

LEASE OF SEWAGE DISPOSAL SYSTEM
AND SEWAGE TREATMENT AGREEMENT

This Agreement made this 30 day of September, 1969, between the Township of Northfield, WasténaW County, Michigan (herein called Northfield) and the Township of Green Oak, Livingston County, Michigan, (herein called Green Oak).

WHEREAS, Green Oak is constructing a sanitary sewage collection system, herein called the Green Oak system, which system consists of those sanitary sewers constructed by the Township of Green Oak in accordance with its Whitmore Lake West Side Special Assessment Sewer Improvement and its Whitmore Lake East Side Special Assessment Sewer Improvement.

NOW THEREFORE, the parties agree as follows:

1. In consideration of the sum of One (\$1.00) Dollar in hand paid to it by Northfield, receipt of which is hereby acknowledged, and other good and valuable considerations as set forth in this Agreement, Green Oak hereby leases to Northfield and Northfield hereby leases from Green Oak, the sanitary sewers located within the Township of Green Oak and described fully in the plans and specifications filed as a part of the Green Oak Township Special Assessment Improvement known as the Whitmore Lake West Side Special Assessment Sewer Improvement and the Whitmore Lake East Side Special Assessment Sewer Improvement for an initial term commencing on the date hereof and terminating on December 31, 1979. After the initial term of this lease, it shall be extended automatically for successive terms of ten (10) years each. The Agreement may be terminated by either party, after the expiration of the initial term, upon one years written notice served upon the other party by delivering the same to the Clerk of the municipality upon which notice is to be served. The lease may be terminated at any time upon the mutual consent of both parties.

2. During the term of this lease or any extension thereof, Northfield shall maintain and operate the Green Oak system, so far as lawful and practicable, in the same manner as it maintains and operates the Northfield system, including the billing directly to, and collection of all rates, charges and fees directly from the users of the Green Oak system. All Northfield books and records pertaining to the Green Oak system shall be available to Green Oak for inspection by its authorized agents and representatives.

3. Northfield shall provide the services hereunder to the users of the Green Oak system at the rates, charges and fees established for similar users of the Northfield system by ordinances of Northfield. Northfield shall give ninety (90) days notice of any change in said rates, charges and fees to Green Oak in writing, delivered in person or by mail to the Green Oak Township Clerk.

4. Annually, and prior to September 1, Northfield shall certify to the Green Oak Township Assessing Officer all the said rates, charges and fees, together with interest and penalties, owing by users of the Green Oak system and delinquent for six (6) months or more, and such assessing officer shall enter the same on the Green Oak tax roll as a lien against the premises to which such services have been rendered, and Green Oak shall enforce the lien and shall collect said sums as provided by law. Green Oak shall promptly remit to Northfield all sums so collected. If Green Oak fails or neglects to so enter such delinquent charges on its next tax roll, Green Oak shall pay Northfield such charges not later than December 1, of the year of such certification.

5. During the term of this Agreement, Northfield shall perform such maintenance and repairs as shall be necessary to Green Oak's system to the extent possible from the normal revenue of the combined Northfield-Green Oak system. Northfield shall not be obligated to reconstruct or repair parts of the Green Oak system damaged or destroyed by natural disaster, war or

insurrection or similar unusual happenings beyond Northfield's control.

6. The execution of this lease shall be deemed to be the formal consent of the Township of Green Oak to the exercise by Northfield of its powers under Act 94 of the Public Acts of 1933, as amended, within the Township of Green Oak and Northfield is hereby granted a franchise to transact local business in Green Oak Township as may be convenient and necessary to provide the service required under this lease.

7. Northfield shall furnish Green Oak all ordinances, rules and regulations of Northfield pertaining to the Northfield system and Green Oak shall promptly adopt, enact and establish similar ordinances, rules and regulations to effect, so far as practicable, uniformity thereof throughout the Northfield and Green Oak Systems. Green Oak shall be liable to Northfield for any loss or damage of Northfield by reason of Green Oak's neglect or failure to adopt, enact, establish and enforce its said ordinances, rules and regulations.

8. It is understood and agreed by both parties hereto that the Green Oak system has been constructed for the reception and transporation of sanitary sewage only and Green Oak shall take such reasonable steps as are necessary to prevent the introduction thereto of storm or surface drainage.

9. Green Oak agrees that Northfield's standards and specifications from time to time in effect shall govern the installation and maintenance of sewers in the Green Oak system and that plans and specifications for any extensions, alterations or replacements within the Green Oak system shall be submitted to Northfield for approval prior to construction.

10. In the event proper operation of the Northfield system requires Northfield to discontinue temporarily all or a part of service to be rendered to Green Oak hereunder, no claims for damages for such discontinuance shall be made by Green Oak against Northfield, provided that any action hereunder by Northfield shall not discriminate between customers of the

Northfield system and customers of the Green Oak system.

11. To the extent necessary Green Oak hereby grants permission to Northfield to use streets, highways, alleys and/or easements in the Township for the purpose of constructing, maintaining and operating such parts of the Northfield system as are necessary to provide service to the Green Oak system.

12. The parties recognize the possibility that the revenues of the Northfield system, including revenues received from the Green Oak system, may from time to time be insufficient to meet the obligations of Northfield under a certain contract dated July 12, 1967, between Northfield and the Huron Utilities Association, or under any bonds or other contractual undertakings of Northfield for financing future improvements or extensions of the sewage treatment plant and disposal facility which are necessary to provide continued service to Green Oak. In the event of such deficiencies, and to the extent that Northfield has pledged its faith and credit under said bonds, contracts, or other contractual undertakings to advance funds, to meet deficiencies, Green Oak shall be obligated to pay to Northfield its share of such deficiency in the relative proportion of said sum as the then number of customers capacity of the Green Oak system bears to the total number of customer capacity of the combined Northfield and Green Oak systems. It is understood by both townships that such payments of Northfield and Green Oak would be in the nature of advances to the sewage disposal system and that Northfield will adjust its rates so as to provide funds and to meet future payments under said bonds, contract or other contractual undertakings as they become due and to provide a fund from which Northfield and Green Oak will be reimbursed for said advancements within a reasonable period of time.

13. In the event of the termination of this lease, Northfield shall continue to accept, treat, and dispose of

sanitary sewage emanating from the Green Oak system until December 31, 1999, unless sooner terminated by Green Oak upon five (5) year's written notice served upon Northfield by delivering the same to the Clerk of the other municipality or may be terminated at any time upon mutual consent of both parties. Such continued service shall be upon such reasonable conditions and rates as shall be agreed upon by the parties hereto.

14. This Agreement shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns and shall take effect upon its adoption and execution by the respective parties hereto.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by respective, duly authorized officers as of the day and year first written.

In the presence of:

TOWNSHIP OF GREEN OAK

By: *Ronald J. Smith*
Supervisor

By: *Mona M. Whang*
Clerk

TOWNSHIP OF NORTHFIELD

By: *Patricia S. Kelley*
Supervisor

By: *Andy A. Post*
Clerk