

WATER SERVICE CONTRACT

BETWEEN

CITY OF DETROIT

AND

CITY OF ROCHESTER HILLS

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**WATER SERVICE CONTRACT
BETWEEN
CITY OF DETROIT
AND
CITY OF ROCHESTER HILLS**

This Water Service Contract ("Contract") is made between the City of Detroit, a municipal corporation, by its Water and Sewerage Department and Board of Water Commissioners (the "Board"), and the City of Rochester Hills, a municipal corporation ("Customer"). The Board and Customer may be referred to individually as "Party" or collectively as the "Parties."

Whereas, the City of Detroit owns a public water supply system ("System") operated by the Board; and

Whereas, the Board supplies water service to numerous governmental entities in the Board's water service area; and

Whereas, Customer desires to obtain water service from the Board; and

Whereas, the purpose of this Contract is to provide for the long-term service of potable water to Customer; and

Whereas, the Board implemented a voluntary partnering effort with its wholesale water customers, of which the Technical Advisory Committee is a central part, and which is intended to assist the Board in data gathering, alternative evaluations and recommendations, achieving full disclosure of rates, identifying true cost of service principles to guide revenue collection, and to provide assistance with a cohesive planning effort for the Board's water service area;

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

**Article 1.
Definitions**

1.01 The following words and expressions, or pronouns used in their stead, shall be construed as follows:

"Adjusted Prevailing Water Rate" shall have the meaning ascribed in Article 3 herein.

"Annual Volume" shall mean the actual volume of water used by Customer for the period of July 1st to June 30th as measured on bills issued from August 1st through July 31st.

"Board" shall mean the City of Detroit Board of Water Commissioners.

“**City**” shall mean the City of Detroit, a municipal corporation, acting through its Board of Water Commissioners.

“**Contract**” shall mean each of the various provisions and parts of this document, including all attached Exhibits and any amendments thereto, as may be executed and approved by Customer’s governing body, the Board of Water Commissioners, and the Detroit City Council.

“**Contract Term**” shall have the meaning ascribed in Article 2 herein.

“**Customer**” shall mean the Party that enters into a contract with the City of Detroit by way of this Contract, whether an authority, city, township, village or other municipal corporation recognized by the State of Michigan.

“**Customer Maximum Day Demand**” shall mean the Customer’s recorded water usage on the DWSD Maximum Day. Customer Maximum Day Demand shall, in conjunction with Customer Peak Hour Demand, be a component of its Maximum Flow Rate.

“**Customer Peak Hour Demand**” shall mean the Customer’s recorded water usage during the DWSD Peak Hour. Customer Peak Hour Demand, in conjunction with Customer Maximum Day Demand, shall be a component of its Maximum Flow Rate.

“**DWSD**” shall mean the City of Detroit Water and Sewerage Department.

“**DWSD Maximum Day**” shall mean the maximum reported water production day for the System during any twenty-four hour period as measured from 12:00 a.m. Eastern Standard Time in any given calendar year, as determined by DWSD in reviewing water production and storage reports.

“**DWSD Peak Hour**” shall mean the hour during the DWSD Maximum Day in which the most water is delivered to the System, measured from top-of-the-hour to top-of-the-hour (e.g. 7:00 a.m. to 8:00 a.m.), and as determined by DWSD in reviewing water production and pumping reports. In calculating the DWSD Peak Hour, the time period from 11:00 PM to 5:00 AM Eastern Standard Time (EST) shall not be considered provided, however, that if Customer has an approved Filling Schedule, the time period specified in the Filling Schedule shall supersede the time period of 11:00 PM to 5:00 AM EST.

“**Early Termination Costs**” shall have the meaning ascribed in Article 3 herein.

“**Filling Schedule**” shall have the meaning ascribed in Article 22 herein.

“**Maximum Flow Rate**” shall mean the aggregate amount of water usage that Customer commits not to exceed, as determined by the Customer Maximum Day Demand and the Customer Peak Hour Demand, collectively.

“**Meter Facilities**” shall mean a location in which a water meter is housed including, without limitation, meter pits and meter vaults.

“Minimum Annual Volume” shall mean fifty percent of Customer’s Projected Annual Volume.

“Notices” shall mean all notices, consents, approvals, requests and other communications required to be given under the terms of this Contract.

“Pressure Problem” shall have the meaning ascribed in Article 5 herein.

“Pressure Range” shall have the meaning ascribed in Article 5 herein.

“Projected Annual Volume” shall mean the projected annual water sales to Customer as set forth in Exhibit B.

“Service Area” shall mean the mutually agreed upon area where Customer is permitted to distribute water received from the Board under the terms of this Contract which (a) may be entirely within the corporate limits of Customer or may exceed the corporate limits of Customer and (b) which may or may not include the entire geographical area within the Customer’s corporate limits.

“System” shall mean the public water works system owned and operated by the City of Detroit, acting through its Board of Water Commissioners and its Water and Sewerage Department.

“Technical Advisory Committee” shall mean the committee consisting of representatives of the Detroit Water and Sewerage Department, wholesale water customers of the Detroit Water and Sewerage Department and their respective representatives, and shall include its successor or replacement if altered or discontinued. The Technical Advisory Committee or its successor shall remain in existence for a minimum term of January 1, 2008 until December 31, 2038 unless the committee determines otherwise.

“Water Distribution Points” shall have the meaning ascribed in Article 4 herein.

Article 2. Contract Term

- 2.01 Term. The Board shall sell and supply water to Customer from the System in accordance with the terms of this Contract for a period of thirty years from the effective date of this Contract and any ten-year renewal terms (collectively the “Contract Term”), subject to Article 3 herein. The effective date of this Contract shall be the date that this Contract is approved by the Detroit City Council or Customer’s governing body whichever is later. This Contract replaces and supersedes any prior water service contracts between the Parties.

- 2.02 Renewal. This Contract shall automatically renew at the conclusion of the thirty-year term for an additional ten-year term, unless a Party provides written notification to the other Party in accordance with Article 16 on or before the conclusion of the twenty-fifth year of the thirty-year term stating its intent not to renew this Contract. Thereafter, this Contract shall automatically renew every ten years for an additional ten-year term, unless a Party provides written notification to the other Party in accordance with Article 16 on or before the conclusion of the fifth year of the then current ten-year term stating its intent not to renew this Contract. The automatic renewals of this Contract shall not preclude a review of its terms and the Parties are encouraged to reaffirm or amend its terms as necessary. The Parties may, in writing, mutually agree upon a longer renewal term.
- 2.03 Notification of Renewal. The Board shall notify Customer of its first Contract renewal option during the twenty-fifth year of the thirty-year term; provided, however, that the Board's failure to so notify Customer shall not obviate Customer's obligations as set forth in Section 2.02.

Article 3. Early Termination Costs

- 3.01 Early Termination Costs. In addition to any other remedies provided for by law or by the terms of this Contract, Customer shall be liable to the Board for the payment of any costs incurred by the Board related to providing water to Customer in the event Customer terminates this Contract before the conclusion of a Contract Term ("Early Termination Costs"); provided, however, that payment of such Early Termination Costs by Customer shall not entitle Customer to receive water service from the Board.
- 3.02 Calculation of Costs. Payment of Early Termination Costs will be calculated by applying the Adjusted Prevailing Water Rate to the Minimum Annual Volume requirements for the remainder of the Contract Term. The Adjusted Prevailing Water Rate shall be the rate charged by the Board to Customer as of Customer's effective termination date, adjusted annually to reflect projected inflationary increases utilizing a locally based wholesale price index. The Parties may agree upon another standardized price index. The Board may seek a recommendation from the Technical Advisory Committee on the amount of the Early Termination Costs.
- 3.03 Specifically Constructed Facilities. If the Board has constructed facilities specifically for the benefit of Customer, additional costs may be included in the calculation of the Early Termination Costs, provided that any such facilities shall be identified in a written agreement between the Board and Customer at or near the time of construction.
- 3.04 Formation of Water Authority. Customer may join with another authority, city, township, village or other municipal corporation recognized by the State of Michigan to form a water authority for the sole purpose of collectively contracting for water service from the Board. The exercise of this right shall not be construed as an early termination of this Contract and this Contract shall be voided upon the approval of a new water service contract by Customer's governing body, the Board and the Detroit City Council.

Article 4.
Service Area

- 4.01 Delivery Location. Water shall be delivered by the Board to Customer at the location(s) identified in Exhibit A (collectively, the "Water Distribution Points"), and at other locations as may be mutually agreed upon in writing by the Board and Customer.
- 4.02 Limit of Responsibility. The Board shall have no responsibility for distributing, operating, repairing, replacing and maintaining any portions of the Customer's water supply system downstream of the Water Distribution Points shown in Exhibit A, provided, however, that this Section 4.02 does not prevent the application of the provisions of Section 11.02 herein.
- 4.03 Board Responsibility. The Board owns and is responsible for operating and maintaining all parts of its System upstream from Customer's Water Distribution Points. Should the Board fail to maintain its Meter Facilities and/or any Board owned and maintained equipment within the Meter Facilities, Customer shall provide written notice to the Board which describes the objectionable condition of the Meter Facility and/or the equipment within, and its intent to take reasonable steps to maintain the condition and charge the reasonable cost of doing so to the Board. Upon receipt of the notice and subject to Section 11.01, the Board shall have thirty calendar days to repair the condition specified in the notice, unless a force majeure event prevents the repair within the thirty-day period. If the Board has not repaired the condition at the conclusion of the thirty-day period and has not provided a written explanation to Customer explaining the reason for the delay (e.g. necessary parts are on order or occurrence of a force majeure event specified in Section 11.01), then Customer may take reasonable steps to maintain the specified condition and charge the reasonable cost of doing so to the Board.
- 4.04 Extension of Service Area. Customer's distribution of water supplied by the Board shall be limited to the Service Area stated in Exhibit A. The Parties agree that situations may arise in which Customer desires to extend its Service Area, either temporarily or permanently, beyond its corporate limits. Should such a situation arise, Customer shall provide written notice to the Board explaining the nature, duration and extent of the requested Service Area extension. The Board shall have the option, which it may exercise at any time, of requiring a written amendment to this Contract to accommodate the change in Service Area. Should the Board determine that an immediate amendment is required, the Parties shall, within thirty calendar days of Customer's request, meet to negotiate mutually agreeable terms for the extension of the Service Area. The Board shall not unreasonably deny a request to extend the Service Area.
- 4.05 Change or Addition of Water Distribution Points. Water Distribution Points may be added or changed only by the express written agreement of the Board and Customer and shall be embodied in a written amendment to this Contract.
- 4.06 Sole Supplier. Except as provided in Article 17 herein, the Board shall be the sole supplier of public potable water to Customer's Service Area.

Article 5.

