

Board of Public Utilities

Regular Meeting Agenda

Monday, April 27, 2015
4:00 p.m., DPW Conference Room
1199 8th Avenue



1. Call to Order
2. Roll Call
3. Approval of Agenda
4. Approval of Minutes for the Record – January 26, 2015 Regular Meeting Minutes
March 30, 2015 Regular Meeting Minutes
April 13, 2015 Special Meeting Minutes
5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

REPORTS

6. Cost of Energy from Indiana-Michigan Power Company (AEP)

- A. 2015 Billings – All Charges
- B. 2014 Billings – All Charges

7. Financial Reports

- A. Electric Fund – Financial Statement
- B. Electric Fund – Review of Percentage Billed
- C. Water Fund – Financial Statement
- D. Water Fund – Review of Percentage Billed
- E. Sewer Fund – Financial Statement

8. Unresolved Issues Report

9. SAW Grant Project Progress Report

- A. SAW Grant – Asset Management Plan Project Status Report

10. Quarterly Outage Report

NEW BUSINESS

11. Abonmarche will present an update of the Sewer System Study improvements funding.

12. Board will review draft budgets for the Electric, Water, and Sewer funds for the 2015-2016 fiscal year.

13. Board will review information concerning the Federal Clean Power Plan.

14. Public Works Director Comments

- A. Next Meeting is scheduled for May 18, 2015 (Moved forward one week due to Memorial Day on May 25)

15. Board Member Comments

16. Adjourn

RESPECTFULLY SUBMITTED,

Roger Huff, PE
Public Works Director

Board of Public Utilities

Regular Meeting Minutes

Monday, January 26, 2015
4:00 p.m., DPW Conference Room
1199 8th Avenue



1. Call to Order by Stickland at 4:00 p.m.

2. Roll Call

Present: Burr, Henry, Overhiser (ex-officio), Roberts, Stein (ex-officio), Winkel, Stickland

Absent: Rose (ex-officio)

Also present: Hochstedler, Finance Director; Halberstadt, City Engineer

3. Approval of Agenda

Motion by Burr, second by Henry to approve the January 26, 2015 Regular Meeting Agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes – December 18, 2014 Special Meeting

Motion by Roberts, second by Henry to approve the December 18, 2014 Special Meeting Minutes with corrections,

All in favor. Motion carried.

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

None at this time.

REPORTS

6. Cost of Energy from Indiana-Michigan Power Company (AEP)

A. 2014 Billings – All Charges

Burr commented on the PJM (PJM Interconnection LLC) charges and noted the cost of transmission is going up and will continue going up. "When we look at the cost of energy, our costs are going to be going up because of transmission charges," Burr stated. Stickland commented that it is an unregulated cost while Burr noted that we need to be aware that at some point we may have to address these charges. Halberstadt noted that in a recent meeting he got some information regarding increases in certain categories. Burr explained that the cost of energy from Indiana & Michigan may not go up but these additional charges will. After a question from Roberts, Halberstadt noted that reportedly the costs will be passed on to those who will benefit from the new improvements.

7. Financial Reports

- A. Electric Fund – Financial Report for period ending December 31, 2014**
- B. Electric Fund – Review of Percentage Billed**
- C. Electric Fund – Capital Projects**
- D. Water Fund – Financial Report for period ending December 31, 2014**
- E. Water Fund – Review of Percentage Billed**
- F. Sewer Fund – Financial Report for period ending December 31, 2014**

Hochstedler noted that the Meijer adjustment that we worked out is included in the numbers in the electric reports. Burr stated that he is proud of Hochstedler for finding that \$2,000,000 that we were looking for last month. Hochstedler pointed out that the adjustment covers the time period from September until July; "Meijer paid the whole thing at once so these figures reflect that."

In response to a question by Stickland about capital outlay, Hochstedler noted that Department of Public Works building improvements are in the budget. Stickland then inquired whether those figures are also in the water and sewer funds, to which Hochstedler responded, "No, one hundred percent (100%) is in the Electric Fund." Discussion ensued regarding the water and sewer funds having almost no reserves; none of the funding is coming from the General Fund; with Stickland commenting that each fund needs to pay for itself and we don't want to start changing that policy."

Henry commented that if it is a short-term budget maneuver he would not worry too much about it and if, when the money actually starts being allocated, it is assigned to the correct fund. Halberstadt pointed out that staff is still in the planning stage; when the time comes staff could work with Stickland to allocate the money correctly. Huff and Halberstadt agreed with Stickland's stance. Halberstadt said, "Once the plans are developed, look at the office space and determine what time is spent on which department." Stickland noted he is not as concerned about the dollar amount as he is on process. Stickland noted some recent projects have had written agreements to be sure the money comes from the right fund. Henry noted that the project might need to be down-sized if the other funds cannot come up with the money.

After a question from Roberts on page eleven (11) of the packet, *Electric Fund Capital Project* showed the funds have been allocated to the projects so things can be kept track of. Hochstedler explained the way the budget is designed, noting that this page is just a portion of a larger worksheet, provided at the board's request.

8. Unresolved Issues Report

Huff noted that some items have been completed and removed from this report.

9. Quarterly Outage Report

Huff pointed out the first and second pages which is the comparison between years and indicates that outages caused by tree contact from 2013 to 2014 are down thirty-nine percent (39%). It was also noted that outages caused by animal contact are up.

Stickland asked if the city's Arborist, is still following the plan he explained to the board. Huff indicated that he works by grid. Stickland said the premise was to go in and look at the type of trees and cut the trees that grow fastest and leave the others for two (2) or three (3) years later. Huff responded that internally staff is talking about getting some additional specific circuits cut.

Burr commented on the Ridgewood development and the emergency tree trimming that had to be done. Huff noted that the city had three crews working in there at once. Burr noted that if there had been a five year plan staff would have stumbled onto the fact that that area had not gotten trimmed.

Burr pointed out the area by the State Park on the provided map and is curious if there is another problem on 77th Street. Stein commented that Syndicate Park is in that area and it is heavily wooded. Burr wondered if it is old secondary and stated that something is going on and he would like it to be checked.

10. SAW Grant Project Progress Report

Huff noted this is Abonmarche's first monthly report. There has been a lot of administrative work delineating the work to be done by the city and the part to be done by Abonmarche. Field inventory work is pretty much complete; Ryan Bosscher is working to implement those findings into our system and checking for accuracy. Manhole inspection, televising, are all in pilot status to get a baseline of costs. Huff noted that this is a three (3) year project so there is a lot of administration at the front end to set our path.

Burr asked whether we are going to replace the water and sewer on North Shore Drive. Halberstadt explained that there are two parallel water mains on North Shore Drive and staff wants to eliminate the old four (4) to five (5) inch water main and replace all of the sewer lines.

Burr questioned the paragraph on page thirty-eight (38) where it was indicated that the city will return later to assign GPS coordinates. Halberstadt noted that there will be some manholes that are not easily identified; there will be some of them that will need to be revisited, but not all of them. Burr asked what the accuracy of Abonmarche's GPS is to

which Halberstadt responded that staff was told it is survey-grade. Burr asked if they have their own survey team and Halberstadt said yes.

Roberts asked whether the city has to notify Abonmarche if the scope of the project is changed and if there is a contingency. Huff said he does not believe there is a contingency; there is a grant administrator from the state and each item has a separate amount. There will be detailed invoicing.

Discussion ensued regarding the detail of the project which is not included in this report. Halberstadt said this is extremely detailed project and he commends Oosting for sticking with it and getting it done and noted that staff is more than happy to share any of the details with you and explain the component of the SAW grant that is city-funded. Halberstadt noted that City Manager Dissette is suggesting using in-kind services rather than cash to provide the match. This means a lot of administrative work by staff as they will have to keep track of their time to be sure it is being billed to the grant. Halberstadt said it is good that city staff is involved in the asset management, because they will have to maintain the assets down the road.

NEW BUSINESS

11. Board will be presented information concerning a billing correction for the Meijer store.

Huff noted that the billing error was brought to the city's attention by the Meijer department that keeps track of their usage and billings. "They noted that this new store was not using the amount of electricity that is normal for a store of that size. The multiplier being used should have been six hundred (600), not sixty (60) kWh (kilowatt hours), which amounted to \$220,000 being unbilled. The City Utility billing office worked with Meijer and the city has received a check for full payment.

Huff noted that during investigation of the incident, it was found that the original work order was created on November 13, 2014 and our trained Department of Public Works Electric Meter Worker started a scheduled vacation on November 14. A senior electric department lineman did the work and did not know that there was a current transformer on the upper side of the cabinet and that tag shows a multiplier of ten (10). Corrective measures, disciplinary counseling, and a new metering policy has been established, which is attached. Only the qualified electric meter worker will perform final meter registering. If the Electric Meter Worker is not available, the Electrical Superintendent shall consult with a qualified outside company. The Public Works Director and the Electrical Superintendent shall perform a final inspection of all new metering equipment containing CTs and PTs to verify the metering multipliers. Huff also noted that the Electric Department is in the process of a system wide audit to be sure all meter registration is correct. A metering field representative from Power Line Supply has been contracted to provide technical assistance with the audit.

Huff said it is not often that the city gets a new service that big. Henry commented, "Isn't it wonderful to have good organization like Meijer to work with?" Halberstadt agreed that Meijer has to be given all the credit for bringing the error to the city's attention.

Discussion ensued regarding having some kind of procedure where the billing department does a check at the very end. Burr noted that on high-low bills here there is not really a system that kicks out bills that look out of sync and asked, "Can we tie something over to the Billing Department so there is a last check?" After further discussion, Huff suggested making it a requirement that the work order gets attached to the paperwork going to billing.

Stickland said he was pretty sure the billing department does have a high-low check on it which was corroborated by Hochstedler. Halberstadt noted that it certainly helps to have multiple eyes look at things. Discussion ensued regarding a practical way to ensure that checks happen.

12. Board will be asked to review alternatives for repainting of the water tower located in the I-196 Industrial Park.

Halberstadt explained the repainting of the water tower out by Wal-Mart in the business park. Suggested the board discuss the current exterior appearance and whether the board wants to change anything about the way it was painted. Burr said the logo looks like a postage stamp; suggested just put the lettering "South Haven" and do away with the logo.

Halberstadt said the reasoning behind the two-tone paint job, which Dixon pointed out, is that the area on the bottom of the bowl gathers condensation, which can cause mold to grow, and a darker color helps to disguise that.

Burr asked whether the LDFA (Local Development Finance Authority is going to pay for the painting to which Hochstedler responded that it is in the budget. Halberstadt added that he will be presenting this to the LDFA. Burr suggests seeing what the LDFA thinks. Roberts also said to eliminate the logo; Halberstadt noted it will save money to eliminate the logo, while the two-tone paint job does not seem to require an extra cost.

13. Public Works Director Comments

A. The February 23, 2015 meeting will be cancelled due to lack of quorum. The next meeting is scheduled for March 30, 2015.

14. Board Member Comments

Roberts: Questioned the \$1.00 fee for looking up utility accounts on the website and that he thinks you can look up anyone's utility bill. Hochstedler will look into it.

Burr: No comment.

Henry: Spoke about Judge Brickley now being the chief judge of the court.

Overhiser: No comment.

Stein: No comment.

15. Adjourn

Motion by Winkel, second by Burr to adjourn at 5:21 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Marsha Ransom
Recording Secretary

Board of Public Utilities

Regular Meeting Minutes

Monday, March 30, 2015
4:00 p.m., DPW Conference Room
1199 8th Avenue



City of South Haven

1. Call to Order by Burr at 4:00 p.m.

2. Roll Call

Present: Roberts, Rose (ex-officio), Stein (ex-officio), Winkel
Absent: Henry, Overhiser (ex-officio), Stickland

Also present: Wendy Hochstedler, Finance Director; Amanda Morgan, Customer Service Director

3. Approval of Agenda

Motion by Winkel, second by Roberts to approve the March 30, 2015 regular meeting agenda as presented.

All in favor. Motion carried.

4. Approval of Minutes: January 26, 2015 Regular Meeting Minutes

Due to omission of minutes, the board was unable to review or approve them.

5. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

Ed and Andrea Aleman: Six months after the Alemans had moved out of the house they were living in, they received a bill for \$2000 for utilities with six months to pay the total.

Burr explained the details regarding the request, stating that the meter had not been read for twenty-two (22) months. The account was in the Alemans' name for fourteen (14) months. Discussion ensued regarding whether the \$2,000 was for the full period or two years. Hochstedler stated she had adjusted the bill to \$1409.16.

Burr stated that the utility policy allows the utility to go back one year on billing errors and give credit or charge you, noting that this is the same policy as other utilities in the State of Michigan use, such as Consumers Energy, Michigan Gas Utilities; everyone has that right. Burr noted, "So we stand by our policy."

Burr informed the Alemans: "You have two options – one is a payment plan to cover the \$1409.16 or have it placed as a lien on the property which would allow the city to get their money at the time of sale."

Ed Aleman asked if the payment plan could be extended on the \$1409.16. Burr stated it is pretty lenient but asked the Alemans to give the board a time frame on how long they want.

Andrea Aleman stated that they have a big family, five (5) children, and their budget doesn't stretch to an additional payment; stated they could pay the entire balance in February 2016, after they get a tax refund. "We don't have any extra monthly money, just bought a new home. The lien would be on a house we don't even own." It was clarified that the home is owned by a sister. Burr noted that he does not think the city can place the lien until next year.

Hochstedler stated that if the bill is delinquent for six (6) months or more, a lien can be placed on next tax bill. Hochstedler noted that if the city has an agreement, that parcel would be marked and we would not place the lien. Hochstedler informed that the earliest a lien could be placed in absence of an agreement would be July 2015.

Burr asked if the ability to pay is based on a tax return. Andrea Aleman said they usually get a tax refund the first week of February.

Burr asked whether, from a billing perspective, staff is willing to accept this agreement. Morgan said the problem would be if they sell the house. Ed Aleman stated the house is owned by his sister. Burr said he would be willing to go to the February date and if payment hasn't been received at that time then the lien plus interest goes on the property.

Robert asked if there is no window that closes on placing the lien to which Burr responded, "No, it can be done at any time." Roberts suggested making the due date March 1, 2016.

Consensus was reached by the board present to accept the Alemans' promise of payment of \$1409.16 on March 1st, 2016 with the condition that if not paid a lien will be placed on the property.

REPORTS

6. Cost of Energy from Indiana-Michigan Power Company (AEP)

Burr noted the PJ&M charges have been going up. In our rate structure we can handle about \$50,000 a month and anything over that we have to eat. Burr thinks the board needs to change our rate after the May meeting; pass the charge on just like the fuel adjustment charge. In talking with other cities staff learned that they consolidate the fuel adjustment charge and the PJM charge.

7. Financial Reports

This month, Burr noted the credit on fuel adjustment is \$50,000, which is being given back to customers, and the utility is eating the transmission charge. Halberstadt is going to get some clarification at the meeting in May; Burr conjectured how he thinks it is figured, but once staff has the meeting with Indiana & Michigan, that adjustment should be made to our schedule to go into effect as of July 1, 2015.

Halberstadt has been trying to get more information about PJ&M tariff and how it is being calculated using big formulaic spreadsheets. If Halberstadt gets more information it will be shared with board.

Hochstedler reviewed the Financials with the board. Burr noted on the projection we previously talked about a storage building but there are no dollars in here for it. Hochstedler informed that it was taken out because we knew it wasn't going to happen. Burr noted that change pumps up available monies.

Discussion ensued about being one million dollars (\$1M) under where we were last year, and Hochstedler noticed she needs to figure out why there is no purchased power for this month.

Water Year-To-Date actual is very small due to the Dyckman Avenue costs not being broken out yet as to what was Streets, Water and Sewer, according to Hochstedler, who noted that the funds are sitting out there to be paid by the fund but that has not been done yet.

8. Unresolved Issues Report

Huff updated the board on recent outages: of the ten (10) outages eight (8) were tree-related and two were squirrel-related. Noted that Pilgrim Haven area has many large mature trees.

9. SAW Grant Project Progress Report

- A. SAW Grant – Asset Management Plan Project Status Report
- B. Rate Consultant Reference Check

Huff asked if the board is comfortable going with Burton Associates as a rate consultant. In response to questions, Halberstadt noted that starting the Dyckman project started the work.

Consensus by board that the Burton group will bid the project out.

NEW BUSINESS

10. Board will be requested to sponsor an historic marker for the Harborwalk.

Burr explained the process being undertaken by the museum to replace the deteriorating Harbor Walk signs; noted Patti Montgomery is here from the museum to answer any questions the board may have. Burr commented that he sponsored a sign from the Depot.

Montgomery explained that the museum, in partnership with the City of South Haven, is replacing eighteen (18) to twenty (20) Harbor Walk markers.

Burr noted that Board of Public Utilities Chairperson, Bob Stickland, had some suggestions for rewording the sign.

Montgomery said the museum is down to getting sponsors for the final couple of signs and hope to have the markers up for this coming season. The cost per marker is one thousand dollars (\$1,000). Montgomery said this has been a great collaborative effort between the museum and the city and in many cases the wording on the sign is matched up with the sponsor. Huff pointed out that the sign the Board of Public Utilities is being asked to purchase/sponsor is the "Water Works Plant" marker, which is located in close proximity to the water filtration plant.

Motion by Winkel, second by Roberts to purchase the "Water Works" plaque for \$1,000 for the Harbor Walk.

All in favor. Motion carried.

11. Abonmarche will present an update of the Sewer System Study (Indian Grove Infrastructure Project).

Huff noted that the final draft of the report will be reported to the Department of Environmental Quality (DEQ), and then will go to City Council for a formal public hearing. The main issue here is a final ordering of the recommended projects as they all tie in to the SAW grant and the design work. What staff is looking for, after Dan's presentation, is for the board to formally adopt the plan and take a leadership role in recommending acceleration of the plan if you feel that appropriate. Then we would just need a recommendation to staff to move forward.

Roberts asked if this is the final plan going to City Council. Tony McGhee from Abonmarche Consultants, Inc. explained the steps as they dovetail but that there are two separate programs started in 2012.

The State Revolving Fund (SRF) plan: Larry Halberstadt, City Engineer enumerated the steps and how the project plan is an application for an SRF plan. Staff has to indicate the findings and request a loan. Roberts asked if this was separate to which Halberstadt responded that when the project began the SAW Grant did not exist, but when it came out we could see it would help with the S-2 plan to save us a little on the total cost at the end of the day.

Dan Dombos, P. E., Project Engineer from Abonmarche Consultants, Inc. Stated he is going to go briefly through Utility Mapping; Field Investigation; Flow Metering (rainfall inflow and infiltration) and storm water entering the system; Smoke Testing; Televising internal defects and avenues for infiltration in pipes and manholes, coalescing these defects, looking at feasibility and cost effectiveness; finding that it is more cost effective to treat by upsizing the pipes; lift stations; and plant in order to handle that. That is looked at, as well as inflow and infiltration removal; being proactive whenever possible; and freeing up capacity in existing system. The ultimate goal of the S2 process is to develop your SRF Project Plan.

Utility Mapping: Working with City's GIS system; update the map; bringing it into the GIS system and make it part of the SAW; get it updated to help us.

Flow Metering: Setting up for capturing rainfall events that register on a scale so you have a return period event. Key service districts identified. When you have a rain event you do some projecting based on small rain events, then extrapolate to a larger event. This indicated that the Peterson and Phoenix ravines; Waste Water Treatment Plant; from North side where it crosses by Dyckman Bridge and up by Bailey. The vast majority of flow is through the Peterson ravine; most significant infiltration and inflow spikes. Inflow goes into a catch basin and then into the sanitary sewer. Infiltration is harder to find; cracked pipes, leaky manholes, subsurface, ground water entering the sewer. Burr commented that the normal flow is 1.5M and when it rains it can be 5.5M before it gets to his house. Dombos explained that Indian Grove work has mitigated the flow issue somewhat. Burr noted that it has been one-and-a-half years since he had an overflow. Dombos explained that steps include arraying your flow meters to isolate spikes to be able to key in on some areas.

Dombos explained the key to the flow metering map and that 2012 was historically a dry year with a warm December. Because of not seeing a whole lot, Abonmarche had to come back and do another phase of metering to get a chance to see some of the rain events that moved the needle, continually narrowing our focus.

Smoke Testing Map: Smoke testing was done in peak flow areas. We were able to identify clean-out caps; maintenance-type things; repairable things such as catch basins on Center Street that smoked. These were storm sewers; smoking the sanitary sewer caused smoke to come out in storm catch basins. Abonmarche has no formal reason; typically storm and sanitary sewers are not connected. Under a concrete road there might be voids; cracks in pipes, etc. allowing storm sewers to gain access to the sanitary. Other fairly minor items and a couple businesses that had connected gutters to the sanitary sewers; those are typically an enforcement issue.

Sewer Televising: After metering, Abonmarche started looking at available information from televising; saw that the Peterson Drain, areas G & F on the map were areas of concern. Found some bad pipes under pavement. Burr wondered where the sanitary pipe had disintegrated was storm water getting in to which Halberstadt responded that he did not think so; it was more sand and dirt getting into the pipes. Dombos noted there are structural and critical defect components to this as well. Abonmarche rated all the results of the televising, using a standardized rating mechanism, to unify the playing field. The DEQ requires use of this unified scale and then we look at the most cost effective way of addressing it.

Project Map: Dombos explained this presents packaging and phasing options. The color scheme helps you see how the projects lay out. Huff distributed a handout with matching color coding. Dombos noted that the intent was to identify how to remove the most Inflow & Infiltration from the system; look at the gains you have made and size your lift station accordingly. The spreadsheet is a cash flow plan, undertaking a limited number of cash flow plans each year.

Estimated Project Costs: The main projects include the main lift at five million dollars (\$5M); North Shore Drive at two-and-a-half million (\$2.5M); Indiana Avenue on the south side of town. Huff noted the SRF portion is what can be funded using loans. Dombos and McGhee noted that at twenty (20) years at two-and-a-half percent (2.5%) even some of the road reconstruction can be included when you need to access the sewer. The SRF does not pay to rebuild the whole road, just the part related to this project. Halberstadt noted that is why we have separate SRF and City costs. McGhee explained how it breaks down is according to how much is for the sewer system. McGhee explained these projects are based around about one million dollars (\$1M) of cash per year available. There are some project areas identified by a cash flow basis. Tony did some projecting to show how borrowing could work to do complete projects with a one million dollar (\$1M) cap. The project that doesn't fit into that is the main pump station which involves a five million dollar (\$5M) balloon payment near the end. This makes sense from a structural standpoint but does set the city up for a big hit at the end of that project. The last blue columns are non-SAW projects: could be put off the longest and require less in terms of design.

Hochstedler asked about Kalamazoo Street Phase III. Dombos stated that the city has the project currently on the books or intends to take that on themselves. In response to another question, Dombos explained that Cartwright Street is included with the Kalamazoo Street project along with a block of Aylworth.

Burr questioned whether the dollars include the streets, to which Dombos and Halberstadt responded yes. Burr clarified that Dombos is talking about total project cost, which includes streets.

Halberstadt said typically sixty percent (60%) of the project comes out of street funds, twenty percent (20%) from water funds and twenty percent (20%) out of sewer.

In response to a question from Roberts, Dombos stated these figures are current prices. Discussion ensued regarding priorities; how you know when you have reached various percentages of completion; percentage of investment; percentage of I & I or percentage of dollar value as well as structural components. Dombos rhetorically asked, "Was Dyckman one of the city's highest I & I issues? No. But it was an immediate risk and had to be repaired." Huff said the priorities are more driven by possible structural issues.

Discussion ensued regarding state guidelines; overflows being the symptoms that are actionable; identifying the biggest impact areas; the challenge for staff with turnover of the board and turnover on council and the reality of having to sit down and explain this. Discussion ensued regarding the age of some of the infrastructure. Tony explained that this is driven by the plant needing to be upgraded and doing these projects takes some of the pressure off.

General discussion regarding private infiltration, the difficulty in identifying and/or removing private infiltration; and using smoke testing to find private infiltration.

Burr noted that the city has done Dyckman, so the next project is the Peterson drain, then the big one next year is Kalamazoo Street and it is in the budget; we are planned and budgeted through 2016. Dombos noted that when we do act on the SRF plan the DEQ may have something to say about how long we are drawing this out.

Discussion ensued regarding future projects being identified, especially for the SAW project, which Burr said we have to balance with the street replacement program.

Motion by Roberts, second by Winkel to adopt the SRF Project Plan as presented.

All in favor. Motion carried.

12. Board will be requested to approve a consulting contract with Hubbell, Roth & Clark, Inc. for the WWTP Asset Management Plan.

Huff outlined this in the staff report; it is tied to the National Pollutant Discharge Elimination (NPDES) permit which expired in 2013; in 2015 the city received DEQ approval of permit with new requirement to have an asset management plan in place.

Part of the work in the permit is to update the plant Operations and Maintenance Manual, which Huff noted has been included.

Dennis Benoit, Hubbell, Roth & Clark, Inc. Noted his firm is working with the Cities of Allegan, Petoskey and Hastings. Work for South Haven will be done from the Grand Rapids office with headquarters being in Brighton, Michigan.

Discussion ensued regarding how the Abonmarche work overlaps.

Motion by Winkel, second by Roberts to approve a recommendation to City Council to approve a consulting engineering contract with Hubbell, Roth & Clark, Inc. for the Waste Water Treatment Plant Asset Management Plan in the not-to-exceed amount of \$110,000.

All in favor. Motion carried.

13. Board will be requested to approve a recommendation to City Council to award the following contracts for 2015 Electric Distribution Line Projects

Halberstadt briefly reviewed the details of the projects within the Five (5) Year Plan. Huff explained that along St. Joe there used to be a transmission line; the project involves replacing poles with forty-five foot (45') poles overhead and Abonmarche will be helping with the public relations.

A. Kent Power

Motion by Roberts, second by Wittkop to award the contract for construction services to Kent Power, Inc. of Kent City, Michigan in the amount of \$216,641.13. Labor and materials are defined in the contract documents prepared by GRP Engineering.

All in favor. Motion carried.

B. Abonmarche

Motion by Wittkop, second by Roberts to award the contract for professional services for community outreach and communication to Abonmarche in the amount of \$5,500.

All in favor. Motion carried.

14. Public Works Director Comments

- A. Next regular meeting is scheduled for April 27, 2015.
- B. A Special Meeting is scheduled for Monday, April 13, 2015 at 4:00 p.m.

15. Board Member Comments

There were none.

16. Adjourn

Motion by Winkel, second by Roberts to adjourn at 5:45 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,
Marsha Ransom,
Recording Secretary

Board of Public Utilities

Special Meeting Minutes

Thursday, April 13, 2015
4:00 p.m., DPW Conference Room, 1199 8th Avenue



City of South Haven

1. Call to Order by Burr at 4:00 p.m.

2. Roll Call

Present: Burr, Henry, Roberts, Stein (ex-officio), Winkel
Absent: Overhiser (ex-officio), Rose (ex-officio)

Also present: Brian Dissette, City Manager, Larry Halberstadt, City Engineer

3. Approval of Agenda

With no objections to the agenda as presented, the board moved on to New Business.

