

RESOLUTION

No. 2018-567

By Commissioner Woronchak

RESOLVED, by the Wayne County Commission this 26th day of July, 2018 that approval be, and is hereby, granted authorizing a Definitive Transfer Agreement (Agreement) between the Charter County of Wayne (County) and the Downriver Utility Wastewater Authority (DUWA) in the amount of \$57,500,000 for the transfer of all of the County's rights, title and interest in and to all of the real and tangible property and all components and assets constituting, related to or used and only necessary for servicing and specifically for the functioning, operation, maintenance and administration of the Downriver Sewage Disposal System (DSDS), including, without limitation:

1. A Wastewater Treatment Facility (Facility) located at 797 Central Avenue, Wyandotte, Michigan, including approximately 38 acres of land, 30-plus buildings and underground assets as generally depicted in Schedule A of the Agreement, and as formally described as two parcels in Exhibit A of Schedule S (Quit Claim Deed) of the Agreement.

2. Seven interceptors, commonly known as the Eureka, Fordline, Goddard, Northline, Pelham, Pennsylvania and Riverdrive Interceptors.

3. A storage and transportation system commonly known as the Downriver Regional Storage and Transport System (DRSTS), and including the Lower Tunnel, Upper Tunnel, Allen Park Spur, Eureka Road Relief Sewer and Relief Sewer Extension, and the Taylor Basin/Jackson Street Pumping Station Connection.

4. Flow meters, rain gages and other measuring devices as generally depicted and listed in Schedules A-1, A-2 and A-3 of the Agreement.

5. All land upon and/or under which the Facility and the DSDS are located, together with all other buildings and improvements, outfalls, storage facilities, equipment and fixtures associated with the Facility (including screens, meters, pumps, control gates, valves, heating, ventilation and air conditioning and other equipment, generally listed in Schedule A-4 of the Agreement), piping within the Facility, manholes, control gates and other structures (including DRSTS overflow and vent structures) attached or appurtenant to the Facility, the DSDS or the land upon which any of them are located, together with all other real property interests such as easements, rights-of-way, prescriptive rights, access rights, permits, licenses and leases, including, without limitation, as described in Schedule B of the Agreement.

6. Tangible personal property as described in Schedule C of the Agreement.

7. To the extent assignable, intangible personal property, warranties and guaranties, and rights thereunder, accounts, notes and other receivables as shown in the Financial Statements attached as Schedule D of the Agreement, claims, deposits, insurance premium refunds, contract claims, tort claims and similar rights.

8. Cash, if any, in the amount agreed upon by the parties pursuant to the terms hereof, except Excluded Assets, as defined in the Agreement; as recommended by the Chief Executive Officer, and be it further

RESOLVED, that \$54,000,000 be payable by DUWA by wire transfer of funds, and DUWA shall execute and deliver a Subordinated Bond in the amount of \$3,500,000; and be it further

RESOLVED, that the revenue from the Agreement will be deposited into Account No. 590 54003 598145 (Downriver), and be it further

RESOLVED, that the Chief Executive Officer be, and is hereby, duly authorized to execute the aforementioned Agreement on behalf of the Charter County of Wayne.

[Definitive Transfer Agreement on File]

(2018-40-128)

DEFINITIVE TRANSFER AGREEMENT

**DOWNRIVER SEWAGE DISPOSAL SYSTEM
DEFINITIVE TRANSFER AGREEMENT**

BETWEEN

THE CHARTER COUNTY OF WAYNE, STATE OF MICHIGAN

AND

DOWNRIVER UTILITY WASTEWATER AUTHORITY

_____, 2018

TABLE OF CONTENTS

ARTICLE I.	1
Recitals.....	1
ARTICLE II.	2
2.1 Definitions.....	2
ARTICLE III.....	6
3.1 Conveyance and Transfer Payment.	6
3.2 Inspections	6
A. The Authority’s Access.	6
B. Cooperation.	6
ARTICLE IV.	7
4.1 The County’s Pre-Closing Conduct.....	7
A. Operation of DSDS.	7
B. New DUWA Service Contract.	7
C. Negative Covenants.	7
4.2 Election to Assume Contracts/Termination of Contracts.	8
A. Termination/Assignment of Contracts.	8
B. Mandatory Assumption of Contracts.....	8
C. County’s Satisfaction.	8
ARTICLE V.....	8
5.1 Post-Closing Conduct.	8
A. Further Assurances.....	8
(i) County Assurances.	8

(ii)	Authority Assurances.	8
B.	General Assumption by the Authority.	8
C.	Authority’s Covenants to Operate DSDS.	9
ARTICLE VI.	.....	9
6.1	Conditions Precedent to the Authority's Obligation to Close.	9
A.	Conditions Precedent to the Authority's Obligation	9
(i)	Accuracy of Representations and Warranties.	9
(ii)	Performance of Covenants.	9
(iii)	Instruments of Transfer.	9
(iv)	Permits.	9
(v)	Michigan Department of Environmental Quality and Michigan Finance Authority Authorizations	10
(vi)	No Casualty.....	10
(vii)	Certificate Regarding Conditions Precedent.....	10
(viii)	No Material Litigation or Claims.....	10
(ix)	Approvals.	10
(x)	Other Documents and Instruments.....	10
(xi)	Municipal Resolutions..	11
(xii)	Payments by Communities..	11
(xiii)	Legal Authority.	11
(xiv)	Diligence.....	11
(xv)	Terms of Assumption or Defeasance of Revenue Bonds..	11
ARTICLE VII.	.....	12

7.1	Conditions Precedent to the County's Obligation To Close	12
A.	Conditions Precedent to the County's Obligation	12
(i)	Accuracy of Representations and Warranties.	12
(ii)	Performance of Covenants.....	12
(iii)	Instruments of Transfer.....	12
(iv)	Certificate Regarding Conditions Precedent.....	12
(v)	Financing and Approvals..	12
(vi)	Legal Authority.....	12
(vii)	Insurance.	13
(viii)	Terms of Continuation, Assumption or Defeasance of Revenue Bonds.	13
(ix)	Diligence	13
(x)	Permits	13
(xi)	Michigan Department of Environmental Quality and Michigan Finance Authority Authorizations	13
(xii)	Public Health, Welfare and Safety	13
(xiii)	Assignment and Assumption of Contracts.....	14
(xiv)	Tasks to Be Completed by Closing	14
(xv)	Judgment Levy Bond Debt Service Payments.....	14
(xvi)	Approvals	14
(xvii)	Other Documents and Instruments	14
ARTICLE VIII	.....	14
8.1	Closing Matters.....	14
A.	Transfer Payment	14

B.	Closing Date.	16
C.	Closing Expenses	16
D.	Routine Expenses.....	16
ARTICLE IX.	.....	17
9.1	Termination.....	17
A.	Termination for Failure to Close.....	17
B.	Termination of the Former DSDS Service Contract.....	17
ARTICLE X.	.....	17
10.1	The County's Representations and Warranties.....	17
A.	Organization and Standing.	17
B.	Authorization.	17
C.	Existing Agreements and Governmental Approvals.....	18
D.	Litigation and Claims.....	18
E.	Permits and Licenses.....	18
F.	Financial Statements.....	17
G.	Compliance.	18
H.	Employee Benefit Plans.....	20
I.	Contracts.	20
J.	Receivables.	20
K.	Taxes.....	20
L.	Environmental Requirements.	20
M.	Compliance with Laws.	20
N.	Sole Source Suppliers and Customers.	21
O.	No Brokers.	21
P.	Intellectual Property.	21
Q.	Insurance.	21
R.	Investment Intent.	21
S.	Accuracy of Representations and Warranties and Satisfaction of Conditions.	21
T.	Disclaimer of Other Representations and Warranties.	21
ARTICLE XI.	.....	22
11.1	The Authority's Representations and Warranties.....	22
A.	Organization and Standing.	22
B.	Authorization.	22

C. Noncontravention.	22
ARTICLE XII.	23
12.1 Hiring County Employees.....	23
ARTICLE XIII.....	23
13.1 Post-Closing Receipts.	23
ARTICLE XIV.....	23
14.1 Indemnification.	23
A. Indemnification by the County.	23
B. Indemnification by the Authority.....	24
C. Waiver of Environmental Remedies.....	24
D. Indemnification Involving Third Parties.....	24
E. Funding of Indemnity Obligations.	25
ARTICLE XV.....	25
15.1 Transaction Expenses.....	25
ARTICLE XVI.....	25
16.1 Risk of Loss..	25
ARTICLE XVII.	26
17.1 Termination.....	26
A. By the Parties	25
B. Effect.....	25.
ARTICLE XVIII.....	27
18.1 Miscellaneous Provisions.....	27
A. Survival of Representations and Warranties.....	27
B. Notices.	27
C. Assignment.	28
D. Parties in Interest.....	28

E.	Choice of Law.....	28
F.	Counterparts.....	28
G.	Entire Agreement	28
H.	Mediation.....	29
I.	Arbitration.....	29
J.	Severability.....	30
K.	Litigation Support.	30
L.	Interpretation.	30
M.	No Waiver.	30

SCHEDULES

SCHEDULE A -- Map of Wastewater Treatment Facility	31
SCHEDULE A-1 -- Downriver Sewage Disposal System Service Area, DWTF, DRSTS, Interceptors, Watering Devices and Rain Gages	32-33
SCHEDULE A-2 -- DSDS Inventory of Interceptors and DRSTS	34
SCHEDULE A-3 -- Downriver Sewage Disposal System Summary of Flow Meters, Rain Gages and Other Measuring Devices.....	35-39
SCHEDULE A-4 -- CMMS Master Equipment List.....	40
SCHEDULE B -- Real Property	41
SCHEDULE C -- Tangible Personal Property.....	42
SCHEDULE D -- DSDS Financial Statements	43
SCHEDULE E -- Litigation and Claims.....	44
SCHEDULE F -- Closing Documents	45
SCHEDULE G -- Community Agreements.....	46
SCHEDULE H -- DUWA Service Contract.....	47
SCHEDULE I -- Environmental Requirements.....	48
SCHEDULE J -- Judgment Levy Bonds	49
SCHEDULE K -- Revenue Bonds.....	50

SCHEDULE L -- Contracts	51
SCHEDULE L-1 -- Mandatory Contracts	52-53
SCHEDULE M -- Tasks to be Completed 90 Days Prior to Closing.....	54
SCHEDULE N -- Insurance Policies.....	55
SCHEDULE O -- Tasks to Be Completed By Closing.....	56
SCHEDULE P -- Subordinated Bond.....	57
SCHEDULE Q -- Judgment.....	58-67
SCHEDULE R -- Bill of Sale with Assignment and Assumption Agreement.....	68-69
SCHEDULE S -- Quit Claim Deed	70-72
SCHEDULE T -- Permits and Licenses.....	73
SCHEDULE U -- Employee Benefit Plans	74
SCHEDULE V -- Sole Source Contracts/Suppliers	75
SCHEDULE W -- Miscellaneous Items	76

**DOWNRIVER SEWAGE DISPOSAL SYSTEM
DEFINITIVE TRANSFER AGREEMENT**

ARTICLE I.

RECITALS

THIS DOWNRIVER SEWAGE DISPOSAL SYSTEM DEFINITIVE TRANSFER AGREEMENT ("Agreement"), which shall be effective as of the Effective Date (as defined below), is made between The Charter County of Wayne, State of Michigan (the "County"), and the Downriver Utility Wastewater Authority, an authority incorporated under the provisions of Act No. 233, Public Acts of Michigan, 1955, as amended (the "Authority"). The County and the Authority are herein individually referred to as a "Party" and collectively referred to as the "Parties."

WITNESSETH:

WHEREAS, pursuant to a certain Downriver Sewage Disposal System Contract, dated March 1, 1962 (as supplemented and amended from time to time (the "Former DSDS Service Contract"), the County is engaged in the business of operating, managing and administering a wastewater transportation, treatment and disposal system commonly known as the Downriver Sewage Disposal System (the "DSDS"); and

WHEREAS, the County and the Authority entered into a non-binding Letter of Intent, dated May 16, 2016, as amended (the "LOI"), pursuant to which the County would transfer to the Authority any and all of the County's rights, title and interests it may have in any and all of the components or assets comprising, related to or servicing the DSDS (collectively, the "Assets" as defined below) in consideration of delivery by the Authority of the sum of Fifty Seven Million Five Hundred Thousand Dollars (\$57,500,000) comprised of Fifty-Four Million Dollars (\$54,000,000) payable by wire transfer of funds and issuance of the Subordinated Bond (as defined in Section 8.1.A (i) (b)) to the County in the amount of Three Million Five Hundred Thousand Dollars (\$3,500,000) (the "Transfer Funds"), and assumption by the Authority of the Assumed Liabilities (as defined below) (the Transfer Funds and the Assumed Liabilities are herein collectively referred to as the "Transfer Payment"), and excluding only the Excluded Assets and Excluded Liabilities (as defined below); and

WHEREAS, the Authority and the County have determined that it is in their respective best interests to consummate the transaction contemplated by the LOI, subject to and in accordance with the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual agreements, obligations and promises herein provided, and for other good and valuable consideration, the Parties agree as follows:

ARTICLE II.

2.1 Definitions. In addition to the words and terms elsewhere defined in this Agreement, the following words and terms as used in this Agreement and the Recitals hereto shall have the following meanings unless the context or use indicates another or different meaning.

(i) “Applicable Laws” means all laws, rules, regulations, ordinances, permit and license requirements, and orders of courts, governmental officials and agencies of competent jurisdiction with respect to the DSDS or the Assets or which govern or generally relate to the DSDS or the Assets.

(ii) “Assets” means, collectively, all of the County's rights, title, and interests, in its “as-is, where is” condition, in and to all of the real and tangible property and all components and assets constituting, related to or used and only necessary for servicing and specifically for the functioning, operation, maintenance and administration of the DSDS, including, without limitation, (a) a wastewater treatment facility located at 797 Central Avenue, Wyandotte, Michigan, including approximately 38 acres of land, 30 plus buildings and underground assets as generally depicted on the attached Schedule A (the “Treatment Facility”), seven (7) interceptors (commonly known as the Eureka, Fordline, Goddard, Northline, Pelham, Pennsylvania and Riverdrive (f/k/a Wyandotte), (the “Interceptors”), a storage and transportation system (commonly known as the Downriver Regional Storage and Transport System (DRSTS) and including the Lower Tunnel, Upper Tunnel, Allen Park Spur, Eureka Road Relief Sewer and Relief Sewer Extension and the Taylor Basin/Jackson Street Pumping Station Connection), flow meters, rain gages, and other measuring devices as generally depicted on the attached Schedule A-1 and generally listed in the attached Schedules A-2 and A-3 (collectively, the “System”); and (b) all land upon and/or under which the Treatment Facility, and the System are located, together with all other buildings and improvements, outfalls, storage facilities, equipment and fixtures associated with the Treatment Facility (including screens, meters, pumps, control gates, valves, HVAC and other equipment, generally listed in Schedule A-4), piping within the Treatment Facility, flow meters, rain gages, level sensors and other measuring devices generally listed in Schedule A-3; manholes, control gates, and other structures (including DRSTS overflow structures and DRSTS vent structures) attached or appurtenant to the Treatment Facility, the System or the land upon which any of them are located, together with all other real property interests, such as easements, rights-of-way, prescriptive rights, access rights, permits, licenses and leases, including, without limitation, as described in the attached Schedule B (the Assets described in subparagraphs (a) and (b) above shall be known as “Real Property Interest”); and (c) any and all tangible personal property described in the attached Schedule C (the “Tangible Personal Property”); and (d) to the extent assignable, any and all intangible personal property, warranties and guaranties, and rights thereunder, accounts, notes and other receivables as shown in the Financial Statements attached as Schedule D, claims, deposits, insurance premium refunds, contract claims, tort claims, and similar rights; and (e) Cash, if any, in the amount agreed upon by the Parties pursuant to the terms hereof, except the Excluded Assets.

(iii) “Assumed Liabilities” means all liabilities and obligations of the County whatsoever arising from any of its ownership, operation, management or administration of the DSDS or the Assets, whether arising prior to or from and after the Closing Date, including, without limitation, the Revenue Bonds (as more particularly described in Section 8.1.A (i) below) and all liabilities related to the DSDS or the Assets, including, for avoidance of doubt, all liabilities and obligations of or relating to Applicable Laws, including, without limitation, Environmental Requirements, Taxes and Third-Party Claims (as described in Section 14.D), but excluding the Excluded Liabilities and the Judgment Levy Bonds (as defined in below).

(iv) “Bonds” mean the Judgment Levy Bonds (as defined below) and the Revenue Bonds (as defined below).

(v) “Cash” means cash and cash equivalents (including marketable securities and short term investments) as set forth in the Financial Statements attached as Schedule D, including, but not limited to reserve accounts in the amounts show therein.

(vi) “Claims” means claims as defined under MCL §691.1417 and MCL §691.1419, and including, without limitation, those matters of Litigation as specifically identified in the attached Schedule E as of the date of this Agreement.

(vii) “Closing” and “Closing Date”, respectively, shall occur and have the meanings set forth in Section 8.1.B.

(viii) “Closing Documents” means the documents listed on the attached Schedule F which the County and Authority intend to approve, execute and deliver at Closing in consummation of this Agreement.

(ix) “Community Agreements” mean those agreements or established protocols, if any, with the Communities or drainage districts listed on the attached Schedule G pursuant to which the Authority or County, respectively, would provide certain services which are necessary for the proper operation of the DSDS in accordance with the terms and conditions of such agreements.

(x) “Conditions Precedent” have the meanings set forth in Section 6.1 and Section 7.1, respectively, below.

(xi) “County’s Knowledge” shall mean the actual knowledge without independent investigation undertaken because of this transaction of its County Executive, Director of Public Services, or the Interim Deputy Director of the Department of Public Services Environmental Services Group, including executive management level decision-making staff members.

(xii) “DUWA Service Contract” means the October 2016 service agreement attached hereto as Schedule H.

(xiii) "Effective Date" means the date this Agreement is executed by the County Executive after approval by the Wayne County Commission.

(xiv) "Encumbrances" means any (a) liens for Taxes (as defined below) not yet due and payable or for Taxes that the taxpayer is contesting in good faith through appropriate proceedings, (b) security interests securing rental payments under capital or equipment lease arrangements or similar liens arising in the ordinary course of business related to the operation and maintenance of the DSDS or the Assets and (c) defects in title and adverse claims.

(xv) "Environmental Requirements" means, with respect to the DSDS and the Assets, the items described on the attached Schedule I.

(xvi) "Excluded Assets" means any and all assets that belong to the County that the County has not identified within the attached Schedules to this Agreement, or by any other acknowledged writing as being an Asset of DSDS except as may be mutually agreed upon by the Parties in writing pursuant to Sections 3.2.B and Section 5.1.B, but, also, specifically excluding so-called pumping station #5, which, upon information and belief currently available to, the County and the Authority is the property of the Southgate-Wyandotte Relief Drains Drainage District (the "SWRDDD"), and which is located upon the grounds consisting of the Treatment Facility as depicted on the attached Schedule A.

(xvii) "Excluded Liabilities" means (a) any obligations or liabilities of the County for its acts of gross negligence or malfeasance for which it has sole liability, as determined by a non-appealable, final decree of a court of competent jurisdiction, arising from the County's ownership, operation, or administration of the DSDS or the Assets which occurred any time prior to or after the Closing Date, to the extent that any such obligations or liabilities relating to any of the foregoing cannot be passed through to the Communities or any customer served by the DSDS under Applicable Laws as part of the costs of operations, maintaining or administering the DSDS or the Assets; (b) any pension, retirement benefit or health care benefits or similar legacy costs owed by the County to any employee or retiree of the County; (c) any costs to be borne by the County under this Agreement; and (d) any obligations or liabilities for which the County is responsible under the Shared Services Agreement (as defined below), or under any Community Agreement or arrangement related to the SWRDDD or the Ecorse Creek Pollution Abatement Drain No. 1 Drainage District ("ECPAD"), to the extent the County continues to be a party to such contracts or arrangements after consummation of the transaction contemplated by this Agreement and (e) County employee liabilities for unemployment, workers compensation or employment related claims.

(xviii) "Former DSDS Service Contract" means the Downriver Sewage Disposal System Contract, dated March 1, 1962, by and between the County of Wayne, a Michigan county corporation, of the first part, and the City of Belleville, City of Ecorse, City of Lincoln Park, City of River Rouge, City of Southgate, City of Wyandotte, City of Allen Park, Township of Taylor, Township of Dearborn, Township of Romulus, Township of Van Buren and Township of Brownstown as referenced on Schedule W.

(xix) “Indemnified Party” has the meaning set forth in Section 14.1.D.

(xx) “Judgment Levy Bonds” means the Judgment Levy Bonds, as identified in the attached Schedule J, which are issued under a March 15, 1994 Downriver Sewage Disposal System 1994 Financing Plan and Final Judgment (“Final Judgment”), entered by the U.S. District Court, Eastern District of Michigan, Southern Division (the “Court”), United States of America, et. al. v Wayne County, et. al. Case No. 87-70992, as supplemented with respect to each series of Judgment Levy Bonds (“Supplements”), and as amended by a Stipulated Amendment to Financing Plan and Final Judgment (“Amended Final Judgment”), entered by the Court on December 5, 2017 (the Final Judgment, Supplements and Amended Final Judgment are collectively herein after referred to as the “Judgment”), and which shall remain subject to the Judgment as provided in Section 8.1.A(ii).

(xxi) “Litigation” means the legal proceedings identified on the attached Schedule E.

(xxii) “Losses” means all actions, suits, proceedings, hearing, investigations, charges, complaints, claims, demands, injunctions, judgments, orders, decrees, rulings, damages, dues, penalties, fines, costs, amounts paid in settlement, liabilities, obligations, taxes, liens, losses, expenses and fees, including court costs, expert witness fees and reasonable attorneys' fees and expenses.

(xxiii) “Material” or “Materially” means, depending on the context, any condition, change or effect that, individually or when taken together with all other such conditions, (a) is or is reasonably likely to be significantly adverse to the condition or value of the DSDS or the Assets, (b) will or is reasonably likely to prevent the consummation of the transactions contemplated hereby or the validity of this Agreement or defeat the purpose of this Agreement, or (c) if such change or condition had occurred before the execution of this Agreement is of such a nature that it would have induced a Party not to enter into this Agreement.

(xxiv) “Person” means an individual, a partnership, a corporation, a limited liability company, an association, a joint stock company, a trust, a joint venture, an unincorporated organization or a governmental entity.

(xxv) “Prudent Utility Practices” means those practices, methods, techniques, standards and acts engaged in or approved by a significant portion of the regulated sewer utility industry in the United States or any of the practices, methods, techniques, standards and acts which, in the exercise of reasonable judgment in light of the facts known (or which a qualified and prudent operator could reasonably be expected to have known) at the time a decision is made, would have been expected to accomplish a desired result at a reasonable cost consistent with good business practices, reliability, safety and expedition, in each case related to the operation, maintenance and improvement of similar systems at utility facilities of the same or similar size and type as the DSDS.

(xxvi) “Quit Claim Deed” has the meaning set forth in Section 8.1.A (iii).

(xxvii) "Revenue Bonds" means the Revenue Bonds, as identified in the attached Schedule K, which the Authority shall defease or assume as provided under Section 8.1.A(i)(c) below.

(xxviii) "Shared Services Agreement" shall mean that negotiated and mutually agreeable contract in which the Authority and County shall provide services to one another with respect to tasks and activities to be accomplished after transfer of the DSDS and the Assets.

(xxix) "Taxes" means all federal, state and local income taxes required to have been withheld and paid in connection with amounts paid or owing to any employee of the County, or any person, for services provided to the County in connection with the operation, maintenance or administration of the DSDS or the Assets and include interest and penalties related thereto.