Pressure; Maximum Flow Rate; Minimum Annual Volume

- 5.01 Pressure Range. The Board shall use its best efforts to deliver water at the Water Distribution Points at a pressure range (“Pressure Range”) adequate to meet the reasonable requirements of Customer. For purposes of evaluating this effort, water pressure shall be determined by reviewing the average hourly pressure measured from top-of-the-hour to top-of-the-hour (e.g. 7:00 a.m. to 8:00 a.m.). The Pressure Range to be provided by the Board to Customer’s Water Distribution Points is specified in Exhibit B. The location at which the water pressure will be measured shall be specified in Exhibit A and identified as point “P”. A Pressure Range will not be established for water meters that are not located on a DWSD transmission main.
- 5.02 Remedy for Non-Compliance with Pressure Range. If the water pressure at Customer’s Water Distribution Points is above or below the Pressure Range, the Parties shall meet to discuss the reasons for the non-compliance and, if agreed, develop and implement a mutually agreeable written corrective action plan within sixty calendar days of the pressure event, or as otherwise agreed. The corrective action plan shall include a timetable for resolution of the non-compliance issue(s).
- A. If it is determined that another customer’s exceedence of the rates of flow established by that customer’s Maximum Flow Rate caused or contributed to the Board’s inability to meet its Pressure Range agreement with Customer, then the corrective action plan shall provide for the resolution of the issue.
- B. If Customer is exceeding the rates of flow established by its Maximum Flow Rate on a day other than the DWSD Maximum Day at the time Customer experiences a variation from the Pressure Range, then the Board shall be relieved from its obligation to provide water to Customer within the Pressure Range for that period of time during which Customer is exceeding the rates of flow established by its Maximum Flow Rate.
- 5.03 Maximum Flow Rate. Customer’s Maximum Flow Rate is specified in Exhibit B. Customer shall not exceed the Maximum Flow Rate specified in Exhibit B, as measured in million gallons on the DWSD Maximum Day and during the DWSD Peak Hour.
- 5.04 Remedy for Non-Compliance with Maximum Flow Rate. The Board has no obligation to supply to Customer more than the Maximum Flow Rate. If Customer exceeds its Maximum Flow Rate on the DWSD Maximum Day or during the DWSD Peak Hour, the Board and Customer may, as needed, take one or more of the following steps:
- A. The Board may require that Customer take all reasonable steps to reduce its consumption to the Maximum Flow Rate. Such steps may include water conservation measures, outdoor water use restrictions, water loss studies and remediation, and an internal system operation evaluation.

- B. The Parties may meet to negotiate a new Maximum Flow Rate. If so negotiated, Customer shall pay the rate associated with the new Maximum Flow Rate in the subsequent rate year.
- C. The Board may recalculate Customer's rate for the Board's current fiscal year utilizing a revised cost allocation formula as follows:
- i. For cost allocation purposes only, a new Maximum Flow Rate will be established from the first exceedence date forward. The new Maximum Flow Rate will be at least equal to the flow rate demonstrated by Customer on the DWSD Maximum Day, and may be higher than the actual flow rate demonstrated by Customer. Pursuant to subsection (ii) below, the Board will seek a recommendation from the Technical Advisory Committee's Analytical Work Group (as defined in Section 6.07 herein) on the establishment of the new Maximum Flow Rate. If the Board receives a recommendation and the recommendation is higher than twice the amount by which the demonstrated flow rate exceeded the original Maximum Flow Rate, then the Board shall be limited to establishing a new Maximum Flow Rate that is at least equal to the flow rate demonstrated by Customer on the DWSD Maximum Day and no higher than the recommendation provided by the Analytical Work Group. If no recommendation is received by the Board, or if the Board receives a recommendation and the recommendation is less than twice the amount by which the demonstrated flow rate exceeded the original Maximum Flow Rate, then the Board shall be limited to establishing a new Maximum Flow Rate that is at least equal to the flow rate demonstrated by Customer on the DWSD Maximum Day and no higher than twice the amount by which the demonstrated flow rate exceeded the original Maximum Flow Rate. In any event, Customer's exceedence of its Maximum Flow Rate will continue to affect each subsequent year's rate calculation until renegotiated. If a rate has been approved for the next fiscal year (July 1st to June 30th) but the rate has not yet been applied, the Board may modify Customer's rate to account for an exceedence of its Maximum Flow Rate. If the Board has built capital facilities based upon Customer's negotiated Maximum Flow Rate and Customer consistently exceeds its Maximum Flow Rate, then the Board may re-calculate the amount of Customer's percentage of the capital cost of such facilities.
 - ii. The Board will seek a recommendation from the Technical Advisory Committee's Analytical Work Group, or its successor, whenever it intends to invoke subsection 5.04(C)(i). Any recommendation from the Analytical Work Group shall be received by the Board within sixty calendar days after the Board's request for a recommendation.

- 5.05 Procedure for Non-Compliance with Maximum Flow Rate. If Customer has failed in its obligations under Section 5.03, the Parties shall meet to discuss the reasons for the non-compliance and develop and implement a mutually agreeable written corrective action plan within sixty calendar days of the non-compliance event, or as otherwise agreed. If the Parties determine that a corrective action plan is not required and a subsequent incident of non-compliance occurs, the Parties shall meet to develop and implement a mutually agreeable written corrective action plan within sixty calendar days of the subsequent incident of non-compliance, or as otherwise agreed. Any corrective action plan required under this Section 5.05 shall include a timetable for resolution of the non-compliance issue(s). In the event the reason for Customer's non-compliance under Section 5.03 is due to a Customer water main break, fire or meter calibration performed by DWSD, these events will be taken into consideration in determining (1) whether a corrective action plan is warranted and (2) the extent to which, if any, the steps specified in Section 5.04 should apply.
- 5.06 Minimum Annual Volume. Customer shall purchase from the Board not less than the Minimum Annual Volume of water specified in Exhibit B. If Customer's Annual Volume is less than the Minimum Annual Volume, Customer shall pay to the Board an amount computed by applying the current rate to the Minimum Annual Volume less any amounts already billed to the Customer by the Board.
- 5.07 Periodic Review. For Customer and System planning purposes and, with regard to the Minimum Annual Volume, enforcement of the provisions of Article 3, a Maximum Flow Rate, Pressure Range, Projected Annual Volume and Minimum Annual Volume shall be established by mutual agreement for the Contract Term. A contractually binding Maximum Flow Rate, Pressure Range, Projected Annual Volume and Minimum Annual Volume shall be established by mutual agreement for first two years of the Contract Term. Not later than the second year of the Contract Term, the Board and Customer shall negotiate a contractually binding Maximum Flow Rate, Pressure Range, Projected Annual Volume and Minimum Annual Volume for the succeeding three years of the Contract Term. Not later than the fifth year of the Contract Term, and every five years thereafter, the Board and Customer shall negotiate a contractually binding Maximum Flow Rate, Pressure Range, Projected Annual Volume and Minimum Annual Volume for the succeeding five years of the Contract Term. If the Parties do not negotiate new or revised Maximum Flow Rates, Pressure Ranges, Projected Annual Volumes and Minimum Annual Volumes according to the aforementioned schedule, then the figures established for planning purposes (as shown in italicized type in Exhibit B) shall become contractually binding for the then-current three or five year term.
- 5.08 Remedy for Excessive Rate(s) of Flow Causing Pressure Problem(s). Customer acknowledges that Customer's rates of flow may cause and/or contribute to the Board's inability to meet its Pressure Range agreements with Customer and/or the Board's other customers (hereinafter, "Pressure Problem"). The Board may review or monitor Customer's daily rates of flow if a Pressure Problem occurs and the Board's Pressure Range agreement with Customer and/or another customer of the Board is alleged to have been breached. The approximate rate of flow by individual meter location used to establish the Pressure Range and Maximum Flow Rate is specified in Exhibit B. If a Pressure Problem occurs, the Parties shall meet to discuss the reasons for the Pressure

Problem and develop and implement a mutually agreeable written corrective action plan within sixty calendar days of the Pressure Problem, or as otherwise agreed. The corrective action plan may require one or both of the following steps:

- A. The Board may require that Customer take all reasonable steps to reduce its consumption to the rate of flow established by the Maximum Flow Rate. Such steps may include water conservation measures, outdoor water use restrictions, water loss studies and remediation, and an internal system operation evaluation. In addition, the Board may require that Customer adjust its rate of flow at individual meters, including the establishment of a not-to-exceed flow rate for individual meters.
- B. The Parties may meet to negotiate a new Maximum Flow Rate. If so negotiated, Customer shall pay the rate associated with the new Maximum Flow Rate in the subsequent rate year.

If the Parties determine that a corrective action plan is not required and a subsequent Pressure Problem occurs, the Parties shall meet to develop and implement a mutually agreeable written corrective action plan within sixty calendar days of the subsequent Pressure Problem, or as otherwise agreed. Any corrective action plan required under this Section 5.08 shall include a timetable for resolution of the Pressure Problem. In the event the reason for the Pressure Problem is due to a Customer water main break, fire or meter calibration performed by DWSD, these events will be taken into consideration in determining (1) whether a corrective action plan is warranted and (2) the extent to which, if any, the steps specified above in this Section 5.08 should apply.

5.09 Board Costs for Corrective Action Plan. If at any time the Board is required under the terms of this Article 5 to develop and implement a corrective action plan and the plan involves incurring capital costs, the Board will determine whether the costs will be charged as a System cost or whether the cost will be borne by a specific customer or customers. If the Board determines that all or part of the costs should be borne by a specific customer or customers, the Board will seek a recommendation from the Technical Advisory Committee on the assessment of the costs.

5.10 Customer Costs for Corrective Action Plan. If at any time Customer is required under the terms of this Article 5 to develop and implement a corrective action plan, Customer will pay all costs related thereto.

Article 6. Technical Advisory Committee

6.01 Establishment. The Technical Advisory Committee is formed to facilitate a cooperative working partnership between the Board and its wholesale water customers by facilitating the development of recommendations regarding System planning and supply to DWSD management and the Board. The Technical Advisory Committee shall maintain bylaws that govern the way it conducts its business. In the event of a conflict between the terms of the bylaws adopted by the Technical Advisory Committee and the terms of this Contract, the terms of this Contract shall control.