4. Interested Citizens in the Audience Will be Heard on Items Not on the Agenda

NEW BUSINESS

5. Board will be requested to approve a recommendation to City Council to adopt a resolution to include an addendum to the utility policy adjusting water & sewer availability fees.

Board and staff discussed the current utility policy and the proposed changes. They also discussed the wording of the proposed resolution.

Motion by Henry second by Roberts to approve a recommendation to City Council to adopt a resolution, as amended, to include an addendum to the utility policy adjusting water & sewer availability fees.

All in favor. Motion carried.

6. Next regular meeting is scheduled for Monday, April 27, 2015 at 4:00 pm in the DPW Conference Room, 1199 8th Avenue, South Haven, Michigan.

7. Director's Comments

8. Board Member Comments

9. Adjourn

Motion by Henry, second by Roberts to adjourn at 4:43 p.m.

All in favor. Motion carried.

RESPECTFULLY SUBMITTED,

Roger Huff, P.E.
Public Works Director

CITY OF SOUTH HAVEN
 Cost of Electric Energy from Indiana-Michigan Power Company (AEP)
 2015

Date	ACTUAL				BILLING			COST				PJM Open Access Transmission Tariff						Total Cost	cts/ KWHR		
	KW Demand	KVAR Demand	KVA	Power Factor	KW Demand	KVAR Demand	KWHR	\$ KW Demand	\$ KWHR	\$ Fuel Charge	\$ Fuel Adjust	Actual Fuel True-up	Sch 1A \$ KWHRS	\$ Network	RTO Start-up \$	Other	Credits			Total PJM	
Main	11,515	1,311	11,589	0.9936	11,515	1,311	6,754,204	\$186,957.70	\$71,927.55												
Welder	332	28	333	0.9965	332	28	206,604	\$5,390.35	\$2,200.19												
Phoenix	8,000	1,092	8,074	0.9908	8,000	1,092	4,651,132	\$129,883.29	\$49,531.29												
Mar-15	19,847	2,430	19,995	0.9926	19,847	2,430	11,611,940	\$322,231.35	\$123,659.03	\$206,570.61	(\$8,109.78)	(\$5,469.59)	\$1,521.40	\$63,830.75	\$164.28	\$10,490.61	(\$872.04)	\$75,135.00	\$714,016.62	6.149	
Main	12,184	1,570	12,285	0.9918	12,178	1,570	7,974,908	\$197,728.02	\$84,927.19												
Welder	408	367	548	0.7432	408	367	175,313	\$6,616.17	\$1,866.96												
Phoenix	8,257	1,195	8,343	0.9897	8,253	1,195	3,492,559	\$133,997.33	\$37,193.31												
Feb-15	20,849	3,132	21,083	0.9889	20,839	3,132	11,642,780	\$338,341.52	\$123,987.46	\$207,119.25	(\$51,728.87)	(\$41,147.55)	\$1,525.44	\$57,653.58	\$148.38	\$10,490.61	(\$1,135.22)	\$68,682.79	\$645,254.60	5.542	
Main	12,325	1,739	12,447	0.9902	12,325	1,739	7,443,979	\$200,108.62	\$79,273.16												
Welder	331	309	453	0.7313	331	309	160,777	\$5,374.12	\$1,712.17												
Phoenix	8,581	1,288	8,677	0.9889	8,581	1,288	5,041,513	\$139,316.16	\$53,688.58												
Jan-15	21,237	3,336	21,497	0.9879	21,237	3,336	12,646,269	\$344,798.90	\$134,673.91	\$224,970.80	\$16,637.43	\$100,270.82	\$1,656.92	\$63,830.75	\$164.28	\$10,490.61	(\$994.22)	\$75,148.34	\$896,500.20	7.089	

Year to Date 2015:

35,900,989

2,255,771 6.283

CITY OF SOUTH HAVEN
 Cost of Electric Energy from Indiana-Michigan Power Company (AEP)
 2014

Date	ACTUAL				BILLING			COST				PJM Open Access Transmission Tariff							Total Cost	cts/ KWH	
	KW Demand	KVAR Demand	KVA	Power Factor	KW Demand	KVAR Demand	KWHRS	\$ KW Demand	\$ KWH	\$ Fuel Charge	\$ Fuel Adjust	Actual Fuel True-up	Sch 1A \$ KWHRS	\$ Network	RTO Start-up \$	Other	Credits	Total PJM			
Main	11,432	1,646	11,550	0.9898	11,432	1,646	7,085,827	\$185,609.79	\$75,459.10												
Welder	333	269	428	0.7774	333	269	153,577	\$5,398.47	\$1,635.48												
Phoenix	8,053	1,020	8,117	0.9921	8,053	1,020	4,768,206	\$130,748.35	\$50,778.06												
Welder	0	0	0		0	0	0	\$0.00	\$0.00												
Dec-14	19,818	2,935	20,034	0.9892	19,817	2,935	12,007,610	\$321,756.61	\$127,872.64	\$213,609.38	\$7,797.74	\$60,535.03	\$1,573.24	\$108,790.08	\$299.21	\$15,805.37	(\$1,585.52)	\$124,882.38	\$856,453.78	7.133	
Main	12,007	1,673	12,123	0.9904	12,003	1,673	6,729,178	\$194,883.96	\$71,661.03												
Welder	352	355	500	0.7036	352	355	123,903	\$5,706.95	\$1,319.48												
Phoenix	7,901	939	7,957	0.9930	7,899	939	4,543,741	\$128,253.03	\$48,387.66												
Welder	6	7	9	0.6658	6	7	4,150	\$94.17	\$44.19												
Nov-14	20,266	2,973	20,483	0.9894	20,260	2,973	11,400,971	\$328,938.11	\$121,412.36	\$202,817.57	(\$65,271.70)	(\$1,364.06)	\$1,493.76	\$105,280.72	\$289.56	\$16,026.12	(\$1,439.90)	\$121,650.26	\$708,182.54	6.212	
Main	18,379	4,189	18,850	0.9750	18,369	4,189	9,061,510	\$298,233.08	\$96,498.74												
Welder	309	284	420	0.7354	309	284	142,496	\$5,010.43	\$1,517.48												
Phoenix	10	24	25	0.3782	5	24	2,118,777	\$74.69	\$22,563.49												
Welder	6	7	9	0.6658	6	7	4,282	\$94.17	\$45.60												
Oct-14	18,703	4,503	19,238	0.9722	18,688	4,503	11,327,065	\$303,412.36	\$120,625.31	\$201,502.82	(\$33,179.24)	\$16,236.53	\$1,484.08	\$108,790.08	\$299.21	\$17,152.73	(\$1,357.26)	\$126,368.84	\$734,966.62	6.489	
Main	16,115	5,015	16,877	0.9548	16,112	5,015	8,006,033	\$261,594.43	\$85,258.65												
Welder	265	254	367	0.7230	265	254	131,837	\$4,307.41	\$1,403.97												
Phoenix	11,860	4,871	12,821	0.9250	11,857	4,871	3,682,892	\$192,514.47	\$39,220.22												
Welder	6	7	9	0.6658	6	7	4,144	\$94.17	\$44.13												
Sep-14	28,246	10,146	30,013	0.9411	28,240	10,146	11,824,906	\$458,510.48	\$125,926.97	\$210,359.17	(\$46,334.71)	\$11,060.21	\$1,549.30	\$105,280.72	\$289.56	\$17,328.13	(\$1,342.88)	\$123,104.83	\$882,626.95	7.464	
Main	17,344	5,375	18,158	0.9552	17,344	5,375	8,324,249	\$281,597.27	\$88,647.42												
Welder	358	342	495	0.7237	358	342	116,920	\$5,814.11	\$1,245.12												
Phoenix	12,794	5,443	13,903	0.9202	12,794	5,443	6,038,441	\$207,716.97	\$64,305.17												
Welder	8	17	19	0.4368	8	17	6,431	\$136.38	\$68.49												
Aug-14	30,504	11,177	32,487	0.9390	30,504	11,177	14,486,040	\$495,264.73	\$154,266.19	\$257,699.41	(\$38,669.04)	\$30,716.83	\$1,897.97	\$108,790.05	\$299.21	\$16,772.20	(\$1,567.24)	\$126,192.19	\$1,025,470.31	7.079	
Main	16,930	5,025	17,660	0.9587	16,930	5,025	7,907,886	\$274,875.40	\$84,213.45												
Welder	251	125	280	0.8945	251	125	130,862	\$4,070.37	\$1,393.59												
Phoenix	12,527	4,460	13,298	0.9421	12,527	4,460	5,672,349	\$203,391.54	\$60,406.54												
Welder	8	18	20	0.4307	8	18	6,555	\$136.38	\$69.80												
Jul-14	29,716	9,628	31,237	0.9513	29,716	9,628	13,717,651	\$482,473.68	\$146,083.38	\$244,030.16	(\$44,811.45)	\$27,682.40	\$1,797.29	\$108,790.05	\$299.21	\$16,658.83	(\$1,607.15)	\$125,938.23	\$981,396.40	7.154	
Main	16,223	4,553	16,850	0.9628	16,223	4,553	7,323,514	\$263,396.55	\$77,990.30												
Welder	10	22	24	0.4238	10	22	131,334	\$165.61	\$1,398.61												
Phoenix	12,192	4,498	12,996	0.9382	12,192	4,498	5,285,671	\$197,955.73	\$56,288.70												
Welder	8	19	20	0.4134	8	19	6,421	\$136.38	\$68.38												
Jun-14	28,434	9,092	29,952	0.9525	28,434	9,092	12,746,939	\$461,654.26	\$135,745.98	\$226,761.68	(\$44,703.52)	\$23,664.10	\$1,092.76	\$89,707.48	\$289.56	\$13,460.59	(\$1,301.93)	\$103,248.46	\$906,370.96	7.110	
Main	12,148	2,693	12,443	0.9763	12,148	2,693	6,470,207	\$199,737.00	\$62,245.98												
Welder	242	210	321	0.7548	242	210	137,320	\$3,980.61	\$1,321.07												
Phoenix	9,104	2,965	9,575	0.9508	9,104	2,965	4,589,361	\$149,685.91	\$44,151.48												
Welder	9	25	27	0.3318	9	25	6,845	\$146.33	\$65.85												
May-14	21,503	5,894	22,296	0.9644	21,503	5,894	11,203,733	\$353,549.86	\$107,784.39	\$168,627.37	(\$13,600.21)	\$16,585.82	\$960.46	\$92,697.73	\$299.21	\$11,967.29	(\$1,309.38)	\$104,615.31	\$737,562.54	6.583	
Main	11,035	2,280	11,268	0.9793	11,035	2,280	6,200,288	\$181,437.72	\$59,649.25												
Welder	275	340	437	0.6288	275	340	140,285	\$4,518.26	\$1,349.59												
Phoenix	7,223	155	7,225	0.9998	7,223	155	4,026,846	\$118,767.39	\$38,739.87												
Welder	9	23	25	0.3693	9	23	6,598	\$149.62	\$63.48												
Apr-14	18,542	2,798	18,752	0.9888	18,542	2,798	10,374,017	\$304,872.99	\$99,802.19	\$156,139.32	(\$11,636.53)	(\$12,558.64)	\$889.33	\$89,707.48	\$289.56	\$11,967.29	(\$1,364.68)	\$101,488.98	\$638,108.31	6.151	
Main	11,756	1,283	11,826	0.9941	11,756	1,283	6,923,540	\$193,291.82	\$66,607.22												
Welder	242	304	388	0.6216	242	304	140,739	\$3,970.74	\$1,353.96												
Phoenix	7,975	1,170	8,060	0.9894	7,975	1,170	4,701,765	\$131,124.62	\$45,232.86												
Welder	9	26	27	0.3239	9	26	6,989	\$146.33	\$67.24												
Mar-14	19,981	2,784	20,174	0.9904	19,981	2,784	11,773,033	\$328,533.52	\$113,261.29	\$177,195.92	(\$10,877.11)	(\$44,950.65)	\$1,009.27	\$92,697.73	\$299.21	\$11,967.29	(\$1,935.73)	\$104,037.77	\$667,200.74	5.667	
Main	11,651	1,530	11,751	0.9915	11,651	1,530	6,719,607	\$191,565.41	\$64,645.31												
Welder	371	312	485	0.7652	371	312	141,182	\$6,098.34	\$1,358.23												
Phoenix	8,190	1,078	8,261	0.9915	8,190	1,078	4,543,059	\$134,666.23	\$43,706.04												
Welder	9	22	24	0.3867	9	22	6,223	\$149.62	\$59.87												
Feb-14	20,221	2,941	20,434	0.9896	20,221	2,941	11,410,071	\$332,479.60	\$109,769.45	\$171,732.98	\$19,759.96	(\$46,438.54)	\$978.15	\$83,726.98	\$270.26	\$11,967.30	(\$1,743.34)	\$95,199.35	\$682,502.80	5.982	
Main	12,263	1,559	12,362	0.9920	12,263	1,559	7,522,565														

City of South Haven
Electric Fund - Fund 582
For the period ended March 31, 2015

Col 6 & 11

Revenues:	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2014-15 Adopted Budget	% of Annual Budget
Electric Sales	\$ 1,143,412	\$ 1,172,809	\$ 1,193,628	\$ (29,397)	\$ (50,216)	\$ 10,329,129	\$ 10,555,277	\$ 11,024,123	\$ (226,148)	\$ (694,994)	\$ 14,073,702	73%
Charges for Service	\$ 4,103	\$ 12,500	\$ 30,506	\$ (8,397)	\$ (26,403)	\$ 62,856	\$ 112,500	\$ 164,974	\$ (49,644)	\$ (102,118)	\$ 150,000	42%
Interest Income	\$ 3,227	\$ 2,500	\$ 9,207	\$ 727	\$ (5,979)	\$ 47,585	\$ 22,500	\$ 49,446	\$ 25,085	\$ (1,861)	\$ 30,000	159%
Other Revenue	\$ 1,723	\$ 3,333	\$ 1,796	\$ (1,611)	\$ (73)	\$ 23,470	\$ 30,000	\$ 50,635	\$ (6,530)	\$ (27,166)	\$ 40,000	59%
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Total Revenues	\$ 1,152,465	\$ 1,191,142	\$ 1,235,137	\$ (38,677)	\$ (82,671)	\$ 10,463,040	\$ 10,720,277	\$ 11,289,178	\$ (257,237)	\$ (826,138)	\$ 14,293,702	

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Expenses	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2014-15 Adopted Budget	% of Annual Budget
Purchased Power	\$ 714,017	\$ 800,000	\$ 667,201	\$ (85,983)	\$ 46,816	\$ 7,444,828	\$ 7,200,000	\$ 7,280,411	\$ 244,828	\$ 164,417	\$ 9,600,000	78%
Other Operating Expenses	\$ 217,277	\$ 148,849	\$ 165,557	\$ 68,428	\$ 51,720	\$ 1,352,386	\$ 1,339,643	\$ 1,357,736	\$ 12,743	\$ (5,350)	\$ 1,786,190	76%
Property Tax Equivalents	\$ 58,235	\$ 59,557	\$ 57,236	\$ (1,322)	\$ 999	\$ 524,115	\$ 536,014	\$ 515,122	\$ (11,899)	\$ 8,993	\$ 714,685	73%
Energy Optimization Costs	\$ 115	\$ 23,208	\$ 23,026	\$ (23,094)	\$ (22,912)	\$ 185,017	\$ 208,875	\$ 201,060	\$ (23,858)	\$ (16,043)	\$ 278,500	66%
Capital Outlay	\$ 342,893	\$ 305,752	\$ 808	\$ 37,141	\$ 342,085	\$ 3,344,573	\$ 2,751,770	\$ 29,500	\$ 592,802	\$ 3,315,073	\$ 3,669,027	91%
Transfer Out	\$ 14,025	\$ 14,025	\$ 14,754	\$ (0)	\$ (729)	\$ 126,226	\$ 126,226	\$ 132,787	\$ (0)	\$ (6,561)	\$ 168,301	75%
Depreciation	\$ 55,873	\$ 55,873	\$ 39,510	\$ -	\$ 16,363	\$ 502,859	\$ 502,859	\$ 355,593	\$ -	\$ 147,266	\$ 670,478	75%
Administrative Expenses	\$ 51,593	\$ 62,761	\$ 49,517	\$ (11,168)	\$ 2,076	\$ 550,869	\$ 564,845	\$ 516,951	\$ (13,975)	\$ 33,918	\$ 753,126	73%
Total Expenses	\$ 1,454,028	\$ 1,470,026	\$ 1,017,609	\$ (15,998)	\$ 436,418	\$ 14,030,872	\$ 13,230,230	\$ 10,389,160	\$ 800,641	\$ 3,641,712	\$ 17,640,307	

Net Fund Change \$ (301,562) \$ (278,884) \$ 217,527 \$ (22,679) \$ (519,090) \$ (3,567,832) \$ (2,509,954) \$ 900,018 \$ (1,057,878) \$ (4,467,850) \$ (3,346,605)

AS OF JUNE 30, 2014	
Retained Earnings	\$ 17,951,744
Less Net Capital Assets	\$ (11,195,364)
Net Undesignated Reserves	\$ 6,756,380

The Difference here is the addition of new capital assets less new depreciation for FY 15

PROJECTED AS OF JUNE 30, 2015	
Retained Earnings - I Beginning of yr	\$ 17,951,744
Projected Net Income (see below) FY 15	\$ 322,422
Less Net Capital Assets	\$ (14,193,913)
Net Undesignated Reserves	\$ 4,080,253

The 2015 Budget figures include the projects approved by the BPU to date and a revised depreciation figure
The capital outlay also includes WI FI project costs - DPW Storage building and Office renovations have been removed

Year end audit adjustments - not expenses on Income statement →

FY 2015 Revenues	\$ 14,293,702
FY 2015 Expenses	\$ (17,640,307)
Net Fund Change	\$ (3,346,605)
Add back Investment in Capital Assets	\$ 3,669,027
Projected Net Income	\$ 322,422

CITY OF SOUTH HAVEN
ELECTRIC FUND
KWH COMPARISONS
ROLLING TWELVE MONTHS

		KWH PURCHASED	KWH BILLED	KWH STREET LTS	STREET LTS 12 MO AVE.	TOTAL KWH BILLED AND STREET LTS	PERCENTAGE BILLED AND STREET LTS TO PURCHASED (ROLLING 12 MOS)	PERCENTAGE BILLED AND STREET LTS TO PURCHASED CURRENT MONTH	
FISCAL 2013									
July	2012	17,466,170	14,702,549	38,276	52,303	14,740,825	93.26%	84.40%	31
August	2012	14,358,453	15,845,089	43,385	52,376	15,888,474	93.50%	110.66%	31
September	2012	11,481,145	12,211,557	48,595	52,463	12,260,152	94.22%	106.79%	30
October	2012	10,545,910	9,741,443	54,699	52,284	9,796,142	94.11%	92.89%	31
November	2012	10,466,158	10,312,656	61,617	52,287	10,374,273	94.68%	99.12%	30
December	2012	11,131,795	9,798,623	69,065	52,368	9,867,688	94.46%	88.64%	31
January	2013	11,560,064	10,621,867	68,768	52,615	10,690,635	94.14%	92.48%	31
February	2013	10,550,434	10,544,686	59,658	52,705	10,604,344	94.21%	100.51%	29
March	2013	11,110,656	10,170,132	53,004	52,242	10,223,136	93.95%	92.01%	31
April	2013	10,233,332	9,906,424	48,201	52,313	9,954,625	94.19%	97.28%	30
May	2013	11,168,009	10,537,176	44,120	52,288	10,581,296	94.78%	94.75%	31
June	2013	11,593,465	10,064,318	37,708	52,258	10,102,026	95.35%	87.14%	30
		<u>141,665,592</u>	<u>134,456,520</u>	<u>627,096</u>		<u>135,083,616</u>			
FISCAL 2014									
July	2013	14,702,976	12,364,189	37,740	52,213	12,401,929	94.64%	84.35%	31
August	2013	13,559,712	13,582,248	42,342	52,126	13,624,590	94.42%	100.48%	31
September	2013	11,670,399	12,462,283	48,796	52,143	12,511,079	95.03%	107.20%	30
October	2013	10,945,398	10,453,792	54,475	52,125	10,508,267	94.91%	96.01%	31
November	2013	10,657,150	9,502,492	58,511	51,866	9,561,003	94.96%	89.71%	30
December	2013	11,962,287	10,244,088	71,063	52,032	10,315,151	94.68%	86.23%	31
January	2014	12,608,593	10,959,716	65,878	51,791	11,025,594	94.12%	87.45%	31
February	2014	11,410,071	12,066,200	59,636	51,790	12,125,836	94.72%	106.27%	29
March	2014	11,773,033	10,878,414	54,626	51,925	10,933,040	94.54%	92.87%	31
April	2014	10,374,016	10,020,033	48,541	51,953	10,068,574	94.63%	97.06%	30
May	2014	11,203,732	10,614,984	44,334	51,971	10,659,318	94.97%	95.14%	31
June	2014	12,746,940	11,082,867	39,220	52,097	11,122,087	93.90%	87.25%	30
		<u>143,614,306</u>	<u>134,231,306</u>	<u>625,162</u>		<u>134,856,468</u>			
FISCAL 2015									
July	2014	13,717,651	12,578,551	38,129	52,129	12,616,680	93.99%	91.97%	31
August	2014	14,486,040	12,740,027	42,644	52,154	12,782,671	93.13%	88.24%	31
September	2014	11,824,906	13,323,234	48,696	52,146	13,371,930	93.87%	113.08%	30
October	2014	11,327,065	11,109,952	55,667	52,245	11,165,619	94.22%	98.57%	31
November	2014	11,400,971	10,662,987	62,443	52,573	10,725,430	94.56%	94.07%	30
December	2014	12,007,610	11,126,842	67,163	52,248	11,194,005	94.83%	93.22%	31
January	2015	12,646,269	11,962,202	63,831	52,078	12,026,033	94.37%	95.10%	31
February	2015	11,642,781	11,272,243	59,367	52,055	11,331,610	94.56%	97.33%	29
March	2015	11,611,940	10,475,991	55,391	52,119	10,531,382	94.30%	90.69%	31
		<u>110,665,233</u>	<u>105,252,029</u>	<u>493,331</u>		<u>105,745,360</u>			
Prior Year-to-date		109,289,618	102,513,422	493,067		103,006,489			
Two Years Prior		108,670,786	103,948,602	497,067		104,445,669			

City of South Haven
Water Fund - Fund 591
For the period ended March 31, 2015

Col 6 & 11

Revenues:	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2014-15 Adopted Budget	% of Annual Budget
Sales	\$ 258,122	\$ 312,265	\$ 265,565	\$ (54,143)	\$ (7,443)	\$ 2,748,850	\$ 2,810,384	\$ 2,824,177	\$ (61,534)	\$ (75,328)	\$ 3,747,178	73%
Charges for Service	9,178	5,833	3,753	3,345	5,425	34,394	52,500	38,322	(18,106)	(3,928)	70,000	49%
Interest Income	914	167	75	747	839	5,291	1,500	(463)	3,791	5,754	2,000	265%
Special Assessment Revenue	-	958	18,731	(958)	(18,731)	12	8,625	38,553	(8,613)	(38,541)	11,500	0%
Other Revenue	2,133	2,917	6,091	(784)	(3,958)	38,027	26,250	35,941	11,777	2,086	35,000	109%
Total Revenues	\$ 270,346	\$ 322,140	\$ 294,215	\$ (51,793)	\$ (23,869)	\$ 2,826,575	\$ 2,899,259	\$ 2,936,530	\$ (72,684)	\$ (109,956)	\$ 3,865,678	

Expenses:	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2014-15 Adopted Budget	% of Annual Budget
Operating Expenses	\$ 109,344	\$ 117,595	\$ 96,141	\$ (8,251)	\$ 13,203	\$ 961,090	\$ 1,058,351	\$ 864,171	\$ (97,260)	\$ 96,919	\$ 1,411,134	68%
Property Tax Equivalents	12,049	16,107	8,349	(4,058)	3,700	108,441	144,963	75,145	(36,522)	33,296	193,284	56%
Capital Outlay	672	20,224	1,491	(19,552)	(819)	55,675	182,014	264,158	(126,339)	(208,483)	242,685	23%
Debt Service	49,066	124,859	57,778	(75,793)	(8,712)	781,389	1,123,733	775,150	(342,345)	6,238	1,498,311	52%
Transfers Out	333	404	167	(70)	167	3,000	3,632	1,500	(632)	1,500	4,843	62%
Depreciation	50,703	50,703	16,307	-	34,396	456,326	456,326	146,763	-	309,563	608,435	75%
Administrative Expenses	14,057	19,854	13,871	(5,797)	186	185,293	178,682	168,279	6,612	17,015	238,242	78%
Total Expenses	\$ 236,224	\$ 349,745	\$ 194,103	\$ (113,520)	\$ 42,121	\$ 2,551,214	\$ 3,147,701	\$ 2,295,165	\$ (596,486)	\$ 256,049	\$ 4,196,934	

Net Fund Change \$ 34,122 \$ (27,605) \$ 100,112 \$ 61,727 \$ (65,990) \$ **275,360** \$ (248,442) \$ 641,365 \$ 523,802 \$ (366,005) \$ **(331,256)**

AS OF JUNE 30, 2014	
Retained Earnings	\$ 7,685,404
Less Contributed Capital	\$ (2,093,205)
Less Net Capital Assets	\$ (5,175,140)
Net Undesignated Reserves	\$ 417,059

The Difference here is the addition of new capital assets less new depreciation for FY 15

PROJECTED AS OF JUNE 30, 2015	
Retained Earnings - Beg of Year	\$ 7,685,404
Less Contributed Capital	\$ (2,093,205)
Projected Net Income (see below) FY 15	\$ 491,429
Less Net Capital Assets	\$ (5,389,391)
Net Undesignated Reserves	\$ 694,237

The 2015 Budget figures include the projects approved by the BPU to date and a revised depreciation figure
The capital outlay includes some equipment and Dyckman Ave costs

Year end audit adjustments - not expenses on Income statement →
Year end audit adjustments - not expenses on Income statement →

FY 2015 Revenues	\$ 3,865,678
FY 2015 Expenses	\$ (4,196,934)
Add back principal portion of debt service	\$ 580,000
Add back Investment in Capital Assets	\$ 242,685
Projected Net Income(Loss)	\$ 491,429

