20, 2013, and the last one will be due on February 20 following the year in which the exemption expires or is terminated. Each letter shall include a certification that its contents are true to the best knowledge of the person signing the letter.

3. Term, Termination and Extension.

a. Except as otherwise provided in this Section, this Agreement shall terminate two years after the last day the exemption is effective, on December 31, 2021.

b. The City Council may revoke the exemption if it determines that the Personal Property is not installed by December 31, 2012, or if Agropur has failed to meet the employment goals as provided in this Agreement.

c. If, during the period of time including the term of this Agreement, Agropur (i) moves more than 10% of the Personal Property outside the City, or (ii) moves from the Agropur Site, or, (iii) fails to create or retain the promised jobs, then the City Council may require payment to the City and other taxing units of the taxes that would have been paid if the exemption had not been granted.

d. If the City Council wishes to consider a resolution seeking the revocation of the tax exemption, the City shall provide Agropur written notice of and an opportunity to address the City Council prior to formally considering any such action.

4. Miscellaneous.

a. This is the entire agreement between the parties as to its subject. It may not be amended or modified except in writing signed by all the parties. It shall not be affected by any course of dealing and the waiver of any breach shall not constitute a waiver of any subsequent breach of the same or any other provision.

b. This Agreement and the rights and obligations under this Agreement are unassignable and non-transferable without the consent of the other party. It shall, however, be binding upon any successors or permitted assigns of the parties.

c. This Agreement shall terminate when all reimbursements required under this Agreement have been made or upon the expiration of the obligation to make such reimbursements, whichever occurs first.

d. To the extent permitted by law, the jurisdiction and venue for any action brought pursuant to, arising from or to enforce any provision of this Agreement shall be solely in the state courts in Kent County, Michigan and the prevailing party in any such action shall, in addition to any other remedy, be entitled to recover its costs, including, without limitation, actual, reasonable filing fees, legal fees, expert fees, discovery expenses and other costs incurred to investigate, bring, maintain or defend any such action for its first accrual or first notice thereof through all appellate and collection proceedings.

e. Notices shall be made by personal delivery or by FED EX, UPS or some other delivery service that provides notification to the sender of the delivery date and time sent to the address first given above or such other address as is provided by notice to the other party.

f. The City's ability to terminate the Exemption is the City's sole remedy against Agropur for any breach of this Agreement or failure by Agropur to achieve levels of job creation or capital investment.

The parties have signed this Agreement as of the date first written above.

CITY OF WYOMING

AGROPUR INC., DIVISION NATREL USA

By: _____
Jack Poll, Mayor

By: _____
Bob Kirchoff, President

By: _____
Heidi Isakson, City Clerk

By: _____
David Ellis, Vice President of Finance

Jack R. Sluiter, City Attorney

RESOLUTION NO. _____

RESOLUTION TO APPROVE AN APPLICATION FOR AN INDUSTRIAL
FACILITIES EXEMPTION CERTIFICATE IN THE CITY OF WYOMING
FOR LEE STEEL CORPORATION AND AUTHORIZING THE
MAYOR AND CITY CLERK TO SIGN THE IFT AGREEMENT

WHEREAS, Lee Steel Corporation has submitted an application for an Industrial Facilities Exemption Certificate pursuant to the provisions of Act 198, Public Acts of 1974, as amended, for new machinery and equipment with an estimated cost of \$4,550,000.00 for personal property and \$1,535,000.00 for real property, and

WHEREAS, the new machinery and equipment will be located at 5875 Weller Court SW, Wyoming, Michigan and will be within Industrial Development District Number 241 established by Resolution Number 19327 adopted on October 18, 1999, and

WHEREAS, a public hearing on whether to approve the Certificate was held on September 19, 2011, at 7:02 p.m., in the Council Chambers, City Hall, 1155 28th Street SW, Wyoming, Michigan at which the applicant, the Assessor, and all affected taxing units were given an opportunity to be heard on the application, and

WHEREAS, completion of the project has the reasonable likelihood to retain, create, or prevent the loss of employment in the City of Wyoming, and

WHEREAS, staff reviewed this application and recommended to the City Council that this application be approved, and

WHEREAS, the City Council has determined that the granting of this Certificate, when considered together with the aggregate amount of Industrial Facilities Exemption Certificates previously granted and currently in force, shall not have the effect of substantially impeding the operating of the City of Wyoming or impairing the financial soundness of any other taxing unit that levies an ad valorem property tax within the City of Wyoming; now therefore,

BE IT RESOLVED, that the City of Wyoming takes the following action:

The application by Lee Steel Corporation for an Industrial Facilities Exemption Certificate for new machinery and equipment having an estimated cost of \$4,550,000.00 for personal property and \$1,535,000.00 for real property be approved for a period of twelve (12) years, and

BE IT FURTHER RESOLVED that the City Council of the City of Wyoming does hereby approve the IFT Agreement as amended and authorizes the Mayor and City Clerk to sign the IFT Agreement as amended as part of the documentation required to process applications for an Industrial Facilities Exemption Certificate.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Resolution No. _____

INDUSTRIAL FACILITIES TAX ABATEMENT AGREEMENT

This Industrial Facilities Tax Abatement Agreement is made as of Sept. 19, 2011, pursuant to 1974 PA 198, as amended, MCL 207.552 *et seq.* ("Act 198") between the City of Wyoming, a local governmental unit as defined in Act 198, the address of which is 1155 - 28th Street SW, PO Box 905, Wyoming, MI 49509-0905 (the "City") and LEE STEEL CORPORATION, a MICHIGAN CORP, the address of which is 45525 GRAND RIVER, NOVI, MI, 48324 (the "Company").
SUITE 100

RECITALS

- A. The Company applied for an Industrial Facilities Tax Abatement pursuant to Act 198 on the application a copy of which is attached as Exhibit A and incorporated by reference (the "Application").
- B. Following a public hearing on Sept. 19, 2011, the City Council of the City adopted a resolution to approve the tax abatement for a period of 12 years conditional upon the parties entering into this Agreement (the "Abatement") for the property located at 5875 Weller Court SW, in the City (the "site of the Abatement").
- C. The City Council did so upon the Company's representations in the Application and upon the understanding that doing so would enhance the City's employment and tax base as indicated in the application and as stated at the public hearing which enhancements would exceed the term of the tax abatement.

TERMS AND CONDITIONS

In exchange for the consideration in and referred to by this Agreement, the parties agree:

- 1. The Company affirms the statements in the application and the statements at the public hearing that it will invest not less than \$6,085,000 in improvements to its property in the City and that at least 5 new job(s) will be created and at least 18 jobs will be retained as a result of that investment. The Company further pledges that those improvements will remain in place or be replaced by comparably valued improvements for at least 2 years after the expiration of the term of the Abatement and the jobs created and maintained will remain in existence within the City for at least 2 years after the expiration of the term of the Abatement.
- 2. The City is relying upon and the Company agrees the City may rely upon the representations in the preceding paragraph, in the Application, and at the public hearing, for purposes of determining the length of the Abatement, the amount of the Abatement, and other terms of the Abatement.
- 3. Beginning on December 31 of the year which is 2 years after the Abatement is granted (*i.e.*, 2013) and each December 31 thereafter the Company shall submit a letter to the City, stating:
 - (a) The number of new jobs projected in the Application to be created and retained upon the project's completion and the actual number of new jobs created.
 - (b) The number of employees at the time of the Application and the current number of employees.
 - (c) The estimated project cost stated in the Application and the actual project cost.
- 4. Upon receipt of the letter provided for in the preceding paragraph:
 - (a) The City may either:
 - (1) Apply the criteria in the City Act 198 Tax Abatement Policy in effect as of the date of this Agreement and increase or decrease the term of the Abatement to the maximum number of years allowable under that Policy based on the Company's actual employment levels and project costs as stated in the letter, or

- (2) If the number of new jobs or the cost of the project is substantially below that stated in the application for reasons within the control of the Company, the City Council may recommend revocation of the Abatement.
 - (b) The City may, in its discretion, waive its right to reduce the term of the years of the Abatement or to revoke the Abatement if:
 - (1) The Company has substantially met its stated goals, with only minor deviations which are not expected to reduce the anticipated benefits of the City, or
 - (2) Upon a finding of changed circumstances not reasonably anticipated by the Company at the time it made Application.
 - (c) The City shall provide the Company written notice of and an opportunity to address the City Council prior to formally considering any such actions.
5. The Company intends to continue operations within the City for the time period at least equal to two years beyond the expiration of the term of the Abatement as granted.
 - (a) If, at any time during the term of the Abatement or two years following the expiration or early termination of the Abatement, the City determines based on a Company announcement or other reasonably reliable information that the Company is intending to discontinue or substantially curtail its operations on the site of the Abatement, or the City determines that the company has discontinued or substantially curtailed its operations on the site of the Abatement, or the no longer employs on the Site of the Abatement the number of employees represented in the Application and in this Agreement:
 - (1) The City Council may, in its sole discretion, request revocation of the Abatement; and
 - (2) The City Council, in its sole discretion, may require the Company to pay the City an amount equal to the total taxes abated by the City under the Abatement.
 - (b) In making any decision under the preceding subparagraph (a) the City Council shall consider whether:
 - (1) Due to events or conditions which were unforeseeable by either party on the date of this Agreement, and absent the fault of either party, it has become impossible or commercially impractical for the Company to continue its operation on the site of the Abatement; or
 - (2) The Company has substantially complied with all requirements of this Agreement, such that the Company's failure to comply fully with all requirements was neither willful nor intentional, and the City has reasonably received the benefits anticipated from granting the Abatement.
 - (c) The City shall provide the Company written notice of and an opportunity to address the City Council prior to formally considering any such actions.
6. This Agreement is entered into according to Section 22 of Act 198, as amended, MCL 207.572, is in addition to the other requirements of Public Act 198, and does not modify or waive any requirements of Act 198.
7. This is the entire agreement between the parties as to its subject matter. No unwritten agreements shall have any effect. This Agreement may be modified only with a written agreement signed by both parties following approval of the City Council.

The parties have signed this Agreement as of the date first written above.

CITY OF WYOMING

Lee Steel Corporation

By: _____
Jack A. Poll, Mayor

By: Paul D. Quayhagen
PAUL D. QUAYHAGEN Secretary-Treasurer

By: _____
Heidi A. Isakson, City Clerk

Date signed: _____, 2011

Date signed: August 27, 2011

RESOLUTION NO. _____

RESOLUTION TO AUTHORIZE THE POSSESSION AND CONSUMPTION
OF ALCOHOLIC BEVERAGES ON CITY PROPERTY
BY THE WYOMING COMMUNITY FOUNDATION

WHEREAS, the Wyoming Community Foundation plans to hold the eighth annual donor reception and recognition program in the City of Wyoming, and

WHEREAS, for purposes of the reception, the Foundation will be using property owned by the City of Wyoming in the Wyoming Public Library Community Room, and

WHEREAS, the Wyoming Community Foundation plans to have a reception at which alcoholic beverages will be served on October 20, 2011, and

WHEREAS, pursuant to section 50-36 of the Code of the City of Wyoming, possession and consumption of alcohol on City property is allowed only under certain circumstances with specific approval of the City Council, and

WHEREAS, the Wyoming Community Foundation reception will involve wine served by a caterer with the appropriate liquor license and will be for a limited period of time in a limited area, now, therefore,

BE IT RESOLVED, that the Wyoming City Council does hereby authorize possession and consumption of wine at the reception hosted by the Wyoming Community Foundation on October 20, 2011, between 5:30 p.m. and 7:30 p.m. on City property at the Wyoming Public Library

Councilmember _____ moved, seconded by Councilmember _____,
that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan, at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

09/19/11
Manager/KV

RESOLUTION NO. _____

RESOLUTION TO AUTHORIZE MEMBERS OF THE CITY COUNCIL TO
ATTEND THE MICHIGAN MUNICIPAL LEAGUE 113th LEAGUE CONVENTION

WHEREAS, the Michigan Municipal League 113th League Convention will be held in Grand Rapids, October 5 through 7, 2011, and

WHEREAS, it is the desire of the City Council that Wyoming be represented at the convention; now, therefore

BE IT RESOLVED that members of the Wyoming City Council are hereby authorized to attend the Michigan Municipal League 113th League Convention in Grand Rapids, October 5 through 7, 2011, 2010, and

BE IT FURTHER RESOLVED, that Councilmembers will submit their expense reports at the conclusion of the conference for approval at the next regular City Council meeting.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas _____ Nays

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

HEIDI A. ISAKSON
Wyoming City Clerk

Resolution No. _____

RESOLUTION NO. _____

RESOLUTION TO APPROVE THE USE OF LAMAR PARK FOR A 24 HOUR CHARITY
EVENT AND TO WAIVE RESERVATION FEES FOR THE EVENT

WHEREAS, the American Cancer Society has requested the use of Lamar Park commencing at 3:00 p.m. until 8:00 p.m. Thursday, May 10, 2012 and 7:00 a.m. Friday, May 11, 2012 through 3:00 p.m. Saturday, May 12, 2012, to host a Relay for Life event for the purpose of raising funds to combat cancer, and

WHEREAS, Section 54-6 of the City Code states that no person is to be in or upon a City Park between the hours of 11:00 p.m. and 7:00 a.m. without specific written consent from the City, and

WHEREAS, due to the charitable purpose of the event on May 11 and 12, it would be in the best interest of the City to grant the request for the said event; now, therefore,

BE IT RESOLVED that the City Council approves and grants the request of the American Cancer Society to hold a Relay for Life event commencing at 3:00 p.m. until 8:00 p.m. Thursday, May 10, 2012, for set-up purposes, and 7:00 a.m. Friday, May 11, 2012, ending 3:00 p.m. Saturday, May 12, 2012, for purposes of the event itself, and

BE IT FURTHER RESOLVED that the City Council approves the waiving of park reservation fees, including that of the stage, for the event.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Resolution No. _____

**PARKS AND RECREATION DEPARTMENT
INTEROFFICE MEMORANDUM**

TO: CURTIS HOLT, CITY MANAGER
FROM: REBECCA L. RYNBRANDT, DIRECTOR OF COMMUNITY SERVICES
SUBJECT: RELAY FOR LIFE SPECIAL EVENT REQUEST
DATE: SEPTEMBER 7, 2011
CC: BARB VANDUREN, DEPUTY CITY MANAGER, AND ERIC TOMKINS, RECREATION SUPERVISOR

Recently my office received correspondence by the American Cancer Society regarding their desire to host a Relay for Life fundraising event at Lamar Park for the ninth year in a row. A copy of this correspondence is attached for your review. In general, the event would be held Friday, May 11 and Saturday, May 12, 2012, with the primary portion of the reservation request beginning at 7:00 a.m. Friday and ending 3:00 p.m. Saturday. They are also requesting reserved use on the afternoon of Thursday, May 10 for various set-up needs. Approximately 1,000 people will participate throughout the event; however only +/- 250 will be on site at any given time.

Typically, this request would fall under the Parks and Recreation Department's Special Event Guidelines with the reservation processed accordingly. However, components of the American Cancer Society request require special consideration by your office and that of the City Council.

Co-sponsorship: The American Cancer Society is again requesting that the City of Wyoming co-sponsor the event. Co-sponsorship would waive all reservation fees for the event, including section, shelter, and stage fees. In addition, use of the Lamar Park Grandstand (including the baseball field) and 300' Softball Field is requested. The sponsorship value is \$3,379 (based on the current reservation fee schedule). Co-sponsorship does not waive the responsibility of the American Cancer Society of in providing necessary insurance's, etc.

The Parks and Recreation Department's Fee Allocation Guideline, Section VII Fees for Special Facilities, items B and C is provided below for you information:

- B. Charges for Charitable (non-city sponsored) Activities: Charitable, non-profit, community serving organizations that conduct an event on park property shall pay the established reservation fee. Organizations are required to provide insurance. Depending upon the type of event, the organization may be required by the Director of Parks and Recreation, or designee, to enter into a Specialized Facility Request and Use Agreement.

- C. Charges for Charitable (city co-sponsored) Activities: Charitable, non-profit, community serving organizations, co-sponsored by the City of Wyoming, who conduct an event on park property for the purpose of raising funds for specific Park and Recreation projects or as part of a City sponsored neighborhood association do not pay facility reservation fees or percentage of gross receipts. Additional insurance coverage may be required.

Overnight Activities: Relay for Life is a 24-hour event. As such, the American Cancer Society is seeking written consent to use the park between 11:00 p.m. and 7:00 a.m. Friday, May 11 until Saturday, May 12, 2012, as required by City of Wyoming Ordinance, Sec. 54-6 Closing of City Parks. As mentioned in the General Outline of Event materials, music and other related noise shall be limited by the City's noise ordinance. Further review shows no other considerations are necessary in regards to ordinance or zoning for overnight activities, including camping.

Special Event Requirements: Consistent with City of Wyoming Parks and Recreation special event reservations the American Cancer Society will be required:

- a. Notify the immediate neighborhood of the special event and its related activities.
- b. Provide an emergency service plan of action, event insurance naming the City of Wyoming as additional insured, and any other items as required.
- c. Affirm pets are prohibited from event participation.
- d. Adhere to any and all other park rules and regulations.

Lamar Park can easily host this special event with limited or no impact to the surrounding neighborhood.

Recognizing the American Cancer Society need to confirm the event's date and secure facilities, the above matter must be addressed as soon as possible. Following your review, and with your approval, please place this matter before the City Council for their comment and direction. Review at the September 12, 2011 Work Session is requested.



August 17, 2011

Rebecca Rynbrandt
Director of Parks and Recreation, City of Wyoming
1155 - 28th Street SW
Wyoming, MI 49509

Dear Rebecca,

We are requesting approval to hold the 8th annual American Cancer Society Relay For Life of Wyoming-Grandville at Lamar Park. The Relay For Life is a 24-hour event. As such, the American Cancer Society is seeking written consent to reserve the park on Thursday May 10, 2012 between 3:00 p.m. and 8:00 p.m. for set up Friday, May 11 at 7:00 a.m. until Saturday, May 12 at 3:00 p.m. Approximately 1,000 people will participate; however only +/- 250 will be on site at any given time. We are also requesting the use of the stage.

Once again we are inviting the City of Wyoming to sponsor the event. Sponsorship would entail waiving all reservation fees for the event, including section, shelter, and stage fees. In addition, use of the Lamar Park Grandstand is requested (not including the baseball field). Sponsorship does not include the waiving of responsibility for the American Cancer Society in providing necessary insurance's, etc.

As mentioned in the General Outline of Event materials, music and other related noise shall be limited by the City's noise ordinance. Further review shows no other considerations are necessary in regards to ordinance or zoning for overnight activities, including camping.

Consistent with City of Wyoming Parks and Recreation special event reservations the American Cancer Society will:

- a. Notify the immediate neighborhood of the special event and its related activities.
- b. Provide an emergency service plan of action, event insurance naming the City of Wyoming as additional insured, and any other items as required.
- c. Affirm pets are prohibited from event participation.
- d. Adhere to any and all other park rules and regulations.

The City of Wyoming has graciously participated in this event for the last seven years with no adverse situations. The city is recognized for their contributions through multiple press releases, and at the actual event via event programs, signage, T-shirt logo.

We are actively planning the 2012 Relay For Life of Wyoming-Grandville, and have additional local teams committed to participating, and would like to continue our partnership with the City of Wyoming in this community event. The 2012 Relay For Life of Wyoming-Grandville committee is formed and wishes to confirm the event's date and site as soon as possible for future planning. It is our hope you will

once again join us in this endeavor. Please contact the American Cancer Society with any questions that may arise.

Sincerely,

Jaime Counterman
Community Representative—The American Cancer Society
616.551.4033
Jaime.Counterman@cancer.org

CITY OF WYOMING PARKS AND RECREATION DEPARTMENT
Athletic/Special Event Application

ORGANIZATION: American Cancer Society – Relay For Life of Wyoming-Grandville

CONTACT NAME: Jaime Counterman

TITLE: Community Representative

ADDRESS: 129 Jefferson SE

CITY/STATE/ZIP: Grand Rapids, MI 49503

DAY PHONE: 616-551-4033 EVENING PHONE: 616-485-1664 (cell)

FAX: 616-364-6451 E-MAIL: Jaime.Counterman@cancer.org

EVENT NAME(S): Relay For Life of Wyoming-Grandville

EVENT DESCRIPTION(S): 24 hour Charity Walking Event – Adults (participants and spectators) and Children (participants and spectators).

IS THIS A 1st TIME EVENT: YES _____ NO X

(If NO, where was event held last year): May 12, 13, 14 2011

DATES REQUESTED: May 10, 11, 12 2012
(attach information if necessary)

TIMES REQUESTED: May 10 3:00 p.m. – 8:00 p.m. , May 11 7:00 a.m. – 11:59 p.m. & May 12 12:00 a.m. – 3:00 p.m.
(attach information if necessary)

EXPECTED ATTENDANCE: 1000 Adults and Children
(per date)

PARK AND FACILITIES REQUESTED: Lamar Park; Lamar Section A, Lamar Section B, Lamar Section C, Lamar Park Shelter, Lamar Grandstand, Baseball Diamond & Stage.

WILL REQUEST INVOLVE USE OF SPECIAL EQUIPMENT (inflatable games, dunk tank, etc.): Yes

REQUESTING CITY OF WYOMING CO-SPONSORSHIP: YES X NO _____
(If YES, you must submit a letter of request addressing your reason for seeking co-sponsorship. A request for fee waivers would be considered a request for co-sponsorship.)

(Please send completed application to City of Wyoming Parks and Recreation Department, 1155 – 28th ST SW, Wyoming MI 49509 or e-mail to parks_info@wyomingmi.gov or fax to 616-249-3400 attn: Event Application. Online event application available at www.wyomingmi.gov/ParksRec/specialeventform.asp)

OFFICE USE ONLY: APPROVED: _____ DENIED: _____

RESOLUTION: _____

A RESOLUTION TO APPROVE AND ADOPT THE 2011 WATER SUPPLY AGREEMENT
BETWEEN THE CITY OF WYOMING AND THE CITY OF GRANDVILLE

WHEREAS, the attached City of Wyoming-City of Grandville Water Supply Agreement has been negotiated between representatives of each City; and

WHEREAS, the representatives for the City of Wyoming unanimously recommend that said Agreement be approved and adopted by the City Council of the City of Wyoming; and

WHEREAS, the City Council of the City of Grandville has approved, adopted, and executed said Agreement for and on behalf of the City of Grandville; and

WHEREAS, the City Council of the City of Wyoming is of the opinion that it is in the best interests of the City and of its residents and citizens to approve, adopt, and execute said Agreement, now therefore,

BE IT RESOLVED, that the City Council of the City of Wyoming does approve and adopt the City of Wyoming-City of Grandville Water Supply Agreement between the City of Wyoming and the City of Grandville; and

BE IT FURTHER RESOLVED, that the Mayor and the City Clerk be, and they hereby are, authorized to execute said City of Wyoming-Grandville Water Supply Agreement for and on behalf of the City of Wyoming.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Resolution No. _____

MEMORANDUM

DATE: September 7, 2011

TO: Curtis L. Holt, City Manager

FROM: William D. Dooley, Director of Public Works

SUBJECT: Council Approval of Wholesale Water and Sewer Contracts

Last April we reviewed our updated wholesale water contracts with the City Council and informed them that we would present the contracts to the City Council for approval after they were approved by our customer communities. Grandville, Kentwood, and Byron and Gaines Townships have now approved the contracts. We would like to present these contracts to the City Council for their review and request that they provide their approval at the September 19, 2001 regular Council meeting.

In April we also reviewed an amendment to our sewer agreement with Byron Township. This amendment provides for a new connection to our sanitary trunk sewer located in 56th Street, west of Wilson Avenue. This amendment was approved by Byron Township earlier this summer, but we are presenting it together with the other contracts for Council approval.

Tom Kent and I will be available at the September 12, 2001 Study Session in case the City Council has any additional questions about the water contracts or the amendment to the Byron Township sewer agreement.

2011 WATER SUPPLY AGREEMENT

between

THE CITY OF WYOMING

and

THE CITY OF GRANDVILLE

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CITY OF WYOMING - CITY OF GRANDVILLE

2011 WATER SUPPLY AGREEMENT

THIS AGREEMENT, made this _____ day of _____, 2011, between the City of Wyoming, a Michigan municipal corporation (hereinafter called "Wyoming"), and the City of Grandville, a Michigan municipal corporation (hereinafter called "Grandville"), is as follows:

Background Recitals

Grandville owns and operates a municipal water distribution system and wishes to continue to purchase Lake Michigan treated water from Wyoming for resale to its residential, commercial and industrial customers. Wyoming has a water treatment and supply system that provides Grandville with Lake Michigan treated water. On April 20, 1965, Wyoming and Grandville entered into a Water Supply Agreement (the 1965 Agreement), which was subsequently amended on April 24, 1967 and January 28, 1974. Wyoming and Grandville entered into a Restated Water Supply Agreement effective July 1, 1988, which replaced the 1965 Agreement and is currently in effect. Wyoming is expanding its water treatment system to increase the system's ability and reliability to provide for the present and future needs of Grandville and Wyoming's other water customers, both wholesale and retail, and to ensure compliance with United States Environmental Protection Agency and Michigan Department of Environmental (or any successor agency) updated drinking water standards. As a result, Wyoming and Grandville now desire that the Restated Water Supply Agreement effective July 1, 1988 be amended and restated a second time to incorporate various modifications to the Agreement, to be effective _____, 2011. Accordingly, in consideration of the mutual promises and undertakings of the parties hereto, the parties mutually agree that the Restated Water Supply Agreement effective July 1, 1988 shall be amended and restated a second time to read in its entirety as follows:

1. The Wyoming System. Wyoming owns and operates a water supply system, (the "Wyoming System" or the "System") which generally consists of intake facilities in Lake Michigan, pumping and repumping facilities, the Donald K. Shine Water Treatment Plant, finished water storage at the Donald K. Shine Water Treatment Plant and at the Gezon Pumping Station, transmission pipelines extending from the Donald K. Shine Water Treatment Plant in Ottawa County to the Gezon Pumping Station in Wyoming, and transmission lines extending through Wyoming to the boundaries of Grandville. Wyoming is presently making additions and improvements to and is expanding said system in order to improve the operation of the system and to increase its capacity to deliver water to its customers.

2. Sale and Purchase of Water; Grandville Service Area; Prohibitions on Sale and Purchase of Water.

(a) Sale and Purchase of Water. Wyoming shall sell and deliver to Grandville and Grandville shall purchase and receive from Wyoming, for Grandville's Service Area such quantity of Lake Michigan water from the Wyoming System treated by the Wyoming System to comply with applicable drinking water standards subject to the limitations as specified in paragraph 5 below.

(b) Grandville Service Area. The Grandville Service Area is shown in Exhibit A, attached and made a part of this Agreement.

(c) Prohibitions on Sale of Water. Grandville shall not sell or deliver outside the Grandville Service Area any water purchased from Wyoming, except as provided in paragraph 15 for emergency interconnections or paragraph 23 of this Agreement. Wyoming shall not sell water directly to any public corporation, to any private customer, or to any other party in Grandville except as may be mutually agreed upon by the parties.

3. Current Connections to the Wyoming System. Grandville has previously connected to the Wyoming System at those connection points shown in Exhibit A. Those connections and all future connections unless otherwise agreed by the parties, shall be maintained and continued during the term of this Agreement

4. Future Connections to the Wyoming System. Wyoming will permit further connections to the Wyoming System by Grandville within the Grandville Service Area only when all of the following conditions have been met:

(a) Plan Preparation and Acceptance. The connection is in accordance with Grandville's long-range water system plan, which plan has been prepared or reviewed by a professional engineer and approved (i) by Grandville's legislative body, (ii) by the appropriate state regulatory agency, and (iii) by Wyoming, such approval by Wyoming not to be withheld or delayed unreasonably;

(b) Connection Expense. The connection is made at the expense of Grandville; and;

(c) Amendment to Agreement. Wyoming and Grandville have negotiated and signed an amendment to this Agreement to cover any changes required as a result of such connection.

5. Limitation on Maximum Amount of Water to be Supplied by Wyoming.

(a) Maximum Water Limitation. The maximum hourly withdrawal rate shall be determined on the basis of Grandville's actual average day demand (ADD) for the preceding three (3) fiscal years (July 1 through June 30). Prior to December 1 of each year, Grandville and Wyoming shall meet and agree on such actual average ADD, which

shall then be used to calculate the maximum hourly withdrawal rate for the next fiscal year (July 1 through June 30). The ADD shall be multiplied by three (3) and the product shall be divided by 24 hours to produce the maximum hourly withdrawal rate, which rate shall represent the only limit on water available for purchase by Grandville from Wyoming for the ensuing fiscal year.

(b) Temporary Withdrawal Over Maximum. Wyoming may permit a temporary excess maximum hourly withdrawal rate above Grandville's maximum hourly withdrawal rate determined under subparagraph 5(a) above; however, such temporary excess maximum withdrawal rate shall not give Grandville a permanent right to purchase water in excess of the maximum hourly withdrawal rate determined pursuant to subparagraph 5(a) above. Wyoming shall have the right, upon giving advance notice, to reduce such temporary excess hourly withdrawal rate to the maximum hourly withdrawal rate for that fiscal year as determined under subparagraph 5(a) above. Wyoming shall give Grandville operating employees prior notice of such rescission in a prompt and reasonable manner consistent with operational requirements.

(c) Grandville Storage and Pumping Facilities. Grandville shall construct or install and maintain such storage and pumping facilities as may be reasonably necessary from time to time to meet its pressure and maximum withdrawal rate requirements.

(d) Water Conservation Program. If Wyoming adopts or is required to adopt a water conservation program in future years, the parties agree that the limits set forth in this paragraph 5 and other relevant paragraphs of this Agreement will be renegotiated in good faith to cooperatively implement such program. This may include a reduction in maximum withdrawal rates, a different rate structure to encourage water conservation, and/or other actions to promote and encourage water conservation.

6. Annual Water Use Projection and Annual Meeting.

(a) Annual Five-Year Projection of Water Use. Prior to December 1 of each year, Grandville shall submit to Wyoming a five-year projection of water use.

(b) Annual Meeting. Prior to December 1 of each year Wyoming and Grandville shall meet and confer regarding water use projections, operational issues, system maps, expansion and improvement projects and any other matters relevant to the operation of the Wyoming System or this Agreement.

7. Future Expansion.

(a) Prior to Reaching 80 % of Rated Capacity. If Grandville or any other existing or proposed customer community requests Wyoming to expand and improve the Wyoming System before the Wyoming System reaches eighty per cent (80%) of its MDEQ rated capacity, Wyoming shall not proceed with the requested expansion and improvement until Wyoming has negotiated an agreement with all affected customer communities that fully provides for (1) payment of the cost of the expansion and

improvement, and (2) allocation of the additional capacity in the Wyoming System to be provided by the expansion and improvement.

(b) Upon Reaching 80 % of Rated Capacity. At such time as the Wyoming System reaches eighty percent (80%) of its MDEQ rated capacity, Wyoming shall develop plans, specifications and estimates of cost for the expansion and/or improvement of the Wyoming System necessary and appropriate to meet the then anticipated future needs of Wyoming and its customer communities. Prior to securing financing and commencing construction of the proposed expansion and improvement, Wyoming shall notify Grandville in writing of (1) Wyoming's intent to expand and improve the Wyoming System, (2) the estimated cost of the expansion and improvement, (3) the estimated impact of the proposed expansion and improvement on future wholesale water rates for Grandville, and (4) Wyoming's proposed allocation of the additional constructed capacity in the Wyoming System to Wyoming and each customer community served, or proposed to be served as a result of the construction and improvement, by the Wyoming System. It is understood that the party or parties causing the need to expand or improve the Wyoming System shall bear the costs of such expansion or improvements in accordance with the methodology as described in paragraph 8(a) below.

(c) Reallocation of Capacity. In connection with the request to expand or improve the Wyoming System before the Wyoming System reaches 80% of its MDEQ rated capacity in accordance with Subparagraph (a) or after the Wyoming System reaches 80% of its MDEQ rated capacity in accordance with Subparagraph (b), or at any other time, Wyoming and Grandville acknowledge and agree that the capacity in the System may be reallocated by mutual consent of Wyoming and its wholesale customer communities to reflect actual and projected water use that is inconsistent with the existing allocation of capacity in the System. It is understood that, with the exception of Ottawa County, capacity allocations are not purchased capacities and shall be used only for the calculation of the rates. If contract capacity allocations are revised by the mutual consent of Wyoming and an affected wholesale customer, the agreed upon revised contract capacity allocation shall then be used in the calculation of rates.

8. Water Rates.

(a) Rates. For water delivered to Grandville under this Agreement, Grandville shall pay monthly the wholesale rates established by Wyoming from time to time. As required by MCLA 123.141, the wholesale rates shall be established in accordance with the utility basis of rate-making methodology, a general example of which is described in Exhibit B, attached hereto and made a part hereof. (Note- Exhibit B is an example of the methodology only. The numbers in Exhibit B are subject to change and are not incorporated into this Agreement.) Wholesale water rates shall be based on revenue requirements and cost-of-service studies performed from time-to-time by Wyoming's rate consultant in accordance with the methodology set forth in Exhibit B. The revenue requirement and cost-of-service studies shall be conducted using the utility basis of rate-making and in accordance with the cost causative methodology by the AWWA and/or

U.S. Environmental Protection Agency described in the then-current manual published by the American Water Works Association, currently entitled Principles of Water Rates, Fees, and Charges and designated as AWWA manual M1 to the extent consistent with the methodology set forth in Exhibit B and to the extent of inconsistencies, the methodology in Exhibit B shall prevail. The rate consultant shall be instructed to develop wholesale rates which are fair and reasonable and shall include a reasonable rate of return to Wyoming on that portion of the Wyoming System allocated to serving Grandville. The rates shall reflect the flow limitations and capacity allocations in paragraphs 5, 6, and 7. Wyoming shall give sixty (60) days' notice of any change in the rates and the estimated amount of such change; such notice shall be in writing delivered in person or by mail to Grandville. The methodology described in Exhibit B shall not be changed without an amendment to this Agreement approved by the City and Grandville.

(b) Bills. Bills for all water delivered pursuant to this Agreement shall be rendered monthly to Grandville in person or by mail and shall be payable on or before the due date shown thereon, which date shall be not less than thirty (30) days from the date of delivery to Grandville. Proper bills not paid on or before the due date shall carry a service charge of one and one-half percent (1-1/2%) per month until paid.

(c) Master Meter Reading. Except as otherwise mutually agreed upon by the parties, all master meter readings shall be taken by Wyoming, and all such master meter recordings shall be open to inspection by Grandville at any time during regular business hours. In addition, a permanent log shall be maintained at each Grandville metering station showing all meter readings that have been taken at that metering station.

(d) Payment Adjustment. Should the annual audit as described in paragraph 9 determine that Grandville's rate was too high or too low for that fiscal year, upon the acceptance of the audit by the Wyoming City Council, Wyoming shall pay to the Grandville or Grandville shall pay to Wyoming the amount of the overpayment or underpayment as determined by the audit. This payment shall be made within sixty (60) days of the acceptance of the audit. However, if mutually agreeable, a credit may be issued against payments due in the following fiscal year in the event of an overpayment.

9. Fiscal Year of Wyoming System; Annual Audit. The fiscal year of the Wyoming System shall begin on July 1 of each year and end on June 30 of the next following year. Wyoming will keep separate records relating to the cost of the acquisition, construction, financing and operation of the Wyoming System. Wyoming will have such records audited annually by a certified public accountant, and a copy of such audit shall be furnished to Grandville. The expense of said audits shall be deemed an operating expense of the Wyoming System. For purposes of this paragraph, Wyoming's Comprehensive Annual Financial Report shall be considered the audit required by this paragraph.

10. Meters.

(a) Installation. All water supplied and delivered by Wyoming to Grandville shall be measured by meters already installed at various connection points between the Wyoming System and Grandville's water system and as may hereafter be installed as provided in paragraph 4 of this Agreement. All such meters to be installed shall be at the expense of Grandville and under the supervision and inspection of Wyoming or its authorized agents. Grandville shall furnish to Wyoming tele-metering circuits and equipment to indicate, record and total the water flow at the Gezon Pumping Station of the Wyoming System, all at the expense of Grandville.

(b) Routine Maintenance and Emergency Repairs. Wyoming shall provide routine maintenance and repairs to the meters and telemetry, at the expense of the Grandville. Emergency maintenance and repairs shall also be performed by Wyoming, at the expense of Grandville. Wyoming shall, as soon as practicable, notify Grandville of any emergency maintenance or repairs.

(c) Replacement. In the event that any of Grandville's meter(s) and other related control equipment are required to be replaced, they shall be replaced at the expense of Grandville. The reasonable judgment of Wyoming as to the condition and accuracy of Grandville's meters shall be binding upon Grandville. In making such reasonable judgment, however, Wyoming shall take into account industry standards, if any.

(d) Accuracy Verification. Grandville may at its own expense have the master meter(s) checked and, if such inspection shows any error in measuring the amount of water delivered to Grandville, an appropriate adjustment commensurate with the percentage of error shall be made in accordance with subparagraph (c) above for water used in the four (4) weeks prior to such check and until the error is corrected.

(e) Facilities. The cleanliness, repair, and maintenance of the buildings or structures within which Grandville's meter(s) and other related control equipment are housed, and the maintenance and repair of the accessways thereto (including snow-plowing), shall be the responsibility and at the expense of Grandville.

11. Inspection.

(a) Inspection During Construction. Wyoming may periodically inspect during installation all water pipes, taps, service connections, fittings, meters and other equipment which are installed or intended for use in the Grandville water distribution system.

(b) Review and Approval of Plans and Specifications. Wyoming shall review, before installation or construction, the plans and specifications for metering stations and transmission mains 16 inches in diameter or larger, controls, storage tanks, and pumping facilities. Wyoming shall, within thirty (30) days after receipt of such plans and specifications, notify Grandville in writing of its disapproval if such plans and

specifications do not conform to the standards uniformly applied to all wholesale customers of water from the Wyoming System. If such disapproval is not provided to Grandville within such thirty (30) days, the plans and specifications for such facilities will be deemed to have been approved. Wyoming shall have the right to inspect such facilities during installation or construction.

(c) Annual Update of Distribution System Maps. Wyoming shall receive annually from Grandville an updated map showing the current layout of its water distribution system. In addition, Wyoming shall have the right, at its option and at its request, to review detailed plans and specifications for any part of Grandville's water distribution system.

12. Emergency Discontinuance. Wyoming and Grandville each hereby reserves to itself the right to temporarily discontinue the supply of water to any of the water mains or pipelines of Grandville, without notice in times of emergency or whenever Wyoming or Grandville shall, upon its determination and after not less than forty-eight (48) hours' notice to the other party, find it necessary for purposes of testing, repairing, or replacing water mains, meters, or other of its facilities serving Grandville's water distribution system. No claim for damages for such discontinuance shall be made against the other party.

