

Crystal Falls, Michigan

October 19, 2009

A special meeting of the Council for the City of Crystal Falls was held in the Council Chambers at the City Hall on Monday, October 19, 2009 at 5:00 p.m. Central Time.

Present: Mayor Hendrickson, Councilors Smokevitch, Burke, Hagglund and Bicigo.

Absent: None

Also present: City Clerk/Treasurer Olson and City Attorney Lawrence.

Visitors: Randy & Jill Curnow, Larry Bicigo, Dave Graff, Tara Peltoma, Walter & Geri Trzeciak, Marilyn and John Moon.

The purpose of this special meeting is to address the following:

1. Crystal Manor Parking lot issues:
 - a. Resolution Authorizing the 2009 Capital Improvement Bond
 - b. Polzin Invoice
 - c. Advertise for bids
2. Adoption of a Shut off policy
3. Select a date for a joint meeting with Crystal Falls Township regarding fire protection.
4. Electric Rate increase

Mayor Hendrickson led the reciting of the Pledge of Allegiance.

Councilor Burke seconded by Councilor Hagglund moved to adopt the following preamble and resolution:

WHEREAS, the City Council (the "Council") of the City of Crystal Falls, County of Iron, State of Michigan (the "City"), has determined that it is in the best interest of its residents and property owners of the City that the City acquire land and construct a parking lot and related improvements on and/or in close proximity to the site of the Crystal Manor building (the "Project"); and

WHEREAS, the Council caused a Notice of Intent to issue bonds in an amount not to exceed Three Hundred Ninety Two Thousand Dollars (\$392,000) for the purpose of paying part of the cost of the Project to be published in the *Reporter* on July 23, 2008; and

WHEREAS, the Notice of Intent was in due form and the manner of the publication of the Notice of Intent was the method best calculated to give notice to the City's taxpayers and electors of the Board's intent to issue the bonds described therein, the purpose of said bonds, the security for said bonds, and the right of referendum relating thereto; and

WHEREAS, at least 45 days have elapsed since the date of publication of the Notice of Intent without the filing of a valid petition for referendum on the question of the sale and issuance of the bonds described in the Notice of Intent; and

WHEREAS, pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), the City is authorized to issue and sell not to exceed \$392,000 in principal amount of bonds to finance the Project; and

WHEREAS, the City has determined to issue and sell \$212,000 in principal amount of

the bonds to finance a portion of the Project.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. A bond of the City designated 2009 CAPITAL IMPROVEMENT BOND (LIMITED TAX GENERAL OBLIGATION) (the "Bond") is authorized to be issued in the aggregate principal sum of Two Hundred Twelve Thousand Dollars (\$212,000) for the purpose of paying part of the costs of constructing the Project and costs incidental to the issuance, sale and delivery of the Bond. The Bond shall be in the form of a single fully-registered, nonconvertible bond of the denomination of \$212,000, dated as of the date of delivery, payable in principal installments serially on November 1 of each year beginning November 1, 2010 as shown on the form of the Bond shown in Section 5 of this resolution, or such other dates as provided in the Bond as executed by the Mayor and the City Clerk and delivered to the United States of America (the "Government").

The Mayor and the City Clerk each is hereby authorized and directed to make any final determinations relating to the payment provisions and delivery of the Bond including but not limited to reduction of the principal amount of the Bond, adjustment of the schedule of principal installment payments of the Bond, the change of the principal and interest payment dates of the Bond and change of the provisions for early redemption. The Mayor and/or the Treasurer are hereby authorized to take all actions necessary to deliver the Bond to the Government in accordance with the delivery instructions of the Government.

The Mayor is authorized to accept the offer of the Government to purchase the Bond, which acceptance shall be represented by execution and delivery of the Bond.

The Bond is expected to be delivered to the Government in installments (the "delivery installments") and each delivery installment shall be noted on the registration grid set forth on the Bond. The delivery installments shall be deemed to correspond to the serial principal installments of the Bond in direct chronological order of said serial principal installments.

