

Council Chamber, Feb. 2, 1903.

Regular session.

Called to order by Pres. Haarer.

Roll call: Present—Ald. Hamilton, Douglas, Schlenker, Clancy, Kearns, Schumacher, Johnson, Roberts, Grose, Coon, Fischer, Pres. Haarer—12. Absent—Ald. Koch, Jenney—2.

Minutes of previous meeting read and approved.

COMMUNICATIONS AND PETITIONS.

Mayor's Office,

Ann Arbor, Mich, Feb. 2, 1903.

To the Honorable the Common Council:

Gentlemen—The finance committee will report in detail the condition of the city funds and that statement will speak for itself. It fully answers our critics and will satisfy all inquiries as to the city's financial condition. In the light of that report I desire to make a suggestion relative to the proposed bonding bill.

By an unfortunate mistake in transcribing, there was read into the bill as it passed the legislature a meaning not intended by the common council, the city attorney or the mayor. Immediately upon its discovery the city attorney telegraphed our representative to withdraw the measure for amendment.

The bill is intended to provide a sum of money to take care of the overdraft of July first and for no other purpose. Nearly three months have elapsed since it was prepared and we can now more accurately estimate the amount needed. At our request, Mr. Seyler has made a detailed investigation and estimates the city's indebtedness on July first at about \$24,000

While the original measure did not fix the amount of the bond issue, but named simply the sum beyond which you could not go, we know that \$40,000 is much more than will be required. I recommend, therefore, that the limit of the bill be reduced to \$25,000. No more will be required

and our citizens will better understand the smaller amount.

It speaks well for the economy of your honorable body that in spite of the great calamity of the flood the overdraft has not increased during the present year. Our people when they fully appreciate your efforts will manifest their approval. With this debt wiped out there is no reason why the tax rate next year should not be smaller than it has been for some time. In the past it has been necessary to include something to reduce the old debt. With this out of the way the rate will be greatly reduced, to less than six dollars, I believe. Every taxpayer will appreciate that blessing.

Respectfully,
R. S. COPELAND,
Mayor.

Read and on request action was deferred until after the report of the finance committee.

Ann Arbor, Mich., Jan. 22, 1903.

To the Honorable the Common Council:

Gentlemen—According to contract our bond should be released upon payment of all bills. Everything is paid and trusting that you are satisfied of same, we request the return of the bonds.

Yours truly,
THE NATIONAL BRIDGE CO.
By G. H. Smith, Agent.

Referred to city attorney to report at next meeting.

FINANCE.

Ann Arbor, Mich., Feb. 2, 1903.

To the Common Council:

Gentlemen—Your committee on finance have had the following bills under consideration, and recommend their allowance, and that warrants be drawn for the same, payable when the money is in the treasury.

Respectfully submitted,
F. M. HAMILTON,
H. W. DOUGLAS,
Committee.