(xxx) "Tax Returns" means any return or other document or information required to be filed with or submitted to any governmental authority in connection with the assessment, collection or payment of Taxes.

ARTICLE III.

3.1 Conveyance and Transfer Payment. In consideration of delivery by the Authority of the Transfer Payment to the County, the County hereby agrees to transfer and convey all of its rights, title and interests in and to the DSDS and the Assets to the Authority, and the Authority agrees to deliver to the County the Transfer Payment in consideration of transfer and conveyance by the County of the DSDS and the Assets to the Authority. The Transfer Payment shall be delivered, the Revenue Bonds shall be defeased or assumed and the Assumed Liabilities shall be assumed at Closing.

3.2 Inspections

A. **The Authority's Access.** Prior to the date of this Agreement, the Authority and its representatives have had an opportunity to make a full business, operational, financial, accounting, and legal investigation of the County's affairs related to the operation, maintenance and administration of the DSDS, the Assets and the Assumed Liabilities, including the Interceptors. By execution of this Agreement, the Authority confirms that it is satisfied with all such due diligence and investigation, and is satisfied with the condition and state of the Assets, the DSDS and Assumed Liabilities, and waives any objections thereto at the time of the Closing.

B. **Cooperation.** To facilitate the Authority's investigation of the DSDS, the Assets and the Assumed Liabilities as provided under Section 3.2.A above, the County has provided to the Authority certain information regarding the DSDS, the Assets and the Assumed Liabilities that the County deems to be Material, which information is disclosed in the various Schedules attached to this Agreement and which are hereby incorporated. The Parties acknowledge and agree that the Schedules may need to be updated and revised as appropriate between the date of this Agreement and the Closing Date, and the County agrees to do so based upon reasonable

requests made by the Authority or upon discovery by the County that information set forth in a Schedule needs to be deleted or added. In that event, an affected Schedule shall be modified as necessary by amendment prior to the Closing Date and such amendment shall be substituted for the relevant Schedule. The County has provided and shall provide said information on a good-faith basis for purposes of disclosure, and such information has been compiled and derived from the best available sources and are believed by the County to be reasonably complete and accurate, provided that disclosure of such information is not intended to be, and does not under this Agreement constitute a representation or warranty of completeness or accuracy. In providing such cooperation to the Authority, the Authority shall not be entitled to rely upon disclosure of information by the County under this Agreement or otherwise or upon any cooperation, representation or warranty of the County, if any, except as provided in Article X.

ARTICLE IV

4.1 The County's Pre-Closing Conduct.

A. **Operation of DSDS.** After the execution of this Agreement and until the Closing, the County shall operate and administer the DSDS and the Assets in the ordinary course consistent with past policies, practices and methods, without any Material change, preserve the DSDS and Assets intact, and not remove any Material components of the DSDS or the Assets from their locations as currently situated, except upon the prior written consent of the Authority. The foregoing notwithstanding, the County may adopt new policies, practices or methods as mandated by Applicable Laws or as it deems to be appropriate under Prudent Utility Practices, and no consent or approval shall be required for such relocation of any such component of the DSDS or the Assets if the relocation is temporary, in the normal course, required by Applicable Laws or is consistent with Prudent Utility Practices, provided however, that the County shall provide ten (10) days prior written notice to the Authority of such relocation.

B. **New DUWA Service Contract.** The Parties acknowledge that the Authority has entered into a DUWA Service Contract, dated October 13, 2016, with the City of Belleville, the City of Ecorse, the City of Lincoln Park, the City of River Rouge, the City of Southgate, the City of Wyandotte, the City of Allen Park, the City of Taylor, the City of Dearborn Heights, the City of Romulus, the City of Riverview, the Charter Township of Van Buren and the Charter Township of Brownstown (each are herein referred to as a Community and collectively as the ("Communities")) attached as Schedule H, pursuant to which the Authority would assume responsibilities and functions regarding the overall management of the DSDS and the Assets upon consummation of this Agreement. The County shall continue to perform its responsibilities under the Former DSDS Service Contract through the Closing.

C. **Negative Covenants.** Without limitation of the foregoing, after the execution of this Agreement and until the Closing, except as required by Applicable Laws or is consistent with Prudent Utility Practices, the County shall not, without the prior written notice to the Authority (i) enter into any new contracts lasting more than six (6) months; or (ii) assume any debt or enter into any contracts exceeding \$200,000 in the aggregate; or (iii) amend any existing contracts to (a) extend their term and such extension is longer than six (6) months; or

(b) increase the maximum compensation under the contract and the increase is greater than \$200,000; or (iv) alter the physical content or character of any component of the DSDS or the Assets so as to affect the fundamental utility or value of same, or otherwise take action or refrain from taking action that would result in any Material change in the status of the Assumed Liabilities. In the event the consent of the Authority is required, such consent shall not be unreasonably withheld or delayed.

4.2 Election to Assume Contracts/Termination of Contracts.

A. **Termination/Assignment of Contracts.** Not later than ninety (90) days prior to Closing, the Authority shall notify the County in writing which of the Contracts identified on Schedule L that the Authority elects to have assigned by the County and assumed by the Authority. The County may in its sole discretion terminate those Contracts the Authority elects not to have assigned by the County and assumed by the Authority.

B. **Mandatory Assumption of Contracts.** Not later than ninety (90) days prior to Closing, the County shall notify the Authority in writing which Contracts listed on Schedule L-1 that the County shall assign to the Authority and the Authority shall be required to assume at Closing.

C. **County's Satisfaction.** Not later than ninety (90) days prior to Closing the Authority shall demonstrate to the County's satisfaction that the items listed on the attached Schedule M have been completed.

ARTICLE V.

5.1 Post-Closing Conduct.

A. **Further Assurances.**

(i) **County Assurances.** The County shall cooperate with the Authority with the conveyance of the DSDS and the Assets, and assumption of the Assumed Liabilities, and under this Agreement and shall take all other reasonable actions to assure that the DSDS and the Assets are transferred to, and the Assumed Liabilities assumed by, the Authority in accordance with the terms of this Agreement. From time to time after the Closing Date, the County shall, at the request of the Authority, execute and deliver all additional conveyances, transfers, documents, instruments, assignments, applications, certifications, papers, and other assurances that the Authority reasonably requests as necessary or desirable to effectively carry out the intent of this Agreement and to transfer the DSDS and the Assets to the Authority and its assumption of the Assumed Liabilities.

(ii) **Authority Assurances.** The Authority shall not take any action which would impair the tax exempt status of interest on the Judgment Levy Bonds.

B. **General Assumption by the Authority.** Consistent with the assumption of the Assumed Liabilities by the Authority, the Authority shall assume, accept and become liable for

all other lawful obligations, promises, covenants, contracts and commitments and other requirements of the County in respect of the ownership, management, operation and administration of the DSDS and the Assets, whether known or unknown, contingent or matured, and shall perform all of the related duties and obligations, and shall be entitled to all of the rights and obligations of the County in respect of the DSDS and the Assets under any ordinances, agreements or other instruments and under law. Consistent with this Section 5.1.B, this assumption by the Authority includes the transfer to the Authority of all licenses, permits, approvals or awards related to the DSDS and the Assets, all grant agreements, all grant pre-applications, the right to receive the balance of any funds payable by third parties under any agreements related to the DSDS or the Assets, the right to receive any amounts payable by third parties to the County as of the Closing Date related to the DSDS or the Assets and such amounts paid to the County after the Closing Date related to the DSDS or the Assets, as well as the benefit of contracts and agreements related to the DSDS or the Assets, and all of the County's duties, liabilities, responsibilities and obligations with respect to the DSDS and the Assets and the Assumed Liabilities, except with respect to the Excluded Assets and Excluded Liabilities.

C. **Authority's Covenants to Operate DSDS.** The Authority agrees to operate the DSDS and the Assets for the purpose of furnishing sewage transport, treatment and disposal services to the public in accordance with Applicable Laws and Prudent Utility Practices, so as to provide such services to its customers in the same or an improved manner as was provided by the County immediately prior to the Closing Date.

ARTICLE VI

6.1 Conditions Precedent to the Authority's Obligation to Close.

A. **Conditions Precedent to the Authority's Obligation.** The Authority's obligation to consummate the transactions contemplated by this Agreement is subject to the fulfillment (or waiver by the Authority) before or at the Closing Date of each of the following conditions:

(i) **Accuracy of Representations and Warranties.** The representations and warranties of the County, if any, contained in this Agreement and all Closing Documents to which it is a Party, shall be true and correct in all Material respects.

(ii) **Performance of Covenants.** The County shall have in all Material respects performed all covenants, agreements, and conditions that this Agreement and all Closing Documents require it to perform.

(iii) **Instruments of Transfer.** The County shall have executed and delivered to the Authority the Closing Documents to which the County is a Party.

(iv) **Permits.** The Authority shall have received all permits, certificates, licenses and authorizations that in the Authority's opinion are necessary to operate DSDS and the Assets upon Closing, on conditions acceptable to the Authority including, but not limited to, the issuance of a National Pollutant Discharge Elimination System ("NPDES") Permit (the

“NPDES Permit”) related to the DSDS and the Assets and authority to operate the Industrial Pretreatment Program (the “IPP”) as required by the NPDES Permit, in the name of the Authority only, in substantially the same manner and fashion as operated by the County immediately prior thereto, including, without limitation, as a condition thereof, review and approval of sewer use regulations or ordinances adopted by the Authority and determination by the Michigan Department of Environmental Quality (“MDEQ”) that policies and procedures are consistent with such regulations or ordinance, and any other MDEQ requirements. The Authority shall apply for and diligently seek issuance of said Permits. The County shall not contest any NPDES Permit proposed by MDEQ for issuance unless such contest is first approved by the Authority. The County agrees that the Authority may oppose or contest any proposed NPDES Permits on the County's behalf.

(v) **MDEQ and Michigan Finance Authority (“MFA”) Authorization/State of Michigan Revolving Fund (“SRF”) Loans and SRF Capital Improvement Projects (“SRF Projects”).** The Authority shall have received all authorizations and approvals required by MDEQ and/or MFA to administer all SRF loans and projects as evidenced by the Judgment Levy Bonds identified on the attached Schedule J and the Revenue Bonds identified on the attached Schedule K.

(vi) **No Casualty.** Before the Closing Date, no uninsured occurrence of casualty, or non-budgeted liability outside of the normal course, in excess of Three Million Dollars (\$3,000,000), shall have taken place respecting the DSDS or the Assets or the Assumed Liabilities. The Authority may waive this condition prior to closing.

(vii) **Certificate Regarding Conditions Precedent.** The Authority shall have received a certificate from the County certifying that all of the conditions under Section 7.1.A of this Agreement have been satisfied or waived by the County.

(viii) **No Material Litigation or Claims.** No proceeding or investigation shall have been instituted before or by any court or governmental body and no Claim or litigation shall have been filed by any person against the County or by the County under any insurance policy (a) to restrain or prevent the carrying out of the transactions contemplated by this Agreement or (b) that might affect the Authority's right to own, operate, maintain or administer the DSDS or the Assets, or assume the Assumed Liabilities, after the Closing in a manner or to an extent Materially different than done by the County prior to the Closing.

(ix) **Approvals.** The Authority shall have obtained, in writing, all consents, approvals and authorizations necessary to consummate or to facilitate consummation of this Agreement and any related transactions, including, without limitations, all consents and approvals required by the Judgment Levy Bonds for the transfer of the Assets contemplated by this Agreement.

(x) **Other Documents and Instruments.** The Authority shall have received all other documents and instruments reasonably necessary for Closing, including but not limited to acceptable Title Commitments for insurance of an owner's policy of title insurance issued from a title insurance company of the Authority's choosing, naming the Authority as the insured.

(xi) **Municipal Resolutions.** Not later than sixty (60) days prior to the Closing, the Authority shall have obtained approval by resolution from not less than sixty-six percent (66%) by weighted voting of the Municipalities as set forth in Exhibit 1 of the DUWA Articles of Incorporation as amended.

(xii) **Payments by Communities.** Each Community shall be current in its payment obligations to the County under the Former DSDS Service Contract as of the Closing, provided the Authority, at its sole option, may waive this condition, and upon doing so releases the County from any obligation to collect such delinquent payments, provided further, that the Parties acknowledge their agreement with the City of Allen Park ("Allen Park") to credit Allen Park with Three Million Dollars (\$3,000,000) for overpayments made to County resulting from over reporting of base flow amounts attributable to Allen Park. Said amount shall be credited to Allen Park in the amount of Five Hundred Thousand Dollars (\$500,000) each year over a six (6) year period with the initial Five Hundred Thousand Dollars (\$500,000) credit to be made by the County for its fiscal year beginning July 1, 2017 to be realized in the form of a credit and thereafter as approved by the Authority. To the extent permitted by law, the County and the Authority each hereby indemnify and hold harmless the other with regards to their respective obligations to provide said credit to Allen Park.

(xiii) **Legal Authority.** The County shall provide the Authority with a legal opinion from the County's legal counsel confirming the legal and statutory authority of the County to transfer and convey the DSDS, the Assets and the Assumed Liabilities, and that the Closing Documents to which the County is a Party are valid and binding obligations of the County enforceable in accordance with their terms.

(xiv) **Diligence.** The Authority shall use reasonable efforts to cause all conditions within its control that are set forth in this Article VI to be satisfied or waived as promptly as practicable under the circumstances.

(xv) **Terms of Assumption or Defeasance of Revenue Bonds.** The Authority shall be satisfied with the terms and conditions upon which the Revenue Bonds will be defeased or assumed by the Authority and the Authority's ability to issue debt and otherwise obtain future financing for the operations, maintenance and administration of the DSDS and the Assets in a manner and to an extent not Materially different than with past practices and standards. The Authority's determination may include requiring receipt of written approval of the Michigan Department of Treasury ("Treasury"), the MFA and any other holders of the Bonds, and the MDEQ for the Authority to defease or assume the Revenue Bonds and to obtain financing for all such purposes.

ARTICLE VII.

7.1 Conditions Precedent to the County's Obligation To Close.

A. **Conditions Precedent to the County's Obligation.** The County's obligation to consummate the transactions contemplated by this Agreement are subject to the fulfillment (or waiver by the County) before or as of the Closing Date of each of the following conditions:

(i) **Accuracy of Representations and Warranties.** The Authority's representations and warranties contained in this Agreement and all Closing Documents shall be true and correct in all Material respects.

(ii) **Performance of Covenants.** The Authority shall have in all Material respects performed with all the covenants, agreements, and conditions that this Agreement and all Closing Documents require it to perform.

(iii) **Instruments of Transfer.** The Authority shall have executed and delivered to the County the Closing Documents to which it is a Party.

(iv) **Certificate Regarding Conditions Precedent.** The County shall have received a certificate from the Authority certifying that all conditions under Article VI have been satisfied or waived by the Authority.

(v) **Financing and Approvals.** The Authority shall have secured all necessary financing and all required consents, approvals and authorizations shall have been obtained for delivery of the Transfer Payment, including assumption of the Assumed Liabilities.

(vi) **Legal Authority.** The Authority shall provide the County with a legal opinion from the Authority's legal counsel and/or bond counsel, as appropriate, confirming (a) the legal and statutory authority of the Authority to purchase the DSDS and the Assets and to assume the Assumed Liabilities, and that this Agreement and the Closing Documents to which it is a Party are valid and binding obligations of the Authority, enforceable in accordance with their terms, (b) that the Authority has the necessary legal power and authority to (i) enter into or assume the Community Agreements as contemplated pursuant to Section 2.1(ix), and (ii) assume the Contracts listed on Schedule L which the Authority elects to have assigned by the County pursuant to Section 4.2.A and those Contracts identified on Schedule L-1 which the Authority is required to assume pursuant to Section 4.2.B, (c) that the voting threshold set forth under Section 6.1.A (xi) satisfy the requirements of DUWA's authorizing statute, charter or organizational documents; (d) that the transfer of the Assets and the Authority's assumption of the Revenue Bonds pursuant to this Agreement, will not, in and of themselves, materially impair the tax-exempt status of the interest on the Revenue Bonds.; and (e) that the Subordinated Bond is a valid and binding obligation of the Authority enforceable in accordance with its terms. The County shall have received a legal opinion of the County's bond counsel to the effect that the transfer of the Assets from the County to the Authority pursuant to this

Agreement will not, in and of itself, materially impair the tax-exempt status of the interest on the Judgment Levy Bonds.

(vii) **Insurance.** The Authority shall present evidence to the County that the Authority has in place insurance policies substantially equivalent in coverage and limits to those listed in Schedule N.

(viii) **Terms of Continuation, Assumption or Defeasance of Revenue Bonds.** The County shall be satisfied (a) with the terms and conditions upon which the Judgment Levy Bonds will remain outstanding and the Revenue Bonds will be defeased or assumed by the Authority and (b) with the Authority's ability to issue debt and otherwise obtain future financing for the operations, maintenance and administration of the DSDS and the Assets in a manner and to an extent not Materially different than with past practices and standards. The County's determination may include requiring receipt of written approval of Treasury, the MFA, any other holders of the Bonds and the MDEQ for the Authority to defease or assume the Revenue Bonds and to obtain financing for all such purposes.

(ix) **Diligence.** The County will use reasonable efforts to cause all conditions within its control that are set forth in this Article VII to be satisfied or waived as promptly as practicable under the circumstances.

(x) **Permits.** The County shall be satisfied that the Authority has received the NPDES Permit and authority to operate the IPP, and all other permits, certificates, licenses and authorizations that in the County's opinion are necessary to operate DSDS and the Assets upon Closing, on conditions acceptable to the County, in substantially the same manner and fashion as operated by the County immediately prior thereto, including, without limitation, as a condition thereof, review and approval of sewer use regulations or ordinances adopted by the Authority and determination by the MDEQ that policies and procedures are consistent with such regulations or ordinance, and any other MDEQ requirements, including, but not limited to, the issuance of the NPDES Permit related to the DSDS and the Assets and operation of the IPP as required by the NPDES Permit in the name of the Authority.

(xi) **MDEQ/MFA Authorization/SRF Loans and SRF Projects.** The County shall be satisfied that the Authority has received all authorization and approvals required by MDEQ and/or MFA to administer all SRF loans and projects as evidenced by the Judgment Levy Bonds, identified on the attached Schedule J and the Revenue Bonds identified on the attached Schedule K.

(xii) **Public Health, Welfare and Safety.** The County shall be satisfied, in its sole discretion, that (a) immediately upon Closing, the SWRDDD and the ECPAD, respectively, can and will be operated, maintained and administered in a manner necessary for public health, welfare and safety, pursuant to Community Agreements such as those contemplated by Section 2.1(ix), and (b) DUWA is prepared, directly or through a third-party provider, to perform the day-to-day operations, maintenance and administration of the DSDS necessary for public health, welfare and safety.

(xiii) **Assignment and Assumption of Contracts.** The Authority shall accept and assume in writing those Contracts it elects to assume pursuant to Section 4.2.A and those Contracts it is required to assume pursuant to Section 4.2.B, and can and will perform the duties and responsibilities as administrator of the SRF loans and projects as contemplated by Section 7.1.A(xi).

(xiv) **Tasks to Be Completed by Closing.** The County is satisfied the tasks set forth on the attached Schedule O have been completed.

(xv) **Judgment Levy Bonds Debt Service Payments.** The County shall be satisfied that the funds on hand in the debt retirement and reserve funds for the Judgment Levy Bonds, together with procedures established for collection of tax levy revenues from the Communities, will be sufficient to timely pay all principal of and interest on the Judgment Levy Bonds as the same shall become due.

(xvi) **Approvals.** The County shall have obtained, in writing, all consents, approvals, authorizations necessary to consummate or to facilitate consummation of this Agreement and any related transaction, including, without limitation, all consents and approvals required by the Judgment Levy Bonds for the transfer of the Assets contemplated by this Agreement.

(xvii) **Other Documents and Instruments.** The County shall have received all other documents and instruments reasonably necessary to close the transaction.

ARTICLE VIII.

8.1 Closing Matters.

A. **Transfer Payment.** At Closing, the following shall occur:

- (i) The Authority shall deliver the Transfer Payment as follows:
 - (a) the sum of Fifty-Four Million Dollars (\$54,000,000) pursuant to wire transfer instructions provided by the County;
 - (b) additionally, the Authority shall execute and deliver to the County as a bondholder the Subordinated Bond in the amount of Three Million Five Hundred Thousand Dollars (\$3,500,000), substantially in the form attached to this Agreement as Schedule P (the “Subordinated Bond”); and
 - (c) additionally, the Authority shall assume or defease the Revenue Bonds to the effect that the County is completely discharged and released from any and all obligations for payment on the Revenue Bonds as of the Closing Date.

(ii) Other than any Judgment Levy Bonds that the Parties agree shall be defeased, the Judgment Levy Bonds shall remain outstanding. With respect to any outstanding Judgment Levy Bonds, the Parties shall abide by and comply with the terms and conditions of the Judgment (a specimen of the Amended Final Judgment is attached as Schedule Q), and hereby affirm that notwithstanding the transfer of the DSDS and the Assets as contemplated by this Agreement:

- (a) Notwithstanding whatever rights the County has to enforce payments under the Judgment directly, the Judgment remains unchanged, in full force and effect and binding upon the Communities with all liabilities issued thereunder or arising in connection therewith; and
- (b) The obligations of the Communities to make judgment payments and to levy judgment payments remain unabridged and valid and enforceable; and
- (c) The judgment debt related to the Judgment Levy Bonds is the ultimate liability of the Communities, and after Closing, shall remain payable primarily from the judgment payments payable by the Communities; and
- (d) Each Community's obligation to pay its share of the underlying judgment payments is preserved and is not intended to be, and shall not be, affected or superseded by this Agreement and shall survive consummation of this Agreement; and
- (e) In the event any Community does not make its judgment payment, the Authority shall use its authority and power under Public Act 233, Public Acts of Michigan, 1955, as amended, to levy a supplemental charge against any default by any Community and remit all collected funds to the County for payment of the judgment debt; this obligation shall in no way be read to limit the County's rights to enforce payments under the Judgment directly, provided however that the County's right to enforcement shall not result in excess recovery as a result of the remittance of the Authority as contemplated by this subparagraph.

(iii) The County shall transfer and convey the Assets, other than the Real Property Interests, to the Authority and the Authority shall assume the Assumed Liabilities, pursuant to a Bill of Sale and Assignment and Assumption Agreement, substantially in the form attached as Schedule R, which shall completely discharge and release the County from any and all obligations for payment of the Revenue Bonds. The County shall transfer and convey the Real Property Interests to the Authority, including easements for Assets located upon or under land owned by the County, by Quit Claim Deed, substantially in the form attached as Schedule S. The Assets shall be conveyed on an "as-is, where-is" basis, that is, in their present state and condition as of the Closing and without any warranty from the County, subject to the Encumbrances; if any.

(iv) The Authority and the County, respectively, shall execute and deliver the Closing Documents to which it is a Party, together with such other documents and instruments as may be necessary or appropriate to consummate the transaction contemplated by the Agreement.

(v) The Authority shall deliver evidence to the County that the Authority has in place policies of insurance for the types of coverage with limits substantially equivalent in coverage and limits to those set forth in Schedule N.

B. Closing Date. The consummation of this transaction, with the exception for the documents described in Section 5.1.A. (the "Closing") shall take place on August 1, 2018, at a time and location mutually agreeable to the County and the Authority, provided that the County and the Authority may, by mutual agreement, extend the Closing, but only for one time only, until September 28, 2018 (the "Closing Date"). Either party may request such extension in writing delivered to the other Party by not later than August 1, 2018. The Party receiving such written request shall notify the other Party of its decision to extend the Closing, or not, by not later than September 28, 2018. Absent mutual agreement between the County and the Authority, the Closing Date shall not be further extended. All documents related to the consummation of this transaction shall be executed and delivered at the Closing and shall be deemed to have occurred simultaneously, and no aspect of the transaction shall be deemed to have occurred and no document shall be deemed to have been executed or delivered unless all Closing Documents, as set forth in Schedule F, have been executed and delivered. For the purposes of this Agreement, the term Business Day means a day other than a Saturday or Sunday on which banks are generally open for business in Michigan.