The serial principal installments of the Bond will each bear interest from the date of delivery of the corresponding delivery installment to the registered holder thereof as shown on the registration grid set forth on the Bond at the four and one-eighth percent (4.125%) per annum or such other interest rate as the Government may agree to provide to the City, payable on the first day of May or November following the date of delivery of said delivery installment, and semiannually thereafter on May 1 and November 1 of each year until maturity or earlier prepayment of said installment. Acceptance by the City of the interest rate on the Bond shall be made by execution of the Bond which so designates the rate specified by the Government and accepted by the City. The Bond shall not be convertible or exchangeable into more than one fully registered bond.

The Bond or installments thereof will be subject to prepayment at the option of the City prior to maturity, on any date on or after the first principal payment date in the manner as provided in the form of Bond contained in this Resolution.

Principal of and interest on the Bond shall be payable in lawful money of the United States of America by check or draft mailed by the Transfer Agent (hereinafter defined) to the Government at the address of the Government as shown on the registration books of the City kept by the Transfer Agent. The Treasurer is hereby appointed to act as Transfer Agent; provided, however, that the Treasurer may designate in writing another person to act as Transfer Agent. If and at such time as the Bond is transferred to or held by any registered owner other than the Government, the City by resolution may appoint a bank or trust company qualified under Michigan law to act as Transfer Agent and registrar upon notice mailed to the registered owner 60 days prior to an interest payment date. The Treasurer is hereby authorized to execute an agreement with any successor Transfer Agent.

In the event the Government is no longer the registered owner of the Bond, interest on the Bond will be payable by check or bank draft mailed to the registered owner at the registered address, both as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to the registered owner of record as of the 15th day of the month preceding the payment date for each interest payment. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the City to conform to market practice in the future. Both principal of and interest on the Bond shall be payable at the office of the Transfer Agent.

Unless waived by any registered owner of the Bond to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the City. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; if any; the called amounts; the place where the Bond called for redemption is to be surrendered for payment; and that interest on the Bond or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

The Transfer Agent shall record on the registration books payment by the City of each installment of principal or interest or both when made and the cancelled checks or drafts representing such payments shall be returned to and retained by the Treasurer, which canceled checks or drafts shall be conclusive evidence of such payments and the obligation of the City with respect to such payments shall be discharged to the extent of such payments.

Upon payment by the City of all outstanding principal of and interest on the

Bond, the registered owner thereof shall deliver the Bond to the City for cancellation.

The Transfer Agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bond, which shall at all times be open to inspection by the City. The Transfer Agent shall transfer or cause to be transferred on said books the Bond presented for transfer, as hereinafter provided and subject to such reasonable regulations as it may prescribe.

The Bond may be transferred upon the books required to be kept by the Transfer Agent pursuant to this Section, by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of such Bond for transfer, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever the Bond shall be surrendered for transfer, the Transfer Agent shall record such transfer on the registration books and shall register such transfer on the registration grid attached to the Bond. At the time of such transfer the Transfer Agent shall note on the Bond the outstanding principal amount thereof at the time of such transfer. In the event any Bond is called for prepayment in part, the Transfer Agent, upon surrender of the Bond, shall note on the Bond the principal amount prepaid and shall return the Bond to the registered owner thereof together with the prepayment amount on the prepayment date. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The City shall not be required (i) to issue, register the transfer of, or exchange any Bond during a period beginning at the opening of business fifteen days before the day of the mailing of a notice of redemption of the Bond or portions thereof selected for redemption prior to maturity under this Resolution and ending at the close of business on the day of that mailing, or (ii) to register the transfer of or exchange any Bond or portion thereof so selected for redemption.

2. The Bond shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and the City Clerk and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bond. After execution, the Bond shall be held by the Treasurer or designee for delivery to the Government. The Bond and any delivery installment thereof shall not be valid until registered by the Treasurer or designee, or upon transfer by the Government and thereafter, by an authorized representative of the Transfer Agent.

3. The Treasurer is authorized and directed to open a separate depository account with a bank or trust company or create a separate account on the books of the City to be designated as the 2009 CAPITAL IMPROVEMENT BOND DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bond as it becomes due.