- 6.02 General Responsibilities. The Technical Advisory Committee shall periodically review and evaluate the rates, rate methodology, and performance of the System. The Technical Advisory Committee shall review and evaluate flow rates, pressures and Annual Volumes for the System at a minimum of every five years to assist the Board in its System planning effort. The Technical Advisory Committee shall have the opportunity each year to review the Capital Improvement Program as prepared by DWSD, prior to its adoption by the Board. The Technical Advisory Committee may consider Customer proposals for improving the operation of Customer's water system and/or the System. The Board will supply the Technical Advisory Committee with information the Board deems reasonably necessary to accomplish the general responsibilities defined in this Section 6.02.
- 6.03 Annual Report by Board. The Board will present an annual report to the Technical Advisory Committee which shall consist of (1) all instances of non-compliance with the Parties' obligations contained in Article 5 herein, including Customer and Board responses thereto; (2) a general report on System operation and maintenance; and (3) a report that lists those contracts, if any, that have been entered into by the Board and another customer(s) where the terms of the contract(s) invoke the application of Article 14 herein.
- 6.04 Notification of Rates. The Board shall provide Customer and the Technical Advisory Committee with notice of the proposed rates for each fiscal year as early as possible before the implementation of the rates.
- 6.05 Disclosure of Rate Information by Board. Each year, the Board will disclose to Customer and the Technical Advisory Committee information related to wholesale rates.
- 6.06 Disclosure of Rate Information by Customer. Each year, Customer will disclose to its customers information related to its retail rates and other charges, and information regarding what portion of those costs is related to charges from DWSD and/or other major service providers.
- 6.07 Work Groups. The Technical Advisory Committee may create work groups to address specific issues facing the System. The work groups in existence as of January 1, 2008 are the Analytical Work Group, the Best Practices Work Group, the Contract Work Group, the Customer Service Work Group, the Emergency Preparedness Work Group, and the Rates Work Group. Any reference to a particular work group in this Contract shall include its successor or replacement if altered or discontinued.

Article 7. Rates

- 7.01 Rates. Customer agrees to pay for all water supplied by the Board at such rates as the Board may establish. Rates shall be reasonable in relation to the costs incurred by the Board for the supply of water and shall conform to Public Act 34 of 1917, Michigan Compiled Laws, Sec. 123.141, et seq., as amended. The Board shall give written notice of any changes in the rates. Notice shall be made in accordance with Section 5e of Public Act 279 of 1909, Michigan Compiled Laws, Sec. 117.5e, as amended, ("Act 279").

- 7.02 Notification of Rates. As soon as possible in the ratemaking process, the Board shall provide information on proposed rates and the draft data and information used in the calculation of proposed rates in a format that will enable Customer to assist in the ratemaking process. Not less than thirty calendar days prior to the hearing required by Act 279, the Board shall provide Customer with written notice of a proposed rate and the underlying data used to calculate the rate. The Board shall meet with Customer to review the rate and the data.
- 7.03 Estimate of Usage. In the event meters fail to correctly measure the quantity of water supplied to Customer for any period of time, the Board shall provide a reasonable estimate of the quantity of water supplied to Customer for such period provided that there is a reasonable basis for the estimate. Customer and the Board shall, either through their respective technical representatives and/or the Technical Advisory Committee, seek agreement upon a method to estimate such quantities. In the event the Parties are unable to agree upon a method to estimate such quantities, the Board's determination of a method shall be conclusive and the Customer agrees to accept the estimate established by the Board.
- 7.04 Rate Methodology. The Board agrees to provide to Customer a description of the current methodology for rate making in the form of the "Rates 101" document produced by the Technical Advisory Committee, as may be periodically updated. The "Rates 101" document, entitled *DWSD Rates: Understanding DWSD Wholesale Water Rates*, and any updates thereto shall be provided to Customer via posting on the DWSD website.

Article 8.
Meters and Meter Facilities

- 8.01 Metering Requirement. All water furnished by the Board to Customer shall be measured by water meters installed in Meter Facilities at Customer's Water Distribution Points unless, in the Board's determination, it is not feasible to install water meters due to the configuration of Customer's water system.
- 8.02 Existing Distribution Points. As of the effective date of this Contract, the Board shall own, operate and maintain all water meters and Meter Facilities for all existing Water Distribution Points, unless specifically indicated otherwise in Exhibit A.
- 8.03 Customer Maintenance Responsibilities. Customer shall be responsible for maintaining at its Water Distribution Points any and all appurtenances as may be designated as Customer's responsibility in Exhibit A. Should Customer fail to maintain the appurtenances shown in Exhibit A, the Board may take reasonable steps to maintain the appurtenances and charge the reasonable cost of doing so to Customer. Prior to the Board taking action to maintain the appurtenances, the Board shall give Customer thirty days written notice to complete the required maintenance. Notice to the Customer shall not be required if, in the Board's determination, there exists an emergency condition affecting the operation of the System or if the health, safety and welfare of the general public may be jeopardized.

- 8.04 New Distribution Points. For any new Water Distribution Points that may be constructed or installed after the effective date of this Contract, Customer shall furnish at Customer's expense, a water meter and Meter Facility that meets the Board's specifications. Thereafter, the Board shall furnish any replacement water meters for new Water Distribution Points and the expense shall be recovered through the Board's rates as a System cost. The Board shall own, operate and maintain all water meters and Meter Facilities after construction, installation or replacement, unless specifically indicated otherwise in Exhibit A.
- 8.05 Meter Repair and Replacement. If the Board initiates a meter repair or meter replacement, the cost shall be recovered through the Board's rates as a System cost. If Customer requests a meter replacement for reasons other than malfunction or disrepair, Customer shall pay the cost of the replacement.
- 8.06 Pressure Regulating Facilities. After the effective date of this Contract, all newly installed Customer-owned pressure regulating facilities shall be installed in a facility that is separate from the Board's Meter Facility.

Article 9.
Dispute Resolution

- 9.01 Any and all claims alleging a breach of this Contract may first be submitted to an alternative dispute resolution process. An alternative dispute resolution process may include, but is not limited to, facilitation, binding arbitration, or non-binding arbitration. Each Party shall be responsible for its own costs and fees (including expert witness fees and attorney fees), unless otherwise agreed to in writing. The Parties shall agree upon the form and procedures for the agreed upon alternative dispute resolution process. This Article 9 shall not prohibit a Party from seeking relief directly from a court of competent jurisdiction at any time.

Article 10.
Default Provisions

- 10.01 In the event either Party commits a material breach of this Contract, the Party alleging the breach shall give written notice of the breach to the other Party within a reasonable time of discovering the breach. The Party in breach shall be given a reasonable time to cure the breach. If the Party in breach fails to cure the breach, the non-breaching Party may declare this Contract in default and pursue all available legal remedies, including termination of this Contract for cause. In the event that the Party in breach is showing reasonable progress toward curing the breach, the Party alleging the breach may extend the time for curing the breach.

Article 11.
Force Majeure and Other Events

- 11.01 Force Majeure. No failure or delay in performance of this Contract, by either Party, shall be deemed to be a breach thereof when such failure or delay is caused by a force majeure event including, but not limited to, any Act of God, strikes, lockouts, wars, acts of terrorism, riots, epidemics, explosions, sabotage, breakage or accident to machinery or lines of pipe, the binding order of any court or governmental authority, or any other cause, whether of the kind herein enumerated or otherwise, not within the control of a Party, except that no cause or contingency shall relieve Customer of its obligation to make payment for water delivered by the Board.
- 11.02 Board Liability. Except to the extent that the Board is the proximate cause, the Board shall not be held liable or accountable for any bursting, leakage, breakage, damage or accident of any kind that may occur to Customer's water works system, or any damages of any kind or nature, including, but not limited to, injury to persons or damage to property, resulting from such bursting, leakage, breakage, damage or accident that may occur to water mains or pipes located downstream of the Water Distribution Points specified herein, or located within Customer's distribution system.
- 11.03 Discontinuance of Service. In the event the public health, safety and welfare requires the Board to discontinue temporarily all or part of the supply of water to Customer, no claims for damages of any kind or nature for such discontinuance shall be made by Customer against the Board. The Board will provide notice to Customer of any temporary discontinuance of the water supply.

Article 12.
Timely Payment

- 12.01 Bills for water service shall be rendered to Customer on a monthly basis. All such bills shall be due and payable within forty-five calendar days from the date shown on the bill. Any portion of the charges that are not paid by the due date shall be subject to a finance charge at a rate of 1.5% per month for each month that they remain unpaid. Any portion of the total bill, plus any finance charges applied to the bill which are not paid by the next billing date, shall be shown on the next bill as arrears. The Board may disconnect water service if bills are overdue ninety calendar days from the billing date. The Board shall not terminate water service if there is a good faith dispute concerning the accuracy of billings. If the accuracy of a bill is in dispute, Customer shall place the disputed amount in an escrow account pending resolution of the dispute. Accrued interest on the escrow account shall belong to the Party that prevails in the resolution of the dispute.

Article 13.
Assignment

- 13.01 This Contract shall not be assigned, in whole or in part, by either Party without the prior written consent of the other Party. Consent to an assignment by either Party shall not be unreasonably withheld.

Article 14.
Ensuring Equality of Contract Terms

- 14.01 If the Board enters into any contract, and any amendments thereto, with a water service customer other than Customer, and the material terms of such other contract are more favorable than the material terms of Customer's Contract, Customer may elect to adopt all of such other material terms. However, if Customer exercises the option provided for in this Article 14, Customer must accept all material terms of the other contract in their entirety and may not select among various terms contained in multiple other contracts by, for example, selecting the Contract Term from one contract and the Early Termination Costs provision of another contract. The terms and conditions of Exhibit B of this Contract are specifically excluded from the application of this Article 14.

Article 15.
Amendment

- 15.01 The Parties may periodically consider it in their best interests to change, modify or extend a term, condition or covenant of this Contract for reasons which may include, but are not limited to, the creation, expansion or closing of industry or other business. Any change, addition, deletion, extension or modification that is mutually agreed upon by the Board and Customer shall be incorporated in a written amendment to this Contract. Such amendments shall not invalidate this Contract nor relieve or release either Party of any of its respective obligations under this Contract unless so stated in the amendment.
- 15.02 No amendment to this Contract shall be effective and binding upon the Parties unless it expressly makes reference to this Contract, is in writing, is signed and acknowledged by duly authorized representatives of both Parties, is approved by Customer's governing body, and is approved by the Board and the Detroit City Council.

Article 16.
Notices

- 16.01 Except as otherwise specified herein, all notices, consents, approvals, requests and other communications (collectively, "Notices") required or permitted under this Contract shall be given in writing and mailed by first class mail to the Parties and at the addresses identified in Exhibit B.
- 16.02 All Notices shall be deemed given on the day of post-marked mailing. Any Notice given by a Party hereunder must be signed by an authorized representative of such Party.
- 16.03 Notwithstanding the requirement above as to the use of first-class mail, change of address notices, termination notices, and other Notices of a legal nature, shall be sent by certified first-class mail, postage prepaid, return receipt requested.

