

STATE OF MICHIGAN
 DEPARTMENT OF MANAGEMENT AND BUDGET
 OFFICE OF PURCHASING
 P.O. BOX 30026, LANSING, MICHIGAN 48909

July 6, 1992

CHANGE NOTICE NO. 1
TO
CONTRACT AGREEMENT NO. 071B5000208
between **Supersedes Contract No. 1935**
THE STATE OF MICHIGAN
and

NAME & ADDRESS OF CONTRACTOR City of Ionia Income Tax Division 114 North Kidd Street Ionia, MI 48846	TELEPHONE Tom Wieczorek (616) 527-4170
	FEDERAL I.D. NUMBER
	BUYER Unit 8 Larry Olney
NIGP #968-96 Water Treatment Services - Various Department of Corrections Facilities in Ionia	
CONTRACT PERIOD From: November 20, 1984 To: November 20, 2014	
TERMS Net 30 Days	SHIPMENT N/A
F.O.B. Delivered	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A	

CHANGE(S):

To amend the contract to transfer the ownership of water lines to the City of Ionia with attendant responsibilities per the attached Amendment of Agreements effective immediately.

AUTHORITY/REASON:

Memo from agency dated 5/19/92; letter to City of Ionia dated 5/29/92; signed Amendment.

NOTE: New Contract Agreement Number due to conversion to the MAIN computer system.

CITY OF IONIA

COUNTY OF IONIA, MICHIGAN

AMENDMENT TO AGREEMENTS FOR

DELIVERY OF WATER AND SEWER TO STATE INSTITUTIONS

THIS AGREEMENT, made the 23 rd. day of June, 1992, under authority of 1984 PA 431: MCL 18.1101: MSA 3.516 (101) by and between the City of Ionia, a municipal corporation, hereinafter referred to as the CITY, and the State of Michigan, Michigan Reformatory, hereinafter referred to as the STATE.

WITNESSETH:

WHEREAS, the CITY is the owner and operator of a water and sewer system in the County of Ionia, State of Michigan, and is engaged in the distribution of water and collection of sewer to consumers in the City of Ionia, State of Michigan as ordained by City Ordinance No. 271; and

WHEREAS, the STATE has made certain investments in the water system to provide usage to the above institutions; and

WHEREAS, the STATE and CITY have determined that areas that benefit from the STATE-funded investment should be billed and maintained separate from the STATE contracts;

NOW, THEREFORE, in consideration of the mutual covenants herein contained the parties hereto agree as follows:

1). The CITY shall install, at the STATE's cost for materials only, meters to the houses located along Wall Street and Main Street on their water lines in accordance with addresses shown in Exhibit A attached. Such meters shall be read at the CITY's cost and the usage deducted from the STATE water and sewer bill on a quarterly basis. All lines in the road right-of-way that service these houses and properties shall be the responsibility of the CITY to repair, replace, and maintain. In addition, following installation, the meters shall become the responsibility of the CITY to maintain, repair and replace.

2). The STATE shall transfer ownership to the above lines as well as to a sewage lift station that services the same properties to the CITY.

3). The CITY shall have installed, at no cost to the STATE, an electric meter for the described lift station. In addition, repair, maintenance and replacement of the lift station shall become the CITY's responsibility.

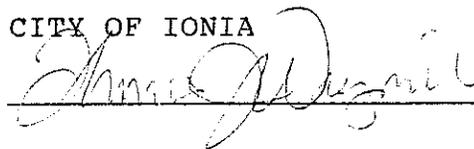
4). This agreement shall amend City of Ionia/State of Michigan agreement number 1935 of 1984 for water delivery and City of Ionia/State of Michigan agreement number 7803 of 1991 for sewage service only to the extent provided in this document. All other provisions of these agreements remain in full force and effect.

5). If any provision of this contract shall become void or unenforceable, the remainder of this contract shall remain valid.

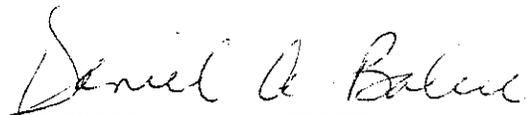
This agreement becomes effective upon signature by the Director of Purchasing, Department of Management and Budget, State of Michigan, and Mayor of the City of Ionia, following council approval on June 2, 1992.