The City hereby pledges its limited tax full faith and credit for the prompt payment of the Bonds. The City shall each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds available therefore, or, if necessary, levy taxes upon all taxable property in the City subject to applicable constitutional, statutory and charter tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The City hereby covenants that as long as the Government is the registered owner of the Bond, the City will not legally defease the Bond without the prior written consent of the Government.

The Treasurer shall execute a fidelity bond with a surety company in an amount at least equal to the total annual debt service on the Bond.

4. The proceeds of the Bond and, except as provided below, no other moneys shall be deposited in the 2009 CAPITAL IMPROVEMENT BOND CONSTRUCTION FUND (the "Construction Fund") established by the Treasurer. In the event that the Government is the holder of the Bond, then, if required by the Government, the Construction Fund shall be established as a supervised bank account and such proceeds shall be withdrawn on the orders of the City only on checks signed by the Treasurer or designee and countersigned by the Government. Said moneys shall be used solely for the purposes for which the Bond is issued.

To comply with the requirement of the Government, the City shall deposit any monies representing the City contribution into the Construction Fund. The City will deposit \$60,000 in this account, the amount required by the Government as matching funds. Such monies shall be used to pay part of the cost of the Project. Such monies shall be accounted for separately from proceeds of the Bond in order to show how the City's monies are spent and the interest or investment income, if any, earned on such funds.

Any unexpended balance of the proceeds of the sale of the Bond remaining after completion of the Project herein authorized may be used for further improvements to the parking lot in the discretion of the City, provided that at the time of such expenditure such use be approved by the Michigan Department of Treasury if required by law. Any remaining balance after such expenditure shall be paid into the Debt Retirement Fund (as hereinbefore provided) and used for the prepayment of installments of the Bond or the purchase of installments of the Bond at not more than the fair market value thereof.

After completion of the Project and disposition of remaining proceeds, if any, of the Bond pursuant to the provisions of this Section, the Construction Fund shall be closed.

5. The Bond shall be in substantially the following form, with such additions and deletions as may be appropriate to meet the requirements of the Government or as may be authorized by the Mayor or the City Clerk with the approval of

the City's Bond Counsel:

R-1

Registered

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF IRON

CITY OF CRYSTAL FALLS

2009 CAPITAL IMPROVEMENT BOND
(LIMITED TAX GENERAL OBLIGATION)

The CITY OF CRYSTAL FALLS, County of Iron, State of Michigan (the "City"), acknowledges itself to owe and for value received hereby promises to pay to the registered owner hereof, the sum of

Two Hundred Twelve Thousand Dollars

on the dates and in the principal installment amounts set forth in Exhibit A attached hereto and made a part hereof, with interest on said installments from the date each said installment is delivered to the City as set forth on the registration grid hereon until paid at the rate of four and one-eighth percent (4.125%) per annum, payable on May 1, 2010, and semiannually thereafter, provided that the principal payments required herein to the registered owner shall not exceed the total of the principal installments of this bond drawn by the City, which installments shall be added to the registration grid attached hereto as drawn. Both principal of and interest on this bond are payable in lawful money of the United States of America by check or draft mailed to the registered holder at the address shown on the registration books of the City, and for the prompt payment hereof, the limited tax full faith and credit of the City are irrevocably pledged.

This bond is a single, fully-registered, non-convertible bond issued in the principal sum indicated above for the purpose of paying part of the cost to acquire land and construct a parking lot and related improvements on and/or in close proximity to the site of the Crystal Manor building. This bond is issued under the provisions of Act 34, Public Acts of Michigan, 2001, as amended and a duly adopted resolution of the Issuer.

Principal installments of this bond are subject to prepayment prior to maturity, in inverse chronological order, at the option of the City on any date on or after November 1, 2010, at par plus accrued interest to the date fixed for prepayment.

Thirty days notice of the call of any principal installments for prepayment shall be given by mail to the registered owner at the registered address. The principal installments so called for prepayment shall not bear interest after the date fixed for prepayment, provided funds are on hand with the Transfer Agent (hereinafter defined) to prepay said installments.