13. Protection against Contamination. For the protection of all consumers of water, Wyoming, and Grandville agree to take reasonable efforts to guard against all forms of contamination. Should contamination be detected at any time, the area or areas affected shall immediately be shut-off and isolated and remain so until such condition shall have been abated and the water has been declared again safe and fit for human consumption. The decision of Wyoming in this respect shall be final. Wyoming is hereby given the right, at any time deemed by it necessary, to inspect the water service equipment within the affected area, to review construction and chlorination and protective devices, and to do or have done any and all things necessary to protect the quality of the water supply. Any labor and/or equipment furnished by Wyoming required for such purpose shall be paid for by Grandville. Grandville shall have a written cross-connection inspection program and shall provide a copy of such program to Wyoming.

14. Temporary Restriction on Use of Water. If, due to circumstances beyond the control of Wyoming, e.g., prolonged dry spells, the capacity of the Wyoming System becomes temporarily inadequate for short periods of time to meet the peak demands of all users of its water and if Wyoming is compelled to impose temporary restrictions on its own residents, e.g., a ban or limit on lawn sprinkling, then Grandville shall, at the request of Wyoming, immediately impose and enforce like restrictions on its water users.

15. Water from Other Source. Wyoming and Grandville will not permit water from any other source or supply to mix or mingle with the supply from the Wyoming System, except when the Wyoming System is temporarily operating at capacity, or except upon prior written approval of the other party, or except in case of emergency, and then

only such water shall be used as shall meet the requirements of the Michigan Department of Natural Resources and Environment (or any successor agency) and in the minimum quantities necessary to relieve the emergency. Wyoming and Grandville jointly acknowledge the desirability of interconnections with other adjoining water systems such as the City of Grand Rapids Water System for emergency purposes. . No future interconnections shall be made by Grandville except when mutually agreed upon in writing by Wyoming and Grandville, such agreement not to be withheld or delayed unreasonably by either party. No interconnection shall be made to a non-municipal or private water system. Grandville shall not purchase water from another source except in emergency situations as described above.

16. Responsibility for Quality of Water within Grandville's System. It shall be the responsibility of Grandville to maintain the water quality and purity at any point beyond the meter points at which it receives water from the Wyoming System and within Grandville's water system. Grandville assumes all liability for any and all damages of any kind, including, but not limited to, injury to property or persons which occur directly or indirectly as a result of impure or substandard water being introduced beyond such meter points within Grandville's distribution system.

17. Governmental Function. Wyoming and Grandville agree that the water facilities and service provided under this Agreement are a governmental function, as defined in Public Act No. 170 of 1964, as amended.

18. Term. This Agreement shall take effect as of _____, 2011, and shall continue as long as the Wyoming System is operational.

19. Review and Modification Procedure. This Agreement is one of a series of similar Water Supply Agreements between Wyoming and its wholesale water customers. At the request of Wyoming or of any one of its several wholesale water customers, a meeting of all parties shall be convened to review the terms of these Agreements, to discuss the need and timing for expansion and improvement of the Wyoming System, to review cost-reduction or cost-containment methods, and to consider other matters of concern to any of the parties. If as a result of changed circumstances it becomes necessary to modify this Agreement, the parties agree to negotiate in good-faith and with mutual fair-dealing any necessary modification of this Agreement.

20. Grandville's Ordinances, Rules and Regulations. Grandville agrees to adopt a plumbing code, cross-connection inspection program, and such other ordinances, rules, regulations and policies as are in effect from time to time in Wyoming for the construction, use, operation, repair, replacement, maintenance and inspection of the water system in Grandville. The codes, ordinances, rules, regulations and policies shall be at least as stringent as those in effect in Wyoming. Grandville shall provide for the strict enforcement of such codes, ordinances, rules, regulations and policies. Any amendments to such codes, ordinances, rules, regulations or policies adopted by Wyoming shall also

be adopted by Grandville within ninety (90) days of receipt of notice of such amendments from Wyoming.

21. Maintenance, Operation, and Repair of Systems. Grandville and Wyoming shall each be responsible for and shall maintain, operate and repair their own facilities to adequately provide for the performance of this Agreement, unless otherwise agreed in writing, and except as provided in section 10 (b).

22. Other Services. Wyoming will perform such additional services for Grandville as may from time to time be agreed upon at a rate of compensation to be agreed upon.

23. Additional Areas of Service. The Grandville Service Area shall remain as described in Paragraph 2. If Grandville desires additional areas to be served, those additional areas shall constitute additions to Grandville Service Area and may be served by amendment to this Agreement under terms and conditions mutually agreed to between Wyoming and Grandville, provided, Wyoming shall be under no obligation to serve any such additional areas. A single residential, commercial or industrial establishment located on a parcel outside the Grandville Service Area which abuts a boundary line and can be served with a single one-inch (1) diameter lateral may be served under this Agreement without amendment so long as the limitations on flow in paragraph 5 are not exceeded.

24. Force Majeure. No failure or delay in performance of this Agreement by either party shall be deemed to be a breach thereof when such failure or delay is occasioned by or due to any Act of God, strikes, lockouts, wars, terrorism, riots, epidemics, explosions, sabotage, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority, or any other cause, not within the control of the party claiming suspension; provided that no cause or contingency shall relieve Grandville of its obligation to make payment for water provided to Grandville by Wyoming.

25. Assignment. No party to this Agreement shall, without the prior written consent of the other party, assign, transfer, or convey its interest or any part thereof under this Agreement to any other entity, private or public, except that Wyoming and Grandville each retain the right to assign all of its rights, obligations, and liabilities under this Agreement to a water or utility authority or other entity created to serve the area. If any party shall by operation of law be merged into or be succeeded by another governmental agency or municipal corporation, its successor shall be bound by the terms of this Agreement as if originally a party hereto.

26. Notices. All written notices and other documents to be delivered or transmitted hereunder shall be addressed to the respective parties at the below specified addresses or at such other address or addresses as shall be specified by the parties from time to time. The addresses of the parties are as follows:

City of Wyoming
Attn: Director of Public Works
1155 28th Street, S.W.
Wyoming, Michigan 49509

With a copy to:
Wyoming City Clerk
1155 28th Street, S.W.
Wyoming, Michigan 49509

City of Grandville
City Manager
3195 Wilson Ave., SW
Grandville, MI 49418

With a copy to:
Grandville City Clerk
3195 Wilson Ave., SW
Grandville, MI 49418

Written notices or other documents may be delivered in person, transmitted by facsimile, or by ordinary or certified mail, properly addressed with sufficient postage.

27. Miscellaneous.

(a) Waiver. The waiver by any party 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.

(b) Unenforceability. If any paragraph or provision of the Agreement is unenforceable for any reason, the unenforceability thereof shall not impair the remainder of this Agreement, which shall remain in full force and effect.

(c) Entire Understanding. This Agreement represents the entire understanding and agreement between the parties hereto.

(d) Captions. The captions in this Agreement are for convenience only and shall not be considered as part of this Agreement or in any way to amplify or modify the terms and provisions hereof.

(e) Modification. This Agreement shall not be changed, modified or discharged orally, but only in a written document signed by the party against whom enforcement of the change, modification, or discharge is sought.

(f) Enforcement. Either party may enforce the terms of this Agreement by way of an action for specific performance in Kent County Circuit Court.

(g) Alternate Dispute Resolution. The parties may mutually agree upon an alternate dispute resolution mechanism for resolving any disputes which may arise under this Agreement.

(h) Interpretation of Agreement. Wyoming and Grandville acknowledge that each party has had the opportunity to participate in the drafting of this Agreement. As a result, in the event of any ambiguity in this Agreement, it shall not be interpreted for or against any party on account of the drafting by any party.

CITY OF WYOMING

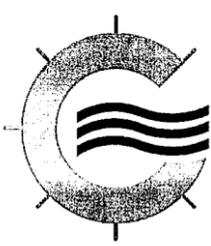
By: _____
Jack Poll, Mayor

By: _____
Heidi Isakson, Clerk

CITY OF GRANDVILLE

By: James R. Buck
James R. Buck, Mayor

By: Mary Meines
Mary Meines, City Clerk



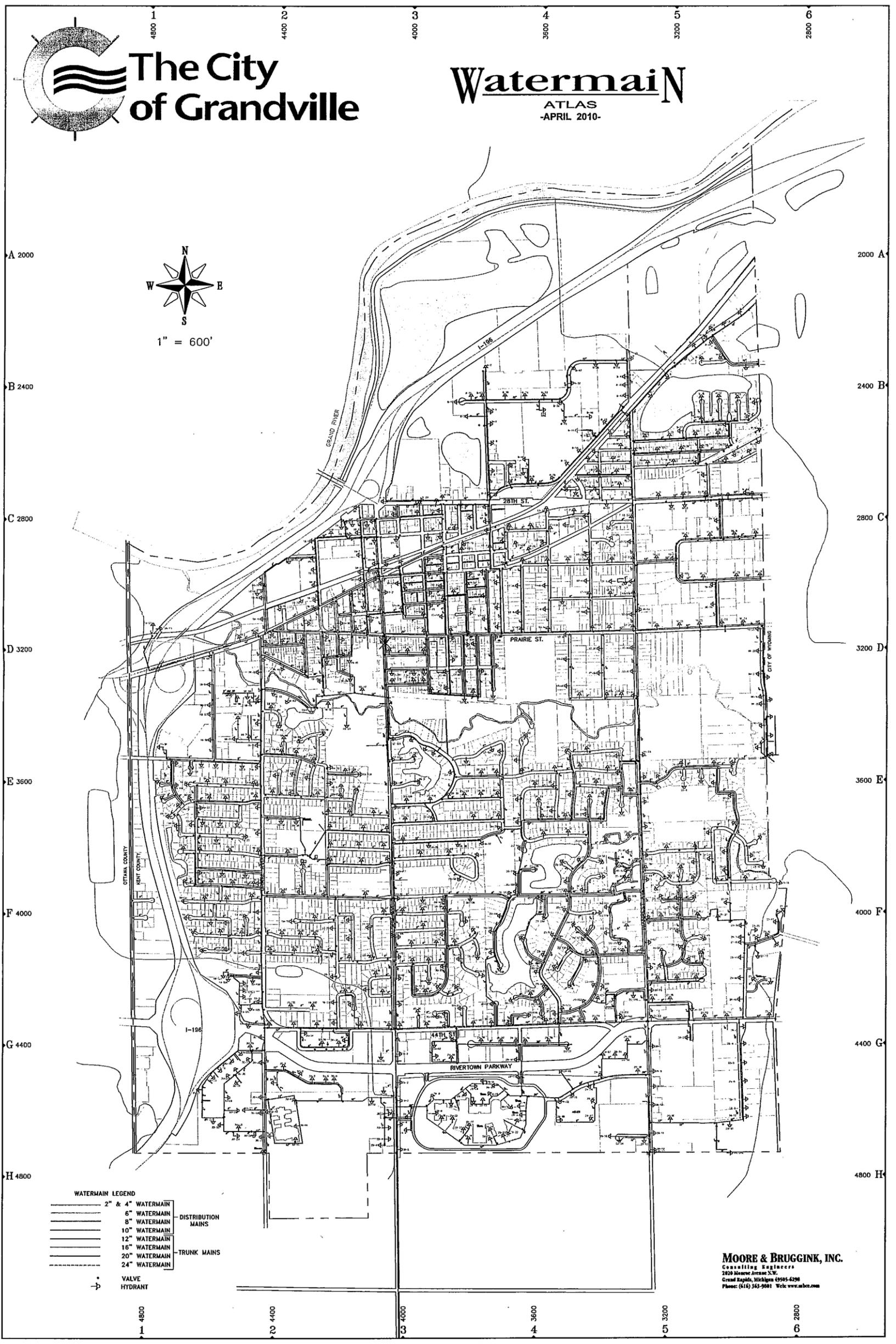
The City of Grandville

Watermain

ATLAS
-APRIL 2010-



1" = 600'



WATERMAIN LEGEND

—	2" & 4" WATERMAIN	
—	6" WATERMAIN	DISTRIBUTION MAINS
—	8" WATERMAIN	
—	10" WATERMAIN	
—	12" WATERMAIN	
—	16" WATERMAIN	TRUNK MAINS
—	20" WATERMAIN	
—	24" WATERMAIN	
⊕	VALVE	
⊕	HYDRANT	

MOORE & BRUGGINK, INC.
 Consulting Engineers
 2020 Monroe Avenue, N.W.
 Grand Rapids, Michigan 49505-6298
 Phone: (616) 365-9091 Web: www.mbr.com

Exhibit B

Basis for Determining Wholesale Water Rates

This exhibit outlines the process for determining the allocation of costs among the City of Wyoming's retail and wholesale water customers. The methodology used for rate calculations is known as the utility basis of rate making, which is an industry standard methodology. The utility basis methodology and the base-extra capacity calculation used in this example are derived from the American Water Works Association, Manual M1, Principles of Water Rates, Fees, and Charges.

Under the utility basis the revenue requirements recovered from customers consist of:

- Operation and Maintenance (O&M) expense;
- Depreciation expense; and
- Return on rate base (rate base as defined in the AWWA Manual M1 and below)

Operation and maintenance expenses are based upon expenditures for labor, contracted services, supplies, repair parts and revenue financed equipment. Depreciation expense represents the loss in value of the property, plant and equipment used in providing water service through wear and tear, deterioration, and obsolescence. The return on rate base provides funds to the owning utility for the interest cost associated with the debt financed capital improvements and a fair rate of return on the owning utility's equity in the assets used to provide water service to the non-owner customers. The rate of return is calculated from the 25-Bond Revenue Bond Index published by The Bond Buyer for the twelve month period corresponding to the fiscal year plus a margin of 2.0%. In the event that The Bond Buyer should discontinue publication of the 25-Bond Revenue Index, then the rate of return will be determined in accordance with a mutually agreed upon method of calculation.

The rate base consists of the depreciated original cost of the facilities providing water service. Typically, the rate base shall also include an allowance for working capital (limited to a maximum of 45 days O&M expense plus 12.5 % of annual debt service) and, if applicable, inventories and construction work in progress. A working capital reserve provides the utility with the necessary resources to maintain services during emergencies or other unforeseen circumstances.

This exhibit will outline the calculations used in determining the rates based on the base-extra capacity utility basis methodology.

Cost of Service

Table 1 summarizes the total cost of service as determined by City staff each year. It is appropriate to derive the cost of service from budgeted numbers for the purpose of producing rate estimates; however, the final reconciled rates shall be based upon actual audited revenues and expenses.

The total cost of service is allocated to two main categories: operating expense and capital costs. Furthermore, under the utility basis methodology, there are two components of capital cost: depreciation and return. Depreciation is based on annual depreciation of the utility's assets as documented in the City of Wyoming's Comprehensive Annual Financial Report. The total return necessary to provide adequate funding for capital costs is then calculated by subtracting the depreciation expense from the cash basis capital costs.

Table 1**Total Cost of Service**

Revenue Requirements	2012		
	Operating Expense	Capital Cost	Total
Operations & Maintenance Expense	\$ 12,044,320		\$ 12,044,320
Ottawa County Capital Return Payment	3,507,500		3,507,500
Debt Service		5,258,110	5,258,110
Revenue Financed Capital		70,100	70,100
Total	\$ 15,551,820	\$ 5,328,210	\$ 20,880,030
Revenue Requirements met from Other Sources			
Other Operating Revenue	\$ (686,640)	-	\$ (686,640)
Interest Income	\$ (50,000)		\$ (50,000)
Ottawa County Capital Return Payment	(3,507,500)		(3,507,500)
Miscellaneous Income	(30,000)	-	(30,000)
Total	\$ (4,274,140)	\$ -	\$ (4,274,140)
Net Costs to be Recovered through Rates/Contracts	\$ 11,277,680	\$ 5,328,210	\$ 16,605,890
Restatement of Net Costs (Utility Basis)			
Operations & Maintenance	\$ 11,277,680	-	\$ 11,277,680
Capital Costs			
Depreciation		5,354,869	\$ 5,354,869
Return		(26,659)	\$ (26,659)
Total	\$ 11,277,680	\$ 5,328,210	\$ 16,605,890

Units of Service

Once the total cost of service is established, the next step in rate-making is to calculate the units of service (in Million Gallons) used by each customer under various operating conditions (average day, maximum day and maximum hour). Actual recorded customer usages for the applicable fiscal year are utilized for the purpose of determining the current units of service for allocating O&M expenses. The units of service for the allocation of O&M costs for the system's customers are shown in Table 2 below along with a more detailed explanation of the calculations presented within.

Table 2

Current Usage Units of Service for Operating & Maintenance Costs

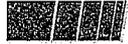
	Total Annual MG	Average Day MG/day	Maximum Day		Maximum Hour		Accounts	Bills	Equivalent Meters	Pipeline Meters	
			Factor	Total Usage MG/day	Extra Capacity MG/day	Factor					Total Usage MG/day
Wholesale											
Ottawa County											
Subtotal Ottawa County	4,734	13.0	225%	29.2	16.2	270%	35.0	5.8	1	12	13
Georgetown Township	49	0.1	225%	0.3	0.2	270%	0.4	0.1	1	12	1
City of Kentwood	890	2.4	215%	5.2	2.8	258%	6.3	1.0	1	12	2
Byron-Gaines Townships	1,687	4.6	250%	11.6	6.9	300%	13.9	2.3	1	12	1
City of Grandville	765	2.1	220%	4.6	2.5	264%	5.5	0.9	1	12	1
Subtotal Other Wholesale Customers	3,391	9.3	234%	21.7	12.4	280%	26.1	4.3	4	48	5
Total Wholesale	8,125	22.3	229%	50.9	28.6	274%	61.1	10.2	5	60	18
Wyoming Retail	3,400	9.3	220%	20.5	11.2	264%	24.6	4.1	22,500	90,000	29,670
Total Units of Service	11,525	31.6	226%	71.4	39.8	271%	85.7	14.3	22,505	90,060	29,670

Total Annual = actual recorded annual usage
 Average Day = Total Annual / 365 days
 Maximum Day Factor = Maximum Day Total Usage / Average Day
 Maximum Day Total Usage = highest 3 day period of demand in MG over the past three fiscal years / 3
 Maximum Day Extra Capacity = Maximum Day Total Usage – Average Day
 Maximum Hour Factor = Maximum Day Factor X 1.2
 Maximum Hour Total Usage = Maximum Day Total Usage X 1.2
 Maximum Hour Extra Capacity = Maximum Hour Total Usage – Maximum Day Total Usage

The maximum day peaking factors are derived from each customer’s actual recorded usage from the three most recent fiscal years. First, a peak period of demand representing the three highest consecutive days of usage during the three most recent fiscal years is derived from customer data. This peak period of demand is then divided by three to calculate the total usage for a maximum day. This maximum day total usage is compared to the customer’s average day usage and a peaking factor is then calculated. This same analysis is then applied to each customer. These peaking factors shall be updated annually based on the latest available information.

Unless actual data is available on a customer’s hourly usage, it is assumed that the maximum hour peaking factor is equal to the maximum day peaking factor multiplied by 1.20. Therefore, this same multiplier of 1.20 can also be applied to the maximum day usage to arrive at the maximum hour usage for each customer. If, in the future reliable maximum hour data is available for customers, this data shall be used in place of this assumption.

As opposed to O&M costs, capital costs---depreciation and return---are allocated based on contract capacity allocations. The breakdown of the contract capacity allocations of the City and its various customers are shown in Table 3. It is understood that, with the exception of the City and Ottawa County (43% beneficial ownership), the listed contract capacities in Table 3 are not purchased capacities and shall be used only for the calculation of the rates presented herein. If, in the future, contract capacity allocations are revised by the mutual consent of the City and the affected wholesale customer, the revised contract capacity allocations shall be used in the calculation of rates.

Table 3**Contract Capacity Allocations**

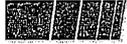
	MGD
Ottawa County (43%)	51.6
City of Wyoming (57%)	
Projected Wholesale Contracts	
Georgetown	0.5
Kentwood	7.0
Byron-Gaines	15.0
Grandville	7.5
Subtotal Wholesale Contracts	30.0
Wyoming Retail Allocation	38.4
Subtotal City of Wyoming	68.4
Total Treatment Plant Capacity	120.0

The allocations of the total treatment plant capacity (currently 120 MGD) as presented in Table 3 above represent the maximum day usage projections for customers when the plant is at maximum capacity. These projections are derived from previous flow studies. Average day usage for the wholesale customers is also based upon the same previously developed flow projections and therefore, the maximum day peaking factors can be calculated from the projected maximum day and the projected average day usage figures. Maximum hour peaking factors are based on the same 1.20 maximum hour to maximum day peaking factor assumption as previously used for current usage calculations.

For Ottawa County, their maximum day usage of 51.6 MG is 43% of the system's total 120 MGD capacity. Ottawa County's contract maximum day peaking factor and maximum hour peaking factors are assumed to be the same as their current usage factors as presented in Table 2.

The calculation of contract units of service is shown in Table 4 below.

Table 4



Contract Units of Service for Capital Costs

	Total Annual MG	Average Day MG/day	Maximum Day		Maximum Hour		Accounts	Bills	Equivalent Meters	Pipeline Meters		
			Factor	Total Usage MG/day	Extra Capacity MG/day	Factor					Total Usage MG/day	Extra Capacity MG/day
Wholesale												
Ottawa County												
Subtotal Ottawa County	8,371	22.9	225%	51.6	28.7	270%	61.9	10.3	1	12	8	
Georgetown Township	73	0.2	250%	0.5	0.3	300%	0.6	0.1	1	12	2	
City of Kentwood	1,278	3.5	200%	7.0	3.5	240%	8.4	1.4	1	12	2	
Byron-Gaines Townships	2,190	6.0	250%	15.0	9.0	300%	18.0	3.0	1	12	1	
City of Grandville	1,095	3.0	250%	7.5	4.5	300%	9.0	1.5	1	12	1	
Subtotal Other Wholesale Customers	4,636	12.7	236%	30.0	17.3	283%	36.0	6.0	4	48	6	
Total Wholesale	13,006	35.6	229%	81.6	46.0	275%	97.9	16.3	5	60	-	14
Wyoming Retail	6,371	17.5	220%	38.4	20.9	264%	46.1	7.7	22,500	90,000	29,573	-
Total Units of Service MGD	19,377	53.1 53.09	226%	120.0 120.00	66.9 66.91	271%	144.0	24.0	22,505	90,060	29,573	14

Total Annual = projected Average Day X 365

Average Day = projected Average Day (for Ottawa County this is equal to their Maximum Day Total Usage / 2.25)

Maximum Day Factor = projected Maximum Day Total Usage / Average Day

Maximum Day Total Usage = projected Maximum Day Total Usage (for Ottawa County this is equal to 43% of 120 MG)

Maximum Day Extra Capacity = Maximum Day Total Usage – Average Day

Maximum Hour Factor = Maximum Day Factor X 1.2

Maximum Hour Total Usage = Maximum Day Total Usage X 1.2

Maximum Hour Extra Capacity = Maximum Hour Total Usage – Maximum Day Total Usage

Cost Allocation

The base-extra capacity method of cost allocation can be described by the following general cost categories:

1. Base costs are defined as those costs associated with meeting average day customer demands.
2. Extra capacity costs are defined as costs associated with meeting customer water demands above the Base. Extra capacity costs are subdivided into Maximum Day and Maximum Hour categories in order to allocate the costs associated with meeting these specific customer demand conditions.

Table 5 below illustrates the allocation of operation and maintenance costs (as shown previously in Table 1) to various activities and across several customer categories. Descriptions of the customer categories and subcategories follow:

1. Common to All Customers – These expenses are related to the operation and maintenance of facilities that benefit all customers of the system. Examples of such facilities are the water treatment plant, storage facilities west of the Gezon station and the pipeline to the Gezon station. The classification of Common to All Customers is further subcategorized to include Meters and Billing components; however, the O&M costs for Meters only applies to the City’s retail customers and Billing costs are allocated to wholesale customers only to the extent of the cost incurred to generate invoices for wholesale billing purposes. Some administrative expenses are also proportionally allocated to all customers.

2. All Except Ottawa County and Grandville – This category is used to allocate costs related to the operation and maintenance of facilities that are not utilized by either Ottawa County or Grandville customers. An example of a facility within this category is the Gezon pumping station. Again, some administrative costs are proportionally allocated to the customers within this category.
3. Distribution System Customers – This category is used to allocate costs only to customers who benefit from the City's local distribution system. This category is limited to the City of Wyoming's retail customers and the City of Kentwood (only for their portion of use of the City of Wyoming's distribution system---currently equal to 23.7% using an equivalent pipe-length calculation).
4. Fire Protection – These costs apply only to the City of Wyoming's retail customers.
5. Pipeline Meters - These costs are allocated to wholesale customers on the basis of the number of pipeline meters in service for the purpose of metering wholesale customer water usage.

Operational and maintenance expenses are incurred for each activity listed as a line item in Table 5. It is important to note that the Current Units of Service from Table 2 above are used for proportioning the costs to the subcategories of Base, Maximum Day and Maximum Hour. Each activity can be allocated to customer categories and subcategories on the basis of use and function as follows:

1. Administration – The administrative activity applies to all categories and is allocated proportionally to all other expenses incurred within each category and subcategory.
2. Pumping and Treatment – Expenses incurred by the pumping and treatment activities are common to all customers and are further proportioned to allocate the cost of meeting Base and Maximum Day demands for all customers.
3. T&D Storage – E. of Gezon – Expenses incurred for the operation and maintenance of these storage facilities are allocated to the subcategories of Maximum Day and Maximum Hour for the Distribution System Customers only (Wyoming and Kentwood).
4. T&D – Gezon Station – Expenses incurred for the operation and maintenance of the Gezon Station are allocated to the customer category of All Except Ottawa County and Grandville and are further subcategorized proportionally to meet the Base, Maximum Day and Maximum Hour demands of the customers in this category.
5. T&D – Storage W. of Gezon – The facilities are utilized by all customers of the system to meet the Maximum Day and Maximum Hour system demands.
6. Trans & Dist-Mains – These transmission and distribution mains are utilized only by the City of Wyoming and Kentwood customers. Expenses related to the operation and

maintenance of these mains are allocated proportionally to meet the Base, Maximum Day and Maximum Hour demands of these specific customers.

7. T&D – Pipeline to Gezon – The costs associated with the operation and maintenance of the major transmission pipelines are allocated proportionally to all system customers to meet the Base and Maximum Day system demands.
8. T&D – Pipeline Meters – The cost associated with the operation and maintenance of pipeline meters is allocated proportionally to all system customers on the basis of the number of meters dedicated to metering the water usage of each customer.
9. Trans & Dist-Meters – These expenses are allocated to the Wyoming retail customers only.
10. Trans & Dist-Hydrants - These expenses are allocated to the Wyoming retail customers only.
11. Trans & Dist-Services – These expenses are allocated only to Distribution System Customers (Wyoming and Kentwood) to meet the Base demands of service for these customers.
12. Customer Accounting – These costs apply to the Common to All Customers category but are allocated to wholesale customers only to the extent of the cost incurred to generate invoices for wholesale billing purposes.

Table 5

Operating and Maintenance Cost Allocation

Total Cost of Service	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Administration	\$ 1,528,470	\$ 412,828	\$ 524,159	\$ 1,314	\$ -	\$ 87,010	\$ 28,954	\$ 36,974	\$ 13,186	\$ 311,461	\$ 67,170	\$ 24,727	\$ 9,243	\$ 11,443
Pumping & Treatment	\$ 6,285,470	2,780,194	3,505,276	-	-	-	-	-	-	-	-	-	-	-
T&D Storage - E of Gezon	\$ 18,470	-	-	-	-	-	-	-	-	-	13,500	4,970	-	-
T&D-Gezon Station	\$ 544,300	-	-	-	-	199,201	254,382	90,717	-	-	-	-	-	-
T&D-Storage/W of Gezon	\$ 34,260	-	25,217	9,043	-	-	-	-	-	-	-	-	-	-
Trans & Dist-Mains	\$ 990,900	-	-	-	-	-	-	-	-	377,119	448,631	165,150	-	-
T&D-Pipeline to Gezon	\$ 135,770	60,054	75,716	-	-	-	-	-	-	-	-	-	-	-
T&D - Pipeline Meters	\$ 78,730	-	-	-	-	-	-	-	-	-	-	-	-	78,730
Trans & Dist-Meters	\$ 774,640	-	-	-	-	-	-	-	-	774,640	-	-	-	-
Trans & Dist-Hydrants	\$ 63,590	-	-	-	-	-	-	-	-	-	-	-	63,590	-
Trans & Dist-Services	\$ 991,090	-	-	-	-	-	-	-	-	991,090	-	-	-	-
Customer Accounting	\$ 598,630	-	-	-	598,630	-	-	-	-	-	-	-	-	-
Totals O&M Expenses	\$12,044,320	\$3,253,076	\$4,130,368	\$ 10,358	\$ -	\$685,640	\$ 228,155	\$ 291,356	\$ 103,902	\$2,454,310	\$529,302	\$194,846	\$ 72,833	\$ 90,173
Less: Other Operating	\$ (686,640)	\$ (185,456)	\$ (235,470)	\$ (590)	\$ -	\$ (39,088)	\$ (13,007)	\$ (16,610)	\$ (5,923)	\$ (139,919)	\$ (30,175)	\$ (11,108)	\$ (4,152)	\$ (5,141)
Less: Interest Income	\$ (50,000)	\$ (13,505)	\$ (17,147)	\$ (43)	\$ -	\$ (2,846)	\$ (947)	\$ (1,210)	\$ (431)	\$ (10,189)	\$ (2,197)	\$ (809)	\$ (302)	\$ (374)
Less: Misc. Income	(30,000)	\$ (8,103)	\$ (10,288)	\$ (26)	\$ -	\$ (1,708)	\$ (568)	\$ (726)	\$ (259)	\$ (6,113)	\$ (1,318)	\$ (485)	\$ (181)	\$ (225)
Net O&M Expenses	\$11,277,680	\$3,046,012	\$3,867,464	\$ 9,699	\$ -	\$641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$2,298,090	\$495,611	\$182,444	\$ 68,197	\$ 84,434

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour		
Administration	27.01%	34.29%	0.09%		5.69%	1.89%	2.42%	0.86%	20.38%	4.39%	1.62%	0.60%	0.75%
Pumping & Treatment	44.23%	55.77%											
T&D Storage - E of Gezon										73.09%	26.91%		
T&D-Gezon Station						36.60%	46.74%	16.67%					
T&D-Storage/W of Gezon		73.60%	26.40%										
Trans & Dist-Mains									38.06%	45.28%	16.67%		
T&D-Pipeline to Gezon	44.23%	55.77%											
T&D - Pipeline Meters													100.00%
Trans & Dist-Meters									100.00%				
Trans & Dist-Hydrants												100.00%	
Trans & Dist-Services									100.00%				
Customer Accounting					100.00%								

EXAMPLES: (Refer to Table 2 – "Current Usage Units of Service for Operating and Maintenance Costs" for Customer Usage Data)

Administration costs are allocated across all categories proportionally related to other costs:

Example --- Base Capacity allocation = Total of all Base costs excluding Administration / Net O&M costs excluding total Administration = 27.01%

Pumping & Treatment costs are allocated to Base and Max. Day proportionally related to current units used by all customers:

Example --- Base Capacity allocation = Total Units for Average Day / Total Units for Maximum Day = 44.23%

T&D-Storage - E of Gezon costs are allocated to Maximum Day and Maximum Hour proportionally for Distribution System Customers only (Wyoming and Kentwood):

Example --- Max. Day allocation = Wyoming + Kentwood Max. Day Extra Capacity Units / Wyoming + Kentwood Max. Day Extra Capacity + Max. Hour Extra Capacity Units = 73.17%

T&D-Gezon Station costs are allocated to Base, Max. Day and Max. Hour proportionally for all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 36.74%

T&D Storage/W of Gezon costs are allocated to Max. Day and Max. Hour proportionally for all customers:

Example --- Base Capacity allocation = Total Units for Max. Day Extra Capacity / Total Max. Day Extra Capacity + Total Units for Max. Hour Extra Capacity = 73.60%

Trans & Dist-Mains costs are allocated to Base, Max. Day and Max. Hour proportionally for Distribution System customers only (Wyoming and Kentwood):

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 37.88%

The capital costs of depreciation and plant investment (rate base) are allocated similarly for each asset category listed as a line item in Tables 6 and 7 below. These allocations are derived using the same customer classifications as described above for O & M costs. However, it is important to note that Contract Units of Service from Table 4 above are used for proportioning the costs to the subcategories of Base, Maximum Day and Maximum Hour.

A brief description of the asset categories follows:

1. Assets West of Gezon – These assets are utilized by all customers and include assets such as the treatment plant, low service and the major transmission mains that are devoted to meeting Base and Maximum Day system demands.
2. Assets at Gezon – These assets are utilized by all customers except Ottawa County and Grandville and are devoted to meeting the Base, Maximum Day and Maximum Hour demands of these customers.
3. Transmission and Distribution – These assets are only used by the Distribution System Customers of Wyoming and Kentwood and are dedicated to meeting Base, Maximum Day and Maximum Hour demands of these customers.
4. Meter and Services – These assets are used by all system customers but costs are allocated to wholesale customers only to the extent of generating invoices for wholesale billing purposes.
5. Hydrants – These assets are utilized only by Wyoming retail customers.
6. General Plant – These assets are used to support general system functions at various locations within the transmission and distribution system.

Table 6



Depreciation Expense Allocation

Total Depreciation	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	\$ 4,371,333	\$ 1,933,873	\$ 2,437,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assets at Gezon	\$ 716,824	-	-	-	-	266,352	331,001	119,471	-	-	-	-	-	-
Transmission & Distribution	\$ 103,766	-	-	-	-	-	-	-	39,911	46,560	17,294	-	-	-
Meters & Services	\$ 83,165	-	-	83,165	-	-	-	-	-	-	-	-	-	-
Hydrants	\$ 11,059	-	-	-	-	-	-	-	-	-	-	11,059	-	-
General Plant	\$ 68,723	-	-	6,248	-	20,009	24,866	8,975	2,998	3,498	1,299	831	-	-
Total Plant Investment	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	44.24%	55.76%												
Assets at Gezon						37.16%	46.18%	16.67%						
Transmission & Distribution									38.46%	44.87%	16.67%			
Meters & Services				100.00%										
Hydrants												100.00%		
General Plant				9.09%		29.12%	36.18%	13.06%	4.36%	5.09%	1.89%	1.21%		

EXAMPLES: (Refer to Table 4 "Contract Units of Service for Capital Costs" for customer contracted allocations)

Assets West of Gezon expense is allocated proportionally to Base and Max. Day:

Example --- Base Capacity allocation = Total Units for Average / Maximum Day Total Usage = 44.24%

Assets at Gezon expense is allocated to Base, Max. Day and Max.Hour proportionally related to contract units of all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 37.16%

Transmission & Distribution expense is allocated proportionally to Base, Max. Day and Max. Hour to Distribution System Customers only:

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 38.46%

General Plant expense is allocated across applicable categories proportionally related to other costs exclusive of Assets West of Gezon:

Example --- Meters allocation = Total of all Meters expense category excluding General Plant Meters and Assets West of Gezon / Total Plant Investment expense excluding Meters and Assets West of Gezon = 9.09%

Table 7



Plant Investment Allocation

Total Plant Investment	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	\$ 100,627,946	\$ 44,517,702	\$ 56,110,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assets at Gezon	\$ 21,340,748	-	-	-	-	7,929,643	9,854,314	3,556,791	-	-	-	-	-	-
Transmission & Dist.	\$ 2,427,114	-	-	-	-	-	-	-	933,537	1,089,059	404,519	-	-	-
Meters & Services	\$ 772,448	-	-	772,448	-	-	-	-	-	-	-	-	-	-
Hydrants	\$ 568,438	-	-	-	-	-	-	-	-	-	-	568,438	-	-
General Plant	\$ 159,367	-	-	4,903	-	50,330	62,546	22,575	5,925	6,912	2,568	3,608	-	-
Plant in Service Total	\$ 125,896,062	\$ 44,517,702	\$ 56,110,245	\$ -	\$ 777,351	\$ -	\$ 7,979,973	\$ 9,916,860	\$ 3,579,367	\$ 939,462	\$ 1,095,971	\$ 407,087	\$ 572,046	\$ -
Working Cap. & Inv.	\$ 2,075,736	\$ 560,640	\$ 711,834	\$ 1,785	\$ -	\$ 118,164	\$ 39,321	\$ 50,213	\$ 17,907	\$ 422,980	\$ 91,221	\$ 33,580	\$ 12,552	\$ 15,541
Total Plant Investment	\$ 127,971,798	\$ 45,078,342	\$ 56,822,078	\$ 1,785	\$ 777,351	\$ 118,164	\$ 8,019,294	\$ 9,967,073	\$ 3,597,273	\$ 1,362,441	\$ 1,187,192	\$ 440,667	\$ 584,598	\$ 15,541

	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	44.24%	55.76%												
Assets at Gezon						37.16%	46.18%	16.67%						
Transmission & Distribution									38.46%	44.87%	16.67%			
Meters & Services				100.00%										
Hydrants													100.00%	
General Plant					3.08%	31.58%	39.25%	14.17%	3.72%	4.34%	1.61%		2.26%	

EXAMPLES: (Refer to Table 4 "Contract Units of Service for Capital Costs" for customer contracted allocations)

Assets West of Gezon expense is allocated proportionally to Base and Max. Day:

Example --- Base Capacity allocation = Total Units for Average / Maximum Day Total Usage = 44.24%

Assets at Gezon expense is allocated to Base, Max. Day and Max.Hour proportionally related to contract units of all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 37.16%

Transmission & Distribution expense is allocated proportionally to Base, Max. Day and Max. Hour to Distribution System Customers only:

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 38.46%

General Plant expense is allocated across applicable categories proportionally related to other costs exclusive of Assets West of Gezon:

Unit Costs

The unit costs for O&M, depreciation and plant investment are presented in Table 9. The unit costs for O&M are calculated by dividing each of the allocated costs in Table 5 by the appropriate units in Table 2 (Current Usage Units). The unit costs for depreciation expense and plant investment are calculated by dividing each of the allocated costs in Tables 6 and 7 by the appropriate units in Table 4 (Contract Units).

