

The Croswell City Council met in Public Hearing & Regular Session April 20, 2009, at the William Aitkin Memorial Library, 111 N. Howard Ave., Croswell, MI. Mayor Macklem called the meeting to order at 7:30 P.M.

Present: G. Macklem, M. Willis, M. O'Veil, M. McMillan, J. Geiger

Administration: City Administrator Dave Tait, City Clerk Suzanne Dobson

Guests: Electric Supervisor Jack Williams, Jeffersonian Reporter Margaret Whitmer

I. **PLEDGE OF ALLEGIANCE:**

- II. **Approval of Minutes** from the Regular Council Meeting of April 6, 2009  
Willis moved to approve the minutes of April 6, 2009 as presented, second by McMillan.  
Motion Carried.

- III. **Public Comments:**  
None

- IV. **APPROVAL OF AGENDA:**  
O'Veil moved to approve the agenda as presented, second by Willis. Motion Carried.

- V. **BOB ARMSTRONG – WMIC – ACTIVITY GUIDE:**  
Bob Armstrong from WMIC presented the cost for the Activity Guide for 2009 at the price of \$1,099.00, the same as 2008. This covers 90 commercials and full page in the Activity Guide and also a donated extra page to promote Croswell.

McMillan moved to approve the cost of \$1,099 for the 2009 Activity Guide, second by O'Veil. Motion Carried.

- VI. **PUBLIC HEARING – THE CLEAN, RENEWABLE AND EFFICIENT ENERGY ACT 295 OF 2008:**  
O'Veil moved to open the Public Hearing at 7:40 p.m. for The Clean, Renewable and Efficient Energy Act of 2008, second by Geiger. Motion Carried.

Electric Supervisor Jack Williams presented the Croswell Light and Power Energy

**Optimization Plan**

Pursuant to 2008 Public Act 295 (PA 295) the Croswell Light and Power Department is required to file an EO plan with the MPSC. The objective of the plan is to encourage rate payers to reduce kilowatt hour consumption which will help reduce the over all power consumption in the State of Michigan.

All rate payers will participate in the program. Starting in the month of June 2009 Croswell rate payers will notice a new line item on their bill with a dollar amount on that line item. Croswell Light and Power has designed six different categories in the plan. The categories are listed on page four of the EO plan.

The average residential customer will see an estimated dollar amount of \$1.00 per month on their bill. The average customer in Croswell uses 560 kwhr a month. Commercial and industrial customers will see a much wider dollar amount range on their bill.

The EO plan will assist electric customers in using more energy efficient items such as lighting devices, appliances, refrigerator/freezer recycling, efficient HVAC equipment, etc.

Croswell City Hall will be issuing CFL's to customers in the near future. Energy efficient appliance credits will also be considered.

The Croswell Light and Power EO plan will be reviewed on an annual basis.

All monies collected for this program will be kept in a separate account and used exclusively for the EO program.

### **Renewable Energy Plan**

On October 6, 2008 Governor Jennifer M. Granholm signed into law the "Clean, Renewable, and Efficient Energy Act." Public Act 295 requires certain electric providers including Michigan's municipalities to participate in this program.

The REN will be implemented in 2012. Croswell will be required to purchase 6% of its energy from a renewable energy source in 2012. The most cost effective method at this time is to acquire this energy through a renewable energy credit program. This program will be offered through our wholesale provider. The required energy percentages of RECS will increase to 10 % in 2015.

The renewable energy sources will include wind, solar, biomass, kinetic energy of moving water, geothermal energy, landfill gas to name a few.

All electric customers will see an additional charge on their bill in 2012 for the renewable energy plan. The charges that will occur in 2012 will be as follows: 1. Residential - \$3.00 a month; 2. Commercial - \$16.58 a month; Industry - \$187.50 a month.

Public Hearing will be held open.

VII. **WENDY FALLS – HDC – HOME PURCHASE REHAB & HOUSING & COMMUNITY DEVELOPMENT PROGRAM:**

Not present

VIII. **CORRESPONDENCE:**

- a. Cemetery Advisory Minutes – April 8, 2009: Receive and file.
- b. SEMCO Energy – hearing rates: Receive and file.