C. Closing Expenses. Payments due for any applicable documentary stamp taxes or other like reasonable charges, if any, on or in connection with the County's conveyance and transfer of the DSDS and the Assets to the Authority, are not the obligation of the County, and shall be paid from DSDS revenues.

D. Routine Expenses. Routine DSDS operating charges incurred in the ordinary course (such as electricity, gas, water, sewer, telephone, refuse collection, and other services) shall be paid from DSDS revenues by the County through the date of Closing. The Authority shall assume responsibility for payment of all DSDS operating charges DSDS revenues from after the date of Closing.

ARTICLE IX.

9.1 Termination.

A. **Termination for Failure to Close.** Regardless of any Default (as defined below) on the part of the Authority, this Agreement shall be terminated by the County, by written notice to the Authority, if the transaction contemplated by this Agreement is not Closed within ninety (90) days following the date the Authority secures financing satisfactory to pay the Transfer Payment, but in no event later than July 1, 2018, subject to extension as provided in Section 8.1.B.

B. **Termination of the Former DSDS Service Contract.** The Parties acknowledge that the Former DSDS Service Contract shall be deemed terminated as of the Closing Date, and shall cooperate in securing a written release and waiver, in form mutually agreeable to the County and the Authority, signed by the Communities pursuant to which each Community shall (i) release and waive all Claims against the County arising out of the ownership, operation, maintenance and administration of the DSDS and the condition of the DSDS and the Assets prior to and after Closing, (ii) release and waive all such Claims against the Authority based upon events or occurrences arising on or before the Closing and (iii) acknowledge County's right to enforce the payments in accordance with the terms of the Judgment directly, notwithstanding the transfer of the DSDS and the Assets. In the event less than all municipalities provide such waivers and releases, the County may elect to proceed to Closing in accordance with the other terms and provisions of this Agreement or, by notice to the Authority, to elect to terminate this Agreement.

ARTICLE X.

10.1 The County's Representations and Warranties. To the County's Knowledge, the County represents and warrants to the Authority as follows as of the date of the Agreement and as of the Closing Date.

A. **Organization and Standing.** The County is a political subdivision of the State of Michigan duly organized and existing under the laws of the State of Michigan, with requisite power and authority to (i) enter into this Agreement and the Closing Documents to which it is a Party; (ii) convey the DSDS and the Assets to the Authority in accordance with this Agreement, and that the County has duly authorized and approved the execution and delivery of this Agreement and the performance by the County of its obligations under this Agreement.

B. **Authorization.** This Agreement is, and, when executed and delivered by the County, each of the Closing Documents to which it is a Party, will be valid and binding obligations of the County, except enforcement as may be limited by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium, or similar laws relating to the enforcement of creditors' rights and by general principles of equity, including those related to equitable subordination. To the County's Knowledge, it is the owner of the Assets, and has no reason to believe that the System is not located within governmental rights of way, but is transferring its

interests therein without assurances of same and without warranty of title and in "as-is where-is" condition.

C. **Existing Agreements and Governmental Approvals.** The execution, delivery, and performance of this Agreement and the Closing Documents to which the County is a Party, and the consummation of the transactions contemplated by them: (a) do not and will not violate any provisions of Applicable Laws to the DSDS, the Assets or the Assumed Liabilities; (b) do not and will not conflict with, result in the breach or termination of any provision of, or constitute a default under (in each case whether with or without the giving of notice or the lapse of time or both) any instrument, contract, or agreement or any order, judgment, arbitration award, or decree to which any of the County is a Party or by which any of them are bound; and (c) do not and will not result in the creation of any Encumbrance on any part of the DSDS or the Assets.

D. **Litigation and Claims.** It has not instituted any Litigation or proceeding, and, except as disclosed in Schedule E, there are no Claims, or Litigation, pending or threatened, or any judgment against the County, which would Materially affect any of its ownership, operation, maintenance or administration of the DSDS or the Assets or its ability to transfer the DSDS or the Assets to the Authority as contemplated by this Agreement, or that would affect the Assumed Liabilities.

E. **Permits and Licenses.** It has disclosed in the attached Schedule T a list of permits, certificates and licenses which the County regards to be Material to carry on and conduct the operations and maintenance and administration of the DSDS and the Assets and to own, lease, use, and operate the components and facilities comprising the DSDS and the Assets at the places and in the manner in which same is being conducted.

F. **Financial Statements.** It has delivered to the Authority the most recent fiscal year audited Financial Statements attached as Schedule D, and the County shall deliver, within 30 days of Closing, the following financial information:

- (i) An accurate, complete and detailed trial balance from October 1, 2017 through the closing date
- (ii) General ledger detail for the period from October 1, 2017 through the closing date. All known receivables and payables shall be reflected.
- (iii) Balance sheet support as follows:
 - (a) Support showing proof that final cash balances are complete and accurate (i.e. Bank and investment reconciliations as of the closing date open item)
 - (b) Accounts receivable subsidiary ledger, including amounts owed from Communities, along with a detailed aging report and support for amounts owed (billing worksheets or other documentation)

- (c) Prepaid asset schedule along with detailed invoice indicating billing period
- (d) Detailed inventory listing
- (e) Accounts payable subsidiary ledger including copies of invoices
- (f) Other liability account detail
- (g) Capital asset schedules and related depreciation schedules
- (h) Reserve balance schedules indicating activity from October 1, 2017 through to the closing date
- (iv) The County shall provide a schedule, by month, of the revenues of the system, broken down by Community and other payers from October 1, 2017 to the date of closing
- (v) The County shall provide a check register by month with vendor payments and invoice numbers.
- (vi) Industrial pre-treatment program billing history for the past 3 fiscal years (FY's 15, 16, and 17) and current year portion year to date (from October 1, 2017 to the closing date).
- (vii) All schedules and templates necessary to prepare the annual rate package
- (viii) Templates for the self-reporting of flows by the Communities
- (ix) Schedules of system flow data by Community for the past 60 months.
- (x) Schedules of non-Judgment Levy Bond reserve cash accounts including activity for the past 24 months
- (xi) Schedules related to any SRF Projects that have not been fully drawn down, including all associated costs of such projects, detail of amounts drawdown, dates requested and dates the drawdowns were received. If there are any outstanding drawdown amounts at the time of closing, these balances will be accrued and payment will be made to DUWA rather than the County.

If subsequent to the Closing Date the County receives any payments in respect of any accounts receivable, accrued interest, refunds or reimbursements, fixed asset sale proceeds and like amounts that are reflected in or should have been reflected in the accounting records related to the DSDS, the funds will be remitted to DUWA.

The County will respond to reasonable requests for additional information necessary for DUWA to transition from the County's accounting system to DUWA's accounting system.

G. **Compliance.** To the County's Knowledge, the County has complied with its Ethnic Ordinance, being Chapter 40, Wayne County Ordinances, with respect to contracting requirements. Further, the County is in compliance with the terms of the LOI governing contract expenditures or extensions, transactions involving immediate family members, Material damage or loss affecting the operation of the DSDS or the Assets and the issuance of debt related to the DSDS or the Assets.

H. **Employee Benefit Plans.** Schedule U lists all plans, contracts, programs, and arrangements (including, but not limited to, collective bargaining agreements, pensions, bonuses, deferred compensation, retirement, severance, hospitalization, life insurance, disability, sick leave, salary continuation, vacation, holiday, and other benefit plans, programs, practices, understandings, or arrangements, whether written or unwritten) maintained currently by the County or under which the County has any obligations regarding an employee of the County that were applicable to employees at DSDS (the "Plans"), which Plans the County shall be responsible for compliance and funding through the Closing Date.

I. **Contracts.** The County has disclosed on the attached Schedule L those categories of open contracts related to the DSDS or the Assets. None of such contracts would interfere with the ability of the Authority to own, operate or administer the DSDS or the Assets as contemplated by this Agreement, all such contracts are in full force and effect without amendment (unless the amendments are clearly noted), and are valid and binding obligations of the parties thereto in accordance with their respective terms, subject to laws generally governing bankruptcy and the enforcement of creditors' rights.

J. **Receivables.** The receivables as shown in the Financial Statements are the result of transactions with Communities and any other customers served by the DSDS.

K. **Taxes.** The County is in compliance with all laws and regulations governing the reporting, filing, withholding, collection and payment of Taxes and Tax Returns, and has received no notice or claim, or threat of audit, from any taxing authority.

L. **Environmental Requirements.** To the County's Knowledge, the County has complied in all Material respects with all Environmental Requirements in connection with the ownership, operation and administration of the NPDES Permit, and has not received notice of any violation of any of the foregoing except as disclosed on Schedule I.

M. **Compliance with Laws.** For the past year, it has been in Material compliance with all Applicable Laws affecting the operation, maintenance and administration of the DSDS and the Assets.

N. **Sole Source Suppliers and Customers.** The County has disclosed in Schedule V Material contracts with suppliers or vendors of products or services related to the DSDS (other than legal or accounting services) with respect to which practical alternative sources of supply are not available on comparable terms and conditions, and the name and address of each supplier or vendor and the amount sold to the County year to date.

O. **No Brokers.** It has not engaged, and is not responsible for any payment to, any finder, broker, or consultant in connection with the transactions contemplated by this Agreement.

P. **Intellectual Property.** It does not have any Intellectual Property or any domain names that would be considered to be solely dedicated or used by DSDS.

Q. **Insurance.** Insurance policies covering the DSDS, the Assets and the Assumed Liabilities are described in Schedule N (which identifies the insurer and date of insurance), and are in full force and effect and paid in full. The County shall maintain such insurance until the Closing Date and in amounts the County deems sufficient with respect to the DSDS, the Assets and the Assumed Liabilities. Except as disclosed in Schedule E, (i) there are no disputes about insurance coverage under said policies with respect to the Assets or Assumed Liabilities, and (ii) the County has not been notified of any occurrence which would potentially be the basis for any Claim or Litigation under said policies with respect to the Assets or Assumed Liabilities. The County is not in default with respect to any provisions contained in any such insurance policies and has not failed to give any notice or present any Claim under any such insurance policies in due and timely fashion.

R. **Investment Intent.** The County is accepting the Subordinated Bond for its own account, for investment, and without any present intention to resell it. The County acknowledges and agrees that the Subordinated Bond has not and will not be registered under the Securities Act of 1933, as amended (Securities Act), or the Michigan Uniform Securities Act, as amended, and the County will not resell or otherwise transfer it.

S. **Accuracy of Representations and Warranties and Satisfaction of Conditions.** To the County's Knowledge, this Agreement and the Schedules do not contain any untrue statement of a Material fact, or omit to state a Material fact necessary to make the statements contained therein, in light of the circumstances in which they are made, misleading. The County will immediately advise the Authority in writing if the County becomes aware that (i) any of the County's representations or warranties are untrue or incorrect in any Material respect or (ii) the County becomes aware of the occurrence of any event or of any state of facts that results in any of the representations and warranties of the County being untrue or incorrect in any Material respect as if the County were then making them. The County will not take any action, or omit to take any action, that would result in any of the County's representations and warranties set forth in this Agreement to be untrue or incorrect in any Material respect as of the Closing Date.

T. **Disclaimer of Other Representations and Warranties.** Except as expressly provided in this Article X, the County does not intend and does not make any representation or warranty, express or implied, at law or in equity, in respect to any of the DSDS, the Assets or the

Assumed Liabilities, including, without limitation, with respect to merchantability or fitness for any particular purpose of the DSDS or the Assets, or as to the County's legal title to, or its right to occupy, any Real Property Interest, and any such other representations or warranties are hereby expressly disclaimed. The Authority hereby acknowledges and agrees that except as otherwise provided herein, the DSDS and the Assets are being transferred to the Authority on an "as-is, where-is" basis, that is, in their present state and condition as of the Closing and without any warranty.

ARTICLE XI.

11.1 The Authority's Representations and Warranties. The Authority represents and warrants to the County that as of the date of this Agreement and as of the Closing Date:

A. **Organization and Standing.** The Authority is an authority incorporated under the provisions of Act 233, Public Acts of Michigan, 1955, as amended, is duly organized, validly existing, and in good standing under the laws of the State of Michigan, with full power and authority, among other things, to (i) enter into this Agreement, (ii) issue the Subordinated Bond, (iii) assume the Revenue Bonds, and (iv) accept from the County the conveyance and transfer of the DSDS and the Assets and to operate the DSDS as provided in this Agreement, and the Authority has duly authorized and approved the execution and delivery of and the performance by the Authority of its obligations contained in this Agreement and the agreements contemplated hereby, including, without limitations, the Closing Documents.

B. **Authorization.** This Agreement constitutes the valid and legal obligation of the Authority enforceable in accordance with its terms except that the enforceability thereof may be affected by bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws affecting creditors' rights generally, now existing or hereafter enacted, and by the application of general principles of equity, including those relating to equitable subordination.

C. **Noncontravention.** Neither the execution and the delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Section 8.1 A above), will (i) violate any constitution, statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency or court order to which the Authority is subject nor (ii) conflict with, result in a breach of, constitute a default under, result in the acceleration of, or create in any party the right to accelerate, terminate, modify or cancel, or require any notice or approval under, any agreement, contract, lease, license, instrument or other arrangement to which the Authority is a party, or require the County to give any notice to, make any filing with, or obtain any authorization, consent or approval of, any government or governmental agency in order for the Parties to consummate the transactions contemplated by this Agreement (including the assignments, assumptions and consents referred to in Section 8.1 above).

ARTICLE XII.

12.1 Hiring County Employees. The Authority shall have no obligation to hire any of the County's employees, provided, however, that the Authority or any contractor or subcontractor engaged to operate and/or manage the DSDS, shall be free to negotiate with and hire any of the County's employees, and the County shall cooperate and encourage those employees to accept employment with the Authority. The County shall be responsible and liable for any salary, wages, bonuses, health care or medical benefits, commissions, accrued vacations, or sick-leave time; profit sharing or pension benefits; and any other compensation or benefits, as well as any actions or causes of action, including, but not limited to, unemployment compensation claims and worker's compensation claims and claims for race, age, gender identity, national origin, and sex discrimination and sexual harassment, that any of its employees assert resulting from actions and/or conduct of the County prior to the Closing Date and during the time that the County was the employer. The County shall further be responsible for all rights of the County's employees who are no longer County employees after the Closing Date who elect to continue their health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA) after the Closing Date.

ARTICLE XIII.

13.1 Post-Closing Receipts. As of the Closing the County and the Authority shall establish a protocol for (i) immediately notifying and delivering to one another any payments or receipts and any invoices or statements either received with respect to any of the DSDS and the Assets, and (ii) accounting and reconciling any collections of receipts and disbursements made in payment of any invoices or statements, and pending reconciliation of receipts and disbursements, the receiving party will segregate such receipts and disbursements from its own assets and liabilities and will clearly mark or designate them as the property or responsibility of itself or the other party.

ARTICLE XIV.

14.1 Indemnification.

A. **Indemnification by the County.** To the extent allowed by law, the County shall defend, indemnify, and hold harmless the Authority and its officers, members, representatives, successors, and permitted assigns from and against any Losses (including reasonable legal and expert witness fees), and including any Losses arising from or in connection with a third-party claim, in connection with or resulting from the Excluded Liabilities and any Material breach of any representation or warranty of the County contained in this Agreement which survive the Closing. Except as hereinabove provided, the County shall not have any obligation to indemnify or hold harmless the Authority for any reason whatsoever respecting the ownership, operation, management or administration of the DSDS or the Assets or otherwise.

B. Indemnification by the Authority. To the extent allowed by law, the Authority shall defend, indemnify and hold harmless the County and its officers, members, representatives, successors, and permitted assigns from and against any Losses (including reasonable legal and expert witness fees), and including any Losses arising from or in connection with a third-party claim, in connection with or resulting from the Assumed Liabilities;

(i) any Material breach of any representation or warranty of the Authority contained in this Agreement;

(ii) any violation of any Environmental Requirements by the County or the Authority related to the DSDS or the Assets whether arising from facts existing prior to or subsequent to the Closing Date; and

(iii) any payment made by the County with respect to the Judgment Levy Bonds as a result of the loss of the tax exempt status of the Judgment Levy Bonds due to the conduct of the Authority.

C. Waiver of Environmental Remedies. From and after the date of this Agreement, the Authority waives any right, whether arising at law or in equity, to seek contribution, cost recovery, damages or any other recourse or remedy from the County, and hereby releases the County from any claim, demand or liability or Loss whatsoever, other than any Excluded Liabilities, with respect to the ownership, operation, management and administration of the DSDS or the Assets, including, without limitation, under any of the Environment Requirements, relating to the past, current or future facts and circumstances related to the DSDS or the Assets, including, further, without limitation, any such matter arising under any Applicable Laws. From and after the Closing Date, the Authority hereby unconditionally agrees to indemnify, defend and hold harmless the County from any and all liability, Loss, cost or expense with respect to any such Applicable Laws, other than any Excluded Liabilities (including any arising under any Applicable Laws).

D. Indemnification Involving Third Parties.

(i) If any third party shall notify any Party (the "Indemnified Party") with respect to any matter (a "Third-Party Claim") which may give rise to a claim for indemnification against any other Party (the "Indemnifying Party") under this Article XIV, then the Indemnified Party shall promptly (and in any event within five (5) business days after receiving notice of the Third Party Claim) notify each Indemnifying Party thereof in writing. Failure to give timely notice shall not bar either parties right to indemnification.

(ii) To the extent permitted by Applicable Laws, any Indemnifying Party will have the right at any time, but not the obligations, to assume and thereafter conduct the defense of the Third Party Claim with counsel of its choice reasonably satisfactory to the Indemnified Party; provided, however, that the Indemnifying Party will not consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnified Party (not to be withheld unreasonably) unless the judgment or proposed

settlement involves only the payment of money damages and does not impose an injunction or other equitable relief upon the Indemnified Party.

(iii) Unless and until an Indemnifying Party assumes the defense of the Third-Party Claim as provided in this Article XIV, however, the Indemnified Party may defend against the Third-Party Claim in any manner it reasonably may deem appropriate.

(iv) In no event will the Indemnified Party consent to the entry of any judgment or enter into any settlement with respect to the Third-Party Claim without the prior written consent of the Indemnifying Party (not to be withheld unreasonably).

E. **Funding of Indemnity Obligations.** Any liability to be paid by the Authority or the County under this Article XIV shall be funded from the revenues of the DSDS, and not from the County's general fund.

ARTICLE XV.

15.1 Transaction Expenses. Each Party shall be responsible for its own legal and professional fees associated with the transaction, although DSDS revenues shall be used for all such fees and expenses. The Authority and the County acknowledge that the development and implementation of the transaction will require the Authority and the County to engage a variety of professional service providers including bond counsel, financial and technical advisors, and attorneys. The Parties also acknowledge that the County will incur expenses and charges, whether incurred routinely or on extraordinary basis, in connection with the maintenance, operation and maintenance of the DSDS and Assets prior to Closing and in undertaking tasks and activities pursuant to Section 5.1.A after Closing, for which statements and invoices will not be delivered until at or after the Closing. The County and the Authority agree that each Party shall be entitled to access and utilize DSDS revenue/cash reserves for the purpose of compensating all professional and other service providers and contractors for work performed relative to the transaction. As of the Closing, the Authority and the County agree to establish an escrow account and a disbursement process by which the County is able to timely pay for fees and charges incurred for professional and other services. The escrow account shall not exceed the amount of One Million Five-Hundred Thousand Dollars (\$1,500,000). The County reimbursement under this Agreement shall not exceed the escrow amount. The escrow account shall be in the custody of the County and administered solely for the stated purposes. The escrow arrangement shall terminate six (6) months from the Closing at which time the County shall provide the Authority with a detailed accounting of disbursements made from the escrow account and shall remit to the Authority any unused funds remaining in the escrow account at that time.

ARTICLE XVI.

16.1 Risk of Loss. The County maintains insurance policies as identified in Schedule N, including one or more policies that name the Communities as additional insured parties

(the “Joint Policy”), and one or more policies that do not (the “Solo Policy”). As to any Joint Policy only, DUWA shall have the sole decision-making authority regarding the submission to the appropriate insurance carrier of any Claims or Litigation, as well as Claims for Loss to the DSDS or the Assets resulting from fire or other casualty or cause relating to the period of time immediately following transfer of the DSDS and the Assets. Any funds needed to resolve or Litigation or Claims for Loss shall be paid from DSDS reserves or from insurance proceeds. In no event shall the County’s general fund or insurance proceeds from any Solo Policy be made available for such purposes. As to any Solo Policy only, the County shall have sole decision-making authority regarding the submission to its insurance carrier of any Claims or Litigation, as well as Claims for Loss relating to the DSDS or the Assets resulting from fire or other casualty or cause relating to any period of time prior to the transfer of the DSDS and the Assets. As to such matters, the County’s right to submit such Claims, for Loss or damage to its insurance provider(s), shall survive the Closing. Any funds needed to resolve or settle Claims, Litigation or Losses shall, at the County’s sole option, be paid from DSDS revenues or from insurance proceeds to the extent available. To the extent the County elects not to submit Claims, to its insurance carrier, or insurance proceeds are not available to resolve or settle a matter, and the County makes payment from its general fund to do so, the County shall be entitled to reimbursement from DSDS revenues upon demand by the County to the Authority.

ARTICLE XVII.

17.1 Termination.

A. **By The Parties.** This Agreement may be terminated at any time before the Closing Date as follows:

- (i) By mutual consent of the Authority and the County.
- (ii) By written notice from the Authority to the County if the County is in Default.
- (iii) By written notice from the County to the Authority if the Authority is in Default.

(iv) By written notice from the Authority to the County if (a) any condition set forth in Section 6.1 is not satisfied or waived by Closing and (b) by written notice from the County to the Authority if any condition set forth in Section 7.1 is not satisfied by the Closing, including as to both (a) and (b), the terms and conditions under which the Authority would assume or defease the Revenue Bonds, and/or will issue debt to finance operations, maintenance and administration of the DSDS and the Assets, as contemplated under Section 8.1, including, also, without limitation, the Authority securing all necessary financing and all required consents for delivery of the Transfer Payment under Section 8.1.A (i).

(v) For the purposes of this Agreement, a Default shall mean a failure by a Party to perform any of its duties, obligations or covenants for the period of ten (10) days with respect to

any obligation to make payment of funds and thirty (30) days with respect to any non-monetary obligation; provided, that, either Party may extend the applicable grace period if satisfied that an extension is warranted due to the nature of the Default and the defaulting party is diligently taking steps to cure the Default.

(vi) By written notice from the Authority if the financing for delivery of the Transfer Payment is not acceptable to it.

(vii) By written notice from the Authority if the provisions of Section 6.1.A(xi) of this Agreement regarding Municipal Resolutions is not satisfied.

B. **Effect.** If terminated as provided in Section 17.1.A, this Agreement shall forthwith become void and have no further effect, except that no Party shall be relieved or released from any liabilities or damages arising out of the Party's default under this Agreement.

ARTICLE XVIII.

18.1 Miscellaneous Provisions.

A. **Survival of Representations and Warranties.** The representations and warranties made by the Authority and by the County respectively, under this Agreement, shall survive Closing for a period of two years. .