For plant investment the unit costs are further multiplied by the rate of return to apply to the units used by each respective customer. For the wholesale customers, the rate of return is based on the City's weighted average cost of capital. This amount is determined by taking the weighted average interest rate of the City's outstanding debt of the water system and the City's equity position, which is assigned an interest rate of the Bond Buyer 25 Bond-Revenue Bond Index plus 2.0%. A summary of these calculations is shown in Table 8. Once the amount of costs recovered from the wholesale customers from plant investment is determined, the rate of return for Wyoming retail customers can be calculated. In this example, the calculation of the rate of return for the Wyoming retail customers is -3.97%, but this percentage will vary based on capital requirements for each year, debt service requirements, and other factors.

The operation and maintenance cost, depreciation costs, and return on rate base for each customer class (each wholesale customer and Wyoming retail customers) is then determined by multiplying the respective unit costs in Table 9 by the units of service for each customer class as shown in Tables 2 and 4. This determination results in the presentation of O&M costs, depreciation costs and return on rate base by customer class as shown in Table 10 through 12. The summation of the costs presented in Tables 10 through 12 for each wholesale customer and Wyoming retail customers is then presented in Table 13 as total costs by customer class.

Table 8



Rate of Return Calculation

Total Plant Investment	\$ 127,971,798
Outstanding Debt	\$ 51,748,207
Average Interest Rate	4.28%
Equity	\$ 76,223,591
Bond Buyer Revenue Bond Index	5.00%
Return on Equity	7.00%
Weighted Average Cost of Capital	<hr/> <hr/> 5.90%

Table 9



Unit Costs

Total Cost of Service	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Net Operating & Maintenance Cost														
Units of Service	11,525	40	14	29,670	90,060	6,026	21	8	3,611	12	4	29,670	18	
Expenses	\$ 11,277,680	\$ 3,046,012	\$ 3,867,464	\$ 9,699	\$ -	\$ 641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$ 2,298,090	\$ 495,611	\$ 182,444	\$ 68,197	\$ 84,434
Unit Cost	\$ 264.30	\$ 97,147.37	\$ 679.31	\$ -	\$ 7.13	\$ 35.45	\$ 12,939.92	\$ 12,939.92	\$ 636.43	\$ 41,849.63	\$ 41,968.95	\$ 2.30	\$ 4,690.76	
Depreciation Expense														
Units of Service	19,377	67	24	29,670	90,060	9,911	34	12	6,674	22	8	29,670	18	
Expense	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -
Unit Cost	\$ 99.80	\$ 36,427.78	\$ -	\$ 3.01	\$ -	\$ 28.89	\$ 10,545.61	\$ 10,545.61	\$ 6.43	\$ 2,298.88	\$ 2,320.77	\$ 0.40	\$ -	
Wholesale Customer Units	4,636	17	6	-	48	3,541	13	5	303	1	0	-	6	
Total Wholesale Depreciation	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -	
Plant Investment														
Units of Service	19,377	67	24	29,670	90,060	9,911	34	12	6,674	22	8	29,670	18	
Expense	\$127,971,798	\$ 45,078,342	\$ 56,822,078	\$ 1,785	\$ 777,351	\$ 118,164	\$ 8,019,294	\$ 9,967,073	\$ 3,597,273	\$ 1,362,441	\$ 1,187,192	\$ 440,667	\$ 584,598	\$ 15,541
Unit Cost	2,326.37	849,204.56	74.38	26.20	1.31	809.10	295,360.45	295,342.63	204.15	54,520.97	55,002.21	19.70	863.37	
Wholesale Customer Return Rate	\$ 137.26	\$ 50,103.99	\$ 4.39	\$ 1.55	\$ 0.08	\$ 47.74	\$ 17,426.59	\$ 17,425.54	\$ 12.05	\$ 3,216.80	\$ 3,245.19	\$ 1.16	\$ 50.94	
Wholesale Customer Units	4,636	17	6	-	48	3,541	13	5	303	1	0	-	6	
Total Wholesale Customer Return	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Wyoming Customer Return Rate	\$ (92.38)	\$ (33,723.23)	\$ (2.95)	\$ (1.04)	\$ (0.05)	\$ (32.13)	\$ (11,729.22)	\$ (11,728.51)	\$ (8.11)	\$ (2,165.11)	\$ (2,184.22)	\$ (0.78)	\$ (34.29)	
Wyoming Customer Units	6,371	21	8	29,670	90,000	6,371	21	8	6,371	21	8	29,670	-	
Total Wyoming Return	\$ (2,007,939)	(588,569.68)	(706,348.28)	(22.68)	(30,869.80)	(4,689.36)	(204,700.51)	(245,673.84)	(90,074.97)	(51,650.07)	(45,349.25)	(16,774.83)	(23,215.29)	-
Wholesale Customer Rate of Return	5.90%													
Wyoming Rate of Return	-3.97%													
Total System Rate of Return	-0.02%													

Table 10



Operation and Maintenance Cost by Customer Class

	Total	Common to All Customers				All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
		Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day			Max. Hour
Ottawa County	\$ 2,891,193	\$ 1,251,178	\$ 1,574,985	\$ 3,965	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,980
Georgetown Township	\$ 38,760	\$ 12,951	\$ 16,302	\$ 41	\$ -	\$ 86	\$ 1,737	\$ 2,171	\$ 782	\$ -	\$ -	\$ -	\$ -	\$ 4,691
City of Kentwood	\$ 771,702	\$ 235,224	\$ 272,412	\$ 712	\$ -	\$ 86	\$ 31,552	\$ 36,285	\$ 13,567	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 9,382
Byron-Gaines Townships	\$ 1,305,146	\$ 445,867	\$ 673,511	\$ 1,570	\$ -	\$ 86	\$ 59,807	\$ 89,711	\$ 29,904	\$ -	\$ -	\$ -	\$ -	\$ 4,691
City of Grandville	\$ 451,922	\$ 202,186	\$ 244,332	\$ 626	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,691
Other Wholesale Customers	\$ 2,567,530	\$ 896,228	\$ 1,206,557	\$ 2,950	\$ -	\$ 342	\$ 93,097	\$ 128,167	\$ 44,253	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 23,454
Total Wholesale	\$ 5,458,723	\$ 2,147,406	\$ 2,781,542	\$ 6,914	\$ -	\$ 428	\$ 93,097	\$ 128,167	\$ 44,253	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 84,434
Wyoming Retail	\$ 5,818,957	\$ 898,607	\$ 1,085,921	\$ 2,784	\$ -	\$ 641,571	\$ 120,536	\$ 144,644	\$ 53,036	\$ 2,163,848	\$ 467,799	\$ 172,015	\$ 68,197	\$ -
Totals	\$ 11,277,680	\$ 3,046,012	\$ 3,867,464	\$ 9,699	\$ -	\$ 641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$ 2,298,090	\$ 495,611	\$ 182,444	\$ 68,197	\$ 84,434

Table 11



Depreciation Cost by Customer Class

	Total	Common to All Customers				All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
		Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day			Max. Hour
Ottawa County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Georgetown Township	\$ 24,541	\$ 7,286	\$ 10,928	\$ -	\$ -	\$ -	\$ 2,109	\$ 3,164	\$ 1,055	\$ -	\$ -	\$ -	\$ -	\$ -
City of Kentwood	\$ 348,201	\$ 127,497	\$ 127,497	\$ -	\$ -	\$ -	\$ 36,910	\$ 36,910	\$ 14,764	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Byron-Gaines Townships	\$ 736,238	\$ 218,567	\$ 327,850	\$ -	\$ -	\$ -	\$ 63,274	\$ 94,911	\$ 31,637	\$ -	\$ -	\$ -	\$ -	\$ -
City of Grandville	\$ 273,208	\$ 109,283	\$ 163,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Wholesale Customers	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Total Wholesale	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Wyoming Retail	\$ 3,972,681	\$ 1,471,241	\$ 1,807,259	\$ -	\$ 89,412	\$ -	\$ 184,069	\$ 220,883	\$ 80,990	\$ 40,963	\$ 48,151	\$ 17,824	\$ 11,889	\$ -
Totals	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -

Table 12



Return on Rate Base by Customer Class

	Total	Common to All Customers				All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
		Base	Max. Day	Max. Hou	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day			Max. Hour
Ottawa County	\$ -													
Georgetown Township	\$ 35,610	\$ 10,020	\$ 15,031	\$ 0	\$ -	\$ 1	\$ 3,485	\$ 5,228	\$ 1,743	\$ -	\$ -	\$ -	\$ -	\$ 102
City of Kentwood	\$ 504,586	\$ 175,348	\$ 175,364	\$ 6	\$ -	\$ 1	\$ 60,985	\$ 60,993	\$ 24,396	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 102
Byron-Gaines Townships	\$ 1,065,259	\$ 300,596	\$ 450,936	\$ 13	\$ -	\$ 1	\$ 104,545	\$ 156,839	\$ 52,277	\$ -	\$ -	\$ -	\$ -	\$ 51
City of Grandville	\$ 375,825	\$ 150,298	\$ 225,468	\$ 7	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51
Other Wholesale Customers	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Total Wholesale	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Wyoming Retail	\$ (2,007,939)	\$ (588,570)	\$ (706,348)	\$ (23)	\$ (30,870)	\$ (4,689)	\$ (204,701)	\$ (245,674)	\$ (90,075)	\$ (51,650)	\$ (45,349)	\$ (16,775)	\$ (23,215)	\$ -
Totals	\$ (26,659)	\$ 47,693	\$ 160,451	\$ 4	\$ (30,870)	\$ (4,686)	\$ (35,685)	\$ (22,614)	\$ (11,660)	\$ (48,003)	\$ (42,681)	\$ (15,698)	\$ (23,215)	\$ 306

Table 13



Total Costs by Customer Class

	Total Cost of Service	Common to All Customers				All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
		Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day			Max. Hour
Ottawa County	\$ 2,891,193	\$ 1,251,178	\$ 1,574,985	\$ 3,965	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,980
Georgetown Township	\$ 98,911	\$ 30,256	\$ 42,262	\$ 41	\$ -	\$ 86	\$ 7,331	\$ 10,563	\$ 3,579	\$ -	\$ -	\$ -	\$ -	\$ 4,793
City of Kentwood	\$ 1,624,489	\$ 538,069	\$ 575,273	\$ 718	\$ -	\$ 86	\$ 129,447	\$ 134,188	\$ 52,727	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 9,483
Byron-Gaines Townships	\$ 3,106,642	\$ 965,031	\$ 1,452,297	\$ 1,583	\$ -	\$ 86	\$ 227,626	\$ 341,461	\$ 113,817	\$ -	\$ -	\$ -	\$ -	\$ 4,742
City of Grandville	\$ 1,100,954	\$ 461,768	\$ 633,725	\$ 633	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,742
Other Wholesale Customers	\$ 5,930,997	\$ 1,995,123	\$ 2,703,557	\$ 2,976	\$ -	\$ 346	\$ 364,404	\$ 486,211	\$ 170,123	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 23,759
Total Wholesale	\$ 8,822,190	\$ 3,246,301	\$ 4,278,542	\$ 6,941	\$ -	\$ 431	\$ 364,404	\$ 486,211	\$ 170,123	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 84,739
Wyoming Retail	\$ 7,783,700	\$ 1,781,278	\$ 2,186,832	\$ 2,762	\$ 58,542	\$ 636,881	\$ 99,905	\$ 119,852	\$ 43,951	\$ 2,153,161	\$ 470,601	\$ 173,064	\$ 56,871	\$ -
Totals	\$ 16,605,890	\$ 5,027,578	\$ 6,465,374	\$ 9,702	\$ 58,542	\$ 637,313	\$ 464,309	\$ 606,064	\$ 214,074	\$ 2,292,996	\$ 502,988	\$ 185,340	\$ 56,871	\$ 84,739

Wholesale Rates

For the wholesale customers, the operating and maintenance costs are recovered through a volume charge for actual usage while the capital charges (depreciation and plant investment) are recovered through fixed monthly charges based on each customer's current contract capacity. The monthly capital charge and per MG volume charge that this results in is presented in Table 14.

Table 14

Wholesale Rate Calculations

	Total Costs		Usage (in MG)	Rates		
	Capital Costs	O&M Costs		Monthly Capital	Volume (per MG)	Total (per MG)
Georgetown Township	\$ 60,151	\$ 38,760	49	\$ 5,013	\$ 791.03	\$ 2,018.60
City of Kentwood	\$ 852,788	\$ 771,702	890	\$ 71,066	\$ 867.09	\$ 1,825.27
Byron-Gaines Townships	\$ 1,801,496	\$ 1,305,146	1,687	\$ 150,125	\$ 773.65	\$ 1,841.52
City of Grandville	\$ 649,033	\$ 451,922	765	\$ 54,086	\$ 590.75	\$ 1,439.16

* Assumes projected usage as presented in the Table above

Annual True-Up

The calculations in this exhibit will be repeated after the close of each fiscal year using audited O&M expenses, depreciation, and plant investment information as well as current units and contract units, which will determine the actual total cost of service for each wholesale customer. The sum of the revenues collected during the period will be compared to the actual cost, if the City has over-collected from a wholesale customer, a credit will be issued on the customer's next billing for the full amount over-collected, and if the City has under-collected from the wholesale customer, a charge will be placed on the customer's next bill for the full amount.

RESOLUTION: _____

A RESOLUTION TO APPROVE AND ADOPT THE 2011 WATER SUPPLY AGREEMENT
BETWEEN THE CITY OF WYOMING AND THE CITY OF KENTWOOD

WHEREAS, the attached City of Wyoming-City of Kentwood Water Supply Agreement has been negotiated between representatives of each City; and

WHEREAS, the representatives for the City of Wyoming unanimously recommend that said Agreement be approved and adopted by the City Council of the City of Wyoming; and

WHEREAS, the City Council of the City of Kentwood has approved, adopted, and executed said Agreement for and on behalf of the City of Kentwood; and

WHEREAS, the City Council of the City of Wyoming is of the opinion that it is in the best interests of the City and of its residents and citizens to approve, adopt, and execute said Agreement, now therefore,

BE IT RESOLVED, that the City Council of the City of Wyoming does approve and adopt the City of Wyoming-City of Kentwood Water Supply Agreement between the City of Wyoming and the City of Kentwood; and

BE IT FURTHER RESOLVED, that the Mayor and the City Clerk be, and they hereby are, authorized to execute said City of Wyoming-Kentwood Water Supply Agreement for and on behalf of the City of Wyoming.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Resolution No. _____

2011 WATER SUPPLY AGREEMENT

between

THE CITY OF WYOMING

and

THE CITY OF KENTWOOD

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CITY OF WYOMING - CITY OF KENTWOOD

2011 WATER SUPPLY AGREEMENT

THIS AGREEMENT, made this ____ day of _____, 2011, between the City of Wyoming, a Michigan municipal corporation (hereinafter called "Wyoming"), and the City of Kentwood, a Michigan municipal corporation (hereinafter called "Kentwood"), is as follows:

Background Recitals

Kentwood owns and operates a municipal water distribution system and wishes to continue to purchase Lake Michigan treated water from Wyoming for resale to its residential, commercial and industrial customers. Wyoming has a water treatment and supply system that provides Kentwood with Lake Michigan treated water. On September 12, 1966, Wyoming and Paris Township, predecessor of Kentwood, entered into a Water Supply Agreement, which Agreement was subsequently amended on September 15, 1970. Wyoming and Kentwood entered into a Restated Water Supply Agreement effective July 1, 1988. Wyoming is expanding its water treatment system to increase the system's ability and reliability to provide for the present and future needs of Kentwood and Wyoming's other water customers, both wholesale and retail, and to ensure compliance with United States Environmental Protection Agency and Michigan Department of Environmental Quality (MDEQ), (or any successor agency) updated drinking water standards. As a result, Wyoming and Kentwood now desire that the Restated Water Supply Agreement effective July 1, 1988 be amended and restated a second time to incorporate various modifications to the Agreement, to be effective _____, 2011. Accordingly, in consideration of the mutual promises and undertakings of the parties hereto, the parties mutually agree that the July 1, 1988 Restated Water Supply Agreement shall be re-titled the 2011 Water Supply Agreement and be amended and restated a second time to read in its entirety as follows:

1. The Wyoming System. Wyoming owns and operates a water supply system, (the "Wyoming System" or the "System") which generally consists of intake facilities in Lake Michigan, pumping and repumping facilities, the Donald K. Shine Water Treatment Plant, finished water storage at the Donald K. Shine Water Treatment Plant and at the Gezon Pumping Station, transmission pipelines extending from the Donald K. Shine Water Treatment Plant in Ottawa County to the Gezon Pumping Station in Wyoming, and transmission lines extending through Wyoming to the boundaries of Kentwood. Wyoming is presently making additions and improvements to and is expanding said system in order to improve the operation of the system and to increase its capacity to deliver water to its customers.

2. Sale and Purchase of Water; Kentwood Service Area; Prohibitions on Sale and Purchase of Water.

(a) Sale and Purchase of Water. Wyoming shall sell and deliver to Kentwood and Kentwood shall purchase and receive from Wyoming, for Kentwood's Service Area, such quantity of Lake Michigan water from the Wyoming System treated by the Wyoming System to comply with applicable drinking water standards subject to the limitations as specified in paragraph 5 below.

(b) Kentwood Service Area. The Kentwood Service Area is shown in Exhibit A, attached and made a part of this Agreement.

(c) Prohibitions on Sale of Water. Kentwood shall not sell or deliver outside the Kentwood Service Area any water purchased from Wyoming except as provided in paragraph 15 for emergency interconnections or paragraph 23 of this Agreement. Wyoming shall not sell water directly to any public corporation, to any private customer, or to any other party in Kentwood except as may be mutually agreed upon in writing by the parties. Kentwood shall not purchase or provide water from any other source except for emergency purposes as provided in paragraph 15 and except as may be otherwise mutually agreed upon in writing by the City and Kentwood.

3. Current Connections to the Wyoming System. Kentwood has previously connected to the Wyoming System at those connection points shown in Exhibit A. Those connections and all future connections unless otherwise agreed by the parties, shall be maintained and continued during the term of this Agreement

4. Future Connections to the Wyoming System. Wyoming will permit further connections from the Wyoming System by Kentwood to the Kentwood Service Area only when all of the following conditions have been met:

(a) Plan Preparation and Acceptance. The connection is in accordance with Kentwood's long-range water system plan, which plan has been prepared or reviewed by a professional engineer and accepted (i) by Kentwood's legislative body, (ii) by the appropriate state regulatory agency, and (iii) by Wyoming, such acceptance by Wyoming not to be withheld or delayed unreasonably;

(b) Connection Expense. The connection is made at the expense of Kentwood; and

(c) Amendment to Agreement. Wyoming and Kentwood have negotiated and signed an amendment to this Agreement to cover any changes required as a result of such connection.

5. Limitation on Maximum Amount of Water to be Supplied by Wyoming.

(a) Maximum Water Limitation. The maximum hourly withdrawal rate shall be determined on the basis of Kentwood's actual average day demand (ADD) for the preceding three (3) fiscal years (July 1 through June 30). Prior to December 1 of each year, Kentwood and Wyoming shall meet and agree on such actual average ADD, which shall then be used to calculate the maximum hourly withdrawal rate for the next fiscal year (July 1 through June 30). The ADD shall be multiplied by three (3) and the product shall be divided by 24 hours to produce the maximum hourly withdrawal rate, which rate shall represent the only limit on water available for purchase by Kentwood from Wyoming for the ensuing fiscal year.

(b) Temporary Withdrawal Over Maximum. Wyoming may permit a temporary excess maximum hourly withdrawal rate above Kentwood's maximum hourly withdrawal rate determined under subparagraph 5(a) above; however, such temporary excess maximum withdrawal rate shall not give Kentwood a permanent right to purchase water in excess of the maximum hourly withdrawal rate determined pursuant to subparagraph 5(a) above. Wyoming shall have the right at any time to rescind its permission for such temporary excess hourly withdrawal rate back to the maximum hourly withdrawal rate for that fiscal year as determined under subparagraph 5(a) above. Wyoming shall give Kentwood operating employees prior notice of such rescission in a prompt and reasonable manner consistent with operational requirements.

(c) Kentwood Storage and Pumping Facilities. Kentwood shall construct or install and maintain such storage and pumping facilities as may be reasonably necessary from time to time to meet its pressure and maximum withdrawal rate requirements.

(d) Water Conservation Program. If Wyoming adopts or is required to adopt a water conservation program in future years, the parties agree that the limits set forth in this paragraph 5 and other relevant paragraphs of this Agreement will be renegotiated in good faith to cooperatively implement such program. This may include a reduction in maximum withdrawal rates, a different rate structure to encourage water conservation, and/or other actions to promote and encourage water conservation.

6. Annual Water Use Projection and Annual Meeting.

(a) Annual Five-Year Projection of Water Use. Prior to December 1 of each year, Kentwood shall submit to Wyoming a five-year projection of water use.

(b) Annual Meeting. Prior to December 1 of each year Wyoming and Kentwood shall meet and confer regarding water use projections, operational issues, system maps, expansion and improvement projects and any other matters relevant to the operation of the Wyoming System or this Agreement.

7. Future Expansion.

(a) Prior to Reaching 80 % of Rated Capacity. If Kentwood or any other existing or proposed customer community requests Wyoming to expand and improve the Wyoming System before the Wyoming System reaches eighty per cent (80%) of its MDEQ rated capacity, Wyoming shall not proceed with the requested expansion and improvement until Wyoming has negotiated an agreement with all affected customer communities that fully provides for (1) payment of the cost of the expansion and improvement, and (2) allocation of the additional capacity in the Wyoming System to be provided by the expansion and improvement.

(b) Upon Reaching 80 % of Rated Capacity. At such time as the Wyoming System reaches eighty percent (80%) of its MDEQ rated capacity, Wyoming shall develop plans, specifications and estimates of cost for the expansion and/or improvement of the Wyoming System necessary and appropriate to meet the then anticipated future needs of Wyoming and its customer communities. Prior to securing financing and commencing construction of the proposed expansion and improvement, Wyoming shall notify Kentwood in writing of (1) Wyoming's intent to expand and improve the Wyoming System, (2) the estimated cost of the expansion and improvement, (3) the estimated impact of the proposed expansion and improvement on future wholesale water rates for Kentwood, and (4) Wyoming's proposed allocation of the additional constructed capacity in the Wyoming System to Wyoming and each customer community served, or proposed to be served as a result of the construction and improvement, by the Wyoming System. It is understood that the party or parties causing the need to expand or improve the Wyoming System shall bear the costs of such expansion or improvements in accordance with the methodology as described in paragraph 8(a) below.

(c) Reallocation of Capacity. In connection with the request to expand or improve the Wyoming System before the Wyoming System reaches 80% of its MDEQ rated capacity in accordance with Subparagraph (a) or after the Wyoming System reaches 80% of its MDEQ rated capacity in accordance with Subparagraph (b), or at any other time, Wyoming and Kentwood acknowledge and agree that the capacity in the System may be reallocated by mutual consent of Wyoming and its wholesale customer communities to reflect actual and projected water use that is inconsistent with the existing allocation of capacity in the System. It is understood that, with the exception of Ottawa County, capacity allocations are not purchased capacities and shall be used only for the calculation of the rates. If contract capacity allocations are revised by the mutual consent of Wyoming and an affected wholesale customer, the agreed upon revised contract capacity allocation shall then be used in the calculation of rates.

8. Water Rates.

(a) Rates. For water delivered to Kentwood under this Agreement, Kentwood shall pay monthly the wholesale rates established by Wyoming from time to time. As required by MCLA 123.141, the wholesale rates shall be established in accordance with the utility basis of rate-making methodology, a general example of which is described in Exhibit B, attached hereto and made a part hereof. (Note- Exhibit B is an example of the methodology only. The numbers in Exhibit B are subject to change and are not incorporated into this Agreement.) Wholesale water rates shall be based on revenue requirements and cost-of-service studies performed from time-to-time by Wyoming's rate consultant in accordance with the methodology set forth in Exhibit B. The revenue requirement and cost-of-service studies shall be conducted using the utility basis of rate-making and in accordance with the cost causative allocation methodology recommended by the AWWA and/or U.S. Environmental Protection Agency described in the then-current manual published by the American Water Works Association, currently entitled Principles of Water Rates, Fees, and Charges and designated as AWWA manual M1 to the extent consistent with the methodology set forth in Exhibit B and to the extent of inconsistencies, the methodology in Exhibit B shall prevail. The rate consultant shall be instructed to develop wholesale rates which are fair and reasonable and shall include a reasonable rate of return to Wyoming on that portion of the Wyoming System allocated to serving Kentwood. The rates shall reflect the flow limitations and capacity allocations in paragraphs 5, 6, and 7. Wyoming shall give sixty (60) days' notice of any change in the rates and the estimated amount of such change; such notice shall be in writing delivered in person or by mail to Kentwood. The methodology described in Exhibit B shall not be changed without an amendment to this Agreement approved by Wyoming and Kentwood.

(b) Bills. Bills for all water delivered pursuant to this Agreement shall be rendered monthly to Kentwood in person or by mail and shall be payable on or before the due date shown thereon, which date shall be not less than thirty (30) days from the date of delivery to Kentwood. Proper bills not paid on or before the due date shall carry a service charge of one and one-half percent (1-1/2%) per month until paid.

(c) Master Meter Reading. Except as otherwise mutually agreed upon by the parties, all master meter readings shall be taken by Wyoming, and all such master meter recordings shall be open to inspection by Kentwood at any time during regular business hours. In addition, a permanent log shall be maintained at each Kentwood metering station showing all meter readings that have been taken at that metering station.

(d) Payment Adjustment. Should the annual audit as described in paragraph 9 determine that Kentwood's rate was too high or too low for that fiscal year, upon the acceptance of the audit by the Wyoming City Council, Wyoming shall pay to Kentwood or Kentwood shall pay to Wyoming the amount of the overpayment or underpayment as determined by the audit. This payment shall be made within sixty (60)

days of the acceptance of the audit. However, if mutually agreeable, a credit may be issued against payments due in the following fiscal year in the event of an overpayment.

9. Fiscal Year of Wyoming System; Annual Audit. The fiscal year of the Wyoming System shall begin on July 1 of each year and end on June 30 of the next following year. Wyoming will keep separate records relating to the cost of the acquisition, construction, financing and operation of the Wyoming System. Wyoming will have such records audited annually by a certified public accountant, and a copy of such audit shall be furnished to Kentwood. A reasonable portion of the expense of said audits shall be deemed an operating expense of the Wyoming System. For purposes of this paragraph, Wyoming's Comprehensive Annual Financial Report shall be considered the audit required by this paragraph.

10. Meters.

(a) Installation. All water supplied and delivered by Wyoming to Kentwood shall be measured by meters already installed at various connection points between the Wyoming System and Kentwood's water system and as may hereafter be installed as provided in paragraph 4 of this Agreement. All such meters to be installed shall be at the expense of Kentwood and under the supervision and inspection of Wyoming or its authorized agents. Kentwood shall furnish to Wyoming tele-metering circuits and equipment to indicate, record and total the water flow to the Kentwood Service Area from the meter at the 60th Street metering station and from the meter at the 44th Street pumping station, all at the expense of Kentwood.

(b) Routine Maintenance and Emergency Repairs. Wyoming shall provide routine maintenance and repairs to the meters and telemetry, at the expense of the Kentwood. Emergency maintenance and repairs shall also be performed by Wyoming, at the expense of Kentwood. Wyoming shall, as soon as practicable, notify Kentwood of any emergency maintenance or repairs. Expenses charged to the Kentwood by Wyoming shall be based on actual reasonable expenses plus reasonable overhead.

(c) Accuracy. Wyoming shall be responsible for the accuracy of the meters and equipment and shall make all determinations with respect thereto. In the event any metering device or equipment is found to be inaccurate, Wyoming shall cause immediate replacement or repair thereof and shall notify Kentwood of the nature and cost of such replacement or repair. Where metering devices or equipment is found to have been inaccurate, such adjustments in charges shall be made as may be indicated by all available information which will provide an equitable adjustment. Wyoming shall make available to Kentwood all data pertinent to the computation of rates and charges, and any adjustments thereto, for water provided to Kentwood.

(d) Accuracy Verification. Kentwood may at its own expense have the master meter(s) checked and, if such inspection shows any error in measuring the amount of water delivered to Kentwood, an appropriate adjustment commensurate with the percentage of error shall be made in accordance with subparagraph (c) above for water used in the four (4) weeks prior to such check and until the error is corrected, or until the meter is repaired.

(e) Replacement. In the event that any of Kentwood's meter(s) and other related control equipment is required to be replaced, they shall be replaced at the expense of Kentwood. The reasonable judgment of Wyoming as to the condition and accuracy of Kentwood's meters shall be binding upon Kentwood. In making such reasonable judgment, however, Wyoming shall take into account industry standards, if any.

(f) Facilities. The cleanliness, repair, and maintenance of the buildings or structures within which Kentwood's meter(s) and other related control equipment are housed, and the maintenance and repair of the accessways thereto (including snow-plowing), shall be the responsibility of and at the expense of Kentwood.

11. Inspection.

(a) Inspection During Construction. Wyoming may periodically inspect during installation all water pipes, taps, service connections, fittings, meters and other equipment which are installed or intended for use in the Kentwood water distribution system. The costs of such inspection shall be considered an expense of the Wyoming System.

(b) Review and Approval of Plans and Specifications. Wyoming shall review, before installation or construction, the plans and specifications for metering stations and transmission mains 16 inches in diameter or larger, controls, storage tanks, and pumping facilities included in the Kentwood System. Wyoming shall, within thirty (30) days after receipt of such plans and specifications, notify Kentwood in writing of its disapproval if such plans and specifications do not conform to the City of Wyoming Standard Construction Specifications uniformly applied to all wholesale customers of water from the Wyoming System. If such disapproval is not provided to Kentwood within such thirty (30) days, the plans and specifications for such facilities will be deemed to have been approved. The costs of such review and approval shall be considered an expense of the Wyoming System.

(c) Annual Update of Distribution System Maps. Wyoming shall receive annually from Kentwood an updated map showing the current layout of its water distribution system. In addition, Wyoming shall have the right, at its option and at its request, to review detailed plans and specifications for any part of Kentwood's water distribution system. The costs of the review of plans and specifications shall be considered an expense of the Wyoming System.

12. Emergency Discontinuance. Wyoming and Kentwood each hereby reserves to itself the right to temporarily discontinue the supply of water to any of the water mains or pipelines of Kentwood, without notice in times of emergency or whenever Wyoming or Kentwood shall, upon its determination and after giving the other's operating employees notice in a prompt and reasonable manner consistent with operational requirements, find it necessary for purposes of testing, repairing, or replacing water mains, meters, or other of its facilities serving Kentwood's water distribution system. No claim for damages for such discontinuance shall be made against the other party.

13. Protection against Contamination. For the protection of all consumers of water, Wyoming and Kentwood agree to take reasonable efforts to guard against all forms of contamination. Should contamination be detected at any time, the area or areas affected shall immediately be shut-off and isolated and remain so until such condition shall have been abated and the water has been declared again safe and fit for human consumption. The decision of Wyoming in this respect shall be final. Wyoming is hereby given the right, at any time deemed by it necessary, to inspect the water service equipment within the affected area, to review construction and chlorination and protective devices, and to do or have done any and all things necessary to protect the quality of the water supply. Any labor and/or equipment furnished by Wyoming required for such purpose shall be paid for by Kentwood. Kentwood shall have a written cross-connection inspection program and shall provide a copy of such program to Wyoming. In the event any party detects contamination, it shall promptly notify the other party.

14. Temporary Restriction on Use of Water. If, due to circumstances beyond the control of Wyoming, e.g., prolonged dry spells, the capacity of the Wyoming System becomes temporarily inadequate for short periods of time to meet the peak demands of all users of its water and if Wyoming is compelled to impose temporary restrictions on its own residents, e.g., a ban or limit on lawn sprinkling, then Kentwood shall, at the request of Wyoming, immediately impose and enforce like restrictions on its water users.

15. Water from Other Source. Wyoming and Kentwood will not permit water from any other source or supply to mix or mingle with the supply from the Wyoming System, except when the Wyoming System is temporarily operating at capacity, or except upon prior written approval of the other party, or except in case of emergency, and then only such water shall be used as shall meet the requirements of the Michigan Department of Environmental Quality (or any successor agency) and in the minimum quantities necessary to relieve the emergency. Wyoming and Kentwood jointly acknowledge the desirability of interconnections with other adjoining water systems, such as the City of Grand Rapids water system or the Byron-Gaines Township water system for emergency purposes. No future interconnections shall be made by Kentwood except when mutually agreed upon in writing by Wyoming and Kentwood, such agreement not to be withheld or delayed unreasonably by either party. No interconnection shall be made to a non-municipal or private water system. To avoid the mixing or mingling of water supplies in the Kentwood Service Area, Kentwood shall not purchase water from another source except in emergency situations as described above.

16. Responsibility for Quality of Water within Kentwood's System. It shall be the responsibility of Kentwood to maintain the water quality and purity at any point beyond the meter points at which it receives water from the Wyoming System and within Kentwood's water system. Kentwood assumes all liability for any and all damages of any kind, including, but not limited to, injury to property or persons which occur directly or indirectly as a result of impure or substandard water being introduced beyond such meter points within Kentwood's distribution system.

17. Governmental Function. Wyoming and Kentwood agree that the water facilities and service provided under this Agreement are a governmental function, as defined in Public Act No. 170 of 1964, as amended.

18. Term. This Agreement shall continue as long as the Wyoming System is operational, unless there is a maximum term imposed by law. In such case, this Agreement shall terminate at the end of such maximum term, provided, however, the parties may renew this Agreement for another such term by mutual agreement.

19. Review and Modification Procedure. This Agreement is one of a series of similar Water Supply Agreements between Wyoming and its wholesale water customers. At the request of Wyoming or of any one of its several wholesale water customers, a meeting of all parties shall be convened to review the terms of these Agreements, to discuss the need and timing for expansion and improvement of the Wyoming System, to review cost-reduction or cost-containment methods, and to consider other matters of concern to any of the parties. These matters shall be discussed, to the extent practical, at the annual meeting provided in paragraph 6(b). If as a result of changed circumstances it becomes necessary to modify this Agreement, the parties agree to negotiate in good-faith and with mutual fair-dealing any necessary modification of this Agreement.

20. Kentwood's Ordinances, Rules and Regulations. Kentwood agrees to adopt a plumbing code, cross-connection inspection program, and such other ordinances, rules, regulations and policies as are in effect from time to time in Wyoming for the construction, use, operation, repair, replacement, maintenance and inspection of the water system in Kentwood. The codes, ordinances, rules, regulations and policies shall be at least as stringent as those in effect in Wyoming. Kentwood shall provide for the strict enforcement of such codes, ordinances, rules, regulations and policies. Any amendments to such codes, ordinances, rules, regulations or policies adopted by Wyoming shall also be adopted by Kentwood within ninety (90) days of receipt of notice of such amendments from Wyoming.

21. Maintenance, Operation, and Repair of Systems. Kentwood and Wyoming shall each be responsible for and shall maintain, operate and repair their own facilities to adequately provide for the performance of this Agreement, unless otherwise agreed in writing, and except as provided in section 10(b).

22. Other Services. Wyoming will perform such additional services for Kentwood as may from time to time be agreed upon at a rate of compensation to be agreed upon.

23. Additional Areas of Service. The Kentwood Service Area shall remain as described in Paragraph 2. If Kentwood desires additional areas to be served, those additional areas shall constitute additions to Kentwood Service Area and may be served by amendment to this Agreement under terms and conditions mutually agreed to between Wyoming and Kentwood, provided, Wyoming shall be under no obligation to serve any such additional areas. A single residential, commercial or industrial establishment located on a parcel outside the Kentwood Service Area which abuts a boundary line and can be served with a single one-inch (1) diameter lateral may be served under this Agreement without amendment so long as the limitations on flow in paragraph 5 are not exceeded.

24. Force Majeure. No failure or delay in performance of this Agreement by either party shall be deemed to be a breach thereof when such failure or delay is occasioned by or due to any Act of God, strikes, lockouts, wars, terrorism, riots, epidemics, explosions, sabotage, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority, or any other cause, not within the control of the party claiming suspension; provided that no cause or contingency shall relieve Kentwood of its obligation to make payment for water provided to Kentwood by Wyoming.

25. Assignment. No party to this Agreement shall, without the prior written consent of the other party, assign, transfer, or convey its interest or any part thereof under this Agreement to any other entity, private or public, except that Wyoming and Kentwood each retain the right to assign all of its rights, obligations, and liabilities under this Agreement to a water or utility authority or other entity created to serve an area including the Kentwood Service Area. If any party shall by operation of law be merged into or be succeeded by another governmental agency or municipal corporation, its successor shall be bound by the terms of this Agreement as if originally a party hereto.

26. Notices. All written notices and other documents to be delivered or transmitted hereunder shall be addressed to the respective parties at the below specified addresses or at such other address or addresses as shall be specified by the parties from time to time. The addresses of the parties are as follows:

City of Wyoming
Attn: Director of Public Works
1155 28th Street, S.W.
Wyoming, Michigan 49509

With a copy to:
Wyoming City Clerk
1155 28th Street, S.W.
Wyoming, Michigan 49509

City of Kentwood
Attn: Director of Public Works
4900 Breton Road, SE
P.O. Box 8848
Kentwood, Michigan 49518-8848

With a copy to:
Kentwood City Clerk
4900 Breton Road, SE
P.O. Box 8848
Kentwood, Michigan 49518-8848

Written notices or other documents may be delivered in person, transmitted by facsimile, or by ordinary or certified mail, properly addressed with sufficient postage.

27. Miscellaneous.

(a) Waiver. The waiver by any party of a breach or violation of any provision of this Agreement shall not be a waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

(b) Unenforceability. If any paragraph or provision of the Agreement is unenforceable for any reason, the unenforceability thereof shall not impair the remainder of this Agreement, which shall remain in full force and effect.

(c) Entire Understanding. This Agreement represents the entire understanding and agreement between the parties hereto.

(d) Captions. The captions in this Agreement are for convenience only and shall not be considered as part of this Agreement or in any way to amplify or modify the terms and provisions hereof.

(e) Modification. This Agreement may be changed or modified only by a written document signed by the parties.

(f) Enforcement. Either party may enforce the terms of this Agreement by way of an action for specific performance in Kent County Circuit Court.

(g) Alternate Dispute Resolution. The parties may mutually agree upon an alternate dispute resolution mechanism for resolving any disputes which may arise under this Agreement.

(h) Interpretation of Agreement. Wyoming and Kentwood acknowledge that each party has had the opportunity to participate in the drafting of this Agreement. As a result, in the event of any ambiguity in this Agreement, it shall not be interpreted for or against any party on account of the drafting by any party.