Contingent Fund—

H. Wert Newkirk, salary...	\$	8	34
M. E. Easterly, salary.....		20	00

Marvin Davenport, salary...	6 25	Ald. Schumacher, election, inspection, etc.....	14 00
A. J. Sawyer, salary.....	50 00	Ald. Johnson, election, inspection, etc.....	14 00
E. W. Groves, salary.....	100 00	Ald. Grose, election, inspection, etc.....	14 00
Jas. E. Harkins, salary.....	83 34	Ald. Roberts, election, inspection, etc.....	14 00
E. L. Seyler, salary.....	83 34	Ald. Coon, election, inspection, etc.....	14 00
Mrs. C. A. Green, rent.....	29 17	Ald. Jenney, election, inspection, etc.....	14 00
C. Georg, Jr., salary.....	37 50	Ald. Burg, election, inspection, etc.....	14 00
W. B. Hinsdale, salary.....	37 50	Ald. Fischer, election, inspection, etc.....	14 00
N. Garlinghouse, salary.....	12 50	Pres. Haarer, election, inspection, etc.....	14 00
H. B. Dodsley, salary.....	25 00		
Michigan Telephone Co, telephones	61 00		\$1502 66
Washtenaw Abstract Co., abstract	36 50	Street Fund—	
Ann Arbor Argus, printing..	31 60	Dan Ross, salary.....	\$ 83 00
Michael Staebler, coal.....	56 32	Kenny & Quinlan, supplies...	8 84
W. B. Hinsdale, postage.....	9 00	Luick Brothers, lumber.....	13 11
The Campus Press, printing	13 95	Victor G. Benz, supplies.....	2 80
Western Union Telegraph Co., telegram	40	Jno. C. Fischer, supplies.....	5 45
Ambrose Kearney, supplies..	1 55	State Savings Bank, accounts assigned	72 61
Karel E. Gauss, book binding	35		\$ 185 81
Eberbach Pharmacy, supplies	12 00	Fire Fund—	
Kenny & Quinlan, supplies...	29 80	Fred Siple, salary.....	\$ 60 00
W. S. Piper, supplies and labor	10 73	C. A. Edwards, salary.....	55 00
J. F. Schuh, supplies and labor	20 05	Wm. H. McLaren, salary....	50 00
Samuel Crocker, services.....	50 00	Max Whitlinger, salary.....	50 00
J. J. West, draying.....	1 00	Albert West, salary.....	50 00
Luick Brothers, lumber.....	1 73	Eugene Williams, salary....	50 00
Louis Rohde, pipe and coal..	185 16	Herman Kirn, salary.....	50 00
Robinson & Co., livery.....	7 50	Samuel McLaren, salary....	50 00
J. C. Wilson, election fees...	2 00	Chas. Andrews, salary.....	50 00
Chas. F. Meyers, printing....	1 75	Fred Nordman, salary.....	45 00
H. G. Prettyman, meals, 6th ward	3 50	Chas. Carroll, salary.....	25 00
Geo. Wahr, supplies.....	17 88	Ed. Hill, salary.....	8 00
Sid W. Millard, printing charter and ordinances.....	245 25	Ralph Edwards, salary.....	8 00
Toby Green, draying.....	50	Cornell & Eslinger, horse shoeing	10 00
Ald. Hamilton (Y. M. C. A.) election, inspection, etc....	14 00	Esslinger Bros., horse shoeing	12 35
Ald. Douglas, election, inspection, etc.....	14 00	Kearns & Cornell, horse shoeing	1 10
Ald. Koch, election, inspection, etc.....	14 00	Jno. C. Fischer, supplies.....	6 06
Ald. Schlenker, election, inspection, etc.....	14 00	Geo. W. Sweet, supplies.....	10 00
Ald. Clancy, election, inspection, etc.....	14 00	Luick Brothers, lumber.....	4 13
Ald. Kearns, election, inspection, etc.....	14 00	Kenny & Quinlan, repairs...	7 15
		Chas. Kapp, oats.....	32 34

A. P. Ferguson, wagon spring	1 00
J. A. Brown, supplies.....	1 14
Michigan Milling Co., oats...	13 42
Mrs. Ream, washing.....	6 00

\$ 655 69

Police Fund—

F. H. Warren, salary.....\$	75 00
Harris Ball, salary.....	50 00
Geo. Isbell, salary.....	50 00
John O'Mara, salary.....	50 00
David Collins, salary.....	50 00
William Arnold, repairs.....	60
Polhemus Transfer Line, hack	2 50

\$ 278 10

Poor Fund—

Fred Siple, salary.....\$	10 00
T. G. Wallace, wood.....	60 00
James Boyle, supplies.....	3 00
J. Eschelbach, supplies.....	1 76
Mrs. J. Goetz, supplies.....	5 37
Wm. Goetz, supplies.....	4 15
E. B. Hall, supplies.....	4 25
G. Hoeffler, supplies.....	4 00
A. G. Koch, supplies.....	2 85
W. F. Ludholz, supplies.....	7 43
Miller & Pray, supplies.....	2 73
F. J. Muehlig, supplies.....	10 00
Geo. Miller, supplies.....	4 25
Louis Rohde, supplies.....	15 50
H. Richards, supplies.....	3 00
Rinsey & Seabolt, supplies...	10 35
C. Rinsey, supplies.....	5 59
W. F. Stimson, supplies.....	4 17
M. Staebler, supplies.....	4 25
M. M. Seabolt, supplies.....	3 08
Geo. Spathelf, supplies.....	1 00
C. Zuern, supplies.....	2 07

\$ 168 80

Dog Fund—

J. Freeman, burying cat.....\$	50
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RECAPITULATION.

Contingent fund.....\$	1502 46
Street fund.....	185 81
Fire fund.....	655 69
Police fund.....	278 10
Poor fund.....	168 80
Dog fund.....	50

\$2791 36

Ald. Clancy moved that the aldermen's pay be eliminated from the report. Lost.