IX. **ADMINISTRATOR'S REPORT:**

- Swinging Bridge Repairs are underway
- Jackson St. culvert
- Grindings have been taken to the Harrington Rd. Path to the west of American Legion.
- Developer purchased building across from City Hall
- Eagle Scout dinner

X. **COUNCIL MEMBER REPORT:**

- A. Macklem: Fire hydrant replacement. Ans: A few years ago when budget cuts began this was one of them. Hydrants are replaced and painted as needed.
- B. Willis: Requesting to have 2 basketball nets at Truman Park. Ans: Spoke with Police and there is an issue of noise on the courts. Will give to the Parks & Recreation Committee to review.
- C. No report
- D. McMillan: Car lot on the corner of N. Howard and State St., does it have all the proper zoning and licensing? Ans: City Administrator will check.
- E. Geiger: 1. Water shut offs on N. Howard on the sidewalks are still sticking up. Ans: DPW was waiting for the freezing weather to clear before tapping down; 2. MDOT stimulus funds. Ans: Funds are for roads on a main trunk line.

XI. **UNFINISHED BUSINESS:**

None

XII. **NEW BUSINESS:**

a. Close Public Hearing:

Mayor Macklem asked if there were any further questions regarding Public Act 295 of 2008.

Geiger moved to close the Public Hearing at 8:17 p.m., second by McMillan. Motion Carried.

1. Approve Energy Optimization Plan & Rates: McMillan moved to approve the Energy Optimization Plan as presented, second by Willis.

Roll Call Vote: McMillan, yes; Willis, yes; O'Vell, yes; Geiger, yes; Macklem, yes. 5 yeas, 0 nays. Motion Carried.

2. Renewable Energy Plan: O'Vell moved to approve the Renewable Energy Plan as presented, second by Willis. Motion Carried.

Roll Call Vote: O'Vell, yes; Willis, yes; Geiger, yes; McMillan, yes; Macklem, yes. 5 yeas, 0 nays. Motion Carried.

b. Paving Equipment:

Cemetery Board has recommended the approval of paving equipment. Paver - \$9,999; Roller - \$2,500; Trailer - \$2,500. Downtown Development Authority has approved to contribute 1/6<sup>th</sup> of the cost. This equipment will be used in the Cemetery for creating roads, bike path overlay, road patching, parking lots. When there are small projects the cost is higher.

Geiger moved to approve the purchase of the paving equipment, second by Willis. Motion Carried.

c. Croswell Lions – White Cane Sale: Geiger moved to allow the Croswell Lions to hold their White Cane Sale on May 1<sup>st</sup> and May 2<sup>nd</sup>, second by O’Vell. Motion Carried.

d. Identity Theft Program – Resolution:

Geiger moved to adopt Resolution #03-20-2009 enact and implement an Identity Theft Prevention Program, second by O’Vell.

Roll Call Vote: Geiger, yes; O’Vell, yes; Willis, yes; McMillan, yes; Macklem, yes. 5 yeas, 0 nays. Motion Carried.

RESOLUTION #04-20-2009

RESOLUTION AUTHORIZING THE CITY ADMINISTRATOR TO ENACT AND IMPLEMENT AN “IDENTITY THEFT PREVENTION PROGRAM”.

WHEREAS, identity thieves use people’s personally identifying information to open new accounts and misuse existing accounts, creating havoc for consumers and businesses; and

WHEREAS, on November 9, 2007, the Federal Trade Commission (“FTC”), the federal bank regulatory agencies, and the National Credit Union Administration finalized the rulemaking in the Federal Register (72 FR 63718) the Identity Theft Red Flags regulations and guidelines, and

WHEREAS, this rule, promulgated pursuant to the Fair and Accurate Credit Transactions Act of 2003 (“FACTA”) requires financial institutions and creditors, including utilities, to develop and implement written “identity theft prevention programs”.

NOW THEREFORE BE IT RESOLVED, that the City of Croswell establishes an Identity Theft Prevention Program to detect, prevent and mitigate identity theft. The Program shall include reasonable policies and procedures; and

BE IT FINALLY RESOLVED, that the Croswell City Council directs the policy to be enacted immediately upon the approval of the City Administrator and the adoption of the Program as an administrative regulation of the City. Revisions to the policy shall only be enacted when approved by the City Administrator and adopted as an amended administrative regulation of the City.