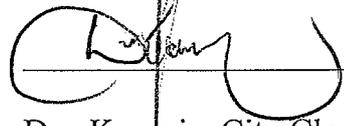
CITY OF WYOMING

By: _____
Jack Poll, Mayor

By: _____
Heidi Isakson, Clerk

CITY OF KENTWOOD

By:  8-31-11
Richard L. Root, Mayor

By: 
Dan Kasunic, City Clerk

City of Wyoming

Exhibit A - Map of Service Area and Connections

City of Grand Rapids

City of Kentwood

Byron Township

Gaines Township

LEGEND

- Interconnection Point
- Public Main
- - - Private Main
- Water Storage

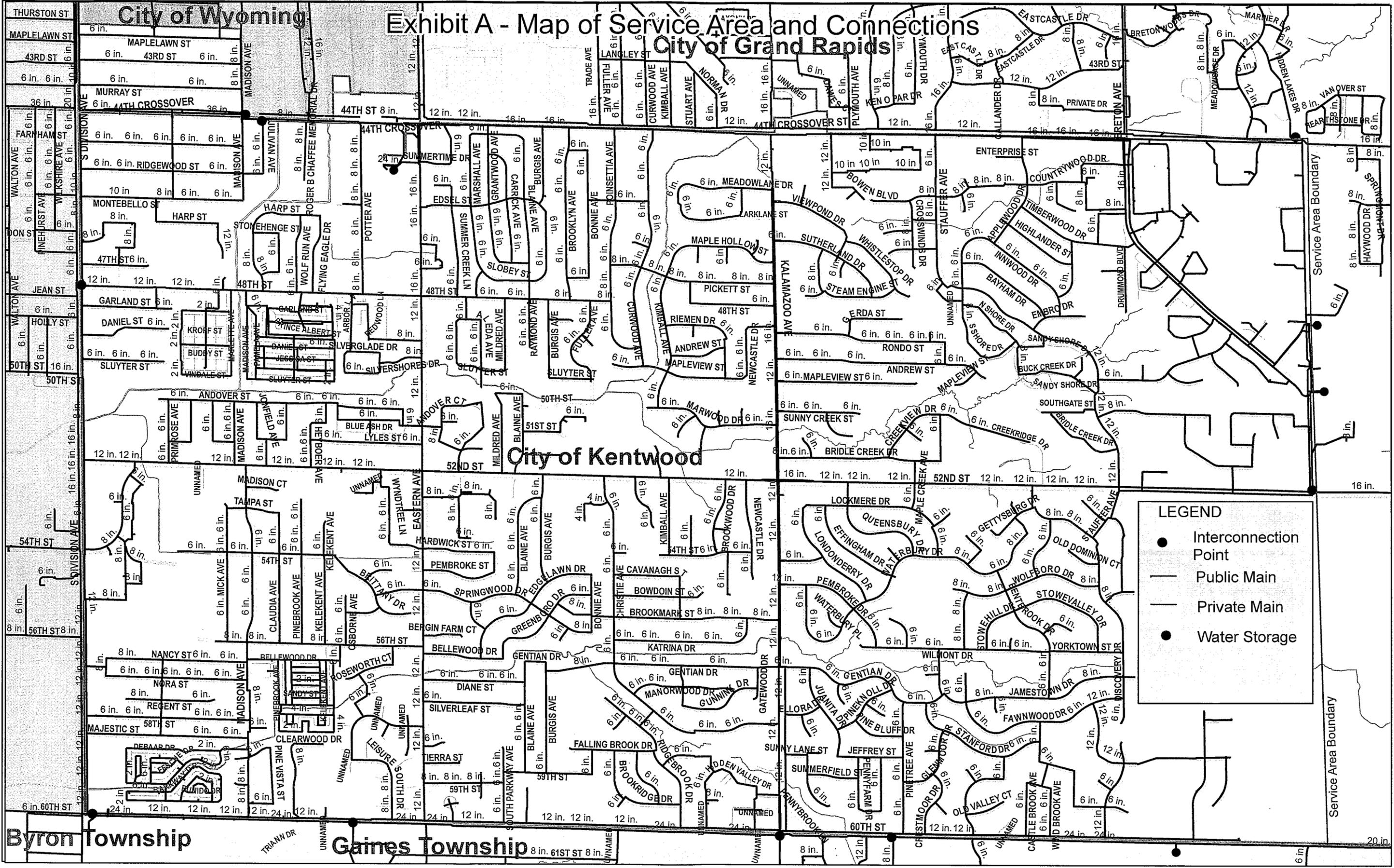


Exhibit B

Basis for Determining Wholesale Water Rates

This exhibit outlines the process for determining the allocation of costs among the City of Wyoming's retail and wholesale water customers. The methodology used for rate calculations is known as the utility basis of rate making, which is an industry standard methodology. The utility basis methodology and the base-extra capacity calculation used in this example are derived from the American Water Works Association, Manual M1, Principles of Water Rates, Fees, and Charges.

Under the utility basis the revenue requirements recovered from customers consist of:

- Operation and Maintenance (O&M) expense;
- Depreciation expense; and
- Return on rate base (rate base as defined in the AWWA Manual M1 and below)

Operation and maintenance expenses are based upon expenditures for labor, contracted services, supplies, repair parts and revenue financed equipment. Depreciation expense represents the loss in value of the property, plant and equipment used in providing water service through wear and tear, deterioration, and obsolescence. The return on rate base provides funds to the owning utility for the interest cost associated with the debt financed capital improvements and a fair rate of return on the owning utility's equity in the assets used to provide water service to the non-owner customers. The rate of return is calculated from the 25-Bond Revenue Bond Index published by The Bond Buyer for the twelve month period corresponding to the fiscal year plus a margin of 2.0%. In the event that The Bond Buyer should discontinue publication of the 25-Bond Revenue Index, then the rate of return will be determined in accordance with a mutually agreed upon method of calculation.

The rate base consists of the depreciated original cost of the facilities providing water service. Typically, the rate base shall also include an allowance for working capital (limited to a maximum of 45 days O&M expense plus 12.5 % of annual debt service) and, if applicable, inventories and construction work in progress. A working capital reserve provides the utility with the necessary resources to maintain services during emergencies or other unforeseen circumstances.

This exhibit will outline the calculations used in determining the rates based on the base-extra capacity utility basis methodology.

Cost of Service

Table 1 summarizes the total cost of service as determined by City staff each year. It is appropriate to derive the cost of service from budgeted numbers for the purpose of producing rate estimates; however, the final reconciled rates shall be based upon actual audited revenues and expenses.

The total cost of service is allocated to two main categories: operating expense and capital costs. Furthermore, under the utility basis methodology, there are two components of capital cost: depreciation and return. Depreciation is based on annual depreciation of the utility's assets as documented in the City of Wyoming's Comprehensive Annual Financial Report. The total return necessary to provide adequate funding for capital costs is then calculated by subtracting the depreciation expense from the cash basis capital costs.

Table 1**Total Cost of Service**

	2012		
	Operating Expense	Capital Cost	Total
Revenue Requirements			
Operations & Maintenance Expense	\$ 12,044,320		\$ 12,044,320
Ottawa County Capital Return Payment	3,507,500		3,507,500
Debt Service		5,258,110	5,258,110
Revenue Financed Capital		70,100	70,100
Total	\$ 15,551,820	\$ 5,328,210	\$ 20,880,030
Revenue Requirements met from Other Sources			
Other Operating Revenue	\$ (686,640)	\$ -	\$ (686,640)
Interest Income	\$ (50,000)	\$ -	\$ (50,000)
Ottawa County Capital Return Payment	(3,507,500)		(3,507,500)
Miscellaneous Income	(30,000)	-	(30,000)
Total	\$ (4,274,140)	\$ -	\$ (4,274,140)
Net Costs to be Recovered through Rates/Contracts	\$ 11,277,680	\$ 5,328,210	\$ 16,605,890
Restatement of Net Costs (Utility Basis)			
Operations & Maintenance	\$ 11,277,680	\$ -	\$ 11,277,680
Capital Costs			
Depreciation		5,354,869	\$ 5,354,869
Return		(26,659)	\$ (26,659)
Total	\$ 11,277,680	\$ 5,328,210	\$ 16,605,890

Units of Service

Once the total cost of service is established, the next step in rate-making is to calculate the units of service (in Million Gallons) used by each customer under various operating conditions (average day, maximum day and maximum hour). Actual recorded customer usages for the applicable fiscal year are utilized for the purpose of determining the current units of service for allocating O&M expenses. The units of service for the allocation of O&M costs for the system's customers are shown in Table 2 below along with a more detailed explanation of the calculations presented within.

Table 2

Current Usage Units of Service for Operating & Maintenance Costs

	Total Annual	Average Day	Maximum Day		Maximum Hour		Accounts	Bills	Equivalent Meters	Pipeline Meters		
			Factor	Total Usage	Extra Capacity	Factor					Total Usage	Extra Capacity
	MG	MG/day		MG/day	MG/day	MG/day	MG/day					
Wholesale												
Ottawa County												
Subtotal Ottawa County	4,734	13.0	225%	29.2	16.2	270%	35.0	5.8	1	12	13	
Georgetown Township	49	0.1	225%	0.3	0.2	270%	0.4	0.1	1	12	1	
City of Kentwood	890	2.4	215%	5.2	2.8	258%	6.3	1.0	1	12	2	
Byron-Gaines Townships	1,687	4.6	250%	11.6	6.9	300%	13.9	2.3	1	12	1	
City of Grandville	765	2.1	220%	4.6	2.5	264%	5.5	0.9	1	12	1	
Subtotal Other Wholesale Customers	3,391	9.3	234%	21.7	12.4	280%	26.1	4.3	4	48	5	
Total Wholesale	8,125	22.3	229%	50.9	28.6	274%	61.1	10.2	5	60	-	18
Wyoming Retail	3,400	9.3	220%	20.5	11.2	264%	24.6	4.1	22,500	90,000	29,670	-
Total Units of Service	11,525	31.6	226%	71.4	39.8	271%	85.7	14.3	22,505	90,060	29,670	18

Total Annual = actual recorded annual usage
 Average Day = Total Annual / 365 days
 Maximum Day Factor = Maximum Day Total Usage / Average Day
 Maximum Day Total Usage = highest 3 day period of demand in MG over the past three fiscal years / 3
 Maximum Day Extra Capacity = Maximum Day Total Usage – Average Day
 Maximum Hour Factor = Maximum Day Factor X 1.2
 Maximum Hour Total Usage = Maximum Day Total Usage X 1.2
 Maximum Hour Extra Capacity = Maximum Hour Total Usage – Maximum Day Total Usage

The maximum day peaking factors are derived from each customer’s actual recorded usage from the three most recent fiscal years. First, a peak period of demand representing the three highest consecutive days of usage during the three most recent fiscal years is derived from customer data. This peak period of demand is then divided by three to calculate the total usage for a maximum day. This maximum day total usage is compared to the customer’s average day usage and a peaking factor is then calculated. This same analysis is then applied to each customer. These peaking factors shall be updated annually based on the latest available information.

Unless actual data is available on a customer’s hourly usage, it is assumed that the maximum hour peaking factor is equal to the maximum day peaking factor multiplied by 1.20. Therefore, this same multiplier of 1.20 can also be applied to the maximum day usage to arrive at the maximum hour usage for each customer. If, in the future reliable maximum hour data is available for customers, this data shall be used in place of this assumption.

As opposed to O&M costs, capital costs---depreciation and return---are allocated based on contract capacity allocations. The breakdown of the contract capacity allocations of the City and its various customers are shown in Table 3. It is understood that, with the exception of the City and Ottawa County (43% beneficial ownership), the listed contract capacities in Table 3 are not purchased capacities and shall be used only for the calculation of the rates presented herein. If, in the future, contract capacity allocations are revised by the mutual consent of the City and the affected wholesale customer, the revised contract capacity allocations shall be used in the calculation of rates.

Table 3**Contract Capacity Allocations**

	MGD
Ottawa County (43%)	51.6
City of Wyoming (57%)	
Projected Wholesale Contracts	
Georgetown	0.5
Kentwood	7.0
Byron-Gaines	15.0
Grandville	7.5
Subtotal Wholesale Contracts	30.0
Wyoming Retail Allocation	38.4
Subtotal City of Wyoming	68.4
Total Treatment Plant Capacity	120.0

The allocations of the total treatment plant capacity (currently 120 MGD) as presented in Table 3 above represent the maximum day usage projections for customers when the plant is at maximum capacity. These projections are derived from previous flow studies. Average day usage for the wholesale customers is also based upon the same previously developed flow projections and therefore, the maximum day peaking factors can be calculated from the projected maximum day and the projected average day usage figures. Maximum hour peaking factors are based on the same 1.20 maximum hour to maximum day peaking factor assumption as previously used for current usage calculations.

For Ottawa County, their maximum day usage of 51.6 MG is 43% of the system's total 120 MGD capacity. Ottawa County's contract maximum day peaking factor and maximum hour peaking factors are assumed to be the same as their current usage factors as presented in Table 2.

The calculation of contract units of service is shown in Table 4 below.

Table 4

Contract Units of Service for Capital Costs

	Total Annual MG	Average Day MG/day	Maximum Day			Maximum Hour			Accounts	Bills	Equivalent Meters	Pipeline Meters
			Factor	Total Usage MG/day	Extra Capacity MG/day	Factor	Total Usage MG/day	Extra Capacity MG/day				
Wholesale												
Ottawa County												
Subtotal Ottawa County	8,371	22.9	225%	51.6	28.7	270%	61.9	10.3	1	12	8	
Georgetown Township	73	0.2	250%	0.5	0.3	300%	0.6	0.1	1	12	2	
City of Kentwood	1,278	3.5	200%	7.0	3.5	240%	8.4	1.4	1	12	2	
Byron-Gaines Townships	2,190	6.0	250%	15.0	9.0	300%	18.0	3.0	1	12	1	
City of Grandville	1,095	3.0	250%	7.5	4.5	300%	9.0	1.5	1	12	1	
Subtotal Other Wholesale Customers	4,636	12.7	236%	30.0	17.3	283%	36.0	6.0	4	48	6	
Total Wholesale	13,006	35.6	229%	81.6	46.0	275%	97.9	16.3	5	60	-	14
Wyoming Retail	6,371	17.5	220%	38.4	20.9	264%	46.1	7.7	22,500	90,000	29,573	-
Total Units of Service	19,377	53.1	226%	120.0	66.9	271%	144.0	24.0	22,505	90,060	29,573	14
MGD		53.09		120.00	66.91							

Total Annual = projected Average Day X 365

Average Day = projected Average Day (for Ottawa County this is equal to their Maximum Day Total Usage / 2.25)

Maximum Day Factor = projected Maximum Day Total Usage / Average Day

Maximum Day Total Usage = projected Maximum Day Total Usage (for Ottawa County this is equal to 43% of 120 MG)

Maximum Day Extra Capacity = Maximum Day Total Usage – Average Day

Maximum Hour Factor = Maximum Day Factor X 1.2

Maximum Hour Total Usage = Maximum Day Total Usage X 1.2

Maximum Hour Extra Capacity = Maximum Hour Total Usage – Maximum Day Total Usage

Cost Allocation

The base-extra capacity method of cost allocation can be described by the following general cost categories:

1. Base costs are defined as those costs associated with meeting average day customer demands.
2. Extra capacity costs are defined as costs associated with meeting customer water demands above the Base. Extra capacity costs are subdivided into Maximum Day and Maximum Hour categories in order to allocate the costs associated with meeting these specific customer demand conditions.

Table 5 below illustrates the allocation of operation and maintenance costs (as shown previously in Table 1) to various activities and across several customer categories. Descriptions of the customer categories and subcategories follow:

1. Common to All Customers – These expenses are related to the operation and maintenance of facilities that benefit all customers of the system. Examples of such facilities are the water treatment plant, storage facilities west of the Gezon station and the pipeline to the Gezon station. The classification of Common to All Customers is further subcategorized to include Meters and Billing components; however, the O&M costs for Meters only applies to the City’s retail customers and Billing costs are allocated to wholesale customers only to the extent of the cost incurred to generate invoices for wholesale billing purposes. Some administrative expenses are also proportionally allocated to all customers.

2. All Except Ottawa County and Grandville – This category is used to allocate costs related to the operation and maintenance of facilities that are not utilized by either Ottawa County or Grandville customers. An example of a facility within this category is the Gezon pumping station. Again, some administrative costs are proportionally allocated to the customers within this category.
3. Distribution System Customers – This category is used to allocate costs only to customers who benefit from the City's local distribution system. This category is limited to the City of Wyoming's retail customers and the City of Kentwood (only for their portion of use of the City of Wyoming's distribution system---currently equal to 23.7% using an equivalent pipe-length calculation).
4. Fire Protection – These costs apply only to the City of Wyoming's retail customers.
5. Pipeline Meters - These costs are allocated to wholesale customers on the basis of the number of pipeline meters in service for the purpose of metering wholesale customer water usage.

Operational and maintenance expenses are incurred for each activity listed as a line item in Table 5. It is important to note that the Current Units of Service from Table 2 above are used for proportioning the costs to the subcategories of Base, Maximum Day and Maximum Hour. Each activity can be allocated to customer categories and subcategories on the basis of use and function as follows:

1. Administration – The administrative activity applies to all categories and is allocated proportionally to all other expenses incurred within each category and subcategory.
2. Pumping and Treatment – Expenses incurred by the pumping and treatment activities are common to all customers and are further proportioned to allocate the cost of meeting Base and Maximum Day demands for all customers.
3. T&D Storage – E. of Gezon – Expenses incurred for the operation and maintenance of these storage facilities are allocated to the subcategories of Maximum Day and Maximum Hour for the Distribution System Customers only (Wyoming and Kentwood).
4. T&D – Gezon Station – Expenses incurred for the operation and maintenance of the Gezon Station are allocated to the customer category of All Except Ottawa County and Grandville and are further subcategorized proportionally to meet the Base, Maximum Day and Maximum Hour demands of the customers in this category.
5. T&D – Storage W. of Gezon – The facilities are utilized by all customers of the system to meet the Maximum Day and Maximum Hour system demands.
6. Trans & Dist-Mains – These transmission and distribution mains are utilized only by the City of Wyoming and Kentwood customers. Expenses related to the operation and

maintenance of these mains are allocated proportionally to meet the Base, Maximum Day and Maximum Hour demands of these specific customers.

7. T&D – Pipeline to Gezon – The costs associated with the operation and maintenance of the major transmission pipelines are allocated proportionally to all system customers to meet the Base and Maximum Day system demands.
8. T&D – Pipeline Meters – The cost associated with the operation and maintenance of pipeline meters is allocated proportionally to all system customers on the basis of the number of meters dedicated to metering the water usage of each customer.
9. Trans & Dist-Meters – These expenses are allocated to the Wyoming retail customers only.
10. Trans & Dist-Hydrants - These expenses are allocated to the Wyoming retail customers only.
11. Trans & Dist-Services – These expenses are allocated only to Distribution System Customers (Wyoming and Kentwood) to meet the Base demands of service for these customers.
12. Customer Accounting – These costs apply to the Common to All Customers category but are allocated to wholesale customers only to the extent of the cost incurred to generate invoices for wholesale billing purposes.

Table 5

Operating and Maintenance Cost Allocation

Total Cost of Service	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Administration	\$ 1,528,470	\$ 412,828	\$ 524,159	\$ 1,314	\$ -	\$ 87,010	\$ 28,954	\$ 36,974	\$ 13,186	\$ 311,461	\$ 67,170	\$ 24,727	\$ 9,243	\$ 11,443
Pumping & Treatment	\$ 6,285,470	2,780,194	3,505,276	-	-	-	-	-	-	-	-	-	-	-
T&D Storage - E of Gezon	\$ 18,470	-	-	-	-	-	-	-	-	-	13,500	4,970	-	-
T&D-Gezon Station	\$ 544,300	-	-	-	-	-	199,201	254,382	90,717	-	-	-	-	-
T&D-Storage/W of Gezon	\$ 34,260	-	25,217	9,043	-	-	-	-	-	-	-	-	-	-
Trans & Dist-Mains	\$ 990,900	-	-	-	-	-	-	-	-	377,119	448,631	165,150	-	-
T&D-Pipeline to Gezon	\$ 135,770	60,054	75,716	-	-	-	-	-	-	-	-	-	-	-
T&D - Pipeline Meters	\$ 78,730	-	-	-	-	-	-	-	-	-	-	-	-	78,730
Trans & Dist-Meters	\$ 774,640	-	-	-	-	-	-	-	-	774,640	-	-	-	-
Trans & Dist-Hydrants	\$ 63,590	-	-	-	-	-	-	-	-	-	-	-	63,590	-
Trans & Dist-Services	\$ 991,090	-	-	-	-	-	-	-	-	991,090	-	-	-	-
Customer Accounting	\$ 598,630	-	-	-	-	598,630	-	-	-	-	-	-	-	-
Totals O&M Expenses	\$12,044,320	\$3,253,076	\$4,130,368	\$ 10,358	\$ -	\$685,640	\$ 228,155	\$ 291,356	\$ 103,902	\$2,454,310	\$529,302	\$194,846	\$ 72,833	\$ 90,173
Less: Other Operating	\$ (686,640)	\$ (185,456)	\$ (235,470)	\$ (590)	\$ -	\$ (39,088)	\$ (13,007)	\$ (16,610)	\$ (5,923)	\$ (139,919)	\$ (30,175)	\$ (11,108)	\$ (4,152)	\$ (5,141)
Less: Interest Income	\$ (50,000)	\$ (13,505)	\$ (17,147)	\$ (43)	\$ -	\$ (2,846)	\$ (947)	\$ (1,210)	\$ (431)	\$ (10,189)	\$ (2,197)	\$ (809)	\$ (302)	\$ (374)
Less: Misc. Income	\$ (30,000)	\$ (8,103)	\$ (10,288)	\$ (26)	\$ -	\$ (1,708)	\$ (568)	\$ (726)	\$ (259)	\$ (6,113)	\$ (1,318)	\$ (485)	\$ (181)	\$ (225)
Net O&M Expenses	\$11,277,680	\$3,046,012	\$3,867,464	\$ 9,699	\$ -	\$641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$2,298,090	\$495,611	\$182,444	\$ 68,197	\$ 84,434

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour		
Administration	27.01%	34.29%	0.09%		5.69%	1.89%	2.42%	0.86%	20.38%	4.39%	1.62%	0.60%	0.75%
Pumping & Treatment	44.23%	55.77%											
T&D Storage - E of Gezon										73.09%	26.91%		
T&D-Gezon Station						36.60%	46.74%	16.67%					
T&D-Storage/W of Gezon		73.60%	26.40%										
Trans & Dist-Mains									38.06%	45.28%	16.67%		
T&D-Pipeline to Gezon	44.23%	55.77%											
T&D - Pipeline Meters													100.00%
Trans & Dist-Meters									100.00%				
Trans & Dist-Hydrants												100.00%	
Trans & Dist-Services													
Customer Accounting					100.00%								

EXAMPLES: (Refer to Table 2 – “Current Usage Units of Service for Operating and Maintenance Costs” for Customer Usage Data)

Administration costs are allocated across all categories proportionally related to other costs:

Example --- Base Capacity allocation = Total of all Base costs excluding Administration / Net O&M costs excluding total Administration = 27.01%

Pumping & Treatment costs are allocated to Base and Max. Day proportionally related to current units used by all customers:

Example --- Base Capacity allocation = Total Units for Average Day / Total Units for Maximum Day = 44.23%

T&D-Storage - E of Gezon costs are allocated to Maximum Day and Maximum Hour proportionally for Distribution System Customers only (Wyoming and Kentwood):

Example --- Max. Day allocation = Wyoming + Kentwood Max. Day Extra Capacity Units / Wyoming + Kentwood Max. Day Extra Capacity + Max. Hour Extra Capacity Units = 73.17%

T&D-Gezon Station costs are allocated to Base, Max. Day and Max. Hour proportionally for all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 36.74%

T&D Storage/W of Gezon costs are allocated to Max. Day and Max. Hour proportionally for all customers:

Example --- Base Capacity allocation = Total Units for Max. Day Extra Capacity / Total Max. Day Extra Capacity + Total Units for Max. Hour Extra Capacity = 73.60%

Trans & Dist-Mains costs are allocated to Base, Max. Day and Max. Hour proportionally for Distribution System customers only (Wyoming and Kentwood):

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 37.88%

The capital costs of depreciation and plant investment (rate base) are allocated similarly for each asset category listed as a line item in Tables 6 and 7 below. These allocations are derived using the same customer classifications as described above for O & M costs. However, it is important to note that Contract Units of Service from Table 4 above are used for proportioning the costs to the subcategories of Base, Maximum Day and Maximum Hour.

A brief description of the asset categories follows:

1. Assets West of Gezon – These assets are utilized by all customers and include assets such as the treatment plant, low service and the major transmission mains that are devoted to meeting Base and Maximum Day system demands.
2. Assets at Gezon – These assets are utilized by all customers except Ottawa County and Grandville and are devoted to meeting the Base, Maximum Day and Maximum Hour demands of these customers.
3. Transmission and Distribution – These assets are only used by the Distribution System Customers of Wyoming and Kentwood and are dedicated to meeting Base, Maximum Day and Maximum Hour demands of these customers.
4. Meter and Services – These assets are used by all system customers but costs are allocated to wholesale customers only to the extent of generating invoices for wholesale billing purposes.
5. Hydrants – These assets are utilized only by Wyoming retail customers.
6. General Plant – These assets are used to support general system functions at various locations within the transmission and distribution system.

Table 6

Depreciation Expense Allocation

Total Depreciation	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	\$ 4,371,333	\$ 1,933,873	\$ 2,437,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assets at Gezon	\$ 716,824	-	-	-	-	266,352	331,001	119,471	-	-	-	-	-	-
Transmission & Distribution	\$ 103,766	-	-	-	-	-	-	-	39,911	46,560	17,294	-	-	-
Meters & Services	\$ 83,165	-	-	83,165	-	-	-	-	-	-	-	-	-	-
Hydrants	\$ 11,059	-	-	-	-	-	-	-	-	-	-	11,059	-	-
General Plant	\$ 68,723	-	-	6,248	-	20,009	24,866	8,975	2,998	3,498	1,299	831	-	-
Total Plant Investment	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	44.24%	55.76%												
Assets at Gezon						37.16%	46.18%	16.67%						
Transmission & Distribution									38.46%	44.87%	16.67%			
Meters & Services				100.00%										
Hydrants													100.00%	
General Plant				9.09%		29.12%	36.18%	13.06%	4.36%	5.09%	1.89%		1.21%	

EXAMPLES: (Refer to Table 4 "Contract Units of Service for Capital Costs" for customer contracted allocations)

Assets West of Gezon expense is allocated proportionally to Base and Max. Day:

Example --- Base Capacity allocation = Total Units for Average / Maximum Day Total Usage = 44.24%

Assets at Gezon expense is allocated to Base, Max. Day and Max.Hour proportionally related to contract units of all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 37.16%

Transmission & Distribution expense is allocated proportionally to Base, Max. Day and Max. Hour to Distribution System Customers only:

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 38.46%

General Plant expense is allocated across applicable categories proportionally related to other costs exclusive of Assets West of Gezon:

Example --- Meters allocation = Total of all Meters expense category excluding General Plant Meters and Assets West of Gezon / Total Plant Investment expense excluding Meters and Assets West of Gezon = 9.09%

Table 7



Plant Investment Allocation

Total Plant Investment	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	\$ 100,627,946	\$ 44,517,702	\$ 56,110,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assets at Gezon	\$ 21,340,748	-	-	-	-	7,929,643	9,854,314	3,556,791	-	-	-	-	-	-
Transmission & Dist.	\$ 2,427,114	-	-	-	-	-	-	-	933,537	1,089,059	404,519	-	-	-
Meters & Services	\$ 772,448	-	-	772,448	-	-	-	-	-	-	-	-	-	-
Hydrants	\$ 568,438	-	-	-	-	-	-	-	-	-	-	568,438	-	-
General Plant	\$ 159,367	-	-	4,903	-	50,330	62,546	22,575	5,925	6,912	2,568	3,608	-	-
Plant in Service Total	\$ 125,896,062	\$ 44,517,702	\$ 56,110,245	\$ -	\$ 777,351	\$ -	\$ 7,979,973	\$ 9,916,860	\$ 3,579,367	\$ 939,462	\$ 1,095,971	\$ 407,087	\$ 572,046	\$ -
Working Cap. & Inv.	\$ 2,075,736	\$ 560,640	\$ 711,834	\$ 1,785	\$ -	\$ 118,164	\$ 39,321	\$ 50,213	\$ 17,907	\$ 422,980	\$ 91,221	\$ 33,580	\$ 12,552	\$ 15,541
Total Plant Investment	\$ 127,971,798	\$ 45,078,342	\$ 56,822,078	\$ 1,785	\$ 777,351	\$ 118,164	\$ 8,019,294	\$ 9,967,073	\$ 3,597,273	\$ 1,362,441	\$ 1,187,192	\$ 440,667	\$ 584,598	\$ 15,541

	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	44.24%	55.76%												
Assets at Gezon						37.16%	46.18%	16.67%						
Transmission & Distribution									38.46%	44.87%	16.67%			
Meters & Services				100.00%										
Hydrants													100.00%	
General Plant				3.08%		31.58%	39.25%	14.17%	3.72%	4.34%	1.61%	2.26%		

EXAMPLES: (Refer to Table 4 "Contract Units of Service for Capital Costs" for customer contracted allocations)

Assets West of Gezon expense is allocated proportionally to Base and Max. Day:

Example --- Base Capacity allocation = Total Units for Average / Maximum Day Total Usage = 44.24%

Assets at Gezon expense is allocated to Base, Max. Day and Max.Hour proportionally related to contract units of all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 37.16%

Transmission & Distribution expense is allocated proportionally to Base, Max. Day and Max. Hour to Distribution System Customers only:

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 38.46%

General Plant expense is allocated across applicable categories proportionally related to other costs exclusive of Assets West of Gezon:

Example --- Meters allocation = Total of all Meters expense category excluding General Plant Meters and Assets West of Gezon / Total Plant Investment expense excluding Meters and Assets West of Gezon = 3.08%

Unit Costs

The unit costs for O&M, depreciation and plant investment are presented in Table 9. The unit costs for O&M are calculated by dividing each of the allocated costs in Table 5 by the appropriate units in Table 2 (Current Usage Units). The unit costs for depreciation expense and plant investment are calculated by dividing each of the allocated costs in Tables 6 and 7 by the appropriate units in Table 4 (Contract Units).

For plant investment the unit costs are further multiplied by the rate of return to apply to the units used by each respective customer. For the wholesale customers, the rate of return is based on the City's weighted average cost of capital. This amount is determined by taking the weighted average interest rate of the City's outstanding debt of the water system and the City's equity position, which is assigned an interest rate of the Bond Buyer 25 Bond-Revenue Bond Index plus 2.0%. A summary of these calculations is shown in Table 8. Once the amount of costs recovered from the wholesale customers from plant investment is determined, the rate of return for Wyoming retail customers can be calculated. In this example, the calculation of the rate of return for the Wyoming retail customers is -3.97%, but this percentage will vary based on capital requirements for each year, debt service requirements, and other factors.

The operation and maintenance cost, depreciation costs, and return on rate base for each customer class (each wholesale customer and Wyoming retail customers) is then determined by multiplying the respective unit costs in Table 9 by the units of service for each customer class as shown in Tables 2 and 4. This determination results in the presentation of O&M costs, depreciation costs and return on rate base by customer class as shown in Table 10 through 12. The summation of the costs presented in Tables 10 through 12 for each wholesale customer and Wyoming retail customers is then presented in Table 13 as total costs by customer class.

Table 8



Rate of Return Calculation

Total Plant Investment	\$ 127,971,798
Outstanding Debt	\$ 51,748,207
Average Interest Rate	4.28%
Equity	\$ 76,223,591
Bond Buyer Revenue Bond Index	5.00%
Return on Equity	7.00%
Weighted Average Cost of Capital	<hr/> 5.90%

Table 9



Unit Costs

Total Cost of Service	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Net Operating & Maintenance Cost														
Units of Service	11,525	40	14	29,670	90,060	6,026	21	8	3,611	12	4	29,670	18	
Expenses	\$ 11,277,680	\$ 3,046,012	\$ 3,867,464	\$ 9,699	\$ -	\$ 641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$ 2,298,090	\$ 495,611	\$ 182,444	\$ 68,197	\$ 84,434
Unit Cost	\$ 264.30	\$ 97,147.37	\$ 679.31	\$ -	\$ 7.13	\$ 35.45	\$ 12,939.92	\$ 12,939.92	\$ 636.43	\$ 41,849.63	\$ 41,968.95	\$ 2.30	\$ 4,690.76	
Depreciation Expense														
Units of Service	19,377	67	24	29,670	90,060	9,911	34	12	6,674	22	8	29,670	18	
Expense	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -
Unit Cost	\$ 99.80	\$ 36,427.78	\$ -	\$ 3.01	\$ -	\$ 28.89	\$ 10,545.61	\$ 10,545.61	\$ 6.43	\$ 2,298.88	\$ 2,320.77	\$ 0.40	\$ -	
Wholesale Customer Units	4,636	17	6	-	48	3,541	13	5	303	1	0	-	6	
Total Wholesale Depreciation	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -	
Plant Investment														
Units of Service	19,377	67	24	29,670	90,060	9,911	34	12	6,674	22	8	29,670	18	
Expense	\$ 127,971,798	\$ 45,078,342	\$ 56,822,078	\$ 1,785	\$ 777,351	\$ 118,164	\$ 8,019,294	\$ 9,967,073	\$ 3,597,273	\$ 1,362,441	\$ 1,187,192	\$ 440,667	\$ 584,598	\$ 15,541
Unit Cost	2,326.37	849,204.56	74.38	26.20	1.31	809.10	295,360.45	295,342.63	204.15	54,520.97	55,002.21	19.70	863.37	
Wholesale Customer Return Rate	\$ 137.26	\$ 50,103.99	\$ 4.39	\$ 1.55	\$ 0.08	\$ 47.74	\$ 17,426.59	\$ 17,425.54	\$ 12.05	\$ 3,216.80	\$ 3,245.19	\$ 1.16	\$ 50.94	
Wholesale Customer Units	4,636	17	6	-	48	3,541	13	5	303	1	0	-	6	
Total Wholesale Customer Return	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ 306	
Wyoming Customer Return Rate	\$ (92.38)	\$ (33,723.23)	\$ (2.95)	\$ (1.04)	\$ (0.05)	\$ (32.13)	\$ (11,729.22)	\$ (11,728.51)	\$ (8.11)	\$ (2,165.11)	\$ (2,184.22)	\$ (0.78)	\$ (34.29)	
Wyoming Customer Units	6,371	21	8	29,670	90,000	6,371	21	8	6,371	21	8	29,670	-	
Total Wyoming Return	\$ (2,007,939)	(588,569.68)	(706,348.28)	(22.68)	(30,869.80)	(4,689.36)	(204,700.51)	(245,673.84)	(90,074.97)	(51,650.07)	(45,349.25)	(16,774.83)	(23,215.29)	
Wholesale Customer Rate of Return	5.90%													
Wyoming Rate of Return	-3.97%													
Total System Rate of Return	-0.02%													

Table 10



Operation and Maintenance Cost by Customer Class

	Common to All Customers					All Except Ottawa County and Grandvil			Distribution System Customers			Fire Protection	Pipeline Meters	
	Total	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day			Max. Hour
Ottawa County	\$ 2,891,193	\$ 1,251,178	\$ 1,574,985	\$ 3,965	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,980
Georgetown Township	\$ 38,760	\$ 12,951	\$ 16,302	\$ 41	\$ -	\$ 86	\$ 1,737	\$ 2,171	\$ 782	\$ -	\$ -	\$ -	\$ -	\$ 4,691
City of Kentwood	\$ 771,702	\$ 235,224	\$ 272,412	\$ 712	\$ -	\$ 86	\$ 31,552	\$ 36,285	\$ 13,567	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 9,382
Byron-Gaines Townships	\$ 1,305,146	\$ 445,867	\$ 673,511	\$ 1,570	\$ -	\$ 86	\$ 59,807	\$ 89,711	\$ 29,904	\$ -	\$ -	\$ -	\$ -	\$ 4,691
City of Grandville	\$ 451,922	\$ 202,186	\$ 244,332	\$ 626	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,691
Other Wholesale Customers	\$ 2,567,530	\$ 896,228	\$ 1,206,557	\$ 2,950	\$ -	\$ 342	\$ 93,097	\$ 128,167	\$ 44,253	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 23,454
Total Wholesale	\$ 5,458,723	\$ 2,147,406	\$ 2,781,542	\$ 6,914	\$ -	\$ 428	\$ 93,097	\$ 128,167	\$ 44,253	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 84,434
Wyoming Retail	\$ 5,818,957	\$ 898,607	\$ 1,085,921	\$ 2,784	\$ -	\$ 641,571	\$ 120,536	\$ 144,644	\$ 53,036	\$ 2,163,848	\$ 467,799	\$ 172,015	\$ 68,197	\$ -
Totals	\$ 11,277,680	\$ 3,046,012	\$ 3,867,464	\$ 9,699	\$ -	\$ 641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$ 2,298,090	\$ 495,611	\$ 182,444	\$ 68,197	\$ 84,434

Table 11



Depreciation Cost by Customer Class

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Total	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day			Max. Hour
Ottawa County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Georgetown Township	\$ 24,541	\$ 7,286	\$ 10,928	\$ -	\$ -	\$ -	\$ 2,109	\$ 3,164	\$ 1,055	\$ -	\$ -	\$ -	\$ -	\$ -
City of Kentwood	\$ 348,201	\$ 127,497	\$ 127,497	\$ -	\$ -	\$ -	\$ 36,910	\$ 36,910	\$ 14,764	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Byron-Gaines Townships	\$ 736,238	\$ 218,567	\$ 327,850	\$ -	\$ -	\$ -	\$ 63,274	\$ 94,911	\$ 31,637	\$ -	\$ -	\$ -	\$ -	\$ -
City of Grandville	\$ 273,208	\$ 109,283	\$ 163,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Wholesale Customers	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Total Wholesale	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Wyoming Retail	\$ 3,972,681	\$ 1,471,241	\$ 1,807,259	\$ -	\$ 89,412	\$ -	\$ 184,069	\$ 220,883	\$ 80,990	\$ 40,963	\$ 48,151	\$ 17,824	\$ 11,889	\$ -
Totals	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -

Table 12

Return on Rate Base by Customer Class

Total	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Ottawa County	\$ -													
Georgetown Township	\$ 35,610	\$ 10,020	\$ 15,031	\$ 0	\$ -	\$ 1	\$ 3,485	\$ 5,228	\$ 1,743	\$ -	\$ -	\$ -	\$ -	\$ 102
City of Kentwood	\$ 504,586	\$ 175,348	\$ 175,364	\$ 6	\$ -	\$ 1	\$ 60,985	\$ 60,993	\$ 24,396	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 102
Byron-Gaines Townships	\$ 1,065,259	\$ 300,596	\$ 450,936	\$ 13	\$ -	\$ 1	\$ 104,545	\$ 156,839	\$ 52,277	\$ -	\$ -	\$ -	\$ -	\$ 51
City of Grandville	\$ 375,825	\$ 150,298	\$ 225,468	\$ 7	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51
Other Wholesale Customers	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Total Wholesale	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Wyoming Retail	\$ (2,007,939)	\$ (588,570)	\$ (706,348)	\$ (23)	\$ (30,870)	\$ (4,689)	\$ (204,701)	\$ (245,674)	\$ (90,075)	\$ (51,650)	\$ (45,349)	\$ (16,775)	\$ (23,215)	\$ -
Totals	\$ (26,659)	\$ 47,693	\$ 160,451	\$ 4	\$ (30,870)	\$ (4,686)	\$ (35,685)	\$ (22,614)	\$ (11,660)	\$ (48,003)	\$ (42,681)	\$ (15,698)	\$ (23,215)	\$ 306

Table 13

Total Costs by Customer Class

Total Cost of Service	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Ottawa County	\$ 2,891,193	\$ 1,251,178	\$ 1,574,985	\$ 3,965	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,980
Georgetown Township	\$ 98,911	\$ 30,256	\$ 42,262	\$ 41	\$ -	\$ 86	\$ 7,331	\$ 10,563	\$ 3,579	\$ -	\$ -	\$ -	\$ -	\$ 4,793
City of Kentwood	\$ 1,624,489	\$ 538,069	\$ 575,273	\$ 718	\$ -	\$ 86	\$ 129,447	\$ 134,188	\$ 52,727	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 9,483
Byron-Gaines Townships	\$ 3,106,642	\$ 965,031	\$ 1,452,297	\$ 1,583	\$ -	\$ 86	\$ 227,626	\$ 341,461	\$ 113,817	\$ -	\$ -	\$ -	\$ -	\$ 4,742
City of Grandville	\$ 1,100,954	\$ 461,768	\$ 633,725	\$ 633	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,742
Other Wholesale Customers	\$ 5,930,997	\$ 1,995,123	\$ 2,703,557	\$ 2,976	\$ -	\$ 346	\$ 364,404	\$ 486,211	\$ 170,123	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 23,759
Total Wholesale	\$ 8,822,190	\$ 3,246,301	\$ 4,278,542	\$ 6,941	\$ -	\$ 431	\$ 364,404	\$ 486,211	\$ 170,123	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 84,739
Wyoming Retail	\$ 7,783,700	\$ 1,781,278	\$ 2,186,832	\$ 2,762	\$ 58,542	\$ 636,881	\$ 99,905	\$ 119,852	\$ 43,951	\$ 2,153,161	\$ 470,601	\$ 173,064	\$ 56,871	\$ -
Totals	\$ 16,605,890	\$ 5,027,578	\$ 6,465,374	\$ 9,702	\$ 58,542	\$ 637,313	\$ 464,309	\$ 606,064	\$ 214,074	\$ 2,292,996	\$ 502,988	\$ 185,340	\$ 56,871	\$ 84,739

Wholesale Rates

For the wholesale customers, the operating and maintenance costs are recovered through a volume charge for actual usage while the capital charges (depreciation and plant investment) are recovered through fixed monthly charges based on each customer's current contract capacity. The monthly capital charge and per MG volume charge that this results in is presented in Table 14.