CITY OF SOUTH HAVEN
WATER FUND
CuFt COMPARISONS
ROLLING TWELVE MONTHS

		GALLONS PUMPED TO MAINS	CuFt PUMPED TO MAINS	CuFt PLANT TAP UNBILLED	CuFt WATER QUALITY FLUSHING	CuFt BILLED	PERCENTAGE BILLED PLUS PLANT TAP TO PUMPED TO MAINS (ROLLING 12 MOS)	PERCENTAGE BILLED PLUS PLANT TAP TO PUMPED TO MAINS CURRENT MONTH
FISCAL 2013								
July	2012	97,223,000	12,997,727	42,043	149,172	9,601,173	81.95%	74.19%
August	2012	73,095,000	9,772,059	40,244	227,566	10,549,444	83.36%	108.37%
September	2012	51,928,000	6,942,246	36,348	218,946	7,875,634	84.80%	113.97%
October	2012	37,774,000	5,050,000	27,350	259,447	4,949,605	85.50%	98.55%
November	2012	28,082,000	3,754,278	16,894	255,838	3,275,439	86.15%	87.70%
December	2012	27,941,000	3,735,428	34,835	160,400	3,150,827	86.30%	85.28%
January	2013	29,090,000	3,889,037	35,639	83,007	3,204,712	86.22%	83.32%
February	2013	27,257,000	3,643,984	25,791	72,180	3,368,685	86.69%	93.15%
March	2013	28,716,000	3,839,037	30,416	75,789	2,955,708	87.40%	77.78%
April	2013	27,256,000	3,643,850	38,784	79,398	3,120,869	88.84%	86.71%
May	2013	44,617,270	5,964,876	52,314	342,855	3,962,497	88.14%	66.43%
June	2013	52,158,000	6,972,995	57,485	312,780	5,366,701	91.24%	76.96%
		<u>525,137,270</u>	<u>70,205,517</u>	<u>438,141</u>	<u>2,237,378</u>	<u>61,381,294</u>		
FISCAL 2014								
July	2013	70,321,000	9,401,203	62,968	127,844	6,705,606	88.48%	72.00%
August	2013	62,517,000	8,357,888	48,003	196,427	8,322,168	88.81%	100.15%
September	2013	52,536,000	7,023,529	43,984	192,916	7,118,311	89.52%	101.98%
October	2013	35,699,000	4,772,594	41,176	182,891	5,303,775	90.51%	111.99%
November	2013	28,029,000	3,747,193	37,834	99,473	3,426,297	90.79%	92.45%
December	2013	28,262,000	3,778,342	37,166	178,083	2,904,054	90.43%	77.84%
January	2014	36,931,000	4,937,299	40,642	145,998	3,089,262	89.82%	63.39%
February	2014	36,711,000	4,907,888	36,230	128,741	3,454,550	89.24%	71.13%
March	2014	36,506,000	4,880,481	37,567	40,914	3,251,264	89.19%	67.39%
April	2014	29,869,000	3,993,182	33,957	57,952	3,321,979	89.46%	84.04%
May	2014	40,638,000	5,432,888	31,283	70,598	4,278,590	89.10%	78.75%
June	2014	53,611,000	7,167,246	37,032	100,575	5,543,066	85.86%	77.34%
		<u>511,630,000</u>	<u>68,399,733</u>	<u>487,843</u>	<u>1,522,412</u>	<u>56,718,922</u>		
FISCAL 2015								
July	2014	64,316,000	8,598,396	38,503	126,739	6,932,597	84.35%	81.07%
August	2014	66,789,000	8,929,011	42,246	34,492	7,841,235	83.45%	88.29%
September	2014	44,601,000	5,962,701	36,096	100,277	6,663,068	84.55%	112.35%
October	2014	33,430,000	4,469,251	34,492	117,932	4,619,497	85.38%	104.13%
November	2014	29,363,000	3,925,535	34,091	102,686	3,359,059	86.24%	86.44%
December	2014	28,908,000	3,864,706	35,294	67,388	3,125,243	86.64%	81.78%
January	2015	31,306,000	4,185,294	35,561	83,432	4,170,131	87.89%	100.49%
February	2015	28,322,000	3,786,364	34,091	81,219	4,470,432	88.98%	118.97%
March	2015	31,937,000	4,269,652	34,091	40,910	3,087,632	88.83%	73.11%
		<u>358,972,000</u>	<u>47,990,909</u>	<u>324,465</u>	<u>755,075</u>	<u>44,268,894</u>		
Prior Year-to-date		387,512,000	51,806,417	385,570	1,293,287	43,575,287		
Two Years Prior		401,106,000	53,623,797	289,559	1,502,345	48,931,227		

City of South Haven
Sewer Fund - Fund 592
For the period ended March 31, 2015

Col 6 & 11

Revenues:	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2014-15 Adopted Budget	% of Annual Budget
Sales	\$ 159,682	\$ 193,292	\$ 159,290	\$ (33,610)	\$ 392	\$ 1,693,023	\$ 1,739,625	\$ 1,703,409	\$ (46,602)	\$ (10,386)	\$ 2,319,500	73%
IPP Revenues	-	6,608	4,546	(6,608)	(4,546)	52,815	59,475	57,113	(6,660)	(4,298)	79,300	67%
Interest Income	597	208	6	389	591	1,805	1,875	(758)	(70)	2,563	2,500	72%
Special Assessment Revenue	-	1,250	29,711	(1,250)	(29,711)	17	11,250	48,115	(11,233)	(48,098)	15,000	0%
Other Revenue	100	1,333	7,980	(1,233)	(7,880)	17,088	12,000	13,441	5,088	3,648	16,000	107%
Total Revenues	\$ 160,379	\$ 202,692	\$ 201,534	\$ (42,313)	\$ (41,155)	\$ 1,764,748	\$ 1,824,225	\$ 1,821,320	\$ (59,477)	\$ (56,572)	\$ 2,432,300	

Expenses	1	2	3	4	5	6	7	8	9	10	11	% of Annual Budget
	Month Actual	Monthly Budget	Prior year MTD	MTD Variance to Budget	MTD Variance to Prior Year	YTD Actual	YTD Budget	Prior YTD Actual	Variance to Budget	Variance to Prior Year	2014-15 Adopted Budget	
Operating Expenses	\$ 77,867	\$ 98,947	\$ 105,552	\$ (21,080)	\$ (27,685)	\$ 820,234	\$ 890,523	\$ 1,228,992	\$ (70,289)	\$ (408,759)	\$ 1,187,364	69%
Grant Expense-SSES	-	-	-	-	-	-	-	104,485	-	(104,485)	-	-
Property Tax Equivalents	7,453	8,104	7,453	(651)	-	67,081	72,939	67,081	(5,858)	-	97,252	69%
Capital Outlay	118	22,184	7,069	(22,066)	(6,951)	26,779	199,656	17,119	(172,877)	9,661	266,208	10%
Transfers Out	17,000	17,076	19,917	(76)	(2,917)	153,000	153,686	179,250	(686)	(26,250)	204,915	75%
Depreciation	29,060	29,060	20,379	-	8,681	261,539	261,539	183,409	-	78,131	348,719	75%
Administrative Expenses	20,717	26,975	20,922	(6,258)	(205)	243,534	242,775	232,080	759	11,455	323,700	75%
Total Expenses	\$ 152,215	\$ 202,347	\$ 181,292	\$ (50,131)	\$ (29,076)	\$ 1,572,167	\$ 1,821,119	\$ 2,012,415	\$ (248,951)	\$ (440,248)	\$ 2,428,158	

Net Fund Change \$ 8,163 \$ 345 \$ 20,242 \$ 7,818 \$ (12,079) \$ 192,581 \$ 3,107 \$ (191,095) \$ 189,474 \$ 383,676 \$ 4,142

AS OF JUNE 30, 2014	
Retained Earnings	\$ 6,979,473
Less Contributed Capital	\$ (1,013,995)
Less Net Capital Assets	<u>\$ (5,632,250)</u>
Net Undesignated Reserves	\$ 333,228

The Difference here is the addition of new capital assets less new depreciation for FY 15

PROJECTED AS OF JUNE 30, 2015	
Retained Earnings - Beg of Year	\$ 6,979,473
Less Contributed Capital	\$ (1,013,995)
Projected Net Income (see below) FY 15	\$ 270,350
Less Net Capital Assets	<u>\$ (5,549,739)</u>
Net Undesignated Reserves	\$ 686,089

The 2015 Budget figures include the projects approved by the BPU to date and a revised depreciation figure
The capital outlay includes some equipment and Dyckman Ave costs

Year end audit adjustments - not expenses on Income statement →

FY 2015 Revenues	\$ 2,432,300
FY 2015 Expenses	\$ (2,428,158)
Add back Investment in Capital Assets	\$ 266,208
Projected Net Income(Loss)	\$ 270,350



City of South Haven

Agenda Item #8

Unresolved Issues

New items shown in **bold** text.

Completed items shown with single ~~strike through~~ text for one meeting, then double ~~strike through~~ text for the next meeting, then removed from the list.

ACTION ITEMS

- 3/26/12 – Stickland requested that staff provide the utility policy concerning tampering fees for review at the next meeting. Addressed under agenda item 15 at the April 30, 2012 meeting. MMEA was contacted requesting their assistance in contacting fellow members for their policies regarding meter tampering, disconnection or tampering with service feeders/pipes, theft of service, and unsealed meter showing consumption. No response has been received from MMEA. City staff is contacting fellow IMMDA members plus Holland, Lowell, and Coldwater. Policies have been received from Bluffton, IN; Coldwater, MI; Holland BPW; Lowell Light & Power; Niles, MI; Sturgis, MI; Zeeland BPW. These policies will be compiled and summarized and distributed to staff and the BPU for review and comment. Updating the Public Utilities Rules, Regulations and Policies (and Code of Ordinances) is one of City Council's adopted priorities for 2014-15.
- 4/30/12 – As a result of the tamper fee discussion with a resident, staff was requested to compile a list of electrical and plumbing contractors licensed to work in South Haven for the purpose of sending notification letters concerning the tamper policy. City staff contacted the State of Michigan and Michigan Township services, but they could not provide specific information. City of South Haven Building Services has a bulletin board available for posting notices. Suggestion was made to add it to the building permit form or instructions. Start with the City and then work with the townships.
- 1/26/15 – Concerning the Quarterly Outage Report, Burr requested more information for the area near the State Park indicating a number of outages. **A breakdown of outages was provided. Staff noted that the line is clear of trees. It is a known problem area due to many large trees in sand that can be uprooted in storms. It was recently checked by staff, but another check will be performed. It was also noted that most connectors have been replaced.**

Date: April 21, 2015

To: Roger Huff, PE

From: Timothy Drews, PE

Re: South Haven SAW Grant – Asset Management Plan Status Report

The following is intended to provide you with a project status report:

Accomplishments to Date

1. Inventory
 - A list of “missing” manholes was received from the city. We are about halfway through the list, and expect to be complete by the end of the month.
2. Condition Assessment
 - MACP (manhole) inspections have continued. We have inspected approximately 470 manholes to date in the areas highlighted on the attached map. This work will continue through the spring with an emphasis on storm manholes first.
 - CCTV work – We expect to develop a video inspection specification within the next month to begin the CCTV work on the sewers.
3. Level of Service
 - Not yet started
4. Criticality of Assets
 - Not yet started
5. O&M Strategies
 - At the March BPU meeting, approval was granted to move forward with engaging Burton and Associates as the utility rate consultant. We are pursuing a contract with Burton.
6. Other Costs
 - Asset Management software presentations will be held with CityWorks and Cartegraph in the last week of April.

Upcoming Work

- SAW Progress meeting is scheduled for March 28th at 10:00 a.m. at DPW
- Gather remaining manhole inventory shots.
- Continue MACP inspections. These inspections will focus on storm manholes first.
- CCTV pilot program with Plummer's, plus develop an RFP for the comprehensive CCTV work (with sewer cleaning option by the city)

Scope Changes

- Eliminate Storm Sewer System Metering and Modeling and re-allocate those funds to other Asset Management efforts.

Budget Status

	Budget	Invoiced to Date	Percent Complete
Overall Asset Management Budget	\$1,115,264	\$126,234.32	11.3%
Abonmarche Tasks	\$555,197	\$126,234.32	22.7%
CCTV Work	\$299,397	\$0	0%
Other Sub-consultants	\$38,000	\$0	0%
Software/hardware/training	\$38,000	\$0	0%
City Admin Tasks	\$35,120		
City Pre-cleaning Sewers	\$150,000		

Note: Overall city match for the SAW grant is \$317,000

Schedule Status

The projected completion date for the Asset Management plan is May 1, 2016

Information Needed from City

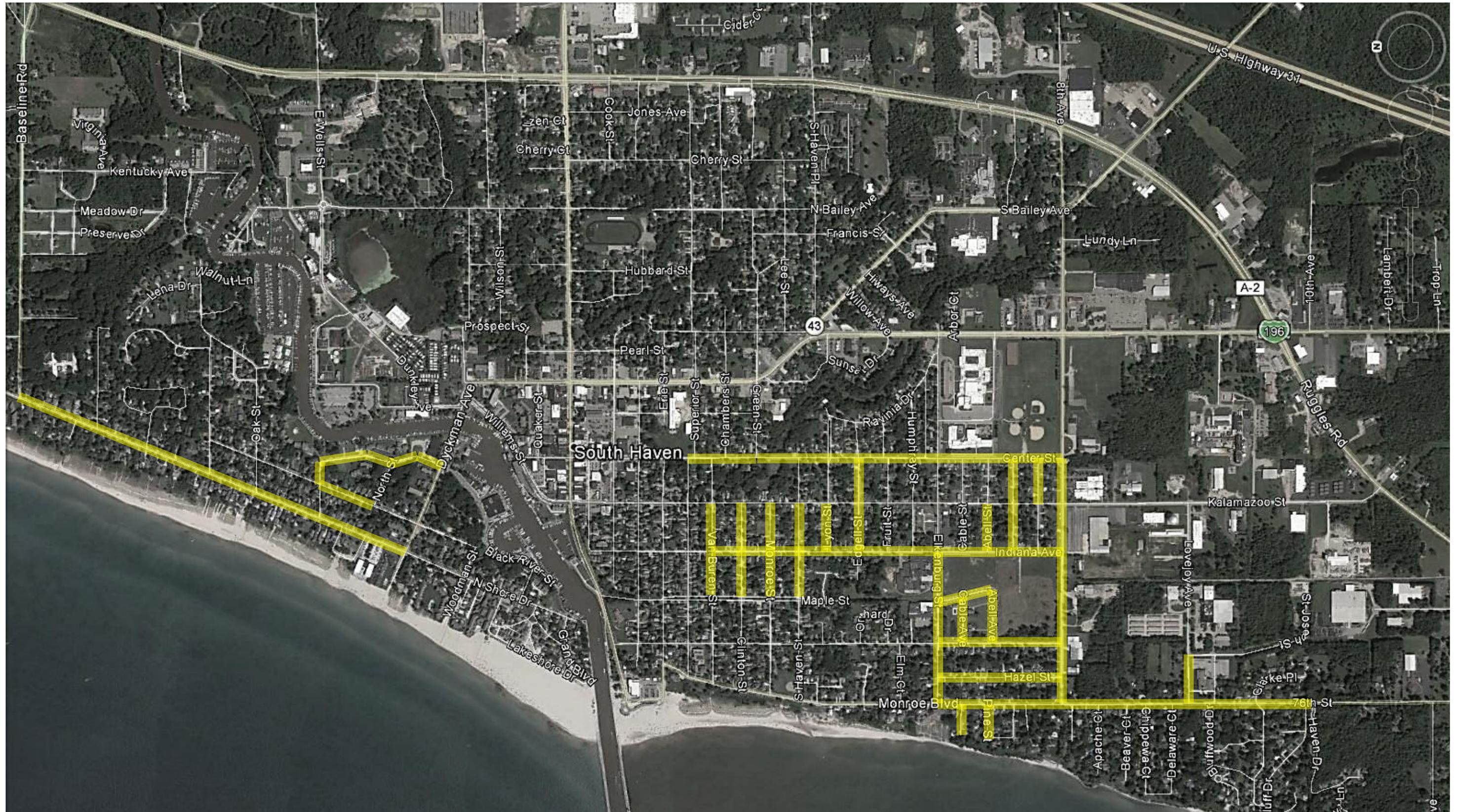
- List of projects completed in the past 10-15 years
- Priority list of areas to concentrate CCTV work

Other Issues

- Separate progress reports will be submitted for SAW design related work

CC: Brian Dissette, City of South Haven
Larry Halberstadt, City of South Haven
Cindy Clendenon, MDEQ
Christopher Cook, Abonmarche
Tony McGhee, Abonmarche





City of South Haven, MI



Electric Outage Report 1st Quarter 2015

General Information				Cause		Time & Duration				Customers	
#	Date	S/U	Address/Location	Description	#	Ints	T off	T on	Mins	# Out	Cust Min
1	1/2/2015	U	767 Indiana Ave	Tree Contact Sec. Line Down	5	1	1/2/15 6:50 PM	1/2/15 11:05 PM	255	26	6630
2	1/3/2015	U	22918 72nd St	Line Fuse Squirrel	4	1	1/3/15 9:00 AM	1/3/15 10:35 AM	95	39	3705
3	1/4/2015	U	M-140 Hwy & 12th Ave	Broken Pole Car/ Pole Accident	7	1	1/4/15 8:45 AM	1/4/15 4:10 PM	445	93	41385
4	1/8/2015	U	15575 77th St	Down Service - Bad Preform D.E.	10	1	1/8/15 1:45 PM	1/8/15 4:00 PM	135	2	270
5	1/9/2015	U	Dyckman Ave & Park Ave	Bad UG Service	2	1	1/9/15 11:05 AM	1/9/15 3:20 PM	255	4	1020
6	1/9/2015	U	309 Spencer St	Bad Connection	10	1	1/9/15 10:10 PM	1/10/15 12:00 AM	110	1	110
7	1/10/2015	U	Lovejoy Ave & Monroe Blvd	Down Primary line & Connection	1	1	1/10/15 5:30 AM	1/10/15 9:30 AM	240	74	17760
8	1/10/2015	U	508 North Shore Dr	Car /Pole Accident	7	1	1/10/15 9:25 PM	1/10/15 11:20 PM	115	19	2185
9	1/11/2015	U	66641 16th Ave	Fuse - Squirrel	4	1	1/11/15 1:50 PM	1/11/15 3:00 PM	70	7	490
10	1/16/2015	U	03030 67th St	Fuse - Squirrel	4	1	1/16/15 7:40 PM	1/16/15 10:45 PM	185	11	2035
11	1/24/2015	U	16th Ave & CR 687	Bad Neutral Connection	10	1	1/24/15 11:05 AM	1/24/15 1:45 PM	160	27	4320
12	1/26/2015	U	03030 67th St	Bad Conection	10	1	1/26/15 5:25 PM	1/26/15 7:10 PM	105	1	105
13	1/27/2015	U	711 North Shore Dr	Down Service - Tree Limb	5	1	1/27/15 2:10 PM	1/27/15 4:05 PM	115	1	115
14	1/31/2015	U	515 Michigan St	Bad Connection	10	1	1/31/15 7:50 AM	1/31/15 10:55 AM	185	1	185
15	1/31/2015	U	610 Maple St	Bad UG Service	2	1	1/31/15 12:20 PM	1/31/15 4:25 PM	245	1	245

Total Customers this Month	8,268	Days of Month
Total Customer Minutes this Month	369,083,520	31

Outage Totals			
		This Month	This Month Last Year
Unscheduled Outages			
Long	# Outages	15	15
	# Customers Out	307	198
	# Minutes Out	2,715	2865
	# Customer Minutes Out	80,560	42350
	# Within City System	15	15
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Scheduled Outages			
Long	# Outages	0	0
	# Customers Out	0	0
	# Minutes Out	0	0
	# Customer Minutes Out	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Totals			
Total Long Outages		15	15
Total Short Outages (Blinks)		0	0
Total Customers Out (Long)		307	198
Total Customers Affected (Short- Blinks)		0	0
Total Customer Minutes Out		80,560	42350
Total Outages Within City System		15	15
Total Outages in Supply to City		0	0

Number of Outages (by Cause)					
Cause #	Description	Total This Month	This Month Last Year	Rolling AT	% AT
0	Electric Supply Disruption to City	0	0	1	0%
1	Fallen Line / Rotted Pole	1	0	4	1%
2	Bad U/G Cable	2	1	20	7%
3	Lightning	0	0	15	5%
4	Animal Contact	3	4	67	25%
5	Tree Contact	2	4	55	20%
6	Contamination / Foreign Debris	0	0	0	0%
7	Human	2	0	9	3%
8	Other	0	0	4	1%
9	Undetermined	0	0	0	0%
10	Failed Device	5	6	98	36%
	Total	15	15	273	

12 Month Outage Statistics		
Index	As of This Month	As of This Month Last Year
ASAI (%)	99.9625	99.7508
CAIDI (Long) (min)	222.97	854.46
SAIDI (Long) (min)	16.41	109.17
SAIFI (Long) (ints/tot cust)	0.07	0.13
SAIFI (Short) (ints/tot cust)	0.00	0.00

- ASAI - Average Service Availability Index
(customer minutes available/total customer minutes, as a %)
- CAIDI - Customer Average Interruption Duration Index
(average minutes interrupted per interrupted customer)
- SAIDI - System Average Interruption Duration Index
(average minutes interrupted per customer for all customers)
- SAIFI (Long) - System Average Interruption Frequency Index
(# of long interruptions per customer for all customers)
- SAIFI (Short) - System Average Interruption Frequency Index
(# of short interruptions per customer for all customers)

General Information				Cause		Time & Duration				Customers	
#	Date	S/U	Address/Location	Description	#	Ints	T off	T on	Mins	# Out	Cust Min
1	2/9/2015	U	14515 72nd St	Bad Connection	10	1	2/9/15 4:35 PM	2/9/15 5:55 PM	80	1	80
2	2/14/2015	U	266 Oak St	Bad Connection at Weather head	10	1	2/14/15 3:50 PM	2/14/15 5:00 PM	70	1	70
3	2/14/2015	U	Monroe St & Kalamazoo St	Down Primary line - Wind & Trees	5	1	2/14/15 5:40 PM	2/14/15 8:50 PM	190	127	24130
4	2/14/2015	U	08337 M-140 Hwy	Line Fuse Wind & Trees	5	1	2/14/15 8:15 PM	2/14/15 10:40 PM	145	41	5945
5	2/15/2015	U	02857 62nd St	Fuses's in 3 phase bank - Squirrels	4	1	2/15/15 9:55 AM	2/15/15 11:05 AM	70	4	280
6	2/16/2015	U	80 Elkenburg St	Line Fuse's Wind & Trees	5	1	2/16/15 4:20 PM	2/16/15 7:10 PM	170	86	14620
7	2/21/2015	U	69444 8th Ave	Bad Cut Out - Primary Line	10	1	2/21/15 4:50 PM	2/21/15 7:55 PM	185	34	6290
8	2/23/2015	U	626 Broadway St	Bad Connection	10	1	2/23/15 3:05 PM	2/23/15 4:00 PM	55	1	55
9	2/24/2015	U	17057 77th St	Down Service - Tree Limb	5	1	2/24/15 2:35 PM	2/24/15 4:30 PM	115	1	115
10	2/25/2015	U	6711 Baseline Rd	Bad Secondary Line & Connections	10	1	2/25/15 7:05 PM	2/25/15 10:00 PM	175	17	2975

S/U - Scheduled or Unscheduled
 Ints - # of Interruptions
 Long - >1 min; Short - <1 min
 Cause # - see table on page 3

Total Customers this Month	8,268	Days of Month
Total Customer Minutes this Month	333,365,760	28

Outage Totals			
		This Month	This Month Last Year
Unscheduled Outages			
Long	# Outages	10	10
	# Customers Out	313	178
	# Minutes Out	1,255	1715
	# Customer Minutes Out	54,560	38010
	# Within City System	10	10
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Scheduled Outages			
Long	# Outages	0	0
	# Customers Out	0	0
	# Minutes Out	0	0
	# Customer Minutes Out	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Totals			
Total Long Outages		10	10
Total Short Outages (Blinks)		0	0
Total Customers Out (Long)		313	178
Total Customers Affected (Short- Blinks)		0	0
Total Customer Minutes Out		54,560	38010
Total Outages Within City System		10	10
Total Outages in Supply to City		0	0

Number of Outages (by Cause)					
Cause #	Description	Total This Month	This Month Last Year	Rolling AT	% AT
0	Electric Supply Disruption to City	0	0	1	0%
1	Fallen Line / Rotted Pole	0	0	4	1%
2	Bad U/G Cable	0	0	20	7%
3	Lightning	0	0	15	5%
4	Animal Contact	1	2	66	24%
5	Tree Contact	4	0	59	22%
6	Contamination / Foreign Debris	0	0	0	0%
7	Human	0	0	9	3%
8	Other	0	1	3	1%
9	Undetermined	0	0	0	0%
10	Failed Device	5	7	96	35%
Total		10	10	273	

12 Month Outage Statistics		
Index	As of This Month	As of This Month Last Year
ASAI (%)	99.9622	99.7513
CAIDI (Long) (min)	221.14	863.95
SAIDI (Long) (min)	16.57	108.94
SAIFI (Long) (ints/tot cust)	0.07	0.13
SAIFI (Short) (ints/tot cust)	0.00	0.00

- ASAI - Average Service Availability Index
(customer minutes available/total customer minutes, as a %)
- CAIDI - Customer Average Interruption Duration Index
(average minutes interrupted per interrupted customer)
- SAIDI - System Average Interruption Duration Index
(average minutes interrupted per customer for all customers)
- SAIFI (Long) - System Average Interruption Frequency Index
(# of long interruptions per customer for all customers)
- SAIFI (Short) - System Average Interruption Frequency Index
(# of short interruptions per customer for all customers)

S/U - Scheduled or Unscheduled
 Ints - # of Interruptions
 Long - >1 min; Short - <1 min
 Cause # - see table on page 3

General Information				Cause		Time & Duration				Customers	
#	Date	S/U	Address/Location	Description	#	Ints	T off	T on	Mins	# Out	Cust Min
1	3/3/2015	U	910 Monroe Blvd	Bad Underground Ped. Damaged by excavator	5	1	3/3/15 2:15 PM	3/3/15 6:00 PM	225	11	2475
2	3/4/2015	U	814 St. Joseph St	Fuse - Tree Limb	10	1	3/4/15 5:10 PM	3/4/15 8:20 PM	190	6	1140
3	3/5/2015	U	67316 Becky Ln	Bad Connection	10	1	3/5/15 6:20 PM	3/5/15 8:15 PM	115	1	115
4	3/5/2015	U	327 Edgell St	Bad Connection on Secondary Line	10	1	3/5/15 7:15 PM	3/5/15 10:35 PM	200	9	1800
5	3/5/2015	U	109 Superior St	Bad Connection	10	1	3/5/15 5:55 PM	3/5/15 6:45 PM	50	1	50
6	3/6/2015	U	00919 67th St	Bad Breaker	10	1	3/6/15 2:45 PM	3/6/15 4:05 PM	80	1	80
7	3/7/2015	U	09391 CR 689	Bad Meter - Ice	6	1	3/7/15 2:10 PM	3/7/15 3:45 PM	95	1	95
8	3/10/2015	U	68544 CR 388	Ice off Roof - Down Service	6	1	3/10/15 4:50 PM	3/10/15 6:55 PM	125	1	125
9	3/16/2015	U	406 Fruit St	Bad Connection	10	1	3/16/15 4:45 PM	3/16/15 6:05 PM	80	1	80
10	3/21/2015	U	616 Erie St	Bad Connection	10	1	3/21/15 5:05 PM	3/21/15 6:20 PM	75	1	75
11	3/22/2015	U	622 North Shore Dr	Fuse - Squirrel	4	1	3/22/15 10:50 PM	3/22/15 11:55 PM	65	9	585
12	3/24/2015	U	15600 M-140 Hwy	Down Service - Tree Limb	5	1	3/24/15 2:15 PM	3/24/15 4:30 PM	135	1	135
13	3/26/2015	U	68300 CR 388	Bad Underground - Dig In	7	1	3/26/15 2:50 PM	3/26/15 4:30 PM	100	6	600
14	3/30/2015	U	413 Humphrey St	Bad Connection	10	1	3/30/15 3:55 PM	3/30/15 5:50 PM	115	1	115
15	3/31/2015	U	1000 6th Ave	Bad Meter	10	1	3/31/15 3:10 PM	3/31/15 4:00 PM	50	1	50