This bond shall be registered as to principal and interest on the books of the City kept by the Treasurer or written designee as transfer agent (the "Transfer Agent") and noted hereon, after which it shall be transferable only upon presentation to the Transfer Agent with a written transfer by the registered owner or the registered owner's attorney duly authorized in writing. Such transfer shall be noted hereon and upon the books of the City kept for the purpose by the Transfer Agent.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the City, and the City is required, if necessary, to levy ad valorem taxes on all taxable property in the City for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

It is hereby certified and recited that all acts, conditions and things required by law to be done, precedent to and in the issuance of this bond exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the City, including this bond, does not exceed any constitutional or statutory debt limitation.

IN WITNESS WHEREOF, the City, by its City Council, has caused this bond to be signed in the name of the City with the manual signatures of the Mayor and the City Clerk and its corporate seal to be impressed hereon, all as of _____, 20__.

CITY OF CRYSTAL FALLS
County of Iron
State of Michigan

By _____
It's Mayor

(SEAL)

Countersigned

By _____
It's City Clerk

REGISTRATION
NOTHING TO BE WRITTEN HEREON EXCEPT
BY THE BOND REGISTRAR/TRANSFER AGENT

Date of Registration of Delivery	Name of Registered Owner	Principal Installment Delivered	Signature of Bond Registrar / Transfer Agent
	United States of America		
	United States of America		
	United States of America		

CITY OF CRYSTAL FALLS
 2009 CAPITAL IMPROVEMENT BOND
 (LIMITED TAX GENERAL OBLIGATION)

<u>Due</u> <u>November 1</u>	<u>Principal</u> <u>Installment</u>
2010	\$4,000
2011	4,000
2012	4,000
2013	4,000
2014	5,000
2015	5,000
2016	5,000
2017	5,000
2018	5,000
2019	6,000
2020	6,000
2021	6,000
2022	6,000
2023	7,000
2024	7,000
2025	7,000
2026	8,000
2027	8,000
2028	8,000
2029	8,000
2030	9,000
2031	9,000
2032	10,000
2033	10,000
2034	10,000
2035	11,000
2036	11,000
2037	12,000
2038	12,000

6. The City hereby declares that it has pursued a negotiated sale with the Government because of its inability to borrow funds from conventional municipal bond market sources at or near prevailing market rates, for the opportunities provided by a negotiated sale to select and adjust terms for the Bonds and to sell the Bonds at the time that may be expected to best achieve the most advantageous interest rates, lowest issuance costs, and the opportunity to prepay the principal of the Bonds without premium.

7. The estimated period of usefulness of the Project is hereby declared to be not less than thirty (30) years.

8. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the Bond from adjusted gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code") including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds.

9. As long as the Government is holder of the Bond, the City shall be subject to the Form RD 1942-47 relating to the Bond and shall comply with all provisions thereof.

10. If at any time it shall appear to the Government that the City is able to refund upon call for redemption or with the consent of the Government the then outstanding principal amount of the Bond by obtaining a loan for such purposes from responsible cooperative or private credit sources at reasonable rates and terms for loans of similar purposes and periods of time, the City will upon request of the Government apply for and accept such loans in sufficient amount to repay the Government, and will take all such actions as may be required in connection with such loans.

11. The Mayor, City Clerk, City Manager, Treasurer and any other officers, administrators, agents and attorneys of the City each is authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance, sale, and delivery of the Bond in accordance with this Resolution and to pay any related costs.

12. The Mayor is authorized to annually file a Qualifying Statement with the Department in accordance with Act 34. In the event that the City is not granted qualified status by the Department, the Mayor is hereby authorized to file an application for prior approval of the Bond from the Department and to pay the fees relating thereto. The Mayor is further authorized to apply for any waivers or other orders from the Department as may be necessary or advisable to issue, sell and deliver the Bond as contemplated herein and to pay any filing fees related thereto.

13. So long as the Government is the holder of the Bond, the City covenants that it will not defease the Bond or any portion thereof.

14. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Mayor Hendrickson, Councilors Burke, Smokevitch,
 Hagglund, and Bicigo.

NAYS: None.

RESOLUTION ADOPTED.