Article 17.
Water Quality

- 17.01 Contamination. For the protection of the health of all consumers supplied with water from the System, Customer agrees to guard carefully against all forms of contamination. Should contamination occur, the area or areas affected shall immediately be shut off and isolated, and shall remain so until such conditions shall have been abated, and the water declared safe and fit for human consumption by the properly constituted governmental health agencies having jurisdiction of the area affected. Customer shall immediately notify the Board, and the Board shall immediately notify Customer, of any emergency or condition that may affect the quality of water in either Party's system.
- 17.02 Co-mingling of Water Sources. Except in cases of emergency, Customer will not permit water from any other source of supply to be mixed or mingled with water from the System without prior written approval from the Board. In cases of emergency, only such water from sources other than the Board shall be used as shall meet the requirements of the Michigan Department of Environmental Quality, and then only in such quantities as shall be necessary to relieve the emergency.
- 17.03 Emergency Connections. During emergencies, Customer's water facilities may be used and connected, at the discretion of the Board, to water facilities serving other communities for flow in either direction to provide an adequate water supply from the System to Customer and to other areas and other units of government. Customer shall be permitted to immediately make an emergency connection when the connection point to be used has been previously approved for emergency use by the Board in writing, provided that Customer shall, after making the connection, promptly notify the Board of such event. When the emergency has been abated, the emergency connection must be severed as soon as practicable. The Board, or its designee, must approve, in writing, the continuation of any emergency connection that is required for longer than seven calendar days. If an approved emergency connection continues for more than seven calendar days, Customer must provide the Board with weekly updates on the emergency and a schedule for abatement of the emergency that must be approved by the Board in writing.
- 17.04 Water Quality. The Board shall endeavor to remain in compliance with all applicable Michigan and Federal laws, rules and regulations regarding drinking water quality.

Article 18.
Rights-of-Way

- 18.01 Use of Rights-of-Way. The Customer shall assist the Board to obtain permission to use streets, highways, alleys, and/or easements in the local governmental units within the Customer's jurisdiction for the purpose of constructing, maintaining, and operating water facilities to adequately service the Customer's jurisdiction and other areas. This assistance shall include obtaining the consent of the local governmental units, as provided in Article 7, Section 29, Michigan Constitution of 1963. In the event of such construction, the Board shall request the Customer and local governmental units within the Customer's jurisdiction to execute such separate instruments granting rights-of-way in its streets, highways, and alleys as may be reasonably required by the Board. The

Board shall give the Customer notice of any construction work in the Customer's jurisdiction. The Board shall comply with any of Customer's ordinances that apply to the construction. Customer shall inform the Board of the applicable ordinances. The Board and Customer shall meet to review the construction and its impact on their respective operations. The Board shall restore all existing structures and/or improvements laying in the right-of-way of construction to as good a condition as before the construction took place. Any such facilities constructed, maintained and operated under this section shall remain the property of the Board and shall not be operated or maintained by any entity other than the Board or its authorized representatives.

- 18.02 Relocation of Facilities. Should future construction by any federal, state or county agency require relocation of a water transmission main, Meter Facility or other Board facility, the cost incurred by the Board for such relocation, if not reimbursed by the agency requiring the relocation, will be charged in future rates as a common-to-all cost to all System users. Otherwise, the cost incurred by the Board for construction requiring the relocation of a water transmission main, Meter Facility or other Board facility that is proposed, required, undertaken, conducted or facilitated by Customer will be charged to Customer.
- 18.03 Easements. Subject to the provisions of Section 18.01 herein and to the extent that Customer has jurisdiction, the Board shall be granted temporary and permanent easements, and shall be permitted to use the streets, alleys and highways within Customer's legal jurisdiction for the purpose of constructing, operating and maintaining the System. This consent by Customer is given in compliance with Article 7, Sec. 29 of the Michigan Constitution of 1963, provided that the Board shall provide Customer with a written explanation of the type of easement required and the duration thereof.

Article 19.
Access to Towers and Antennas

- ~~19.01~~ Where possible, each Party shall give to the other Party access to towers and antennas under its respective jurisdiction for the purpose of transmitting information recorded in the Meter Facilities. Access shall not be unreasonably denied by either Party.

Article 20.
Relationship to Wastewater Services

- 20.01 Customer and the Board acknowledge that future growth in the System may place additional burdens on their respective wastewater systems. Customer, if it is also a wastewater disposal services customer of the Board, understands that any increase in the volume of water it receives from the System is not a guarantee of increased capacity in the Board's wastewater disposal system.

Article 21.
Construction Standards

21.01 The Board shall have the right to review and approve Customer's construction plans for Meter Facilities at new Water Distribution Points, water mains sized twenty-four inches and larger, pump stations, reservoirs and water towers. The Board's approval of construction plans shall be timely and shall not be unreasonably withheld.

Article 22.
Operation of Storage

22.01 Prior to Customer's operation of any new or existing water storage facility, Customer shall seek the Board's written approval of the filling schedule ("Filling Schedule") of the storage facility. The Board may periodically require Customer to change or adjust a previously approved Filling Schedule. The Parties shall collaborate on devising a mutually beneficial Filling Schedule. If the Parties are unable to agree upon a Filling Schedule, the Board's determination of a Filling Schedule shall be final. All Filling Schedules shall be for a period of six consecutive hours. Customer shall at all times abide by the then-current Board approved Filling Schedule. The Board shall act promptly in approving Filling Schedule requests. Nothing in this Article 22 shall prevent Customer from operating its storage facility at any time, provided that any storage operation that falls outside of the approved Filling Schedule shall not be exempt from the terms of Sections 5.03 and 5.04 herein.

Article 23.
Miscellaneous

23.01 If any provision of this Contract or its application to any person or circumstance shall to any extent be invalid or unenforceable, the remainder of this Contract shall not be affected and shall remain valid and enforceable to the fullest extent permitted by law.

23.02 This Contract contains the entire agreement between the Parties and all prior negotiations and agreements are merged into this Contract. Neither Party has made any representations except those expressly set forth in this Contract, and no rights or remedies are, or shall be, acquired by either Party by implication or otherwise unless expressly set forth in this Contract.

23.03 Unless the context otherwise expressly requires, the words "herein," "hereof," and "hereunder," and other words of similar import, refer to this Contract as a whole and not to any particular section or subdivision.

23.04 The headings of the sections of this Contract are for convenience only and shall not be used to construe or interpret the scope or intent of this Contract or in any way affect the same.

- 23.05 The rights and remedies set forth in this Contract are not exclusive and are in addition to any of the rights or remedies provided by law or equity. This Contract and all actions arising under it shall be governed by, subject to, and construed according to the law of the State of Michigan. Each Party agrees, consents and submits to the exclusive personal jurisdiction of any state or federal court of competent jurisdiction in Wayne County, Michigan, for any action arising out of this Contract. Each Party also agrees that it shall not commence any action against the other Party because of any matter whatsoever arising out of or relating to the validity, construction, interpretation and enforcement of this Contract in any state or federal court of competent jurisdiction other than one in Wayne County, Michigan.
- 23.06 There are no third party beneficiaries to this Contract and this Contract shall not be construed to benefit any persons other than the Board and Customer.
- 23.07 This Contract may be executed in any number of originals, any one of which shall be deemed an accurate representation of this Contract. Promptly after the execution of this Contract, the Board shall provide a copy to the Customer.
- 23.08 The rights and benefits under this Contract shall inure to the benefit of and be binding upon the respective Parties hereto, their agents, successors, and assigns.
- 23.09 Any and all documents, memoranda, reports, exhibits or other written material referred to in this Contract are and shall be incorporated by reference herein.
- 23.10 This Contract shall be deemed to be mutually drafted.

(Signatures appear on next page)

In Witness Whereof, the City and Customer, by and through their duly authorized officers and representatives, have executed this Contract.

City of Rochester Hills:

By: _____
Bryan K. Barnett
Its: Mayor

City of Detroit:

By: _____
Dave Bing
Its: Mayor

APPROVED BY
ROCHESTER HILLS CITY COUNCIL ON:

Date

APPROVED BY DETROIT
BOARD OF WATER COMMISSIONERS ON:

Date

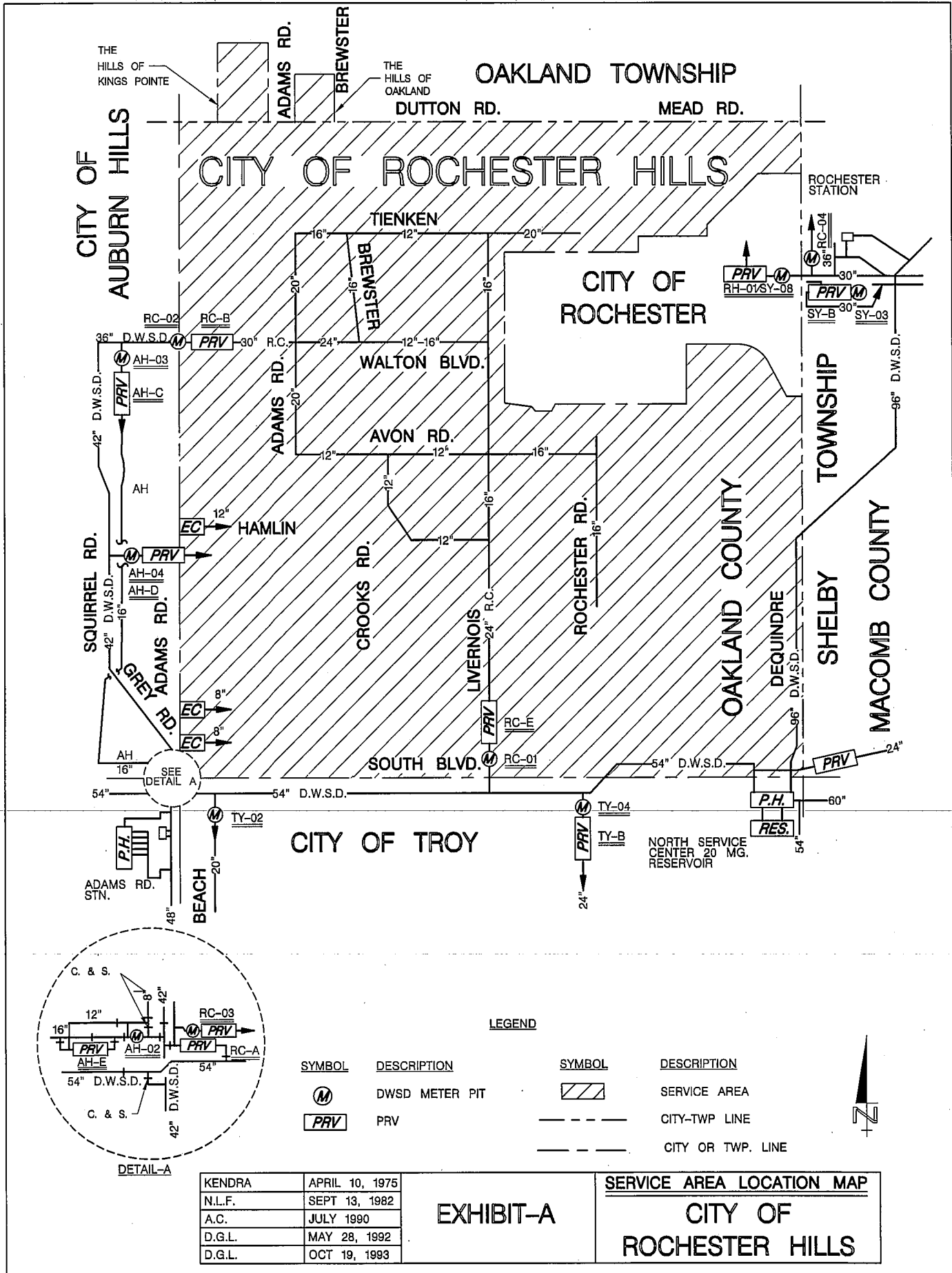
APPROVED BY
DETROIT CITY COUNCIL ON:

Date

EXHIBIT A
Customer's Water Distribution Points

This Exhibit contains the following information:

1. The corporate limits of Customer;
2. The agreed upon water Service Area of Customer which (a) may or may not be entirely within the corporate limits of Customer and (b) which may or may not include the entire area within the Customer's corporate limits;
3. The specific location of the Water Distribution Points, including any Board approved emergency connections;
4. The designation of appurtenances to be maintained by Customer and those to be maintained by the Board; and
5. A list of any closed meter locations.