Adopted as follows:

Yeas—Ald. Hamilton, Douglas, Roberts, Grose, Coon, Fischer, Pres. Haarer—7. Nays—Ald. Schlenker, Clancy, Kearns, Schumacher, Johnson—5.

The motion to adopt the Finance Report was lost as follows:

Yeas—Ald. Hamilton, Douglas, Roberts, Grose, Coon, Fischer, Pres. Haarer—7. Nays—Ald. Schlenker, Clancy, Kearns, Schumacher, Johnson—5.

To the Honorable Common Council, City of Ann Arbor:

The mayor and finance committee, composed of Aldermen F. M. Hamilton, Coon and Douglas, have requested me to make a statement of the condition of the funds of the city of Ann Arbor at the present time. I shall endeavor to my best ability, in the short time, to make clear to your honorable body the state of finances as I find them.

For the benefit of the public, I will explain in brief the mode of paying money out of the city treasury:

A report of all bills to be paid during any one month is made out by the city clerk and submitted to the committee on finance the Friday before the first Monday of each month for approval, after which they are passed upon by the common council at its next regular meeting, and if again approved, the clerk is ordered to draw warrants for same. These are issued, drawn upon the various funds as per finance report. At the end of the month, they are taken from the bank by the city treasurer, who charges same to funds upon which they were drawn, and in no case whatever has he authority to debit any account not designated upon face of warrant.

There are three reports sent by the treasurer to the common council monthly, under the heads of "city fund," "sewer fund" and "pavement

fund." and each report has its balance, whether on hand or overdrawn.

The balances, as they appear upon the city treasurer's reports ending December 31, 1902, are as follows:

Pavement fund—on hand...	\$27,497	81
Sewer fund—overdrawn....	15,790	14
City funds—on hand.....	41,213	05

PAVEMENT FUND.

When any contract is let for paving, bonds are not usually issued until the final estimate is received from the city engineer, who gives the entire cost of such improvement. The contractors are allowed from time to time, as the work progresses, an amount of money up to a certain percentage of the work done. There exists no actual account with said pavement district until the bonds are sold, at which time the amount received from sale is placed to the credit of labor account, paving district No. 5, State street, as in this case.

The following amounts were paid to Lanane Bros., contractors for State street, during the progress of the work and amounted to \$30,189.55, taken from the street fund temporarily and can be returned to said account only by resolution of the council upon completion of the job and sale of bonds.

Sept. 9, 1902. Warrant No.		
21811, Lanane Bros....	\$ 9,483	30
Oct. 21, 1902. Warrant No.		
21915, Lanane Bros.....	11,188	03
Nov. 18, 1902. Warrant No.		
22012, Lanane Bros.....	9,518	22
Total	\$30,189	55

The amount received from sale of bonds was \$31,779.00 and accrued interest \$63.56 (\$31,779.00 face of bonds), passed to credit of labor account, paving district No. 5, and \$63.56 to tax account, district No. 5.

In the matter of Ann street pavement, being district No. 6, I find the following:

Warrant No. 21914 issued Oct. 6 to Clarken & Schneider, contractors, for \$3,064.19 against district 5 (intended for No. 6) and warrant No. 22005,

Nov. 5 for \$162.11 to same parties; total \$3,226.30.

The bonds sold realized \$3,404.65 and was passed to credit of labor account, paving district No. 6, and accrued interest and premium \$27.97 to tax account, district No. 6.

When the council transfers by resolution the amount paid to Lanane Bros. from labor account, paving district No. 5, to street fund, it will leave a balance on hand in this district (pavement), \$1,589.45; and also from labor account, paving district No. 5, to labor account, district No. 6, the amount advanced to Clarken & Schneider amounting to \$3,226.30, there will then be a credit balance of \$169.85 in this district. These balances, which are retained for one year, are 5 per cent of the total cost of the pavements.