Crystal Falls, Michigan

October 19, 2009

Regarding the payment of the invoice from Barry J Polzin, Architect, for design and construction documents for the parking lot and associated site work for the Crystal View Apartments, Clerk/Treasurer Olson voiced her concerns on how a payment prior to the closing on the Rural Development Loan may affect the funding. Olson was directed to contact Polzin and advise that the invoice will be paid upon the closing of the loan which is expected to be on or around November 11, 2009.

The advertisement for bids on the parking lot project is pending the approval of Rural Development.

Councilor Hagglund seconded by Councilor Smokevitch moved to adopt the proposed general shut off rules, effective immediately, as follows, and further, to allow for the rules to be updated by the Clerk's office staff as needed to be in keeping with any state or federal statutes:

GENERAL SHUTOFF RULES

1. The City of Crystal Falls shall not use an electric service limiter. [This Rule may be reevaluated after the Michigan Public Service Commission issues a temporary order that establishes uniform standards for the use of electric service limiters.]
2. The City of Crystal Falls shall refund any late fees, fines, or payments related to a shutoff or resumption of service if those late fees, fines, or payments were improperly assessed because of the failure to provide notice as required by these Rules.
3. Notwithstanding other requirements of this Rule, service may be shut off temporarily for reasons of health or safety or in a state or national emergency. When service is shut off for reasons of health or safety, a reasonable attempt shall be made to leave a notice at the premises if feasible.
4. The City of Crystal Falls may shut off or terminate service to a residential customer for any of the following reasons:
 - A. The customer has not paid a delinquent account that accrued within the last six (6) years.
 - B. The customer has failed to provide a deposit or guarantee as required.
 - C. The customer has engaged in unauthorized use of the utility's service.
 - D. The customer has failed to comply with the terms and conditions of a payment plan.
 - E. The customer has refused to arrange access at reasonable times for the purpose of inspection, meter reading, maintenance, or replacement of equipment that is installed upon the premises or for the removal of a meter.
 - F. The customer misrepresented his or her identity for the purpose of obtaining service or put service in another person's name without permission of the other person.
 - G. The customer has violated any rules of the City of Crystal Falls so as to adversely affect the safety of the customer or other persons or the integrity of the system.
 - H. A person living in the customer's residence meets both of the following:
 - (i) Has a delinquent account for service with the City of Crystal Falls within the past three (3) years that remains unpaid.
 - (ii) The customer lived in the person's residence when all or part of the debt was incurred. The City of Crystal Falls may transfer a prorated amount of the debt to the customer's account, based upon the length of time that the customer resided at the person's residence. This subdivision does not apply if the customer was a minor while living in the person's residence.
 - I. The customer has not paid for service at a premises occupied by another person, and it is not feasible to provide service to the occupant as a customer without a major revision, as determined by the utility, of existing distribution facilities.
5. Subject to applicable third-party consent, a customer will be permitted to designate a third party to receive bill notifications, including shutoff notices, on the customer's behalf. Such notices may be provided to both the designated third party and the customer.
6. A. The City of Crystal Falls shall supply information regarding the following to customers at least two (2) times a year:
 - (i) The energy assistance telephone line number at the Michigan Department of Human Services or an operable 2-1-1 system telephone number.
 - (ii) Medical emergency and critical care protections provided in these Rules.