S/U - Scheduled or Unscheduled

Ints - # of Interruptions

Long - >1 min; Short - <1 min

Cause # - see table on page 3

Total Customers this Month	8,268	Days of Month
Total Customer Minutes this Month	369,083,520	31

Outage Totals			
		This Month	This Month Last Year
Unscheduled Outages			
Long	# Outages	15	17
	# Customers Out	51	132
	# Minutes Out	1,700	3560
	# Customer Minutes Out	7,520	43150
	# Within City System	15	17
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Scheduled Outages			
Long	# Outages	0	0
	# Customers Out	0	0
	# Minutes Out	0	0
	# Customer Minutes Out	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Short	# Outages (Blinks)	0	0
	# Customers Affected	0	0
	# Within City System	0	0
	# Supply to City Minutes	0	0
Totals			
Total Long Outages		15	17
Total Short Outages (Blinks)		0	0
Total Customers Out (Long)		51	132
Total Customers Affected (Short- Blinks)		0	0
Total Customer Minutes Out		7,520	43150
Total Outages Within City System		15	17
Total Outages in Supply to City		0	0

Number of Outages (by Cause)					
Cause #	Description	Total This Month	This Month Last Year	Rolling AT	% AT
0	Electric Supply Disruption to City	0	0	1	0%
1	Fallen Line / Rotted Pole	0	0	4	1%
2	Bad U/G Cable	0	2	18	7%
3	Lightning	0	0	15	6%
4	Animal Contact	1	3	64	24%
5	Tree Contact	2	2	59	22%
6	Contamination / Foreign Debris	2	0	2	1%
7	Human	1	1	9	3%
8	Other	0	2	1	0%
9	Undetermined	0	0	0	0%
10	Failed Device	9	7	98	36%
	Total	15	17	271	

12 Month Outage Statistics		
Index	As of This Month	As of This Month Last Year
ASAI (%)	99.9630	99.7505
CAIDI (Long) (min)	218.72	861.35
SAIDI (Long) (min)	16.21	109.27
SAIFI (Long) (ints/tot cust)	0.07	0.13
SAIFI (Short) (ints/tot cust)	0.00	0.00

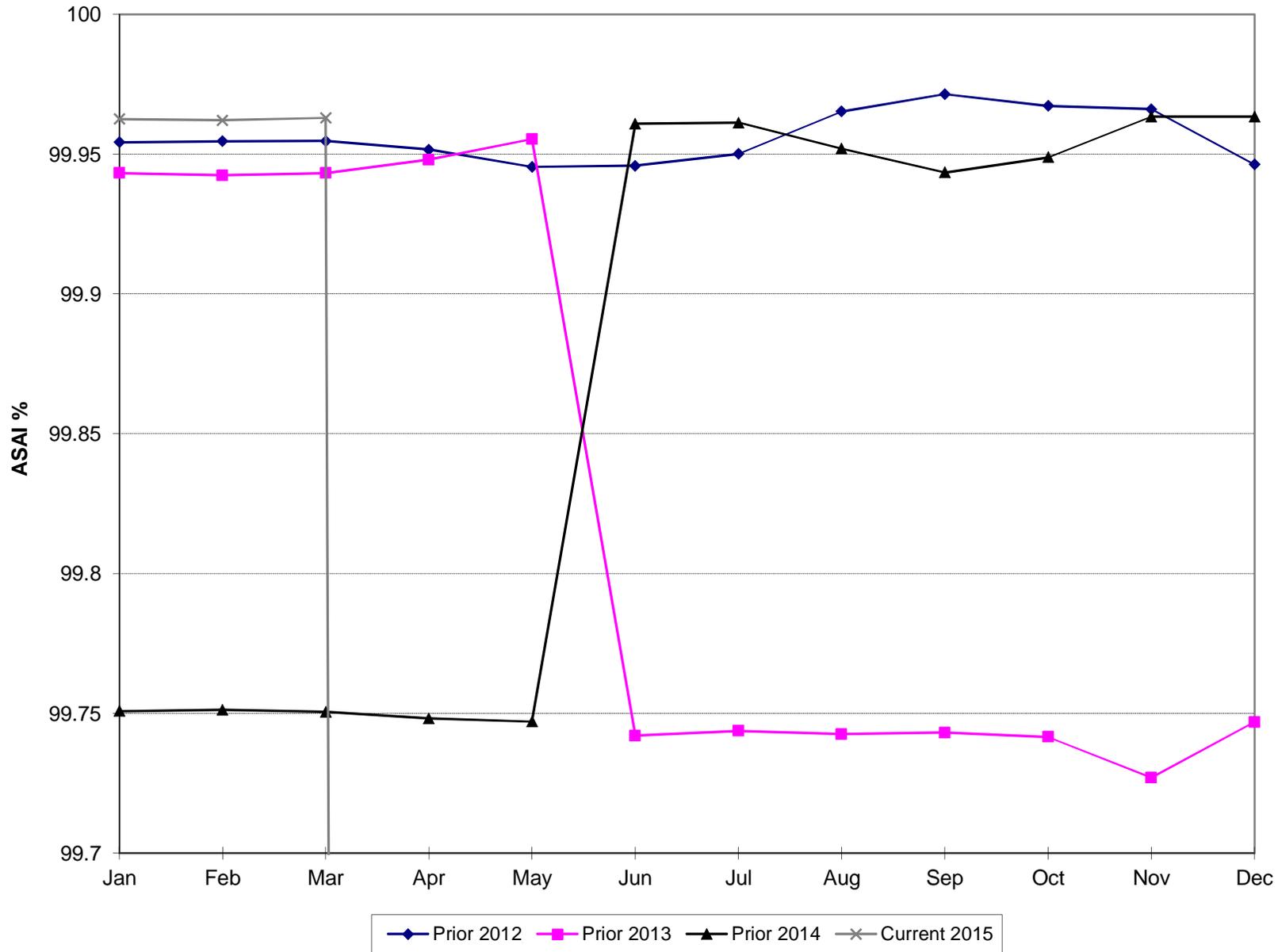
- ASAI - Average Service Availability Index
(customer minutes available/total customer minutes, as a %)
- CAIDI - Customer Average Interruption Duration Index
(average minutes interrupted per interrupted customer)
- SAIDI - System Average Interruption Duration Index
(average minutes interrupted per customer for all customers)
- SAIFI (Long) - System Average Interruption Frequency Index
(# of long interruptions per customer for all customers)
- SAIFI (Short) - System Average Interruption Frequency Index
(# of short interruptions per customer for all customers)

S/U - Scheduled or Unscheduled
 Ints - # of Interruptions
 Long - >1 min; Short - <1 min
 Cause # - see table on page 3

Month	Mar 14	Apr 14	May 14	Jun 14	Jul 14	Aug 14	Sep 14	Oct 14	Nov 14	Dec 14	Jan 15	Feb 15	Mar 15	
Number of Customers	8,248	8,239	8,239	8,239	8,140	8,140	8,140	8,262	8,262	8,262	8,268	8,268	8,268	
Unscheduled Outages														
Long Outages	# Outages	17	18	29	22	22	37	33	32	25	12	15	10	15
	# Customers Out	132	557	503	419	421	1,605	1,864	690	388	199	307	313	51
	# Minutes Out	3,560	2,229	3,510	3,305	2,425	6,790	4,339	4,593	5,035	1,115	2,715	1,255	1,700
	# Customer Mins	43,150	115,429	83,685	57,380	52,755	502,220	417,779	118,438	90,140	19,900	80,560	54,560	7,520
	# City System	17	18	29	22	22	37	32	32	25	12	15	10	15
	# Supply to City Minutes	0	0	0	0	0	0	160	0	0	0	0	0	0
Short Outages	# Outages (Blinks)	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Customers Out	0	0	0	0	0	0	0	0	0	0	0	0	0
	# City System	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Supply to City Minutes	0	0	0	0	0	0	0	0	0	0	0	0	0
Scheduled Outages														
Long Outages	# Outages	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Customers Out	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Minutes Out	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Customer Mins	0	0	0	0	0	0	0	0	0	0	0	0	0
	# City System	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Supply to City Minutes	0	0	0	0	0	0	0	0	0	0	0	0	0
Short Outages	# Outages (Blinks)	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Customers Out	0	0	0	0	0	0	0	0	0	0	0	0	0
	# City System	0	0	0	0	0	0	0	0	0	0	0	0	0
	# Supply to City Minutes	0	0	0	0	0	0	0	0	0	0	0	0	0
Totals														
	Total Long Outages	17	18	29	22	22	37	33	32	25	12	15	10	15
	Total Short Outages (Blinks)	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Custs Out (Long)	132	557	503	419	421	1,605	1,864	690	388	199	307	313	51
	Total Custs Out (Short Blinks)	0	0	0	0	0	0	0	0	0	0	0	0	0
	Total Cust Mins Out	43,150	115,429	83,685	57,380	52,755	502,220	417,779	118,438	90,140	19,900	80,560	54,560	7,520
	Total City System	17	18	29	22	22	37	32	32	25	12	15	10	15
	Total Supply to City	0	0	0	0	0	0	1	0	0	0	0	0	0
Indices														
	SAI (%)	99.75	99.75	99.75	99.96	99.96	99.95	99.94	99.95	99.96	99.96	99.96	99.96	99.96
	CAIDI (Long) (min)	861.35	834.00	812.86	297.99	297.83	307.49	296.70	257.58	223.51	221.03	222.97	221.14	218.72
	SAIDI (Long) (min)	109.27	110.30	110.77	17.13	17.01	21.07	24.78	22.40	16.04	16.03	16.41	16.57	16.21
	SAIFI (long int/cust)	0.13	0.13	0.14	0.06	0.06	0.07	0.08	0.09	0.07	0.07	0.07	0.07	0.07
	SAIFI (short int/cust)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

ASAI (Average Service Availability Index)

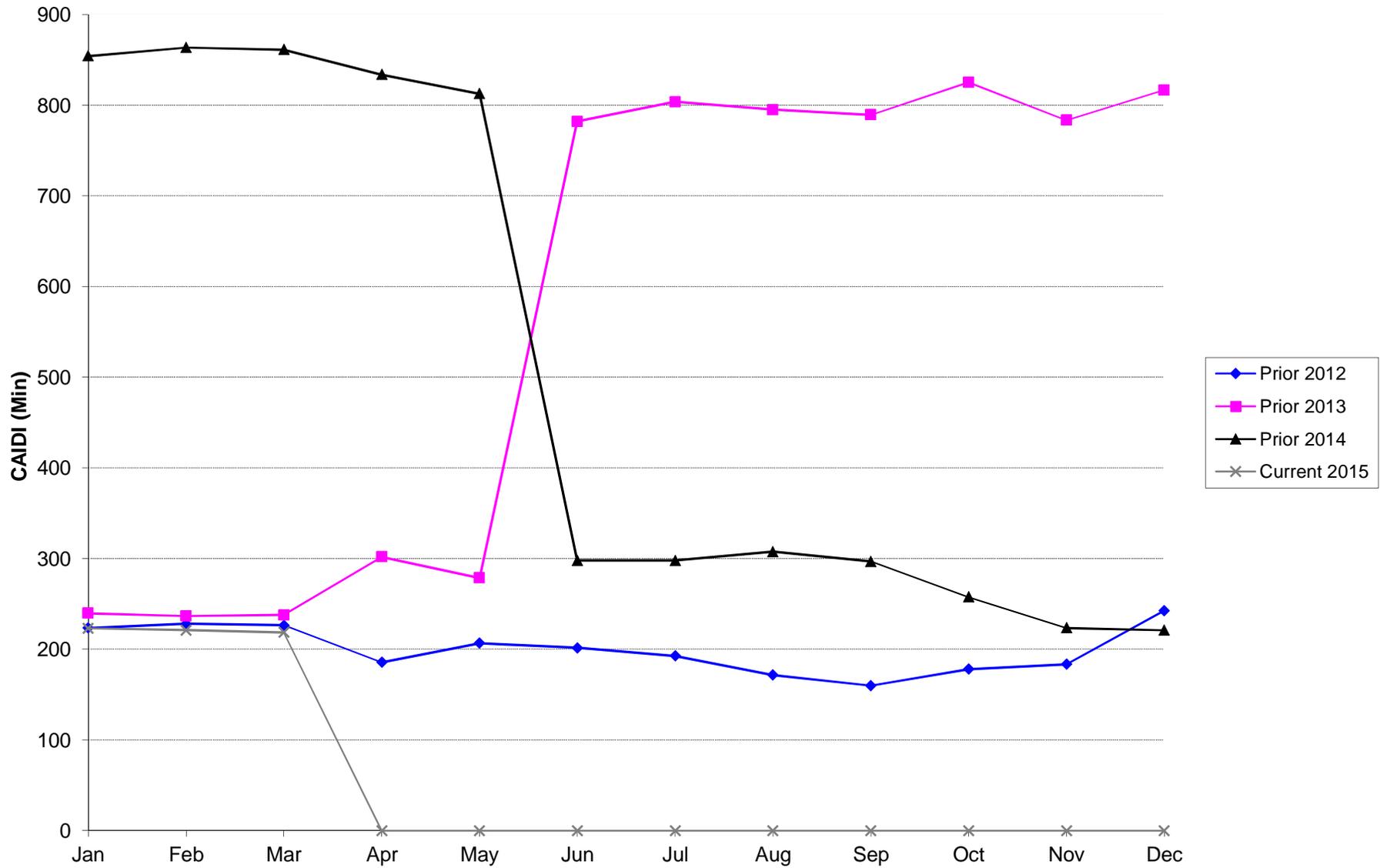
4/7/2015



The ratio of the total customer minutes that service was available divided by the total customer minutes demanded (expected) in a time period. It is expressed as a percent.

CAIDI (Customer Average Interruption Duration Index)

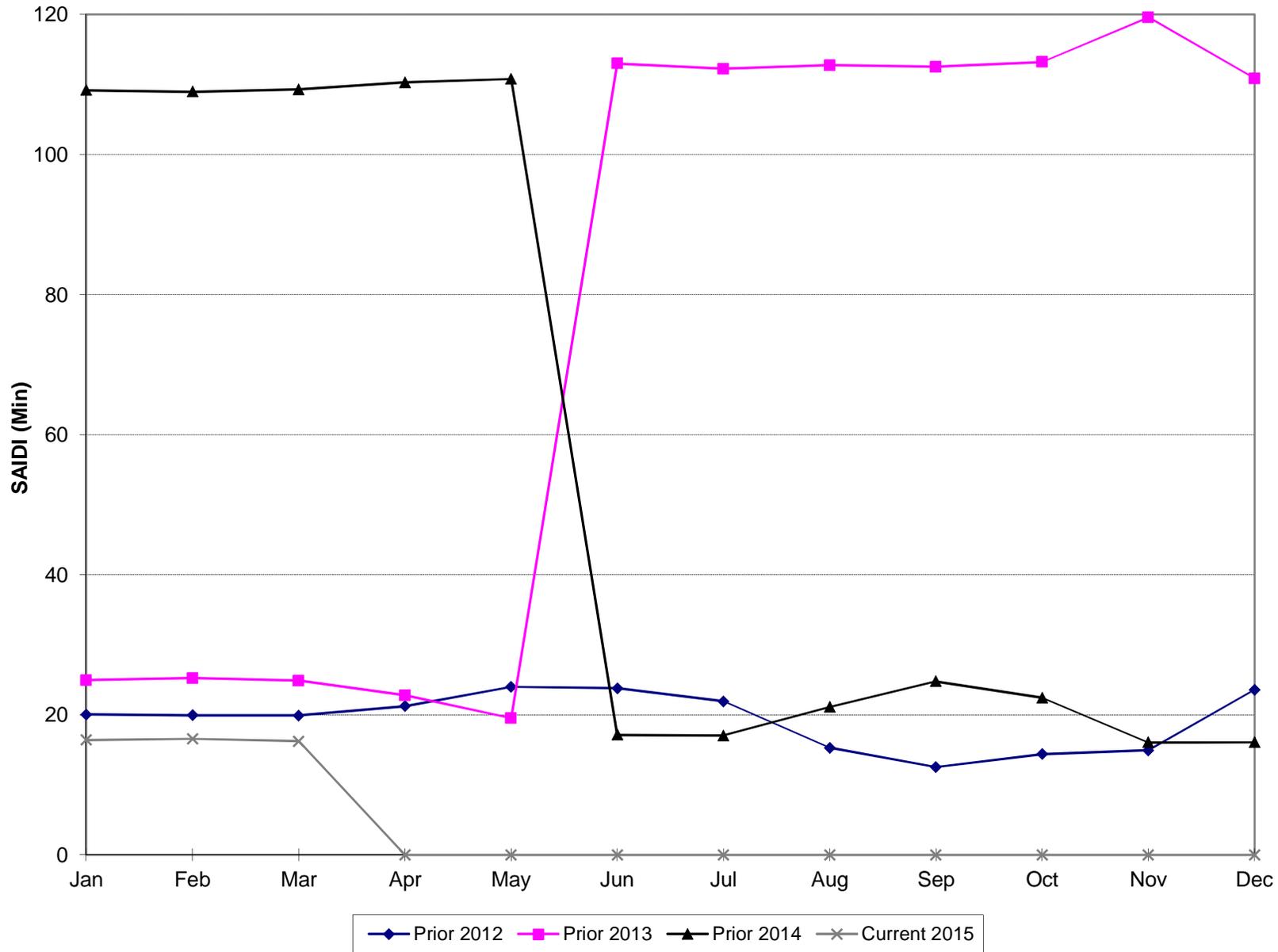
4/7/2015



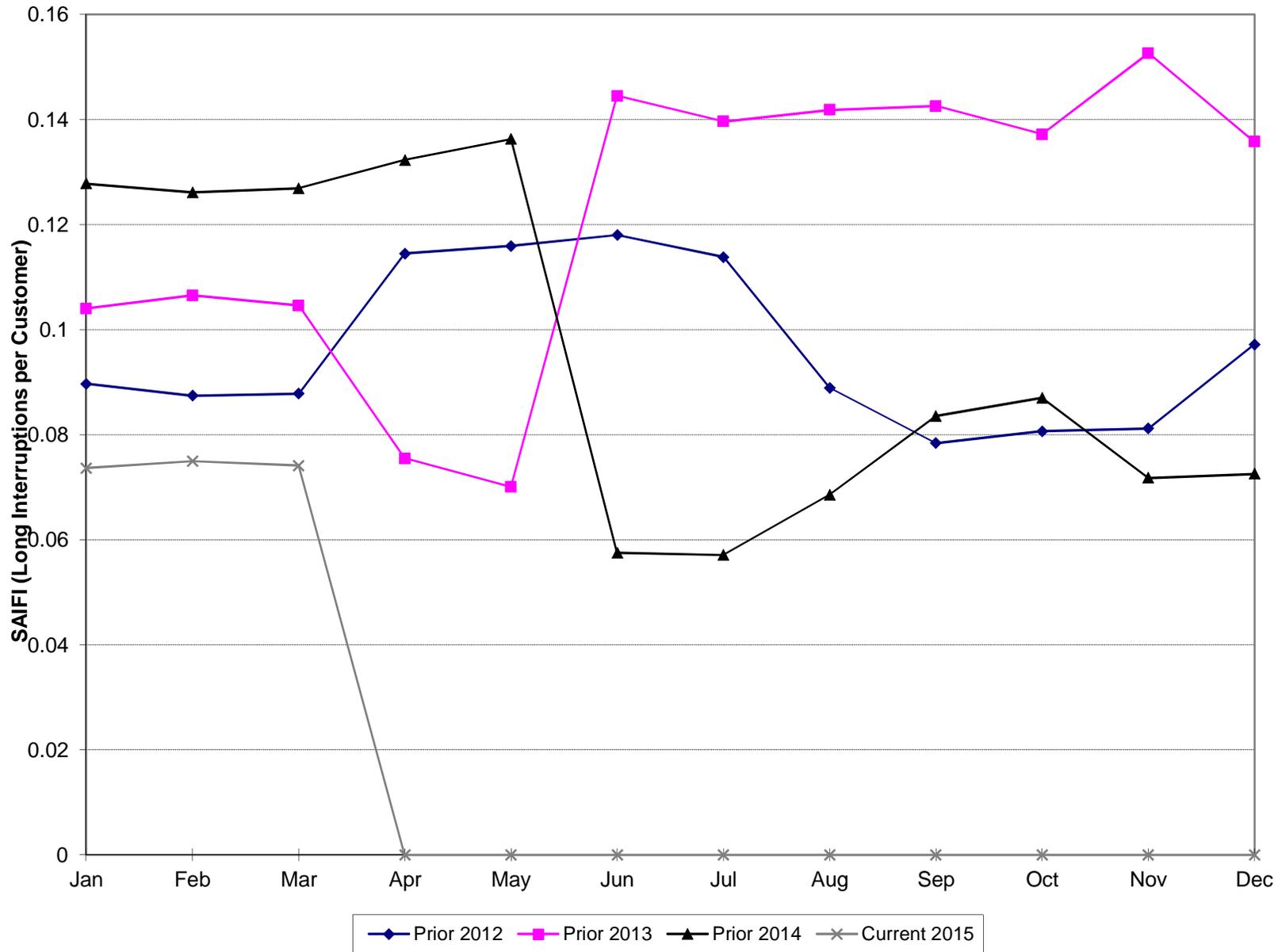
This is the average duration of a customer outage, and is calculated by dividing the sum of the customer minutes off by the number of customers who experienced long interruptions.

SAIDI (System Average Interruption Duration Index)

4/7/2015

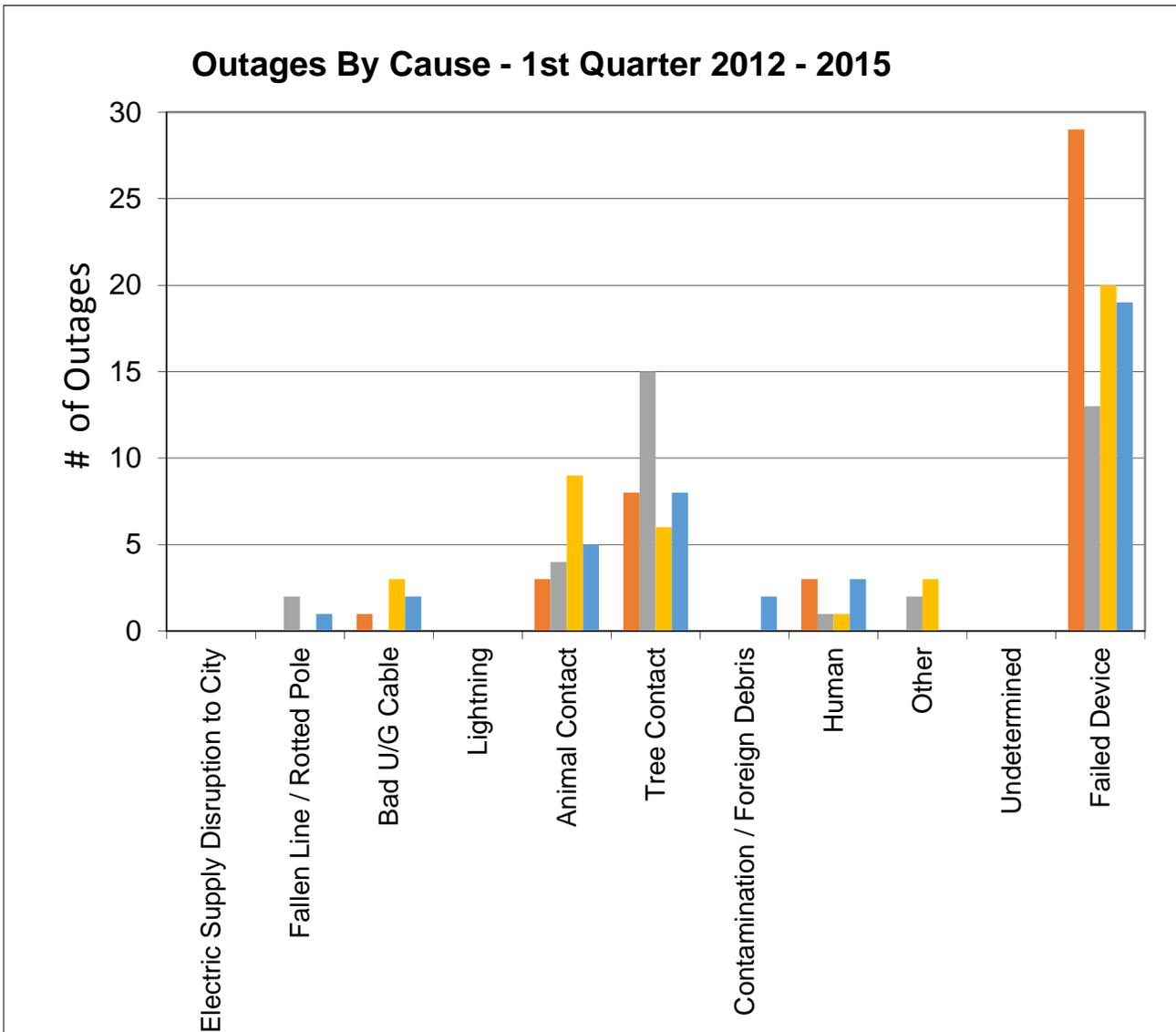


This is the avg interruption duration for all customers served, and is calculated by dividing the sum of the customer minutes off by the avg number of customers served.



The number of times a customer is interrupted (>1 minute), averaged over all customers. Divide total customer interruptions by an avg of total customers served.

# of Outages - 1st Quarter	2012	2013	2014	2015	2014-2015
0 Electric Supply Disruption to City	0	0	0	0	0%
1 Fallen Line / Rotted Pole	0	2	0	1	1%
2 Bad U/G Cable	1	0	3	2	-33%
3 Lightning	0	0	0	0	0%
4 Animal Contact	3	4	9	5	-44%
5 Tree Contact	8	15	6	8	33%
6 Contamination / Foreign Debris	0	0	0	2	2%
7 Human	3	1	1	3	200%
8 Other	0	2	3	0	-3%
9 Undetermined	0	0	0	0	0%
10 Failed Device	29	13	20	19	-5%
Grand Total	44	37	42	40	-5%





City of South Haven

Agenda Item #12

2015-2016 Fiscal Year Budget Enterprise Funds

Background Information:

Over the past four months, staff has been working on development of the annual budget for the 2015-2016 fiscal year (July 1, 2015 through June 30, 2016). The budget process typically starts with a priority setting meeting with Council. The adopted priorities then guide the development of the budget.

On April 20, 2015, Council completed a budget workshop. At that workshop, Council was provided a draft of the budget for the electric, water, and sewer funds. Council was presented the draft budget for these enterprise funds with the understanding that the Board had not yet reviewed the budget.