B. **Notices.** All notices, demands, and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed given (i) when personally delivered or sent by facsimile transmission to the party to be given the notice or other communication or (ii) on the business day following the day the notice or other communication is sent by overnight courier to the following:

- if to the County:

Warren C. Evans
County Executive
500 Griswold St Ste 1050
Detroit, MI 48226

AND

Zenna Elhasan, Esq.
Wayne County Corporate Counsel
500 Griswold St Fl 30
Detroit, MI 48226

AND

W. Anthony Jenkins, Esq.
The County's Outside Counsel
Dickinson Wright PLLC
500 Woodward Avenue Ste 4000
Detroit, MI 48226

• if to the Authority:

Rick Sollars, Chairman
Downriver Utility Wastewater Authority
25605 Northline Road
Taylor, MI 48180

AND

James G. Fausone, Esq.
Fausone Bohn, LLP
The Authority's General Counsel
41700 W. Six Mile Rd., #101
Northville, MI 48168

or to another address, facsimile number, or e-mail that the parties may designate in writing.

C. **Assignment.** Neither the County nor the Authority shall assign this Agreement, or any interest in it, without the prior written consent of the other.

D. **Parties in Interest.** This Agreement shall inure to the benefit of, and be binding on, the named parties and their respective successors and permitted assigns (i.e., only persons for whom consent to assign has been given pursuant to Section 18.C). No person or entity other than the parties and the respective successors and permitted assigns shall have any rights or remedies under this Agreement. This Agreement is not intended to and shall not be construed to give any third party any interests or rights (including to any third party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby.

E. **Choice of Law.** This Agreement shall be governed, construed, and enforced in accordance with the laws of the State of Michigan.

F. **Counterparts.** This Agreement may be signed in any number of counterparts with the same effect as if the signature on each counterpart were on the same instrument.

G. **Entire Agreement.** This Agreement and all Closing Documents, Schedules, or certificates represents the entire understanding and agreement between the parties regarding the subject matter and supersede all prior agreements, representations, warranties, and negotiations between the parties. This Agreement may be amended, supplemented, or changed only by an agreement in writing that makes specific reference to this Agreement or the agreement delivered

pursuant to it and that is signed by the party against whom enforcement of the amendment, supplement, or modification is sought.

H. Mediation. If a dispute arises under this Agreement, except when a party seeks temporary or preliminary equitable relief or when delay will unduly prejudice a party, the parties agree to engage in a confidential and good faith mediation with a mediator mutually selected by the parties. Unless mutually agreed to the contrary, the parties will schedule the mediation to take place within 15 days of the date either party receives from the other notice of any dispute. In those instances where temporary or preliminary equitable relief is sought or will unduly prejudice a party, the parties will engage in the confidential mediation within 30 days of the filing of the lawsuit. The parties will comply with all confidentiality and other agreements reasonably required by the mediator. The parties also agree to confer on the voluntary exchange of information, documents, and other data that will assist the confidential mediation process. The prevailing party in the mediation shall be entitled to reimbursement of its costs and legal fees by the other party, which reimbursement shall be made promptly upon demand therefor following the final resolution of the mediation process, including any appeals.

I. Arbitration.

(i) Any dispute arising out of or relating to this Agreement will be finally settled by arbitration in accordance with the Commercial Arbitration Rules and the Supplementary Procedures for Large Complex Disputes of the American Arbitration Association (“AAA”), which arbitration shall be conducted by an arbitrator selected by the parties under the AAA’s Enhanced Neutral Selection Process. If the parties fail to agree upon and appoint an arbitrator within fifteen (15) business days thereafter, an arbitrator shall be appointed by the AAA. If the AAA cannot, or declines to, appoint an arbitrator within fifteen (15) business days after it is requested to do so, then such arbitrator shall be appointed as promptly as possible by a court of competent jurisdiction upon application to such court by any party.

(ii) The parties shall bear equally all costs of the arbitration itself that are charged, imposed or otherwise required by the AAA and/or the arbitrator, and each of the parties shall be solely responsible for its, his or her own separate costs and expenses associated with or attributable to the arbitration process. The foregoing notwithstanding, all such costs and expenses shall be paid with DSDS revenues.

(iii) Any arbitration provided for under this Agreement shall take place at a mutually convenient location in the Metropolitan Detroit area unless otherwise agreed by the parties. If the parties cannot agree upon a mutually convenient location in the Metropolitan Detroit area within five (5) business days after the arbitrator shall have been selected or appointed, then the arbitration shall take place at a location in the Metropolitan Detroit area specified by the arbitrator so appointed.

(iv) Discovery shall be limited to reasonable procedures consistent with the contours of the dispute as determined by the arbitrator. The substantive and procedural law of the state of Michigan shall apply to and control any such arbitration proceedings without regard to any

choice of law rules under Michigan law. Equitable remedies shall be available in any arbitration. The arbitrator's award shall be reasoned and in writing. Judgment upon any award rendered by any arbitrator may be entered by any court of competent jurisdiction upon the application of any party in whose favor any such award was made.

J. **Severability.** Whenever possible, each provision of this Agreement shall be interpreted in a manner to be effective and valid under applicable law, but if one or more of the provisions of this Agreement is subsequently declared invalid or unenforceable, the invalidity or unenforceability shall not in any way affect the validity or enforceability of the remaining provisions of this Agreement. In the event of a declaration of invalidity or unenforceability, this Agreement, as so modified, shall be applied and construed to reflect substantially the intent of the parties and achieve the same economic effect as originally intended by its terms. In the event that the scope of any provision to this Agreement is deemed unenforceable by a court of competent jurisdiction, or by an arbitrator, the parties agree to the reduction of the scope of the provision as the court or arbitrator shall deem reasonably necessary to make the provision enforceable under the circumstances.

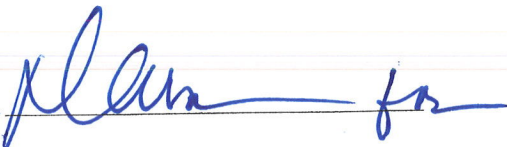
K. **Litigation Support.** In the event and for so long as the County or the Authority actively is contesting or defending against any action, suit, proceeding, hearing, investigation, charge, complaint, claim, labor dispute or demand in connection with (i) any transaction contemplated under this Agreement or (ii) any fact, situation, circumstance, status, condition, activity, practice, plan, occurrence, event incident, action, failure to act, or transaction involving DSDS, the Assets or the Assumed Liabilities, the other party will cooperate with the contesting or defending party and its counsel in the contest or defense, make available its personnel, and provide such testimony and access to its books and records as shall be necessary in connection with the contest or defense, all cost and expense to be paid from DSDS revenues.

L. **Interpretation.** This Agreement and the Closing Documents are being entered into among competent and experienced business persons, represented by counsel, and have been reviewed by the parties and their counsel. Therefore, any ambiguous language in this Agreement or any Closing Documents will not necessarily be construed against any particular party as the drafter of such language.

M. **No Waiver.** No waiver of any breach of any provision of this Agreement will be deemed a waiver of any preceding or succeeding breach or of any other provision of this Agreement. No extension of time for performance of any obligations or acts will be deemed an extension of the time for performance of any other obligations or acts.

The County has executed this Agreement as of the Effective Date.

THE COUNTY: WAYNE COUNTY

By: 


Warren C. Evans

Its: County Executive

The Authority has executed this Agreement as of the Effective Date.

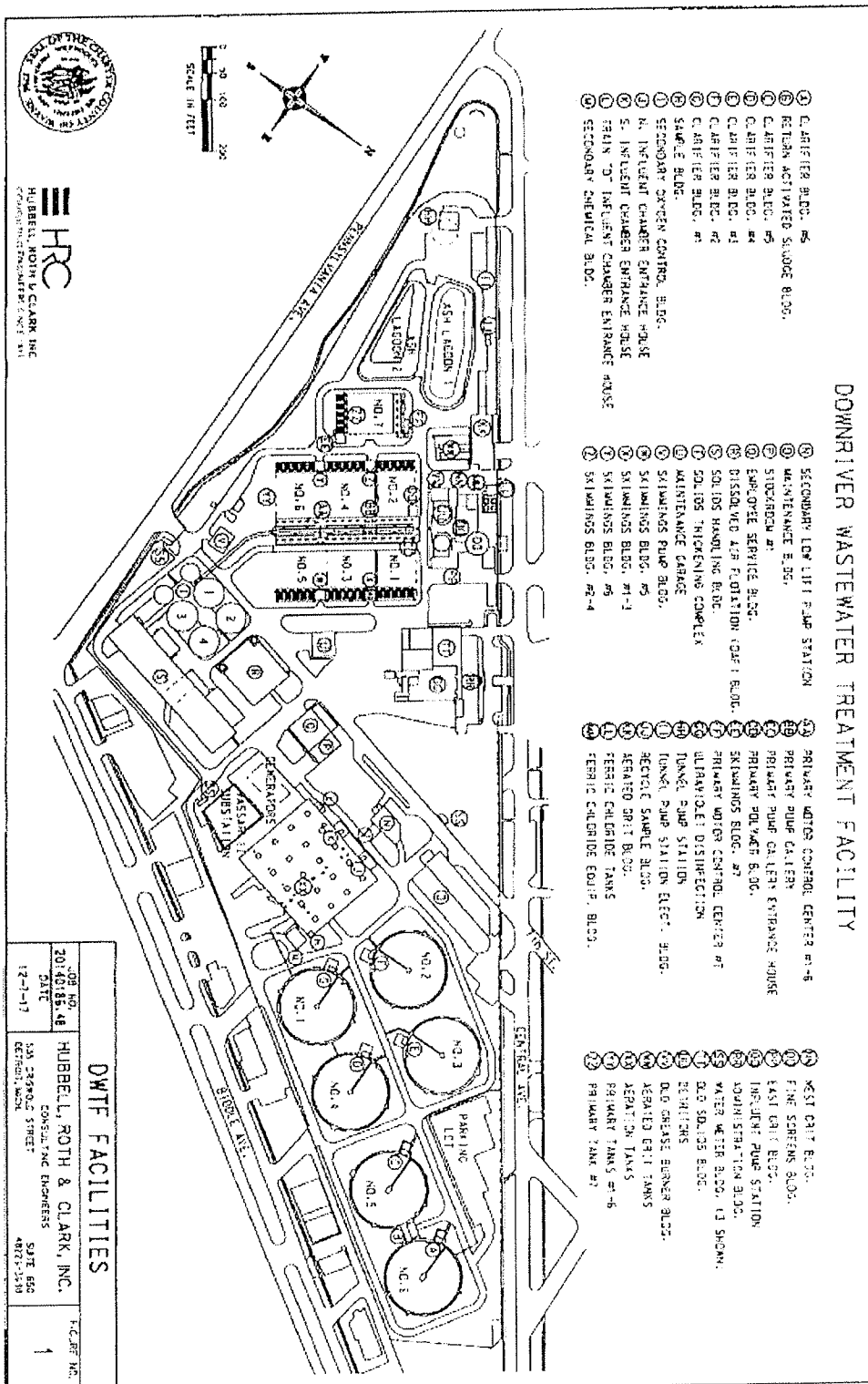
THE AUTHORITY: DOWNRIVER UTILITY WASTEWATER AUTHORITY

DUWA CHAIR

A handwritten signature in black ink, appearing to read 'Rick Sollars', is written over a horizontal line.

Rick Sollars
Mayor, City of Taylor

SCHEDULE A - Map of the Wastewater Treatment Facility



SCHEDULE A-1
Downriver Sewage Disposal System Service Area, DWTF, DRSTS,
Interceptors, Metering Devices And Rain Gages

(See Map on next page and also available on Citrix)

SCHEDULE A-2
DSDS Inventory of Interceptors and DRSTS
Inventory Available on Citrix

SCHEDULE A-3

Downriver Sewage Disposal System Summary of Flow Meters, Rain Gages and Other Measuring Devices December 12, 2017

ADS™ Flow Meters	13
Accusonics™ Flow Meters	7
Other Measuring devices (6 with Telogers™ equipment)	14
Novalynx™ Rain Gages	11

Table 1: Existing ADS Flow Meters, Downriver Sewage Disposal System

Site ID	Address	Community	Equipment Type	Manufacturer	Model Number
DMA-1	Airport Facility	Romulus	Flow Meter – 24 inch	ADS	Triton+
DMA-2	28825 Goddard	Romulus	Flow Meter – 21 inch	ADS	Triton
EC-6	2211 Riverdrive	Lincoln Park	Flow Meter – 54 inch	ADS	Triton+
ER-1	20209 Eureka	Taylor	Flow Meter – 54 inch	ADS	Triton+
ER-2	27437 Eureka	Romulus	Flow Meter – 54 inch	ADS	Triton+
P-2	16700 Pennsylvania	Southgate	Flow Meter – 36 inch	ADS	Triton+
PA-1	14617 Eureka	Southgate	Flow Meter – 48 inch	ADS	Triton+
PA-2	15010 Allen	Taylor	Flow Meter – 48 inch	ADS	Triton+
PA-4	39662 Wabash	Romulus	Flow Meter (42 inch) & Groundwater	ADS	Triton+
PB-1	14531 Northline	Southgate	Flow Meter – 36 inch	ADS	Triton+
PD-1	20109 Goddard	Taylor	Flow Meter – 48 inch	ADS	Triton+
RR-1	Beechwood South of Visger	River Rouge	Flow Meter – 36 inch	ADS	Triton
TSO	20191 Trolley	Taylor	Flow Meter – 48 inch	ADS	Triton+

Table 2: Existing Accusonics Flow Meters, Downriver Sewage Disposal System

Site ID	Address	Community	Equipment Type	Manufacturer	Model Number
P-1	13510 Pennsylvania	Southgate	Flow Meter - 78 inch	Accusonic	7510
PA-3	27404 Eureka	Romulus	Flow Meter - 42 inch	Accusonic	7510
PC-1	10800 Pelham	Taylor	Flow Meter - 54 inch	Accusonic	7510
PD-2	27410 Goddard	Taylor	Flow Meter (54 inch) & Groundwater	Accusonic	7510
RV-1	810 Pennsylvania	Wyandotte/River view	Flow Meter - 42 inch	Accusonic	7510
SW ¹	797 Central	Wyandotte	Flow Meter - 72 inch	Accusonic	7510
RD-1	1537 10th Street	Wyandotte	Flow Meter - 72 inch	Accusonic	7510

1. Meter SW is owned by DSDS and located on a sewer owned by SWRDDD. Both SWRDDD and DSDS use the data from this meter; a data sharing agreement is needed between SWRDDD and the owner of the DSDS.

Table 3: Existing Rain Gages, Downriver Sewage Disposal System

Site ID	Address	Community	Equipment Type	Manufacturer	Model Number
R-2	19415 Sterling	New Boston	Rain Gage	NovaLynx	260-2500E 12 inch
R-4	21300 Sibley	Brownstown	Rain Gage	NovaLynx	260-2500E 12 inch
R-6 ¹	697 Central (SWRDDD Pump Station #5)	Wyandotte	Rain Gage	NovaLynx	260-2500E 12 inch
R-8	20590 Goddard	Taylor	Rain Gage	NovaLynx	260-2500E 12 inch
R-9	25251 Northline	Taylor	Rain Gage	NovaLynx	260-2500E 12 inch
R-10	11111 Wayne	Romulus	Rain Gage	NovaLynx	260-2500E 12 inch
R-14 ²	Willow Run Airport	Van Buren	Rain Gage	NovaLynx	260-2500E 12 inch
R-15 ³	20195 Trolley (ECPAD Taylor Basin)	Taylor	Rain Gage	NovaLynx	260-2500E 12 inch
R-16	91 Mill St.	Lincoln Park	Rain Gage	NovaLynx	260-2500E 12 inch
R-17	14719 Schaefer Ct.	Southgate	Rain Gage	NovaLynx	260-2500E 12 inch
R-18	130 4 th St.	Belleville	Rain Gage	NovaLynx	260-2500E 12 inch

1. The existing SWRDDD rain gage was replaced using DSDS funds. Both SWRDDD and DSDS use the data from this gage; a data sharing agreement is needed between SWRDDD and the owner of the DSDS.
2. Data from this gage is shared with the Rouge Valley Sewage Disposal System (RVSDS). A data sharing agreement is needed between Wayne County and the owner of the DSDS for continued use of this data for the RVSDS.
3. The existing rain gage owned by the Ecorse Creek Pollution Abatement Drain No. 1 Drainage District (ECPAD) was replaced using DSDS funds. Both ECPAD and DSDS use the data from this gage; a data sharing agreement is needed between ECPAD and the owner of the DSDS.

Table 4: Other Existing Measuring Devices, Downriver Sewage Disposal System

Site ID	Address	Community	Equipment Type	Manufacturer	Model Number
APO-1	Rosedale & Belmont	Allen Park	Level Sensor (Weir)	Siemens	LUT400
APO-2	15701 Belmont	Allen Park	Level Sensor (Weir)	Miltronic	Hydroranger 100
CHPO	9530 Pelham	Taylor	Level Sensor (Weir)	Miltronic	Hydroranger 100
CPO	8716 Pelham	Taylor	Level Sensor (Weir)	Miltronic	Hydroranger 100
PDO	11000 Allen	Taylor	Level Sensor (Weir)	Miltronic	Hydroranger 100
PC-1A	20001 Crowley	Taylor	Level Sensor	Siemens	LUT400
PM-1	14462 Pennsylvania	Southgate	Level Sensor (Weir)	Miltronic	Hydroranger 100
L-3 (MS 27 North)	Allen Rd & I-75	Taylor	Level Sensor	ISCO	2110
L-5 (Pelham & Champaign)	Pelham & Champaign	Allen Park	Level Sensor	ISCO	2110
L-7 (Rosedale & Belmont)	Rosedale & Belmont	Allen Park	Level Sensor	ISCO	2110
L-8 (MS 10)	Pennsylvania & Fordline	Southgate	Level Sensor	ISCO	2110
IPS	DWTF	Wyandotte	NA; data obtained from SCADA System	-	-
TPS	DWTF	Wyandotte	NA; data obtained from SCADA System	-	-

Table 5: Non-Operational Measuring Devices, Downriver Sewage Disposal System¹

Site ID	Address	Community	Equipment Type	Manufacturer	Model Number
PF-2	11910 Fordline	Southgate	Flow Meter – 66 inch	Accusonic	7510
CID 3.0	1840 Dix Rd	Lincoln Park	Data Recorder	Telog	3307
CID 3.1	Champaign & Vine Pump Station	Allen Park	Data Recorder	Telog	3307
CID 3.5	14500 Moran	Allen Park	Data Recorder	Telog	3307
CID 8.0	Champaign & Pelham	Allen Park	Data Recorder	Telog	3307

1. These devices are not currently used for DSDS operations or the system monitoring report but remain in place. Meter PF-2 is scheduled to be removed from the field and used for spare parts for other meters.

Table 6: Other Devices Not Owned By Wayne County, Downriver Sewage Disposal System

Site ID	Address	Community	Equipment Type	Manufacturer	Model Number
SWB ¹	4245 8th St.	Wyandotte	Flow Meter; data obtained from DSDS data recorder	Krohne	IFCO 20/F/D
TB-1 ²	20195 Trolley (ECPAD Taylor Basin)	Taylor	Mag Meter; data obtained from SCADA System	-	-

1. Device is owned by Southgate Wyandotte Relief Drains Drainage District (SWRDDD). There is a Wayne County Telog data recorder installed to obtain data for use in operations and for DSDS system monitoring plan reports. A data sharing agreement is needed between SWRDDD and the owner of the DSDS.
2. Device is owned by Ecorse Creek Pollution Abatement Drain No. 1 Drainage District (ECPAD). Data is currently obtained for use in operations and for DSDS system monitoring plan reports from the overall Wayne County SCADA system. Since the ECPAD SCADA system will be disconnected from the DSDS SCADA system, a data sharing agreement is needed between ECPAD and the owner of the DSDS.

SCHEDULE A-4 - CMMS Master Equipment List
CMMS Data available on Citrix

SCHEDULE B - Real Property

Legal descriptions from Deed from the City of Wyandotte to Wayne County dated July 22, 1938 and from Deed from Wyandotte Chemicals Corporation to Board of County Road Commissioners dated July 27, 1960.

Legal Description from Deed dated July 22, 1938:

All of Lots 19 to 31, inclusive, of Block 42, of South Detroit Subdivision of part of Section 32, Town 3 South, Range 11 East, City of Wyandotte, Wayne County, Michigan, as recorded in Liber 14 of Plats, Page 95, Wayne County Records.

Legal Description from Deed dated July 27, 1960

A parcel of land situated in Section 32, Town 3 South, Range 11 East, described as BEGINNING at a point in the intersection of North line of Pennsylvania Avenue (66 feet wide) with the West line of 8th Street (formerly Adrian Avenue) 60 feet wide; thence along the North line of Pennsylvania Avenue, North 89°44'40" West 864.45 feet, more or less, to a point in Easterly line of Detroit, Toledo and Ironton Railroad right-of-way; thence along the East line of said right-of-way North 14°37'20" East 28.30 feet, more or less, to a point in the Southeasterly line of Central Avenue 100 feet wide; thence North along the Southeasterly line of Central Avenue, North 55°02' East 806.81 feet, more or less, to a point in Westerly line of a parcel of land conveyed by Michigan Alkali Company to County of Wayne, recorded in Liber 4973 of Deeds, Page 541; thence along the Southerly line of the aforesaid parcel of land South 34°58' East 411.84 feet, more or less, to a point in the Westerly line of 8th Street; thence along the Westerly line of 8th Street, South 14°32'50" West 159.77 feet, more or less, to the PLACE OF BEGINNING, containing 5.5. acres, more or less, and being a part of the vacated plat known as South Detroit Subdivision of part of Section 32, Town 3 South, Range 11 East, Ecorse (now City of Wyandotte), Wayne County, Michigan, according to the plat recorded in Liber 14 of Plats, Page 95, Wayne County Records.

(To be supplemented by legal descriptions from the City of Wyandotte's Assessor's records as approved by First American Title Insurance Company and Boss Engineering)

SCHEDULE C

Tangible Personal Property

See Schedules A-1, A-2, A-3 and A-4
Available on Citrix

SCHEDULE D

Financial Statements

Statements Available on Citrix

SCHEDULE E

Litigation and Claims

1. *Goodwin, et al v Lincoln Park, et al* – Case No. 12-003364-NZ¹
2. *Morales, et al v Lincoln Park, et al* – Case No. 12-006777-NZ
3. *Auto Club, et al v Lincoln Park, et al* – Case No. 12-009832-NZ
4. *Brewer, et al v Lincoln Park, et al* – Case No. 14-009631-NZ
5. *Davis, et al v Southgate, et al* – Case No. 17-011832-NZ²
6. *Kolaz, et al v City of Wyandotte, et al* – Case No. 15-009102-NZ³
7. *Tipper, et al v Lincoln Park, et al* – Case No. 17-001928-NZ⁴

¹ Four cases were filed against Wayne County, as the owner of the DSDS, related to basement flooding that occurred in the City of Lincoln Park during two rain events occurring on July 27-28, 2011 and August 8-9, 2011. The four cases were ultimately consolidated. The cases are hereinafter referred to as *Goodwin, Morales, Auto Club and Brewer*. *Brewer* and *Goodwin* are class actions involving approximately 262 plaintiffs. *Auto Club* is a subrogation case involving approximately 15 plaintiffs. The final suit, *Morales*, involves approximately 22 plaintiffs. The defendants are Wayne County, the City of Lincoln Park and the City of Ecorse. Lincoln Park also has claims against Wayne County in the *Goodwin* case. Wayne County is involved in settlement talks to resolve three of the four cases- *Goodwin, Morales* and *Auto Club*. The *Morales* case is not currently involved in the settlement talks.