- (iii) Military shutoff protections pursuant to MCL 460.9c.
 - (iv) Low income protections provided in these Rules.
 - (v) Senior citizen protections provided in these Rules.
- B. The information required under Subsection (A) may be supplied in or on a customer's bill, in a bill insert, in a newsletter issued to customers, a public forum, newspaper announcement, an electronic communication, or in any other manner approved by the governing body of the utility.
7. The City of Crystal Falls shall, at least once per year, attempt to identify senior citizen customers by at least one (1) of the following methods:
- A. Conducting customer interviews.
 - B. Obtaining information from a consumer reporting agency or consumer reporting service.
 - C. A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - D. First class mail.
 - E. A personal visit to the customer.
 - F. A written notice left at or on the customer's door.
 - G. On a bill or in a bill insert.
8. Service shall not be shut off unless a notice is sent to the customer by first class mail or is personally served not less than ten (10) days before the date of the proposed shutoff. A record of the date the notice was sent shall be maintained.
9. A notice of shutoff shall contain all of the following information:
- A. The name and address of the customer, and the address at which service is provided, if different.
 - B. A clear and concise statement of the reason for the proposed shutoff of service.
 - C. The date on or after which service may be shut off unless the customer takes appropriate action.
 - D. The telephone number and address where the customer may make inquiry or file a complaint.
10. For an involuntary shut off, at least one attempt, in addition to the notice provided in Section 8, shall be made one or more days before the shutoff of the service to contact the customer by one (1) or more of the following methods:
- A. A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - B. First class mail.
 - C. A personal visit to the customer.
 - D. A written notice left at or on the customer's door.
11. All attempts to contact the customer under Section 10 shall be documented.
12. Service may be shut off to a customer on the date specified in the notice of the shutoff or within ten (10) days following that date. If service is not shut off and a subsequent notice is sent, then service shall not be shut off before the date specified in the subsequent notice. Shut off shall occur only between the hours of 8 a.m. and 4 p.m., but not later than 2 hours before the close of business.
13. Service shall not be shut off on a day, or a day immediately preceding a day, when services cannot be restored.
14. Not later than two hours before the close of the utility's business on the day service is shut off, a notice shall be left at the customer's residence stating that service has been shut off and providing the address and telephone number where the customer may arrange to have service restored. Alternatively, a contact by telephone may be made with an adult who identifies himself or herself as a person living at the residence providing the same information within the same time frame.
15. No later than three (3) business days after shutting off service to a eligible senior citizen customer, the City of Crystal Falls shall make at least two attempts to contact that customer to advise the customer of the actions that the customer must take to have his or her service restored.
- A. The following notification methods may be used to contact the customer:
 - (i) A personal or automated telephone call where direct contact is made with a member of the customer's household or a message is recorded on an answering machine or voice mail.
 - (ii) First-class mail.
 - (iii) A personal visit to the customer.
 - (iv) A written notice left at or on the customer's door.
 - (v) Any other method approved by the governing body of the utility.
 - B. A communication described in Subsection (A), (iii), or (iv) made on the day of disconnection meets the requirements of this Rule.
 - C. A message left on an answering machine or voice mail or a written notice left at or on a customer's door must include a toll free or local telephone number indicating that it may be used to contact a representative of the City of Crystal Falls regarding restoration of service.
 - D. The notice requirement of this section may be met with regard to a senior citizen customer by, within three (3) business days of shutting off service, making a

documented referral of that customer to a social service or government agency.

16. Reasonable efforts shall be made to restore service on the day the customer requests restoration. Except for reasons beyond the control of the City of Crystal Falls, the service shall be restored not later than the first working day after the customer's request.
17. A charge may be assessed for restoring service.

COOLING SEASON SHUTOFFS

18. Each morning, the temperature forecast in the (local newspaper or another other index) will be reviewed. If the temperature forecast for the current day OR the following day is 95 degrees or greater, eligible senior citizen customers will not be disconnected on the current day. For Fridays, customers will not be disconnected if the forecast is for 95 degrees or greater for Friday, Saturday or Sunday.