Table 14



Wholesale Rate Calculations

	Total Costs		Usage (in MG)	Rates		
	Capital Costs	O&M Costs		Monthly Capital	Volume (per MG)	Total (per MG)
Georgetown Township	\$ 60,151	\$ 38,760	49	\$ 5,013	\$ 791.03	\$ 2,018.60
City of Kentwood	\$ 852,788	\$ 771,702	890	\$ 71,066	\$ 867.09	\$ 1,825.27
Byron-Gaines Townships	\$ 1,801,496	\$ 1,305,146	1,687	\$ 150,125	\$ 773.65	\$ 1,841.52
City of Grandville	\$ 649,033	\$ 451,922	765	\$ 54,086	\$ 590.75	\$ 1,439.16

* Assumes projected usage as presented in the Table above

Annual True-Up

The calculations in this exhibit will be repeated after the close of each fiscal year using audited O&M expenses, depreciation, and plant investment information as well as current units and contract units, which will determine the actual total cost of service for each wholesale customer. The sum of the revenues collected during the period will be compared to the actual cost, if the City has over-collected from a wholesale customer, a credit will be issued on the customer's next billing for the full amount over-collected, and if the City has under-collected from the wholesale customer, a charge will be placed on the customer's next bill for the full amount.

RESOLUTION: _____

A RESOLUTION TO APPROVE AND ADOPT THE 2011 WATER SUPPLY AGREEMENT
BETWEEN THE CITY OF WYOMING AND BYRON TOWNSHIP AND THE CHARTER
TOWNSHIP OF GAINES

WHEREAS, the attached City of Wyoming-Byron/Gaines Townships Water Supply Agreement has been negotiated between representatives of the City and of each Township; and

WHEREAS, the representatives for the City of Wyoming unanimously recommend that said Agreement be approved and adopted by the City Council of the City of Wyoming; and

WHEREAS, the Township Board of the Township of Byron has approved, adopted, and executed said Agreement for and on behalf of Byron Township, and the Township Board of the Charter Township of Gaines has approved, adopted and executed said Agreement for and on behalf of the Charter Township of Gaines; and

WHEREAS, the City Council of the City of Wyoming is of the opinion that it is in the best interests of the City and of its residents and citizens to approve, adopt, and execute said Agreement, now therefore,

BE IT RESOLVED, that the City Council of the City of Wyoming does approve and adopt the City of Wyoming-Byron/Gaines Townships Water Supply Agreement between the City of Wyoming and the Townships of Byron and Gaines and approved, adopted, and executed by the Township of Byron, and by the Charter Township of Gaines; and

BE IT FURTHER RESOLVED, that the Mayor and the City Clerk be, and they hereby are, authorized to execute said City of Wyoming-Byron/Gaines Townships Water Supply Agreement for and on behalf of the City of Wyoming.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Resolution No. _____

2011 WATER SUPPLY AGREEMENT

between

THE CITY OF WYOMING

and

BYRON TOWNSHIP

and the

CHARTER TOWNSHIP OF GAINES

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(b) Townships' Service Area	2
(c) Prohibitions on Sale and Purchase of Water	2
(d) City of Kentwood	2
(e) Act 425 Conditional Land Transfer Contracts	2
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(c) Amendment to Agreement	3
5. Limitation on Maximum Amount of Water to be Supplied by Wyoming	3
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2011 WATER SUPPLY AGREEMENT

This Water Supply Agreement, (“this Agreement”) dated this ___ day of _____, 2011, between the City of Wyoming, a Michigan municipal corporation (“Wyoming”), and the Township of Byron, a Michigan municipal corporation, and the Charter Township of Gaines, a Michigan municipal corporation (collectively the “Townships”), is as follows:

Background Recitals

Byron Township and the Charter Township of Gaines jointly own a municipal water distribution system and contract with the Byron-Gaines Utility Authority for the operation and maintenance of their municipal water distribution system. Wyoming has a water treatment and supply system that provides the Townships with Lake Michigan treated water. On September 9, 1974, the Townships and Wyoming entered into a Water Supply Agreement. On September 5, 1989, Wyoming and the Townships entered into a Restated Water Supply Agreement. Wyoming is expanding its water treatment system to increase the system’s ability and reliability to provide for the present and future needs of the Townships and Wyoming’s other water customers, both wholesale and retail, and to ensure compliance with United States Environmental Protection Agency and Michigan Department of Environmental Quality (MDEQ), or any successor agency, updated drinking water standards. As a result, Wyoming and the Townships now desire that the 1989 Restated Water Supply Agreement be re-titled and amended and restated a second time to incorporate various modifications to the Agreement to be effective _____, 2011. Accordingly, in consideration of the mutual promises and undertakings of the parties hereto, the parties mutually agree that the 1989 Restated Water Supply Agreement shall be re-titled the 2011 Water Supply Agreement and be amended and restated a second time to read in its entirety as follows:

1. The Wyoming System. Wyoming owns and operates a water supply system, (the “Wyoming System”) which generally consists of intake facilities in Lake Michigan, pumping and re-pumping facilities, the Donald K. Shine Water Treatment Plant, finished water storage at the Donald K. Shine Water Treatment Plant and at the Gezon Pumping Station, transmission pipelines extending from the Donald K. Shine Water Treatment Plant in Ottawa County to the Gezon Pumping Station in Wyoming, and transmission lines extending through Wyoming to the north boundary of Byron Township. Wyoming is presently making additions and improvements to and is expanding said system in order to improve the operation of the system and to increase its capacity to deliver water to its customers.

2. Sale and Purchase of Water; Townships' Service Area; Prohibitions on Sale and Purchase of Water; City of Kentwood; Act 425 Conditional Land Transfer Contracts.

(a) Sale and Purchase of Water. Wyoming shall sell and deliver to the Townships and the Townships shall purchase and receive from Wyoming, for the Townships' Service Area such quantity of Lake Michigan water from the Wyoming System treated by the Wyoming System to comply with applicable drinking water standards subject to the limitations as specified in paragraph 5 below.

(b) Townships' Service Area. The Townships' Service Area is defined as the entire Townships of Byron and Gaines, more specifically described as bounded by 60th Street on the north, 108th Street on the south, Patterson Avenue on the east, and Kenowa Avenue on the west, as shown in Exhibit A, attached to and made a part hereof.

(c) Prohibitions on Sale and Purchase of Water. Neither Township shall sell nor deliver outside the Townships' Service Area any water purchased from Wyoming except as provided in paragraph 15 for emergency interconnections or paragraph 23 of this Agreement, Wyoming shall not sell water directly to any public corporation, to any private customer, or to any other party in either Township or as may be mutually agreed upon in writing by the parties. The Townships shall not purchase or provide water from any other source except for emergency purposes as provided in paragraph 15 and except as may be otherwise mutually agreed upon in writing by the City and the Townships.

(d) City of Kentwood. Wyoming and the Townships acknowledge that a portion of the water provided by Wyoming to the City of Kentwood under a separate Water Supply Agreement is provided through the Townships' system.

(e) Act 425 Conditional Land Transfer Contracts. Any portion of the Township's Service Area which is the subject of a Conditional Land Transfer Contract between Wyoming and one of the Townships shall be considered to be a part of the City of Wyoming pursuant to said Contract and shall not be considered to be a part of the Townships' Service Area, without the necessity of amending this Agreement. The costs to serve such area(s) shall not be included in the costs allocated to the Townships in determining water rates under paragraph 8. Further the flows from an area considered to be part of the City of Wyoming shall be excluded from the flow limitations and capacity allocations of the Townships. These flows shall also be excluded for the purposes of determining rates and other cost allocations of the Townships' System

3. Current Connections to the Wyoming System. Each Township has previously connected to the Wyoming System at those connection points shown in Exhibit A. Those connections and all future connections unless otherwise agreed by the parties, shall be maintained and continued during the term of this Agreement

4. Future Connections to the Wyoming System. Wyoming will permit further connections to the Wyoming System by the Townships within the Townships' Service Area only when all of the following conditions have been met:

(a) Plan Preparation and Acceptance. The connection is in accordance with the involved Township's long-range water system plan, which plan has been prepared or reviewed by a professional engineer and accepted (i) by the involved Township's legislative body, (ii) by the appropriate state regulatory agency, and (iii) by Wyoming, such acceptance by Wyoming not to be withheld or delayed unreasonably;

(b) Connection Expense. The connection is made at the expense of the involved Township; and

(c) Amendment to Agreement. Wyoming and the Townships have negotiated and signed an amendment to this Agreement to cover any changes required as a result of such connection.

5. Limitation on Maximum Amount of Water to be Supplied by Wyoming.

(a) Maximum Water Limitation. The maximum hourly withdrawal rate shall be determined on the basis of the Townships' actual average day demand (ADD) for the preceding three (3) fiscal years (July 1 through June 30). Prior to December 1 of each year, the Townships and Wyoming shall meet and agree on such actual average ADD, which shall then be used to calculate the maximum hourly withdrawal rate for the next fiscal year (July 1 through June 30). The ADD shall be multiplied by four (4) and the product shall be divided by 24 hours to produce the maximum hourly withdrawal rate, which rate shall represent the only limit on water available for purchase by the Townships from Wyoming for the ensuing fiscal year. Any water transmitted to the City of Kentwood shall not be included in this limitation.

(b) Temporary Withdrawal Over Maximum. Wyoming may permit a temporary excess maximum hourly withdrawal rate above the Townships' maximum hourly withdrawal rate determined under subparagraph 5(a) above; however, such temporary excess maximum withdrawal rate shall not give the Township a permanent right to purchase water in excess of the maximum hourly withdrawal rate determined pursuant to subparagraph 5(a) above. Wyoming shall have the right at any time to rescind its permission for such temporary excess hourly withdrawal rate back to the maximum hourly withdrawal rate for that fiscal year as determined under subparagraph 5(a) above. Wyoming shall give the Townships' operating employees prior notice of such rescission in a prompt and reasonable manner consistent with operational requirements.

(c) Township Storage and Pumping Facilities. The Townships shall construct or install and maintain such storage and pumping facilities as may be reasonably necessary from time to time to meet their pressure and maximum withdrawal rate requirements.

(d) Water Conservation Program. If Wyoming adopts or is required to adopt a water conservation program in future years, the parties agree that the limits set forth in this paragraph 5 and other relevant paragraphs of this Agreement will be renegotiated in good faith to cooperatively implement such program. This may include a reduction in maximum withdrawal rates, a different rate structure to encourage water conservation, and/or other actions to promote and encourage water conservation.

6. Annual Water Use Projection and Annual Meeting.

(a) Annual Five-Year Projection of Water Use. Prior to December 1 of each year, the Townships shall submit to Wyoming a five-year projection of water use.

(b) Annual Meeting. Prior to December 1 of each year the City and the Townships shall meet and confer regarding water use projections, operational issues, system maps, expansion and improvement projects, and any other matters relevant to the operation of the Wyoming System or this Agreement.

7. Future Expansion.

(a) Prior to Reaching 80 % of Rated Capacity. If either of the Townships or any other existing or proposed customer community requests Wyoming to expand and improve the Wyoming System before the Wyoming System reaches eighty per cent (80%) of its MDEQ rated capacity, Wyoming shall not proceed with the requested expansion and improvement until Wyoming has negotiated an agreement with all affected customer communities that fully provides for (1) payment of the cost of the expansion and improvement, and (2) allocation of the additional capacity in the Wyoming System to be provided by the expansion and improvement.

(b) Upon Reaching 80 % of Rated Capacity. At such time as the Wyoming System reaches eighty percent (80%) of its MDEQ rated capacity, Wyoming shall develop plans, specifications and estimates of cost for the expansion and/or improvement of the Wyoming System necessary and appropriate to meet the then anticipated future needs of Wyoming and its customer communities. Prior to securing financing and commencing construction of the proposed expansion and improvement, Wyoming shall notify the Townships in writing of (1) Wyoming's intent to expand and improve the Wyoming System, (2) the estimated cost of the expansion and improvement, (3) the estimated impact of the proposed expansion and improvement on future wholesale water rates for the Townships, and (4) Wyoming's proposed allocation of the additional constructed capacity in the Wyoming System to Wyoming and each customer community

served, or proposed to be served as a result of the construction and improvement, by the Wyoming System. It is understood that the party or parties causing the need to expand or improve the Wyoming System shall bear the costs of such expansion or improvements, in accordance with the methodology as described in paragraph 8(a) below.

(c) Reallocation of Capacity. In connection with the request to expand or improve the Wyoming System before the Wyoming System reaches 80% of its MDEQ rated capacity in accordance with Subparagraph (a) or after the Wyoming System reaches 80% of its MDEQ rated capacity in accordance with Subparagraph (b), or at any other time, Wyoming and the Townships acknowledge and agree that the capacity in the System may be reallocated by mutual consent of Wyoming and its wholesale customer communities to reflect actual and projected water use that is inconsistent with the existing allocation of capacity in the System. It is understood that, with the exception of Ottawa County, capacity allocations are not purchased capacities and shall be used only for the calculation of the rates. If contract capacity allocations are revised by the mutual consent of Wyoming and an affected wholesale customer, the agreed upon revised contract capacity allocation shall then be used in the calculation of rates.

8. Water Rates.

(a) Rates. For water delivered to either Township under this Agreement, each Township shall pay monthly the wholesale rates established by Wyoming from time to time. As required by MCLA 123.141, the wholesale rates shall be established in accordance with the utility basis of rate-making methodology, a general example of which is described in Exhibit B, attached hereto and made a part hereof. (Note- Exhibit B is an example of the methodology only. The numbers in Exhibit B are subject to change and are not incorporated into this Agreement.) Wholesale water rates shall be based on revenue requirements and cost-of-service studies performed from time-to-time by Wyoming's rate consultant in accordance with the methodology set forth in Exhibit B. The revenue requirement and cost-of-service studies shall be conducted using the utility basis of rate-making and in accordance with the cost causative allocation methodology recommended by the AWWA and/or U.S. Environmental Protection Agency described in the then-current manual published by the American Water Works Association, currently entitled Principles of Water Rates, Fees, and Charges and designated as AWWA manual M1 to the extent consistent with the methodology set forth in Exhibit B and to the extent of inconsistencies the methodology in Exhibit B shall prevail. The rate consultant shall be instructed to develop wholesale rates which are fair and reasonable and shall include a reasonable rate of return to Wyoming on that portion of the Wyoming System allocated to serving the Townships. The rates shall reflect the flow limitations and capacity allocations in paragraphs 5, 6, and 7. Wyoming shall give sixty (60) days' notice of any change in the rates and the estimated amount of such change; such notice shall be in writing delivered in person or by mail to the Townships.

The methodology described in Exhibit B shall not be changed without an amendment to this Agreement approved by the City and the Townships.

(b) Bills. Bills for all water delivered pursuant to this Agreement shall be rendered monthly to the Townships in person or by mail and shall be payable on or before the due date shown thereon, which date shall be not less than thirty (30) days from the date of delivery to the Township. Proper bills not paid on or before the due date shall carry a service charge of one and one-half percent (1-1/2%) per month until paid.

(c) Master Meter Reading. Except as otherwise mutually agreed upon by the parties, all master meter readings shall be taken by Wyoming at the meter located at 5973 Burlingame Ave, and all such master meter recordings shall be open to inspection by the Townships at any time during regular business hours. In addition, a permanent log shall be maintained at each Township metering station showing all meter readings that have been taken at that metering station.

(d) Payment Adjustment. Should the annual audit as described in paragraph 9 determine that the Townships' rates were too high or too low for that fiscal year, upon the acceptance of the audit by the Wyoming City Council, Wyoming shall pay to the Townships or the Townships shall pay to Wyoming the amount of the overpayment or underpayment as determined by the audit. This payment shall be made within sixty (60) days of the acceptance of the audit. However, if mutually agreeable, a credit may be issued against payments due in the following fiscal year in the event of an overpayment.

9. Fiscal Year of Wyoming System; Annual Audit. The fiscal year of the Wyoming System shall begin on July 1 of each year and end on June 30 of the next following year. Wyoming will keep separate records relating to the cost of the acquisition, construction, financing and operation of the Wyoming System. Wyoming will have such records audited annually by a certified public accountant, and a copy of such audit shall be furnished to each Township. A reasonable portion of the expense of said audit shall be deemed an operating expense of the Wyoming System. For purposes of this paragraph, Wyoming's Comprehensive Annual Financial Report shall be considered the audit required by this paragraph.

10. Meters.

(a) Installation. All water supplied and delivered by Wyoming to the Townships shall be measured by meters already installed at various connection points between the Wyoming System and the Townships' water systems and as may hereafter be installed as provided in paragraph 4 of this Agreement. All such meters to be installed shall be at the expense of the respective Township and under the supervision and inspection of Wyoming or its authorized agents. The Townships shall furnish to Wyoming telemetering circuits and equipment to indicate, record and total the water flow

to the Townships' Service Area from the meter located at 5973 Burlingame Ave, all at the expense of the Townships.

(b) Maintenance and Repairs. Wyoming shall provide routine maintenance and repairs to the meters and telemetry, at the expense of the Townships. Emergency maintenance and repairs shall also be performed by Wyoming, at the expense of the Townships. Wyoming shall, as soon as practicable, notify the Townships of any emergency maintenance or repairs. Expenses charged to the Townships by Wyoming shall be based on actual reasonable expenses plus reasonable overhead.

(c) Accuracy. Wyoming shall be responsible for the accuracy of the meters and equipment and shall make all determinations with respect thereto. In the event any metering device or equipment is found to be inaccurate, Wyoming shall cause immediate replacement or repair thereof and shall notify the Townships of the nature and cost of such replacement or repair. Where metering devices or equipment are found to have been inaccurate, such adjustments in charges shall be made as may be indicated by all available information which will provide an equitable adjustment. Wyoming shall make available to the Townships all data pertinent to the computation of rates and charges, and any adjustments thereto, for water provided to the Townships.

(d) Accuracy Verification. Either Township may at its own expense have the master meter(s) checked and, if such inspection shows any error in measuring the amount of water delivered to that Township, an appropriate adjustment commensurate with the percentage of error shall be made in accordance with subparagraph 10(c) above for water used in the four (4) weeks prior to such check and until the error is corrected or until the meter is repaired.

(e) Replacement. In the event that any of the Townships' meter(s) and other related control equipment are required to be replaced, they shall be replaced at the expense of the Townships. The reasonable judgment of Wyoming as to the condition and accuracy of Townships' meters shall be binding upon the Townships. In making such reasonable judgment, however, Wyoming shall take into account industry standards, if any.

(f) Facilities. The cleanliness, repair, and maintenance of the buildings or structures within which the Townships' meter(s) and other related control equipment are housed, and the maintenance and repair of the access ways thereto (including snow-plowing), shall be the responsibility of and at the expense of the Townships.

11. Inspection.

(a) Inspection During Construction. Wyoming may periodically inspect during installation all water pipes, taps, service connections, fittings, meters, and other equipment which are installed or intended for use in either Township water distribution

system. The costs of such inspection shall be considered an expense of the Wyoming System.

(b) Review and Approval of Plans and Specifications. Wyoming shall review, before installation or construction, the plans and specifications for metering stations and transmission mains 16 inches in diameter or larger, controls, storage tanks, and pumping facilities included in the Townships' System. Wyoming shall, within thirty (30) days after receipt of such plans and specifications, notify the Townships in writing of its disapproval if such plans and specifications do not conform to the City of Wyoming Standard Construction Specifications uniformly applied to all wholesale customers of water from the Wyoming System. If such disapproval is not provided to the Townships within such thirty (30) days, the plans and specifications for such facilities will be deemed to have been approved. The costs of such review and approval shall be considered an expense of the Wyoming System.

(c) Annual Update of Distribution System Maps. Wyoming shall receive annually from each Township an updated map showing the current layout of its water distribution system. In addition, Wyoming shall have the right, at its option and at its request, to review detailed plans and specifications for any part of either Township's water distribution system. The costs of the review of plans and specifications shall be considered an expense of the Wyoming System.

12. Emergency Discontinuance. Wyoming and the Townships each hereby reserves to itself the right to temporarily discontinue the supply of water to any of the water mains or pipelines of the Townships, without notice in times of emergency or whenever Wyoming or either of the Townships shall, upon its determination and after giving the other's operating employees notice in a prompt and reasonable manner consistent with operational requirements, find it necessary for purposes of testing, repairing, or replacing water mains, meters, or other of its facilities serving that Township's water supply system. No claim for damages for such discontinuance shall be made against the other parties.

13. Protection against Contamination. For the protection of all consumers of water, Wyoming, and the Townships agree to take reasonable efforts to guard against all forms of contamination. Should contamination be detected at any time, the area or areas affected shall immediately be shut-off and isolated and remain so until such condition shall have been abated and the water has been declared again safe and fit for human consumption. The decision of Wyoming in this respect shall be final. Wyoming is hereby given the right, at any time deemed by it necessary, to inspect the water service equipment within the affected area, to review construction and chlorination and protective devices, and to do or have done any and all things necessary to protect the quality of the water supply. Any labor and/or equipment furnished by Wyoming required for such purpose shall be paid for by the Townships. Expenses charged to the Townships by Wyoming shall be based on actual reasonable expenses plus reasonable overhead.

Each Township shall have a written cross-connection inspection program and shall provide a copy of such program to Wyoming. The Townships may jointly administer their cross-connection program through the Byron-Gaines Utility Authority. In the event any party detects contamination, it shall promptly notify the other parties and the Byron Gaines Utility Authority.

14. Temporary Restriction on Use of Water. If, due to circumstances beyond the control of Wyoming, e.g., prolonged dry spells, the capacity of the Wyoming System becomes temporarily inadequate for short periods of time to meet the peak demands of all users of its water and if Wyoming is compelled to impose temporary restrictions on its own residents, e.g., a ban or limit on lawn sprinkling, then each Township shall, at the request of Wyoming, immediately impose and enforce like restrictions on its water users.

15. Water from Other Source. Wyoming and the Townships will not permit water from any other source or supply to mix or mingle with the supply from the Wyoming System, except when the Wyoming System is temporarily operating at capacity, or except upon prior written approval of the other party, or except in case of emergency, and then only such water shall be used as shall meet the requirements of the Michigan Department of Environmental Quality (or any successor agency) and in the minimum quantities necessary to relieve the emergency. Wyoming and the Townships jointly acknowledge the desirability of interconnections with other adjoining water systems, such as the City of Grand Rapids, City of Kentwood, and Caledonia Township water systems for emergency purposes. The existing emergency interconnections shown on Exhibit C attached hereto are hereby approved. No future interconnections shall be made by either Township except when mutually agreed upon in writing by Wyoming and the Township, such agreement not to be withheld or delayed unreasonably by either party. No interconnection shall be made to a non-municipal or private water system. The Townships shall not purchase water from another source except in emergency situations as described above.

16. Responsibility for Quality of Water within Township System. It shall be the responsibility of each Township to maintain the water quality and purity at any point beyond the meter points at which the Township receives water from the Wyoming System and within that Township's water system. Each Township assumes all liability for any and all damages of any kind, including, but not limited to, injury to property or persons which occur directly or indirectly as a result of impure or substandard water being introduced beyond such meter points within that Township's distribution system.

17. Operating Liability. Wyoming will attempt to provide and maintain regular and uninterrupted water service under this Agreement, but shall not be liable for any injuries or damages to the Townships, their water customers, or any other party caused by contamination, interruptions, main breaks, water damage, loss of supply or pressure, or any other cause. Wyoming and the Townships agree that the water facilities and service provided under this Agreement are a governmental function, as defined in Public Act No. 170 of 1964, as amended.

18. Term. This Agreement shall continue as long as the Wyoming System is operational, unless there is a maximum term imposed by law. In such case, this Agreement shall terminate at the end of such maximum term, provided, however, the parties may renew this Agreement for another such term by mutual agreement.

19. Review and Modification Procedure. This Agreement is one of a series of similar Water Supply Agreements between Wyoming and its wholesale water customers. At the request of Wyoming or of any one of its several wholesale water customers, a meeting of all parties shall be convened to review the terms of these Agreements, to discuss the need and timing for expansion and improvement of the Wyoming System, to review cost-reduction or cost-containment methods, and to consider other matters of concern to any of the parties. If as a result of changed circumstances it becomes necessary to modify this Agreement, the parties agree to negotiate in good-faith and with mutual fair-dealing any necessary modification of this Agreement.

20. Townships' Ordinances, Rules and Regulations. The Townships agree to adopt a plumbing code, cross-connection inspection program, and such other ordinances, rules, regulations and policies as are in effect from time to time in Wyoming for the construction, use, operation, repair, replacement, maintenance and inspection of the water system in the Townships. The codes, ordinances, rules, regulations and policies shall be at least as stringent as those in effect in the Wyoming. The Townships shall provide for the strict enforcement of such codes, ordinances, rules, regulations, and policies. Any amendments to such codes, ordinances, rules, regulations, or policies adopted by the Wyoming shall also be adopted by the Townships within ninety (90) days of receipt of notice of such amendments from Wyoming.

21. Maintenance, Operation, and Repair of Systems. The Townships and Wyoming shall each be responsible for and shall maintain, operate and repair their own facilities to adequately provide for the performance of this Agreement, unless otherwise agreed in writing, and except as provided in section 10 (b).

22. Other Services. Wyoming will perform such additional services for the Townships as may from time-to-time be agreed upon at a rate of compensation to be agreed upon.

23. Additional Areas of Service. The Townships' Service Area shall remain as described in paragraph 2. If the Townships desire additional areas to be served, those additional areas shall constitute additions to the Townships' Service Area and may be served by amendment to this Agreement under terms and conditions mutually agreed to between Wyoming and the Townships, provided, Wyoming shall be under no obligation to serve any such additional areas. A single residential, commercial or industrial establishment located on a parcel outside the Townships' Service Area which abuts a boundary line and can be served with a single one-inch (1) diameter lateral may be served under this Agreement without amendment so long as the limitations of flow in paragraph 5 are not exceeded.

24. Force Majeure. No failure or delay in performance of this Agreement by either party shall be deemed to be a breach thereof when such failure or delay is occasioned by or due to any Act of God, strikes, lockouts, wars, terrorism, riots, epidemics, explosions, sabotage, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority, or any other cause, not within the control of the party claiming suspension; provided that no cause or contingency shall relieve the Townships of their obligation to make payment for water provided to the Townships by Wyoming.

25. Assignment. No party to this Agreement shall, without the prior written consent of the other parties, assign, transfer, or convey its interest or any part thereof under this Agreement to any other entity, private or public, except that Wyoming and the Townships shall retain the right to assign all of their rights, obligations, and liabilities under this Agreement to a water or utility authority or other entity created to serve the area. Wyoming acknowledges that the Townships have assigned the operation and maintenance of their water distribution system to the Byron-Gaines Utility Authority and Wyoming consents to such assignment. If any party shall by operation of law be merged into or be succeeded by another governmental agency or municipal corporation, its successor shall be bound by the terms of this Agreement as if originally a party hereto.

26. Notices. All written notices and other documents to be delivered or transmitted hereunder shall be addressed to the respective parties at the below specified addresses or at such other address or addresses as shall be specified by the parties from time to time. The addresses of the parties are as follows:

City of Wyoming
Attn: Director of Public Works
1155 28th Street, S.W.
Wyoming, Michigan 49509

With a copy to:
Wyoming City Clerk
1155 28th Street, S.W.
Wyoming, Michigan 49509

Township of Byron
Attn: Supervisor
8085 Byron Center Avenue, S.W.
Byron Center, Michigan 49315

With a copy to:
Attn: Water and Sewer Administrator
8085 Byron Center Avenue, S.W.
Byron Center, Michigan 49315

Charter Township of Gaines
Attn: Supervisor
8555 Kalamazoo Avenue
Caledonia, Michigan 49316

With a copy to:
Charter Township of Gaines
Attn: Township Engineer
8555 Kalamazoo Avenue
Caledonia, Michigan 49316

Byron Gaines Utility Authority
Attn: Manager
1381 84th St., S.E.
Byron Center, MI 49315

Written notices or other documents may be delivered in person, transmitted by facsimile, or by ordinary or certified mail, properly addressed with sufficient postage.

27. Miscellaneous

(a) Waiver. The waiver by any party of a breach or violation of any provision of this Agreement shall not be a waiver of any subsequent breach or violation of the same or any other provision of this Agreement.

(b) Unenforceability. If any paragraph or provision of the Agreement is unenforceable for any reason, the unenforceability thereof shall not impair the remainder of this Agreement, which shall remain in full force and effect.

(c) Entire Understanding. This Agreement represents the entire understanding and agreement between the parties hereto.

(d) Captions. The captions in this Agreement are for convenience only and shall not be considered as part of this Agreement or in any way to amplify or modify the terms and provisions hereof.

(e) Modification. This Agreement may be changed or modified only by a written document signed by all the parties.

(f) Enforcement. Any party may enforce the terms of this Agreement by way of an action for specific performance in Kent County Circuit Court.

(g) Alternate Dispute Resolution. The parties may mutually agree upon an alternate dispute resolution mechanism for resolving any disputes which may arise under this Agreement.

(h) Interpretation of Agreement. Wyoming and the Townships acknowledge that each party has had the opportunity to participate in the drafting of this Agreement. As a result, in the event of any ambiguity in this Agreement, it shall not be interpreted for or against any party on account of the drafting by any party.

CITY OF WYOMING

By: _____
Jack Poll., Mayor

By: _____
Heidi Isakson, Clerk

TOWNSHIP OF BYRON

By: Audrey Nevins Weiss
Audrey Nevins Weiss, Supervisor

By: Joel Hondorp
Joel Hondorp, Clerk

CHARTER TOWNSHIP OF GAINES

By: Donald R. Hilton, Sr.
Donald R. Hilton, Sr., Supervisor

By: Crystal Osterink
Crystal Osterink, Clerk

EXHIBIT A CITY OF WYOMING BYRON TOWNSHIP & GAINES CHARTER TOWNSHIP WATER SERVICE AREA

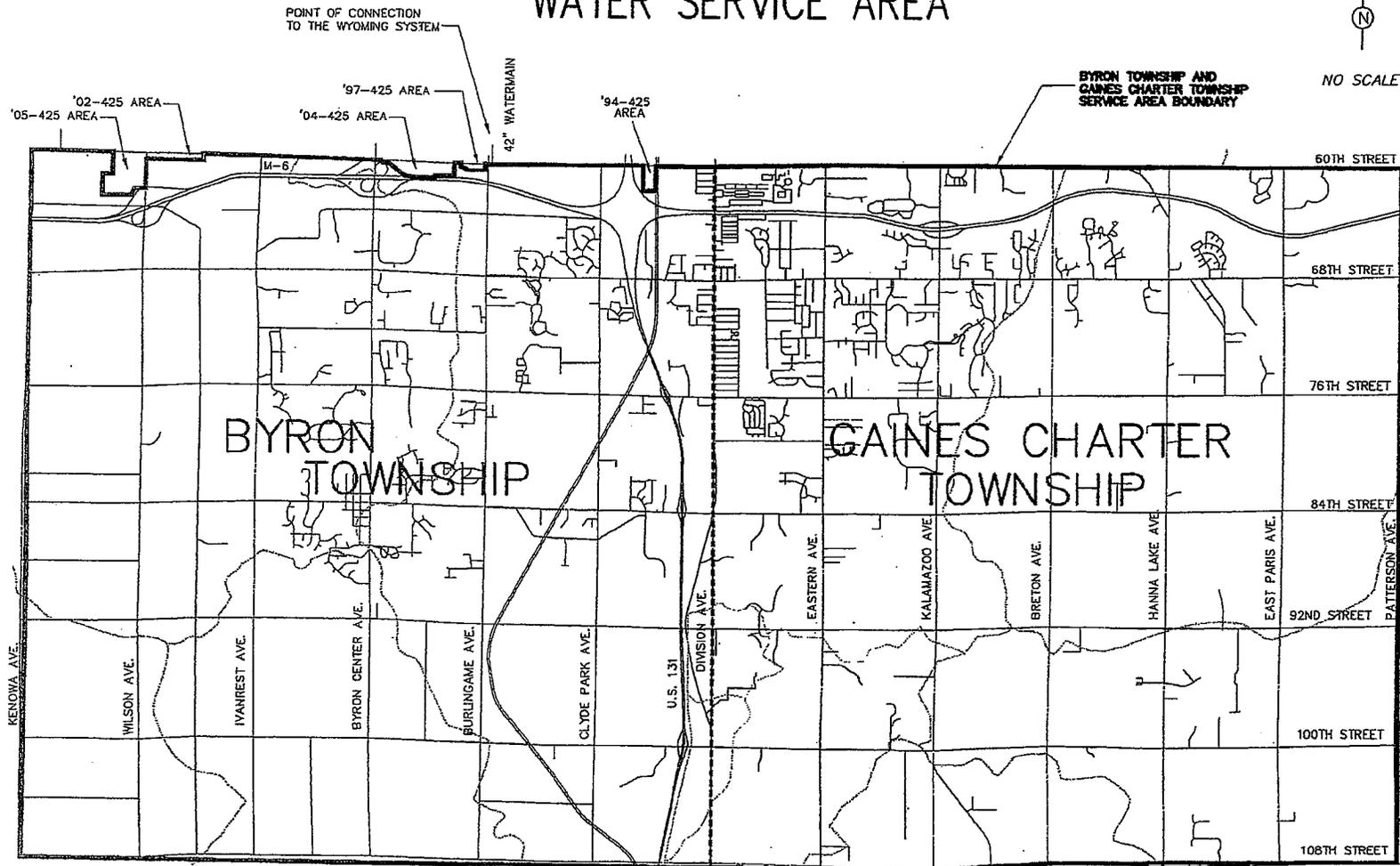


Exhibit B

Basis for Determining Wholesale Water Rates

This exhibit outlines the process for determining the allocation of costs among the City of Wyoming's retail and wholesale water customers. The methodology used for rate calculations is known as the utility basis of rate making, which is an industry standard methodology. The utility basis methodology and the base-extra capacity calculation used in this example are derived from the American Water Works Association, Manual M1, Principles of Water Rates, Fees, and Charges.

Under the utility basis the revenue requirements recovered from customers consist of:

- Operation and Maintenance (O&M) expense;
- Depreciation expense; and
- Return on rate base (rate base as defined in the AWWA Manual M1 and below)

Operation and maintenance expenses are based upon expenditures for labor, contracted services, supplies, repair parts and revenue financed equipment. Depreciation expense represents the loss in value of the property, plant and equipment used in providing water service through wear and tear, deterioration, and obsolescence. The return on rate base provides funds to the owning utility for the interest cost associated with the debt financed capital improvements and a fair rate of return on the owning utility's equity in the assets used to provide water service to the non-owner customers. The rate of return is calculated from the 25-Bond Revenue Bond Index published by The Bond Buyer for the twelve month period corresponding to the fiscal year plus a margin of 2.0%. In the event that The Bond Buyer should discontinue publication of the 25-Bond Revenue Index, then the rate of return will be determined in accordance with a mutually agreed upon method of calculation.

The rate base consists of the depreciated original cost of the facilities providing water service. Typically, the rate base shall also include an allowance for working capital (limited to a maximum of 45 days O&M expense plus 12.5 % of annual debt service) and, if applicable, inventories and construction work in progress. A working capital reserve provides the utility with the necessary resources to maintain services during emergencies or other unforeseen circumstances.

This exhibit will outline the calculations used in determining the rates based on the base-extra capacity utility basis methodology.