SEWER FUNDS.

The most important item in the city finances to demand attention (Main sewer fund), there was a credit to this account May 1, 1897, of \$9,420.41, and the treasurer's report of Jan. 1, 1903, shows an overdraft of \$21,070.80, the total amount charged to this account during these years is \$30,756.21, and receipts were \$265.00.

This account largely embodies the cost of the storm sewers, amounting to over \$29,000.00, all of which was charged to this fund.

It appears, from the account, that no provision was ever made for paying for the work by appropriation, assessment against property benefited, or by issuing bonds. This overdraft would appear to most people to be a charge to street fund, being a debt contracted by the city for public improvement, and must sooner or later be included in the city tax.

In making a hasty review of the sewer funds in districts No. 1, 2, 3, 4, 5, 6, 7, some dating back ten years, a total balance of \$4,494.73 due the city, which is classified as resources. The taxes in these districts are all paid and the closing up of the accounts

has been recommended for several years.

The next important items of interest are the tax accounts of paving districts 1 and 2.

The bonds for district No. 1 were sold Nov. 30, 1898, and amounted to \$21,256.60, \$10,127.04 was assessed against the property in district, leaving a balance of \$11,129.56 as the city's portion to pay, exclusive of interest. The bonds ran for four years, one-quarter due yearly. During the four years, I find but \$5,000.00 appropriated to meet \$11,129.56, and deducting the taxes outstanding Jan. 1 of \$244.53 would make an overdraft for the city to meet of \$8,281.97.

The same condition is met with in paving district No. 2.

Bonds sold Nov. 30, 1898, amounted to \$8,982.93, \$5,000.00 of which was assessed to district, the balance, \$3,982.93 the city assumed. During the four years but \$2,200.00 was appropriated to pay \$3,982.93, not including interest, and allowing for the payment of outstanding taxes, we are again confronted with an overdraft of \$2,044.09.

The following is a recapitulation of all city funds showing condition at the present time:

RESOURCES.

Jan. 1, 1903. Cash on hand, city treasurer's report...	\$41,213	05
Jan. 1, '03, uncollected	\$5,427	29
City tax delinquent (estimated)	1,500	00— 3,927 29
Excess of rolls		145 03
Sidewalk tax, walks built by city		761 96
Street fund, from paving district No 5	30,189	55
Sewer fund, districts No. 1, 2, 3, 4, 5, 6, 7	4,494	73
Delinquent tax, due from county treasurer (estimated)		300 00
Total	\$81,031	61

LIABILITIES

School district No. 1, tax collected during Dec.	\$29,908	18
State tax, tax collected during Dec.	10,938	93
County tax, tax collected during Dec.	7,880	33
The Main sewer fund overdraft	21,070	80
Tax Acc't Pav. Dis. No. 1 overdraft	8,281	97
Tax Acc't Pav. Dis. No. 2 overdraft	2,044	09
Warrants for Jan., 1903 (estimated)	3,321	28
Warrants for Feb., 1903 (estimated)	3,000	00
Outstanding warrants Jan. 1, 1903, per clerk's report	1,292	73
Total	\$87,738	31

Overdraft of \$6,706.70 March 1, 1903.

To ascertain the overdraft for Feb. 1st deduct \$3,000.00 from this amount (\$6,706.70), which is an estimate of the finance report for that month.

The treasurer's report to the council for February and March will show a balance on hand for the simple reason that he has in his possession most of the school, state and county money which will not be paid to county treasurer and school treasurer until the 1st of March or later, and if the city will pay over to the sewer and pavement funds the overdrafts it has created there, and bring back the amount due from sewer districts No. 1 to 7, heretofore explained, it will find itself financially in about the above condition.

All of which is respectfully submitted.

EDW. L. SEYLER.

Edward L. Seyler, being first duly sworn, deposes and says:

I prepared the above and foregoing statement of the standing of the finances of the city of Ann Arbor, and that the same is true to the best of my knowledge and belief.

EDW. L. SEYLER.