CITY OF ROCHESTER HILLS
AUBURN HILLS

OAKLAND TOWNSHIP

CITY OF ROCHESTER HILLS

CITY OF ROCHESTER

ROCHESTER STATION

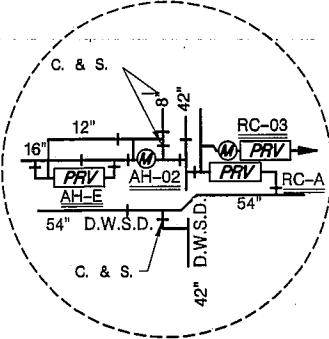
TOWNSHIP

OAKLAND COUNTY

SHELBY

MACOMB COUNTY

CITY OF TROY



LEGEND

SYMBOL	DESCRIPTION	SYMBOL	DESCRIPTION
(M)	DWSD METER PIT	(Hatched Box)	SERVICE AREA
(PRV)	PRV	(Dashed Line)	CITY-TWP LINE
		(Solid Line)	CITY OR TWP. LINE

KENDRA	APRIL 10, 1975
N.L.F.	SEPT 13, 1982
A.C.	JULY 1990
D.G.L.	MAY 28, 1992
D.G.L.	OCT 19, 1993

EXHIBIT-A

SERVICE AREA LOCATION MAP
CITY OF ROCHESTER HILLS

EXHIBIT A

City of Rochester Hills Emergency Connections:

Connections to City of Auburn Hills

8" GV&W located at 3821 Adams Road

8" GV&W located at 3741 Adams Road

12" GV&W located at 3900 Hamlin Road

City of Rochester Hills Water Customers Outside Corporate Limits:

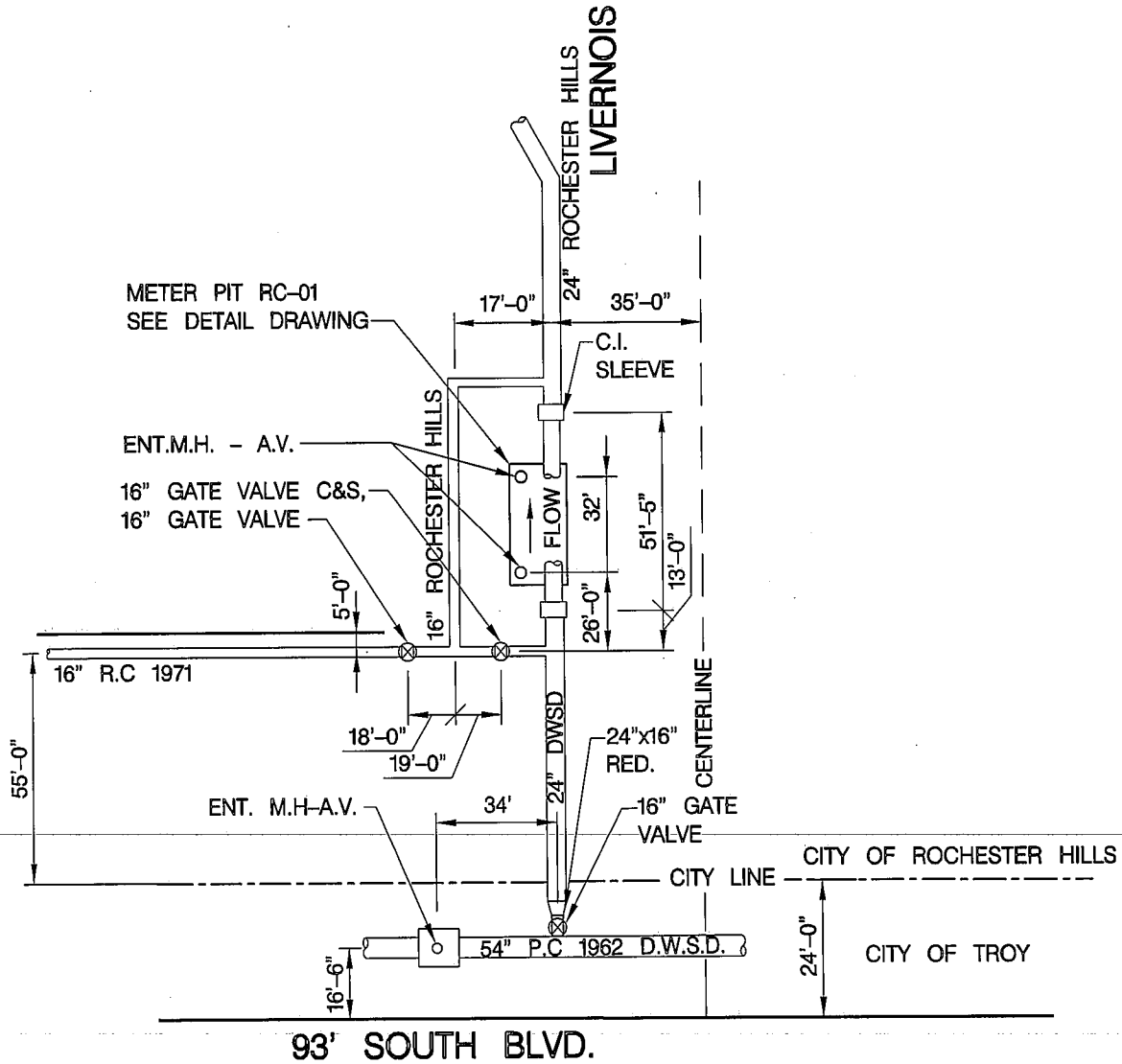
Oakland Township	Shelby Township	City of Rochester
3500 Dutton	50870 Dequindre	5941 Southgate
3700 Dutton	50960 Dequindre	5969 Southgate
3300 Dutton	50988 Dequindre	5970 Paint Valley
1374 Dutton	49950 Dequindre	685 Canyon
1250 Dutton		
1780 Dutton		
960 Dutton		

Note: Subdivisions located in Oakland Township served by Rochester Hills are designated on Exhibit A Service Area Map and include The Hills of Oakwood and The Hills of Kings Pointe.

City of Rochester Hills Master Meter(s) Not In Service:

None

EXHIBIT-A
 RC-01
 LIVERNOIS AND SOUTH BLVD.
 CITY OF ROCHESTER HILLS



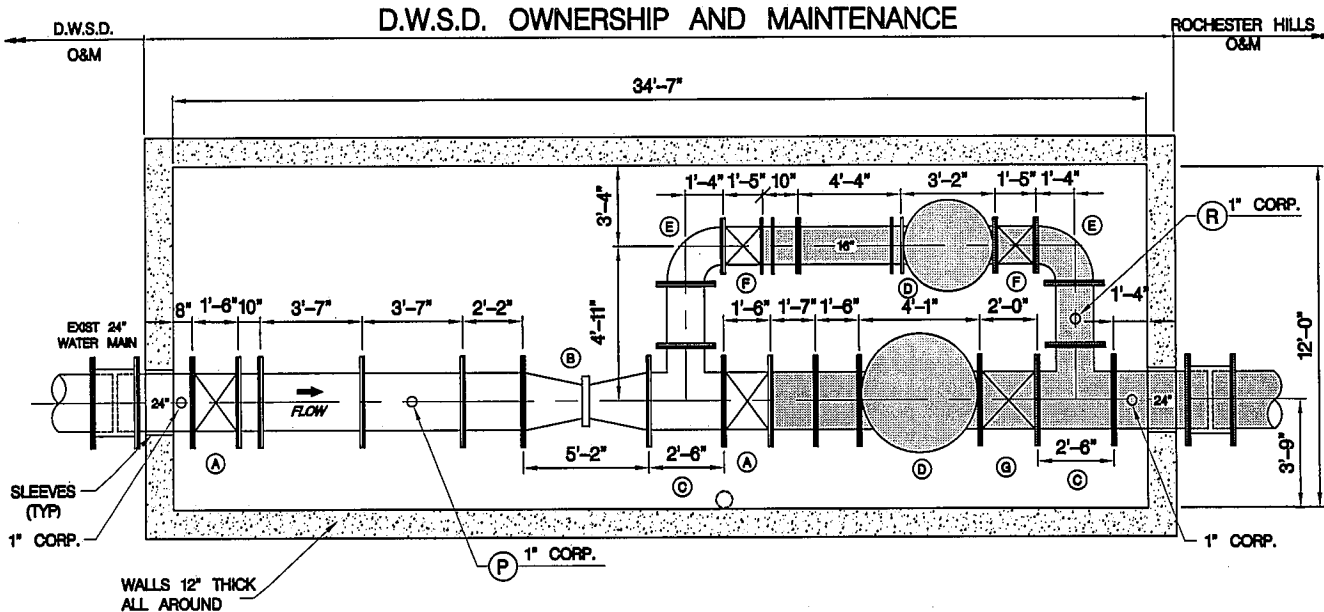
SITE PLAN
 NOT TO SCALE



LOCATIONS SUBJECT TO
 VERIFICATION IN THE FIELD.



