
STATE OF MICHIGAN

IN THE 15TH CIRCUIT COURT FOR THE COUNTY OF BRANCH

JASON MATE, individually and as representative
of as class of similarly situated persons and entities,
Plaintiff,

v.

Case # 2025-12507 CZ

CITY OF COLDWATER, MICHIGAN, a
Municipal corporation, by and through THE
COLDWATER BOARD OF PUBLIC UTILITIES,
Defendant.

ORDER DENYING PLAINTIFF'S MCR 2.116(C)(8) MOTION
FOR SUMMARY DISPOSITION

The plaintiff's motion for summary disposition pursuant to MCR 2.116(C)(8) challenges the use/definition of the words "gross income" as state in Section 15.9a of the City of Coldwater Charter.

15(a) The Board of Public Utilities shall, annually, pay to the Treasurer for the use and benefit of the city, 6 1/2% of the *gross income* of the department, which payment shall be in recognition of and compensation for all benefits received from the city in the use of city streets, services, and facilities and shall constitute a part of the expenses of the administration and operation of the utilities of the city required to be paid under the first priority of Section 15.12 (a).

The City Charter does not provide a definition for these words. Absent a definition being provided, the court looks to ordinary use or definition of the words/phrase pursuant to City of Coldwater Charter Section 1.4(a).

1.4(a) Except as otherwise specifically defined herein or indicated by the context, words used in this charter shall have their ordinary dictionary meanings.

The court finds that the ordinary use of "gross income" is as follows:

Gross Income - "all income derived from any source except for items specifically excluded by law." *Note: Section 61 of the Internal Revenue Code lists fifteen nonexclusive items that should be included in gross income. They are (1) compensation for services, including fringe benefits and commissions; (2) gross income derived from business; (3) gains derived from dealings in property; (4)*

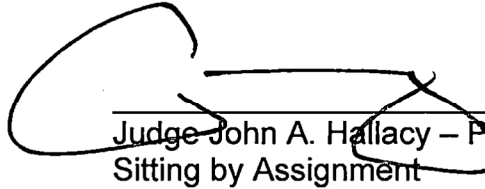
interest; (5) rents; (6) royalties; (7) dividends; (8) alimony and separate maintenance payments; (9) annuities; (10) income from life insurance and contracts for endowment insurance; (11) pensions; (12) income from discharge of a debt; (13) distributive share of partnership gross income; (14) income received (as by an estate or heir) by reason of a person's death; and (15) income from an interest in an estate or trust. "Gross Income" Merriam-Webster.com Legal Dictionary, Merriam-Webster. See also 26 USC 61.

The ordinary use of "gross income" is consistent with the defendants use and interpretation of these words. *Woods v. Board of Trustees of Policemen and Firemen Retirement System of City of Detroit*, 108 Mich App 38; 310 NW2d 39 (1981).

Therefore, the plaintiff's motion pursuant to MCR 2.116(C)(8) is denied. Further, the court grants relief to the defendant pursuant to MCR 2.116(C)(8) and count one of the plaintiff's complaint is dismissed.

IT IS SO ORDERED.

July 10, 2026
Date



Judge John A. Hallacy – P42351
Sitting by Assignment

Cc: Court File
Plaintiff
Defendant

STATE OF MICHIGAN

IN THE 15TH CIRCUIT COURT FOR THE COUNTY OF BRANCH

JASON MATE, individually and as representative
of as class of similarly situated persons and entities,
Plaintiff,

v.

Case # 2025-12507 CZ

CITY OF COLDWATER, MICHIGAN, a
Municipal corporation, by and through THE
COLDWATER BOARD OF PUBLIC UTILITIES,
Defendant.

ORDER GRANTING THE DEFENDANT'S MCR 2.116(C)(8) MOTION
FOR SUMMARY DISPOSITION AS TO COUNT TWO

The defendant's motion for summary disposition pursuant to MCR 2.116(C)(8) argues that the plaintiff's claim of "unreasonable utility rates" is without merit and should be dismissed.

There is a presumption that the municipal utility rates are reasonable, absent a showing of fraud, bad faith or that they are unreasonable. *City of Novi v. City of Detroit*, 433 Mich 414; 446 NW2d 118 (1989). Further, the plaintiff has the burden of showing that the rates are arbitrary, capricious, or unreasonable. *Trahey v City of Inkster*, 311 Mich App 582; 876 NW2d 582 (2015). Here, the plaintiff presents only the utility rate and the amount collected along with budgets and spending of the defendant. Nothing more. Plaintiff does not present clear evidence, nor any evidence of illegal or improper expenses by the defendants. *Trahey v City of Inkster*, 311 Mich App 582; 876 NW2d 582 (2015).

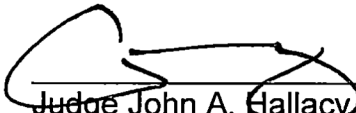
All evidence in this case shows clearly that the rates collected by the defendants were used in accordance with the mandates as set forth in the City Charter.

Therefore, the defendant's motion is GRANTED.

IT IS SO ORDERED.

July 10, 2026

Date



Judge John A. Hallacy – P42351
Sitting by Assignment

(This is a final order and closes the case).

Cc: Court File
Plaintiff
Defendant