Cost of Service

Table 1 summarizes the total cost of service as determined by City staff each year. It is appropriate to derive the cost of service from budgeted numbers for the purpose of producing rate estimates; however, the final reconciled rates shall be based upon actual audited revenues and expenses.

The total cost of service is allocated to two main categories: operating expense and capital costs. Furthermore, under the utility basis methodology, there are two components of capital cost: depreciation and return. Depreciation is based on annual depreciation of the utility's assets as documented in the City of Wyoming's Comprehensive Annual Financial Report. The total return necessary to provide adequate funding for capital costs is then calculated by subtracting the depreciation expense from the cash basis capital costs.

Table 1**Total Cost of Service**

Revenue Requirements	2012		
	Operating Expense	Capital Cost	Total
Operations & Maintenance Expense	\$ 12,044,320		\$ 12,044,320
Ottawa County Capital Return Payment	3,507,500		3,507,500
Debt Service		5,258,110	5,258,110
Revenue Financed Capital		70,100	70,100
Total	\$ 15,551,820	\$ 5,328,210	\$ 20,880,030
Revenue Requirements met from Other Sources			
Other Operating Revenue	\$ (686,640)	\$ -	\$ (686,640)
Interest Income	\$ (50,000)	\$ -	\$ (50,000)
Ottawa County Capital Return Payment	(3,507,500)		(3,507,500)
Miscellaneous Income	(30,000)	-	(30,000)
Total	\$ (4,274,140)	\$ -	\$ (4,274,140)
Net Costs to be Recovered through Rates/Contracts	\$ 11,277,680	\$ 5,328,210	\$ 16,605,890
Restatement of Net Costs (Utility Basis)			
Operations & Maintenance	\$ 11,277,680	\$ -	\$ 11,277,680
Capital Costs			
Depreciation		5,354,869	\$ 5,354,869
Return		(26,659)	\$ (26,659)
Total	\$ 11,277,680	\$ 5,328,210	\$ 16,605,890

Units of Service

Once the total cost of service is established, the next step in rate-making is to calculate the units of service (in Million Gallons) used by each customer under various operating conditions (average day, maximum day and maximum hour). Actual recorded customer usages for the applicable fiscal year are utilized for the purpose of determining the current units of service for allocating O&M expenses. The units of service for the allocation of O&M costs for the system's customers are shown in Table 2 below along with a more detailed explanation of the calculations presented within.

Table 2

Current Usage Units of Service for Operating & Maintenance Costs

	Total Annual MG	Average Day MG/day	Maximum Day		Maximum Hour		Accounts	Bills	Equivalent Meters	Pipeline Meters	
			Factor	Total Usage MG/day	Extra Capacity MG/day	Factor					Total Usage MG/day
Wholesale											
Ottawa County											
Subtotal Ottawa County	4,734	13.0	225%	29.2	16.2	270%	35.0	5.8	1	12	13
Georgetown Township	49	0.1	225%	0.3	0.2	270%	0.4	0.1	1	12	1
City of Kentwood	890	2.4	215%	5.2	2.8	258%	6.3	1.0	1	12	2
Byron-Gaines Townships	1,687	4.6	250%	11.6	6.9	300%	13.9	2.3	1	12	1
City of Grandville	765	2.1	220%	4.8	2.5	264%	5.5	0.9	1	12	1
Subtotal Other Wholesale Customers	3,391	9.3	234%	21.7	12.4	280%	26.1	4.3	4	48	5
Total Wholesale	8,125	22.3	229%	50.9	28.6	274%	61.1	10.2	5	60	18
Wyoming Retail	3,400	9.3	220%	20.5	11.2	264%	24.6	4.1	22,500	90,000	29,670
Total Units of Service	11,525	31.6	226%	71.4	39.8	271%	85.7	14.3	22,505	90,060	29,670

Total Annual = actual recorded annual usage
 Average Day = Total Annual / 365 days
 Maximum Day Factor = Maximum Day Total Usage / Average Day
 Maximum Day Total Usage = highest 3 day period of demand in MG over the past three fiscal years / 3
 Maximum Day Extra Capacity = Maximum Day Total Usage - Average Day
 Maximum Hour Factor = Maximum Day Factor X 1.2
 Maximum Hour Total Usage = Maximum Day Total Usage X 1.2
 Maximum Hour Extra Capacity = Maximum Hour Total Usage - Maximum Day Total Usage

The maximum day peaking factors are derived from each customer's actual recorded usage from the three most recent fiscal years. First, a peak period of demand representing the three highest consecutive days of usage during the three most recent fiscal years is derived from customer data. This peak period of demand is then divided by three to calculate the total usage for a maximum day. This maximum day total usage is compared to the customer's average day usage and a peaking factor is then calculated. This same analysis is then applied to each customer. These peaking factors shall be updated annually based on the latest available information.

Unless actual data is available on a customer's hourly usage, it is assumed that the maximum hour peaking factor is equal to the maximum day peaking factor multiplied by 1.20. Therefore, this same multiplier of 1.20 can also be applied to the maximum day usage to arrive at the maximum hour usage for each customer. If, in the future reliable maximum hour data is available for customers, this data shall be used in place of this assumption.

As opposed to O&M costs, capital costs---depreciation and return---are allocated based on contract capacity allocations. The breakdown of the contract capacity allocations of the City and its various customers are shown in Table 3. It is understood that, with the exception of the City and Ottawa County (43% beneficial ownership), the listed contract capacities in Table 3 are not purchased capacities and shall be used only for the calculation of the rates presented herein. If, in the future, contract capacity allocations are revised by the mutual consent of the City and the affected wholesale customer, the revised contract capacity allocations shall be used in the calculation of rates.

Table 3**Contract Capacity Allocations**

	MGD
Ottawa County (43%)	51.6
City of Wyoming (57%)	
Projected Wholesale Contracts	
Georgetown	0.5
Kentwood	7.0
Byron-Gaines	15.0
Grandville	7.5
Subtotal Wholesale Contracts	30.0
Wyoming Retail Allocation	38.4
Subtotal City of Wyoming	68.4
Total Treatment Plant Capacity	120.0

The allocations of the total treatment plant capacity (currently 120 MGD) as presented in Table 3 above represent the maximum day usage projections for customers when the plant is at maximum capacity. These projections are derived from previous flow studies. Average day usage for the wholesale customers is also based upon the same previously developed flow projections and therefore, the maximum day peaking factors can be calculated from the projected maximum day and the projected average day usage figures. Maximum hour peaking factors are based on the same 1.20 maximum hour to maximum day peaking factor assumption as previously used for current usage calculations.

For Ottawa County, their maximum day usage of 51.6 MG is 43% of the system's total 120 MGD capacity. Ottawa County's contract maximum day peaking factor and maximum hour peaking factors are assumed to be the same as their current usage factors as presented in Table 2.

The calculation of contract units of service is shown in Table 4 below.

Table 4

Contract Units of Service for Capital Costs

	Total Annual MG	Average Day MG/day	Maximum Day		Maximum Hour		Accounts	Bills	Equivalent Meters	Pipeline Meters	
			Factor	Total Usage MG/day	Extra Capacity MG/day	Factor					Total Usage MG/day
Wholesale											
Ottawa County											
Subtotal Ottawa County	8,371	22.9	225%	51.6	28.7	270%	61.9	10.3	1	12	8
Georgetown Township	73	0.2	250%	0.5	0.3	300%	0.6	0.1	1	12	2
City of Kentwood	1,278	3.5	200%	7.0	3.5	240%	8.4	1.4	1	12	2
Byron-Gaines Townships	2,190	6.0	250%	15.0	9.0	300%	18.0	3.0	1	12	1
City of Grandville	1,095	3.0	250%	7.5	4.5	300%	9.0	1.5	1	12	1
Subtotal Other Wholesale Customers	4,636	12.7	236%	30.0	17.3	283%	36.0	6.0	4	48	6
Total Wholesale	13,006	35.6	229%	81.6	46.0	275%	97.9	16.3	5	60	14
Wyoming Retail	6,371	17.5	220%	38.4	20.9	264%	46.1	7.7	22,500	90,000	29,573
Total Units of Service MGD	19,377	53.1	226%	120.0	66.9	271%	144.0	24.0	22,505	90,060	29,573
		53.09		120.00	66.91						

Total Annual = projected Average Day X 365
 Average Day = projected Average Day (for Ottawa County this is equal to their Maximum Day Total Usage / 2.25)
 Maximum Day Factor = projected Maximum Day Total Usage / Average Day
 Maximum Day Total Usage = projected Maximum Day Total Usage (for Ottawa County this is equal to 43% of 120 MG)
 Maximum Day Extra Capacity = Maximum Day Total Usage – Average Day
 Maximum Hour Factor = Maximum Day Factor X 1.2
 Maximum Hour Total Usage = Maximum Day Total Usage X 1.2
 Maximum Hour Extra Capacity = Maximum Hour Total Usage – Maximum Day Total Usage

Cost Allocation

The base-extra capacity method of cost allocation can be described by the following general cost categories:

1. Base costs are defined as those costs associated with meeting average day customer demands.
2. Extra capacity costs are defined as costs associated with meeting customer water demands above the Base. Extra capacity costs are subdivided into Maximum Day and Maximum Hour categories in order to allocate the costs associated with meeting these specific customer demand conditions.

Table 5 below illustrates the allocation of operation and maintenance costs (as shown previously in Table 1) to various activities and across several customer categories. Descriptions of the customer categories and subcategories follow:

1. Common to All Customers – These expenses are related to the operation and maintenance of facilities that benefit all customers of the system. Examples of such facilities are the water treatment plant, storage facilities west of the Gezon station and the pipeline to the Gezon station. The classification of Common to All Customers is further subcategorized to include Meters and Billing components; however, the O&M costs for Meters only applies to the City’s retail customers and Billing costs are allocated to wholesale customers only to the extent of the cost incurred to generate invoices for wholesale billing purposes. Some administrative expenses are also proportionally allocated to all customers.

2. All Except Ottawa County and Grandville – This category is used to allocate costs related to the operation and maintenance of facilities that are not utilized by either Ottawa County or Grandville customers. An example of a facility within this category is the Gezon pumping station. Again, some administrative costs are proportionally allocated to the customers within this category.
3. Distribution System Customers – This category is used to allocate costs only to customers who benefit from the City's local distribution system. This category is limited to the City of Wyoming's retail customers and the City of Kentwood (only for their portion of use of the City of Wyoming's distribution system---currently equal to 23.7% using an equivalent pipe-length calculation).
4. Fire Protection – These costs apply only to the City of Wyoming's retail customers.
5. Pipeline Meters - These costs are allocated to wholesale customers on the basis of the number of pipeline meters in service for the purpose of metering wholesale customer water usage.

Operational and maintenance expenses are incurred for each activity listed as a line item in Table 5. It is important to note that the Current Units of Service from Table 2 above are used for proportioning the costs to the subcategories of Base, Maximum Day and Maximum Hour. Each activity can be allocated to customer categories and subcategories on the basis of use and function as follows:

1. Administration – The administrative activity applies to all categories and is allocated proportionally to all other expenses incurred within each category and subcategory.
2. Pumping and Treatment – Expenses incurred by the pumping and treatment activities are common to all customers and are further proportioned to allocate the cost of meeting Base and Maximum Day demands for all customers.
3. T&D Storage – E. of Gezon – Expenses incurred for the operation and maintenance of these storage facilities are allocated to the subcategories of Maximum Day and Maximum Hour for the Distribution System Customers only (Wyoming and Kentwood).
4. T&D – Gezon Station – Expenses incurred for the operation and maintenance of the Gezon Station are allocated to the customer category of All Except Ottawa County and Grandville and are further subcategorized proportionally to meet the Base, Maximum Day and Maximum Hour demands of the customers in this category.
5. T&D – Storage W. of Gezon – The facilities are utilized by all customers of the system to meet the Maximum Day and Maximum Hour system demands.
6. Trans & Dist-Mains – These transmission and distribution mains are utilized only by the City of Wyoming and Kentwood customers. Expenses related to the operation and

maintenance of these mains are allocated proportionally to meet the Base, Maximum Day and Maximum Hour demands of these specific customers.

7. T&D – Pipeline to Gezon – The costs associated with the operation and maintenance of the major transmission pipelines are allocated proportionally to all system customers to meet the Base and Maximum Day system demands.
8. T&D – Pipeline Meters – The cost associated with the operation and maintenance of pipeline meters is allocated proportionally to all system customers on the basis of the number of meters dedicated to metering the water usage of each customer.
9. Trans & Dist-Meters – These expenses are allocated to the Wyoming retail customers only.
10. Trans & Dist-Hydrants - These expenses are allocated to the Wyoming retail customers only.
11. Trans & Dist-Services – These expenses are allocated only to Distribution System Customers (Wyoming and Kentwood) to meet the Base demands of service for these customers.
12. Customer Accounting – These costs apply to the Common to All Customers category but are allocated to wholesale customers only to the extent of the cost incurred to generate invoices for wholesale billing purposes.

Table 5

Operating and Maintenance Cost Allocation

Total Cost of Service	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Administration	\$ 1,528,470	\$ 412,828	\$ 524,159	\$ 1,314	\$ -	\$ 87,010	\$ 28,954	\$ 36,974	\$ 13,186	\$ 311,461	\$ 67,170	\$ 24,727	\$ 9,243	\$ 11,443
Pumping & Treatment	\$ 6,285,470	2,780,194	3,505,276	-	-	-	-	-	-	-	-	-	-	-
T&D Storage - E of Gezon	\$ 18,470	-	-	-	-	-	-	-	-	-	13,500	4,970	-	-
T&D-Gezon Station	\$ 544,300	-	-	-	-	-	199,201	254,382	90,717	-	-	-	-	-
T&D-Storage/W of Gezon	\$ 34,260	-	25,217	9,043	-	-	-	-	-	-	-	-	-	-
Trans & Dist-Mains	\$ 990,900	-	-	-	-	-	-	-	-	377,119	448,631	165,150	-	-
T&D-Pipeline to Gezon	\$ 135,770	60,054	75,716	-	-	-	-	-	-	-	-	-	-	-
T&D - Pipeline Meters	\$ 78,730	-	-	-	-	-	-	-	-	-	-	-	-	78,730
Trans & Dist-Meters	\$ 774,640	-	-	-	-	-	-	-	-	774,640	-	-	-	-
Trans & Dist-Hydrants	\$ 63,590	-	-	-	-	-	-	-	-	-	-	-	63,590	-
Trans & Dist-Services	\$ 991,090	-	-	-	-	-	-	-	-	991,090	-	-	-	-
Customer Accounting	\$ 598,630	-	-	-	-	598,630	-	-	-	-	-	-	-	-
Totals O&M Expenses	\$12,044,320	\$3,253,076	\$4,130,368	\$ 10,358	\$ -	\$685,640	\$ 228,155	\$ 291,356	\$ 103,902	\$2,454,310	\$529,302	\$194,846	\$ 72,833	\$ 90,173
Less: Other Operating	\$ (686,640)	\$ (185,456)	\$ (235,470)	\$ (590)	\$ -	\$ (39,088)	\$ (13,007)	\$ (16,610)	\$ (5,923)	\$ (139,919)	\$ (30,175)	\$ (11,108)	\$ (4,152)	\$ (5,141)
Less: Interest Income	\$ (50,000)	\$ (13,505)	\$ (17,147)	\$ (43)	\$ -	\$ (2,846)	\$ (947)	\$ (1,210)	\$ (431)	\$ (10,189)	\$ (2,197)	\$ (809)	\$ (302)	\$ (374)
Less: Misc. Income	\$ (30,000)	\$ (8,103)	\$ (10,288)	\$ (26)	\$ -	\$ (1,708)	\$ (568)	\$ (726)	\$ (259)	\$ (6,113)	\$ (1,318)	\$ (485)	\$ (181)	\$ (225)
Net O&M Expenses	\$11,277,680	\$3,046,012	\$3,867,464	\$ 9,699	\$ -	\$641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$2,298,090	\$495,611	\$182,444	\$ 68,197	\$ 84,434

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour		
Administration	27.01%	34.29%	0.09%		5.69%	1.89%	2.42%	0.86%	20.38%	4.39%	1.62%	0.60%	0.75%
Pumping & Treatment	44.23%	55.77%											
T&D Storage - E of Gezon										73.09%	26.91%		
T&D-Gezon Station						36.60%	46.74%	16.67%					
T&D-Storage/W of Gezon		73.60%	26.40%										
Trans & Dist-Mains									38.06%	45.28%	16.67%		
T&D-Pipeline to Gezon	44.23%	55.77%											
T&D - Pipeline Meters													100.00%
Trans & Dist-Meters									100.00%				
Trans & Dist-Hydrants												100.00%	
Trans & Dist-Services									100.00%				
Customer Accounting					100.00%								

EXAMPLES: (Refer to Table 2 – "Current Usage Units of Service for Operating and Maintenance Costs" for Customer Usage Data)

Administration costs are allocated across all categories proportionally related to other costs:

Example --- Base Capacity allocation = Total of all Base costs excluding Administration / Net O&M costs excluding total Administration = 27.01%

Pumping & Treatment costs are allocated to Base and Max. Day proportionally related to current units used by all customers:

Example --- Base Capacity allocation = Total Units for Average Day / Total Units for Maximum Day = 44.23%

T&D-Storage - E of Gezon costs are allocated to Maximum Day and Maximum Hour proportionally for Distribution System Customers only (Wyoming and Kentwood):

Example --- Max. Day allocation = Wyoming + Kentwood Max. Day Extra Capacity Units / Wyoming + Kentwood Max. Day Extra Capacity + Max. Hour Extra Capacity Units = 73.17%

T&D-Gezon Station costs are allocated to Base, Max. Day and Max. Hour proportionally for all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 36.74%

T&D Storage/W of Gezon costs are allocated to Max. Day and Max. Hour proportionally for all customers:

Example --- Base Capacity allocation = Total Units for Max. Day Extra Capacity / Total Max. Day Extra Capacity + Total Units for Max. Hour Extra Capacity = 73.60%

Trans & Dist-Mains costs are allocated to Base, Max. Day and Max. Hour proportionally for Distribution System customers only (Wyoming and Kentwood):

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 37.88%

The capital costs of depreciation and plant investment (rate base) are allocated similarly for each asset category listed as a line item in Tables 6 and 7 below. These allocations are derived using the same customer classifications as described above for O & M costs. However, it is important to note that Contract Units of Service from Table 4 above are used for proportioning the costs to the subcategories of Base, Maximum Day and Maximum Hour.

A brief description of the asset categories follows:

1. Assets West of Gezon – These assets are utilized by all customers and include assets such as the treatment plant, low service and the major transmission mains that are devoted to meeting Base and Maximum Day system demands.
2. Assets at Gezon – These assets are utilized by all customers except Ottawa County and Grandville and are devoted to meeting the Base, Maximum Day and Maximum Hour demands of these customers.
3. Transmission and Distribution – These assets are only used by the Distribution System Customers of Wyoming and Kentwood and are dedicated to meeting Base, Maximum Day and Maximum Hour demands of these customers.
4. Meter and Services – These assets are used by all system customers but costs are allocated to wholesale customers only to the extent of generating invoices for wholesale billing purposes.
5. Hydrants – These assets are utilized only by Wyoming retail customers.
6. General Plant – These assets are used to support general system functions at various locations within the transmission and distribution system.

Table 6

Depreciation Expense Allocation

Total Depreciation	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	\$ 4,371,333	\$ 1,933,873	\$ 2,437,460	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assets at Gezon	\$ 716,824	-	-	-	-	266,352	331,001	119,471	-	-	-	-	-	-
Transmission & Distribution	\$ 103,766	-	-	-	-	-	-	-	39,911	46,560	17,294	-	-	-
Meters & Services	\$ 83,165	-	-	83,165	-	-	-	-	-	-	-	-	-	-
Hydrants	\$ 11,059	-	-	-	-	-	-	-	-	-	-	11,059	-	-
General Plant	\$ 68,723	-	-	6,248	-	20,009	24,866	8,975	2,998	3,498	1,299	831	-	-
Total Plant Investment	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	44.24%	55.76%												
Assets at Gezon						37.16%	46.18%	16.67%						
Transmission & Distribution									38.46%	44.87%	16.67%			
Meters & Services				100.00%										
Hydrants												100.00%		
General Plant				9.09%		29.12%	36.18%	13.06%	4.36%	5.09%	1.89%	1.21%		

EXAMPLES: (Refer to Table 4 "Contract Units of Service for Capital Costs" for customer contracted allocations)

Assets West of Gezon expense is allocated proportionally to Base and Max. Day:

Example -- Base Capacity allocation = Total Units for Average / Maximum Day Total Usage = 44.24%

Assets at Gezon expense is allocated to Base, Max. Day and Max. Hour proportionally related to contract units of all customers except Ottawa County and Grandville:

Example -- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 37.16%

Transmission & Distribution expense is allocated proportionally to Base, Max. Day and Max. Hour to Distribution System Customers only:

Example -- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 38.46%

General Plant expense is allocated across applicable categories proportionally related to other costs exclusive of Assets West of Gezon:

Example -- Meters allocation = Total of all Meters expense category excluding General Plant Meters and Assets West of Gezon / Total Plant Investment expense excluding Meters and Assets West of Gezon = 9.09%

Table 7

Plant Investment Allocation

Total Plant Investment	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	\$ 100,627,946	\$ 44,517,702	\$ 56,110,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Assets at Gezon	\$ 21,340,748	-	-	-	-	7,929,643	9,854,314	3,556,791	-	-	-	-	-	-
Transmission & Dist.	\$ 2,427,114	-	-	-	-	-	-	-	933,537	1,089,059	404,519	-	-	-
Meters & Services	\$ 772,448	-	-	772,448	-	-	-	-	-	-	-	-	-	-
Hydrants	\$ 568,438	-	-	-	-	-	-	-	-	-	-	568,438	-	-
General Plant	\$ 159,367	-	-	4,903	-	50,330	62,546	22,575	5,925	6,912	2,568	3,608	-	-
Plant in Service Total	\$ 125,896,062	\$ 44,517,702	\$ 56,110,245	\$ -	\$ 777,351	\$ -	\$ 7,979,973	\$ 9,916,860	\$ 3,579,367	\$ 939,462	\$ 1,095,971	\$ 407,087	\$ 572,046	\$ -
Working Cap. & Inv.	\$ 2,075,736	\$ 560,640	\$ 711,834	\$ 1,785	\$ -	\$ 118,164	\$ 39,321	\$ 50,213	\$ 17,907	\$ 422,980	\$ 91,221	\$ 33,580	\$ 12,552	\$ 15,541
Total Plant Investment	\$ 127,971,798	\$ 45,078,342	\$ 56,822,078	\$ 1,785	\$ 777,351	\$ 118,164	\$ 8,019,294	\$ 9,967,073	\$ 3,597,273	\$ 1,362,441	\$ 1,187,192	\$ 440,667	\$ 584,598	\$ 15,541

	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Assets West of Gezon	44.24%	55.76%												
Assets at Gezon						37.16%	46.18%	16.67%						
Transmission & Distribution									38.46%	44.87%	16.67%			
Meters & Services				100.00%										
Hydrants													100.00%	
General Plant				3.08%		31.58%	39.25%	14.17%	3.72%	4.34%	1.61%		2.26%	

EXAMPLES: (Refer to Table 4 "Contract Units of Service for Capital Costs" for customer contracted allocations)

Assets West of Gezon expense is allocated proportionally to Base and Max. Day:

Example --- Base Capacity allocation = Total Units for Average / Maximum Day Total Usage = 44.24%

Assets at Gezon expense is allocated to Base, Max. Day and Max. Hour proportionally related to contract units of all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 37.16%

Transmission & Distribution expense is allocated proportionally to Base, Max. Day and Max. Hour to Distribution System Customers only:

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 38.46%

General Plant expense is allocated across applicable categories proportionally related to other costs exclusive of Assets West of Gezon:

Example --- Meters allocation = Total of all Meters expense category excluding General Plant Meters and Assets West of Gezon / Total Plant Investment expense excluding Meters and Assets West of Gezon = 3.08%

Unit Costs

The unit costs for O&M, depreciation and plant investment are presented in Table 9. The unit costs for O&M are calculated by dividing each of the allocated costs in Table 5 by the appropriate units in Table 2 (Current Usage Units). The unit costs for depreciation expense and plant investment are calculated by dividing each of the allocated costs in Tables 6 and 7 by the appropriate units in Table 4 (Contract Units).

For plant investment the unit costs are further multiplied by the rate of return to apply to the units used by each respective customer. For the wholesale customers, the rate of return is based on the City's weighted average cost of capital. This amount is determined by taking the weighted average interest rate of the City's outstanding debt of the water system and the City's equity position, which is assigned an interest rate of the Bond Buyer 25 Bond-Revenue Bond Index plus 2.0%. A summary of these calculations is shown in Table 8. Once the amount of costs recovered from the wholesale customers from plant investment is determined, the rate of return for Wyoming retail customers can be calculated. In this example, the calculation of the rate of return for the Wyoming retail customers is -3.97%, but this percentage will vary based on capital requirements for each year, debt service requirements, and other factors.

The operation and maintenance cost, depreciation costs, and return on rate base for each customer class (each wholesale customer and Wyoming retail customers) is then determined by multiplying the respective unit costs in Table 9 by the units of service for each customer class as shown in Tables 2 and 4. This determination results in the presentation of O&M costs, depreciation costs and return on rate base by customer class as shown in Table 10 through 12. The summation of the costs presented in Tables 10 through 12 for each wholesale customer and Wyoming retail customers is then presented in Table 13 as total costs by customer class.

Table 8



Rate of Return Calculation

Total Plant Investment	\$ 127,971,798
Outstanding Debt	\$ 51,748,207
Average Interest Rate	4.28%
Equity	\$ 76,223,591
Bond Buyer Revenue Bond Index	5.00%
Return on Equity	7.00%
Weighted Average Cost of Capital	<hr/> 5.90%

Table 9



Unit Costs

Total Cost of Service	Common to All Customers					All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Net Operating & Maintenance Cost														
Units of Service	11,525	40	14	29,670	90,060	6,026	21	8	3,611	12	4	29,670	18	
Expenses	\$ 11,277,680	\$ 3,046,012	\$ 3,867,464	\$ 9,699	\$ -	\$ 641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$ 2,298,090	\$ 495,611	\$ 182,444	\$ 68,197	\$ 84,434
Unit Cost	\$ 264.30	\$ 97,147.37	\$ 679.31	\$ -	\$ 7.13	\$ 35.45	\$ 12,939.92	\$ 12,939.92	\$ 636.43	\$ 41,849.63	\$ 41,968.95	\$ 2.30	\$ 4,690.76	
Depreciation Expense														
Units of Service	19,377	67	24	29,670	90,060	9,911	34	12	6,674	22	8	29,670	18	
Expense	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -
Unit Cost	\$ 99.80	\$ 36,427.78	\$ -	\$ 3.01	\$ -	\$ 28.89	\$ 10,545.61	\$ 10,545.61	\$ 6.43	\$ 2,298.88	\$ 2,320.77	\$ 0.40	\$ -	
Wholesale Customer Units	4,636	17	6	-	48	3,541	13	5	303	1	0	-	6	
Total Wholesale Depreciation	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -	
Plant Investment														
Units of Service	19,377	67	24	29,670	90,060	9,911	34	12	6,674	22	8	29,670	18	
Expense	\$127,971,798	\$ 45,078,342	\$ 56,822,078	\$ 1,785	\$ 777,351	\$ 118,164	\$ 8,019,294	\$ 9,967,073	\$ 3,597,273	\$ 1,362,441	\$ 1,187,192	\$ 440,667	\$ 584,598	\$ 15,541
Unit Cost	2,326.37	849,204.56	74.38	26.20	1.31	809.10	295,360.45	295,342.63	204.15	54,520.97	55,002.21	19.70	863.37	
Wholesale Customer Return Rate	\$ 137.26	\$ 50,103.99	\$ 4.39	\$ 1.55	\$ 0.08	\$ 47.74	\$ 17,426.59	\$ 17,425.54	\$ 12.05	\$ 3,216.80	\$ 3,245.19	\$ 1.16	\$ 50.94	
Wholesale Customer Units	4,636	17	6	-	48	3,541	13	5	303	1	0	-	6	
Total Wholesale Customer Return	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Wyoming Customer Return Rate	\$ (92.38)	\$ (33,723.23)	\$ (2.95)	\$ (1.04)	\$ (0.05)	\$ (32.13)	\$ (11,729.22)	\$ (11,728.51)	\$ (8.11)	\$ (2,165.11)	\$ (2,184.22)	\$ (0.78)	\$ (34.29)	
Wyoming Customer Units	6,371	21	8	29,670	90,000	6,371	21	8	6,371	21	8	29,670	-	
Total Wyoming Return	\$ (2,007,939)	(588,569.68)	(706,348.28)	(22.68)	(30,869.80)	(4,689.36)	(204,700.51)	(245,673.84)	(90,074.97)	(51,650.07)	(45,349.25)	(16,774.83)	(23,215.29)	-
Wholesale Customer Rate of Return	5.90%													
Wyoming Rate of Return	-3.97%													
Total System Rate of Return	-0.02%													

Table 10

Operation and Maintenance Cost by Customer Class

	Common to All Customers						All Except Ottawa County and Grandville			Distribution System Customers			Fire Protection	Pipeline Meters
	Total	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour		
Ottawa County	\$ 2,891,193	\$ 1,251,178	\$ 1,574,985	\$ 3,965	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,980
Georgetown Township	\$ 38,760	\$ 12,951	\$ 16,302	\$ 41	\$ -	\$ 86	\$ 1,737	\$ 2,171	\$ 782	\$ -	\$ -	\$ -	\$ -	\$ 4,691
City of Kentwood	\$ 771,702	\$ 235,224	\$ 272,412	\$ 712	\$ -	\$ 86	\$ 31,552	\$ 36,285	\$ 13,567	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 9,382
Byron-Gaines Townships	\$ 1,305,146	\$ 445,867	\$ 673,511	\$ 1,570	\$ -	\$ 86	\$ 59,807	\$ 89,711	\$ 29,904	\$ -	\$ -	\$ -	\$ -	\$ 4,691
City of Grandville	\$ 451,922	\$ 202,186	\$ 244,332	\$ 626	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,691
Other Wholesale Customers	\$ 2,567,530	\$ 896,228	\$ 1,206,557	\$ 2,950	\$ -	\$ 342	\$ 93,097	\$ 128,167	\$ 44,253	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 23,454
Total Wholesale	\$ 5,458,723	\$ 2,147,406	\$ 2,781,542	\$ 6,914	\$ -	\$ 428	\$ 93,097	\$ 128,167	\$ 44,253	\$ 134,241	\$ 27,812	\$ 10,429	\$ -	\$ 84,434
Wyoming Retail	\$ 5,818,957	\$ 898,607	\$ 1,085,921	\$ 2,784	\$ -	\$ 641,571	\$ 120,536	\$ 144,644	\$ 53,036	\$ 2,163,848	\$ 467,799	\$ 172,015	\$ 68,197	\$ -
Totals	\$ 11,277,680	\$ 3,046,012	\$ 3,867,464	\$ 9,699	\$ -	\$ 641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$ 2,298,090	\$ 495,611	\$ 182,444	\$ 68,197	\$ 84,434

Table 11

Depreciation Cost by Customer Class

	Common to All Customers						All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters
	Total	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour		
Ottawa County	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Georgetown Township	\$ 24,541	\$ 7,286	\$ 10,928	\$ -	\$ -	\$ -	\$ 2,109	\$ 3,164	\$ 1,055	\$ -	\$ -	\$ -	\$ -	\$ -
City of Kentwood	\$ 348,201	\$ 127,497	\$ 127,497	\$ -	\$ -	\$ -	\$ 36,910	\$ 36,910	\$ 14,764	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Byron-Gaines Townships	\$ 736,238	\$ 218,567	\$ 327,850	\$ -	\$ -	\$ -	\$ 63,274	\$ 94,911	\$ 31,637	\$ -	\$ -	\$ -	\$ -	\$ -
City of Grandville	\$ 273,208	\$ 109,283	\$ 163,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Wholesale Customers	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Total Wholesale	\$ 1,382,189	\$ 462,633	\$ 630,201	\$ -	\$ -	\$ -	\$ 102,292	\$ 134,984	\$ 47,455	\$ 1,947	\$ 1,907	\$ 770	\$ -	\$ -
Wyoming Retail	\$ 3,972,681	\$ 1,471,241	\$ 1,807,259	\$ -	\$ 89,412	\$ -	\$ 184,069	\$ 220,883	\$ 80,990	\$ 40,963	\$ 48,151	\$ 17,824	\$ 11,889	\$ -
Totals	\$ 5,354,869	\$ 1,933,873	\$ 2,437,460	\$ -	\$ 89,412	\$ -	\$ 286,361	\$ 355,867	\$ 128,446	\$ 42,910	\$ 50,058	\$ 18,594	\$ 11,889	\$ -

Table 12

Return on Rate Base by Customer Class

Total	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hou	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Ottawa County	\$ -													
Georgetown Township	\$ 35,610	\$ 10,020	\$ 15,031	\$ 0	\$ -	\$ 1	\$ 3,485	\$ 5,228	\$ 1,743	\$ -	\$ -	\$ -	\$ -	\$ 102
City of Kentwood	\$ 504,586	\$ 175,348	\$ 175,364	\$ 6	\$ -	\$ 1	\$ 60,985	\$ 60,993	\$ 24,396	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 102
Byron-Gaines Townships	\$ 1,065,259	\$ 300,596	\$ 450,936	\$ 13	\$ -	\$ 1	\$ 104,545	\$ 156,839	\$ 52,277	\$ -	\$ -	\$ -	\$ -	\$ 51
City of Grandville	\$ 375,825	\$ 150,298	\$ 225,468	\$ 7	\$ -	\$ 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 51
Other Wholesale Customers	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Total Wholesale	\$ 1,981,279	\$ 636,262	\$ 866,799	\$ 26	\$ -	\$ 4	\$ 169,015	\$ 223,060	\$ 78,415	\$ 3,647	\$ 2,668	\$ 1,077	\$ -	\$ 306
Wyoming Retail	\$ (2,007,939)	\$ (588,570)	\$ (706,348)	\$ (23)	\$ (30,870)	\$ (4,689)	\$ (204,701)	\$ (245,674)	\$ (90,075)	\$ (51,650)	\$ (45,349)	\$ (16,775)	\$ (23,215)	\$ -
Totals	\$ (26,659)	\$ 47,693	\$ 160,451	\$ 4	\$ (30,870)	\$ (4,686)	\$ (35,685)	\$ (22,614)	\$ (11,660)	\$ (48,003)	\$ (42,681)	\$ (15,698)	\$ (23,215)	\$ 306

Table 13

Total Costs by Customer Class

Total Cost of Service	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Ottawa County	\$ 2,891,193	\$ 1,251,178	\$ 1,574,985	\$ 3,965	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 60,980
Georgetown Township	\$ 98,911	\$ 30,256	\$ 42,262	\$ 41	\$ -	\$ 86	\$ 7,331	\$ 10,563	\$ 3,579	\$ -	\$ -	\$ -	\$ -	\$ 4,793
City of Kentwood	\$ 1,624,489	\$ 538,069	\$ 575,273	\$ 718	\$ -	\$ 86	\$ 129,447	\$ 134,188	\$ 52,727	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 9,483
Byron-Gaines Townships	\$ 3,106,642	\$ 965,031	\$ 1,452,297	\$ 1,583	\$ -	\$ 86	\$ 227,626	\$ 341,461	\$ 113,817	\$ -	\$ -	\$ -	\$ -	\$ 4,742
City of Grandville	\$ 1,100,954	\$ 461,768	\$ 633,725	\$ 633	\$ -	\$ 86	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,742
Other Wholesale Customers	\$ 5,930,997	\$ 1,995,123	\$ 2,703,557	\$ 2,976	\$ -	\$ 346	\$ 364,404	\$ 486,211	\$ 170,123	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 23,759
Total Wholesale	\$ 8,822,190	\$ 3,246,301	\$ 4,278,542	\$ 6,941	\$ -	\$ 431	\$ 364,404	\$ 486,211	\$ 170,123	\$ 139,835	\$ 32,387	\$ 12,276	\$ -	\$ 84,739
Wyoming Retail	\$ 7,783,700	\$ 1,781,278	\$ 2,186,832	\$ 2,762	\$ 58,542	\$ 636,881	\$ 99,905	\$ 119,852	\$ 43,951	\$ 2,153,161	\$ 470,601	\$ 173,064	\$ 56,871	\$ -
Totals	\$ 16,605,890	\$ 5,027,578	\$ 6,465,374	\$ 9,702	\$ 58,542	\$ 637,313	\$ 464,309	\$ 606,064	\$ 214,074	\$ 2,292,996	\$ 502,988	\$ 185,340	\$ 56,871	\$ 84,739

Wholesale Rates

For the wholesale customers, the operating and maintenance costs are recovered through a volume charge for actual usage while the capital charges (depreciation and plant investment) are recovered through fixed monthly charges based on each customer's current contract capacity. The monthly capital charge and per MG volume charge that this results in is presented in Table 14.