WITNESSED BY:

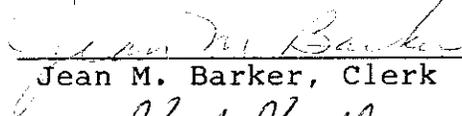
CITY OF IONIA



BY:



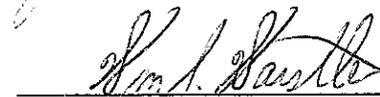
Daniel A. Balice, Mayor



Jean M. Barker, Clerk

STATE OF MICHIGAN

BY:



Director, Office of Purchasing
Department of Management &
Budget

APPENDIX A

WALL STREET/MAIN STREET RESIDENCES

857 Wall Street	1007 Wall Street
881 Wall Street	1033 Wall Street
917 Wall Street	1432 West Main Street
935 Wall Street	1473 West Main Street
977 Wall Street	1580 West Main Street
993 Wall Street	

CITY OF IONIA
COUNTY OF IONIA, MICHIGAN
AGREEMENT FOR
DELIVERY OF WATER SUPPLY
TO
MICHIGAN REFORMATORY

*CONTRACT
#1955*

THIS AGREEMENT, made this 20th day of November, A.D. 1984, under authority of Act 98, P.A. 1929 MCLA #17.71 et seq MSA 1969 Rev. Vol. #4 191 et seq and Act 51, P.A. Executive Session of 1948 MCLA #18.1 et seq MSA 1969 Rev. Vol. #3.516 (1) et seq by and between the City of Ionia, County of Ionia, State of Michigan, a municipal corporation, hereinafter referred to as the CITY, and the State of Michigan, hereinafter referred to as the STATE.

WITNESSETH:

WHEREAS, the CITY is the owner and operator of a water system in the County of Ionia, State of Michigan, and is engaged in the distribution of water to consumers in the City of Ionia, State of Michigan, as ordained by the City Ordinance No. 271; and,

WHEREAS, it is desirable for the STATE to purchase water from the CITY system to supply the Michigan Reformatory, Lock Box 500, Ionia, Michigan 48846; and,

WHEREAS, the State has under authority of Act 280, P.A. 1982 appropriated monies which may be used to cover the STATE'S cost as set forth in Attachment "A" for the plan reviews, permits, and inspection fees in connection with the construction of proposed watermain from the CITY'S existing watermain located at Haynor Road to the Michigan Reformatory as designed by the City's consulting engineers, Capital Consultants, Inc., per the attached diagram described as Attachment "B", complying with provisions of the CITY Ordinance No. 271;

NOW, THEREFORE, in consideration of the mutual covenants herein contained the parties hereto agree as follows:

1. The CITY shall diligently proceed to obtain bids for the construction of said improvement, and upon receiving such bids promptly notify the STATE of the same.

2. The CITY shall have the right to reject any or all bids received. Within the time provided for acceptance of said bids the CITY shall give written notice to the STATE of the bids, if any, which the CITY intends to accept, and within said time the STATE shall give written notice to the CITY of the STATE'S approval, if any, of the last mentioned bids and the proposed letting of the contracts by the CITY pursuant to the bids. If the STATE does not approve the bids, they shall have no obligation with respect of the payment of construction costs on any bid not approved by them. Upon approval by the STATE and upon award of a contract by the CITY, the CITY shall be paid each month, from the STATE, for the watermain constructed, less any previous payments. The STATE'S total cost shall not exceed \$272,000.00. The aforesaid sum so paid by the STATE shall constitute full payment of all costs of said improvement benefiting the described premises.

3. Upon the CITY'S acceptance of the completed work required under the said construction contracts, the CITY shall furnish to the STATE a statement of all costs of said project including, but not limited to costs of construction, engineering and legal services, and administration.

4. Unless a court of appellate jurisdiction adjudges that the CITY is without legal authority so to do, the CITY during the period of ten (10) years

from and after the date of this Agreement shall return to the State any fee changed by them for capital cost recovery for improvements constructed hereunder..

5. The parties acknowledge that the provisions hereof pertain only to the defraying of the cost of said improvement and are not in lieu of, or in mitigation of any fees, rates or charges pertaining to water improvement and services under any ordinance or ordinances or regulations.

6. The CITY shall bill the STATE on or before the first day of each quarter for all water delivered hereunder for the preceding calendar quarter, or in accordance with the minimum quarterly average used. In consideration for the State's contribution to the funding of the water main extension, the CITY shall charge the STATE the same rate as the CITY charges customers within the city limits. The CITY shall pass an ordinance or amend appropriate ordinances to this effect. Failure to do so within 60 days of the date of this agreement shall nullify this agreement. The City reserves the right to amend the user rate schedule from time to time. Payments shall be made in full by the STATE within 30 days after receipt of the billing. Any disagreements that may arise over the cost of the water or any other conditions stated herein may be settled through negotiation between the parties to the agreement or through arbitration.

7. The quality of water delivered by the CITY to the Correctional Facilities hereunder shall meet the provisions of the State of Michigan "Safe Drinking Water Act" set forth in Act 399, P.A. 1976.

8. The water to be furnished hereunder shall be delivered by the CITY to the Michigan Reformatory on or before June 1, 1985, at the points of

interconnection of the CITY'S facilities and the Michigan Reformatory water system.