Subscribed and sworn to before me this 2d day of February, 1903.

CHAS. E. HISCOCK,
Notary Public, Washtenaw County,
Michigan.

As a supplementary report, which I was not asked to give, I will outline, in estimates only, the probable condition of the finances July 1, 1903.

On March 1st, bonds, with interest, to the amount of \$12,330.92 are due and must be paid by the city treasurer as follows:

Paving Dis. No. 3.....	\$ 3,412 50
Paving Dis. No. 4.....	3,676 20
Paving Dis. No. 5.....	3,556 11
Paving Dis. No. 6.....	398 61
Sewer Dis No. 8.....	137 50
Sewer Dis. No. 9.....	575 00
Sewer Dis. No. 10.....	575 00
	<hr/>
	\$12,330 92

The city, out of its own funds, must pay its portion of paving districts No. 3 and 4, which is about \$4,000.00.

Overdraft Feb. 28, 1903....	\$ 6,706 70
Bonds and interest paid	
March 1, 1903.....	4,000 00
Warrants, based on corre-	
sponding month in 1902..	2,735 00
April warrants, based on cor-	
responding month in 1902	5,736 00
May warrants, based on cor-	
responding month in 1902	3,346 00
June warrants, based on cor-	
responding month in 1902	8,762 00
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	\$31,285 70

Liquor money received in May (estimated)	\$7,500
Delinquent tax from county treasurer (estimated)	500—
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	\$8,000 00

Estimated overdraft July 1, 1903\$23,285 70
By Ald. Hamilton.

Resolved, that the city attorney be and he is hereby authorized and directed to secure such amendments to the bill now pending before the legislature authorizing this city to bond

itself to pay its overdrafts, so that the same will read as follows:

A BILL

To authorize the city of Ann Arbor to issue bonds in a sum not exceeding twenty-five thousand dollars, to pay the indebtedness of said city caused by overdrafts.

The People of the State of Michigan Enact:

Section 1. The city of Ann Arbor shall be and is hereby authorized and empowered to issue its bonds in a sum not exceeding twenty-five thousand dollars, payable two thousand five hundred dollars annually, with annual interest not exceeding four per cent per annum.

Sec. 2. The proceeds of such bonds shall be used to pay, liquidate and discharge the indebtedness of said city caused and created by overdrafts and forced loans heretofore used in payment for storm sewers, rebuilding and repairing culverts destroyed or damaged by the recent floods in said city, and for no other purpose.

This Act is ordered to take immediate effect.

Adopted as follows:

Yeas—Ald. Hamilton, Douglas, Schlenker, Kearns, Johnson, Roberts, Grose, Coon, Fischer. Pres. Haarer—10. Nays—Ald. Clancy, Schumacher—2.

Feb. 2, 1903.

To the President and Common Council of the City of Ann Arbor:

Your committee, to whom was referred the claims of Frank and Ellen Wood, \$750; Thomas J. Keech, \$350; Anna B. Meade, \$200; John Collins' heirs, \$1,200; Frank Colon, \$150;; Charles Shoeman, \$500; Louis Rohde, \$2,150; Adolph P. Kearn, \$250; George W. Sweet, \$800; Ellen A. and George A. Smith, \$400; Matilde L. Perrine, \$100; Ella L. Schroeter, \$400; Caroline Ross, \$500; William F. and Pauline L. Armstrong, \$200; Robert Ross, \$600; John M. and Florence E. Bird, \$1,000; Arthur Hagan, \$300; Margaret McGuire, \$150; J. Adam Schroeder, \$500; Joseph Cebulski, \$500; Hugh McGuire,

\$200; Lawrence Suter, \$500; George P. and Henry J. Schlemmer, \$1,000; Henry Richards, \$3,500; Edward Ross, \$75; Willard Banfield, \$150; Andrew R. Peterson, \$300; Susan M. Armstrong, \$300, beg leave to report that they have had said \$17,025 claims under consideration, and report the same back to the common council with the recommendation that they be not allowed.

The occasion of the injury complained of was the unprecedented flood which occurred in the city of Ann Arbor on the 7th day of July, 1902.