EXHIBIT-A
RC-01
LIVERNOIS AND SOUTH BLVD.
CITY OF ROCHESTER HILLS



METER PIT DETAIL
NOT TO SCALE



ROCHESTER HILLS O&M

LEGEND		
TAG	QTY	DESCRIPTION
A	2	24" BUTTERFLY VALVE
B	1	24" B.I.F. VENTURI TUBE
C	2	24" TEST TEE
D	2	16" & 24" ROSS P.R.V.
E	2	16" 90 DEG ELBOW
F	2	16" GATE VALVE
G	1	24" GATE VALVE

TYPICAL PRESSURE LOSS THRU METER	
METER TYPE	P.S.I. LOSS
VENTURI	1 - 2
MAG	0
TURBINE	4 - 6

- (P) UPSTREAM PRESSURE TRANSMITTER, D.W.S.D. OWNERSHIP AND MAINTENANCE
- (R) OTHER PRESSURE TRANSMITTER, D.W.S.D. OWNERSHIP AND MAINTENANCE

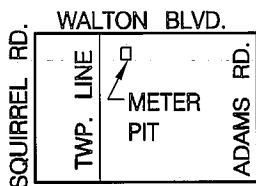
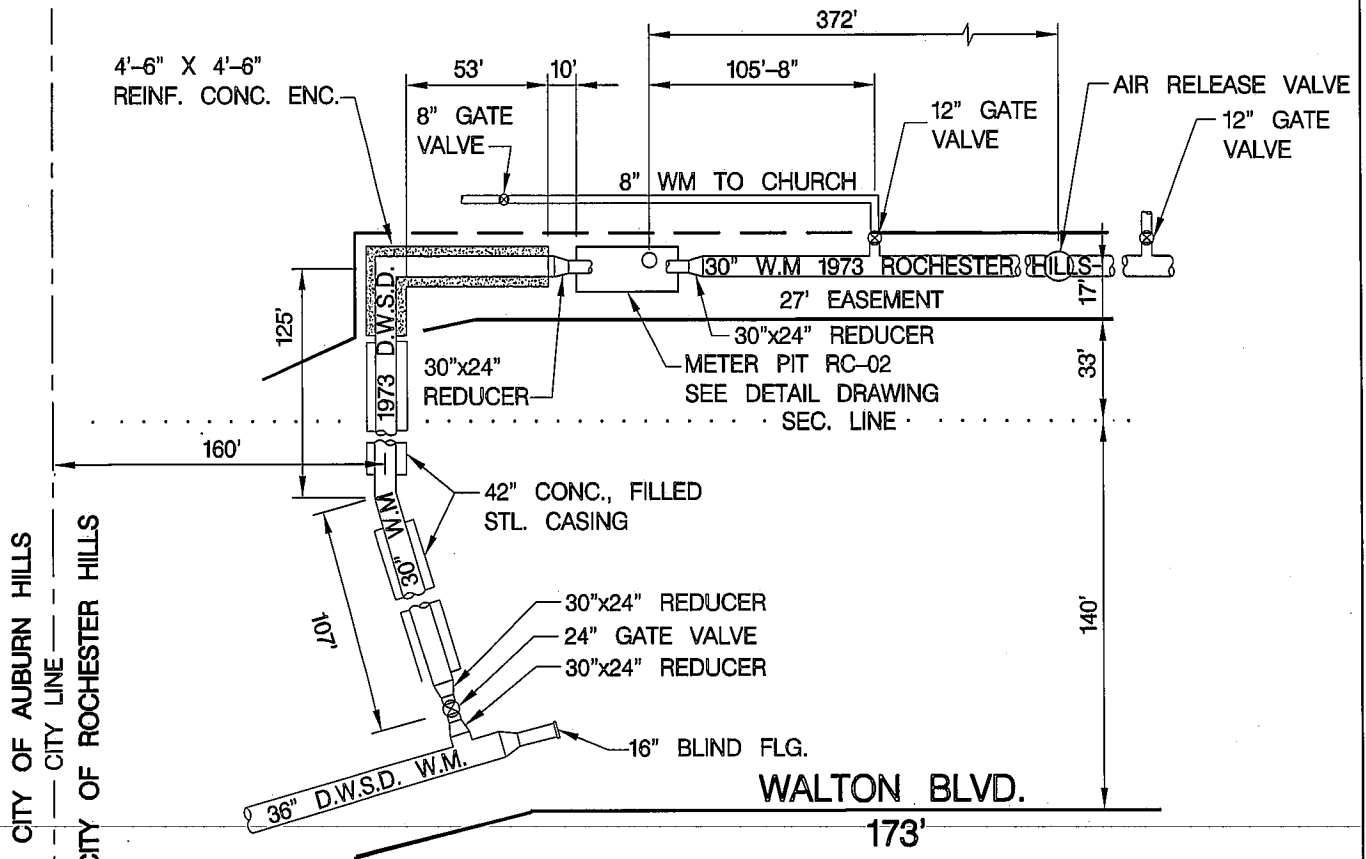
ADDRESS _____
 FEED TO _____ CITY OF ROCHESTER HILLS
 FEED FROM _____ 54" D.W.S.D. TRANS. MAIN
 TYPE OF METER _____ 24" BIF. VENTURI TUBE
 SIZE OF METER _____ 24" X 7.1517, 24" X 14.500
 METER NUMBER _____ 13668-1, 13668-2
 DATE METER SET _____ MAY 24, 1973
 METER PIT CONST & SIZE _____ REINF. CONC. 34'-7 1/2" X 12' I.D
 GATE BOOK No _____ N-1091
 REMARKS _____ SEE P.R.V. SHEET NO. RC-E



EXHIBIT-A

RC-02

WALTON BLVD. 1/2 MILE EAST OF SQUIRREL CITY OF ROCHESTER HILLS



LOCATION MAP

SITE PLAN

NOT TO SCALE

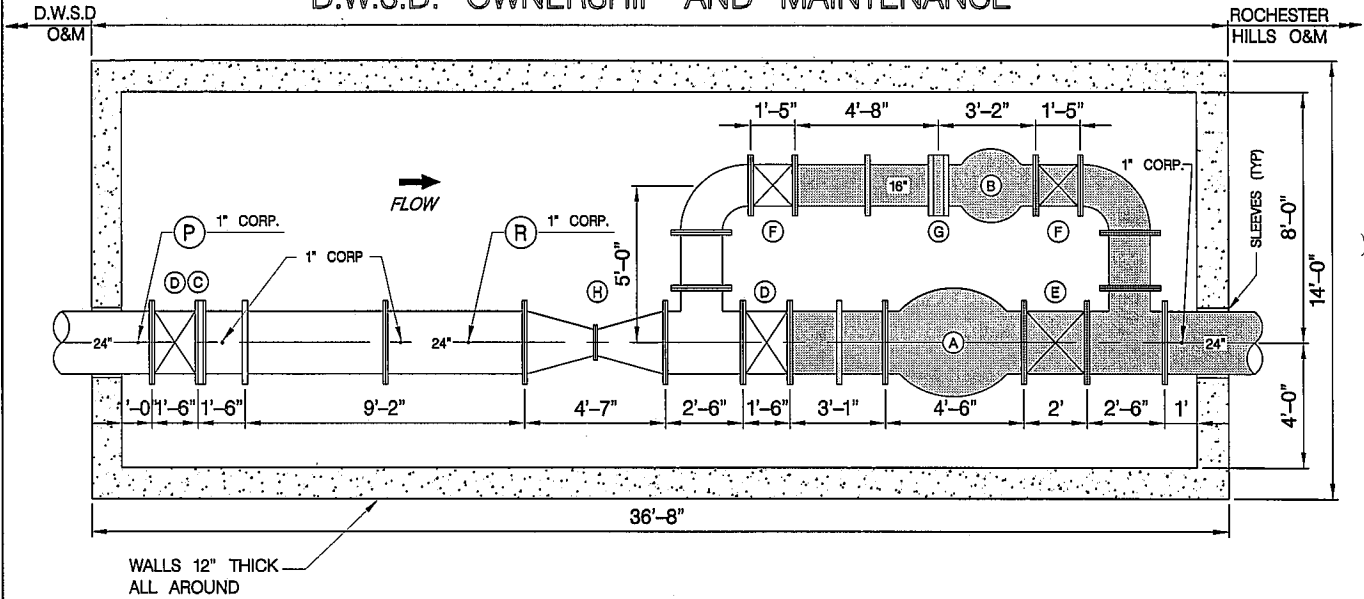


LOCATIONS SUBJECT TO
VERIFICATION IN THE FIELD.

RC
02

EXHIBIT-A
RC-02
WALTON BLVD. 1/2 MILE EAST OF SQUIRREL
CITY OF ROCHESTER HILLS

D.W.S.D. OWNERSHIP AND MAINTENANCE



METER PIT DETAIL
NOT TO SCALE

ROCHESTER HILLS O&M

LEGEND		
TAG	QTY	DESCRIPTION
A	1	24" P.R.V.
B	1	16" P.R.V.
C	1	1" GASKET
D	2	24" BUTTERFLY VALVE
E	1	24" GATE VALVE
F	2	16" GATE VALVE
G	1	4" FLG. FILL
H	1	24" B.I.F. VENTURI TUBE

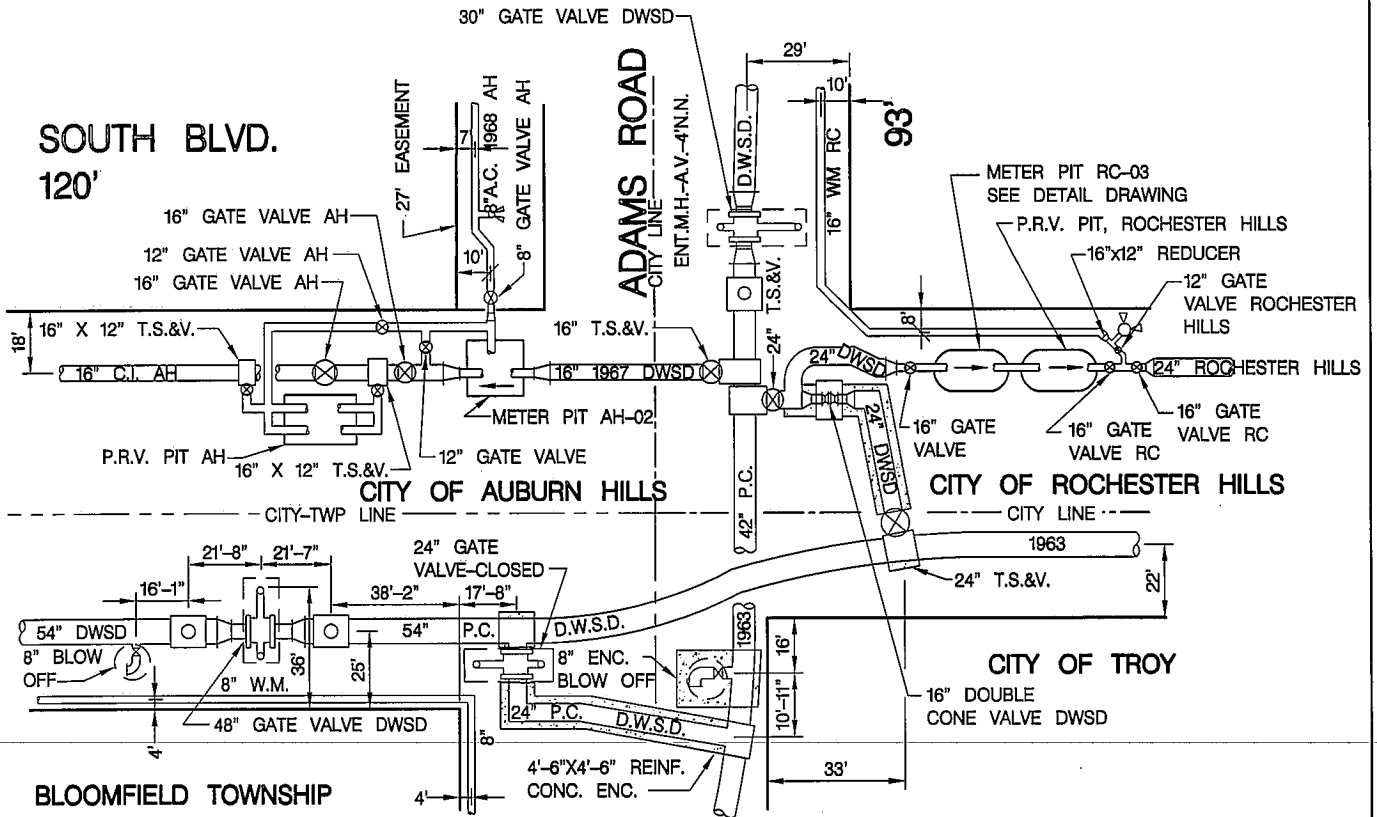
TYPICAL PRESSURE LOSS THRU METER	
METER TYPE	P.S.I. LOSS
VENTURI	1 - 2
MAG	0
TURBINE	4 - 6