## CERTIFICATION

I, SUZANNE DOBSON, City Clerk of Croswell, do hereby certify that Resolution #04-20-2009 was adopted by the City of Croswell at a Regular meeting of the City of Croswell Council held at the Wm. Aitkin Memorial Library on the 20<sup>th</sup> day of April, 2009.

Vote on this Resolution,   5   members being present was as follows:

AYES: Geiger, O’Vell, Willis, McMillan, Macklem

NAYS: \_\_\_\_\_

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Gary Macklem, Mayor

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Suzanne M. Dobson, CMC  
City Clerk

### **City of Croswell Policy of the Identity Theft Prevention Program**

#### **Purpose**

To establish an Identity Theft Prevention Program designed to detect, prevent and mitigate identity theft in connection with the opening of a covered account or an existing covered account and to provide for continued administration of the Program in compliance with Part 681 of Title 16 of the Code of Federal Regulations implementing Sections 114 and 315 of the Fair and Accurate Credit Transactions Act (FACTA) of 2003.

#### **The Program**

City of Croswell establishes an Identity Theft Prevention Program to detect, prevent and mitigate identity theft. The Program shall include reasonable policies and procedures to:

1. Identify relevant red flags for covered accounts it offers or maintains and incorporate those red flags into the program;
2. Detect red flags that have been incorporated into the Program;
3. Respond appropriately to any red flags that are detected to prevent and mitigate identity theft; and
4. Ensure the Program is updated periodically to reflect changes in risks to customers and to the safety and soundness of the creditor from identity theft.

The program shall, as appropriate, incorporate existing policies and procedures that control reasonably foreseeable risks.

#### **Definitions**

**Identify theft** means fraud committed or attempted using the identifying information of another person without authority.

A covered account means:

1. An account that a financial institution or creditor offers or maintains, primarily for personal, family, or household purposes that involves or is designed to permit multiple payments or transactions. Covered accounts include credit card accounts, mortgage loans, automobile loans, margin accounts, cell phone accounts, utility accounts, checking accounts and savings accounts; and
2. Any other account that the financial institution or creditor offers or maintains for which there is a reasonably foreseeable risk to customers or to the safety and soundness of the financial institution or creditor from identity theft, including financial, operational, compliance, reputation or litigation risks.

A red flag means a pattern, practice or specific activity that indicates the possible existence of identity theft.

#### **Administration of Program**

1. Croswell City Administrator shall be responsible for the development, implementation, oversight and continued administration of the Program.
2. The Program shall train staff, as necessary, to effectively implement the Program; and
3. The Program shall exercise appropriate and effective oversight of service provider arrangements.

#### **Identification of Relevant Red Flags**

1. The Program shall include relevant red flags from the following categories as appropriate:
  - a. Alerts, notifications, or other warnings received from consumer reporting agencies or service providers, such as fraud detection services;
  - b. The presentation of suspicious documents;
  - c. The presentation of suspicious personal identifying information;
  - d. The unusual use of, or other suspicious activity related to, a covered account; and
  - e. Notice from customers, victims of identity theft, law enforcement authorities, or other persons regarding possible identity theft in connection with covered accounts.

2. The Program shall consider the following risk factors in identifying relevant red flags for covered accounts as appropriate:

- a. The types of covered accounts offered or maintained;
- b. The methods provided to open covered accounts;
- c. The methods provided to access covered accounts; and
- d. Its previous experience with identity theft.

3. The Program shall incorporate relevant red flags from sources such as:

- a. Incidents of identity theft previously experienced;
- b. Methods of identity theft that reflect changes in risk; and
- c. Applicable supervisory guidance.

### **Detection of Red Flags**

The Program shall address the detection of red flags in connection with the opening of covered accounts and existing covered accounts, such as by:

1. Obtaining identifying information about, and verifying the identity of, a person opening a covered account; and
2. Authenticating customers, monitoring transactions, and verifying the validity of change of address requests in the case of existing covered accounts.

### **Response**

The Program shall provide for appropriate responses to detected red flags to prevent and mitigate identity theft. The response shall be commensurate with the degree of risk posed. Appropriate responses may include:

1. Monitor a covered account for evidence of identity theft;
2. Contact the customer;
3. Change any passwords, security codes or other security devices that permit access to a covered account;
4. Reopen a covered account with a new account number;
5. Not open a new covered account;
6. Close an existing covered account;
7. Notify law enforcement; or
8. Determine no response is warranted under the particular circumstances.