The budget for the electric fund includes the capital improvement priorities previously identified by the Board, including:

- Purchase of a walk-behind trencher and some small equipment
- Complete reconstruction of MS-D along 14th Avenue between 76th Street and 77th Street including conductor upgrades.
- Rebuild MS-E along Kalamazoo Street for .25 miles to Lovejoy Street.
- Add 1,200KVAR in switched capacitor banks to circuits MS-E & PR-A

The budget for the water fund includes capital improvements as follows:

- Construction of Kalamazoo Street – Phase 3
- Design engineering for Monroe Blvd/Indian Grove LS (SAW grant related)
- Drinking Water System Radio Network Overhaul
- Business Booster Station Pump Refurbishment
- Water Filtration Plant Settling Basin Trough Repainting
- Mobile Generator for Water System Booster Stations
- Water Filtration Plant Security Upgrade - intercom & key card access
- Funding for Distribution System Water Quality Flushing Program

The budget for the sewer fund includes capital improvements as follows:

- Construction of Kalamazoo Street – Phase 3
- Design engineering for Monroe Blvd/Indian Grove LS (SAW grant related)
- Peterson Ravine manhole rehabilitation
- Sanitary sewer portion of Brockway Ave partial reconstruction
- Main Lift Station Repairs

- WWTP Lift Station Communication Upgrades

The proposed budget prepared by the Finance Director recommends a 2% cost-of-living rate increase.

Recommendation:

Approve a recommendation to City Council that they adopt the proposed electric, water, and sewer enterprise fund budget as prepared by staff.

Approve a recommendation to City Council setting utility rates for the 2015-2016 fiscal year.

Support Material:

2015-2016 City Council Priorities
2015-2016 Proposed Budget – Enterprise Funds
Utility Bill Comparison
Overview of PJM Charges
I&M Transmission Work Plan Update

**City Council Priorities
Fiscal Year 2015-16**

Priority #1; Street Repairs

- City Council will focus on the planning and execution of as many paving projects as possible, throughout the city. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff and the Downtown Development Authority to plan the reconstruction of the Center Street, between Michigan Avenue and Williams Street.
 - During the 2015-16 fiscal year Council will work with staff and consulting engineers on the construction planning and financial planning for the implementation of the Indian Grove infrastructure improvement (e.g. Monroe, Lovejoy, and Kalamazoo Streets) project.
 - Utilizing the SAW grant funding provided by the State of Michigan, through the SRF program, for the Indian Grove infrastructure improvement project, the City will ensure the sanitary sewer system planning is complete and future capital projects will maximize benefit to the sewers.
 - During the 2015-16 fiscal year Council will work with staff to execute paving projects in the 2015 paving season and begin planning for 2016-17 projects.
 - The City will identify a “mix of fixes” and invest in both the resurfacing and the reconstruction of streets. The City will identify the publicly controlled alleys, and will plan and implement necessary maintenance and improvements to those alleyways. As part of these investments, the City will prioritize the street reconstruction of portions of Kalamazoo Street and Michigan Avenue. And will also prioritize street repair efforts on portions of Center Street, Brockway Avenue, and Park Avenue. Further, the City will seek to partner with the Michigan Department of Transportation and Van Buren County Road Commission to seek improvements to the intersection of Phoenix Street and Blue Star Highway.

Priority #2; Economic Development

- City Council will seek to participate in Economic Development efforts for the City of South Haven. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff and the Local Development Finance Authority (LDFA) to redevelop the recently acquired industrial site at 220 Aylworth.

- During the 2015-16 fiscal year Council will work with staff, local businesses and stake holders to encourage, attract, and maintain local businesses and opportunities.
 - The City will attempt to attract and develop agriculture based businesses and industry within the South Haven community.
 - The City will review the current special events and consider new special events, in an attempt to ensure that the special events generate a positive economic impact for local businesses, and seek to improve the quality of life of community residents and visitors. The City will review the use of the South Beach for future special events, and determine whether to limit the number of events and/or modify the fees for the beach usage.
- During the 2015-16 fiscal year Council will focus on continuing to explore and enact partnership opportunities with the local units of government which surround the City of South Haven.
- During the 2015-16 fiscal year Council will focus on supporting training initiatives/internships for existing and potential citizens and businesses in the City of South Haven, and will attempt to finalize a partnership with Kinexus/MiWorks, in an attempt to provide local job placement services. Further, the City will pursue a partnership with Southwest Michigan First for economic development services.
- During the 2015-16 fiscal year Council will refine policies and programs which encourage, whenever fiscally prudent, the purchase of local goods and services.
- During the 2015-16 fiscal year Council will work with staff to develop a plan for the future of the city's dump site, located at Blue Star Hwy and 2nd Avenue.
- During the 2015-16 fiscal year Council will work with staff to continue the monitoring of the Meijer commercial development, along with the potential development of the adjacent properties, and their effects on the surrounding neighborhoods.

Priority #3; Parks & Public Spaces

- City Council will seek to improve, maintain, and seek funding opportunities for the city's parks and public facilities. The City Council will seek to develop new recreation opportunities within the city. The following tasks will be completed:

- During the 2015-16 fiscal year Council will work with staff to complete the planning and submit grant funding requests for the proposed improvements to the city's North Beach Park.
 - Maintenance of the City's various beach access points will be a priority. Staff will work with the City's Parks Commission to plan and landscape and signage standards for the various public bathing beach access areas.
 - Complete the planning for the proposed "splash pad" water park and begin financial planning for the project.
- During the 2015-16 fiscal year Council will work with staff to develop landscape plans for the Water Street hillside (the public property on the south side of Water Street, between Kalamazoo Street & South Beach.) That plan will seek to improve public space, improve accessibility to Water Street, from the adjacent streets, and create a unified landscape design.
- During the 2015-16 fiscal year Council will work with staff and the Parks Commission to develop repair and replacement plans for the City's Kids' Corner playground at Monroe Park.
- During the 2015-16 fiscal year Council will work with staff and the Harbor Commission to develop repair and replacement plans, dredging plans, and harbor improvement plans, for the City's public marina facilities. As part of this process, the City will actively seek funding from the State of Michigan, to assist with the project planning and implementation.
- During the 2015-16 fiscal year Council will work with staff to seek grant funds to assist with the planning and development of improvements in and near the Black River Park. Those improvements should allow greater access to the Black River and attempt to improve water quality.
 - The Council will seek to fund improvements to the riverfront at Black River Park. The Council will implement the partially grant funded projects at Black River Park, using the LWCF and CZM grants from the State of Michigan. Those improvements will include a new kayak launch, parking, stone based seawall, and landscape upgrades.
 - The Council will seek grant funding for the proposed fish cleaning station at Black River Park.
 - The Council will seek grant funding for the proposed parking lot, which is included in the Black River Park plan, and provides additional parking to the park and the Central Business District.

- During the 2015-16 fiscal year Council will work with staff and the regional community stakeholders to assist with planning and development of the SHARP project.
 - Staff will continue to assist with the development of the South Haven Area Recreation Authority (SHARA.) Staff will assist with the restoration of the farm lease agreement for the SHARP property, in Casco Township, in an attempt to develop additional project revenue.
- During the 2015-16 fiscal year Council will work with staff to complete the planning and construction of the proposed BMX/Pump Track park facility.
- During the 2015-16 fiscal year Council will work with staff, along with the impacted organizational stakeholders, to begin the implementation of the completed capital improvement plans for the buildings and grounds at the South Haven Center for the Arts and the Liberty Hyde Bailey Museum.
 - The Council will seek to partner with the South Haven Memorial Library to develop a capital improvement plan for the library building. As part of the planning process, an analysis will be performed to determine the funding source(s) for the improvements.
 - The Council will seek to partner with the Michigan Maritime Museum to develop a capital improvement plan for the museum building. As part of the planning process, an analysis will be performed to determine if the site can house a conference center.
- During the 2015-16 fiscal year Council will explore new park and public space programs which enhance City revenue and provide greater management oversight.
 - The Council will explore park rental programs, and continued updates to the beach parking program, and other revenue enhancements which could be used to benefit the City's parks and public spaces.

Priority #4; Infrastructure Maintenance & Improvements

- City Council will seek to maintain the highest quality public infrastructure. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff and the Board of Public Utilities to explore the city's sanitary sewer system and eliminate inflow and infiltration of storm water connections from flowing to the Waste Water Treatment Plant.

- During the 2015-16 fiscal year Council will work with staff to implement the creation of a Corridor Improvement Authority, which seeks to improve the public infrastructure on portions of Broadway and Phoenix Streets, and develop street improvements plans for Phoenix and Broadway. Those plans will seek input and potential funding from MDOT.

Priority #5; Central Business District Maintenance & Improvements

- City Council will seek to improve the city’s downtown central business district. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff and the Downtown Development Authority to plan and complete the demolition of the Baars Printing building, and construct additional parking for the Huron Street parking lot.
 - During the 2015-16 fiscal year Council will work with staff to plan and implement repairs and maintenance of the downtown public infrastructure.
 - During the 2015-16 fiscal year Council will work with staff to review funding options to make improvements in the city’s downtown.
 - During the 2015-16 fiscal year Council will work with staff to plan and implement the expansion of the public WIFI system, throughout the Central Business District. The proposed WIFI system should be reviewed for the possible creation of a new enterprise fund.
 - During the 2015-16 fiscal year Council will work with staff to plan additions to the decorative lighting systems in the Central Business District, specifically along Broadway Avenue, between Phoenix Street and Williams Street.

Priority #6; Building Improvements & Construction

- City Council will seek to construct and/or improve a portion of the city’s public buildings and grounds. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will actively explore concession stand proposals for the South Beach. These proposals may include potential partner agencies to assist with the capital cost for the proposed project.
 - As part of the concession stand planning, City Council will explore improvements which provide greater access to restrooms, family restrooms, changing rooms, and accessibility improvements.
 - During the 2015-16 fiscal year Council will work with staff to plan and implement upgrades to the Department of Public Works facility, which may include the

development of a cold storage area for electric transformers and the possible expansion of the facility's grounds.

- During the 2015-16 fiscal year Council will work with staff to plan and implement upgrades to City Hall, which may include improvements to the building's emergency exits.
- During the 2015-16 fiscal year Council will work with staff and the City's Local Development Finance Authority and Brownfield Redevelopment Authority to plan and implement the demolition of the "Overton Building" at 229 Elkenburg Street.
- During the 2015-16 fiscal year Council will work with staff and the City's Housing Commission to plan and implement housing improvement grants for traditional neighborhoods in the City.

Priority #7; Land Acquisition

- City Council will explore the possible acquisition of property which present specific value (e.g., recreational and/or environmental) to the citizens and guests of the City of South Haven. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff to seek grant funds to assist with the potential acquisition of the privately owned, undeveloped parcels adjacent to Lake Michigan and/or the Black River.
 - During the 2015-16 fiscal year Council will work with staff and the South Haven Public School system to seek grant funding for the purchase of the Packard Park property.
 - During the 2015-16 fiscal year Council will work with staff and the Harbor Commission to explore space needs for future Black River dredging project spoils, and will research privately owned and/or undeveloped parcels which could house dredge spoils.

Priority #8; City Code & Charter Review

- City Council will seek to review and consider possible alterations to the City's Code of Ordinances. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff to review and consider alterations to the City's Code of Ordinances to ensure best practices. Staff will be expected to prepare a variety of code review reports, with possible alterations, for the City Council's consideration.

- Included in the review process, the Council will work with staff to review the effect of term limits for local elected officials, and consider whether term limits are beneficial to the City of South Haven.
- Also included in the review process, the Council will work with the Board of Public Utilities and staff to review the adopted Utility Policy and determine possible updates and improvements to the document.
- Also included in the review process, the Council will work with staff and the Planning Commission to review the Code of Ordinances and Zoning Ordinance to determine whether updates are needed for the Monroe Park neighborhood, adjacent to the North Beach.

Priority #9; Budget Controls

- City Council will seek to develop policies and procedures which assure budget controls and cost containment are a priority.
 - During the 2015-16 fiscal year Council will work with staff to plan and develop an operating budget which aligns with the decreasing State and local anticipated revenues.
 - During the 2015-16 fiscal year Council will seek to update the City’s capital improvement plan. That plan will seek to incorporate and update the adopted Infrastructure Improvement Plan, WWTP Capital Plan, Indian Grove Infrastructure Plan, and Electric System Capital, and seek to guide spending decisions and budget planning for the next ten (10) years.

Priority #10; Bicycle & Pedestrian Pathways

- City Council will seek to plan and construct bicycle paths throughout the city. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will seek to partner with the MDNR to complete the construction of the Van Buren Trail bicycle pathway project. When completed, the pathway will connect pedestrians from the city’s downtown to the State of Michigan’s Van Buren State Park.
 - During the 2015-16 fiscal year Council will work with staff on the planning and development of the Blue Star Highway multi-use trail project.

Priority #11; Explore Youth Services Programs

- City Council will explore the possible expansion of services tailored to address the needs of local youth. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff to explore the possible development of youth services. Staff will seek to develop possible partnerships to develop youth services programs. Staff will seek possible funding sources to offset the service costs.
 - During the 2015-16 fiscal year Council will work with staff to explore potential partnerships with MiWorks, and other agencies, to improve employment opportunities for local youth.

Priority #12; Customer Service

- City Council will seek to improve customer service and support from the city's various departments. The following tasks will be completed:
 - During the 2015-16 fiscal year Council will work with staff to plan and implement customer service and job training to city staff, focusing on improving the public's impression of and interaction with the city's staff.
 - During the 2015-16 fiscal year Council will work with staff to plan and implement the addition of electronic forms to the city's website. In an effort to improve customer service and expedite requests for city services.
 - During the 2015-16 fiscal year Council will work with staff to plan and implement improvements to the City's website. The improvements will be designed to improve the public's access to information and services.
 - During the 2015-16 fiscal year Council will work with staff to research the implementation of a one-time parking ticket forgiveness plan, for the City's beach parking lots. The plan is intended to allow beach visitors a one-time parking ticket waiver, in an effort to improve relations with beach goers and encourage greater compliance for returning guests.



City of South Haven Proposed Budget Fiscal Year 2015–2016



ENTERPRISE FUNDS

The Electric, Water and Sewer Funds account for the provision of electric, water and sewer services to the residents and businesses of the City and the surrounding area. Activities necessary to provide such services accounted for in these funds include, but are not limited to administration, operations, maintenance and construction.

The Black River Park Fund accounts for boat launching and parking services at Black River Park, along with seasonal and transient dock rental.

The Marina Fund accounts for expenses and revenues at the City owned marinas, including seasonal and transient dock rental.

The Beach Fund provides for the maintenance and improvement of the City beaches. Financing is provided by beach parking fines and fees.

City of South Haven
Electric Fund Activities

For informational
purposes only

<i>Expenses by Activity</i>	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget	YTD (at 3/31/2015)	2014-15 Projected	2015-16 Proposed Budget	2016-17 Estimated Budget
Purchased Power	557							
Purchased Power	\$ 9,086,858	\$ 8,666,157	\$ 9,562,453	\$ 9,600,000	\$ 6,730,811	\$ 9,600,000	\$ 9,700,000	\$ 9,894,000
Total Purchased Power	\$ 9,086,858	\$ 8,666,157	\$ 9,562,453	\$ 9,600,000	\$ 6,730,811	\$ 9,600,000	\$ 9,700,000	\$ 9,894,000
Percentage Change		-4.6%	10.3%			0.4%	1.0%	2.0%
Operations:	558							
Personnel Costs	\$ 963,249	\$ 992,605	\$ 950,662	\$ 915,964	\$ 698,610	\$ 915,964	\$ 977,163	\$ 996,706
Supplies	\$ 81,128	\$ 237,751	\$ (17,654)	\$ 88,600	\$ 57,897	\$ 88,600	\$ 92,600	\$ 92,600
Admin/Computing/Equipment Fees	\$ 132,874	\$ 139,031	\$ 147,966	\$ 147,966	\$ 110,975	\$ 147,966	\$ 151,354	\$ 151,354
Contractual Services	\$ 139,281	\$ 312,247	\$ 257,277	\$ 290,500	\$ 162,743	\$ 290,500	\$ 273,000	\$ 273,000
Utilities	\$ 29,642	\$ 35,666	\$ 53,954	\$ 41,200	\$ 30,228	\$ 41,200	\$ 50,700	\$ 50,700
Other Services and Charges	\$ 106,079	\$ 107,782	\$ 168,046	\$ 191,960	\$ 160,414	\$ 191,960	\$ 144,600	\$ 144,600
Repairs and Maintenance	\$ 117,449	\$ 55,113	\$ 242,526	\$ 110,000	\$ 97,998	\$ 110,000	\$ 150,000	\$ 150,000
Depreciation	\$ 506,199	\$ 544,154	\$ 558,473	\$ 670,478	\$ -	\$ 670,478	\$ 671,000	\$ 671,000
Capital Outlay	\$ 167,558	\$ 1,738	\$ -	\$ 3,669,027	\$ 3,240,698	\$ 3,669,027	\$ 160,250	\$ 385,000
Total Operations	\$ 2,243,459	\$ 2,426,087	\$ 2,361,250	\$ 6,125,695	\$ 4,559,563	\$ 6,125,695	\$ 2,670,667	\$ 2,914,960
Percentage Change		8.1%	-2.7%			159.4%	-56.4%	9.1%
Administration:	561							
Personnel Costs	\$ 377,471	\$ 399,010	\$ 391,537	\$ 417,873	\$ 286,914	\$ 417,873	\$ 442,735	\$ 451,590
Admin/Computing/Equipment Fees	\$ 195,235	\$ 201,992	\$ 203,881	\$ 233,290	\$ 174,968	\$ 233,290	\$ 233,290	\$ 233,298
Contractual Services	\$ 235,134	\$ 259,671	\$ 281,238	\$ 306,000	\$ 204,506	\$ 306,000	\$ 309,100	\$ 315,282
Other Services and Charges	\$ 692,982	\$ 776,810	\$ 782,944	\$ 789,148	\$ 593,612	\$ 789,148	\$ 806,199	\$ 1,519,103
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Administration	\$ 1,500,822	\$ 1,637,483	\$ 1,659,600	\$ 1,746,311	\$ 1,260,000	\$ 1,746,311	\$ 1,791,324	\$ 2,519,273
Percentage Change		9.1%	1.4%			5.2%	2.6%	40.6%
Transfer Out	965							
Operating Transfers Out	\$ 167,456	\$ 167,018	\$ 177,049	\$ 168,301	\$ 126,226	\$ 168,301	\$ 168,789	\$ 170,000
Total Transfer Out	\$ 167,456	\$ 167,018	\$ 177,049	\$ 168,301	\$ 126,226	\$ 168,301	\$ 168,789	\$ 170,000
Percentage Change		-0.3%	6.0%			-4.9%	0.3%	0.7%
Total Expenses	558							
Personnel Costs	\$ 1,340,720	\$ 1,391,615	\$ 1,342,199	\$ 1,333,837	\$ 985,524	\$ 1,333,837	\$ 1,419,898	\$ 1,448,296
Supplies	\$ 81,128	\$ 237,751	\$ (17,654)	\$ 88,600	\$ 57,897	\$ 88,600	\$ 92,600	\$ 92,600
Purchased Power	\$ 9,086,858	\$ 8,666,157	\$ 9,562,453	\$ 9,600,000	\$ 6,730,811	\$ 9,600,000	\$ 9,700,000	\$ 9,894,000
Admin/Computing/Equipment Fees	\$ 328,109	\$ 341,023	\$ 351,847	\$ 381,256	\$ 285,943	\$ 381,256	\$ 384,644	\$ 384,652
Contractual Services	\$ 374,415	\$ 571,918	\$ 538,515	\$ 596,500	\$ 367,249	\$ 596,500	\$ 582,100	\$ 588,282
Other Services and Charges	\$ 799,061	\$ 884,592	\$ 950,990	\$ 981,108	\$ 754,026	\$ 981,108	\$ 950,799	\$ 1,663,703
Utilities	\$ 29,642	\$ 35,666	\$ 53,954	\$ 41,200	\$ 30,228	\$ 41,200	\$ 50,700	\$ 50,700
Repairs and Maintenance	\$ 117,449	\$ 55,113	\$ 242,526	\$ 110,000	\$ 97,998	\$ 110,000	\$ 150,000	\$ 150,000
Depreciation	\$ 506,199	\$ 544,154	\$ 558,473	\$ 670,478	\$ -	\$ 670,478	\$ 671,000	\$ 671,000
Capital Outlay	\$ 167,558	\$ 1,738	\$ -	\$ 3,669,027	\$ 3,240,698	\$ 3,669,027	\$ 160,250	\$ 385,000
Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Transfers Out	\$ 167,456	\$ 167,018	\$ 177,049	\$ 168,301	\$ 126,226	\$ 168,301	\$ 168,789	\$ 170,000
Total Expenses	\$ 12,998,595	\$ 12,896,745	\$ 13,760,352	\$ 17,640,307	\$ 12,676,600	\$ 17,640,307	\$ 14,330,780	\$ 15,498,233
Percentage Change		-0.8%	6.7%			28.2%	-18.8%	8.1%

City of South Haven
Water Fund - Fund 591

For informational
purposes only

	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget	YTD (at 3/31/2015)	2014-15 Projected	2015-16 Proposed Budget	2016-17 Estimated Budget
Revenues:								
Charges for Service	\$ 1,702,532	\$ 1,819,962	\$ 1,878,161	\$ 1,890,500	\$ 1,357,550	\$ 1,890,500	\$ 1,925,110	\$ 1,963,612
Interest and Rents	\$ 18,880	\$ 16,775	\$ 15,691	\$ 16,002	\$ 6,267	\$ 16,002	\$ 16,002	\$ 16,002
Other Revenue	\$ 1,458,687	\$ 1,806,025	\$ 1,978,989	\$ 1,959,176	\$ 1,461,815	\$ 1,959,176	\$ 2,067,171	\$ 2,107,002
Operating Transfers In	\$ 804,770	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenues	\$ 3,984,869	\$ 3,642,762	\$ 3,872,841	\$ 3,865,678	\$ 2,825,632	\$ 3,865,678	\$ 4,008,283	\$ 4,086,616

Percentage Change		-8.6%	6.3%			-0.2%	3.7%	2.0%
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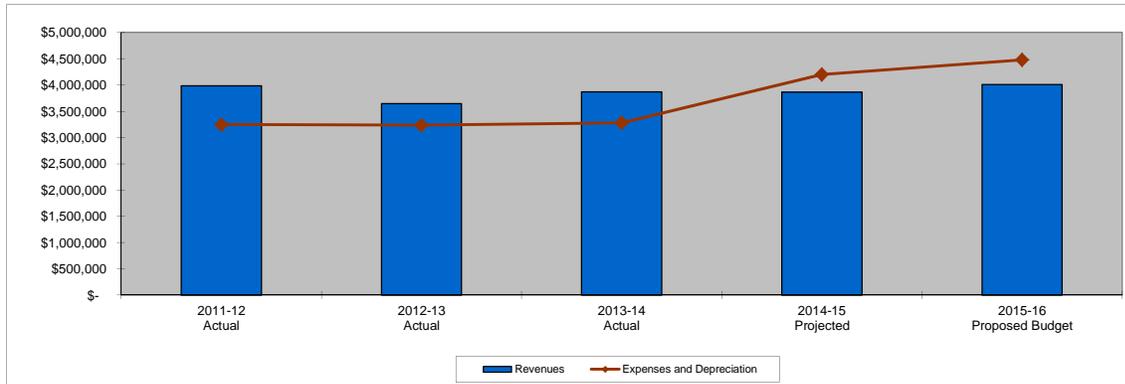
	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget	YTD (at 3/31/2015)	2014-15 Projected	2015-16 Proposed Budget	2016-17 Estimated Budget
Expenses:								
Personnel Costs	\$ 723,857	\$ 750,152	\$ 775,216	\$ 861,450	\$ 587,483	\$ 861,450	\$ 852,662	\$ 869,715
Supplies	\$ 186,925	\$ 216,465	\$ 220,085	\$ 226,492	\$ 152,980	\$ 226,492	\$ 227,529	\$ 232,080
Admin/Computing/Equipment Fees	\$ 99,801	\$ 102,671	\$ 101,930	\$ 121,328	\$ 90,996	\$ 121,328	\$ 127,189	\$ 129,733
Contractual Services	\$ 146,489	\$ 131,983	\$ 156,175	\$ 171,540	\$ 131,585	\$ 171,540	\$ 204,347	\$ 208,434
Other Services and Charges	\$ 154,221	\$ 210,225	\$ 232,255	\$ 272,911	\$ 175,123	\$ 272,911	\$ 283,478	\$ 289,104
Utilities	\$ 195,381	\$ 203,782	\$ 188,657	\$ 203,207	\$ 136,848	\$ 203,207	\$ 205,093	\$ 209,195
Repairs and Maintenance	\$ 26,337	\$ 24,593	\$ 36,713	\$ 51,582	\$ 10,493	\$ 51,582	\$ 58,746	\$ 59,921
Capital Outlay	\$ -	\$ 108	\$ -	\$ 182,685	\$ 5,505	\$ 182,685	\$ 388,527	\$ 399,742
Debt Service	\$ 40,396	\$ 960,552	\$ 936,500	\$ 1,498,311	\$ 763,123	\$ 1,498,311	\$ 1,519,812	\$ 1,520,491
Operating Transfers Out	\$ 1,297,490	\$ 38,137	\$ 29,144	\$ 4,843	\$ 3,000	\$ 4,843	\$ 756	\$ 800
Total Expenses	\$ 2,870,897	\$ 2,638,668	\$ 2,676,675	\$ 3,594,349	\$ 2,057,136	\$ 3,594,349	\$ 3,868,139	\$ 3,919,214
Depreciation	\$ 377,036	\$ 596,243	\$ 605,600	\$ 608,435	\$ -	\$ 608,435	\$ 610,000	\$ 620,000
Total Expenses and Depreciation	\$ 3,247,933	\$ 3,234,911	\$ 3,282,275	\$ 4,202,784	\$ 2,057,136	\$ 4,202,784	\$ 4,478,139	\$ 4,539,214

Percentage Change		-0.4%	1.5%			28.0%	6.6%	1.4%
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Fund Balance at Year-End

Excess (Deficiency) of Revenues Over Expenses	\$ 736,936	\$ 407,851	\$ 590,566	\$ (337,106)	\$ 768,496	\$ (337,106)	\$ (469,856)	\$ (452,597)
Retained Earnings - Beginning of Year	\$ 5,950,050	\$ 6,686,986	\$ 7,094,837			\$ 7,685,403	\$ 7,348,297	\$ 6,878,441
Retained Earnings - End of Year	<u>\$ 6,686,986</u>	<u>\$ 7,094,837</u>	<u>\$ 7,685,403</u>			<u>\$ 7,348,297</u>	<u>\$ 6,878,441</u>	<u>\$ 6,425,844</u>

The Water Utility is a regional supplier of water to the City of South Haven and the surrounding communities. The City owns and operates a water filtration plant, two water towers, one standpipe and the distribution system located within the City limits. Since entering into supply agreements with neighboring communities in the mid-1990's, significant increases to the water distribution system have taken place.