- (P) UPSTREAM PRESSURE TRANSMITTER,
D.W.S.D. OWNERSHIP AND MAINTENANCE
- (R) OTHER PRESSURE TRANSMITTER,
D.W.S.D. OWNERSHIP AND MAINTENANCE

ADDRESS _____
 FEED TO _____ ROCHESTER HILLS
 FEED FROM _____ D.W.S.D. TRANS. MAIN
 TYPE OF METER _____ B.I.F. VENTURI & TWO B.I.F. ORIFICES
 SIZE OF METER _____ 24"X17.4", 24"X5.053"
 METER NUMBER _____ 17.4") 12103-2, 5.053") 12103-1
 DATE METER SET _____ JUN 7, 1973
 METER PIT CONST & SIZE _____ REINF. CONC. 34'-8" X 12'-0" I.D.
 GATE BOOK No _____ N-1181



EXHIBIT-A
RC-03
SOUTH BLVD. AND ADAMS
CITY OF ROCHESTER HILLS



AH - AUBURN HILLS OWNERSHIP AND MAINTENANCE

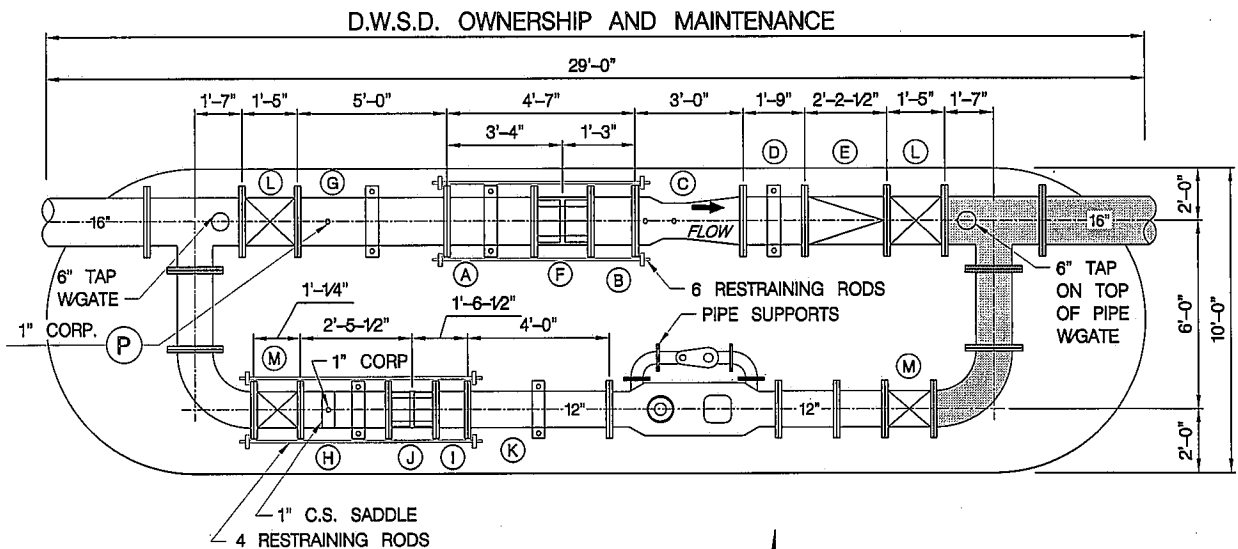
SITE PLAN
NOT TO SCALE



LOCATIONS SUBJECT TO VERIFICATION IN THE FIELD.



EXHIBIT-A
RC-03
SOUTH BLVD. AND ADAMS
CITY OF ROCHESTER HILLS



METER PIT DETAIL
NOT TO SCALE

ROCHESTER HILLS O&M

LEGEND			
TAG	QTY	DESCRIPTION	SIZE
A	1	F X PE DUCTILE IRON SPOOL PIECE	16" X 39"
B	1	F X PE DUCTILE IRON SPOOL PIECE	16" X 15"
C	1	VENTURI TUBE - 10.15" THROAT	16"
D	1	F X F DUCTILE IRON SPOOL PIECE	16" X 24"
E	1	TILTED DISC CHECK VALVE	16"
F	1	DRESSER STYLE 3B COUPLING	16"
G	1	F X F DUCTILE IRON SPOOL PIECE	16" X 60"
H	1	F X PE DUCTILE IRON SPOOL PIECE	12" X 29.5"
I	1	F X PE DUCTILE IRON SPOOL PIECE	12" X 13.5"
J	1	DRESSER STYLE 3B COUPLING	12"
K	1	F X F DUCTILE IRON SPOOL PIECE	12" X 48"
L	2	GATE VALVE	16"
M	2	GATE VALVE	12"

TYPICAL PRESSURE LOSS THRU METER	
METER TYPE	P.S.I. LOSS
VENTURI	1 - 2
MAG	0
TURBINE	4 - 6

(P) UPSTREAM PRESSURE TRANSMITTER, D.W.S.D. OWNERSHIP AND MAINTENANCE

NOTE: DWSD IS SOLELY RESPONSIBLE FOR THE METER PIT STRUCTURE

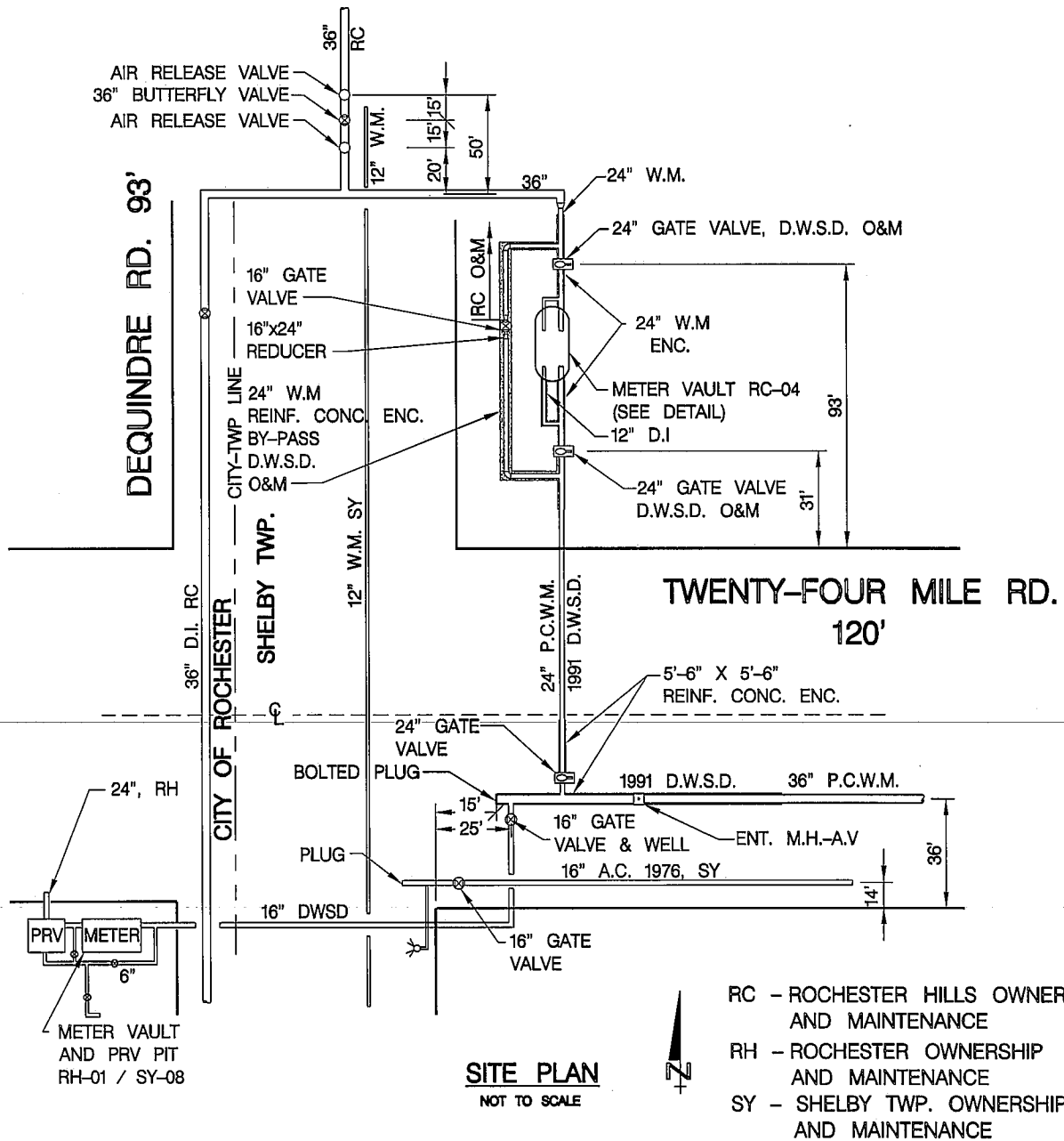
ADDRESS _____ 3998 SOUTH BLVD.
 FEED TO _____ CITY OF ROCHESTER HILLS
 FEED FROM _____ D.W.S.D. TRANS. MAIN
 TYPE OF METER _____ VENTURI METER
 SIZE OF METER _____ 16" X 10.15"
 METER NUMBER _____ 43701
 DATE METER SET _____ 6/1995
 METER PIT CONST & SIZE _____ STEEL 22'-0" X 10'-6" I.D.
 GATE BOOK No _____ N-1103
 REMARKS _____



