

WHEREAS, Pinconning Township has spent many years in trying to form an acceptable agreement with the City of Pinconning for municipal water and

WHEREAS, the Township was forced to expend monies in attorney fees in defense of lawsuit brought on by the City of Pinconning,

WHEREAS, the threat of losing a grant and loan for construction of waterline is in jeopardy due to continual delay by the City of Pinconning and

WHEREAS, through many counter proposals and negotiations the City and Township have reach a proposed settlement, hereby

LET IT BE RESOLVED, the Township of Pinconning agrees to the proposed settlement (attached (1 thru 10) with clarifications and amendments to the existing contracts / agreements.

Absent	NONE			
Vote	5	_Yeas	0	Nays
Motion	MOORE	- / JACO	RUES	
Date _/	11-9	,	_1999	

and

Certification

I hereby certify that the foregoing is a true and complete copy of a resolution offered and adopted by the Pinconning Township Board of Trustees at a regular meeting held on 1/9 98

Nonald H. Moore Pinconning Township Clerk

Print Name and Title

POBOX58 PINCONNING M.

Address

Following is the Settlement Compromise Proposal which was introduced as part of the Court record on October 22, 1999 in litigation initiated by The City of Pinconning.

- 1 The City would be paid \$250,000 cash, payable from the bond proceeds of the Pinconning Township water extension. Payment would be made when the bond proceeds become available.
- 2 The master meter at Townline 16 would be removed upon the satisfaction of all other settlement terms and upon the City's submission of a satisfactory plan for resolving their lost water problems. Further, the removal of the master meter is without prejudice to any meter requirements that may be imposed by the City of Bay City.
- 3 Upon the satisfaction of all other terms of this settlement, Pinconning Township would agree to pay 41% of the .0884/ccf debt service charge currently assessed to the City, and the City would continue to pay the remainder of that debt service charge.
- 4 The contract for water supply to the City would be amended such that the City could terminate their water supply contract upon one year prior written notice to the County, and thereafter the City and County would agree to provide each other mutual emergency backup water supply. In the event of such a termination of the water supply agreement, the City would pay all costs of separation, if any.
- 5 The City would be allowed equal access to the County's water supply capacity on equal terms with other municipalities receiving water supply from the County. The 200,000 ccf per day cap would be removed from the City's water supply contract.
- 6 To the extent that any additional water extensions beyond Pinconning Township require the City to incur additional costs, those costs shall be borne by the party or parties seeking the additional extension.
- 7 The Township has provided the City additional engineering information regarding the effect on the City water pressure that would be caused by the proposed five additional points of interconnection. Upon the satisfaction of all other terms of this settlement, the Township agrees to reimburse the City for their outside engineering costs, not to exceed \$5,000 in reviewing the impact of the five points of connection upon the City's water pressure.
- 8 The Township will bear the cost of constructing the five points of interconnection, to be funded from the bond proceeds for the water extension.
- 9 Upon the satisfaction of all other terms of this settlement, all water customers located within Pinconning Township shall cease being water customers of the City and shall become water customers of Pinconning Township.
- 10 Upon the satisfaction of all other terms of this settlement, the Township and the water customers in the Township shall not be liable for any water rates or charges assessed by the City, including charges for hydrants.

All references to the County in this settlement proposal shall mean the Board of County Road Commissioners.