City of South Haven
Water Fund Activities

For informational
purposes only

<i>Expenditures by Activity</i>	2011-12 <i>Actual</i>	2012-13 <i>Actual</i>	2013-14 <i>Actual</i>	2014-15 <i>Budget</i>	YTD <i>(at 3/31/2015)</i>	2014-15 <i>Projected</i>	2015-16 <i>Proposed Budget</i>	2016-17 <i>Estimated Budget</i>
Operations - City	558							
Personnel Costs	\$ 212,262	\$ 213,433	\$ 221,219	\$ 218,329	\$ 171,342	\$ 218,329	\$ 259,199	\$ 264,383
Supplies	\$ 69,868	\$ 91,877	\$ 99,262	\$ 103,068	\$ 66,418	\$ 103,068	\$ 103,100	\$ 105,162
Admin/Computing/Equipment Fees	\$ 19,001	\$ 19,481	\$ 19,092	\$ 20,785	\$ 15,589	\$ 20,785	\$ 21,763	\$ 22,198
Contractual Services	\$ 48,334	\$ 34,106	\$ 75,761	\$ 72,000	\$ 54,996	\$ 72,000	\$ 105,000	\$ 107,100
Other Services and Charges	\$ 11,536	\$ 13,639	\$ 15,588	\$ 13,025	\$ 9,781	\$ 13,025	\$ 13,025	\$ 13,244
Utilities	\$ 664	\$ 904	\$ 2,329	\$ 2,400	\$ 982	\$ 2,400	\$ 2,400	\$ 2,448
Repairs and Maintenance	\$ 11,040	\$ 2,890	\$ 1,386	\$ 2,000	\$ 255	\$ 2,000	\$ 2,000	\$ 2,040
Depreciation	\$ 377,036	\$ 596,243	\$ 605,600	\$ 608,435	\$ -	\$ 608,435	\$ 610,000	\$ 620,000
Capital Outlay	\$ -	\$ 108	\$ -	\$ -	\$ 5,505	\$ 171,000	\$ 290,741	\$ 300,000
Total Operations - City	\$ 749,741	\$ 972,681	\$ 1,040,237	\$ 1,211,042	\$ 324,868	\$ 1,211,042	\$ 1,407,228	\$ 1,436,575
Percentage Change		29.7%	6.9%			16.4%	16.2%	2.1%
Operations - South Haven Twp	564							
Personnel Costs	\$ 19,829	\$ 22,175	\$ 24,527	\$ 33,963	\$ 18,908	\$ 33,963	\$ 27,885	\$ 28,443
Supplies	\$ 19,861	\$ 23,016	\$ 20,062	\$ 14,508	\$ 19,620	\$ 14,508	\$ 14,508	\$ 14,798
Admin/Computing/Equipment Fees	\$ 6,261	\$ 6,422	\$ 6,295	\$ 6,807	\$ 5,105	\$ 6,807	\$ 7,130	\$ 7,273
Contractual Services	\$ 15,147	\$ 11,407	\$ 6,168	\$ 10,500	\$ 11,935	\$ 10,500	\$ 10,500	\$ 10,710
Other Services and Charges	\$ 3,073	\$ 2,544	\$ 3,158	\$ 3,478	\$ 2,692	\$ 3,478	\$ 3,478	\$ 3,548
Utilities	\$ 200	\$ 261	\$ 656	\$ 335	\$ 179	\$ 335	\$ 335	\$ 342
Repairs and Maintenance	\$ 2,606	\$ 858	\$ 366	\$ 2,500	\$ 77	\$ 2,500	\$ 2,500	\$ 2,550
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operations - SH Twp	\$ 66,977	\$ 66,683	\$ 61,232	\$ 72,091	\$ 58,516	\$ 72,091	\$ 66,336	\$ 67,663
Percentage Change		-0.4%	-8.2%			17.7%	-8.0%	2.0%
Operations - Casco Township	563							
Personnel Costs	\$ 13,875	\$ 23,259	\$ 21,047	\$ 29,956	\$ 18,345	\$ 29,956	\$ 24,870	\$ 25,367
Supplies	\$ 13,844	\$ 15,345	\$ 13,374	\$ 9,672	\$ 13,079	\$ 9,672	\$ 9,672	\$ 9,865
Admin/Computing/Equipment Fees	\$ 8,891	\$ 9,091	\$ 8,896	\$ 9,411	\$ 7,059	\$ 9,411	\$ 9,883	\$ 10,081
Contractual Services	\$ 11,017	\$ 10,801	\$ 8,913	\$ 11,320	\$ 11,904	\$ 11,320	\$ 11,320	\$ 11,546
Other Services and Charges	\$ 2,047	\$ 1,695	\$ 2,600	\$ 2,301	\$ 2,595	\$ 2,301	\$ 2,301	\$ 2,347
Utilities	\$ 133	\$ 174	\$ 437	\$ 221	\$ 120	\$ 221	\$ 221	\$ 225
Repairs and Maintenance	\$ 1,737	\$ 572	\$ 244	\$ 2,000	\$ 51	\$ 2,000	\$ 2,000	\$ 2,040
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operations - Casco Twp	\$ 51,544	\$ 60,937	\$ 55,511	\$ 64,881	\$ 53,153	\$ 64,881	\$ 60,267	\$ 61,472
Percentage Change		18.2%	-8.9%			16.9%	-7.1%	2.0%
Operations - Covert	565							
Personnel Costs	\$ 27,550	\$ 25,941	\$ 30,925	\$ 37,930	\$ 22,536	\$ 37,930	\$ 32,002	\$ 32,642
Supplies	\$ 8,276	\$ 9,591	\$ 8,359	\$ 5,928	\$ 8,174	\$ 5,928	\$ 5,928	\$ 6,047
Admin/Computing/Equipment Fees	\$ 19,343	\$ 19,764	\$ 19,323	\$ 20,081	\$ 15,061	\$ 20,081	\$ 21,121	\$ 21,543
Contractual Services	\$ 15,891	\$ 8,788	\$ 8,583	\$ 7,500	\$ 4,800	\$ 7,500	\$ 7,500	\$ 7,650
Other Services and Charges	\$ 1,280	\$ 1,060	\$ 1,298	\$ 1,421	\$ 1,122	\$ 1,421	\$ 1,421	\$ 1,449
Utilities	\$ 83	\$ 5	\$ 273	\$ 5,937	\$ 5,156	\$ 5,937	\$ 1,937	\$ 1,976
Repairs and Maintenance	\$ 1,086	\$ 1,887	\$ 152	\$ 1,500	\$ 32	\$ 1,500	\$ 1,500	\$ 1,530
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Operations - Covert	\$ 73,509	\$ 67,036	\$ 68,913	\$ 80,297	\$ 56,881	\$ 80,297	\$ 71,409	\$ 72,837
Percentage Change		-8.8%	2.8%			16.5%	-11.1%	2.0%
Treatment - City	559							
Personnel Costs	\$ 197,384	\$ 203,219	\$ 208,578	\$ 261,066	\$ 154,952	\$ 261,066	\$ 217,170	\$ 221,513
Supplies	\$ 46,334	\$ 50,363	\$ 61,896	\$ 68,935	\$ 32,264	\$ 68,935	\$ 69,850	\$ 71,247
Admin/Computing/Equipment Fees	\$ 1,561	\$ 1,661	\$ 1,684	\$ 2,581	\$ 1,935	\$ 2,581	\$ 3,718	\$ 3,792
Contractual Services	\$ 31,597	\$ 39,425	\$ 39,399	\$ 50,193	\$ 27,869	\$ 50,193	\$ 50,000	\$ 51,000
Other Services and Charges	\$ 9,864	\$ 10,948	\$ 9,976	\$ 12,264	\$ 6,869	\$ 12,264	\$ 15,700	\$ 16,014
Utilities	\$ 132,659	\$ 142,002	\$ 130,666	\$ 134,114	\$ 93,322	\$ 134,114	\$ 140,000	\$ 142,800
Repairs and Maintenance	\$ 6,069	\$ 12,263	\$ 24,753	\$ 27,836	\$ 7,048	\$ 27,836	\$ 35,000	\$ 35,700
Capital Outlay	\$ -	\$ -	\$ -	\$ 6,128	\$ -	\$ 6,128	\$ 97,786	\$ 99,742
Total Treatment - City	\$ 425,468	\$ 459,881	\$ 476,952	\$ 563,117	\$ 324,259	\$ 563,117	\$ 629,224	\$ 641,808
Percentage Change		8.1%	3.7%			18.1%	11.7%	2.0%
Treatment - Casco Township	566							
Personnel Costs	\$ 19,518	\$ 20,072	\$ 20,507	\$ 21,703	\$ 15,684	\$ 21,703	\$ 22,343	\$ 22,790
Supplies	\$ 9,159	\$ 8,408	\$ 5,462	\$ 8,378	\$ 4,289	\$ 8,378	\$ 8,378	\$ 8,546
Admin/Computing/Equipment Fees	\$ 298	\$ 318	\$ 323	\$ 502	\$ 376	\$ 502	\$ 712	\$ 726
Contractual Services	\$ 5,863	\$ 7,553	\$ 4,489	\$ 6,129	\$ 4,794	\$ 6,129	\$ 6,129	\$ 6,252
Other Services and Charges	\$ 1,421	\$ 1,479	\$ 1,619	\$ 2,234	\$ 1,051	\$ 2,234	\$ 2,234	\$ 2,279
Utilities	\$ 16,962	\$ 16,403	\$ 14,940	\$ 17,990	\$ 10,176	\$ 17,990	\$ 17,990	\$ 18,350
Repairs and Maintenance	\$ 1,215	\$ 1,959	\$ 3,140	\$ 3,315	\$ 970	\$ 3,315	\$ 3,315	\$ 3,381
Capital Outlay	\$ -	\$ -	\$ -	\$ 922	\$ -	\$ 922	\$ -	\$ -
Total Treatment - Casco Twp	\$ 54,436	\$ 56,192	\$ 50,480	\$ 61,173	\$ 37,340	\$ 61,173	\$ 61,101	\$ 62,323
Percentage Change		3.2%	-10.2%			21.2%	-0.1%	2.0%

City of South Haven
Water Fund Activities (continued)

For informational
purposes only

<i>Expenditures by Activity</i>	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget	YTD (at 3/31/2015)	2014-15 Projected	2015-16 Proposed Budget	2016-17 Estimated Budget
Treatment - South Haven Twp 567								
Personnel Costs	\$ 51,439	\$ 52,991	\$ 54,325	\$ 57,498	\$ 41,018	\$ 57,498	\$ 58,158	\$ 59,321
Supplies	\$ 13,738	\$ 12,610	\$ 8,191	\$ 11,676	\$ 6,435	\$ 11,676	\$ 11,676	\$ 11,910
Admin/Computing/Equipment Fees	\$ 502	\$ 532	\$ 540	\$ 811	\$ 608	\$ 811	\$ 1,194	\$ 1,218
Contractual Services	\$ 8,803	\$ 11,329	\$ 6,734	\$ 5,837	\$ 7,191	\$ 5,837	\$ 5,837	\$ 5,954
Other Services and Charges	\$ 2,133	\$ 2,260	\$ 2,395	\$ 3,035	\$ 1,615	\$ 3,035	\$ 3,035	\$ 3,096
Utilities	\$ 25,875	\$ 26,050	\$ 25,319	\$ 24,500	\$ 15,528	\$ 24,500	\$ 24,500	\$ 24,990
Repairs and Maintenance	\$ 1,824	\$ 2,939	\$ 4,710	\$ 6,926	\$ 1,454	\$ 6,926	\$ 6,926	\$ 7,065
Capital Outlay	\$ -	\$ -	\$ -	\$ 2,405	\$ -	\$ 2,405	\$ -	\$ -
Total Treatment - SH Twp	\$ 104,314	\$ 108,711	\$ 102,214	\$ 112,688	\$ 73,849	\$ 112,688	\$ 111,326	\$ 113,553
Percentage Change		4.2%	-6.0%			10.2%	-1.2%	2.0%
Treatment - Covert 568								
Personnel Costs	\$ 61,505	\$ 63,158	\$ 64,547	\$ 68,122	\$ 49,335	\$ 68,122	\$ 70,336	\$ 71,743
Supplies	\$ 5,724	\$ 5,255	\$ 3,413	\$ 4,277	\$ 2,680	\$ 4,277	\$ 4,367	\$ 4,454
Admin/Computing/Equipment Fees	\$ 864	\$ 888	\$ 891	\$ 991	\$ 743	\$ 991	\$ 2,015	\$ 2,055
Contractual Services	\$ 4,216	\$ 4,721	\$ 2,806	\$ 2,561	\$ 2,996	\$ 2,561	\$ 2,561	\$ 2,612
Other Services and Charges	\$ 888	\$ 1,002	\$ 1,050	\$ 1,369	\$ 725	\$ 1,369	\$ 1,369	\$ 1,394
Utilities	\$ 18,805	\$ 17,983	\$ 14,037	\$ 17,710	\$ 11,385	\$ 17,710	\$ 17,710	\$ 18,064
Repairs and Maintenance	\$ 760	\$ 1,225	\$ 1,962	\$ 5,505	\$ 606	\$ 5,505	\$ 5,505	\$ 5,615
Capital Outlay	\$ -	\$ -	\$ -	\$ 2,230	\$ -	\$ 2,230	\$ -	\$ -
Total Treatment - Covert	\$ 92,762	\$ 94,232	\$ 88,706	\$ 102,765	\$ 68,470	\$ 102,765	\$ 103,863	\$ 105,938
Percentage Change		1.6%	-5.9%			15.8%	1.1%	2.0%
Administration 561								
Personnel Costs	\$ 120,495	\$ 125,904	\$ 129,541	\$ 132,883	\$ 95,363	\$ 132,883	\$ 140,699	\$ 143,513
Supplies	\$ 121	\$ -	\$ 66	\$ 50	\$ 21	\$ 50	\$ 50	\$ 51
Admin/Computing/Equipment Fees	\$ 43,080	\$ 44,514	\$ 44,886	\$ 59,359	\$ 44,520	\$ 59,359	\$ 59,653	\$ 60,846
Contractual Services	\$ 5,621	\$ 3,853	\$ 3,322	\$ 5,500	\$ 5,100	\$ 5,500	\$ 5,500	\$ 5,610
Other Services and Charges	\$ 121,979	\$ 175,598	\$ 194,571	\$ 233,784	\$ 148,673	\$ 233,784	\$ 240,915	\$ 245,733
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Administration	\$ 291,296	\$ 349,869	\$ 372,386	\$ 431,576	\$ 293,677	\$ 431,576	\$ 446,817	\$ 455,753
Percentage Change		20.1%	6.4%			15.9%	3.5%	2.0%
Debt Service 905								
Debt Service	\$ 40,396	\$ 960,552	\$ 936,500	\$ 1,498,311	\$ 763,123	\$ 1,498,311	\$ 1,519,812	\$ 1,520,491
Total Debt Service	\$ 40,396	\$ 960,552	\$ 936,500	\$ 1,498,311	\$ 763,123	\$ 1,498,311	\$ 1,519,812	\$ 1,520,491
Percentage Change		2277.8%	-2.5%			60.0%	1.4%	0.0%
Transfer Out 965								
Operating Transfers Out	\$ 1,297,490	\$ 38,137	\$ 29,144	\$ 4,843	\$ 3,000	\$ 4,843	\$ 756	\$ 800
Total Transfer Out	\$ 1,297,490	\$ 38,137	\$ 29,144	\$ 4,843	\$ 3,000	\$ 4,843	\$ 756	\$ 800
Percentage Change		-97.1%	-23.6%			-83.4%	-84.4%	5.8%
Total Expenditures								
Personnel Costs	\$ 723,857	\$ 750,152	\$ 775,216	\$ 861,450	\$ 587,483	\$ 861,450	\$ 852,662	\$ 869,715
Supplies	\$ 186,925	\$ 216,465	\$ 220,085	\$ 226,492	\$ 152,980	\$ 226,492	\$ 227,529	\$ 232,080
Admin/Computing/Equipment Fees	\$ 99,801	\$ 102,671	\$ 101,930	\$ 121,328	\$ 90,996	\$ 121,328	\$ 127,189	\$ 129,733
Contractual Services	\$ 146,489	\$ 131,983	\$ 156,175	\$ 171,540	\$ 131,585	\$ 171,540	\$ 204,347	\$ 208,434
Other Services and Charges	\$ 154,221	\$ 210,225	\$ 232,255	\$ 272,911	\$ 175,123	\$ 272,911	\$ 283,478	\$ 289,104
Utilities	\$ 195,381	\$ 203,782	\$ 188,657	\$ 203,207	\$ 136,848	\$ 203,207	\$ 205,093	\$ 209,195
Repairs and Maintenance	\$ 26,337	\$ 24,593	\$ 36,713	\$ 51,582	\$ 10,493	\$ 51,582	\$ 58,746	\$ 59,921
Depreciation	\$ 377,036	\$ 596,243	\$ 605,600	\$ 608,435	\$ -	\$ 608,435	\$ 610,000	\$ 620,000
Capital Outlay	\$ -	\$ 108	\$ -	\$ 182,685	\$ 5,505	\$ 182,685	\$ 388,527	\$ 399,742
Debt Service	\$ 40,396	\$ 960,552	\$ 936,500	\$ 1,498,311	\$ 763,123	\$ 1,498,311	\$ 1,519,812	\$ 1,520,491
Operating Transfers Out	\$ 1,297,490	\$ 38,137	\$ 29,144	\$ 4,843	\$ 3,000	\$ 4,843	\$ 756	\$ 800
Total	\$ 3,247,933	\$ 3,234,911	\$ 3,282,275	\$ 4,202,784	\$ 2,057,136	\$ 4,202,784	\$ 4,478,139	\$ 4,539,214
Percentage Change		-0.4%	1.5%			28.0%	6.6%	1.4%

City of South Haven
Sewer Fund Activities

For informational
purposes only

Expenditures by Activity	2011-12	2012-13	2013-14	2014-15	YTD	2014-15	2015-16	2016-17		
	Actual	Actual	Actual	Budget	(at 3/31/2015)	Projected	Proposed Budget	Estimated Budget	Estimated Budget	
Operations - City	558									
Personnel Costs	\$ 101,383	\$ 104,781	\$ 92,030	\$ 78,149	\$ 64,092	\$ 78,149	\$ 100,450	\$ 102,459	\$ 102,459	
Supplies	\$ 20,007	\$ 24,307	\$ 19,656	\$ 27,358	\$ 12,181	\$ 27,358	\$ 27,600	\$ 28,152	\$ 28,152	
Admin/Computing/Equipment Fees	\$ 32,467	\$ 33,990	\$ 33,288	\$ 34,866	\$ 26,150	\$ 34,866	\$ 36,694	\$ 37,428	\$ 37,428	
Contractual Services	\$ 169,692	\$ 271,952	\$ 126,247	\$ 49,000	\$ 23,340	\$ 49,000	\$ 49,000	\$ 49,980	\$ 49,980	
Other Services and Charges	\$ 12,470	\$ 11,164	\$ 13,713	\$ 14,274	\$ 7,739	\$ 14,274	\$ 14,274	\$ 14,559	\$ 14,559	
Utilities	\$ 803	\$ 869	\$ 2,790	\$ 1,365	\$ 1,107	\$ 1,365	\$ 1,365	\$ 1,392	\$ 1,392	
Repairs and Maintenance	\$ 9,007	\$ 7,345	\$ 1,641	\$ 5,000	\$ 309	\$ 5,000	\$ 5,000	\$ 5,100	\$ 5,100	
Depreciation	\$ 272,728	\$ 408,433	\$ 347,575	\$ 348,719	\$ -	\$ 348,719	\$ 355,000	\$ 345,932	\$ 345,932	
Capital Outlay	\$ -	\$ 301	\$ -	\$ 196,000	\$ 12,288	\$ 196,000	\$ 444,866	\$ 453,886	\$ 453,886	
Total Operations - City	\$ 618,557	\$ 863,142	\$ 636,940	\$ 754,731	\$ 147,206	\$ 754,731	\$ 1,034,369	\$ 1,038,888	\$ 1,038,888	
Percentage Change		39.5%	-26.2%			18.5%	37.1%	0.4%		
Operations - South Haven Township	564									
Personnel Costs	\$ 916	\$ 931	\$ 1,039	\$ 1,294	\$ 505	\$ 1,294	\$ 832	\$ 849	\$ 849	
Supplies	\$ 5,054	\$ 6,274	\$ 4,286	\$ 5,753	\$ 3,020	\$ 5,753	\$ 5,695	\$ 5,809	\$ 5,809	
Admin/Computing/Equipment Fees	\$ 9,197	\$ 9,627	\$ 9,415	\$ 9,873	\$ 7,405	\$ 9,873	\$ 10,388	\$ 10,596	\$ 10,596	
Contractual Services	\$ 41,882	\$ 74,340	\$ 30,993	\$ 12,200	\$ 6,763	\$ 12,200	\$ 13,200	\$ 13,464	\$ 13,464	
Other Services and Charges	\$ 3,132	\$ 2,219	\$ 2,404	\$ 3,189	\$ 1,941	\$ 3,189	\$ 2,844	\$ 2,901	\$ 2,901	
Utilities	\$ 210	\$ 227	\$ 688	\$ 351	\$ 189	\$ 351	\$ 700	\$ 714	\$ 714	
Repairs and Maintenance	\$ 516	\$ 1,921	\$ 385	\$ 1,500	\$ 81	\$ 1,500	\$ 1,500	\$ 1,530	\$ 1,530	
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Operations - SH Township	\$ 60,907	\$ 95,539	\$ 49,210	\$ 34,160	\$ 19,904	\$ 34,160	\$ 35,159	\$ 35,862	\$ 35,862	
Percentage Change		56.9%	-48.5%			-30.6%	2.9%	2.0%		
Operations - Casco Township	563									
Personnel Costs	\$ 444	\$ 2,554	\$ 2,236	\$ 3,356	\$ 565	\$ 3,356	\$ 2,467	\$ 2,516	\$ 2,516	
Supplies	\$ 1,596	\$ 1,982	\$ 1,353	\$ 1,800	\$ 951	\$ 1,800	\$ 1,653	\$ 1,686	\$ 1,686	
Admin/Computing/Equipment Fees	\$ 8,236	\$ 8,612	\$ 8,414	\$ 8,749	\$ 6,562	\$ 8,749	\$ 9,220	\$ 9,404	\$ 9,404	
Contractual Services	\$ 22,899	\$ 36,077	\$ 9,787	\$ 10,000	\$ 2,136	\$ 10,000	\$ 10,000	\$ 10,200	\$ 10,200	
Other Services and Charges	\$ 926	\$ 700	\$ 760	\$ 997	\$ 613	\$ 997	\$ 976	\$ 996	\$ 996	
Utilities	\$ 66	\$ 72	\$ 217	\$ 110	\$ 60	\$ 110	\$ 220	\$ 224	\$ 224	
Repairs and Maintenance	\$ 163	\$ 607	\$ 122	\$ 500	\$ 26	\$ 500	\$ 500	\$ 510	\$ 510	
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Operations - Casco Twp	\$ 34,330	\$ 50,604	\$ 22,889	\$ 25,512	\$ 10,913	\$ 25,512	\$ 25,036	\$ 25,537	\$ 25,537	
Percentage Change		47.4%	-54.8%			11.5%	-1.9%	2.0%		
Treatment - City	559									
Personnel Costs	\$ 222,613	\$ 237,535	\$ 280,822	\$ 217,732	\$ 204,443	\$ 217,732	\$ 299,571	\$ 305,562	\$ 305,562	
Supplies	\$ 50,713	\$ 79,487	\$ 71,082	\$ 78,794	\$ 41,777	\$ 78,794	\$ 76,200	\$ 77,724	\$ 77,724	
Admin/Computing/Equipment Fees	\$ 6,018	\$ 6,366	\$ 6,441	\$ 7,685	\$ 5,764	\$ 7,685	\$ 7,684	\$ 7,838	\$ 7,838	
Contractual Services	\$ 57,693	\$ 72,101	\$ 76,801	\$ 64,000	\$ 47,086	\$ 64,000	\$ 180,000	\$ 183,600	\$ 183,600	
Other Services and Charges	\$ 9,350	\$ 9,342	\$ 9,033	\$ 14,617	\$ 5,864	\$ 14,617	\$ 10,675	\$ 10,889	\$ 10,889	
Utilities	\$ 123,730	\$ 143,162	\$ 139,294	\$ 152,803	\$ 105,201	\$ 152,803	\$ 153,000	\$ 156,060	\$ 156,060	
Repairs and Maintenance	\$ 43,393	\$ 32,409	\$ 30,938	\$ 39,461	\$ 16,079	\$ 39,461	\$ 39,600	\$ 40,392	\$ 40,392	
Capital Outlay	\$ (2,859)	\$ -	\$ 7,528	\$ 25,000	\$ 324	\$ 25,000	\$ -	\$ -	\$ -	
Total Treatment - City	\$ 510,651	\$ 580,402	\$ 621,939	\$ 600,092	\$ 426,538	\$ 600,092	\$ 766,730	\$ 782,065	\$ 782,065	
Percentage Change		13.7%	7.2%			-3.5%	27.8%	2.0%		
Treatment - Casco Township	566									
Personnel Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ 9,756	\$ 9,066	\$ 4,282	\$ 4,362	\$ 3,715	\$ 4,362	\$ 4,495	\$ 4,585	\$ 4,585	
Admin/Computing/Equipment Fees	\$ 1,143	\$ 1,184	\$ 1,190	\$ 1,282	\$ 962	\$ 1,282	\$ 1,282	\$ 1,308	\$ 1,308	
Contractual Services	\$ 10,945	\$ 11,024	\$ 5,724	\$ 10,000	\$ 8,007	\$ 10,000	\$ 10,000	\$ 10,200	\$ 10,200	
Other Services and Charges	\$ 3,765	\$ 3,279	\$ 2,517	\$ 3,930	\$ 2,261	\$ 3,930	\$ 3,935	\$ 4,014	\$ 4,014	
Utilities	\$ 23,482	\$ 11,864	\$ 10,333	\$ 15,100	\$ 7,441	\$ 15,100	\$ 13,100	\$ 13,362	\$ 13,362	
Repairs and Maintenance	\$ 7,198	\$ 4,574	\$ 4,452	\$ 5,122	\$ 2,008	\$ 5,122	\$ 5,500	\$ 5,610	\$ 5,610	
Capital Outlay	\$ 686	\$ -	\$ 2,152	\$ 3,981	\$ 97	\$ 3,981	\$ -	\$ -	\$ -	
Total Treatment - Casco Twp	\$ 56,975	\$ 40,991	\$ 30,650	\$ 43,777	\$ 24,491	\$ 43,777	\$ 38,312	\$ 39,078	\$ 39,078	
Percentage Change		-28.1%	-25.2%			42.8%	-12.5%	2.0%		
Treatment - South Haven Township	567									
Personnel Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Supplies	\$ 7,321	\$ 23,075	\$ 13,563	\$ 10,719	\$ 10,612	\$ 10,719	\$ 14,055	\$ 14,336	\$ 14,336	
Admin/Computing/Equipment Fees	\$ 1,651	\$ 1,744	\$ 1,687	\$ 1,977	\$ 1,483	\$ 1,977	\$ 1,976	\$ 2,016	\$ 2,016	
Contractual Services	\$ 10,191	\$ 28,258	\$ 17,116	\$ 9,000	\$ 13,317	\$ 9,000	\$ 10,000	\$ 10,200	\$ 10,200	
Other Services and Charges	\$ 3,119	\$ 5,055	\$ 3,998	\$ 3,785	\$ 3,190	\$ 3,785	\$ 4,167	\$ 4,250	\$ 4,250	
Utilities	\$ 19,092	\$ 37,438	\$ 32,719	\$ 22,800	\$ 23,562	\$ 22,800	\$ 35,500	\$ 36,210	\$ 36,210	
Repairs and Maintenance	\$ 10,273	\$ 13,123	\$ 6,901	\$ 10,140	\$ 4,412	\$ 10,140	\$ 10,250	\$ 10,455	\$ 10,455	
Capital Outlay	\$ 2,173	\$ -	\$ 922	\$ 2,389	\$ 45	\$ 2,389	\$ -	\$ -	\$ -	
Total Treatment - SH Twp	\$ 53,820	\$ 108,693	\$ 76,906	\$ 60,810	\$ 56,621	\$ 60,810	\$ 75,948	\$ 77,467	\$ 77,467	
Percentage Change		102.0%	-29.2%			-20.9%	24.9%	2.0%		