EXHIBIT-A

RC-04

DEQUINDRE AND TWENTY-FOUR MILE RD. CITY OF ROCHESTER HILLS

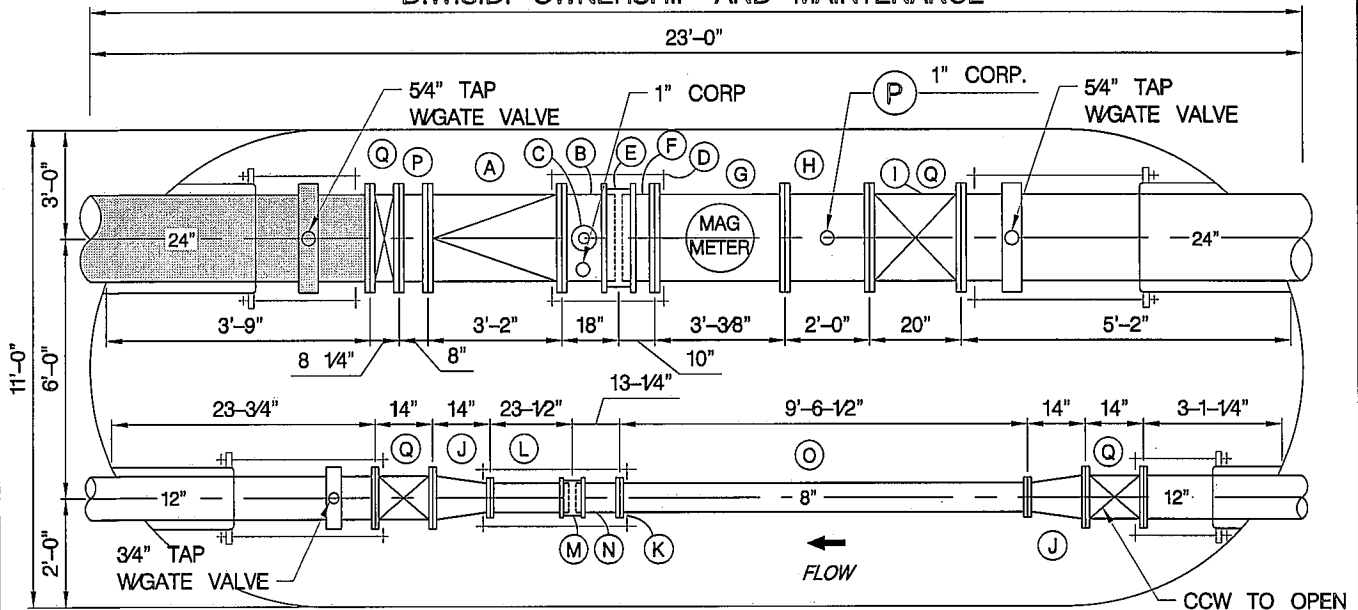


LOCATIONS SUBJECT TO VERIFICATION IN THE FIELD.



EXHIBIT-A
RC-04
DEQUINDRE RD. AND MILE RD.
CITY OF ROCHESTER HILLS

D.W.S.D. OWNERSHIP AND MAINTENANCE



METER PIT DETAIL \rightarrow Z+
 NOT TO SCALE

LEGEND		
TAG	QTY	DESCRIPTION
A	1	24" FLGD. CHECK VALVE, 38" F-F
B	1	24" X 1'-6" F-PE PIPE W3" COMPANION FLANGE
C	1	TEST TEE ASSEMBLY W3" COMPANION FLANGE
D	LOT	COUPLING RESTRAINT: [6] 48" LONG THRD. RODS [12] EAR PLATES
E	1	24" DRESSER STYLE PIPE COUPLING
F	1	24" X 10" F-PE PIPE GADR. D.I.
G	1	24" FLGD. MAGNETIC FLOWMETER, 36.375" F-F
H	1	24" X 2'-0" F-F PIPE W1" TAP FOR CORP. STOP D.I.
I	1	24" FLGD. GATE VALVE, RESILIENT SEAT, 20" F-F, A,F,C
J	2	12" X 8" FLGD. CONCENTRIC REDUCERS, D.I., 14" F-F
K	LOT	COUPLING RESTRAINT: [4] 44" LONG THRD. RODS [8] EAR PLATES
L	1	8" X 1'-11 1/2" F-PE PIPE, GADR. D.I.
M	1	8" 'DRESSER STYLE' PIPE COUPLING
N	1	8" X 1'-1 1/4" F-PE PIPE, GADR. D.I.
O	2	8" X 9'-6 1/2" F-F PIPE D.I.
P	1	24" X 8" F-F PIPE D.I.
Q	4	HYDRAULIC CONTROLLED BUTTERFLY VALVE

ROCHESTER HILLS O&M

TYPICAL PRESSURE LOSS THRU METER	
METER TYPE	P.S.I. LOSS
VENTURI	1 - 2
MAG	0
TURBINE	4 - 6

(P) UPSTREAM PRESSURE TRANSMITTER, D.W.S.D. OWNERSHIP AND MAINTENANCE

NOTE: DWSD IS SOLELY RESPONSIBLE FOR THE METER PIT STRUCTURE

ADDRESS _____ 53206 DEQUINDRE
 FEED TO _____ CITY OF ROCHESTER HILLS
 FEED FROM _____ 36" P.C. D.W.S.D. W.M.
 TYPE OF METER _____ ABB MAG
 SIZE OF METER _____ 24"
 METER NUMBER _____ V33112/31
 DATE METER SET _____ 7/5/2000
 METER PIT CONST & SIZE _____ STEEL 23' X 11' I.D.
 GATE BOOK No _____ N-1248
 REMARKS _____ WS-564-10



EXHIBIT B

Projected Annual Volume and Minimum Annual Volume (Table 1)

Pressure Range and Maximum Flow Rate (Table 2)

Flow Split Assumptions (Table 3)

Addresses for Notice (Table 4)

Table 1 and Table 2 set forth the agreed upon Projected Annual Volumes, Minimum Annual Volumes, Pressure Ranges and Maximum Flow Rates for the term of this Contract provided that figures in bold type face are immediately enforceable pursuant to the terms of Section 5.07 and italicized figures are contained for planning purposes only but will become effective absent the negotiated replacements anticipated in Section 5.07.

The approximate rate of flow by individual meter set forth in Table 3 is the assumption upon which the Pressure Range commitments established in Table 2 have been devised. Should Customer deviate from these assumptions at any meter(s), the Board may be unable to meet the stated Pressure Range commitments in this Contract or in the contract of another customer of the Board and Section 5.08 of this Contract may be invoked.

EXHIBIT B

Table 1
 Projected Annual Volume and Minimum Annual Volume

Fiscal Year Ending June 30	Projected Annual Volume (mcf)	Minimum Annual Volume (mcf)
2009	445,000	222,500
2010	445,000	222,500
2011	<i>445,000</i>	<i>222,500</i>
2012	<i>445,000</i>	<i>222,500</i>
2013	<i>445,000</i>	<i>222,500</i>
2014	<i>445,000</i>	<i>222,500</i>
2015	<i>445,000</i>	<i>222,500</i>
2016	<i>445,000</i>	<i>222,500</i>
2017	<i>445,000</i>	<i>222,500</i>
2018	<i>445,000</i>	<i>222,500</i>
2019	<i>445,000</i>	<i>222,500</i>
2020	<i>445,000</i>	<i>222,500</i>
2021	<i>445,000</i>	<i>222,500</i>
2022	<i>445,000</i>	<i>222,500</i>
2023	<i>445,000</i>	<i>222,500</i>
2024	<i>445,000</i>	<i>222,500</i>
2025	<i>445,000</i>	<i>222,500</i>
2026	<i>445,000</i>	<i>222,500</i>
2027	<i>445,000</i>	<i>222,500</i>
2028	<i>445,000</i>	<i>222,500</i>
2029	<i>445,000</i>	<i>222,500</i>
2030	<i>445,000</i>	<i>222,500</i>
2031	<i>445,000</i>	<i>222,500</i>
2032	<i>445,000</i>	<i>222,500</i>
2033	<i>445,000</i>	<i>222,500</i>
2034	<i>445,000</i>	<i>222,500</i>
2035	<i>445,000</i>	<i>222,500</i>
2036	<i>445,000</i>	<i>222,500</i>
2037	<i>445,000</i>	<i>222,500</i>
2038	<i>445,000</i>	<i>222,500</i>

EXHIBIT B

Table 2
Pressure Range and Maximum Flow Rate

Calendar Year	Pressure Range (psi)		Pressure Range (psi)		Pressure Range (psi)		Pressure Range (psi)		Maximum Flow Rate (mgd)	
	Meter RC-01		Meter RC-02		Meter RC-03		Meter RC-04		Max Day	Peak Hour
	Min	Max	Min	Max	Min	Max	Min	Max		
2009	87	109	95	120	125	148	55	135	25.81	51.91
2010	87	109	95	120	125	148	55	135	25.81	51.91
2011	90	109	100	120	125	148	70	135	25.81	51.91
2012	90	109	100	120	125	148	70	135	25.81	51.91
2013	90	109	100	120	125	148	70	135	25.81	51.91
2014	90	109	100	120	125	148	70	135	25.81	51.91
2015	100	109	100	120	125	148	70	135	25.81	51.91
2016	100	109	100	120	125	148	105	135	25.81	51.91
2017	100	109	100	120	125	148	105	135	25.81	51.91
2018	100	109	100	120	125	148	105	135	25.81	51.91
2019	100	109	100	120	125	148	105	135	25.81	51.91
2020	100	109	100	120	125	148	105	135	25.81	51.91
2021	100	109	100	120	125	148	105	135	25.81	51.91
2022	100	109	100	120	125	148	105	135	25.81	51.91
2023	100	109	100	120	125	148	105	135	25.81	51.91
2024	100	109	100	120	125	148	105	135	25.81	51.91
2025	100	109	100	120	125	148	105	135	25.81	51.91
2026	100	109	100	120	125	148	105	135	25.81	51.91
2027	100	109	100	120	125	148	105	135	25.81	51.91
2028	100	109	100	120	125	148	105	135	25.81	51.91
2029	100	109	100	120	125	148	105	135	25.81	51.91
2030	100	109	100	120	125	148	105	135	25.81	51.91
2031	100	109	100	120	125	148	105	135	25.81	51.91
2032	100	109	100	120	125	148	105	135	25.81	51.91
2033	100	109	100	120	125	148	105	135	25.81	51.91
2034	100	109	100	120	125	148	105	135	25.81	51.91
2035	100	109	100	120	125	148	105	135	25.81	51.91
2036	100	109	100	120	125	148	105	135	25.81	51.91
2037	100	109	100	120	125	148	105	135	25.81	51.91
2038	100	109	100	120	125	148	105	135	25.81	51.91

EXHIBIT B

Table 3
Flow Split Assumptions

Meter	Assumed Flow Split (2009-2010)
RC-01	32 %
RC-02	45 %
RC-03	18 %
RC-04	5 %

Table 4
Addresses for Notice

If to the Board:	If to Customer:
Director Detroit Water and Sewerage Department 735 Randolph Detroit, Michigan 48226	City Clerk City of Rochester Hills 1000 Rochester Hills Drive Rochester Hills, Michigan 48309