² The *Davis* case was filed against Wayne County, as the owner of the DSDS, related to basement flooding that occurred in the City of Southgate during a rain event occurring on August 11, 2014. The defendants are Wayne County, City of Southgate and the Southgate-Wyandotte Relief Drains Drainage District. There are approximately 279 plaintiffs. The case was filed on August 7, 2017 and Wayne County filed its response on October 23, 2017.

³ The *Kolaz* case was filed against Wayne County, as the owner of the DSDS, related to basement flooding that occurred in the City of Wyandotte during a rain event occurring on August 11, 2014. The defendants are Wayne County, City of Wyandotte and the Southgate-Wyandotte Relief Drains Drainage District. There are approximately 321 plaintiffs. The case is in the discovery phase and Wayne County is in discussions to settle the *Kolaz* case along with the above referenced 2011 basement flooding cases.

⁴ Wayne County, as the owner of the DSDS, was originally named as a defendant in this lawsuit. However, Wayne County was never served. An amended complaint was then filed and reference to Wayne County as a defendant was deleted. There is a potential for Wayne County to be brought in either by plaintiffs or by the principal defendant Lincoln Park.

[Subject to change based upon outcome of settlement negotiations]

SCHEDULE F

Closing Documents

[DW and FB to jointly compile list of all documents to be signed/delivered at Closing]

SCHEDULE G

Community Agreements

- Southgate/Wyandotte (Fausone Bohn to complete)
- ECPAD (Fausone Bohn to complete).
- River Rouge
- Allen Park
- Van Buren Township
- Common Interest and Joint Defense Agreement

SCHEDULE H

DUWA Service Contract

[Executed Agreement available on Citrix]

SCHEDULE I

Environmental Requirements

1. Abandoned incinerators located at the Treatment Facility may contain traces of heavy metals, sludge and ash.
2. Storm events may occur that may result in wastewater flows into the DSDS that exceed the flow volumes that the DSDS was designed and constructed to transport without discharge to the environment.
3. Asbestos containing materials and/or lead paint may be present at the DSDS facilities, including the pump stations.
4. The DSDS has conveyed sewage that may have contained hazardous substances (as that term is defined in Part 201 of the Michigan's Natural Resources and Environmental Protection Act, MCL 324.20101, *et. seq.*) for many years and, to the extent sewage containing hazardous substances has been released, portions of the DSDS may be considered "facility" under Part 201.

SCHEDULE J

Judgment Levy Bonds

Outstanding Judgment Levy Debts Issued Under 1994 Financing Agreement	
Legal Description	Project Number
Downriver Sewage Disposal System Bonds State Revolving Fund Series #10 (Southgate/Wyandotte Flow Control Chamber) (LTGO)	DSRL01-1999 (SRF# 5117-01)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #3 (Bid Package F) (LTGO)	DSRL15-1995 (SRF# 5117-15)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #4A (Bid Package R) (LTGO)	DSRL18-1995 (SRF# 5117-18)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #4B (Bid Package R) (LTGO)	DSRL19-1995 (SRF# 5117-19)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #9 (Eureka Relief Sewer Extension) (LTGO)	DSRL20-1999 (SRF#5117-20)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #5A (Pelham Basin Connection) (LTGO)	DSRL23-1995 (SRF#5117-23)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #7 (Lower Tunnel) (LTGO)	DSRL24-1995 (SRF# 5117-24)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #8 (Tunnel Dewatering Pump Station) (LTGO)	DSRL25-1998 (SRF# 5117-25)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #5B (City of Allen Park) (LTGO)	DSRL26-1995 (SRF# 5117-26)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #6 (City of Dearborn Heights) (LTGO)	DSRL27-1995(SRF# 5117-27)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #7 (City of Romulus Local Relief Project) (LTGO)	DSRL28-1995 (SRF# 5117-28)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #7 (City of Southgate Local Relief Project) (LTGO)	DSRL29-1997(SRF# 5117-29)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #7 (City of Taylor Local Relief Project) (LTGO)	DSRL30-1995 (SRF# 5117-30)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #7 (Low Lift Pump Station) (LTGO)	DSRL31-1995 (SRF# 5117-31)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #8 (Wyandotte WWTU Ultraviolet Disinfection Facilities and Wyandotte WWTU Outfall Connection) (LTGO)	DSRL32-1999 (SRF# 5117-32)
Downriver Sewage Disposal System Bonds State Revolving Fund Series #11 (System Monitoring Project and Operations and Maintenance Manual)	DSRL34-2000 (SRF#5117-34)
Downriver Sewage Disposal System Completion Bonds (LTGO)	DSRL-2007B (COMPLETION BONDS)
Downriver Sewage Disposal System Bonds, 1999 Series B	DSRL-1999B -SERIES BONDS

SCHEDULE K

Revenue Bonds

Downriver Sewage Disposal System Outstanding Revenue Bonds	
Legal Description	Project Number
Downriver Sewage Disposal System 2005 SRF #1 Bonds (LTGO)	DSRL701-2005 (SRF# 5217-01)
Downriver Sewage Disposal System Revenue Bonds Series 2008D	DSRL702-2008 D (SRF# 5217-02)
Downriver Sewage Disposal System Revenue Bonds Series 2008A	DSRL703-2008 A (SRF# 5217-03)
Downriver Sewage Disposal System Revenue Bonds Series 2008B	DSRL704-2008 B (SRF# 5217-04)
Downriver Sewage Disposal System Revenue Bonds Series 2008C	DSRL705-2008 C (SRF# 5217-05)
Downriver Sewage Disposal System Revenue Bonds Series 2011A	DSRL715-2011A (SRF# 5217-15)
Downriver Sewage Disposal System Revenue Bonds Series 2013A (LTGO)	DSRL901-2013 (SRF# 5419-01)
Downriver Sewage Disposal System Revenue Bonds Series 2016A (LTGO)	DSRL -2016 (SRF# 5420-01)
Downriver Sewage Disposal System Revenue Bonds Series 2007	DSRL -2007D –SERIES BONDS

SCHEDULE L

Contracts

(Contracts available on Citrix)

1. Legal Services Contracts.
2. Operations and Maintenance Contracts.
3. Purchase Orders.
4. Parts/Suppliers Per Rate Package.
5. Electric Power and Utility Service Contracts.

SCHEDULE L-1

Mandatory Contracts

1. Outfall Usage Agreement Between the Downriver Sewage Disposal System and the Southgate Wyandotte Drainage District dated May 16, 1995.
2. Emergency Bypass Procedure Between Southgate-Wyandotte Relief Drain Drainage District and Downriver Collection and Treatment System, approved by the US District Court for the Eastern District by Order Establishing Emergency Bypass Procedure dated August 31, 1999.
3. Emergency Flow Restriction Reimbursement Agreement Between the Ecorse Creek Pollution Abatement Drainage District On Behalf of the Cities of Lincoln Park and Allen Park and the Charter County of Wayne on Behalf of the Downriver Collection and Treatment System.
4. The March 15, 1994 Judge Feikens Financing Order and Final Judgment and progeny.
5. Contract for As-needed Professional Architectural and Engineering Services for the Downriver Sewage Disposal System, Hubbell Roth and Clark, Inc., (County Contract No. 37-14-042), November 6, 2014, as amended by First Amendment to Professional Service Contract dated September 12, 2017, expiring November 5, 2018.
6. Contract between Wayne County and Weiss Construction, construction services for Secondary and Headworks Renovation Project Segment 1 expiring April 1, 2018. The Contract consists of bids (and addenda), the agreement (including bonds), the construction specifications, the construction drawings and also modifications (i.e., change orders, allowance authorization, work change directives). All items available on CD through July 2016. Modifications made subsequent to July 2016 are listed below and are uploaded to Citrix.
 - A. Change Order 1, 22 Aug 16
 - B. Changer Order 2, 26 Sept 17
 - C. Allowance authorization 2, 12 Aug 16
 - D. Allowance authorization 3, 3 Aug 17
 - E. Allowance authorization 4, 28 Apr 17
 - F. Allowance authorization 5, 28 Apr 17
 - G. Allowance authorization 6, 3 Aug 17
 - H. Allowance authorization 8, 30 Aug 17

-
7. Contract between Wayne County and HNTB, engineering services for Secondary and Headworks Renovations Project Segment 1. The Contract consists of the executed agreement, any contract amendments (there are none) and authorization of the “as needed” budget through July 2016. All items available on CD. Authorizations made effective since July 2016 are listed below and uploaded to Citrix.
- A. Authorization for “As Needed” Task 5.3 certified payroll review and processing October 20, 2016.
 - B. Authorization for “As Needed” Task 3, material testing, March 8, 2017.
 - C. Authorization for “As Needed” Task 5.2, design modification to laboratory original form hood exhaust systems, July 10, 2017.
 - D. Authorization for “As Needed” Task 5.4 additional hazardous material testing, July 11, 2017.

SCHEDULE M

Tasks to Complete 90 Days Prior to Closing

[Tech Committee to provide from Final Transition Plan]

SCHEDULE N

Insurance Policies

1. The Hanover Insurance Group Commercial Lines Property Insurance Policy #1HB951510709 from October 31, 2017 to October 1, 2018.
2. Hudson Specialty Insurance Company General Liability Policy #EPGA000060-01 from October 1, 2017 to October 1, 2018.

SCHEDULE O

Tasks to Be Completed By Closing

[Tech Team To Provide From Final Transition Plan]

SCHEDULE P

Subordinated Bond

[Dykema to prepare]

SCHEDULE Q – Judgment

**UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

United States of America, *et al.*,

Case No. 87-70992

Plaintiffs,

Hon. Sean F. Cox

v.

Wayne County, *et al.*,

Defendants.

Stipulated Amendment to Financing Plan and Final Judgment

Pursuant to this Court's continuing jurisdiction over its March 15, 1994 Downriver Sewage Disposal System 1994 Financing Plan and Final Judgment (Dkt. # 151) as described more fully below, and the stipulation of the Parties as are described herein, the Parties request the adoption and entry of this Stipulated Amendment to Financing Plan and Final Judgment, as follows.

WHEREAS:

a) Wayne County presently operates the Downriver Sewage Disposal System ("DSDS")¹ which provides sewage treatment and conveyance facilities for

¹ At times and in other documents including those previously filed with this Court, DSDS has been referred to as the Downriver Collection and Treatment System or the Downriver Wastewater Treatment System.

wastewater generated by thirteen communities: the City of Allen Park, the City of Belleville, the Charter Township of Brownstown, the City of Dearborn Heights, the City of Ecorse, the City of Lincoln Park, the City of River Rouge, the City of Riverview, the City of Romulus, the City of Southgate, the City of Taylor, the Charter Township of Van Buren, and the City of Wyandotte (collectively, the “Downriver Communities”):

b) In 1987, Frank J. Kelley, Attorney General for the State of Michigan, ex rel. Michigan Natural Resources Commission and Director of the Michigan Department of Natural Resources (“State Plaintiffs.”) and the United States (together with State Plaintiffs, “Plaintiffs”) filed a Complaint with this Court alleging that the County had violated, among other things, the Clean Water Act and the Michigan Water Resources Commission Act, and in 1994, this Court entered a March 14, 1994 Consent Decree (Exhibit 1) requiring, *inter alia*, various sewer and pollution control improvements to be implemented by Wayne County and the Downriver Communities to bring the DSDS into compliance with state and federal law and otherwise resolve the claims of the Plaintiffs:

c) In 1994, in connection with the entry of the Consent Decree, this Court entered a stipulated Downriver Sewage Disposal System 1994 Financing Plan and Final Judgment (“Financing Plan”) (Exhibit 2):

d) The Financing Plan authorized Wayne County to finance the sewer and pollution control improvements by selling bonds and collecting amounts, including Judgment Payments mandated under § 8(b) of the Financing Plan, from the Downriver Communities to repay and otherwise fund Wayne County's obligations;

e) The Financing Plan authorized Wayne County to require payment by the Downriver Communities for Wayne County's debt service issued in connection with the Financing Plan through, among other means, the assessment of taxes by the Downriver Communities (Exhibit 2, § 8);

f) The Financing Plan provided that it "shall govern future financings of the improvements" comprising the DSDS "except as otherwise ordered by this Court, and so long as any ... bonds [issued by Wayne County under the 1994 Financing Plan and Final Judgment] remain outstanding and unpaid, this structure shall not be subject to any alteration or revision which would in any manner materially adversely affect either the security of the bonds or the prompt payment of principal or interest thereon" (Exhibit 2, § 15);

g) The Financing Plan further provided that nothing contained therein "shall be construed as a prohibition against the transfer of [DSDS] from Wayne [County] to the Downriver Communities, or any other entity, including an

authority created for that purpose, for the construction, operation and maintenance of said System” (Exhibit 2, § 19);

h) In the Financing Plan, this Court retained jurisdiction “with respect to any matter which may arise which may involve the interpretation of the terms of this 1994 Financing Plan and Final Judgment or affect the rights of any party arising out of this 1994 Financing Plan and Final Judgment” (Exhibit 2, § 21);

i) The Financing Plan provided further that the Michigan Department of Natural Resources was signing the Financing Plan solely for the purposes of effectuating the provisions of Section 1, and the Michigan Department of Treasury were signing solely for the purposes of effectuating the provisions of Sections 12 and 15 (Exhibit 2, §§ 23, 24);

j) In 2005, on stipulation of all parties, this Court entered an Order Approving Joint Motion to Terminate Consent Decree (“Termination Order”) (Exhibit 3), stating that the parties should endeavor to work cooperatively to solve new issues outside of the context of this litigation:

k) In the Termination Order, the Court noted that the parties to the Consent Decree, as then amended, made no motion to terminate the Financing Plan and stated that the Financing Plan “will remain in full force and effect and within this Court’s oversight” (Exhibit 3, p. 1, n. 1):

l) Since entry of the Financing Plan in 1994, Wayne County has, pursuant Act 451, Public Acts of Michigan, 1994 ("Act 451") (MCL 324.101 – 324.90106), conducted multiple bond sales of judgment levy bonds to finance the construction and maintenance of improvements to the DSDS, and each bond sale has been the subject of a supplemental order entered in this case;²

m) Wayne County is presently collecting funds from the Downriver Communities to provide debt service to the outstanding judgment levy bonds as listed in Exhibit 4 (the "Outstanding Judgment Levy Debt");

n) In 2010, twelve of the thirteen Downriver Communities formed the Downriver Utility Wastewater Authority ("DUWA") under the provisions of Act 233, Public Acts of Michigan, 1955, as amended ("Act 233") (MCL 124.181 – 124.294), *inter alia*, to acquire, construct, manage, improve, operate, or negotiate an agreement with Wayne County for the operation of a sewage disposal system, particularly the Downriver Sewage Disposal System (*See* Amended Articles of

² See docket entries #159 (Supplement #1, entered September 2, 1994); #200 (Supplement #2, entered March 21, 1995); #202 (Amended Supplement #2, entered April 4, 1995); #208 (Supplement #3, entered August 29, 1995); #227 (Supplement #4, entered July 11, 1996); # 228 (Supplement #5, entered July 11, 1996); #262 (Supplement #6, entered October 4, 1996); #277 (Supplement #7, entered March 24, 1997); #281 (re-entry of Supplement #7, entered March 28, 1997); #294 (Supplemental #8, entered June 26, 1997); #302 (Supplement #9, entered August 27, 1997); #320 (Supplement #10, entered September 29, 1998); #331 (Supplement #11, entered February 5, 1999); #334 (Supplement #12, entered May 27, 1999); #340 (Supplement #13, entered August 23, 1999); #349 (Supplement #14, entered February 15, 2000); #606 (Supplement #15, entered June 26, 2007).

Incorporation of the Downriver Utility Wastewater Authority, Exhibit 5, Article III);

o) In 2015, the City of Lincoln Park joined DUWA;

p) On May 11, 2016, DUWA provided to Wayne County a Letter of Intent (Exhibit 6) setting forth a proposed transfer of the facilities comprising the DSDS and the obligations for operation and maintenance thereto from Wayne County to DUWA, with such transfer being contingent, among other things, on the occurrence of events and approvals as to be described and as contemplated by a final Definitive Agreement now under negotiation;

q) Upon the transfer of DSDS to DUWA, Wayne County and the Downriver Communities intend that DUWA will be thereafter responsible for the financing and operation of the DSDS, and that Wayne County will have no continuing obligations to the Downriver Communities as concerns DSDS except as otherwise specified in an agreement between those parties and under the Financing Plan;

r) The Downriver Communities, DUWA, and Wayne County desire, as part of the transfer of DSDS to DUWA, to provide for the continuing payment of the Outstanding Judgment Levy Debt, without any increase of the Outstanding Judgment Levy Debt itself, including through tax levy-supported Judgment

Payments from the Downriver Communities as mandated by § 8 of the Financing Plan;

s) The undersigned Parties believe it is in the best interest of the public to preserve the Outstanding Judgment Levy Debt and the payment structure of the Financing Plan in the transfer of DSDS to DUWA and to assure that the Outstanding Judgment Levy Debt is satisfied as originally contemplated through payment by Wayne County supported by taxation by the Downriver Communities;

t) The undersigned Parties believe it is in the best interest of the public to assure that the provisions of the Financing Plan requiring Judgment Payments to be assessed by the Assessing Officer of each Downriver Community on its respective levy date and on the taxable property of the Downriver Communities be preserved;

u) State Plaintiffs are not here joined as signatories as the provisions for which the State Plaintiffs signed the original 1994 Financing Plan—i.e., §§ 1, 12, and 15 (see Exhibit 2, §§ 23, 24)—are not altered by this Stipulation; and

v) Wayne County and the Downriver Communities consent to the entry of this Amendment in full, without adjudication;

NOW, THEREFORE, upon consent of the Parties hereto, it is hereby ordered, adjudged, and decreed as follows:

1. This Court has continuing jurisdiction under its prior orders to enter the stipulation of the Parties to amend the Financing Plan and to alter or adjudge the obligations of the Parties thereto.

2. The Court confirms that a transfer of DSDS or any portion thereof from Wayne County to DUWA (a “DUWA Transfer”) is a transfer as permitted and contemplated by §§ 15 and 19 of the Financing Plan.

3. In the event of and notwithstanding a DUWA Transfer as described above, the continuing validity and enforceability of the Financing Plan is hereby confirmed; the Financing Plan shall remain in full force and effect as to all liabilities issued thereunder or arising in connection therewith.

4. Further, in the event of and notwithstanding a DUWA Transfer, Wayne County may agree to retain all or any portion of the Outstanding Judgment Levy Debt as listed in Exhibit 4, and may agree to continue to provide debt service thereto, on whichever terms it may reach with DUWA, the Downriver Communities, and any necessary third parties, including the bondholders.

5. In the event Wayne County agrees to retain any of the Outstanding Judgment Levy Debt as described in paragraph 4, *supra*, the obligations of the Downriver Communities, both to make Judgement Payments and to assess Judgment Payments, and the remedies for nonpayment by the Downriver Communities, all as specified in § 8 of the Financing Plan, remain valid and

enforceable as if no DUWA Transfer had occurred, including specifically, but not limited to, the obligations of the Downriver Communities to make Judgment Payments and to levy taxes therefor under § 8 of the Financing Plan.

6. The continued application of the Financing Plan, as confirmed in this Order, is not contingent on the adoption or consummation of a DUWA Transfer or other transfer; the Financing Plan shall continue to govern the rights and obligations of the parties thereto even if DUWA and Wayne County fail to consummate such a transfer.

7. The ability of Wayne County and the Downriver Communities to promptly satisfy the Outstanding Judgment Levy Debt under and through the structures for payment from the Downriver Communities and their taxpayers as specified in the Financing Plan shall not, by the adoption and entry of this Stipulated Amendment or through a subsequent execution of a DUWA Transfer agreement, be materially or adversely affected.

IT IS SO ORDERED, this _____ day of _____, 2017

Sean F. Cox
United States District Judge

SCHEDULE R

Bill of Sale and Assignment and Assumption Agreement (Draft)

BILL OF SALE **AND** **ASSIGNMENT AND ASSUMPTION AGREEMENT**

This Bill of Sale and Assignment and Assumption Agreement ("Agreement") is made and entered into as of this ____ day of _____, 2018, by and between The Charter County of Wayne (the "County") and The Downriver Utility Wastewater Authority (the "Authority").

RECITALS

A. The County and the Authority are parties to that certain Downriver Sewage Disposal System Definitive Transfer Agreement dated as of _____, 2018 (the "Transfer Agreement"), pursuant to which the County has agreed to transfer to the Authority certain Assets related to the so-called Downriver Sewage Disposal System ("DSDS") for the continued operation, maintenance, construction and administration thereof, and the Authority has agreed to accept and assume all right, title and interest in and to all obligations and duties related thereto, on the terms and conditions set forth in the Transfer Agreement.

B. Any and all capitalized terms used but not defined herein shall have the respective meanings ascribed to such terms in the Transfer Agreement unless otherwise indicated.

AGREEMENT

NOW THEREFORE, for the sum of One Dollar (\$1.00) and for other good and valuable consideration, the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties hereby agree as follows;

1. The County's Assignment. Except as otherwise provided in the Transfer Agreement, the County hereby assigns, sells, transfers and sets over to the Authority all of the County's right, title, benefits, privileges and interest in and to, and all liabilities, duties and obligations related to the Assets, including without limitation, all assignable contracts, warranties, guarantees, licenses, permits, architectural and engineering drawings, work product and all other tangible and intangible property related to, or concerning, the operation, maintenance, construction and administration of the DSDS and the Assets, including without limitation, the Assumed Liabilities, but excluding the Excluded Assets and Excluded Liabilities, including, without limitation, the Judgment Levy Bonds.

2. The Authority's Acceptance and Assumption. The Authority hereby accepts the forgoing assignment, hereby assumes the Assumed Liabilities and acknowledges receipt of this Agreement.

3. Further Assurances. The parties, from time to time, upon one party's reasonable request to the other and without further consideration, agree to execute and deliver such additional papers, instruments and documents and take such other actions reasonably requested to consummate and make more effective the assignment of the DSDS and Assets and other transactions contemplated by the Transfer Agreement or this Agreement.

4. Relationship to Transfer Agreement. The terms of the Transfer Agreement are incorporated herein by this reference, and are not superseded by this Agreement, but rather shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between the Transfer Agreement and this Agreement, the Transfer Agreement will control.

5. Governing Law. This Agreement shall be governed by the laws of the State of Michigan.

6. Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and permitted assigns.

IN WITNESS WHEREOF, each of the parties hereto has duly executed this Agreement as of the date first written above.

CHARTER COUNTY OF WAYNE

DOWNRIVER UTILITY WASTEWATER
AUTHORITY

By: _____
Warren C. Evans

By: _____

Its: County Executive

Its:

DETROIT 9731-52 1423197v2

SCHEDULE S

Quit Claim Deed (Draft)

QUIT CLAIM DEED

The Grantor: the Charter County of Wayne, a Michigan public body incorporated under the provisions of Act No. 293, Public Acts of Michigan 1967, as amended, whose address is 500 Griswold, Fl 31, Detroit, Michigan 48226 ("Grantor"), for valuable consideration, the receipt and sufficiency of which is acknowledged, conveys and quitclaims to the Downriver Utility Wastewater Authority, an authority incorporated under the provisions of Act No. 233 of the Public Acts of Michigan 1955, as amended, whose address is 25605 Northline Road, Taylor, Michigan 48180 ("Grantee"), all right, title and interest in and to the real estate situated in the City of Wyandotte, County of Wayne, State of Michigan, as more fully and legally described on Exhibit A attached to this Deed, that the Grantor may now own or may, in the past have owned, including, without limitation, any and all rights, title and interest acquired by operation of doctrines of adverse possession, prescription, acquiescence or the like, for the sum of One Dollar (\$1.00), together with all improvements, fixtures, easements, and appurtenants associated with the real estate.