9. a. All water furnished by the CITY hereunder shall be measured by suitable metering equipment of standard manufacture, to be maintained and read by the CITY at its expense. The ownership of the improvements constructed hereunder shall be with the CITY.

b. In the event that more than a single meter is used to measure water furnished hereunder, the readings thereof shall be combined.

c. The CITY, so far as practicable, shall read the meter or meters on the last day of each month.

d. No meter which has an error in registration in excess of the tolerance as specified by the American Water Works Association shall be placed in service or allowed by the CITY to remain in service. The CITY, at its expense, shall periodically inspect and field test the said meter or meters installed. Upon written request of the STATE, made not more often than once a year, the CITY shall remove and test by bench method the said meter or meters. If the result of the test indicates that the meter is registering within the tolerance of error specified by the American Water Works Association, the expense of the test shall be borne by the STATE, but if the test indicates that the meter is not registering within the specified tolerance of error of the American Water Works Association, then the expense of the test repair of the meter shall be borne by the CITY.

e. In the event that any meter is found to exceed the specified tolerance of error in under - or over - reading, an appropriate adjustment shall be made in the next succeeding quarterly bill, based upon the actual period of error if such can be definitely determined and agreed upon, and if not, upon a period not to exceed one month.

For the purpose of subparagraphs 9(d) and 9(e), any meter which registers within the tolerance of allowable error as specified by the American Water Works Association shall be deemed correct.

10. The CITY shall use reasonable diligence and care to provide a regular and uninterrupted supply of water to the Facility. The CITY shall not be liable for any failure, interruption, or shortage of water or any loss or damages resulting therefrom, occasioned in whole or in part by any cause beyond the reasonable control of the CITY.

11. All water purchased and delivered hereunder may be used by the said Michigan Reformatory for whatsoever purposes it deems fit or proper; provided that without the prior consent of the CITY, said Michigan Reformatory will not sell or distribute such water to consumers beyond or outside the actual grounds of the Facility except that Michigan Training Unit may be served on an emergency basis with notice to the City of Ionia.

12. Without the prior written consent of the CITY, neither this contract, nor any interest herein, nor any claim arising hereunder, shall be transferred or assigned by the STATE, and notwithstanding any other provisions herein contained, this contract shall not be construed as vesting any rights or privileges in any third party.

13. The CITY may issue rules and regulations pertaining to the control of or restriction to the use of water supplied by the CITY system. The STATE agrees to abide by the same standards as those applying to the residents of the City.

14. The STATE agrees to provide an easement to the CITY for the purpose of constructing and maintaining the water system across STATE property. The easement shall be a minimum of 50 feet in width, being approximately 25 feet along each side of the centerline of the route of the proposed watermain construction.

15. It is understood and agreed that the CITY or their professional service contractor will inspect the watermains and facilities during construction for the purpose of insuring a uniform standard of construction and to avoid any damage arising from inferior material or workmanship in component parts and to assure compliance with the approved plans and specifications.

16. No failure or delay in performance of the executed water service 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, riots, epidemics, explosions, sabotage, breakage or accidents to machinery or lines of pipe, the binding order of any court or governmental authority, or any other cause, whether of the kind herein enumerated or otherwise, not within the control of the party claiming suspension; provided that no cause or contingency shall relieve the STATE of its obligation to make payment for water delivered by the CITY. However, if any or all of the physical plant at the STATE property is destroyed by any disaster including,

but not to the exclusion of all others, fire, flood, tornado, or severe winds the STATE will not be obligated to pay for water to such buildings. The decision to reconstruct such destroyed facility shall be made solely by the STATE.

This agreement is signed in duplicate by the Director of Purchasing Division, Department of Management and Budget, State of Michigan, and Mayor of the CITY, pursuant to City Council Authorization.

WITNESSED BY:

Alan E. Fowler

CITY OF IONIA

BY: Fred R. Thwaites

Fred R. Thwaites, Mayor
City of Ionia

BY: _____

WITNESSED BY:

Michael A. ...

STATE OF MICHIGAN

BY: William S. Warstler

William S. Warstler
Director, Purchasing Division

BY: _____

FINAL BUDGET FOR
IONIA REFORMATORY WATER MAIN EXTENSION

PROJECT COSTS

<u>Segment I - Bid Amount</u>	244,000.00
less Projected Asphalt Quantity Reductions	-25,000.00

\$219,000.00ENGINEERING

Preliminary	2,850
Design	33,150
Construction	<u>15,500</u>
	51,500

51,500.00

CONTINGENCIES

14,500.00

\$285,000.00

PROJECT FUNDS

State of Michigan	
350,000 - 78,000 =	272,000
Easton Township =	<u>13,000</u>

\$285,000.00

Over Sizing - Health Dept. - $1700 \times 4.00 = 6,800$ Extra

$\$219,000 \times 7.0765\% = \$15,497$