City of South Haven
Sewer Fund Activities (continued)

For informational
purposes only

Expenditures by Activity	2011-12 Actual	2012-13 Actual	2013-14 Actual	2014-15 Budget	YTD (at 3/31/2015)	2014-15 Projected	2015-16 Proposed Budget	2016-17 Estimated Budget
Liftstations - City 570								
Personnel Costs	\$ 32,004	\$ 29,436	\$ 21,446	\$ 19,942	\$ 14,441	\$ 19,942	\$ 9,785	\$ 9,981
Supplies	\$ -	\$ 40	\$ -	\$ 1,525	\$ -	\$ 1,525	\$ 1,400	\$ 1,525
Admin/Computing/Equipment Fees	\$ 33,450	\$ 34,318	\$ 34,385	\$ 35,331	\$ 26,738	\$ 35,331	\$ 36,031	\$ 36,752
Contractual Services	\$ (20,777)	\$ 9,180	\$ 287	\$ 3,000	\$ -	\$ 3,000	\$ 3,000	\$ 32,000
Other Services and Charges	\$ 538	\$ 411	\$ 444	\$ 1,114	\$ 288	\$ 1,114	\$ 1,114	\$ 1,114
Utilities	\$ 13,895	\$ 16,734	\$ 13,356	\$ 20,300	\$ 12,592	\$ 20,300	\$ 20,300	\$ 20,300
Repairs and Maintenance	\$ 14,159	\$ 2,821	\$ 18,908	\$ 20,000	\$ 3,719	\$ 20,000	\$ 74,628	\$ 76,121
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Liftstations - City	\$ 73,269	\$ 92,940	\$ 88,826	\$ 101,212	\$ 57,778	\$ 101,212	\$ 146,258	\$ 177,792
Percentage Change		N/A	-4.4%			13.9%	44.5%	21.6%
Liftstations - Casco Township 562								
Personnel Costs	\$ 8,421	\$ 6,771	\$ 3,815	\$ 6,863	\$ 3,025	\$ 6,863	\$ 1,216	\$ 1,240
Supplies	\$ -	\$ -	\$ -	\$ 174	\$ -	\$ 174	\$ 114	\$ 116
Admin/Computing/Equipment Fees	\$ 2,480	\$ 2,591	\$ 2,629	\$ 2,942	\$ 2,206	\$ 2,942	\$ 3,890	\$ 8,516
Contractual Services	\$ 5,123	\$ 650	\$ 179	\$ 2,500	\$ -	\$ 2,500	\$ 2,500	\$ 2,550
Other Services and Charges	\$ 525	\$ 419	\$ 351	\$ 942	\$ 264	\$ 942	\$ 942	\$ 961
Utilities	\$ 5,481	\$ 6,014	\$ 6,898	\$ 3,860	\$ 3,917	\$ 3,860	\$ 4,000	\$ 4,080
Repairs and Maintenance	\$ 4,219	\$ 4,065	\$ 2,874	\$ 4,000	\$ 425	\$ 4,000	\$ 4,000	\$ 4,080
Capital Outlay	\$ -	\$ -	\$ -	\$ 5,100	\$ -	\$ 5,100	\$ -	\$ -
Total Liftstations - Casco Twp	\$ 26,249	\$ 20,510	\$ 16,746	\$ 26,381	\$ 9,837	\$ 26,381	\$ 16,662	\$ 21,543
Percentage Change		-21.9%	-18.4%			57.5%	-36.8%	29.3%
Liftstations - South Haven Township 569								
Personnel Costs	\$ 22,151	\$ 23,724	\$ 18,199	\$ 26,870	\$ 9,800	\$ 26,870	\$ 8,563	\$ 8,734
Supplies	\$ -	\$ 559	\$ -	\$ 408	\$ -	\$ 408	\$ 390	\$ 398
Admin/Computing/Equipment Fees	\$ 9,495	\$ 9,884	\$ 10,022	\$ 11,036	\$ 8,277	\$ 11,036	\$ 14,829	\$ 14,060
Contractual Services	\$ 12,473	\$ 3,004	\$ 728	\$ 7,200	\$ -	\$ 7,200	\$ 7,200	\$ 7,344
Other Services and Charges	\$ 2,174	\$ 1,516	\$ 1,285	\$ 1,699	\$ 972	\$ 1,699	\$ 1,699	\$ 1,733
Utilities	\$ 17,718	\$ 18,962	\$ 22,232	\$ 14,834	\$ 12,676	\$ 14,834	\$ 15,400	\$ 15,708
Repairs and Maintenance	\$ 10,935	\$ 6,163	\$ 21,396	\$ 8,342	\$ 8,567	\$ 8,342	\$ 8,342	\$ 8,509
Capital Outlay	\$ -	\$ -	\$ 3,271	\$ 33,738	\$ 14,025	\$ 33,738	\$ -	\$ -
Total Liftstations - SH Twp	\$ 74,946	\$ 63,812	\$ 77,133	\$ 104,127	\$ 54,317	\$ 104,127	\$ 56,423	\$ 56,486
Percentage Change		N/A	20.9%			35.0%	-45.8%	0.1%
IPP 560								
Personnel Costs	\$ 15,073	\$ 16,707	\$ 18,478	\$ 18,927	\$ 13,517	\$ 18,927	\$ 28,093	\$ 28,655
Supplies	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Admin/Computing/Equipment Fees	\$ 361	\$ 368	\$ 367	\$ 362	\$ 272	\$ 362	\$ 362	\$ 369
Contractual Services	\$ 20,681	\$ 26,472	\$ 22,038	\$ 31,000	\$ 17,117	\$ 31,000	\$ 31,000	\$ 31,620
Other Services and Charges	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Utilities	\$ 88	\$ 97	\$ 112	\$ 200	\$ 78	\$ 200	\$ 200	\$ 204
Repairs and Maintenance	\$ 663	\$ -	\$ -	\$ 1,000	\$ -	\$ 1,000	\$ 1,000	\$ 1,020
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total IPP	\$ 36,866	\$ 43,644	\$ 40,995	\$ 51,489	\$ 30,984	\$ 51,489	\$ 60,655	\$ 61,868
Percentage Change		18.4%	-6.1%			25.6%	17.8%	2.0%
Administration 561								
Personnel Costs	\$ 209,077	\$ 215,873	\$ 235,986	\$ 227,812	\$ 165,044	\$ 227,812	\$ 238,438	\$ 238,438
Supplies	\$ 108	\$ -	\$ 66	\$ 150	\$ 15	\$ 150	\$ 150	\$ 150
Admin/Computing/Equipment Fees	\$ 43,885	\$ 45,350	\$ 45,824	\$ 52,488	\$ 39,366	\$ 52,488	\$ 52,782	\$ 52,782
Contractual Services	\$ 4,929	\$ 5,881	\$ 2,396	\$ 5,500	\$ 3,020	\$ 5,500	\$ 5,500	\$ 5,500
Other Services and Charges	\$ 121,039	\$ 123,941	\$ 130,674	\$ 135,002	\$ 103,112	\$ 135,002	\$ 142,795	\$ 142,795
Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Administration	\$ 379,038	\$ 391,045	\$ 414,946	\$ 420,952	\$ 310,557	\$ 420,952	\$ 439,665	\$ 439,665
Percentage Change		3.2%	6.1%			1.4%	4.4%	0.0%
Transfer Out 965								
Operating Transfers Out	\$ 269,209	\$ 253,766	\$ 249,327	\$ 204,915	\$ 153,000	\$ 204,915	\$ 200,821	\$ 200,800
Total Transfer Out	\$ 269,209	\$ 253,766	\$ 249,327	\$ 204,915	\$ 153,000	\$ 204,915	\$ 200,821	\$ 200,800
Percentage Change		-5.7%	-1.7%			-17.8%	-2.0%	0.0%
Total Expenditures								
Personnel Costs	\$ 612,082	\$ 638,312	\$ 674,051	\$ 600,945	\$ 475,432	\$ 600,945	\$ 689,415	\$ 698,435
Supplies	\$ 94,555	\$ 144,790	\$ 114,288	\$ 131,043	\$ 72,271	\$ 131,043	\$ 131,752	\$ 134,481
Admin/Computing/Equipment Fees	\$ 148,383	\$ 154,034	\$ 153,662	\$ 166,591	\$ 125,185	\$ 166,591	\$ 175,138	\$ 181,067
Contractual Services	\$ 335,731	\$ 538,939	\$ 292,296	\$ 203,400	\$ 120,786	\$ 203,400	\$ 321,400	\$ 356,658
Other Services and Charges	\$ 157,038	\$ 158,046	\$ 165,179	\$ 179,549	\$ 126,244	\$ 179,549	\$ 183,421	\$ 184,211
Utilities	\$ 204,565	\$ 235,439	\$ 228,639	\$ 231,723	\$ 166,823	\$ 231,723	\$ 243,785	\$ 248,255
Repairs and Maintenance	\$ 100,526	\$ 73,028	\$ 87,617	\$ 95,065	\$ 35,626	\$ 95,065	\$ 150,320	\$ 153,326
Depreciation	\$ 272,728	\$ 408,433	\$ 347,575	\$ 348,719	\$ -	\$ 348,719	\$ 355,000	\$ 345,932
Capital Outlay	\$ -	\$ 301	\$ 13,873	\$ 266,208	\$ 26,779	\$ 266,208	\$ 444,986	\$ 453,886
Operating Transfers Out	\$ 269,209	\$ 253,766	\$ 249,327	\$ 204,915	\$ 153,000	\$ 204,915	\$ 200,821	\$ 200,800
Total	\$ 2,194,817	\$ 2,605,088	\$ 2,326,507	\$ 2,428,158	\$ 1,302,146	\$ 2,428,158	\$ 2,896,038	\$ 2,957,051
Percentage Change		18.7%	-10.7%			4.4%	19.3%	2.1%

Residential Utility Bill Comparison
 PROPOSED RATES EFFECTIVE JULY 1, 2015

4/20/2015

Monthly Usage in Cu. Ft.	1,000			
Current Water Rate per 100 Cu. Ft.	2.17			
Proposed Water Rate per 100 Cu. Ft.	2.21	2%	1.02	
Current Sewer Rate per 100 Cu. Ft.	2.68			
Proposed Sewer Rate per 100 Cu. Ft.	2.73	2%	1.02	
Water Meter Size	5/8"-3/4"			
Monthly Electric Usage - KWH	750			
Current Rate per KWH	0.100			
Proposed Rate per KWH	0.102	2%	1.02	

<u>City Customers</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>	<u>Percent Change</u>
Water Usage	21.70	22.13	0.43	2.0%
Water Capital Replacement	1.92	1.96	0.04	2.0%
Water Ready-To-Serve	6.75	6.89	0.14	2.0%
Water Capital Improvement	4.04	4.12	0.08	2.0%
Water Plant Debt Service	19.07	19.45	0.38	2.0%
Sewer Usage	26.80	27.34	0.54	2.0%
Sewer Capital Replacement	2.02	2.06	0.04	2.0%
Sewer Ready-To-Serve	8.39	8.56	0.17	2.0%
Sewer Debt Service	5.73	5.84	0.11	2.0%
Sewer Capital Improvement	6.14	6.26	0.12	2.0%
Electric Usage	75.00	76.50	1.50	2.0%
Basic Electric Charge	5.50	5.61	0.11	2.0%
Total Utility Bill	183.06	186.72	\$ 3.66	2.0%
Total Water Bill	53.48	54.55	1.07	2.0%
Total Sewer Bill	49.08	50.06	0.98	2.0%
Total Electric Bill	80.50	82.11	1.61	2.0%

Residential Utility Bill Comparison
 PROPOSED RATES EFFECTIVE JULY 1, 2015

4/20/2015

Monthly Usage in Cu. Ft.	1,000		
Current Water Rate per 100 Cu. Ft.	2.17		
Proposed Water Rate per 100 Cu. Ft.	2.21	2%	1.02
Current Sewer Rate per 100 Cu. Ft.	2.68		
Proposed Sewer Rate per 100 Cu. Ft.	2.73	2%	1.02
Water Meter Size	5/8"-3/4"		
Monthly Electric Usage - KWH	750		
Current Rate per KWH	0.100		
Proposed Rate per KWH	0.102	2%	1.02

<u>South Haven Township</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>	<u>Percent Change</u>
Water Usage	21.70	22.13	0.43	2.0%
Water Capital Replacement	1.92	1.96	0.04	2.0%
Water Ready-To-Serve	6.75	6.89	0.14	2.0%
Water Plant Debt Service	19.07	19.45	0.38	2.0%
Water Authority Debt Service	13.00	13.00	-	0.0%
Sewer Usage	26.80	27.34	0.54	2.0%
Sewer Capital Replacement	2.02	2.06	0.04	2.0%
Sewer Ready-To-Serve	8.39	8.56	0.17	2.0%
Sewer Authority Debt Service	18.00	18.00	-	0.0%
Electric Usage	75.00	76.50	1.50	2.0%
Basic Electric Charge	5.50	5.61	0.11	2.0%
Total Utility Bill	198.15	201.49	\$ 3.34	1.7%
Total Water Bill	62.44	63.43	0.99	1.6%
Total Sewer Bill	55.21	55.95	0.74	1.3%
Total Electric Bill	80.50	82.11	1.61	2.0%

<u>Casco Township</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>	<u>Percent Change</u>
Water Usage	21.70	22.13	0.43	2.0%
Water Capital Replacement	1.92	1.96	0.04	2.0%
Water Ready-To-Serve	6.75	6.89	0.14	2.0%
Water Plant Debt Service	19.07	19.45	0.38	2.0%
Water Authority Debt Service	24.00	24.00	-	0.0%
Sewer Usage	26.80	27.34	0.54	2.0%
Sewer Capital Replacement	2.02	2.06	0.04	2.0%
Sewer Ready-To-Serve	8.39	8.56	0.17	2.0%
Sewer Authority Debt Service	36.00	36.00	-	0.0%
Total Utility Bill	146.65	148.38	\$ 1.73	1.2%
Total Water Bill	73.44	74.43	0.99	1.3%
Total Sewer Bill	73.21	73.95	0.74	1.0%

Residential Utility Bill Comparison
 PROPOSED RATES EFFECTIVE JULY 1, 2015

4/20/2015

Monthly Usage in Cu. Ft.	1,000		
Current Water Rate per 100 Cu. Ft.	2.17		
Proposed Water Rate per 100 Cu. Ft.	2.21	2%	1.02
Current Sewer Rate per 100 Cu. Ft.	2.68		
Proposed Sewer Rate per 100 Cu. Ft.	2.73	2%	1.02
Water Meter Size	5/8"-3/4"		
Monthly Electric Usage - KWH	750		
Current Rate per KWH	0.100		
Proposed Rate per KWH	0.102	2%	1.02

<u>Covert Township</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>	<u>Percent Change</u>
Water Usage	21.70	22.13	0.43	2.0%
Water Capital Replacement	1.92	1.96	0.04	2.0%
Water Ready-To-Serve	6.75	6.89	0.14	2.0%
Water Plant Debt Service	19.07	19.45	0.38	2.0%
Total Covert Utility Bill	49.44	50.43	\$ 0.99	2.0%

<u>Geneva Township</u>	<u>Current</u>	<u>Proposed</u>	<u>Change</u>	<u>Percent Change</u>
Electric Usage	75.00	76.50	1.50	2.0%
Basic Electric Charge	5.50	5.61	0.11	2.0%
Total Utility Bill	80.50	82.11	\$ 1.61	2.0%

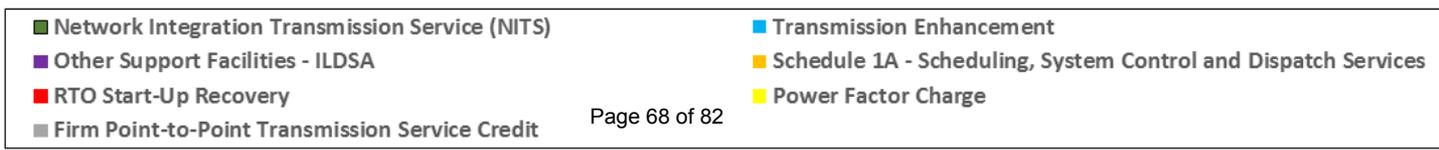
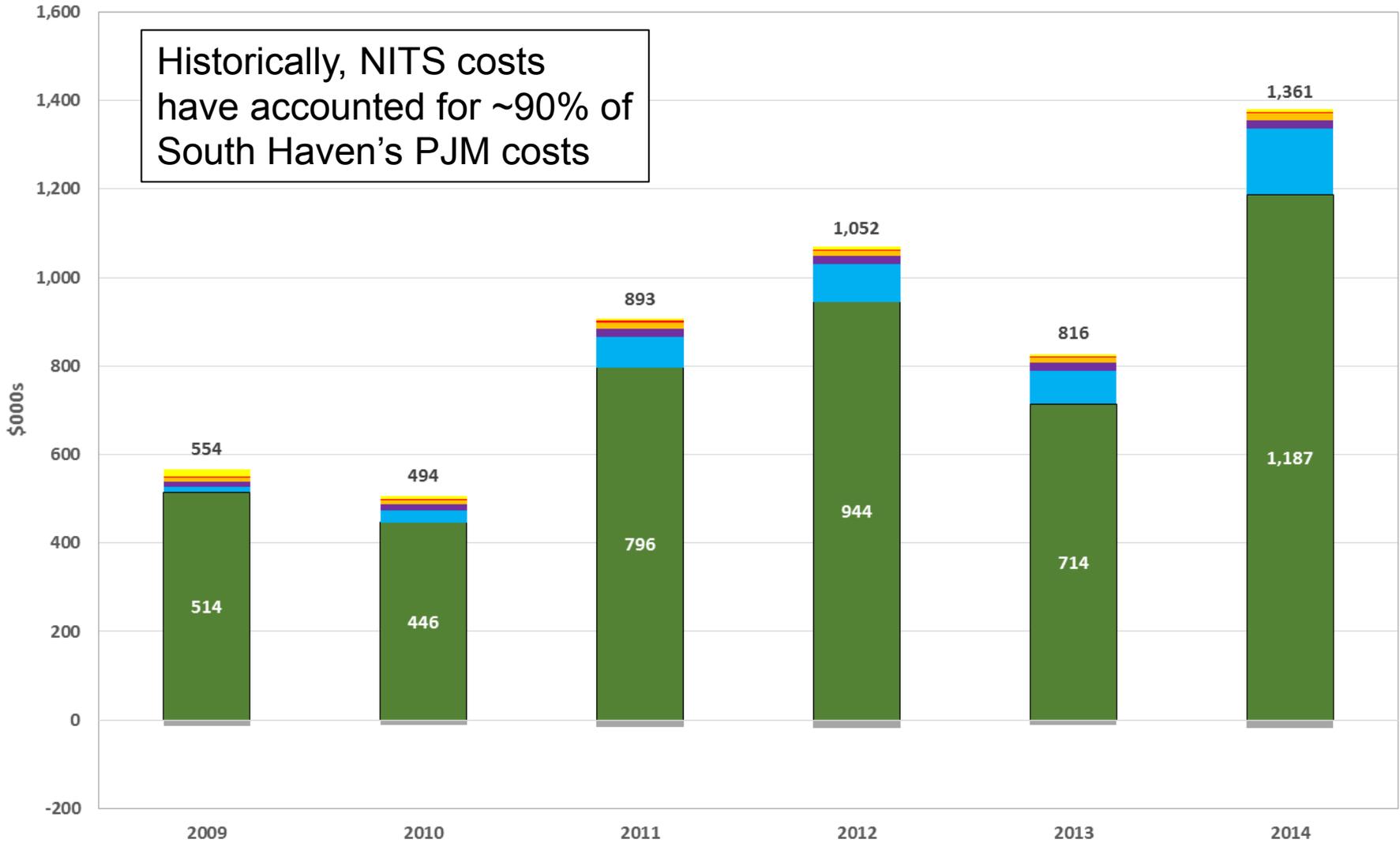


Overview of PJM Charges

Indiana and Michigan
Municipal Distributors Association
March 2015



Historically Billed PJM Costs/Credits



Explanation of NITS and Other PJM Charges

Billing Line Item	Definition	% of Total PJM Charges
Network Integration Transmission Service (NITS)	Paid to transmission owners to develop and maintain the transmission system in each PJM zone	89.1%
Transmission Enhancement	Paid to transmission owners for required transmission enhancement projects (RTEP). Project costs are allocated on a pro-rata basis dependent on the Transmission Customer's network service peak load.	8.1%
Other Support Facilities - ILDSA	Charge for low voltage facilities	1.9%
Schedule 1A - Scheduling, System Control and Dispatch Services	Purchased from PJM by Transmission Customers to schedule energy through, out, within, or into PJM	1.4%
Power Factor Charge	-	0.9%
RTO Start-Up Recovery	Charge to compensate for integrating into PJM. Charge expires in May 2020	0.3%
Firm Point-to-Point Transmission Service Credit	Total firm transmission service revenues allocated to respective zonal network customers based on demand charge ratios	-1.7%

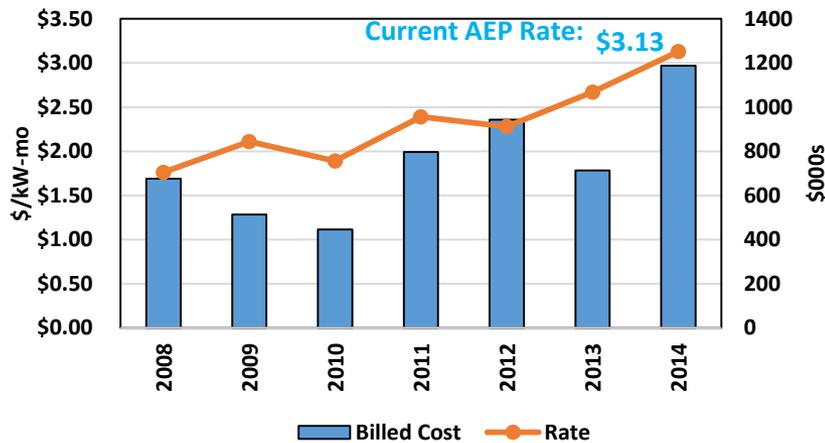


Network Integration Transmission Service (NITS)

- NITS charge is made up of 2 components:

$$\text{NITS Charge (\$)} = \text{NITS Rate (\$/kW-mo)} * \text{1-Hr CP (kW)}$$

Historical AEP Zone NITS Rates



Billing Year	Billing Units (MW)	Season of 1-Hr CP	Time of 1-Hr CP
2008	32.1	Summer	8/8/2007 HE 15
2009	21.2	Winter	1/25/2008 HE 8
2010	18.6	Winter	1/16/2009 HE 8
2011	31.0	Summer	7/23/2010 HE 15
2012	33.7	Summer	7/21/2011 HE 17
2013	24.0	Summer	6/29/2012 HE 15
2014	34.1	Summer	7/18/2013 HE 15

NITS Rate

- NITS rate is specific to each Zone
 - As of 2009, NITS rate changes every July in the AEP Zone
- NITS rate changes based on AEP transmission projects projected for the upcoming year
- NITS rate based on the annual transmission revenue requirement, which includes carrying cost for project capital, debt, and O&M

1-Hr CP

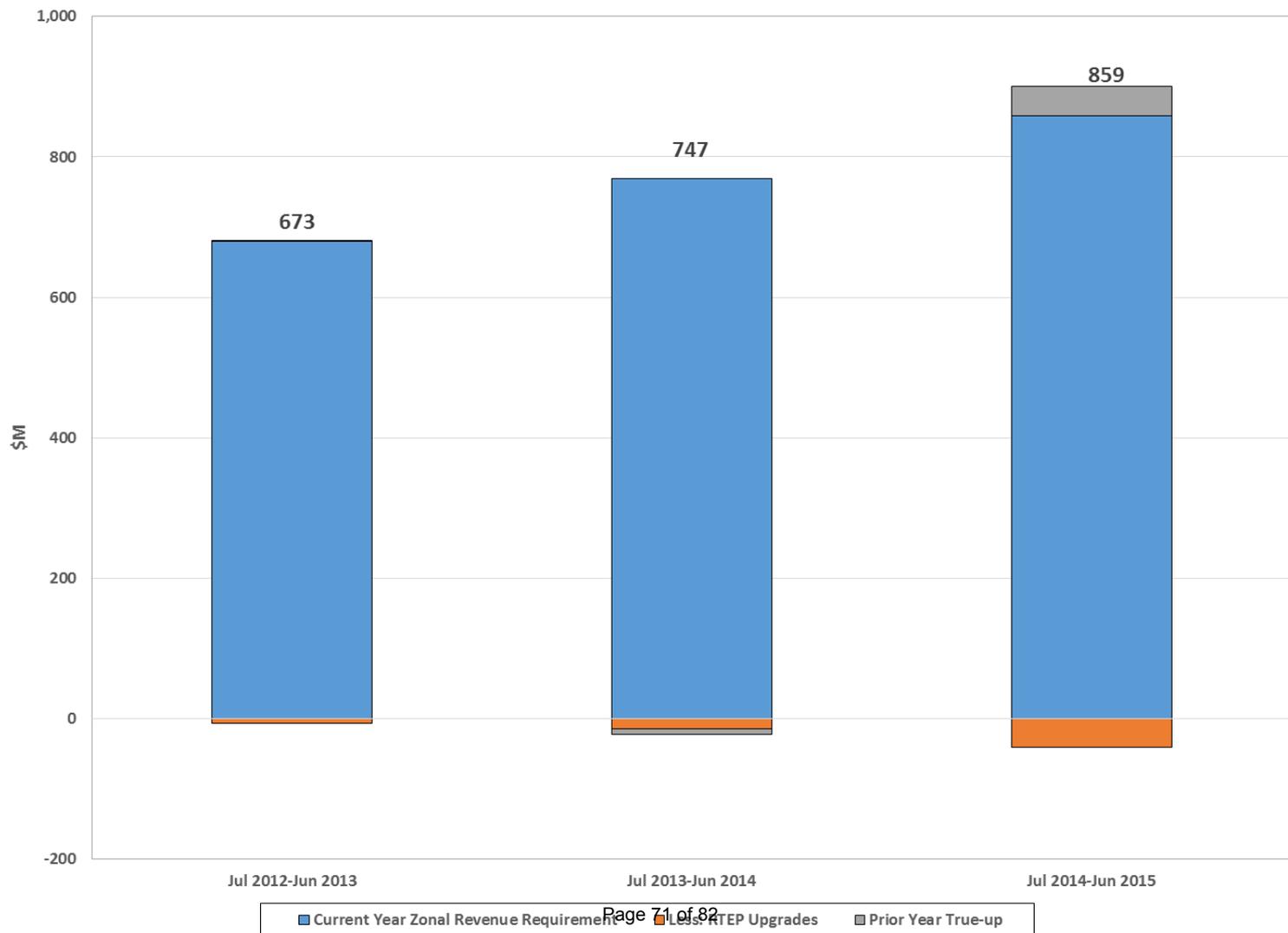
- 1-Hr CP is the coincident load during the annual AEP peak in the previous year
- Peak usually occurs in the Summer or Winter
 - South Haven seems to be summer-peaking and benefits when the AEP peak occurs in the winter
- New 1-Hr is applied every January