The action of the elements cannot be anticipated nor provided against in advance, and the city ought not to be and cannot be held liable, in the judgment of your committee, for the damages occasioned by sudden floods. The city is not an insurer against all possible accidents, nor is it bound to anticipate unusual dangers and extraordinary and unforeseen, sudden conditions caused by the elements.

While your committee appreciate and deplore the loss that has been sustained by the various citizens before mentioned, by reason of the calamity that befell us on the day aforesaid, and from which the entire city suffered more or less, yet it does not feel justified in recommending that the city shall by allowing the claims aforesaid, compel the balance of the citizens not only to sustain their own loss but also to contribute to the loss claimed to have been sustained by others.

All of which is respectfully submitted to the consideration of the common council, and your committee asks to be discharged from the further consideration of the subject.

HENRY. W. DOUGLAS,
F. M. HAMILTON,
EMMETT COON,
A. J. SAWYER,

Committee.

On motion the report was adopted and the committee discharged.

Adopted as follows:

Yeas—Ald. Hamilton, Douglas,

Schlenker, Clancy, Kearns, Schumacher, Johnson, Roberts, Grose, Coon, Fischer, Pres. Haarer—12.

The bill of the Electric Light Co. for lighting the city was received and on motion was referred to the lighting committee.

By Ald. Clancy:

Whereas, on the 15th day of September, 1902, the common council of the city of Ann Arbor passed an ordinance entitled, "An ordinance relative to changing the course and grade of certain streets and elevating the tracks of the Ann Arbor railroad company; and

Whereas, the said Ann Arbor railroad company has accepted said ordinance and proposes to comply with the terms thereof; and

Whereas, in order to construct the overhead work and approaches it is necessary, in order to protect the public, that the said railroad company be permitted to close said streets temporarily while said work is in progress.

Therefore, for the purpose of expediting the improvement contemplated and for the safety and protection of the public during the progress of said work, it is hereby

Resolved, that the said Ann Arbor railroad company may be and it is hereby permitted and granted the privilege and right to fill Washington, Huron, Felch streets and Miller avenue, for a distance of twenty feet on either side of the center of its main track, and block the passage of said streets respectively from July 5, 1903, to September 1, 1903. Provided, that Felch street and Miller avenue must be open for passage while Washington and Huron streets are closed and vice versa. And to fill Liberty, First and William streets and obstruct the public travel on such streets from September 1, 1903, to October 1, 1903.

Provided, that this privilege shall be null and void in the event that the Ann Arbor railroad shall discontinue work on the proposed improvement except for the acts of God, or

conditions beyond the control of its officers.

Provided, further, that this resolution is granted on the understanding that the Ann Arbor railroad company will furnish and deliver all the gravel necessary to make the approaches at **each and every street** affected by the change of grade.

Adopted as follows:

Yeas—Ald. Hamilton, Douglas, Schlenker, Clancy, Kearns, Schumacher, Johnson, Roberts, Grose, Coon, Fischer, Pres. Haarer—12. Nays—0.

BONDS.

Ald. Douglas presented the bond and sureties of the Ann Arbor Savings Bank for the custody of the city funds. The same was recommended O. K. by the city attorney and on motion was accepted.

ORDINANCE.

Ald. Fischer presented an ordinance entitled An ordinance relative to transient traders, which was given its first reading by title, and on motion was passed to and given its second reading.

By Ald. Fischer:

Resolved, that Rule 16 be suspended for this particular ordinance.

Adopted as follows:

Yeas—Ald. Hamilton, Douglas, Schlenker, Clancy, Kearns, Schumacher, Johnson, Roberts, Grose, Coon, Fischer, Pres. Haarer—12. Nays—0.

Ald. Fischer moved that the ordinance receive its third and final reading. Carried.

An Ordinance to repeal an ordinance entitled "An ordinance relative to transient traders, passed September 21, 1896, approved September 24, 1896."

The common council of the city of Ann Arbor ordain:

Section 1. That an ordinance entitled "An ordinance relative to transient traders," passed September 21, 1896, approved September 24, 1896, be and the same is hereby repealed.

Sec. 2. This ordinance shall in no

way effect suits, actions or claims for damages, or otherwise existing, or that have accrued prior to the passage of this act under and by virtue of any of the provisions of the ordinance hereby repealed.