Table 14

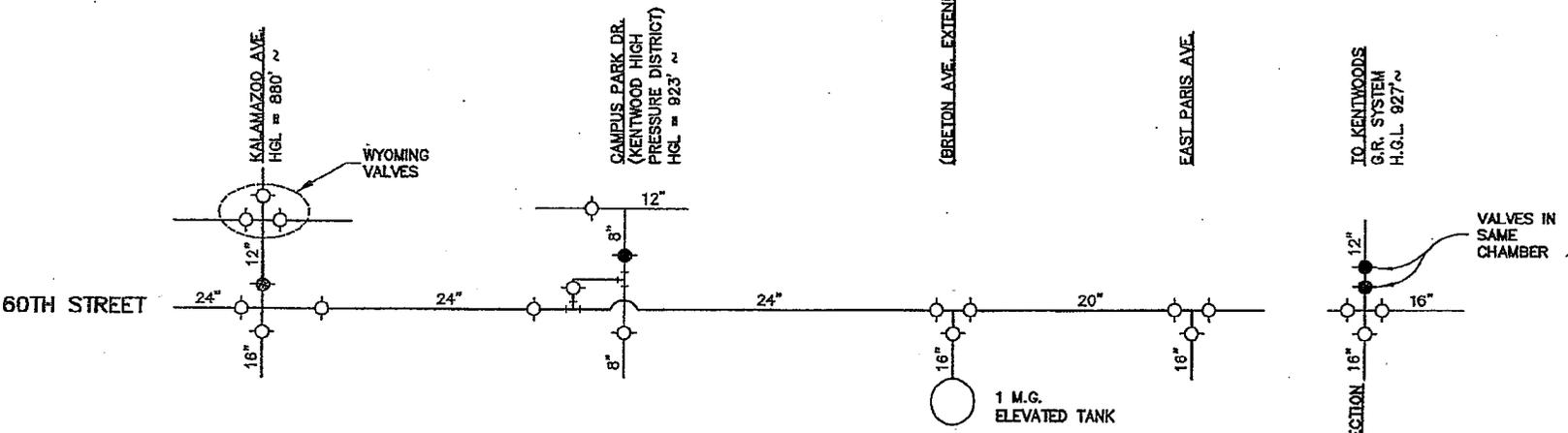
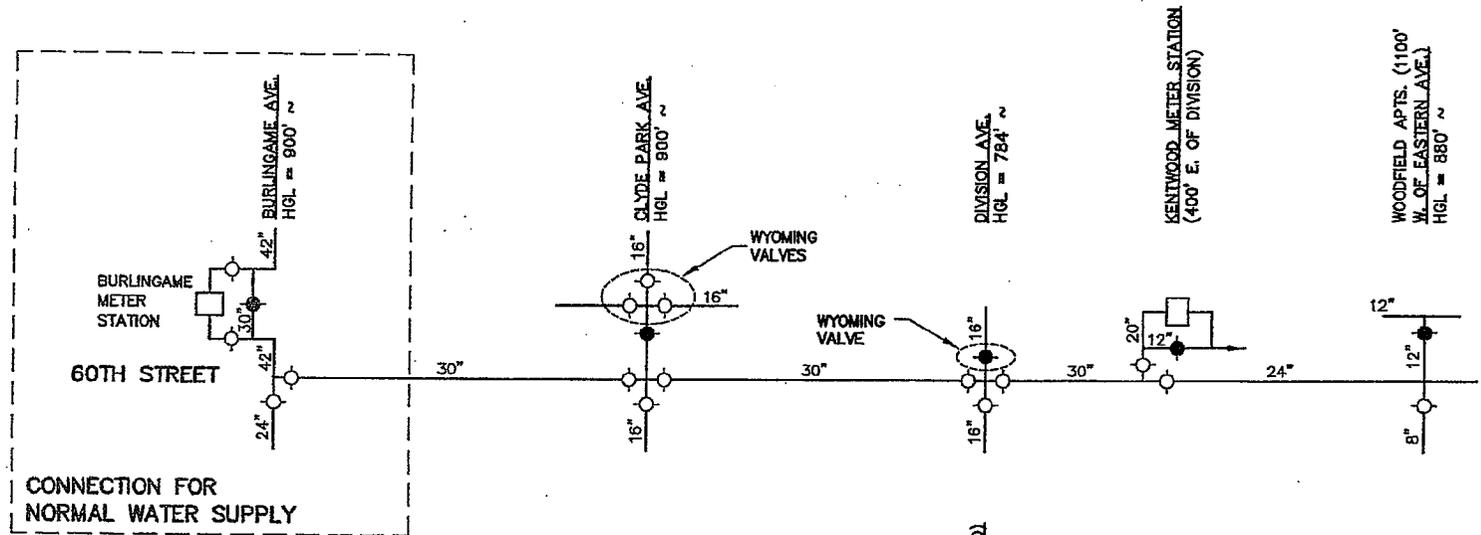
Wholesale Rate Calculations

	Total Costs		Usage (in MG)	Rates		
	Capital Costs	O&M Costs		Monthly Capital	Volume (per MG)	Total (per MG)
Georgetown Township	\$ 60,151	\$ 38,760	49	\$ 5,013	\$ 791.03	\$ 2,018.60
City of Kentwood	\$ 852,788	\$ 771,702	890	\$ 71,066	\$ 867.09	\$ 1,825.27
Byron-Gaines Townships	\$ 1,801,496	\$ 1,305,146	1,687	\$ 150,125	\$ 773.65	\$ 1,841.52
City of Grandville	\$ 649,033	\$ 451,922	765	\$ 54,086	\$ 590.75	\$ 1,439.16

* Assumes projected usage as presented in the Table above

Annual True-Up

The calculations in this exhibit will be repeated after the close of each fiscal year using audited O&M expenses, depreciation, and plant investment information as well as current units and contract units, which will determine the actual total cost of service for each wholesale customer. The sum of the revenues collected during the period will be compared to the actual cost, if the City has over-collected from a wholesale customer, a credit will be issued on the customer's next billing for the full amount over-collected, and if the City has under-collected from the wholesale customer, a charge will be placed on the customer's next bill for the full amount.



LEGEND

- NORMALLY CLOSED VALVE
- NORMALLY OPEN VALVE

**EXHIBIT C
BYRON-GAINES WATER SYSTEM
CONNECTIONS WITH
WYOMING & KENTWOOD SYSTEMS**

SCALE : NONE

Table 5

Operating and Maintenance Cost Allocation

Total Cost of Service	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters	
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour			
Administration	\$ 1,528,470	\$ 412,828	\$ 524,159	\$ 1,314	\$ -	\$ 87,010	\$ 28,954	\$ 36,974	\$ 13,186	\$ 311,461	\$ 67,170	\$ 24,727	\$ 9,243	\$ 11,443
Pumping & Treatment	\$ 6,285,470	2,780,194	3,505,276	-	-	-	-	-	-	-	-	-	-	-
T&D Storage - E of Gezon	\$ 18,470	-	-	-	-	-	-	-	-	-	13,500	4,970	-	-
T&D-Gezon Station	\$ 544,300	-	-	-	-	199,201	254,382	90,717	-	-	-	-	-	-
T&D-Storage/W of Gezon	\$ 34,260	-	25,217	9,043	-	-	-	-	-	-	-	-	-	-
Trans & Dist-Mains	\$ 990,900	-	-	-	-	-	-	-	-	377,119	448,631	165,150	-	-
T&D-Pipeline to Gezon	\$ 135,770	60,054	75,716	-	-	-	-	-	-	-	-	-	-	-
T&D - Pipeline Meters	\$ 78,730	-	-	-	-	-	-	-	-	-	-	-	-	78,730
Trans & Dist-Meters	\$ 774,640	-	-	-	-	-	-	-	-	774,640	-	-	-	-
Trans & Dist-Hydrants	\$ 63,590	-	-	-	-	-	-	-	-	-	-	-	63,590	-
Trans & Dist-Services	\$ 991,090	-	-	-	-	-	-	-	-	991,090	-	-	-	-
Customer Accounting	\$ 598,630	-	-	-	-	598,630	-	-	-	-	-	-	-	-
Totals O&M Expenses	\$12,044,320	\$3,253,076	\$4,130,368	\$ 10,358	\$ -	\$685,640	\$ 228,155	\$ 291,356	\$ 103,902	\$2,454,310	\$529,302	\$194,846	\$ 72,833	\$ 90,173
Less: Other Operating	\$ (686,640)	\$ (185,456)	\$ (235,470)	\$ (590)	\$ -	\$ (39,088)	\$ (13,007)	\$ (16,610)	\$ (5,923)	\$ (139,919)	\$ (30,175)	\$ (11,108)	\$ (4,152)	\$ (5,141)
Less: Interest Income	\$ (50,000)	\$ (13,505)	\$ (17,147)	\$ (43)	\$ -	\$ (2,846)	\$ (947)	\$ (1,210)	\$ (431)	\$ (10,189)	\$ (2,197)	\$ (809)	\$ (302)	\$ (374)
Less: Misc. Income	(30,000)	\$ (8,103)	\$ (10,288)	\$ (26)	\$ -	\$ (1,708)	\$ (568)	\$ (726)	\$ (259)	\$ (6,113)	\$ (1,318)	\$ (485)	\$ (181)	\$ (225)
Net O&M Expenses	\$11,277,680	\$3,046,012	\$3,867,464	\$ 9,699	\$ -	\$641,998	\$ 213,633	\$ 272,811	\$ 97,289	\$2,298,090	\$495,611	\$182,444	\$ 68,197	\$ 84,434

	Common to All Customers					All Except Ottawa County & Grandville			Distribution System Customers			Fire Protection	Pipeline Meters
	Base	Max. Day	Max. Hour	Meters	Billing	Base	Max. Day	Max. Hour	Base	Max. Day	Max. Hour		
Administration	27.01%	34.29%	0.09%		5.69%	1.89%	2.42%	0.86%	20.38%	4.39%	1.62%	0.60%	0.75%
Pumping & Treatment	44.23%	55.77%											
T&D Storage - E of Gezon										73.09%	26.91%		
T&D-Gezon Station						36.60%	46.74%	16.67%					
T&D-Storage/W of Gezon		73.60%	26.40%										
Trans & Dist-Mains									38.06%	45.28%	16.67%		
T&D-Pipeline to Gezon	44.23%	55.77%											
T&D - Pipeline Meters													100.00%
Trans & Dist-Meters									100.00%				
Trans & Dist-Hydrants												100.00%	
Trans & Dist-Services									100.00%				
Customer Accounting					100.00%								

EXAMPLES: (Refer to Table 2 – "Current Usage Units of Service for Operating and Maintenance Costs" for Customer Usage Data)

Administration costs are allocated across all categories proportionally related to other costs:

Example --- Base Capacity allocation = Total of all Base costs excluding Administration / Net O&M costs excluding total Administration = 27.01%

Pumping & Treatment costs are allocated to Base and Max. Day proportionally related to current units used by all customers:

Example --- Base Capacity allocation = Total Units for Average Day / Total Units for Maximum Day = 44.23%

T&D-Storage - E of Gezon costs are allocated to Maximum Day and Maximum Hour proportionally for Distribution System Customers only (Wyoming and Kentwood):

Example --- Max. Day allocation = Wyoming + Kentwood Max. Day Extra Capacity Units / Wyoming + Kentwood Max. Day Extra Capacity + Max. Hour Extra Capacity Units = 73.17%

T&D-Gezon Station costs are allocated to Base, Max. Day and Max. Hour proportionally for all customers except Ottawa County and Grandville:

Example --- Base Capacity allocation = Total Units for Average day for all customers except OC and Grandville / Max. Hour Total Units for all customers except OC and Grandville = 36.74%

T&D Storage/W of Gezon costs are allocated to Max. Day and Max. Hour proportionally for all customers:

Example --- Base Capacity allocation = Total Units for Max. Day Extra Capacity / Total Max. Day Extra Capacity + Total Units for Max. Hour Extra Capacity = 73.60%

Trans & Dist-Mains costs are allocated to Base, Max. Day and Max. Hour proportionally for Distribution System customers only (Wyoming and Kentwood):

Example --- Base Capacity allocation = Wyoming + Kentwood Average Day Units / Wyoming + Kentwood Max. Hour Total Units = 37.88%

RESOLUTION NO. _____

RESOLUTION TO AUTHORIZE THE MAYOR AND CITY CLERK TO ENTER INTO A CONTRACT AMENDMENT WITH THE AREA AGENCY ON AGING OF WESTERN MICHIGAN, INC. (AAAWM) IN SUPPORT OF OLDER ADULT TRANSPORTATION

WHEREAS, the City of Wyoming and Area Agency on Aging of Western Michigan (AAAWM) have an established mission to serve and support senior citizens,

WHEREAS, the City of Wyoming and AAAWM have an established contract to provide certain services with state and federal funding for a period ending September 30, 2011, and

WHEREAS, annually the contact is amended to reflect the level of funding available to operate such services, and

WHEREAS, the City of Wyoming had applied to amend the service contract effective October 1, 2011 through September 30, 2012, and

WHEREAS, the Board of Directors of AAAWM voted to accept such a contract amendment, and

WHEREAS, the Board of Directors of AAAWM voted to award the City of Wyoming \$11,133 to provide transportation services for older adults; now therefore,

BE IT RESOLVED, the City of Wyoming recognizes the total awarded grant amount of \$11,133 and authorizes the Mayor and City Clerk to enter into a contract amendment to provide services by accepting such funding from the AAAWM, and

BE IT FURTHER RESOLVED, the Wyoming City Council hereby authorizes the attached budget amendment.

Attachment: Contract Amendment, Budget Amendment

Council member _____ moved, seconded by Council member _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan at a regular session held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Resolution No. _____

Memo

To: Curtis Holt, City Manager
From: Rebecca L. Rynbrandt, Director Of Community Services
CC: Barb Vanduren, Deputy City Manager; Eric Tomkins, Recreation Supervisor; Molly Remenap, Recreation Programmer, Wyoming Senior Center
Date: September 12, 2011
Re: Older Adult Transportation Assistance Grant Program

Our application for continuation funding in support of senior citizen transportation needs has met with success. Area Agency on Aging of Western Michigan (AAAWM) Board of Directors voted in favor of funding \$11,133 in support of our Go! Bus subsidized ticket program for fiscal year 2012. Older Americans Act dollars which funds this program become available October 1, 2011. We were pleased that the program's merits and the vital service it provides to area older adults continue to be recognized by the AAAWM.

Through grant support, we will be able to subsidize over 5,000 Go! Bus rides for area older adults. Program participant's use tickets to attend the Wyoming Senior Center and to perform activities of daily living. Participant surveys indicated that Go! Bus tickets are used to:

- improve their quality of life
- access medical appointments or services
- access food

This innovative program is one of many such programs offered by the Wyoming Parks and Recreation Department in support of area older adults and is administered out of the Wyoming Senior Center.

Please find attached a copy of the FY 2012 contract, and resolution of award acceptance for your and City Council review and approval. Please contact me at extension 520 with any questions or comments.

CONTRACT AMENDMENT

STATEMENT OF PURPOSE

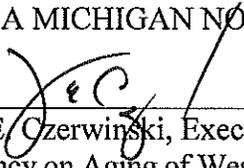
The Area Agency on Aging of Western Michigan, Inc. (AAAWM), a Michigan Nonprofit Corporation, and the City of Wyoming, (Service Provider), a Michigan Municipality, entered into Contract numbered 51.98 in which the Service Provider undertook to provide certain services with state and federal funding for the three year period ending September 30, 2012. The parties now agree to amend the provisions of that contract.

AGREEMENT OF PARTIES

As of July 25, 2011, AAAWM and the Service Provider agree:

1. That the amount of funds the AAAWM agrees to pay, for the budget period October 1, 2011 through September 30, 2012 as provided in the Contract of October 1, 2009, shall not exceed **\$11,133.00 (Eleven thousand one hundred thirty-three and 00/100 dollars)**.
2. Service Provider is to provide services funded through this contract during each of the twelve (12) months of the fiscal year unless a waiver has been granted.
3. That the amount the Service Provider agrees to provide as Local Match, for the budget period October 1, 2011 through September 30, 2012, as specified in the Contract of October 1, 2009, shall be not less than **\$1,237.00 (One thousand two hundred thirty seven and 00/100 dollars)**.
4. That Service Budget (Attachment I) is deleted and Service Budget (Attachment I) dated August 19, 2011 is added.
5. That Older Americans Act Funding Distribution (Attachment II) is deleted and Older Americans Act Funding Distribution (Attachment II) dated July 25, 2011 is added.

AREA AGENCY ON AGING OF WESTERN MICHIGAN, INC.
A MICHIGAN NONPROFIT CORPORATION

By: 
Thomas E. Ozerwinski, Executive Director
Area Agency on Aging of Western Michigan

8-29-11
Date

By: _____
Person Authorized to Sign for Service Provider

Date

Name: _____

Title: _____

Attachment II

**Area Agency on Aging of Western Michigan
Older Americans Act Funding Distribution
October 1, 2011 – September 30, 2012**

Funding as of: July 25, 2011

City of Wyoming

<u>Service</u>	<u>Source</u>	<u>CFDA Number</u>	<u>Award</u>
Transportation	IIIB	93.044	\$11,133

RESOLUTION NO. _____

RESOLUTION TO AUTHORIZE FINAL PAYMENT FOR
THE LEMERY PARK ULTRA THIN OVERLAY PROJECT

WHEREAS, on August 1, 2011, the City awarded the Lemery Park Ultra Thin Overlay project to Michigan Paving and Materials, Co. in the amount of \$23,536.75, and

WHEREAS, during construction of the overlay project, asphalt quantities went over the estimated amount in the bid, and

WHEREAS, authorization for the additional cost is necessary now that the final quantities have been reviewed and agreed upon, and

WHEREAS the additional cost for the final quantities have increased the contract amount by \$2,239.83, and

WHEREAS, the additional cost can be financed from the Parks & Recreation Department's Park Facility Fund account number 208-752-75600-975.112; now, therefore,

BE IT RESOLVED that the City Council hereby authorizes the Mayor and City Clerk to approve final payment to Michigan Paving and Materials, Co. for the Lemery Park Ultra Thin Overlay project in the amount of \$2,239.83.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan, at a regular session held on the 19th day of September, 2011.

HEIDI A. ISAKSON
Wyoming City Clerk

Resolution No. _____

MEMORANDUM

TO: Mayor and City Council

FROM: Russ Henckel, Assistant Director of Public Works/Engineering

CC: Rebecca Rynbrandt, Director of Community Services

DATE: September 14, 2011

SUBJECT: Lemery Park Ultra Thin Overlay Project - Final Payment

The Lemery Park Ultra Thin Overlay project was awarded to Michigan Paving and Materials, Co. on August 1, 2011, in the amount of \$23,536.75. Additional quantities of work were encountered during construction increasing the estimated amount of asphalt necessary to complete the project. This work is included in the final payment for \$2,239.83.

The final contract amount is \$25,580.83 is 8.6% over contract. It is recommended that the City Council approve final payment to Michigan Paving and Materials, Co. for the Lemery Park Ultra Thin Overlay project in the amount of \$2,239.83.

RJH:

CITY OF WYOMING

1155 28TH STREET S. W.
WYOMING, MI 49509

AUTHORIZATION FOR PAYMENT FOR WORK COMPLETED ON THE FOLLOWING CONTRACT

LEMERY PARK ULTRA THIN OVERLAY

	144.11	Estimate # 2 FINAL		
IDR START	1			
IDR END	3			
ACCOUNT NO.	REQUISITION	THIS ESTIMATE	TOTAL	
2012-00000301	\$23,536.75	\$2,239.83	\$25,580.83	
	0	\$0.00		
	<hr/>	<hr/>	<hr/>	
	\$23,536.75	\$2,239.83	\$25,580.83	

CONTRACTOR: MI PAVING & MATERIALS CO
2575 S HAGGERTY RD
CANTON, MI 48188

PO#	2012-00000301	CONTRACT PRICE:	\$23,536.75
Change Order No 1		0	\$0.00
			\$23,536.75

DATE OF LAST ESTIMATE: 9/1/2011

DATE OF THIS ESTIMATE: 9/13/2011

TOTAL AMOUNT EARNED AS SHOWN ON ESTIMATE 2	\$25,580.83
LESS PREVIOUS ESTIMATES	\$23,341.00
AMOUNT DUE CONTRACTOR	\$2,239.83

PREPARED BY:  9.13.11

REVIEWED BY:  9.13.11

AUTHORIZED BY: _____



Construction Pay Estimate Report

City of Wyoming

9/1/2011 8:15 AM

FieldManager 4.7a

Contract: _144.11, Lemery Park Ultra Thin Overlay

Estimate Date 09/01/2011	Estimate No. 2	Entered By Carlos M Caceres	Estimate Type FINAL	Electronic File Created No	All Contract Work Completed 8/26/2011	Construction Started Date 8/25/2011
Prime Contractor Michigan Paving and Materials Company				Managing Office City of Wyoming		

Item Usage Summary

Item Description	Item Code	Prop. Line	Project	Category	Project Line No.	Item Type	Mod. No.	Quantity	Dollar Amount
BITUMINOUS MIXTURE - 36A Ultra Thin Overlay 3/4", Low Volume	_6324	0025	144.11	0	0025	EA	001	28.700	\$2,217.08
PAVEMENT MARKING REGULAR 4" BLUE	_6486	0010	144.11	0	0010	00	000	22.000	\$22.00
Total Estimated Item Payment:									\$2,239.08

Pre-Voucher Summary

Project	Voucher No.	Item Payment	Stockpile Adjustment	Dollar Amount
144.11, Lemery Park Ultra Thin Overlay	0002	\$2,239.08	\$0.00	\$2,239.08
Voucher Total:				\$2,239.08

Summary

Current Voucher Total:	\$2,239.08	Earnings to date:	\$25,580.83
-Current Retainage:	\$0.00	- Retainage to date:	\$0.00
-Current Liquidated Damages:	\$0.00	- Liquidated Damages to date:	\$0.00
-Current Adjustments:	\$0.00	- Adjustments to date:	\$0.00
Total Estimated Payment:	\$2,239.08	Net Earnings to date:	\$25,580.83
		- Payments to date:	\$23,341.75
		Net Earnings this period:	\$2,239.08
			2239.08



Construction Pay Estimate Report

City of Wyoming

9/1/2011 8:15 AM

FieldManager 4.7a

Estimate Certification

I certify the items included on this report constitute my estimate of work completed and due the contractor as of the date of this document. I also certify the prime contractor is meeting all requirements for minority percentages and the payrolls are current.

Carlos Caceres (Project Engineer) and/or

9.13.11

(Date)

Carlos Caceres (Delivery/Resident Engineer)

9.13.11

(Date)



Construction Pay Estimate Amount Balance Report

Estimate: 2

9/1/2011 8:15 AM
FieldManager 4.7a

City of Wyoming

Contract: _144.11, Lemery Park Ultra Thin Overlay

Item Description	Item Code	Prop. Line	Project	Category	Authorized Quantity	Quantity This Estimate	Qty. Paid To Date	Total Qty. Placed	% Cpt	Unit Price	Dollar Amt. Paid To Date
BITUMINOUS MIXTURE - 36A Ultra Thin Overlay 3/4", Low	_6324	0025	144.11	0	321.700	28.700	321.700	321.700	100%	77.25000	\$24,851.33
COLD PLASTIC PAVEMENT MARKING SYMBOL (HA	_6476	0005	144.11	0	0.500	0.500	0.500	0.500	100%	100.00000	\$50.00
PAVEMENT MARKING REGULAR 4" BLUE	_6486	0010	144.11	0	102.000	22.000	102.000	102.000	100%	1.00000	\$102.00
PAVEMENT MARKING REGULAR 6" YELLOW	_6489	0015	144.11	0	2,310.000	0.000	2,310.000	2,310.000	100%	0.25000	\$577.50

Percentage of Contract Completed(curr): 100%
(total paid to date / total of all authorized work)

Total Amount Paid This Estimate: \$2,239.08
Total Amount Paid To Date: \$25,580.83

9/19/11

Public Works/WDD:kh

RESOLUTION NO. _____

RESOLUTION TO AUTHORIZE THE PURCHASE OF
EAGLE TRAFFIC SIGNALS AND OPTICOM SYSTEM EQUIPMENT

WHEREAS, the City has standardized on the use of Eagle Traffic Signal and 3M Opticom System equipment at its signalized intersections, and

WHEREAS, Eagle Traffic Signal and 3M Opticom System equipment is only available in the State of Michigan from Carrier & Gable, Inc., and

WHEREAS, the City has budgeted \$85,000 for the purchase of the aforementioned equipment during 2011-12 to repair, update and install traffic signal and Opticom System equipment at various signalized intersections, and

WHEREAS, the City Attorney has historically ruled that items which are available from only a single source need not be bid in that the bidding of such items would constitute the performance of a needless and useless act, and

WHEREAS, funds for the purchase of the traffic signal and Opticom System equipment are budgeted in the Major Street Traffic Maintenance Supplies Account 202-441-47400-775.000; now, therefore,

BE IT RESOLVED that the City Council does hereby authorize the purchase of Eagle Traffic Signal and 3M Opticom System equipment from Carrier & Gable, Inc. for fiscal year 2011-12, at the prices shown on the price quotation dated May 10, 2011, and

BE IT FURTHER RESOLVED, that the City Council does hereby waive the provisions of Sections 2-252, 2-253, 2-254 and 2-256 of the City Code regarding publication and posting of bid notices, notification of bidders and the bid opening procedure.

Councilmember _____ moved, seconded by Councilmember _____, that the foregoing Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays.

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan, at a regular session held on the 19th day of September, 2011.

HEIDI A. ISAKSON
Wyoming City Clerk

Attachment

Resolution No. _____



CARRIER & GABLE, INC.

24110 Research Drive
Farmington Hills, MI 48335
(248) 477-8700 (248) 473-0730 • FAX

www.carriergable.com

QUOTATION

Sales Quote Number WY11

Sales Quote Date: 05/10/11

Expires On: 06/30/12

Page: 1

Sell To: WYOMING, CITY OF
DENNY THORNTON
2660 BURLINGAME, S.W.
P.O. BOX 905
WYOMING, MI 49509-0905

Ship To: WYOMING, CITY OF
DENNY THORNTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: CABINETS
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
	CABINETS				
	ITEM 10				
101WYP44M50BM	CABINET, P44 EPAC M50 BASE MNT WYOMING		1		
101-2339	CABINET ACT P44 8PH MI WR 16LS 12CH PGW		1	12,801.00	12,801.00
101-2300	CONTROLLER EPAC3108 M52 2ND RS232		1		
160-2100	MONITOR, TS2 MMU-16LE SMART MONITOR		1		
91-1000	DATA KEY, M52 CONTROLLER 2MB 5V		1		
178-1000	FLASH XFER RELAY MGCRFT W21ACPX-2		6		
460-1000	FLASHER EDI MDL810-2 CIRCUIT		1		
149-1001	LOAD SWITCH I/O DISCRETE 200-OI		12		
101-2620	BASE EXTENSION P44 GREY		1		
160-3000	POWER SUPPLY, 1.5 A RACK PS-175		1		
160-4401	DETECTOR, 4 CH RACK ORACLE 4E		2		
100-1000	C&G TECH SERVICES MISC		1		
101-9328	PRINT PACK FOR 101-2328		1		
158-1000	BASE, CIRCUIT BREAKER QON2-4L70		1		
106-1000	PUSHBUTTON ISOLATOR, DCI-82-242		1		
157-1001	ANCHOR BOLT 3/4" X 18" X 3"		1		
	***** END of KIT *****				
	ITEM 11				
101WYP44M50BMNP	CABINET, 8 PH BASE W/O EPAC & MONITOR		1	8,088.00	8,088.00
101-2339	CABINET ACT P44 8PH MI WR 16LS 12CH PGW		1		
178-1000	FLASH XFER RELAY MGCRFT W21ACPX-2		1		
460-1000	FLASHER EDI MDL810-2 CIRCUIT		1		
149-1001	LOAD SWITCH I/O DISCRETE 200-OI		16		
101-2620	BASE EXTENSION P44 GREY		1		
101-9328	PRINT PACK FOR 101-2328		1		
106-1000	PUSHBUTTON ISOLATOR, DCI-82-242		2		
	***** END of KIT *****				
	ITEM 12				
101WYP44M50BM	CABINET, P44 EPAC M50 BASE MNT WYOMING		1		
101-2341	CABINET ACT P44 16PH BIU WR MDOT PGW		1	13,820.00	13,820.00



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Customer ID 2170
Salesperson Mike Schasser

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101-2300	CONTROLLER EPAC3108 M52 2ND RS232		1		
160-2100	MONITOR, TS2 MMU-16LE SMART MONITOR		1		
91-1000	DATA KEY, M52 CONTROLLER 2MB 5V		1		
178-1000	FLASH XFER RELAY MGCRFT W21ACPX-2		6		
460-1000	FLASHER EDI MDL810-2 CIRCUIT		1		
149-1001	LOAD SWITCH I/O DISCRETE 200-OI		12		
101-2620	BASE EXTENSION P44 GREY		1		
160-3000	POWER SUPPLY, 1.5 A RACK PS-175		1		
160-4401	DETECTOR, 4 CH RACK ORACLE 4E		2		
101-9328	PRINT PACK FOR 101-2328		1		
106-1000	PUSHBUTTON ISOLATOR, DCI-82-242		1		
157-1001	ANCHOR BOLT 3/4" X 18" X 3"		1		
460-2016	POWER SUPPLY, CABINET TS2 PS-200		1		
460-2017	BUSS INTERFACE UNIT, BIU700		1		
	***** END of KIT *****				
	ITEM 13				
100-1000	C&G TECH SERVICES MISC		1	3,250.00	3,250.00
	ITEM 20				
101WYM30M50BM	CABINET, M30 EPAC M50 BASE MT WYOMING		1		
101-2340	CABINET ACT M30 4PH BIU WR MDOT PGW		1	11,418.00	11,418.00
101-2300	CONTROLLER EPAC3108 M52 2ND RS232		1		
160-2100	MONITOR, TS2 MMU-16LE SMART MONITOR		1		
178-1000	FLASH XFER RELAY MGCRFT W21ACPX-2		4		
91-1000	DATA KEY, M52 CONTROLLER 2MB 5V		1		
460-1000	FLASHER EDI MDL810-2 CIRCUIT		1		
149-1001	LOAD SWITCH I/O DISCRETE 200-OI		8		
101-9327	PRINT PACK FOR 101-2327		1		
101-2622	BASE, EXTENSION M30 15" GREY AQC11498P001		1		
157-1001	ANCHOR BOLT 3/4" X 18" X 3"		2		
160-4201	DETECTOR, 2 CH RACK ORACLE 2E		1		
460-2017	BUSS INTERFACE UNIT, BIU700		1		
460-2016	POWER SUPPLY, CABINET TS2 PS-200		1		
106-1000	PUSHBUTTON ISOLATOR, DCI-82-242		1		



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Expires On: 06/30/12

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Quote/Bid Ref: CABINETS
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Customer ID 2170
Salesperson Mike Schasser

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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
	***** END of KIT *****				
	ITEM 21				
101WYM30M50BMN	CABINET, 4 PH BASE MOUNT W/O EPAC & MONIT		1		
101-2340	CABINET ACT M30 4PH BIU WR MDOT PGW		1	7,408.00	7,408.00
178-1000	FLASH XFER RELAY MGCRFT W21ACPX-2		4		
460-1000	FLASHER EDI MDL810-2 CIRCUIT		1		
149-1001	LOAD SWITCH I/O DISCRETE 200-OI		8		
101-9327	PRINT PACK FOR 101-2327		1		
460-2016	POWER SUPPLY, CABINET TS2 PS-200		1		
460-2017	BUSS INTERFACE UNIT, BIU700		1		
101-2622	BASE, EXTENSION M30 15" GREY AQC11498P001		1		
106-1000	PUSHBUTTON ISOLATOR, DCI-82-242		1		
	***** END of KIT *****				
	ITEM 30				
101WYM30M50PM	CABINET, M30 EPAC M50 POLE MT WYOMING		1		
101-2340	CABINET ACT M30 4PH BIU WR MDOT PGW		1	11,077.00	11,077.00
101-2300	CONTROLLER EPAC3108 M52 2ND RS232		1		
160-2100	MONITOR, TS2 MMU-16LE SMART MONITOR		1		
178-1000	FLASH XFER RELAY MGCRFT W21ACPX-2		4		
91-1000	DATA KEY, M52 CONTROLLER 2MB 5V		1		
460-1000	FLASHER EDI MDL810-2 CIRCUIT		1		
149-1001	LOAD SWITCH I/O DISCRETE 200-OI		8		
101-9327	PRINT PACK FOR 101-2327		1		
207-2410	HARDWARE, CAB POLE MOUNT -2/SET		1		
460-2016	POWER SUPPLY, CABINET TS2 PS-200		1		
460-2017	BUSS INTERFACE UNIT, BIU700		1		
103-3127	CABINET BRACKET, ALUMINUM		2		
160-4201	DETECTOR, 2 CH RACK ORACLE 2E		1		
106-1000	PUSHBUTTON ISOLATOR, DCI-82-242		1		
	***** END of KIT *****				
	ITEM 40				
101-2620	BASE EXTENSION P44 GREY		1	417.00	417.00



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
101-2622	ITEM 50 BASE, EXTENSION M30 15" GREY AQC11498P001		1	360.00	360.00
101NF160	ITEM 60 KIT, FLASHER CABINET EL240 STD 1 CIRCUIT		1		
124-1011	FLASHER PANEL FOR NEMA FLASHER 1 CKT FOR		1	494.00	494.00
124-1000	CABINET, EL240 FLASHER TA4000		1		
149-1004	FLASHER, NEMA 2 CKT CUBE 304-15		1		
101-2423	BANDING, WOOD POLE CABINET UL23		2		
124-9011	PRINT PACK :EP160 NEMA FLASHER ***** END of KIT *****		1		

Amt Subject to Sales Tax	Amt Exmt from Sales Tax	Subtotal:	69,133.00
0.00	69,133.00	Total Sales Tax:	0.00
		Total:	69,133.00



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
101-2300	ITEM 70 CONTROLLER EPAC3108 M52 2ND RS232		1	2,515.00	2,515.00
91-1000	ITEM 80 DATA KEY, M52 CONTROLLER 2MB 5V		1	70.00	70.00
92GPS	ITEM 81 GPS ANTENNA & CABLE		1	267.00	267.00
92-1000	GPS UNIT, ANTENNA 17XHVS		1		
172-5020	CABLE, GPS TO SEPAC W/ TERMINAL BLOCK ***** END of KIT *****		1		
173-3050	ITEM 82 TIME CLOCK, TR-3 GPS W/ GPS RECEIVER		1	650.00	650.00
160-2002	ITEM 90 MONITOR, 6 CH ENHANCED SSM6LEC		1	720.00	720.00
160-2012	ITEM 100 MONITOR, 12 CH UPLOAD SSM-12LEC		1	802.00	802.00
160-2100	ITEM 110 MONITOR, TS2 MMU-16LE SMART MONITOR		1	753.00	753.00
149-1001	ITEM 120 LOAD SWITCH I/O DISCRETE 200-OI		1	29.00	29.00
129-1001	ITEM 121 FILTER, CABINET 12"x16"x1"		1	3.00	3.00
178-1000	ITEM 130 FLASH XFER RELAY MGCRFT W21ACPX-2		1	44.00	44.00
166-2936	ITEM 140 RELAY, MERCURY 60 AMP PAR-360 N.O. MAGNEC		1	94.00	94.00



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
178-2981	ITEM 141 RELAY, SOLID STATE, SPST N.O. STRUTHERS 418		1	102.00	102.00
178-2980	ITEM 142 RELAY, SOLID STATE, SPST N.O. CRYDOM A2475		1	108.00	108.00
47-2022	ITEM 143 ARRESTOR, ZONE DEFENDER 1P, 3WIRE ZDS 120		1	583.00	583.00
47-2021	ITEM 144 ARRESTOR, ZONE GUARDIAN 12 AMP, 1P		1	118.00	118.00
110-3000	ITEM 145 ARRESTOR, GAS TUBE 317B		1	16.50	16.50
460-1000	ITEM 150 FLASHER EDI MDL810-2 CIRCUIT		1	24.00	24.00
160-3000	ITEM 160 POWER SUPPLY, 1.5 A RACK PS-175		1	199.00	199.00
460-2016	ITEM 161 POWER SUPPLY, CABINET TS2 PS-200		1	294.00	294.00
106-1000	ITEM 170 PUSHBUTTON ISOLATOR, DCI-82-242		1	47.00	47.00
141-NS0068	ITEM 171 46F2623 PR7 13.8 VDC POWER SUP		1	113.00	113.00
111-1250	ITEM 172 SURGE SUPPRESSOR, 120VAC 1PHASE SHA-1250		1	168.00	168.00
111-1251	ITEM 173 BASE, HARDWIRE FOR SHA-1250- BASE-A		1	33.00	33.00

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460-2017	ITEM 174 BUSS INTERFACE UNIT, BIU700		1	240.00	240.00
77-1000	ITEM 180 DATA REPEATER, F.O.		1	950.00	950.00
167WYRADIO	ITEM 190 RADIO KIT, MDS LICENSED WYOMING		1	2,794.00	2,794.00
136-2500	ICT 8A POWER SUPPLY, SHLF MNT		1		
167-2000	9710B LICENSED FREQUENCY RADIO W/DIAG		1		
136-2510	JUMPER, RADIO CABLE 2', FSJ4-50B, N(M), N(M)		1		
136-1003	ANTENNA, YAGI DIRECTIONAL 10DB		1		
136-1002	SURGE PROTECTION, POLY PHASER IS50NX-C2		1		
136-1001	CONNECTOR, 3/8" CABLE		3		
136-1000	CABLE, RADIO 3/8" 100 FT ROLL		1		
103-7658	FOOT, WD/STL 1.25" HOLE U1158 BLK .75" MH		1		
103-7616	PLUG, 1.25" BLK FOR U1158 FOOT BLK		1		
103-7311	NIPPLE, ALUM 1.5" X 18" UNF		1		
103-7312	PIPE, ALUM 1.5" X 23" UNF		1		
103-7909	ELBOW, ALUM SERRATED UNF		1		
85-5010	CABLE, IFS/MDS TO EPAC/EPIC ***** END of KIT *****		1		
85-5010	ITEM 200 CABLE, IFS/MDS TO EPAC/EPIC		1	36.00	36.00
136-1000	ITEM 210 CABLE, RADIO 3/8" 100 FT ROLL		1	125.00	125.00
126-3100	ITEM 220 POWER CABLE, CAMERA 6" NTSC		1	39.00	39.00
151-0138	ITEM 230 CABLE, OPTICOM MDL 138 (500 FT ROLL)		500	0.45	225.00



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136-1001	ITEM 240 CONNECTOR, 3/8" CABLE		1	11.00	11.00
120-0500	ITEM 250 CABLE, VIDEO/3C POWER 500FT		1	742.00	742.00
110-1025	ITEM 251 CABLE, VERSICAM 500' ROLL IMSA 40-2		1	375.00	375.00
110-1022	ITEM 252 CABLE, VERSICAM 100' ROLL IMSA 40-2		1	75.00	75.00
120-1000	ITEM 260 CABLE, VIDEO/3C POWER 1000 FT		1	1,485.00	1,485.00
110-1030	ITEM 261 CABLE, VERSICAM 1,000' ROLL IMSA 40-2		1	750.00	750.00
126-3001	ITEM 270 CONNECTOR, BNC W/RUBBER BOOT		1	6.00	6.00
85-5000	ITEM 280 CABLE, EPAC/EPIC/MARC TO PC		1	38.00	38.00
160LD	ITEM 290 DETECTOR WITH HARNESS KIT		1	158.00	158.00
160-301T	DETECTOR 1 CHANNEL SHELF LMD301T		1		
160-1002	HARNESS, DETECTOR 10 PIN ***** END of KIT *****		1		
160LD4	ITEM 300 DETECTOR 4 CH. WITH HARNESS KIT		1	409.00	409.00
160-0304	DETECTOR, 4 CHANNEL SHELF LMD304		1		
106-4010	HARNESS 19PIN FOR 4 CH DETECTOR ***** END of KIT *****		1		