Commonly known as: _____, Wyandotte, Michigan; and
_____, Wyandotte, Michigan

The Grantor grants to Grantee the right to make one hundred percent (100%) of the remaining division(s) under Section 108 of the Land Division Act, Act No. 288 of the Public Acts of Michigan 1967 (the "Act").

The Grantor intends to transfer to the Grantee the right to make -0- divisions, bonus divisions and redivisions of the real estate as the Grantor may have under the Act. The Grantor makes no representation or warranty regarding the number, extent or nature of the division or redivision rights or rights to create parcels owned or transferred by the Grantor to Grantee.

This real estate may be located within the vicinity of farmland or a farm operation. Generally accepted agricultural and management practices which may generate noise, dust, odors and other associated conditions may be used and are protected by the Michigan Right to Farm Act.

[The remainder of this page is intentionally left blank]

This Deed is exempt from state real estate transfer tax pursuant to MCL §207.526(a); and MCL §207.526(a); and exempt from county real estate transfer tax pursuant to MCL §207.505(a); and MCL §207.505 (h)(i); MSA §7.456(5)(h).

Dated _____

Charter County of Wayne

Warren C. Evans

Its: County Executive

STATE OF MICHIGAN)
) ss.
COUNTY OF WAYNE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2017, by Warren C. Evans, the County Executive of the Charter County of Wayne, incorporated under the provisions of Act No. 293, Public Acts of Michigan 1967, as amended, on behalf of such County.

Print Name:
Notary Public, _____ County,
Acting in the County of

Drafted by:

W. Anthony Jenkins, Esq.
Dickinson Wright PLLC
500 Woodward Ave, Suite 4000
Detroit MI 48226 When recorded, return to:

James G. Fausone, Esq.
Fausone Bohn, LLP
41700 West Six Mile Road, Suite 101
Northville MI 48168

EXHIBIT A

LEGAL DESCRIPTIONS

All of Lots 19 to 31, inclusive, of Block 42, of South Detroit Subdivision of part of Section 32, Town 3 South, Range 11 East, City of Wyandotte, Wayne County, Michigan, as recorded in Liber 14 of Plats, Page 95, Wayne County Records.

Commonly known as: _____

Tax Parcel No.: _____

A parcel of land situated in Section 32, Town 3 South, Range 11 East, described as BEGINNING at a point in the intersection of North line of Pennsylvania Avenue (66 feet wide) with the West line of 8th Street (formerly Adrian Avenue) 60 feet wide; thence along the North line of Pennsylvania Avenue, North $89^{\circ}44'40''$ West 864.45 feet, more or less, to a point in Easterly line of Detroit, Toledo and Ironton Railroad right-of-way; thence along the East line of said right-of-way North $14^{\circ}37'20''$ East 28.30 feet, more or less, to a point in the Southeasterly line of Central Avenue 100 feet wide; thence North along the Southeasterly line of Central Avenue, North $55^{\circ}02'$ East 806.81 feet, more or less, to a point in Westerly line of a parcel of land conveyed by Michigan Alkali Company to County of Wayne, recorded in Liber 4973 of Deeds, Page 541; thence along the Southerly line of the aforesaid parcel of land South $34^{\circ}58'$ East 411.84 feet, more or less, to a point in the Westerly line of 8th Street; thence along the Westerly line of 8th Street, South $14^{\circ}32'50''$ West 159.77 feet, more or less, to the PLACE OF BEGINNING, containing 5.5. acres, more or less, and being a part of the vacated plat known as South Detroit Subdivision of part of Section 32, Town 3 South, Range 11 East, Ecorse (now City of Wyandotte), Wayne County, Michigan, according to the plat recorded in Liber 14 of Plats, Page 95, Wayne County Records.

Commonly known as: _____

Tax Parcel No.: _____

(To be supplemented based upon Records of City of Wyandotte Tax Assessor, subject to approval by First American Title Insurance Company and Boss Engineering.)

SCHEDULE T

Permits and Licenses

1. Permit No. MI0021156, National Pollutant Discharge Elimination System
2. 2017 Inspections
3. Industrial Pretreatment Program Class D Permits (Available on Citrix)
4. Elevator Certification (forthcoming/F. Fath-azam)
5. Boiler Certifications
6. Special condition Permits (Available on Citrix)
7. Part 41 Permits (Available on Citrix)

SCHEDULE U

Employee Benefit Plans

1. Wayne County Health and Welfare Benefit Plan, which includes medical and prescription drug insurance, dental and vision benefits, and retiree medical, including benefits under the Employee Retirement Health Care Benefit Trust.
2. Section 125 Plan, allowing for pre-tax payment of employee's share of premium.
3. Group Life Insurance.
4. Voluntary Supplemental Life Insurance.
5. County of Wayne, Michigan, Long-Term Disability Income Benefit Plan.
6. Wayne County Employee's Retirement System, including various defined benefit, defined contribution and hybrid plans.
7. Deferred Compensation Plan (457(b)).
8. Tuition Reimbursement Program as detailed in applicable collective bargaining agreement.
9. Collective Bargaining Agreement between, Robert Ficano, Wayne County Executive and Michigan AFSCME Council 25 & Locals 25, 101, 409 & 1659, AFL-CIO, expiring September 30, 2019.
10. Collective Bargaining Agreement between The County of Wayne and The Government Administrators Association through September 30, 2018.
11. Collective Bargaining Agreement between The Charter of Wayne County, Michigan and Michigan Building & Construction Trades Council through September 30, 2018.
12. Holidays, Vacation, Paid Sick Time, and Bereavement Leave as provided in the collective bargaining agreements.

SCHEDULE V

Sole Source Contracts/Suppliers

SCHEDULE W

Miscellaneous Items

- 1. Downriver Sewage Disposal Systems Rate Package 2017-2018.**
- 2. Tunnel System Operations.**
- 3. Downriver Sewage Disposal System Contract dated March 1, 1962.**
- 4. Amendment to Downriver Sewage Disposal System Contract dated March 22, 1973.**
- 5. Wayne County Downriver Sewage Disposal System Contract (Riverview Section dated March 17, 1975).**
- 6. Amendment to Downriver Sewage Disposal Contract (Riverview dated August 13, 1973).**

MAY 16, 2016 LETTER OF INTENT



Warren C. Evans
County Executive

May 16, 2016

Via First Class U.S. Mail and Email (Jfausone@fb-firm.com)

Jim Fausone
Fausone Bohn, LLP
41700 West Six Mile Road, Suite 101
Northville, Michigan 48164-3460

**Re: Non-Binding Letter of Intent to Purchase Certain Assets
Related to the Downriver Sewage Disposal System ("DSDS" or "System")**

Dear Jim:

I am receipt of the Non-binding Letter of Intent ("LOI") which I understand was approved by DUWA on May 12, 2016. First and foremost, thanks to you and Mayor Sollars for the great work you've done in getting this to where we are at now. I am enclosing the LOI signed by the CEO, Warren C. Evans. However, as we discussed, it is subject to the additional points laid out in this correspondence which I'm certain we will address in the anticipated Definitive Agreement.

By way of background, on May 10th, I emailed you with a number of issues which needed clarification in the LOI. On May 11th, we had a telephone conversation to discuss those issues. Due to the timing of the DUWA meeting on the 12th, you suggested that you would make the changes and that the same be submitted to DUWA for approval so that the County and DUWA could move this process along. Upon receiving the proposed LOI on the morning of the 12th, I was able to do a quick review and noticed that just a few issues we had discussed were not addressed in the final LOI being considered for approval by DUWA. However, DUWA approved this LOI and rather than seeking approval of the outstanding issues, we agreed that it would be best to provide the additional points in this letter so that they can be included in the Definitive Agreement. They are as follows:

- Section 3, Indemnification, Hold Harmless, and Duty to Defend: Any liabilities and obligations to be paid by the System should come out of the System's funds and not the County's General Fund.
- Section 8, Disclosure of Claims, Liabilities and Lawsuits: Language is limited to pre-closing liabilities or "agreed upon liabilities." We discussed those liabilities which may arise pre-transfer and become known post-closing however, those are not addressed in the May 11th LOI.
- Preconditions for System Transfer:
 1. Subsection (i) -- The correct drainage district name is "Ecorse Creek Pollution Abatement Drain No. 1 Drainage District."

2. Subsection (j) – This should be re-worded to state, “. . . a transfer of ownership, operation and maintenance” You left out "ownership."

In addition to the foregoing, I understand that you met with the communities in which Chapter 20 drains are located (Southgate-Wyandotte and ECPAD) and there is great interest in further discussions related to the relinquishment of jurisdiction of these drains to the local municipalities.

Again, thank you for working through these issues and we look forward to reaching a definitive agreement in the next couple months.

Sincerely,


ZENNA ELHASAN (tak)

Wayne County Corporation Counsel

ZE/tak

Enclosure

cc: Warren C. Evans, Wayne County Executive
Richard Kaufman, Deputy County Executive
Chairman Gary Woronchak

#307758

Allen Park Belleville Brownstown Twp. Dearborn Heights Ecorse Lincoln Park	Downriver Utility Wastewater Authority 25605 Northline Road © Taylor, Michigan 48180	River Rouge Riverview Romulus Southgate Taylor Van Buren Twp. Wyandotte
--	---	---

May 11, 2016

Warren C. Evans
 Wayne County Executive
 500 Griswold Street #1050
 Detroit, Michigan 48226

RE: Non-Binding Letter of Intent to Purchase Certain Assets
 Related to the Downriver Sewage Disposal System ("DSDS" or "System")

Dear Mr. Evans:

This Non-binding Letter of Intent, follows up on prior correspondence and a meeting held on May 2, 2016 with your representatives. This letter sets forth, in general terms, the manner by which the County of Wayne (the "County") and the Downriver Utility Wastewater Authority ("DUWA") may pursue the transfer of certain assets and associated real estate in the DSDS (the "Transaction").

The Transaction is subject to certain continuing conditions including those identified in this response and the negotiation and consummation of a mutually agreeable definitive written agreement containing customary terms, representations, covenants, and warranties (the "Definitive Agreement"). The DUWA shall draft and provide the initial working draft of the Definitive Agreement and a team of knowledgeable representatives jointly appointed by the County and DUWA shall negotiate and work to finalize the Definitive Agreement. The parties shall use commercially reasonable efforts to negotiate and draft a Definitive Agreement within two (2) months of the date hereof.

The following basic Transaction structure, terms and conditions are proposed:

1. **Purchase Price:** The County would transfer any and all interest it may have in any assets, including but not limited to the cash reserves of DSDS, and real estate, if any, associated with the operation of the DSDS to the DUWA for \$57,500,000.00 (the "Purchase Price"), payable as follows: (a) a \$54,000,000.00 cash payment at Closing; and (b) a \$3,500,000.00 payment payable within 5 years after the Closing Date. The consummation of this Transaction (the "Closing") would occur as soon as possible after: (a) the completion of due diligence to the County and DUWA's satisfaction; (b) all consents and approvals needed from all parties

to complete the transaction have been obtained; and (c) all conditions to Closing specified in the Definitive Agreement have been fulfilled or waived in writing. The date of such Closing is referred herein as "Closing Date". The parties recognize a cash transfer plan may be required to allow the County to pay pre-closing or transition period costs incurred. Additionally, a real estate transfer plan may be required to allow the County post-Closing Date activity for such real estate transfers.

2. **Pre-Transfer Operations:** The County and DUWA would, in a commercially reasonable manner, cooperate to accommodate the transfer to DUWA of any DSDS assets, real estate and operations in accordance with the Definitive Agreement, including, but not limited to, the establishment of a transition period prior to transfer during which DUWA or its designee would have a scheduled opportunity to observe, shadow and obtain advice from the County regarding System operations and maintenance. DUWA may contract with the County to provide transitional operation and maintenance and/or administrative support services, the terms of which will be outlined in a subsequent agreement(s). If the County is engaged in pre-transfer operations, the County would be compensated out of the cash reserves for the DSDS.

3. **Indemnification, Hold Harmless and Duty to Defend:** Subsequent to any transfer DUWA, as owner and operator of the DSDS including all assets and funds relating to the DSDS, shall indemnify, hold harmless and has the duty to defend the County for all liabilities and obligations arising from operations after Closing, including during the Transition Period. The parties shall negotiate a mutually acceptable and appropriate indemnification of such liabilities as part of the Definitive Agreement.

4. **Transfer of Current Employees:** The DUWA agrees to discuss providing offers of employment to all current DSDS employees at a position of comparable duties to their current DSDS position, conditioned upon each employee's ability to satisfy DUWA's hiring and selection criteria and to satisfactorily perform the requirements of the position for which he or she is hired. Alternatively, DUWA may request a third party operator to interview for employment all interested DSDS employees.

After closing, a transition period may be needed where County employees operate DSDS for the benefit of DUWA. The DUWA shall pay all costs and expenses relating to transition operation costs incurred after the Closing Date. A transition fund may be created to address these costs.

5. **Assumption of Operation and Maintenance Responsibilities:** The DUWA, under the Definitive Agreement, shall assume complete responsibility for the operation and maintenance of the DSDS. The Definitive Agreement will allow for the option of retaining a third-party operator to provide the day-to-day operations of the DSDS for the DUWA. After the Closing Date, DUWA may engage

the County to provide services to the DSDS, and the County may engage DUWA to provide services pursuant to separately negotiated agreements.

6. **Disclosure of Existing Contracts:** The County shall disclose and the DUWA shall assume and be assigned all non-employment related contracts and agreements for the DSDS (the "Contracts"). DUWA would be free to renegotiate the Contracts subject to their existing terms and the rights of all third-parties under the Contracts.

7. **New Goods and Services Contracts:** During the term of negotiations, the County will notify the DUWA if it: (i) enters into any new Contracts lasting more than six (6) months; (ii) assumes any debt or enters into any contracts exceeding \$200,000.00; or (iii) amends any existing Contracts to (a) extend their term and such extension is longer than six (6) months; or (b) increase the maximum compensation under the Contract and the increase is greater than \$200,000.00.

8. **Disclosure of Claims, Liabilities and Lawsuits:** The County will disclose all known and anticipated claims, liabilities, lawsuits, and/or any and other liabilities or anticipated liabilities related to the operation of the DSDS, including but not limited to, any breach of contract claims, basement flooding claims or any other liability or negligence claims arising out of, or otherwise related to the operation of the DSDS. DUWA will only assume specifically agreed upon liabilities as outlined in the Definitive Agreement.

9. **Cash Reserves:** With the exception of expenditures for normal monthly or annual expenses included within the budget prior to the Closing Date, DUWA will be notified of any payments from the current DSDS cash reserves held by the County. No payments shall be made from current DSDS cash reserves held by County except those necessary for appropriate DSDS costs as determined by County, including pre-transfer operations.

10. **Access to County Records:** During the period commencing on the date this letter is signed by both the County and DUWA (the "Signing Date") and continuing until the date on which either party provides the other party with written notice that negotiations toward a Definitive Agreement are terminated (the "Termination Date"), the County will afford the DUWA reasonably full and free scheduled access to, as related to the operation of the DSDS, any and all contracts, books and records and all other documents and data, including, but not limited to, and as may be updated over time: (i) updated budget-to-actual statement through March 31, 2016; (ii) current schedule of all cash balances (including activity since October 1, 2014) for the DSDS reserve accounts; (iii) usage reports for the past year; and (iv) schedule of all outstanding debt balances.

11. **County's Continued Operation:** During the period from the Signing Date

until the Closing Date, the County shall operate the DSDS in the ordinary course, unless otherwise mutually agreed.

12. **Legal and Professional Fees:** For discussion purposes, each party shall pay its own legal and professional fees ("Fees") associated with the Transaction, although DSDS funds may be used for such fees. DUWA and the County acknowledge that the development and implementation of the Transaction will require DUWA and County to engage a variety of professional service providers including bond counsel, financial and technical advisors, and attorneys. The County and DUWA agree that each party may access and utilize DSDS revenue/cash reserves for the purpose of compensating all professional service providers for work performed relative to the Transaction. DUWA and the County agree to establish a process by which DUWA can receive timely reimbursement from the County to pay its professional service providers for work performed as of the date of this letter until the Closing Date. DSDS funds shall be utilized for costs associated with both the DUWA and County's professional service providers for work performed in relation to the Transaction. In the event that, and for any reason, the Transaction does not close, each party shall bear its own costs. The parties may establish caps for Fees from DSDS revenue/cash reserves within 60 days of an executed non-binding letter of intent.

13. **Prohibition Against Engaging Other Potential Buyers:** The County agrees to not engage any other potential buyers in a negotiation of the sale of all or any portion of the DSDS if a draft Definitive Agreement has been circulated by July 31, 2016. Consideration for an exclusivity agreement is the time and expense involved in drafting this Non-Binding Letter of Intent and conducting the due diligence review. If either party provides written notice of termination of this Transaction this prohibition expires immediately.

Additional Conditions Not Contemplated in DUWA's Proposed LOI

14. **Outstanding Bonds:** All outstanding bonds of the System shall be defeased or assumed by the DUWA, upon terms and conditions acceptable to the Wayne County Executive, subject to the rights of bond holders and any approvals required. Both parties will engage bond counsel for further advice and analysis of these issues.

15. **Orderly Transfer:** The DUWA shall ensure the orderly transfer, establishment and operation of any and all administrative support services necessary for the operation and maintenance of the System, including by way of example and without limitation, accounting, contract management, personnel/human resources, procurement and technical support.

16. **Public Health, Safety and Welfare:** The DUWA shall ensure, to the satisfaction of the County, the continued sewage disposal transport, treatment and disposal services necessary for public health, welfare and safety.

ABILITY TO BIND THE PARTIES: The Parties acknowledge that the Definitive Agreement must be submitted to the Wayne County Commission, the Wayne County Chief Executive Officer, the governing body of DUWA, and each of the respective Constituent Municipalities for approval.

PRE-CONDITIONS FOR SYSTEM TRANSFER: The Parties acknowledge that the following Pre-Conditions shall occur prior to the Closing Date from the County to the DUWA:

- (a) A complete or sufficient identification and description of the System, including all related infrastructure, assets (both located at the DSDS plant and off-site), parts, easements, etc. necessary for the continuous operation of the DSDS.
- (b) DUWA shall apply for and use its reasonable best efforts to obtain the issuance of an acceptable National Pollutant Discharge Elimination System Permit associated with the System and responsibility for the associated Industrial Pretreatment Program and any other associated approvals or requirements by regulatory agencies, and hold the County harmless from any transfer or new permit related liabilities.
- (c) All approvals and consents necessary for all bonds associated with the System to be defeased or transferred to the DUWA only and an assurance sufficient to the County of DUWA's ability to issue debt and otherwise obtain future financing for DSDS needs.
- (d) The satisfactory completion of all due diligence, including, but not limited to reasonably scheduled access to senior management and key employees as reasonable necessary, customary legal, operational and financial inquiry, and information systems and technology review.
- (e) DUWA securing appropriate funding through the issuance of a bond or bonds or alternative financing in the aggregate amount sufficient to fund the Purchase Price and costs associated with the Transaction.
- (f) The completion and approval of all other documents and agreements associated with the transfer of the System to the DUWA.
- (g) Each community which is a customer of the DSDS is up to date and paid in full with regard to its payments due to the County for service provided by the County.
- (h) DUWA represents to the County's satisfaction that DUWA will operate and maintain the DSDS to provide continued sewage disposal transport, treatment and disposal services necessary for public health, welfare and safety without interruption or incident.
- (i) Drains and Drainage Districts Relinquishment: Pursuant to the Michigan Drain Code, if agreed to by the applicable city or township, a relinquishment by the County drain commissioner and/or drainage board(s) of jurisdiction and control of the Southgate-Wyandotte Relief Drain's Drainage District and the Ecorse Creek Pollution Abatement District No. 1 and the assumption of

the maintenance, jurisdiction, control and operation of the drains and drainage districts, and all costs attendant thereto may occur by the applicable city or township.

- (j) Pursuant to existing intergovernmental agreements and applicable NPDES permit requirements, a transfer of operation and maintenance of the River Rouge CSO Basin may be considered if the City of River Rouge agrees.
- (k) Any other consent or approval from any entity necessary to effectuate the transfer of the County's interest in the DSDS to the DUWA through the Definitive Agreement.

NON-BINDING: The Parties agree that this document does not constitute an offer to consummate the transaction described herein or an agreement to sell or purchase all or any portion of the assets used to operate the DSDS and shall be treated as non-binding. It does not contain all matters upon which agreement must be reached for the Transaction or any proposed Transaction to be consummated. The creation and establishment of this document is only to respond to the Non-Binding Letter of Intent to Purchase Assets Related to the DSDS issued by the DUWA, describing a proposed framework for pursuing a sale and transfer of the System. All Parties shall have the ability to memorialize and create a formal binding term sheet prior to proceeding with any formal final or Definitive Agreement.

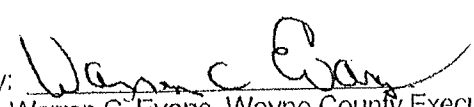
Very truly yours,

Downriver Utility Wastewater Authority

By: 
Rick Sollars, Chairman

ACCEPTED AND AGREED AS OF THIS 16th DAY OF MAY, 2016:

COUNTY: The County of Wayne

By: 
Warren C. Evans, Wayne County Executive

cc: Mr. R Kaufman, Wayne County Deputy CEO
Mr. T Saunders, Wayne County CFO
Ms. Z. Elhasan, Wayne County Corporation Counsel
Mr. J. Fausone, DUWA Counsel

13 COMMUNITY RESOLUTIONS

William B. Matakas
Mayor

Michael I. Mizzi
City Clerk

Maureen C. Armstrong
Treasurer

CITY COUNCIL

Gail McLeod
Mayor Pro-Tem

Kevin Rourke

Tina Gaworecki

Angelo A. DeGiulio

Harry Sisko

Larry Templin

City of Allen Park

16630 SOUTHFIELD ROAD Suite 3100
ALLEN PARK, MICHIGAN 48101
PHONE: 313-928-1400
FAX: 313-382-7946
www.cityofallenpark.org



At the Regular Meeting of the Allen Park City Council, Wayne County, Michigan, held on Tuesday, the 27th day of March 2018, Called to Order by Mayor Matakas at 6:00 P.M. the following resolution was proposed:

**RESOLUTION OF THE (CITY/CHARTER TOWNSHIP) OF ALLEN PARK
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY**

RESOLUTION NO. 18-0327-076

Motion by McLeod

Supported by Templin

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the City of Allen Park hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

Roll Call Vote: 6 YES – DeGiulio, Gaworecki, Matakas, McLeod, Sisko & Templin **1 NO** – Rourke

MOTION ADOPTED – 18-0327-071

CERTIFICATION

I, Michael I. Mizzi City Clerk of the City of Allen Park, County of Wayne, State of Michigan, do hereby certify that the foregoing is a true and correct copy of the Resolution adopted by the Allen Park City Council at the Regular Meeting held on Tuesday, the 27th day of March 2018, I further certify that the foregoing meeting was posted per the requirements of Public Acts 267 of 1976 (MCL 15.261 et seq.), Act 116 of 1954 (168.1 et seq.)