The chair then put the question, Shall this ordinance pass?

Adopted as follows:

Yeas—Ald. Hamilton, Douglas, Schlenker, Clancy, Kearns, Schumacher, Johnson, Roberts, Grose, Coon, Fischer, Pres. Haarer—12. Nays—0.

Ald. Fischer presented the ordinance relative to a central heating plant.

Ald. Hamilton moved the same be deferred to next regular meeting and that the ordinance be printed in the pamphlet record. Carried.

An Ordinance relative to heating works.

The common council of the city of Ann Arbor ordain:

Section 1. That the right and privilege of erecting and maintaining a central heating plant within the city of Ann Arbor, and of laying and continuing the heating pipes along and across any and all of the streets, sidewalks, lanes, alleys and public grounds in said city, and of selling heat in said city, and of supplying said city and the buildings therein with heat, be and is hereby granted to the Ann Arbor Heating company, a corporation organized under the laws of the state of Michigan, its successors and assigns, upon the conditions and restrictions hereinafter mentioned, so long as said company shall continue to heat and shall comply with the restrictions and conditions hereinafter mentioned, and not exceeding in all a period of thirty years.

Sec. 2. This is made subject to the following restrictions and conditions, to-wit:

First, that said company shall within ninety days make and file with the city clerk, to be recorded and preserved, a copy of the articles of association of said company, and a written

assent by this company to the provisions of said ordinance.

Second, that said company shall supply and continue to supply all persons along the line of its main pipes, who may suitably supply their premises and buildings with service pipes and necessary fixtures and appurtenances, with heat, and all heat so furnished by said company shall be furnished at the rate not exceeding sixty cents per square foot of direct radiation per year for private consumers, and to the corporation of the city of Ann Arbor at the rate not exceeding fifty cents per square foot of direct radiation per year. Provided, that if the price of coal and oil shall advance to exceed twenty per cent over the present price, the price of heat may be advanced pro rata in the proportion that the cost of coal and oil enters into the cost of the manufacture of heat. Provided further, that the rate at which heat is furnished to private consumers shall not at any time exceed the average rate paid for heat by consumers in other cities of Michigan.

Third. Said company shall extend its existing mains whenever a sufficient number of persons residing on the line of the proposed extension shall agree to become consumers of heat to make such extension pay an interest of five per cent on the investment necessary to make such extension.

Fourth. Said corporation shall do no permanent injury to, and shall take care not necessarily or unreasonably to obstruct any street, pavement, sidewalk, lane or alley; and when it shall open ground to lay pipe or for any other purpose whatever, it shall with all diligence restore the streets, pavements, sidewalks or grounds to the condition equally as good as before, and to the satisfaction to the board of public works, and shall promptly com-

ply with any order or resolution of said board, or of the common council, in reference thereto. And it shall make application to the board of public works before extending its pipes through any of the streets, lanes, alleys, or public grounds of said city, and shall lay its pipes, when making extensions, in such part of the street as the board of public works shall direct. And said company shall in all respects fully indemnify and save harmless the city of Ann Arbor from and against all damages and costs which the city may be put to or sustain by reason of any such digging or excavation.

Sec. 3. This ordinance shall take effect in ten days after due publication.

By Ald. Hamilton:

Resolved, that the money transferred from the street fund for paving be credited up to said fund. Carried.

Ann Arbor, Mich., Feb. 2, 1903.

To the Honorable Common Council:

Gentlemen—Owing to the fact that my books have been in the possession of Mr. Seyler since Saturday morning, to enable him to make his report to you on the condition of the city finances, it has been impossible for me to submit to you my monthly report as I otherwise would have done.

Respectfully,

H. WIRT NEWKIRK,
City Treasurer.

Accepted and given further time.

The State Savings Bank.

Ann Arbor, Mich., Feb. 2, 1903.

This is to certify that the city treasurer had to his credit at the close of business January 31st, 1903, the sum of nineteen thousand, three hundred and ten and 20-100 dollars (\$19,310.20).

Very truly,

W. J. BOOTH, Prest.

On motion the council adjourned.

JAS. E. HARKINS,
City Clerk.