HEATING SEASON SHUTOFFS

19. The City of Crystal Falls shall not shut off service to a customer during the heating season for nonpayment of a delinquent account if the customer is an eligible senior citizen customer or if an eligible low income customer enters into a winter protection payment plan to pay to the utility a monthly amount equal to 7% of the estimated annual bill for the eligible low income customer or the eligible low income customer and the utility mutually agree upon a winter protection payment plan with different terms and the eligible low income customer demonstrates, within 14 days of requesting shutoff protection, that he or she has applied for state or federal heating assistance. If an arrearage exists at the time an eligible low income customer applies for protection from shut off of service during the heating season, the customer should be permitted to pay the arrearage in equal monthly installments between the date of application and the start of the subsequent heating season.
20. If an eligible low income customer fails to comply with the terms and conditions of a winter protection payment plan, or if the customer fails to pay a monthly installment on a preexisting arrearage, service may be shut off after giving the customer a notice, by personal service, or first class mail, that contains all of the following information:
- A. That the customer has defaulted on a winter protection payment plan or has failed to pay a monthly installment on a preexisting arrearage.
 - B. The nature of the default.
 - C. That unless the customer makes the payments that are past due within ten (10) days of the date of mailing, service will be shut off.
 - D. The date on or after which service will be shut off, unless the customer takes appropriate action.
 - E. That the customer may dispute the claim in writing before the date of the proposed shutoff of service.
 - F. That the utility will not shut off service pending the resolution of a dispute.
 - G. The telephone number and address where the customer may make inquiry or file a complaint.
 - H. That the customer should contact a social services agency immediately if the customer believes he or she might be eligible for emergency economic assistance.
 - I. That the shut off will be postponed if a medical emergency exists at the customer's residence.
 - J. That a deposit and restoration charge may be required if the utility shuts off service for nonpayment of a delinquent account.

SHUTOFF OF CRITICAL CARE CUSTOMERS OR MEDICAL EMERGENCY

21. Shutoff shall be postponed for not more than 21 days if the customer or a member of the customer's household is a critical care customer or has a certified medical emergency. The customer's certification shall identify any medical or life-supporting equipment being used, and the specific time period during which the shutoff of service will aggravate the medical emergency. Shut off may be extended for further periods of not more than 21 days, not to exceed a total postponement of shutoff of service of 63 days, only if the customer provides additional certification that the customer or a member of the customer's household remains a critical care customer or has a certified medical emergency. If shutoff of service has occurred without any postponement being obtained, the service shall be restored for not more than 21 days, and shall continue for further periods of not more than 21 days, not to exceed a total of 63 days in any 12-month period per household member. Annually, shutoff extensions totaling more than 126 days per household will not be given.
22. As used in these Rules:
- A. "Critical care customer" means a customer who requires, or has a household member who requires, home medical equipment or a life support system, and who has provided appropriate documentation from a physician or medical facility to the City of Crystal Falls identifying the medical equipment or life-support system and certifying that an interruption of service would be immediately life threatening.
 - B. "Electric Service Limiter: means an electric meter or device used in conjunction with an electric meter that automatically interrupts all electric service to a customer without intervening direction from the City of Crystal Falls when a utility-imposed peak usage limit is exceeded.
 - C. "Eligible low income customer" means a customer whose household income does not exceed 150% of the poverty level, as published by the United States Department of Health and Human Services, or who receives any of the following:
 - (i) Assistance from a state emergency relief program.
 - (ii) Food stamps.
 - (iii) Medicaid.
 - D. "Eligible senior citizen customer" means a customer who is 65 years of age or older and who advises the City of Crystal Falls of his or her eligibility.
 - E. "Heating season" means November 1 through March 31.
 - F. "Medical Emergency" means the existence of a medical condition of the customer or

a member of the customer's household, certified by a physician or public health official on official stationery, which will be aggravated by the lack of utility service.

- G. "Senior Citizen Customer" means a customer of the City of Crystal Falls who is 65 years of age or older.
- 23. These Rules shall be part of the terms and conditions of the contract for service between the City of Crystal Falls and the customer.
- 24. These rules apply only to residential customers.

Motion carried.

Mayor Hendrickson seconded by Councilor Hagglund to meet jointly with the Crystal Falls Township Board on Thursday, October 29, 2009 at 6:00 p.m. at the City Hall to discuss fire protection.

Motion carried.

Dave Graff presented data that would support the need to increase electric rates.

Councilor Hagglund seconded by Councilor Burke moved to instruct Chief Electrician David Graff to prepare an electric rate increase that reflects rates that are 1% less those charged by WE Energies, with said rates to be charged for usage effective October 1, 2009.

Motion carried.

Mayor Hendrickson seconded by Councilor Hagglund moved to adjourn this special meeting of the City Council.

Motion carried.

Meeting adjourned at 6:35 p.m.

Presiding Officer

Presiding Clerk