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160-4201	ITEM 310 DETECTOR, 2 CH RACK ORACLE 2E		1	199.00	199.00
160-4401	ITEM 320 DETECTOR, 4 CH RACK ORACLE 4E		1	305.00	305.00
160-301T	ITEM 330 DETECTOR, 1 CH SHELF LMD301T		1	128.00	128.00
160-0304	ITEM 340 DETECTOR, 4 CHANNEL SHELF LMD304		1	337.00	337.00
108-1010	ITEM 350 DETECTOR, MICROWAVE TC26-B		1	690.00	690.00
108-NS003283	ITEM 360 ISOLATION CARD FOR TC-26B NEMA RACK TYPE,		1	140.00	140.00
108-5100	ITEM 361 INTERSECTOR INTERFACE BOARD TCIB-4.2		1	477.00	477.00
108-5000	ITEM 362 INTERSECTOR PRESENCE SNSR TC-CK1-SBE		1	4,550.00	4,550.00
108-NS003284	ITEM 370 ISOLATION CARD,TC-26B SENSOR PANEL MOUNT		1	55.00	55.00
126-1001	ITEM 380 CAMERA, WIDE ANGLE WA4		1	1,986.00	1,986.00
126-1007	ITEM 390 CAMERA, VANTAGE COLOR CAM-RZ4A-WDR		1	2,142.00	2,142.00
	ITEM 391				



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126-1010	CAMERA, VERSICAM		1	1,420.00	1,420.00
126-1015	ITEM 392 MODULE, VERSICAM RACK MOUNT		1	750.00	750.00
126-1016	ITEM 393 MODULE, VERSICAM SHELF MOUNT		1	910.00	910.00
126-1011	ITEM 394 VERSICAM, WIDE ANGLE COLOR FLEX		1	1,625.00	1,625.00
126-0500	ITEM 400 PROCESSOR, EDGE2 1 CAMERA INPUT		1	2,258.00	2,258.00
126-0600	ITEM 410 PROCESSOR, EDGE2 2 CAMERA INPUT		1	3,836.00	3,836.00
126-0700	ITEM 420 EXTENSION MODULE, 2 CHANNEL		1	308.00	308.00
126-0800	ITEM 430 EXTENSION MODULE, 4 CHANNEL		1	347.00	347.00
126-1500	ITEM 440 LENS ADJUST MODULE W/ DISPLAY		1	1,000.00	1,000.00
126-1200	ITEM 441 LAMADAPT LAMVIEW FOR ADV CAMERA		1	585.00	585.00
126-4502	ITEM 450 RACK, V2 2 SLOT W/POWER SUPPLY		1	658.00	658.00
126-4503	ITEM 460 RACK, V2 3 SLOT W/POWER SUPPLY		1	772.00	772.00



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(248) 477-8700 (248) 473-0730 • FAX

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QUOTATION

Sales Quote Number **WY11 ACCESS**

Sales Quote Date: 05/10/11

Expires On: 06/30/12

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Sell To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
P.O. BOX 905
WYOMING, MI 49509-0905

Ship To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: ACCESSORIES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
126-1004	ITEM 470 BRACKET, CAMERA MOUNT UNIVERSAL		1	80.00	80.00
126-1005	ITEM 471 BRACKET, CAMERA MOUNT VERSICAM		1	80.00	80.00
103ABCAMERA	ITEM 480 BRACKET, ASTRO CAMERA MOUNT		1	167.00	167.00
103-9150	BRACKET, CAMERA MOUNT		1		
103-2084	CLAMP KIT, 84" S.S. CABLE		1		
103-2074	TUBE, GUSSET 74" ASTRO BRACKET ASTRO BRA ***** END of KIT *****		1		
338-9004	ITEM 481 MONITOR, 9" VIDEO B&W PELCO		1	207.00	207.00
136-1003	ITEM 490 ANTENNA, YAGI DIRECTIONAL 10DB		1	215.00	215.00
136-1011	ITEM 500 ANTENNA, 7DB OMNI MAXRAD		1	189.00	189.00
136-3000	ITEM 510 ANTENNA, RUBBER DUCK REVERSE TNC LARSEN		1	19.00	19.00
136-1013	ITEM 520 MOUNTING BRACKET, MMK9 FOR OMNI		1	22.00	22.00
101-4000	ITEM 530 SIGNAL POLY 12" RYG MICH.		1	195.00	195.00
101-4601	ITEM 540 HOUSING POLY 12" SA 1 SEC FOR INSERT		1	50.00	50.00
	ITEM 550				



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
101-4602	HOUSING POLY 12" SA 2 SEC FOR INSERT		1	92.00	92.00
	ITEM 560				
101-4600	HOUSING POLY 12" SA 3 SEC FOR INSERT		1	125.00	125.00
	ITEM 570				
101-4618	HOUSING POLY 12" SA 4 SEC FOR INSERT		1	182.00	182.00
	ITEM 580				
101-4802X	SIGNAL POLY 12" RYG LED ITE		1	399.00	399.00
	ITEM 590				
101-4803X	SIGNAL POLY 12" R AA GA LED MDOT ITE		1	358.00	358.00
	ITEM 600				
101-4810	SIGNAL POLY 12" RED LED MDOT		1	114.00	114.00
	ITEM 610				
101-4821X	SIGNAL POLY 12" YEL LED MDOT ITE		1	154.00	154.00
	ITEM 620				
101-4803X	SIGNAL POLY 12" R AA GA LED MDOT ITE		1	358.00	358.00
	ITEM 630				
101-4852	SIGNAL POLY 12" YA GA LED MDOT		1	257.00	257.00
	ITEM 640				
101-4850X	SIGNAL POLY 12" Y G LED MDOT ITE		1	301.00	301.00
	ITEM 650				
101-4805	SIGNAL POLY 12" RA YA YA GA LED MDOT		1	489.00	489.00
	ITEM 660				
132-1000X	DIALIGHT LED 12" RED INSERT XL ITE		1	56.00	56.00



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
132-1002X	ITEM 661 DIALIGHT LED 12" RED AR 3 INSERT ITE		1	48.00	48.00
132-2000X	ITEM 670 DIALIGHT LED 12" YEL INSERT XL ITE		1	89.00	89.00
132-3000X	ITEM 680 DIALIGHT LED 12" GRN INSERT XL ITE		1	90.00	90.00
132-2002X	ITEM 690 DIALIGHT LED 12" YA 3R INSERT ITE OD		1	72.00	72.00
132-3002X	ITEM 700 DIALIGHT LED 12" GA 3R INSERT ITE OD		1	74.00	74.00
103-7401	ITEM 701 PINNACLE, SIGNAL CLOSURE POLY YELLOW		1	3.00	3.00
103-4123	ITEM 710 BACKPLATE, FOR POLY SA SIGNAL 3 SECTION		1	61.00	61.00
101TS12C6LED	ITEM 720 1-WAY 5-COLOR 12"SWTS LED C6 DH		1	866.00	866.00
101-4850X	SIGNAL POLY 12" Y G LED MDOT ITE		1		
101-4852X	SIGNAL POLY 12" YA GA LED MDOT ITE		1		
101-4851X	SIGNAL ALUM 12" RED LED MDOT ITE		1		
103-7425	BRACKET, 2W DOG HOUSE TOP		1		
103-7426	BRACKET, 2W DOG HS BOT W/O STUD		1		
101-7011	SPAN WIRE CLAMP, KA6-3 UNF		1		
101-7014	BRACKET, WIRE ENTRANCE BK14 BK14 A32125 Y		1		
101-7140	SIG TO SIG JOINER WASHER & HWD A844291		1		
	***** END of KIT *****				
103AB8446DHBO	ITEM 730 ASTRO BRACKET DOG HOUSE ASSY BRKTS ONL		1	272.00	272.00
103-2409	ARM KIT, 5 SEC DOG HOUSE ASSY		1		



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
103-2084	CLAMP KIT, 84" S.S. CABLE		1		
103-2046	TUBE, GUSSET 46" ASTRO BRACKET ASTRO BRA		1		
103-2260	TUBE CAPS, FOR ASTRO-BRAC TUBE		1		
101-7140	SIG TO SIG JOINER WASHER & HWD A844291 ***** END of KIT *****		1		
ITEM 740					
103AB8446	ASTRO BRKT 84" BAND 46" TUBE		1	147.00	147.00
103-2400	ARM KIT, 9" ASTRO BRACKET		1		
103-2046	TUBE, GUSSET 46" ASTRO BRACKET ASTRO BRA		1		
103-2084	CLAMP KIT, 84" S.S. CABLE		1		
103-2260	TUBE CAPS, FOR ASTRO-BRAC TUBE ***** END of KIT *****		1		
ITEM 750					
103AB3658	BRACKET,ASTRO 4 SECTION 12"		1	155.00	155.00
103-2084	CLAMP KIT, 84" S.S. CABLE		1		
103-2400	ARM KIT, 9" ASTRO BRACKET		1		
103-2058	TUBE, GUSSET 58" ASTRO BRACKET ASTRO BRA		1		
103-2260	TUBE CAPS, FOR ASTRO-BRAC TUBE ***** END of KIT *****		1		
ITEM 760					
103-7415	BRACKET, 2-WAY SW 12" TOP BK15		1	91.00	91.00
ITEM 770					
103-7416	BRACKET, 2-WAY SW 12" BOT BK16		1	15.00	15.00
ITEM 780					
103-7417	BRACKET, 3-WAY SW 12" TOP BK17		1	119.00	119.00
ITEM 790					
103-7418	BRACKET, 3-WAY SW 12" BOT BK18		1	28.00	28.00
ITEM 800					



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
103-7419	BRACKET, 4-WAY SW 12" TOP BK19		1	145.00	145.00
	ITEM 810				
103-7420	BRACKET, 4-WAY SW 12" BOT BK20		1	31.00	31.00
	ITEM 820				
101-7011	SPAN WIRE CLAMP, KA6-3 UNF		1	24.00	24.00
	ITEM 830				
101-7013	BRACKET, WIRE ENTR CHASE NPL YEL A32132 Y		1	38.00	38.00
	ITEM 840				
101-7014	BRACKET, WIRE ENTRANCE BK14 A32125 Y		1	42.00	42.00
	ITEM 850				
101-7113	BRACKET, WIRE ENTR DROP PIPE YEL BK130-10A		1	50.00	50.00
	ITEM 860				
103-7607	PIPE, CENTER 31" U-1516 BLK		1	20.00	20.00
	ITEM 870				
101-7140	SIG TO SIG JOINER WASHER & HWD A844291		1	6.00	6.00
	ITEM 880				
101-6000	SIGNAL POLY 12" PEDESTRIAN		1	167.00	167.00
	ITEM 890				
101-6801	SIGNAL POLY 12" PED LED H/M FILLED		1	198.00	198.00
	ITEM 900				
101-6815X	SIGNAL POLY 16" PED LED CD FILLED ITE		1	371.00	371.00
	ITEM 910				
132-6007	DIALIGHT FILLED LED 12" PED H/M INSERT		1	120.00	120.00



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
146-1000	ITEM 920 PUSH BUTTON, BULL DOG YELLOW		1	94.00	94.00
146-2001	ITEM 930 ADAPTER, PUSH BUTTON WOOD YEL		1	17.00	17.00
146-3002	ITEM 931 PUSHBUTTON, NAVIGATOR 2 WIRE W/"C" SIGN Y		1	405.00	405.00
146-3005	ITEM 932 CONTROL UNIT, 2 WIRE W/HRN & BOARD		1	2,750.00	2,750.00
146-3008	ITEM 933 SPECIAL VOICE MESSAGE		1	32.00	32.00
146-3100	ITEM 934 NAVIGATOR CONFIGURATOR		1	367.00	367.00
103-1010	ITEM 940 SHAFT 10' SPUN ALUM.		1	202.00	202.00
103-1014	ITEM 950 SHAFT 14' SPUN ALUM.		1	282.00	282.00
103-1016	ITEM 960 SHAFT 16' SPUN ALUM.		1	322.00	322.00
103-1530	ITEM 970 BASE, SQUARE W/SET SCREW & LUG		1	142.00	142.00
157-1001	ITEM 980 ANCHOR BOLT 3/4" X 18" X 3"		1	9.00	9.00
103-7638	ITEM 990 BRACKET, 2-WAY 12" "T" BK38-B		1	87.00	87.00



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
103-7640	ITEM 1000 BRACKET, 16" 2-WAY STRAIGHT ARM BLK		1	73.00	73.00
103-7633	ITEM 1010 BRACKET, 2W 12" STRAIGHT BK33-B		1	71.00	71.00
103-7606	ITEM 1020 BRACKET, 2-W PT 12" BOT 14" BK06-B		1	91.00	91.00
103-7612	ITEM 1021 BRACKET, 2-W PT 12" TOP BK06Z-B		1	97.00	97.00
103-7647	ITEM 1030 BRACKET, 2-W PT 12" TOP 14" BK47-B		1	71.00	71.00
103-7608	ITEM 1031 BRACKET, 1-W PT 12" TOP BK04Z-B		1	55.00	55.00
103-7636	ITEM 1040 BRACKET, 1-WAY ARM 12" BK36-B		1	36.00	36.00
103-7669	ITEM 1050 FOOT, 4" POLE (U1169) BLACK		1	12.00	12.00
103-7660	ITEM 1060 FOOT, WOOD POLE UJ60 BLK W/HOLE		1	33.00	33.00
103-7616	ITEM 1061 PLUG, 1.25" BLK FOR U1158 FOOT BLK		1	1.00	1.00
147-1003	ITEM 1070 LOOP SEALANT PLY PACK 1 LTR BLK		1	18.70	18.70
	ITEM 1080				



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147-1006	GUN, 1 LTR PLY PACK APPLICATION		1	163.00	163.00
151-0752	ITEM 1090 PHASE SELECTOR, 2 CH 752		1	1,876.00	1,876.00
151-0754	ITEM 1100 PHASE SELECTOR, 4 CH 754		1	2,935.00	2,935.00
151-0511	ITEM 1110 DETECTOR, MDL 711, 1 CH., 1 DIR		1	430.00	430.00
151-0521	ITEM 1120 DETECTOR, MDL 721, 1 CH., 2 DIR		1	487.00	487.00
151-0522	ITEM 1130 DETECTOR, MDL 722, 2 CH., 2 DIR		1	680.00	680.00
103-0500	ITEM 1140 SPAN CLAMP, OPTICOM DETECTOR		1	12.00	12.00
151-0760	ITEM 1150 CARD RACK, W/ P1 HARNESS 760		1	180.00	180.00
151-792H	ITEM 1160 EMITTER, HIGH PRIORITY 792H		1	1,062.00	1,062.00
151-592R	ITEM 1170 EMITTER SWITCH W/RANGE CTL 592R		1	175.00	175.00
103-7495	ITEM 1180 MINI-BRAC FOR OPTICOM SENSOR MOUNT		1	39.00	39.00
180-2400L	ITEM 1190 CASE SIGN, 24X30 4W HT LED		1	1,543.00	1,543.00



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	ITEM 1191				
18024304WLED	CASE SIGN 24X30 4WAY HT LED		1	1,909.00	1,909.00
101-7011	SPAN WIRE CLAMP, KA6-3 UNF		1		
101-7014	BRACKET, WIRE ENTRANCE BK14 A32125 Y		1		
180-2400L	CASE SIGN, 24X30 4W HT LED		1		
144-2430FACE	SIGN FACE, 24X30 PER PLANS		4		
	***** END of KIT *****				
	ITEM 1200				
180-2200U	CASE SIGN, 24X30 2W HT LED UNIVERSAL		1	1,305.00	1,305.00
	ITEM 1201				
18024302WLED	CASE SIGN 24X30 2WAY HT LED		1	1,521.00	1,521.00
101-7011	SPAN WIRE CLAMP, KA6-3 UNF		1		
101-7014	BRACKET, WIRE ENTRANCE BK14 A32125 Y		1		
180-2200U	CASE SIGN, 24X30 2W HT LED UNIVERSAL		1		
144-2430FACE	SIGN FACE, 24X30 PER PLANS		2		
	***** END of KIT *****				
	ITEM 1210				
180-2110U	CASE SIGN, 24X30 1W HT LED UNIVERSAL		1	1,069.00	1,069.00
	ITEM 1211				
180S2W2430	CASE SIGN 2-WAY 24X30 HUB TOP		1	1,521.00	1,521.00
101-7011	SPAN WIRE CLAMP, KA6-3 UNF		1		
101-7014	BRACKET, WIRE ENTRANCE BK14 BK14 A32125 Y		1		
180-2200U	CASE SIGN, 24X30 2W HT LED UNIVERSAL		1		
144-2430FACE	24X30 FACE PER PLANS		2		
	***** END of KIT *****				
	ITEM 1220				
180-2100U	CASE SIGN, 24X30 1W AB T & B LED UNIVERSAL		1	1,069.00	1,069.00
	ITEM 1221				
180S1W2430AB	CASE SIGN 1-WAY AST/BK TB		1	1,232.00	1,232.00
180-2100U	CASE SIGN, 24X30 1W AB T & B LED UNIVERSAL		1		
144-2430FACE	24X30 FACE PER PLANS		1		



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103-2084	CLAMP KIT, 84" S.S. CABLE		1		
103-2260	TUBE CAPS, FOR ASTRO-BRAC TUBE		1		
103-2046	TUBE, GUSSET 46" ASTRO BRACKET ASTRO BRA		1		
103-2400	ARM KIT, 9" ASTRO BRACKET ***** END of KIT *****		1		
180-1100L	ITEM 1230 CASE SIGN, 12X27 1W HB LED		1	695.00	695.00
180-1101L	ITEM 1240 CASE SIGN, 12X27 1W AB T&B LED		1	695.00	695.00
180S1W1227AB	ITEM 1241 CASE SIGN 1-WAY 12X27 AST/BKT/T		1	728.00	728.00
180-1101L	CASE SIGN, 12X27 1W AB T&B LED		1		
144-1227FACE	12X27 FACE PER PLANS		1		
101-7140	SIG TO SIG JOINER WASHER & HWD A844291 ***** END of KIT *****		1		
180-1102L	ITEM 1250 CASE SIGN, 12X27 1W HT AB BOT LED		1	695.00	695.00
180S1W1227HTLED	ITEM 1251 CASE SIGN, 12X27 1W HT ABB LED		1	728.00	728.00
180-1102L	CASE SIGN, 12X27 1W HT AB BOT LED		1		
144-1902	SIGN FACE, 12X27 LEFT		1		
101-7140	SIG TO SIG JOINER WASHER & HWD A844291 ***** END of KIT *****		1		
180-1401L	ITEM 1260 CASE SIGN, 12X27 4W THRU PIPE LED		1	1,708.00	1,708.00
180-2900	ITEM 1270 SIGN FACE, 24X30 ALUMINUM BLANK		1	68.00	68.00



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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
144-2430FACE	ITEM 1280 SIGN FACE, 24X30 PER PLANS		1	75.00	75.00
144-1901	ITEM 1290 SIGN FACE, 12X27 RIGHT		1	27.00	27.00
144-1902	ITEM 1300 SIGN FACE, 12X27 LEFT		1	27.00	27.00
144-1903	ITEM 1310 SIGN FACE, 12X27 THRU		1	27.00	27.00
196RF24X304W 196-1001 196-6002	ITEM 1320 RETROFIT KIT 24X30 4W LED MDOT PANEL, LED 24 X 30 RELUME RETROFIT POWER SUPPLY PANEL, 36X36 1W 2W ***** END of KIT *****		1 4 1	1,541.00	1,541.00
196RF24X302W 196-1001 196-6001	ITEM 1330 RETROFIT KIT 24X30 2W LED MDOT PANEL, LED 24 X 30 RELUME RETROFIT POWER SUPPLY PANEL, 24X30 2W/12X27 4W/ 36 1 ***** END of KIT *****		1 2 1	782.00	782.00
196-1000	ITEM 1340 PANEL, LED 12 X 27 RELUME RETROFIT		1	179.00	179.00
196-1001	ITEM 1350 PANEL, LED 24 X 30 RELUME RETROFIT		1	350.00	350.00
196-1500	ITEM 1360 POWER SUPPLY, 25 WATT RETROFIT		1	25.00	25.00
196-1501	ITEM 1370 POWER SUPPLY, 80 WATT RETROFIT		1	40.00	40.00



CARRIER & GABLE, INC.

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QUOTATION

Sales Quote Number **WY11 ACCESS**

Sales Quote Date: 05/10/11

Expires On: 06/30/12

Page: 18

Sell To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
P.O. BOX 905
WYOMING, MI 49509-0905

Ship To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: ACCESSORIES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
196-1525	ITEM 1380 CABLE, POWER SUPPLY FOR LED CASE SIGN PN		1	10.00	10.00
180-NS003695	ITEM 1390 SIGN,YELLOW,24X30,LED BLK. OUT NO LEFT TUR		1	2,333.50	2,333.50
180-NS006309	ITEM 1391 SIGN,YELLOW,24X30,LED BLK OUT NLT, HUB TOP		1	2,380.00	2,380.00
180-NS003696	ITEM 1400 SIGN,YELLOW,24X30 LED BLK OUT NO RIGHT TU		1	2,347.00	2,347.00
180-NS006310	ITEM 1401 SIGN,YELLOW,24X30,LED BLK OUT NRT, HUB TOP		1	2,380.00	2,380.00
180-NS003693	ITEM 1410 SIGN YELLOW 24X30 LED BLNK OUT NTOR, ASTR		1	2,366.67	2,366.67
180-NS006311	ITEM 1411 SIGN,YELLOW,24X30,LED BLK OUT NTOR, HUB T		1	2,413.33	2,413.33

Amt Subject to Sales Tax 0.00
Amt Exmt from Sales Tax 96,235.70

Subtotal: 96,235.70
Total Sales Tax: 0.00
Total: 96,235.70



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QUOTATION

Sales Quote Number **WY 11 SNS/PO**

Sales Quote Date: 05/10/11

Expires On: 06/30/11

Page: 1

Sell To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
P.O. BOX 905
WYOMING, MI 49509-0905

Ship To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: STREET NAME SIGNS/POLES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
ILLUMINATED STREET NAME SIGNS					
ITEM 1420					
1802W6SNS	SNS KIT 6', 2-WAY W/LOGO		1	1,378.00	1,378.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8600	STREET NAME SIGN, 6' 2W W/FACE		1		
***** END of KIT *****					
ITEM 1421					
180SNS	STREET NAME SIGN 6' LED 2-WAY W/LOGO		1	2,358.00	2,358.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8600L	STREET NAME SIGN, 6' 2W W/FACE LED		1		
***** END of KIT *****					
ITEM 1430					
1802W8SNS	SNS KIT 8', 2-WAY W/LOGO		1	1,528.00	1,528.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8800	STREET NAME SIGN, 8' 2W W/FACE		1		
***** END of KIT *****					
ITEM 1431					
180SNS	SNS KIT 8', LED, 2-WAY W/LOGO		1	2,823.00	2,823.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8800L	STREET NAME SIGN, 8' 2W W/FACE LED		1		
***** END of KIT *****					
ITEM 1440					
1801W8SNS	SNS KIT 8' 1-WAY W/LOGO		1	1,283.00	1,283.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		



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QUOTATION

Sales Quote Number **WY 11 SNS/PO**

Sales Quote Date: 05/10/11

Expires On: 06/30/11

Page: 2

Sell To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
P.O. BOX 905
WYOMING, MI 49509-0905

Ship To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: STREET NAME SIGNS/POLES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8801	STREET NAME SIGN, 8' 1W W/FACE ***** END of KIT *****		1		
ITEM 1441					
180SNS	SNS KIT 8', LED, 1-WAY W/LOGO		1	1,882.00	1,882.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8801L	STREET NAME SIGN, 8' 1W W/FACE LED ***** END of KIT *****		1		
ITEM 1450					
1801W6SNS	SNS KIT, 6' 1-WAY W/LOGO		1	1,156.00	1,156.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8601	STREET NAME SIGN, 6' 1W W/FACE ***** END of KIT *****		1		
ITEM 1451					
180SNS	SNS KIT, 6', LED 1-WAY W/LOGO		1	1,622.00	1,622.00
103-5000	BRACKET, TRI STD ADAPT SE5026 W/SS INSERT		2		
103-5001	BRACKET, SIGN HANGER SE-5025 W/42" BAND		1		
103-5002	BRACKET, SIGN HANGER SE5025 W/42" BAND		1		
180-8601L	STREET NAME SIGN, 6' 1W W/FACE LED ***** END of KIT *****		1		
ITEM 1460					
196RFSNS62W	RETROFIT KIT 6' SNS 2W		1	1,062.00	1,062.00
196-2000	PANEL, LED SNS 2' RELUME RETROFIT NATIONAL		6		
196-6003	POWER SUPPLY PANEL, 6/8' 1W SNS 24 X 30 SLI ***** END of KIT *****		1		



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QUOTATION

Sales Quote Number **WY 11 SNS/PO**

Sales Quote Date: 05/10/11

Expires On: 06/30/11

Page: 3

Sell To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
P.O. BOX 905
WYOMING, MI 49509-0905

Ship To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: STREET NAME SIGNS/POLES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
196RFSNS82W	ITEM 1470 RETROFIT KIT 8' SNS 2W		1	1,445.00	1,445.00
196-2000	PANEL, LED SNS 2' RELUME RETROFIT NATIONAL		8		
196-6004	POWER SUPPLY PANEL, 6'8' 2W SNS ***** END of KIT *****		1		
196-2000	ITEM 1480 PANEL, LED SNS 2' RELUME RETROFIT NATIONA		1	150.00	150.00
103-5000	ITEM 1481 BRACKET, TRI STD ADAPTER W/SS INSERT		1	22.00	22.00
103-5001	ITEM 1490 BRACKET, SIGN HANGER 2" W/42" BAND		1	76.00	76.00
103-5002	ITEM 1500 BRACKET, SIGN HANGER 12" W/42" BAND		1	109.00	109.00
	PULL BOXES				
104-1000	ITEM 1510 PULL BOX, 1419-12 GREY W/ TRAFFIC SIGNAL CV		1	49.00	49.00
104-3000	ITEM 1520 PULL BOX, 1324-18-3B W/ TRAFFIC SIGNAL CVR		1	115.00	115.00
197-1000	ITEM 1530 PULL BOX, PG1324BA18		1	173.00	173.00
197-1007	ITEM 1540 COVER, H.D. T.S. FOR PG1324BA18		1	170.00	170.00
197-1004	ITEM 1550 PULL BOX, PG1730BA18		1	224.00	224.00



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Page: 4

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Quote/Bid Ref: STREET NAME SIGNS/POLES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

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Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
197-1003	ITEM 1560 COVER, H.D. T.S. FOR PG1730BA18		1	195.00	195.00
	STRAIN POLES				
187-1002	ITEM 1571 30' (9140mm) POLE MDOT 18" BC		1	3,394.00	3,394.00
187-1003	ITEM 1581 36' (10970mm) POLE MDOT 18" BC		1	3,769.00	3,769.00
187-1000	ITEM 1591 40' (12190mm) POLE MDOT 18" BC		1	5,369.00	5,369.00
157-1022	ITEM 1600 ANCHOR BOLT 1.75"X 114"X6" MDOT		1	180.00	180.00
157-1023	ITEM 1610 ANCHOR BOLT 2" X 114" X 6" MDOT		1	206.00	206.00
194-8075	ITEM 1620 STRAIN CLAMP, 7.5" DIA MDOT #		1	105.00	105.00
194-8085	ITEM 1630 STRAIN CLAMP, 8.5" DIA MDOT #		1	105.00	105.00
194-8095	ITEM 1640 STRAIN CLAMP, 9.5" DIA MDOT #		1	105.00	105.00
194-8105	ITEM 1650 STRAIN CLAMP, 10.5" DIA MDOT #		1	105.00	105.00
194-8115	ITEM 1660 STRAIN CLAMP, 11.5" DIA MODT #		1	105.00	105.00



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Sales Quote Date: 05/10/11

Expires On: 06/30/11

Page: 5

Sell To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
P.O. BOX 905
WYOMING, MI 49509-0905

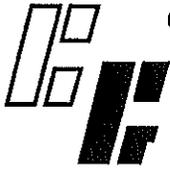
Ship To: WYOMING, CITY OF
DENNY THORTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: STREET NAME SIGNS/POLES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
194-8125	ITEM 1670 STRAIN CLAMP, 12.5" DIA MDOT #		1	105.00	105.00
187-NS004013	ITEM 1680 STANDARD, 21' CAT III 20" BOLT CIRCLE		1	4,219.00	4,219.00
187-NS004015	ITEM 1690 STANDARD, 30' CAT III 20" BOLT CIRCLE		1	4,613.00	4,613.00
187-3060	ITEM 1700 MAST ARM, 60' CAT III		1	5,938.00	5,938.00
187-3055	ITEM 1710 MAST ARM, 55' CAT III		1	5,869.00	5,869.00
187-3050	ITEM 1720 MAST ARM, 50' CAT III		1	5,244.00	5,244.00
187-3045	ITEM 1730 MAST ARM, 45' CAT III		1	4,894.00	4,894.00
187-3040	ITEM 1740 MAST ARM, 40' CAT III		1	4,369.00	4,369.00
187-3035	ITEM 1750 MAST ARM, 35' CAT III		1	3,813.00	3,813.00
187-3030	ITEM 1760 MAST ARM, 30' CAT III		1	3,744.00	3,744.00
187-3025	ITEM 1770 MAST ARM, 25' CAT III		1	3,620.00	3,620.00
187-NS003458	ITEM 1780 8 ft LUMINAIRE ARM, GALV		1	914.00	914.00



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Expires On: 06/30/11

Page: 6

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DENNY THORTON
2660 BURLINGAME, S.W.
WYOMING, MI 49509-0905

Quote/Bid Ref: STREET NAME SIGNS/POLES
Shipment Within 4 - 8 WEEKS ARO
Shipping Terms
Terms NET 30 DAYS

Customer ID 2170
Salesperson Mike Schasser

ALL VALUES STATED IN U.S. DOLLARS

Item No.	Description	Cross-Ref. No.	Qty.	Unit Price	Total Price
187-0010	ITEM 1790 ARM, 10' LUMINAIRE		1	914.00	914.00
187-NS003632	ITEM 1800 12 ft LUMINAIRE ARM, GALV		1	914.00	914.00
187-1025	ITEM 1801 STANDARD, 21' CAT III, 18" BC		1	4,188.00	4,188.00
187-1050	ITEM 1802 STANDARD, 30' CAT III, 18" BC		1	4,563.00	4,563.00

Amt Subject to Sales Tax 0.00
Amt Exmt from Sales Tax 89,184.00

Subtotal: 89,184.00
Total Sales Tax: 0.00
Total: 89,184.00

RESOLUTION NO. _____

RESOLUTION TO ACCEPT A PROPOSAL
FOR BROCHURE DESIGN SERVICES

WHEREAS, as detailed in the attached memorandum, proposals were requested for design services for the Parks and Recreation Department program brochures, and

WHEREAS, it is recommended City Council accept the proposal from Olmstead Associates at a maximum annual total cost of \$9,765.00, and

WHEREAS, funds for the brochure printing are available in account number 208-752-75200-900000, now therefore

BE IT RESOLVED, that the Wyoming City Council does hereby accept the proposal from Olmstead Associates for printing services for the Parks and Recreation brochures.

Councilmember _____ moved, seconded by Councilmember _____, that the above Resolution be adopted.

Motion carried: _____ Yeas, _____ Nays

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan, at a regular session held on the 19th day of September, 2011.

Attachment: Memorandum

Heidi A. Isakson
Wyoming City Clerk

Resolution No. _____



Memorandum

Date: September 1, 2011
To: Rebecca Rynbrandt, Director of Community Services
From: Kenny Westrate, Recreation Programmer
CC: Eric Tomkins, Recreation Supervisor
RE: Recommendation for Brochure Design Bid

Request for Quotes (RFQ) for professional services to perform our three times a year Program Brochure Design work was sent to 17 different companies. Seven quotes were received. After reviewing the seven quotes, Eric Tomkins and I selected two finalists for interviews; Olmstead Associates, our current vendor, and Prebble Design Studio. Each had competitive pricing and good references. After conducting interviews and reviewing product samples, it is our recommendation that we retain Olmstead Associates for an additional year, which includes our Winter/Spring, Summer, and Fall 2012 brochures. Olmstead Associates' quote came in as follows:

24 page brochure - \$2,480.00

28 page brochure - \$2,842.50

32 page brochure - \$3,255.00

The maximum annual expense shall be \$9,765 if programming and design requirement merits a 32 page brochure spread. As this total amount exceeds the purchasing policy for professional services, subject to your review and approval, the Purchasing Department shall process the necessary approvals through City Council.

Approval:

Rebecca Rynbrandt

Date: 9-12-11

RESOLUTION NO. _____
RESOLUTION FOR AWARD OF BID

WHEREAS, formal bids have been obtained on the below listed item, and

WHEREAS, the bids received have been reviewed and evaluated as per the attached memorandum, now therefore

BE IT RESOLVED, that the Wyoming City Council does hereby award the bid for the purchase of the listed item as recommended in the attached memorandum and summarized below:

<u>ITEM</u>	<u>RECOMMENDED BIDDER</u>	<u>COST</u>
1. Four Inline Grinders	Hamlett Environmental Tech, Co.	\$66,568.00

Councilmember _____ moved, seconded by
Councilmember _____, that the above resolution be adopted.

Motioned carried: _____ Yeas, _____ Nays

I hereby certify that the foregoing Resolution was adopted by the City Council for the City of Wyoming, Michigan, at a regular session held on the 19th day of September, 2011.

Attachment: Memorandum

Heidi A. Isakson
Wyoming City Clerk

Memorandum

To: Kim Oostindie, Human Resources Supervisor
From: Tom Wilson, Clean Water Plant Maint. Supervisor
Date: September 13, 2011
Re: Resolution to Purchase Four Inline Grinders

As one might imagine, many different items come into the CWP via the waste stream. Recently, one item that has become a significant problem for our plant collection system is disposable wipes. By design, a barscreen located in the Headworks building, traps many of the disposable wipes. However, a large percentage of these wipes work their way through the half inch spacing of the bars and end up in one of the four primary tanks causing problems when attempting to pump them. The problem with disposable wipes is that they do not disintegrate like paper does. Because they don't disintegrate, they plug up the pumps, valves, and fittings, gathering around mixer impellers causing an imbalance and failure of the mixers. One method to reducing this problem is to install inline grinders on the suction line coming from each of the four primary tanks. The grinders work in conjunction with each pump associated with the primary tank. The pump and the grinder run simultaneously, grinding everything coming from the primary tank before it enters the pump. This pumping design should eliminate our pumping problems, and therefore reduce our labor hours trying to maintain our equipment.

The Clean Water Plant has previous experience with the proposed model of inline grinders. In 2001, the CWP purchased two inline grinders for a similar issue at a different location in the plant. We have had excellent experience with these grinders. They perform as advertised by the manufacturer and with very little maintenance issues.



On September 13, 2011, one response was received in answer to our invitation to bid on the inline grinders. The bid received is as follows:

Hamlett Environmental Tech, Co. \$66,568.00 (for 4 units)

Upon reviewing the specifications of the two inline grinders submitted by Hamlett Environmental, the bid was found to meet all of the necessary specifications. It is my recommendation that the City Council accept the bid, as submitted, by Hamlett Environmental Tech. Co., for \$66,568.00. Adequate funds exist in the Clean Water Plant's Capital Account #590-590-54400-980800.

Reviewed and Approved by: _____

Craig Smith, Utility Department Superintendent

Reviewed and Approved by: _____

Thomas Kent, Deputy Director of Public Works

ORDINANCE NO. 9-11

AN ORDINANCE TO ADD ARTICLE VI, DIVISION I TO
THE CODE OF THE CITY OF WYOMING

THE CITY OF WYOMING ORDAINS:

Section 1. That Article VI, Division I is hereby added to the Code of the City of Wyoming to read as follows:

DIVISION I. HISTORICAL COMMISSION

Sec. 2-401. ESTABLISHMENT AND PURPOSE.

The Wyoming Historical Commission is hereby established in accordance with the provisions of Act 213 of the Public Acts of 1957, as amended, MCL 399.171 et seq. for the purpose of preserving and presenting pertinent historical material and information of historical value to the present and future residents of the City of Wyoming.

Sec. 2-402. ORGANIZATION.

The Historical Commission may be organized as a Michigan Non-Profit Corporation as provided by statute. The Commission shall be responsible for the filing and maintenance of the corporate status. The Commission shall prepare appropriate bylaws for operation of the corporation in accordance with the provisions of this Ordinance and all applicable laws and statutes. The bylaws shall be subject to approval of the City Council.

Sec. 2-403. MEMBERSHIP AND APPOINTMENT.

Members of the Commission shall consist of not less than 5 and not more than 9 members to be appointed by the Mayor with the approval of the City Council for a term of three years. The first members appointed pursuant to this section shall have terms adjusted to allow for 1/3 of the members to have terms expiring each year. The terms of office shall be as provided in this Chapter and all members shall be registered electors of the City of Wyoming.

The members appointed pursuant to this Section shall constitute the Board of Directors and shall be the voting members of the Commission. The Commission may add additional non-voting members in its discretion.

Sec. 2-404. FINANCE AND ACCOUNTING.

1. The Commission shall be financed by such fund raising activities including the solicitation of grants or gifts as shall be from time to time approved by the Board of Directors.

2. The City may make such financial or in kind contributions from time to time as shall be approved by the City Council.

3. The Commission shall, on an annual basis, provide an accounting to the City of all funds received and disbursed by the Commission. In addition, financial records of the Commission shall be provided to the City finance director upon request.

Sec. 2-405. COMMISSION PROPERTY.

The Commission may hold such property, assets, collections or other material as are necessary and appropriate for its stated purposes. By its organizational documents and by written contract with the City, the Commission shall provide that upon dissolution of the Commission and/or the non-profit corporation, all assets of the Commission shall become the property of the City of Wyoming or a 501(c) (3) or similar tax exempt organization as directed by the City and in accordance with all applicable laws.

Sec. 2-406. CITY STAFF.

Subject to a written agreement with the City, the City may at its sole discretion provide the services of City departments and/or City staff to the Commission.

Sec. 2-407. EMPLOYEES.

The Commission may enter into employment contracts with individuals necessary to carry out the purposes of the Corporation subject to the following:

1. All such contracts shall be approved by the Commission Board and the City Council.
2. Such employees shall not be considered employees of the City of Wyoming.
3. The Commission shall comply with all local, federal and state tax laws and other laws regulating employees.
4. Appointed members of the Commission may not be compensated for services to the Commission.

Section 2. This ordinance shall be in full force and effect on the 4th day of October, 2011.

I hereby certify that the above-entitled Ordinance was adopted by the City of Wyoming at a regular session of the City Council held on the 19th day of September, 2011.

Heidi A. Isakson
Wyoming City Clerk

Ordinance No. 9-11