### **Updating the Program**

The Program shall be updated periodically to reflect changes in risks to customers or to the safety and soundness of the organization from identity theft based on factors such as:

1. The experiences of the organization with identity theft;
2. Changes in methods of identity theft;

3. Changes in methods to detect, prevent and mitigate identity theft;
4. Changes in the types of accounts that the organization offers or maintains;
5. Changes in the business arrangements of the organization, including mergers, acquisitions, alliances, joint ventures and service provider arrangements.

### **Oversight of the Program**

1. Oversight of the Program shall include:
  - a. Assignment of specific responsibility for implementation of the Program;
  - b. Review of reports prepared by staff regarding compliance; and
  - c. Approval of material changes to the Program as necessary to address changing risks of identity theft.
2. Reports shall be prepared as follows:
  - a. Staff responsible for development, implementation and administration of the Program shall report to the Croswell City Administrator at least annually on compliance by the organization with the Program.
  - b. The report shall address material matters related to the Program and evaluate issues such as:
    - i. The effectiveness of the policies and procedures in addressing the risk of identity theft in connection with the opening of covered accounts and with respect to existing covered accounts;
    - ii. Service provider agreements;
    - iii. Significant incidents involving identity theft and management's response; and
    - iv. Recommendations for material changes to the Program.

### **Oversight of Service Provider Arrangements**

The organization of Croswell Utilities take steps to ensure that the activity of a service provider is conducted in accordance with reasonable policies and procedures designed to detect, prevent and mitigate the risk of identity theft whenever the organization engages a service provider to perform an activity in connection with one or more covered accounts.

### **Duties Regarding Address Discrepancies**

The organization of Croswell Utilities shall develop policies and procedures designed to enable the organization to form a reasonable belief that a credit report relates to the consumer for whom it was requested if the organization receives a notice of address discrepancy from a nationwide consumer reporting agency indicating the address given by the consumer differs from the address contained in the consumer report.

The organization of Croswell Utilities may reasonably confirm that an address is accurate by any of the following means:

1. Verification of the address with the consumer;
2. Review of the utility's records;
3. Verification of the address through third-party sources; or
4. Other reasonable means.

If an accurate address is confirmed, the organization of Croswell Utilities shall furnish the consumer's address to the nationwide consumer reporting agency from which it received the notice of address discrepancy if:

1. The organization establishes a continuing relationship with the consumer; and
2. The organization, regularly and in the ordinary course of business, furnishes information to the consumer reporting agency.

#### **Authority and revisions**

This policy is enacted immediately upon the approval of the City Administrator and the adoption of the Program as an administrative regulation of the City. Revisions to this policy shall only be enacted when approved by the city Administrator and adopted as an amended administrative regulation of the City. This policy shall be reviewed at least annually by the City Administrator.

e. Recycling Dumpster:

Discussion of the recycling dumpster that council agreed to have removed from the city property on Mills St. Council member Willis requested further discussion.

Businesses and school used the dumpster. It has been heard that the school is looking into recycling for themselves only. There are recycling dumpsters in Peck and Carsonville. Not willing to have it on city property and city employees cleaning it up when it is a county project.

City Administrator to look into.

#### XIII. PUBLIC COMMENTS

None

#### XIV. APPROVAL OF ACCOUNTS PAYABLE:

O'Vell moved to approve the accounts payable for the amount of \$259,578.88 and the bills be paid, second by McMillan. Motion Carried.

XV. **CLOSED SESSION – UNION NEGOTIATIONS:**

O’Vell moved to go into closed session at 8:45 p.m. for union negotiations discussion, second by Willis.

Roll Call Vote: O’Vell, yes; Willis, yes; McMillan, yes; Geiger, yes. Macklem, yes. 5 yeas, 0 nays. Motion Carried.

O’Vell moved to come out of closed session at 9:50 p.m., second by McMillan. Motion Carried.

XVI. **2009 – 2010 BUDGET SESSION:**

Budget Session scheduled for April 27<sup>th</sup> at 7:30 p.m. at City Hall.

XVII. **ADJOURNMENT:**

With no further business Mayor Macklem adjourned the meeting.

Meeting adjourned at 9:52 p.m.

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Gary Macklem, Mayor

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Suzanne Dobson, CMC  
City Clerk