Michael I. Mizzi – City Clerk

William B. Matakas
Mayor

Michael I. Mizzi
City Clerk

Maureen C. Armstrong
Treasurer

City of Allen Park

16630 SOUTHFIELD ROAD Suite 3100
ALLEN PARK, MICHIGAN 48101
PHONE: 313-928-1400
FAX: 313-382-7946
www.cityofallenpark.org



CITY COUNCIL

Gail McLeod
Mayor Pro-Tem

Kevin Rourke

Tina Gaworecki

Angelo A. DeGiulio

Harry Sisko

Larry Templin

At the Regular Meeting of the Allen Park City Council, Wayne County, Michigan, held on Tuesday, the 27th day of March 2018, Called to Order by Mayor Matakas at 6:00 P.M. the following resolution was proposed:

RESOLUTION OF THE (CITY/CHARTER TOWNSHIP) OF ALLEN PARK TO AUTHORIZE ITS REPRESENTATIVE TO THE DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY

RESOLUTION NO. 18-0327-076

Motion by McLeod

Supported by Templin

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the City of Allen Park hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

Roll Call Vote: 6 YES – DeGiulio, Gaworecki, Matakas, McLeod, Sisko & Templin **1 NO** – Rourke

MOTION ADOPTED – 18-0327-071

CERTIFICATION

I, Michael I. Mizzi City Clerk of the City of Allen Park, County of Wayne, State of Michigan, do hereby certify that the foregoing is a true and correct copy of the Resolution adopted by the Allen Park City Council at the Regular Meeting held on Tuesday, the 27th day of March 2018, I further certify that the foregoing meeting was posted per the requirements of Public Acts 267 of 1976 (MCL 15.261 et seq.), Act 116 of 1954 (168.1 et seq.)


Michael I. Mizzi – City Clerk

RESOLUTION OF THE CITY OF BELLEVILLE
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY

RESOLUTION NO. 18-036

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and


WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the **City of Belleville** ("Municipality") hereby agrees that:


The Municipality's member to the DUWA Board shall vote **in favor of** the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

ON MOTION OF Fielder SUPPORTED BY Loria the foregoing Resolution was adopted by the following vote:

ROLL CALL: ABSENT 0 AYE 5 NAY 0



SHERRI SCHARF
City Clerk/Treasurer



KERREEN CONLEY
Mayor

I, **Sherri Scharf**, Clerk for the **City of Belleville**, hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council for the City of Belleville at a regular meeting held on the **2nd day of April, 2018**, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been available as required by said Act.

Sherri Scharf

Sherri Scharf, City Clerk

RESOLUTION OF THE CHARTER TOWNSHIP OF BROWNSTOWN
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY

RESOLUTION NO. 2018-03

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the Charter Township of BROWNSTOWN ("Municipality") hereby agrees that:

The Municipality's member to the DUWA Board shall vote (in favor of / or against) the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

ON MOTION OF Eberth SUPPORTED BY Killian the foregoing Resolution was adopted by the following vote:

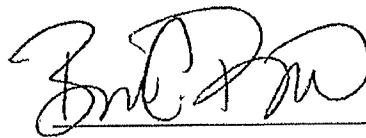
ROLL CALL:

ABSENT: Walters

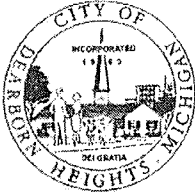
AYE: Brinker, Allen, Killian, Peters, Eberth, Linko

NAY: None.

I, Brian Peters, Clerk for the Charter Township of Brownstown, hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the Township Board for the Charter Township of Brownstown at a regular meeting held on the 16th day of April, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been available as required by said Act.

A handwritten signature in dark ink, appearing to read 'Brian C. Peters', is written over a horizontal line.

Brian C. Peters, Clerk



City of Dearborn Heights
6045 FENTON • DEARBORN HEIGHTS, MICHIGAN 48127

Walter J. Prusiewicz
CITY CLERK

TO: MAYOR PALETKO
FROM: CITY CLERK PRUSIEWICZ *WJP*
DATE: MARCH 29, 2018
RE: RESOLUTION REGARDING DOWNRIVER WASTEWATER UTILITY AUTHORITY (DUWA)
– DEFINITIVE TRANSFER AGREEMENT

The following is a copy of a motion adopted at the Regular Meeting of the Dearborn Heights City Council held on March 27, 2018.

18-118 Motion by Councilman Muscat, seconded by Councilman Bazzi, to concur with the Resolution to authorize the City's representative to the Downriver Utility Wastewater Authority to vote on the Definitive Transfer Agreement with Wayne County as outlined in Item 11-A. Also to direct Corporation Counsel to ensure that Transfer/Purchase is included in the Resolution. Per Mayor Paletko, communication dated March 21, 2018.

Ayes: Council Chairwoman Malinowski Maxwell, Councilman Bazzi, Councilman Constan,
Councilwoman Hicks-Clayton, Councilman Muscat, Councilman Wencel.
Nays: None.
Absent: Councilman Abdallah.

Motion adopted.

WJP/lis

cc: Treasurer
Comptroller
DPW
Assistant Corporation Counsel McCauley
File

**RESOLUTION OF THE CITY OF DEARBORN HEIGHTS
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER/PURCHASE AGREEMENT WITH WAYNE COUNTY**

RESOLUTION NO. 18-118

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote on May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

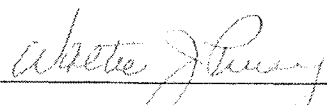
NOW THEREFORE, be it resolved that the City of Dearborn Heights hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

ON MOTION OF Councilman Muscat SUPPORTED BY Councilman Bazzi the foregoing Resolution was adopted by the following vote:

ROLL CALL: ABSENT 1 AYE 6 NAY 0

I, Walter J. Prusiewicz, Clerk for the City of Dearborn Heights, hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council for the City of Dearborn Heights at a regular meeting held on the 27th day of March, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been available as required by said Act.



Walter J. Prusiewicz, Clerk

**CITY OF ECORSE
COUNTY OF WAYNE
STATE OF MICHIGAN**

AN EXCERPT TAKEN FROM THE REGULAR MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF ECORSE HELD UNDER DATE OF APRIL 24, 2018. MAYOR LAMAR TIDWELL, PRESIDING.

**PRESENT: COUNCILMEN: SAMMONS, AGEE, BANKS, ELEM, PARKER, MAYOR PRO TEM HELLAR,
MAYOR TIDWELL**

ABSENT: NONE

RESOLUTION 809.18

Moved by Councilman Elem,

Supported by Councilman Parker,

WHEREAS, the City of Ecorse is a Michigan municipal corporation organized and existing under the provisions of the Michigan Home Rule Cities Act, M.C.L.A §117.1, ET. SEQ. hereinafter referred to as "City"; and

WHEREAS, the City is currently a participating member of the Downriver Utility Wastewater Authority (DUWA), an organization created for the purpose of acquiring control of the Wayne County Downriver Sewage Treatment Facility, pursuant to the terms of a "Definitive Transfer Agreement, and

WHEREAS, the City held a work study session on April 19, 2018, pursuant to the provisions of the Michigan Open Meetings Act (OMA) for the purpose of meeting with representatives of DUWA and VEOLIA, the proposed operating agent for the facility, to be fully apprised of the terms and conditions of the agreement, through a formal presentation and through the question and answer period which followed, and

WHEREAS, the City is requested to respond with its approval or rejection of the agreement by no later than April 30, 2018, and

WHEREAS, the City and its Council having had the opportunity to be fully advised in the premises and have determined to submit the agreement as an action item on the regular meeting agenda for April 24, 2018;

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of Ecorse does hereby approve the Definitive Transfer Agreement, and opts to be an owner of the DUWA, upon the terms and conditions of this resolution.

BE IT FURTHER RESOLVED that as a condition of this approval and election to be an owner, the DUWA agrees that the ongoing inspection of the Riverside Interceptor and the downstream piping shall be expanded to include all sewer lines north of the interceptor or as otherwise agreed upon by and between the parties, and that such inspection shall be given a top priority.

BE IT FURTHER RESOLVED that as a condition of this approval and election to be an owner, the DUWA acknowledges that the City is currently in the process of submitting a formal application of and Industrial Exemption from sewer charges for specific purchased water not being processed through the system. Further, that the initial application shall be filed with the Wayne County in accordance with currently existing procedures, and that should the application not have been fully processed and completed by Wayne County and is transferred to the DUWA, that DUWA will afford the application the highest priority in processing the application to determination and completion.

Yeas: Councilmen Sammons, Agee, Banks, Elem, Parker, Mayor Pro Tem Hellar, Mayor Tidwell
Nays: None

I HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND COMPLETE COPY OF THE RESOLUTION ADOPTED BY THE CITY COUNCIL OF THE CITY OF ECORSE, COUNTY OF WAYNE, SAID MEETING WAS CONDUCTED AND PUBLIC NOTICE OF THE SAID MEETING WAS GIVEN, PURSUANT TO AND IN FULL COMPLIANCE WITH THE OPEN MEETINGS ACT, BEING 1976 PUBLIC ACT 267, AND THAT THE MINUTE WERE KEPT AND WILL BE OR HAVE BEEN MADE AVAILABLE AS REQUIRED BY SAID ACT.


CITY CLERK

**DATED: May 8, 2018
Ecorse, Michigan**

**CITY OF LINCOLN PARK, MICHIGAN
CERTIFIED COPY OF RESOLUTION #2018-83**

REGULAR MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF LINCOLN PARK,
WAYNE COUNTY, MICHIGAN, HELD IN THE JOHN A. ALOISI COUNCIL CHAMBERS, OF
THE MUNICIPAL BUILDING.

UNDER THE DATE OF: March 19, 2018

MOVED BY: Mayor Karnes

SUPPORTED BY: Councilman Dardzinski

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and


NOW, THEREFORE BE IT RESOLVED, that the City of Lincoln Park ("Municipality") hereby agrees that the Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

Motion carried.

NO: Council President Murphy

ABSENT: Councilman Parkinson

I, DONNA BREEDING, duly authorized City Clerk of Lincoln Park; do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the Mayor and Council on March 19, 2018 said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976.


Donna Breeding, CMC
City Clerk

CITY OF RIVER ROUGE

MICHIGAN
10600 WEST JEFFERSON
RIVER ROUGE, MI 48218
PH 313.842.5604
FAX 313.842.4711

PATRICIA JOHNSON
CITY CLERK
SUSAN JOSEPH
DEPUTY CLERK

At a regular meeting of the River Rouge City Council, River Rouge, Michigan, County of Wayne held in the Court Room of City Hall on March 6, 2018 the following resolution was passed:

18-64

Moved by Mayor Bowdler, supported by Comm. Ward, CAARIED to accept and approve the Downriver Sewage Disposal System Definitive Transfer Agreement.

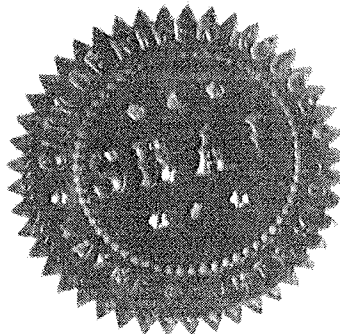
Yeas: Campbell, Perry, Pierce, Pruneau, Ward, Bowdler

Nays: None

CERTIFICATION

This is to certify that the foregoing constitutes a full, true and complete copy of the resolution duly adopted by the River Rouge City Council on March 6, 2018 notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being 1976 Public Act 267, and that the minutes of said meeting were kept and will be available.

Dated: March 8, 2018



A handwritten signature in cursive script, reading "Susan P. Joseph".

Susan P. Joseph, Deputy City Clerk

CITY OF RIVER ROUGE

MICHIGAN

10600 WEST JEFFERSON

RIVER ROUGE, MI 48218

PH 313.842.5604

PATRICIA JOHNSON

CITY CLERK

SUSAN JOSEPH

DEPUTY CLERK

At a regular meeting of the River Rouge City Council, River Rouge, Michigan, County of Wayne held in the Court Room of City Hall on March 6, 2018 the following resolution was passed:

18-64

Moved by Mayor Bowdler, supported by Comm. Ward, CARRIED to accept and approve the Downriver Sewage Disposal System Definitive Transfer Agreement.

WHEREAS, 1955 PS 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge expand, and operate such systems, and

WHEREAS, by terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA") its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation ("the County"); and

WHEREAS, each of the communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the City of River Rouge hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

Yeas: Campbell, Perry, Pierce, Pruneau, Ward, Bowdler

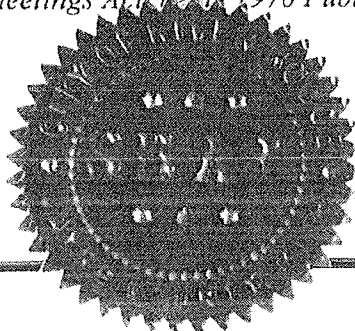
Nays: None

Abstain: None

CERTIFICATION

This is to certify that the foregoing constitutes a full, true and complete copy of the resolution duly adopted by the River Rouge City Council on March 6, 2018 notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being 1976 Public Act 267, and that the minutes of said meeting were kept and will be available.

Dated: March 8, 2018



Susan P. Joseph
Susan P. Joseph, Deputy City Clerk

REGULAR MEETING OF THE RIVERVIEW CITY COUNCIL
CITY OF RIVERVIEW, WAYNE COUNTY, MICHIGAN
HELD ON DAY, MONDAY, MARCH 19, 2018 A.D.
IN THE COUNCIL CHAMBERS OF
THE PETER ROTTEVEEL MUNICIPAL BUILDING
14100 CIVIC PARK DRIVE, RIVERVIEW, MICHIGAN 48193-7689

The meeting was called to order at 7:30 p.m.

Presiding: Mayor Swift

Present: Councilmembers Blanchette, Coffey, Towle, Elmer Trombley, James Trombley,
Workman

At the regularly scheduled meeting of the Riverview City Council, the following resolution was offered:

Motion by Councilmember Coffey, seconded by Councilmember Elmer Trombley, that Resolution No. 18-06, Authorize the City's Representative to the Downriver Utility Wastewater Authority (DUWA) to Vote in Favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the Purchase of the Downriver Sewage Disposal System, be Adopted.

RESOLUTION NO. 18-06
RESOLUTION OF THE CITY OF RIVERVIEW
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW, THEREFORE, BE IT RESOLVED that the CITY OF RIVERVIEW ("Municipality") hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

AYES: Mayor Swift, Councilmembers Blanchette, Coffey, Towle, Elmer Trombley, James Trombley, Workman

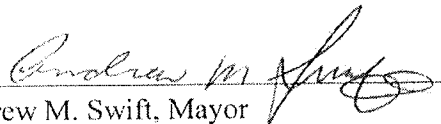
NAYS: None.

EXCUSED: None.

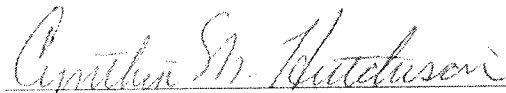
ABSTAIN: None.

ADOPTED this 19th day of March, 2018.

ATTEST:


Andrew M. Swift, Mayor

I, Cynthia M. Hutchison, Clerk for the City of Riverview, do hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council for the City of Riverview at a regular meeting held on the 19th day of March, 2018; and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been available as required by said Act.


Cynthia M. Hutchison, City Clerk

RESOLUTION OF THE CITY OF ROMULUS
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY

RESOLUTION NO. 18-140

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the City of Romulus ("Municipality") hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

ON MOTION OF Abdo SUPPORTED BY Webb the foregoing Resolution was adopted by the following vote:

ROLL CALL: ABSENT 0 AYE 7 NAY 0

I, Ellen L. Craig-Bragg Clerk for the City of Romulus, hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council for the City of Romulus at a regular meeting held on the 23rd day of April, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been available as required by said Act.

A handwritten signature in cursive script, reading "Ellen L. Craig-Bragg", written over a horizontal line.

Ellen L. Craig-Bragg, Clerk

City of Southgate
County of Wayne, State of Michigan

No. 60-18

RESOLUTION

At a Regular Meeting of the Southgate City Council called to order by Council President John Graziani on May 2, 2018 at 7:00 pm the following resolution was offered:

Moved by Farrah, supported by Zamecki.

RESOLVED that the Southgate City Council hereby authorizes the following resolution:

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA") its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the system; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the City of Southgate ("Municipality") hereby agrees that:

The Municipality's member to the DUWA Board shall vote In Favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

ROLL CALL:	ABSENT	George
	AYE	Colovos, Farrah, Graziani, Rauch, Rollet, Zamecki
	NAYE	None

Motion carried unanimously.

I, Janice M. Ferencz, City Clerk of Southgate, do hereby certify that the foregoing is a true, correct and complete copy of a resolution adopted by the Southgate City Council at a regular meeting held on May 2, 2018.


City Clerk

cc: Mayor, Finance, Wayne County, DUWA, files

RICK SOLLARS
Mayor

EDWARD L. BOURASSA
Treasurer

City of Taylor

OFFICE OF THE CITY CLERK

CYNTHIA A. BOWER

23555 GODDARD ROAD
TAYLOR, MICHIGAN 48180-4116

PHONE: (734) 374-1474 FAX: (734) 374-1343

www.cityoftaylor.com

CITY COUNCIL

ALEX GARZA
Chairman

TIMOTHY WOOLLEY
Chairman Pro-Tem

DANIEL A. BZURA
ANGELA CROFT
CHARLES JOHNSON
CAROLINE PATTS
BUTCH RAMIK

At the regular meeting of the Taylor City Council held on April 3, 2018, the following Resolution was adopted:

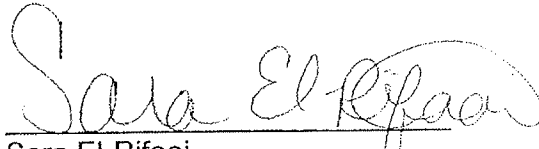
Motion by Croft, supported by Johnson

Resolved: Motion to approve the Definitive Transfer Agreement and resolution to authorize its representative to the Downriver Utility Wastewater Authority to vote in favor of the same Definitive Transfer Agreement with Wayne County.

Unanimously carried.

Resolution No. 4.163-18

I, Sara El-Rifaa, Deputy Clerk of the City of Taylor, hereby certify that the foregoing is a true and complete copy of a Resolution as adopted by the City Council of the City of Taylor, County of Wayne, Michigan, at a regular meeting held on April 3, 2018 and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the Minutes of said meeting were kept and will be or have been made available as required by said Act.


Sara El-Rifaa
Date: May 8, 2018

MOTION

Frazier moved, Miller seconded to approve Resolution 2018-05 the Downriver Utility Wastewater Authority (DUWA) definitive agreement. Motion Carried

Yeas: McNamara, Budd, Wright, Frazier, Martin, Miller and White.

Nays: None.

Absent: None.

I hereby certify the foregoing is a true and correct copy of a motion adopted by the Board of Trustees of the Charter Township of Van Buren at a regular meeting held April 3, 2018

A handwritten signature in black ink, appearing to read "Leon Wright", is written over the printed name and title.

Leon Wright
Township Clerk, CMC



RESOLUTION OF THE CHARTER TOWNSHIP OF VAN BUREN
TO AUTHORIZE IT'S REPRESENTATIVE TO THE DOWNRIVER UTILITY WASTEWATER AUTHORITY TO
VOTE ON THE DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY

RESOLUTION NO. 2018-05

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

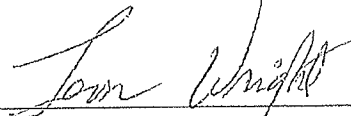
NOW THEREFORE, be it resolved that the Charter Township of Van Buren ("Municipality") hereby agrees that:

The Municipality's member to the DUWA Board shall vote (in favor of / or against) the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

ON MOTION OF FRAZIER SUPPORTED BY MILLER the foregoing Resolution was adopted by the following vote:

ROLL CALL: ABSENT NONE AYE MCNAMARA, BUDD, WRIGHT, MARTIN, MILLER AND WHITE NAY NONE

I, Leon Wright, Clerk for the Charter Township of Van Buren, hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the Township Board for the Charter Township of Van Buren at a regular meeting held on the ____ day of _____, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been available as required by said Act.


Leon Wright, Clerk

RESOLUTION OF THE CITY OF WYANDOTTE
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY

RESOLUTION NO. 2018-192

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and

NOW THEREFORE, be it resolved that the City of Wyandotte ("Municipality") hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

ON MOTION OF Sabuda SUPPORTED BY Alderman, the foregoing Resolution was adopted by the following vote:

ROLL CALL: ABSENT 1 AYE 5 NAY 0

I, Lawrence S. Stec, Clerk for the City of Wyandotte, hereby certify that the foregoing is a true and accurate copy of a Resolution adopted by the City Council for the City of Wyandotte at a regular meeting held on the 30th day of April, 2018, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been available as required by said Act.

A handwritten signature in cursive script, appearing to read "Lawrence S. Stec", is written over a horizontal line.

Lawrence S. Stec, Clerk

**CITY OF WYANDOTTE, MICHIGAN
CERTIFIED RESOLUTION
2018-192**

REGULAR MEETING OF THE MAYOR AND COUNCIL OF THE CITY OF WYANDOTTE,
WAYNE COUNTY, MICHIGAN, HELD IN THE COUNCIL CHAMBERS, OF THE MUNICIPAL
BUILDING.

UNDER THE DATE OF: April 30, 2018

MOVED BY: Councilperson Sabuda

SUPPORTED BY: Councilperson Alderman

**RESOLUTION OF THE CITY OF WYANDOTTE
TO AUTHORIZE ITS REPRESENTATIVE TO THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY TO VOTE ON THE
DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY**

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

WHEREAS, each of the Communities have a representative on the DUWA Board which will vote May 10, 2018 on the Definitive Transfer Agreement with Wayne County for the acquisition of the System; and

WHEREAS, each of the Communities in 2017 have unanimously approved a Service Agreement with DUWA for the use and charges associated with the System; and


NOW THEREFORE, be it resolved that the City of Wyandotte ("Municipality") hereby agrees that:

The Municipality's member to the DUWA Board shall vote in favor of the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

Motion unanimously carried.

ABSENT: Councilperson Schultz

I, LAWRENCE S. STEC, duly authorized City Clerk of Wyandotte, do hereby certify that the foregoing is a true and complete copy of the resolution adopted by the City Council on April 30, 2018 said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meeting Act, being Act 267, Public Acts of Michigan, 1976.



Lawrence S. Stec
City Clerk

DUWA RESOLUTION

**RESOLUTION OF THE
DOWNRIVER UTILITY WASTEWATER AUTHORITY
IN FAVOR OF THE DEFINITIVE TRANSFER AGREEMENT WITH WAYNE COUNTY**

RESOLUTION MAY 9, 2018

WHEREAS, 1955 PA 233, as amended ("Act 233") authorizes an authority to acquire sewage disposal systems as defined within said act and to improve, enlarge, expand, and operate such systems; and

WHEREAS, by the terms of Act 233, the Downriver Utility Wastewater Authority ("DUWA"), its constituent municipalities being the cities of Belleville, Ecorse, Lincoln Park, River Rouge, Southgate, Wyandotte, Allen Park, Taylor, Dearborn Heights, Romulus, Riverview, and the Charter Townships of Van Buren and Brownstown ("Communities") are authorized to enter into a contract for the acquisition; improvement, enlargement or extension of a sewage disposal system and for the payment of the cost thereof by the Communities, with interest; and

WHEREAS, the DUWA desires to acquire the Downriver Sanitary Disposal System ("System") from the County of Wayne, a Michigan county corporation (the "County"); and

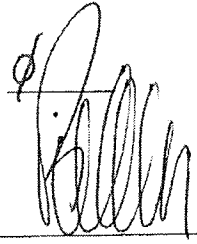
WHEREAS, each of the Communities have considered and approved the Definitive Transfer Agreement with Wayne County for the System acquisition; and

NOW THEREFORE, be it resolved that the DUWA Board authorizes the Chair of the Board to execute the Definitive Transfer Agreement that has been negotiated with Wayne County for the purchase of the Downriver Sanitary Disposal System.