AEP Zone

Annual Revenue Requirement Components

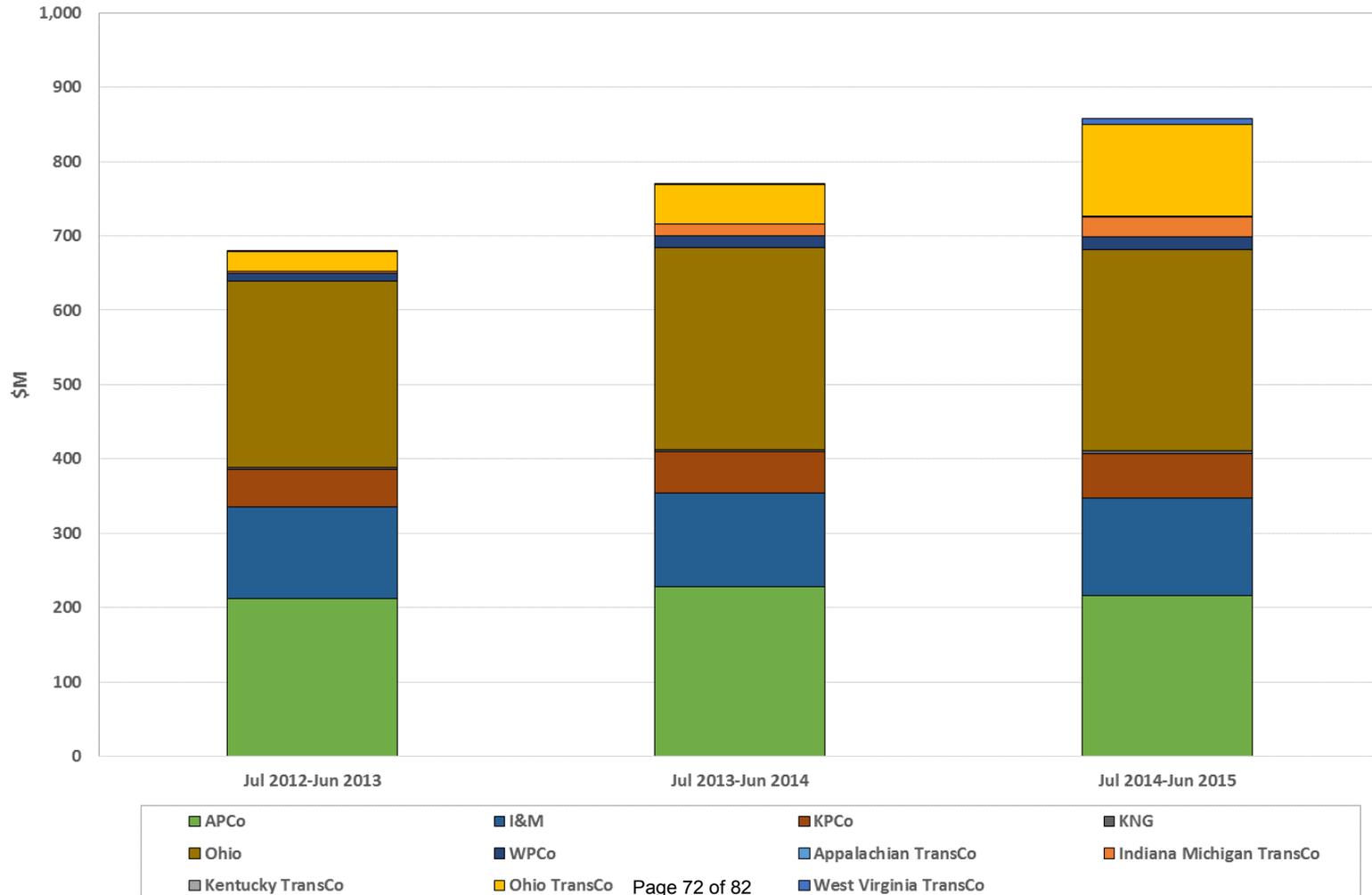
- Annual Revenue Requirement includes carrying costs for project capital, debt, and O&M



AEP Zone

Annual Revenue Requirement by Company

- Recent increases in the AEP Zone annual revenue requirement are primarily due to investments in the Ohio TransCo



I&M TRANSMISSION WORK PLAN UPDATE

Transmission Work Plan Overview
South Bend, Elkhart and Michigan Area

I&M Project Status & Category Summary

Project Status	Quantity
Under Execution	20
Planned	33
Conceptual	22
Total	75

Under Execution: Projects with well defined scope and cost that are currently in engineering or under construction

Planned: Projects with defined scope whose cost is currently being estimated

Conceptual: Projects whose scope is currently being developed

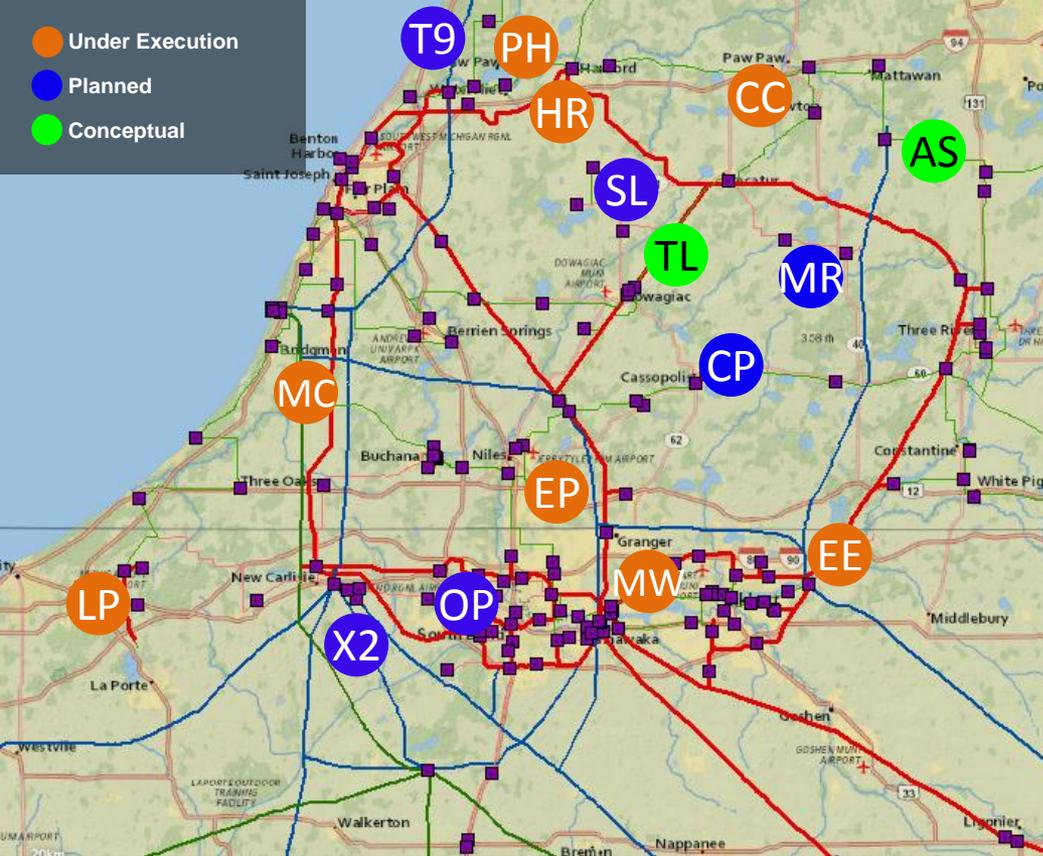
Project Category	Quantity
Baseline	19
Opera. / Rehab	41
Cust. / IPPs	15
Total	75

Baseline: Projects that are addressing AEP or PJM transmission planning criterion violation

Opera. / Rehab: Projects that are addressing an operational issue or are rehab driven

Cust. / IPPs: Project that are required to interconnect a load of a generator

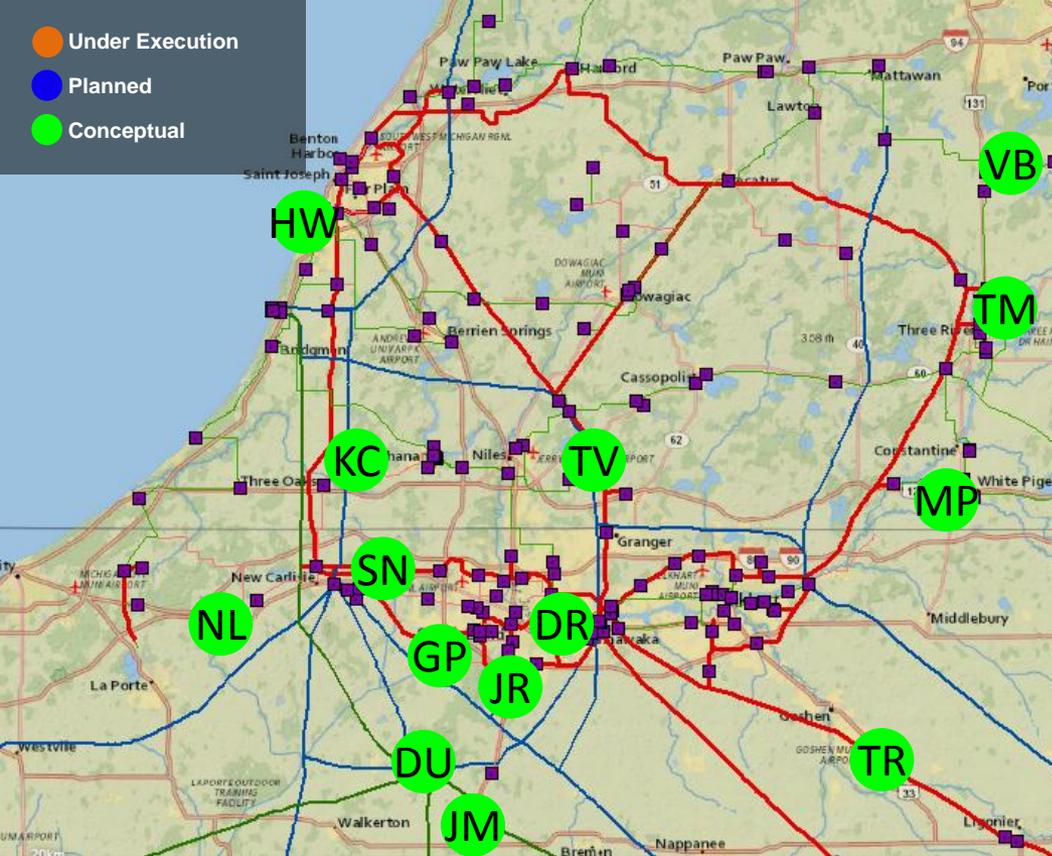
I&M Transmission Projects



Project	Description
PH	Phoenix Road Metering – Upgrade to high side metering
LP	LaPorte Junction Upgrades – Establish a new Bosserman station across the road from existing LaPorte Junction station. Phase 1 approved.
CC	Coca Cola – Establish 69 kV service for Coca Cola out of Murch station.
EE	East Elkhart 345 kV breakers – Replace MOABs with 345 kV CBs. Program Phase 1 approved.
CP	Corey-Pokagon 69 kV – Rebuild as a double ckt 138 kV. In-out at Mottville. Capacitor bank at Pigeon River. Switching improvements at Corey, Stone Lake, Mottville and Kenzie Creek stations.
MR	Marcellus Area Improvements – Construct a new Stinger station and a new delivery point for Midwest REMC. Retire Valley-Marcellus 34.5 kV line. Also retire Marcellus and Nicholsville stations.
SL	Sister Lake Tap Upgrades – Construct a new 34.5 kV (designed for 69 kV) between Hartford and Keeler. Construct a new Rothadew station. Switching improvements at Keeler and Sister Lakes stations.
T9	T-094 IPP – A 1035 MW natural gas plant connecting to Segreto 345 kV station between Benton Harbor and Palisades
X2	X2-052 IPP – A 675 MW natural gas plant connecting at Elderberry 345 kV station between Dumont and Olive
OP	Oliver Plow – Construct a new station to serve Notre Dame
TL	Twin Lakes 138 kV conversion – Establish 138 kV service
AS	Almena – Schoolcraft 69 kV – Establish sectionalizing capability on Almena – Schoolcraft 69 kV line.

Project	Description
EP	Enbridge Pipeline Expansion – Provide service at 69 kV to Enbridge for the increased load at Lakehead station
HR	Hartford Switching Improvements – Retire Coloma Y – Hartford 34.5 kV line and Watervliet 34.5/12 kV distribution station. Establish a new 138/12 kV East Watervliet distribution Station. Switching improvements at Benton Harbor & Hartford 138 kV stations.
MC	Michiana Area Improvements – Establish a 138/69 kV station to boost sub-transmission voltages and mitigate thermal overload concerns. Establish a new 138/12 kV station to retire existing 34.5 kV Galien Station and the 34.5 kV line between New Carlisle and Buchanan Hydro 34.5 kV stations.

- Under Execution
- Planned
- Conceptual



Project	Description
● HW	Hawthorne – Establish new Hawthorne station near existing tap switch OR rebuild tap line as a double circuit tower line and rebuild Hawthorne station.
● VB	Vicksburg – Establish looped service for Vicksburg station by constructing a new line.
● JR	Jackson Road 345 kV breakers – Replace MOABs with 345 kV CBs.
● KC	Kenzie Creek 345 kV breakers – Replace MOABs with 345 kV CBs.
● MP	Mottville – Pigeon River 69 kV Line Rebuild – Rebuild Mottville – Pigeon River 69 kV
● DU	Dumont Station Rehab – Replace 765 kV breakers, reactors and 765/345 kV transformers.
● DR	Dragon In-Out – Establish in and out (looped) service for Dragon station.
● TR	Twin Branch – Robison Park Line Rebuild – Rebuild 138 kV line between Twin Branch and Robison Park stations.
● TS	Twin Branch – South Bend Line Rebuild – Rebuild 138 kV line between Twin Branch and South Bend stations.
● SN	South Bend – New Carlisle Line Rebuild – Rebuild 138 kV line between South Bend and New Carlisle stations.
● TV	Twin Branch – Riverside Line Rebuild – Rebuild 138 kV line between Twin Branch and Riverside stations.
● TM	Three Rivers – Moore Park Line Rebuild – Rebuild 69 kV line between Three Rivers and Moore Park stations.

Project	Description
● NL	New Carlisle – LaPorte Junction Line Rebuild – Rebuild sections of New Carlisle – LaPorte Junction 34.5 kV line to 138 kV. Convert Silver Lake and Springville to 138 kV. Also establish looped service for Liquid Carbonics.
● JM	Jackson Road – Marshall Line Rebuild – Rebuild Jackson Road – Marshall line to 69 kV standards. Convert Lapaz and Quinn station to 69 kV.
● GP	Gravel Pit 138 kV Integration – Convert Gravel Pit to 138 kV by constructing a new 138 kV lines.

Project	Description	Driver	In-Service
EP	Enbridge Pipeline Expansion – Provide service at 69 kV to Enbridge for the increased load at Lakehead station TP2012099	Customer Service	2013
HR	Hartford Switching Improvements – Retire Coloma Y – Hartford 34.5 kV line and Watervliet 34.5/12 kV distribution station. Establish a new 138/12 kV East Watervliet distribution station. Switching improvements at Benton Harbor & Hartford 138 kV stations. TP2007131	Baseline (PJM & AEP Criteria Violation)	2015
MC	Michiana Area Improvements – Establish a 138/69 kV station to boost sub-transmission voltages and mitigate thermal overload concerns. Establish a new 138/12 kV station to retire existing 34.5 kV Galien Station and the 34.5 kV line between New Carlisle and Buchanan Hydro 34.5 kV stations. TP2008094	Baseline (AEP Criteria Violation)	2015
PH	Phoenix Road Metering – Upgrade to high side metering TP2014054	Customer Service	2014
LP	LaPorte Junction Upgrades – Establish a new Bosserman station across the road from existing LaPorte Junction station. Phase 1 approved. TP2010077	Baseline (PJM & AEP Criteria Violation)	2015
CC	Coca Cola Load – Establish 69 kV service for Coca Cola out of Murch station. TP2014083	Customer Service	2015
EE	East Elkhart 345 kV breakers – Replace MOABs with 345 kV CBs. TP2011027	Baseline (PJM & AEP Criteria Violation)	2016
CP	Corey-Pokagon 69 kV – Rebuild as a double ckt 138 kV TP2013028	Baseline (PJM & AEP Criteria Violation)	2017

Project	Description	Driver	In-Service
MR	Marcellus Area Improvements – Construct a new Stinger station and a new delivery point for Midwest REMC. Retire Valley-Marcellus 34.5 kV line. Also retire Marcellus and Nicholasville stations. TP2012195.	Baseline (PJM & AEP Criteria Violation)	2017
SL	Sister Lake Tap Upgrades – Construct a new 34.5 kV (designed for 69 kV) between Hartford and Keeler. Construct a new Rothadew station. Switching improvements at Keeler and Sister Lakes stations. TP2007128	Baseline (PJM & AEP Criteria Violation)	2017
T9	T-094 IPP – A 1035 MW natural gas plant connecting to Segreto 345 kV station between Benton Harbor and Palisades. TP2013016.	Customer Service	2016
X2	X2-052 IPP – A 675 MW natural gas plant connecting at Elderberry 345 kV station between Dumont and Olive. TP2013077.	Customer Service	2016
OP	Oliver Plow – New station to serve Notre Dame University load.	Customer Service	2016
TL	Twin Lakes 138 kV conversion – Establish 138 kV service TP2012140	Customer Service	2018
AS	Almena – Schoolcraft 69 kV – Establish sectionalizing capability on Almena – Schoolcraft 69 kV line.	Supp. (Opera. Perf.)	2016
NL	New Carlisle – LaPorte Junction Line Rebuild – Rebuild sections of New Carlisle – LaPorte Junction 34.5 kV line to 138 kV. Convert Silver Lake and Springville to 138 kV. Also establish looped service for Liquid Carbonics.	Supp. (Opera. Perf.)	Future
JM	Jackson Road – Marshall Line Rebuild – Rebuild Jackson Road – Marshall line to 69 kV standards. Convert Lapaz and Quinn station to 69 kV.	Supp. (Opera. Perf.)	Future
GP	Gravel Pit 138 kV Integration – Convert Gravel Pit to 138 kV by constructing a new 138 kV lines.	Supp. (Opera. Perf.)	Future
HW	Hawthorne – Establish new Hawthorne station near existing tap switch OR rebuild tap line as a double circuit tower line and rebuild Hawthorne station.	Supp. (Opera. Perf.)	Future

Project	Description	Driver	In-Service
VB	Vicksburg – Establish looped service for Vicksburg station by constructing a new line.	Supp. (Opera. Perf.)	Future
JR	Jackson Road 345 kV breakers – Replace MOABs with 345 kV CBs.	Supp. (Opera. Perf.)	Future
KC	Kenzie Creek 345 kV breakers – Replace MOABs with 345 kV CBs.	Supp. (Opera. Perf.)	Future
MP	Mottville – Pigeon River 69 kV Line Rebuild – Rebuild Mottville – Pigeon River 69 kV	Supp. (Opera. Perf.)	Future
DU	Dumont Station Rehab – Replace 765 kV breakers, reactors and 765/345 kV transformers.	Supp. (Opera. Perf.)	Future
DR	Dragoon In-Out – Establish in and out (looped) service for Dragoon station.	Supp. (Opera. Perf.)	Future
TR	Twin Branch – Robison Park Line Rebuild – Rebuild 138 kV line between Twin Branch and Robison Park stations.	Supp. (Opera. Perf.)	Future
TS	Twin Branch – South Bend Line Rebuild – Rebuild 138 kV line between Twin Branch and South Bend stations.	Supp. (Opera. Perf.)	Future
SN	South Bend – New Carlisle Line Rebuild – Rebuild 138 kV line between South Bend and New Carlisle stations.	Supp. (Opera. Perf.)	Future
TV	Twin Branch – Riverside Line Rebuild – Rebuild 138 kV line between Twin Branch and Riverside stations.	Supp. (Opera. Perf.)	Future
TM	Three Rivers – Moore Park Line Rebuild – Rebuild 69 kV line between Three Rivers and Moore Park stations.	Supp. (Opera. Perf.)	Future

I&M Project Status & Category Summary

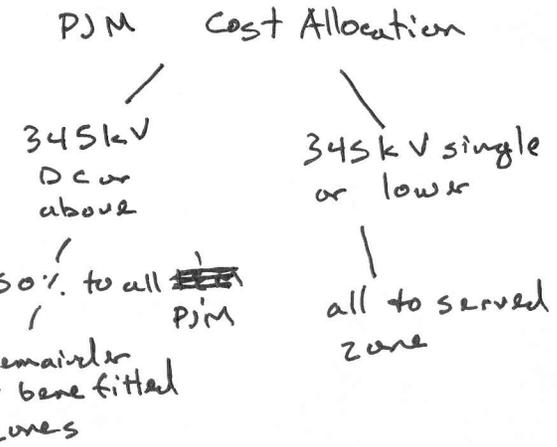
Project Status	Quantity
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Planned	33
Conceptual	22
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Under Execution: Projects with well defined scope and cost that are currently in engineering or under construction

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Conceptual: Projects whose scope is currently being developed

AEP zone
split to 7 states
based on load
NIST charges



RTO mandate - reliability / vulnerability
"short term fixes"

Generation retirements
Rehab due to age
138 kV ~ avg 61 yrs
Load Growth

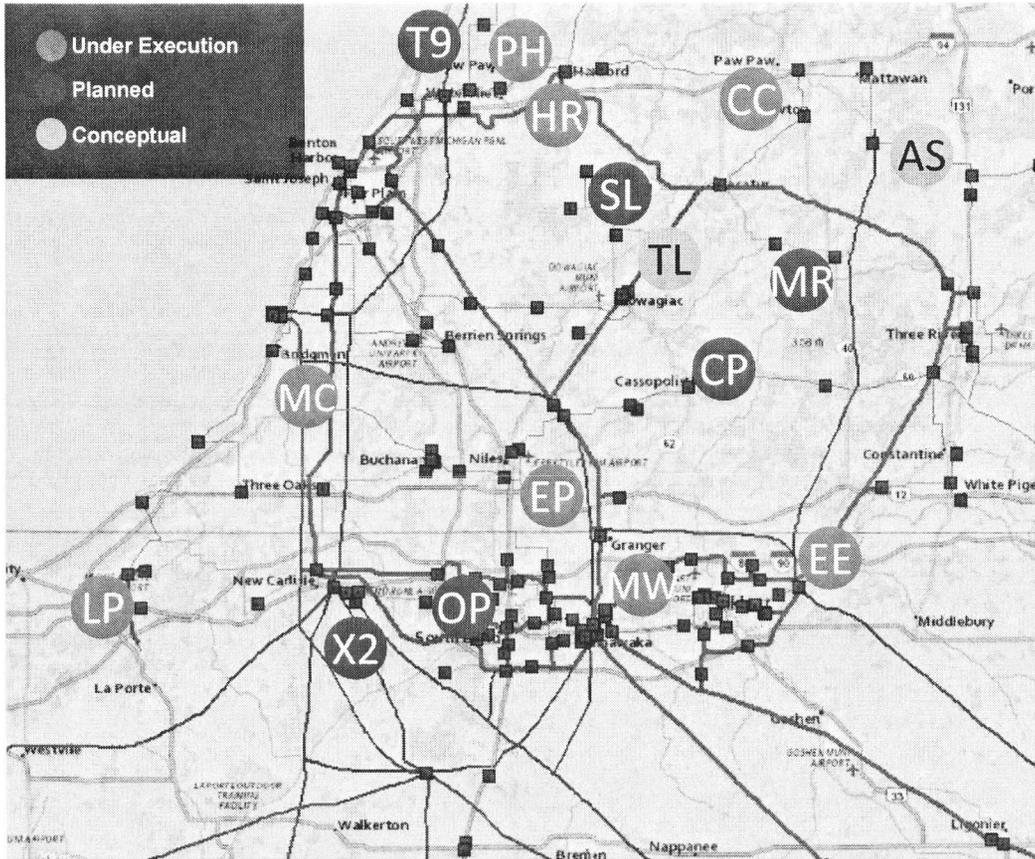
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Cust. / IPPs: Project that are required to interconnect a load or a generator

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I&M Transmission Projects

Project	Description
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LP	LaPorte Junction Upgrades – Establish a new Bosserman station across the road from existing LaPorte Junction station. Phase 1 approved. <i>PJM Mandated</i>
CC	Coca Cola – Establish 69 kV service for Coca Cola out of Murch station.
EE	East Elkhart 345 kV breakers – Replace MOABs with 345 kV CBs. Program Phase 1 approved.
CP	Corey-Pokagon 69 kV – Rebuild as a double ckt 138 kV. In-out at Mottville. Capacitor bank at Pigeon River. Switching improvements at Corey, Stone Lake, Mottville and Kenzie Creek stations.
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T9	T-094 IPP – A 1035 MW natural gas plant connecting to Segreto 345 kV station between Benton Harbor and Palisades <i>Cover Gen. & connection to PJM</i>
X2	X2-052 IPP – A 675 MW natural gas plant connecting at Elderberry 345 kV station between Dumont and Olive
OP	Oliver Plow – Construct a new station to serve Notre Dame
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MC	Michiana Area Improvements – Establish a 138/69 kV station to boost sub-transmission voltages and mitigate thermal overload concerns. Establish a new 138/12 kV station to retire existing 34.5 kV Galien Station and the 34.5 kV line between New Carlisle and Buchanan Hydro 34.5 kV stations. <i>PJM Mandated</i>

7500 MW retirements in Ohio in 2015
PJM mandates:

\$ 2.5 B in trans. improvements over next 4 yrs

Further uncertainty due to EPA and add'l retirements

Rehab costs are unknown

~10-15% inflation for 5-7 yrs