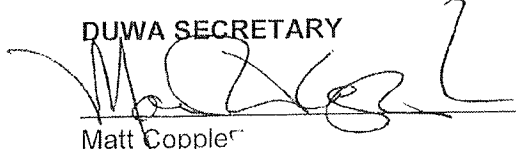
ON MOTION OF Wyandotte SUPPORTED BY Van Buren the foregoing Resolution was adopted by the following vote:

ROLL CALL: ABSENT 2 AYE 11 NAY 0

DUWA CHAIR


Rick Sollars
Mayor, City of Taylor

DUWA SECRETARY


Matt Copple
Lincoln Park City Manager

MEMORANDUM RE: AGREEMENT TERMS

WAYNE COUNTY CORPORATION COUNSEL MEMORANDUM

TO:	Wayne County Commission
FROM:	Wayne County Corporation Counsel/Dickinson Wright, PLLC
DATE:	May 11, 2018
SUBJECT:	Downriver Sewage Disposal System (“DSDS”) Transfer Agreement between County of Wayne and Downriver Wastewater Utility Authority

Summary of Definitive Transfer Agreement.

The Downriver Sewage Disposal System (“DSDS”) Definitive Transfer Agreement (“DTA”) is detailed and addresses all of the topics that the parties, the Charter County of Wayne (the “County”) and the Downriver Utility Wastewater Authority (“DUWA”), felt were necessary to address to complete a transfer of the DSDS from the County to DUWA. Following is an attempt to identify in summary fashion the significant legal and business issues that are addressed in the DTA. It does not attempt to address all of the details covered by the DTA.

BACKGROUND.

On May 16, 2016, the County and DUWA, entered into a non-binding Letter of Intent to serve as the legal framework for the DTA that governs the transfer of DSDS. Based upon the size and complexity of DSDS, the scope and scale of its operations, and its current financing structure, negotiations of the final terms and conditions of the DTA were not completed until December of 2017.

MAJOR TERMS.

A. **TRANSFER PAYMENT:** \$54 Million Dollars in Cash Due at Closing. Cash to be raised by DUWA in a revenue bond issue.

\$3.5 Million Subordinated Bond deliverable at Closing, payable not later than 5 years after Closing with a balloon payment.

B. USE OF PROCEEDS BY COUNTY: The County is required by agreement with the State to use the proceeds from the transfer of the DSDS towards its OPEB liabilities which have been incurred over time from the DSDS.

C. CURRENT DEBT ASSOCIATED WITH THE DSDS. The County currently has \$96,457,368* of outstanding debt related to DSDS, consisting of Revenue Bonds and Judgment Levy Bonds, as follows:

1. Outstanding Revenue Bonds Issued. \$ 63,271,782.00.*

This debt is all associated with repairs or improvements of the DSDS. Schedule K of the DTA identifies each of the outstanding Revenue Bonds on the DSDS. These are considered Revenue Bonds since debt is currently paid by the 13 municipalities that comprise DUWA to the County through DSDS rates and charges. The rates and charges produce revenues for the DSDS, which revenues are then used by the County to pay operation and maintenance of the DSDS and to make bond payments to the Michigan Finance Authority (MFA), as holder of the Revenue Bonds. After execution of the DTA, DUWA will finalize an agreement with the MFA to have the debt evidenced by the Revenue Bonds transferred from the County to DUWA, extinguishes the County's liability.

2. Judgment Levy Bonds. \$ 33,185,586.00.*

Each of the 13 municipalities that comprise DUWA is subject to a Federal Consent Decree and Financing Plan (the "Order"), issued in March 1994, under which Wayne County was ordered to issue Judgment Levy Bonds for certain improvements to DSDS, and each of the 13 municipalities comprising of DUWA were required by the

* Outstanding principal debt as of February 28, 2018.

Federal Court to levy taxes to pay Wayne County that municipality's share of the debt service on the Judgment Levy Bonds. The County and DUWA have agreed that the County will keep the Judgment Levy Bonds in the County's name (because DUWA lacks the statutory authority to issue Judgment Levy Bonds or other bonds in place of them) and the Order was so modified on December 5, 2017, with the written consent of all of the 13 municipalities, to ensure that each municipality continues to be responsible to the County for the debt associated with these bonds until they are paid off.

D. ASSETS BEING TRANSFERRED. The County has agreed to transfer virtually all of the assets associated with DSDS, including:

1. All buildings and improvements associated with the DSDS, including the sewage disposal treatment facility located in Wyandotte (the "DWTF") (except pump station #5 that belongs to the Southgate-Wyandotte Relief Drains Drainage District ("SWRDDD")); approximately 38-acre site located in Wyandotte, MI, comprised of all facilities and equipment necessary to operate the Plant, including the land, easements, 30+ buildings, and underground assets.
2. All land associated with DSDS, either through a conveyance by a deed or an assignment of easements; approximately 63 miles of interceptor sewers, the Downriver Tunnel System, and other storage and transportation tunnels, sewers, systems, and extensions. DUWA is not acquiring the drainage equalization basins owned by other drainage districts, the River Rouge CSO, or assets that are owed by the SWRDDD or the Ecorse Creek Pollution Abatement District No. 1 Drainage District ("ECPAD").
3. All tangible personal property, such as machines, equipment, interceptors, tunnels, piping, manholes, motors, control gates, and overflow structures documents and records.
4. All intangible property such as operating permits, certificates and licenses, contract rights and warranties on equipment.

5. Any Cash in the DSDS accounts as set forth in the DSDS financial statements/approximately \$38 million in reserves, less \$1.5 million to be escrowed as described below.
6. All intellectual property, such as computer programs used exclusively for DSDS.

E. LIABILITIES TRANSFERRED TO AND ASSUMED BY DUWA.

At the time of closing of the transfer of the DSDS, DUWA will assume virtually all of the liabilities associated with the ownership, maintenance, operating and administration of the DSDS, including third party claims associated with lawsuits. At that time, all such costs of ownership, maintenance operation and administration will continue to be made solely from DSDS revenues with DUWA being solely responsible for payments without any further liability to the County, except as noted in the paragraph F below.

At Closing, the County's obligation to manage and/or operate the SWRDDD and the ECPAD drainage districts that are tributary to the DSDS, will continue. DUWA will enter a written agreement or protocols that must be satisfactory to the County and to the SWRDDD and ECPAD, respectively, for the receipt of drainage district waste waters.

F. LIABILITIES RETAINED BY THE COUNTY. Upon transfer of the DSDS, the County will retain liability for only the following items:

1. Harm that results from gross negligence by the County as determined by a final, non-appealable order issued by a court of the highest jurisdiction.
2. Pension and retirement liabilities of County employees working at DSDS.
3. Costs to be paid by the County under the DTA.
4. Judgment Levy Bonds.
5. Any obligation on the part of the County under any Shared Services Agreement (as may be needed and as described in Section G 4 below).

G. PRE-CLOSING ISSUES. The County and DUWA have identified tasks that both parties believe must be managed in connection with the transfer of the DSDS to ensure that public safety and health standards are maintained at levels equal to or exceeding those maintained by the County prior to transfer of the DSDS. Those tasks have been identified, the County and DUWA have jointly developed procedures, including time lines, for managing and completing tasks while both parties await approval of the DTA by DUWA's Board and the County Commission, respectively.

1. **Identification of Current County Contracts.** The County has contracted with vendors to provide supplies, equipment and services not only to the DSDS, but also to other functions within the County. The County has provided DUWA with a list of such contracts (and will continue to update that list as when new contracts are entered into or as existing contracts expire). The DTA provides that DUWA must assume certain contracts which are essential to the operation and maintenance of the DSDS. They are identified on Schedule L-1 of the DTA. The DTA also provides that within 90 days of closing, DUWA must elect to assume or not to assume all other current contracts, which are listed on Schedule L of the DTA. All contracts that DUWA is required to assume or that DUWA elects to assume, will be assigned by the County to DUWA at closing by written agreement. Contracts that DUWA elects not to assume will be allowed to lapse or will be terminated with no further liability or obligation on the part of the County.

2. **Financing.** Upon approval of the DTA by DUWA, DUWA will proceed to finalize its financing with the MFA based upon the preliminary reviews and discussions held to date.

3. **Permits.** Upon approval of the DTA by DUWA, DUWA will proceed to finalize its preliminary application on file with the MDEQ and other governmental agencies to authorize transfer of all necessary permits, licenses and certificates necessary to operate the DSDS.

4. **Shared Services Agreement.** The County and DUWA acknowledge that it may be necessary or appropriate for one or both of them to obtain certain professional services from one another regarding DSDS operational matters after the transfer is complete. If so, DUWA and the County will enter into a Shared Services Agreement as provided in the DTA identifying the services, costs and payment arrangements. Such an agreement will need the approval of the County and DUWA.

5. **Real Estate.** The DSDS is a very large system and encompasses several miles of interceptors, tunnels and facilities that cross several acres. It has been an asset of the County for almost 90 years. Most of the infrastructure that was constructed or installed in creating the DSDS was done so within roadways owned by the County. Accordingly, that infrastructure was typically constructed without preparation of legal descriptions or recorded easements (i.e., the County would not have prepared legal descriptions or granted easements to itself for land it already owned). DUWA has retained a title company to prepare legal descriptions to identify all parcels of land at the DWTF related to the DSDS. The DTA provides that as and when legal descriptions are prepared, they will be attached to pre-approved deeds and/or easement agreements for recording, such that all real estate related to the DSDS will ultimately be conveyed to DUWA, consistent with the intent of the County and DUWA under the DTA. The DTA also provides that preparing the needed legal descriptions and recording relevant

documents could take several years, and that the costs of doing so will be paid solely from DSDS revenues. The County and DUWA have agreed to work in good faith after the closing on the transfer of the DSDS to identify, memorialize and record any conveyance of real estate or grant any necessary easements or right of ways to DUWA.

6. **DUWA Must Have Executed Contract with an Operator For DSDS.**

The DTA requires that the County be satisfied with DUWA's own capacity to manage, operate and administer the DSDS, or to hire a qualified third party vendor to do so, before the transfer takes place, all as a matter of public safety, welfare and health. DUWA has made clear its intent to hire a third party independent vendor for this purpose. Specifically, it has identified Veolia of North American as its preferred vendor. As a condition to closing, DUWA must deliver to the County an executed contract with Veolia (or another vendor), the terms and conditions of which must be satisfactory to the County.

7. **Employee Transition.** Under the DTA, DUWA is not obligated to hire any County employee currently working at the DSDS, but has made it clear that it understands the value of obtaining experienced County employees. To that end, Veolia will negotiate with AFSCME leadership regarding the transfer of County employees to Veolia. In all events, the County has determined that as to any County employee at DSDS who does not wish to become an employee with Veolia (or any other operator of the DSDS selected by DUWA), the County has the ability to absorb such employees by transferring them to other departments within the County.

H. CONDITIONS TO CLOSING.

DUWA: DUWA's obligation to close on the transfer of the DSDS is contingent upon several items as set forth in the DTA, including, primarily, (i) receiving all permits, licenses, certificates in its name that are necessary to operate the DSDS in the same manner as done by the County prior to the transfer (ii) authorization by MDEQ and MFA to administer State Revolving Loans ("SRLs") and Capital Improvement Projects ("CIPs"), (iii) no casualty event affecting the DSDS in excess of \$3M, (iv) no new material litigation or claims, (v) approval of the DTA, by 66% by weighted voting, of the 13 municipalities served by the DSDS, (vi) all 13 municipalities being current in their payment obligations to the County, or appropriate alternative arrangements (i.e., escrowed funds), for the cost of maintenance and operation of the DSDS, and (vii) approved by the MFA of DUWA's plan of finance to pay the \$57 million transfer price, including its responsibility for the Revenue Bonds and (viii) financing acceptable to DUWA.

COUNTY: Similarly, the County's obligation to close on the transfer of the DSDS, include, primarily (i) the receipt of proof of satisfactory insurance secured by DUWA for the DSDS, (ii) DUWA's plan of finance to pay the \$57 million transfer price, including responsibility for the Revenue Bonds, (iii) satisfaction that DUWA has received in its name all permits, licenses and certificates necessary to operate the DSDS (iv) satisfactory evidence that the MDEQ and MFA have authorized DUWA to administer SRLs and CIPs, (v) satisfaction that DUWA has in place agreements or protocols for receipt of the SWRDDD and ECPAD flows in a manner necessary for the public health, welfare and safety, (vi) that DUWA has the capacity to perform day-to-day operations of the DSDS

necessary for public health, welfare and safety, or has retained a qualified third party provider to do so, and (vii) that at closing there are funds on hand in the DSDS debt retirement account funds are sufficient to pay the Judgment Levy Bonds, together with interest, as they become due.

I. CLOSING. At closing, DUWA must pay the \$54 million transfer payment and the County must transfer the DSDS assets by deeds and assignments. The final payment of \$3.5 million is due not later than 5 years after Closing with a balloon payment.

The closing date in August 1, 2018 with the possibility of a one-time extension until September 30, 2018, by mutual agreement of DUWA and the County.

Transaction costs related to the transfer of the DSDS are to be paid from DSDS reserves. At closing, a \$1.5 million escrow will be established for the benefit of the County to pay fees for professional services rendered in connection with the transaction. The escrow is to be in place for 6 months, after which the County must account to DUWA for use of the escrowed funds and remit to DUWA any balance remaining from the \$1.5 million.

#317485

ORDINANCE 39-2 QUESTIONS

Request Pursuant to Ordinance 39-2, Disposition of Property

Background to Real Estate Questions.

The County has owned the Downriver Sewage Disposal System ("DSDS") for over eighty (80) years. During its inception in 1937, the County and the State of Michigan used sitwell numbers instead of tax parcel ID numbers to describe the parcels of land comprising the DSDS. None of the parcels are listed on the tax rolls since the County is tax exempt. Moreover, since this property has not been surveyed or conveyed for over eighty years, accurate legal descriptions will need to be created in connection with the transfer of the DSDS.

Additionally, as the County grew over the last eight decades improvements were made for the changing needs for waste water collection. The County added interceptors and sewer lines within County roads to collect wastewater. Since such interceptors were located within a County road, and the improvements were owned by the County, there was no need to create formal legal descriptions for filings with the Register of Deeds. Currently, there are not legal descriptions of all of the interceptors and sewer lines that will be transferred to the Downriver Utility Wastewater Authority ("DUWA").

As the County and DUWA negotiated with the terms of the Definitive Transfer Agreement ("DTA"), both parties were aware of the above issue regarding the needed legal descriptions. DUWA agreed and understood that if such legal descriptions were to be created, the responsibility and costs would need to be borne by the DSDS (i.e., its customers), and would not be a cost of the County. DUWA and the County agree that such actions to create, file and record legal descriptions will be an on-going process that can and will be managed by DUWA after Closing. DUWA does not want to incur the costs of surveying the DSDS and creating needed legal descriptions until the DTA has been approved by the Wayne County Commission ("Commission"). Additionally, neither DUWA, nor the County wish to delay Closing until every legal description regarding DSDS has been created. It is feasible that such actions could take several months and possibly years. Therefore, DUWA will assume the costs of this endeavor after the Closing. That is an essential term of the DTA that is before the Commission for approval.

The following answers are based on the narrative provided above.

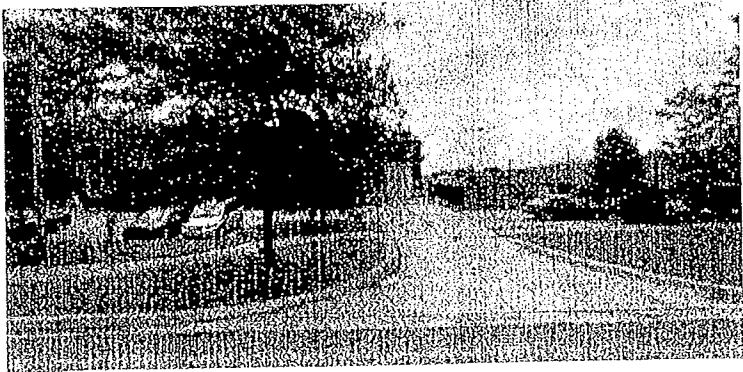
#	Request Pursuant to Ordinance 39-2, Disposition of Property
1	The listed address and the parcel identification number(s) of the real property being disposed of; A wastewater treatment facility located at 797 Central Avenue, Wyandotte, Michigan, including approximately 38 acres of land, 30 plus buildings and underground assets as generally depicted on the attached <u>Schedule A</u> of the Definitive Agreement (the "Treatment Facility"), seven (7) interceptors (commonly known as the Eureka, Fordline, Goddard, Northline, Pelham, Pennsylvania and Riverdrive (f/k/a Wyandotte), (the "Interceptors"), a storage and transportation system (commonly known as the Downriver Regional Storage and Transport System (DRSTS) and including the Lower Tunnel, Upper Tunnel, Allen Park Spur, Eureka Road Relief Sewer and Relief Sewer Extension and the Taylor Basin/Jackson Street Pumping Station Connection). The County has been working with DUWA to determine the entire tax parcel ID's associated with the property located at 797 Central Avenue.

#	Request Pursuant to Ordinance 39-2, Disposition of Property
2	A complete description of the real property;
	The legal descriptions that are within the possession of the County and DUWA are attached with the deeds.
3	A photograph of the real property;
	Attached. Also there are schematic drawings and maps in the attachments to the DTA which address this issue.
4	The current use of the real property and if not currently being used, the last use of the real property;
	The DSDS property is used exclusively as a treatment plant and transport system for wastewater.
5	A copy of the deed transferring ownership to the county;
	Copies of the Deeds within the County's possession for portions of the properties located at 797 Central are attached. The County and DUWA acknowledge that not all of the deeds have been located since this property has been in County possession for over eighty years, and possibly prior to the creation of the treatment facility.
6	A disclosure statement if the real property is currently being used as a park or has been used in the past as a park;
	Not applicable
7	A disclosure statement if the real property is adjacent to a park or adjacent to property once used as a park;
	Not applicable
8	The reason(s) for disposal;
	The County is selling DSDS to the Downriver Utility Wastewater Authority.
9	Development potential of the real property, if any;
	DSDS has been located at the same location for over 70 years. It is unlikely that DUWA will decide to abandon, demolish and remediate the property for another type of development.
10	The benefit of the disposition to the county;
	The County will no longer need to staff, provide maintenance or repair any of the DSDS. These will be responsibilities of DUWA.
11	Estimated costs associated with the disposition and indication as to whose assuming those costs;
	The County's cost for disposing of DSDS appears to be limited to legal costs and professional fees. The estimated costs are currently at about \$500,000. The DTA and the Letter of Intent both indicate that any costs associated with the transfer of the system will be paid by the system. Therefore, the County's costs will be paid for out of the DSDS Reserve Accounts.
12	A statement as to whether or not the individual(s) to whom the real property is being transferred has any delinquent tax obligations on any property or properties within the county;
	DUWA is a public authority and is not subject to taxes.
13	A copy of the appraisal if one has been obtained, if not, an explanation as to why an appraisal was not obtained as well as a value estimate; and
	There is not a formal appraisal. The \$57.5 Million transfer price (\$54 Million Cash plus \$3.5 Million Bond)was a negotiated price. This transfer price was reviewed by the Michigan Finance Authority and it has not indicated any objections.
14	The proposed agreement to transfer the real property and the proposed deed.
	The DTA Agreement addresses this question.

Go gle Maps 797 Central St



Imagery ©2018 DigitalGlobe, U.S. Geological Survey, USDA Farm Service Agency, Map data ©2018 Google 200 ft



797 Central St
Wyandotte, MI 48192



This Indenture, made this 23rd day of July
in the year of our Lord one thousand nine hundred and thirty eight
Between the City of Wyandotte
of the City of Wyandotte County of Wayne
State of Michigan, a corporation organized and existing under and by virtue of the laws of the State
of Michigan, party of the first part, and the County of Wayne

part Y of the second part,
Witnesseth, that the said party of the first part, for and in consideration of the sum of
One Dollar and other valuable consideration dollars,
to it in hand paid by the said part Y of the second part, the receipt whereof is hereby confessed and
acknowledged, does by these presents, grant, bargain, sell, remise, release, alien and confirm unto the
said part Y of the second part, and his successors heirs and assigns, FOR-
EVER, All that certain piece or parcel of land, situate and being in the City
of Wyandotte County of Wayne and
State of Michigan, known and described as follows, to-wit: All of Lots 10 to 31, in-
clusive, of Block 12, of South Detroit Subdivision of part of
Section 32, Town 3 South, Range 11 East, City of Wyandotte, Wayne
County, Michigan, as recorded in Line 14 of Plate, Page 95, Wayne
County Records.

NO REVENUE ATTACHED

PAID TO REVENUE



to certify that there are no liens or taxes on this property and the taxes are paid for FIVE YEARS
previous to date of this instrument Except

NOV 30

Wayne County Recorder

Together with all and singular the hereditaments and appurtenances thereunto belonging or in
anywise appertaining; TO HAVE AND TO HOLD the said premises, as herein described, with the
appurtenances, unto the said part Y of the second part, and to his successors
heirs and assigns, FOREVER.

And the said party of the first part, for itself and its successors, does covenant, grant, bargain, and
agree to and with the said part Y of the second part his successors heirs
and assigns, that at the time of the ensembling and delivery of these presents it is well seized of the
above granted premises in Fee Simple; that they are free from all encumbrances whatever.

RECEIVED

JUN 2 1960

A. J. DENZER

KNOW ALL MEN BY THESE PRESENTS: That WYANDOTTE
CHEMICALS CORPORATION, a Michigan corporation, Conveys and Warrants
to BOARD OF COUNTY ROAD COMMISSIONERS OF WAYNE COUNTY, MICHIGAN,
a public body corporate, whose street number and post office
address is 726 City-County Building, Detroit, Michigan, the
following described premises situated in the City of Wyandotte,
County of Wayne and State of Michigan, to-wit:

A parcel of land situated in Section 32, Town 3
South, Range 11 East, described as BEGINNING at
a point in the intersection of North line of
Pennsylvania Avenue (66 feet wide) with the
West line of 8th Street (formerly Adrian Avenue)
60 feet wide; thence along the North line of
Pennsylvania Avenue, North 89°44'40" West 864.45
feet, more or less, to a point in Easterly line
of Detroit, Toledo and Ironton Railroad right-
of-way; thence along the East line of said
right-of-way North 14°37'20" East 28.30 feet,
more or less, to a point in the Southeasterly line
of Central Avenue 100 feet wide; thence North
along the Southeasterly line of Central Avenue,
North 55°02' East 806.81 feet, more or less, to
a point in Westerly line of a parcel of land
conveyed by Michigan Alkali Company to County
of Wayne, recorded in Liber 4973 of Deeds,
Page 541; thence along the Southerly line of
the aforesaid parcel of land South 34°58' East
411.84 feet, more or less, to a point in the
Westerly line of 8th Street; thence along the
Westerly line of 8th Street, South 14°32'50"
West 159.77 feet, more or less, to the PLACE
OF BEGINNING, containing 5.5 acres, more or
less, and being a part of the vacated plat
known as South Detroit Subdivision of part of
Section 32, Town 3 South, Range 11 East, Ecorse
(now City of Wyandotte), Wayne County, Michigan,
according to the plat recorded in Liber 14 of
Plats, Page 95, Wayne County Records;

together with all and singular the tenements, hereditaments and
appurtenances thereunto belonging or in anywise appertaining,
for the sum of ONE DOLLAR (\$1.00) and other valuable consideration

DATED this 27th day of July, A. D. 1960.

SIGNED, SEALED AND DELIVERED
in presence of:

WYANDOTTE CHEMICALS CORPORATION
By Geo. E. Schwartz (L.S.)
Its Vice President
And by William H. Day (L.S.)
Its Secretary

A. J. Denzer
A. J. Denzer
H. R. Wurster
H. R. Wurster

RECORDED AUG 4 1960 M 9 32 A
BERNARD J. YOUNGBLOOD, Register of Deeds
WAYNE COUNTY 25, MICHIGAN



114532 PA 352
15332916