

## WATER AND SANITARY SEWER SERVICE AGREEMENT

**THIS WATER AND SANITARY SEWER SERVICE AGREEMENT** (“Agreement”) is entered into by and between the **Saddle Ridge Site Condominium Association**, a Michigan non-profit corporation, (the “Association”) and **Rockford Public Schools**, a Michigan general powers school district organized and operating under the provisions of the Revised School Code, MCL 380.1, *et seq.*, as amended (“School District”). In this Agreement, the Association and the School District may be referred to individually as “Party” or collectively as “Parties”.

### RECITALS

A. The Association owns and operates a private wastewater collection and treatment facility that transports and treats sanitary sewage (the “Sewer System”). The Sewer System is authorized by, and is subject to, a State of Michigan individual national pollution discharge elimination system permit with a permit number of MI0056723.

B. The Association owns and operates a private drinking water treatment and supply system (the “Water System”). In this Agreement, the Water System and the Sewer System are referred to collectively as the “Private Utilities”.

C. The School District wishes to obtain wastewater collection and treatment services and wishes to obtain water supply services from the Private Utilities for use in its buildings and facilities located on the property further described and depicted on **Exhibit A** (the “School District Property”), which option to connect to the Private Utilities was granted to the School District when it acquired the Property.

D. The Association and School District are Parties to a certain Wastewater Transportation Agreement whereby Plainfield Charter Township will construct and make available for use by the School District and Association a public sanitary sewer system (the “Public Sanitary Sewer”) that will accept and treat the wastewater generated by the School District and Association.

E. During the period of time in which the Public Sanitary Sewer is not available for use as defined by this Agreement, then the School District wishes to connect to the Sewer System until such time as the Public Sanitary Sewer becomes available for use.

F. The School District and the Association agree to allocate the costs for the construction of the Public Sanitary Sewer as outlined in this Agreement.

G. In response to the School District’s request to connect to the Private Utilities, the Association has undertaken, and will continue to undertake, improvements to the Private Utilities to account for the School District’s planned future usage and the School District wishes to compensate the Association for the cost of these improvements in the form of a connection fee.

H. The Parties wish to enter into this Agreement to establish and define the scope of the provision of the Private Utilities to the School District along with the rates and charges that the

School District will pay to the Association based on its usage of the Private Utilities along with a contribution for capital improvements and maintenance and related matters.

Therefore, the Parties agree as follows:

## AGREEMENT

### Article I Definitions

Applicable Laws means all statutes, codes, ordinances, administrative rules, regulations, orders, or directives of any court or governmental authority.

Available for Use means the date that the Public Sanitary Sewer is constructed, and Wastewater may be transported through the Public Sanitary Sewer for treatment such that it is no longer necessary for the Association to treat or dispose of Wastewater with the Sewer System.

Effective Date means the date thirty (30) days after the last Party's signature below.

Private Utility Charges means the Water Commodity Charge, the Water User Charge, the Sewer Commodity Charge, the Sewer User Charge, the excess water consumption penalty, and the excess wastewater discharge rates.

Prudent Utility Practices means those practices, methods, techniques, standards and acts engaged in or approved by a significant portion of the regulated water and 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 franchises of the same or similar size and type as the Private Utilities.

Private Utility Charges means the Water Commodity Charge, the Water User Charge, the Sewer Commodity Charge, and the Sewer User Charge.

Residential Equivalent Unit means the amount of water or wastewater usage expected to be used by a single-family home within the Saddle Ridge Condominium Association as estimated utilizing Prudent Utility Practices.

Sewer Commodity Charge means the cost per 1,000 gallons of Wastewater delivered to the Association as measured at the Sewer Flow Meter (defined below).

Sewer User Charge means the monthly service charge to be paid by the School District to the Association based on the School District's relative share of the costs and expenses of the Association's operation of the Sewer System.

Unacceptable Waste means any stormwater runoff, chemical wastes, biological wastes, radioactive materials, rock, sand, dirt, solid or viscous materials that could interfere with the flow of Wastewater, materials that could create a fire or explosion hazard, solvents, oils, or any substance that would be classified as hazardous waste under the federal Resource Conservation and Recovery Act (RCRA) and Part 111 (Hazardous Waste Management) of Act 451.

Wastewater means liquid waste that includes any of the following: 1) human metabolic wastes, 2) wastes from a sink, lavatory, bathtub, shower, laundry, or similar facilities, or 3) any other liquid waste of an organic nature discharged on the School District property.

Water Commodity Charge means the cost per 1,000 gallons of water delivered to the School District as measured at the Water Flow Meter (defined below).

Water User Charge means the monthly service charge to be paid School District to the Association based on the School District's relative share of the costs and expenses of the Association's operation of the Water System.

## **Article II** **Private Utility Service**

### **Section 1. Water Services**

(a) Connection Point. The School District shall connect to the Water System at the location identified on the attached Exhibit B with a eight (8) inch water main (the "Water System Connection Point"). The School District shall be responsible for all costs and expenses related to or arising out of the initial construction of the Water System Connection Point. The School District shall construct, inspect, and test the Water System Connection Point in compliance with all Applicable Laws and the plans and specifications approved by the Association.

(b) System Ownership and Maintenance. All pipes, valves, fittings, connections, and other related appurtenances on the School District Property including and downstream of the Water System Connection Point are owned by the School District and the School District is responsible for all operation and maintenance of those facilities and equipment at its sole expense. The Water System upstream of the Water System Connection Point is owned by the Association and the Association is responsible for all operation and maintenance of the same. The Parties shall keep all components of the Water System and the Water System Connection Point in a good and functional condition, consistent with Prudent Utility Practices, and sufficient to prevent unreasonable waste.

(c) Water Provision. The Association shall provide water in an amount no less than ONE MILLION FOUR HUNDRED TEN THOUSAND (1,410,500) gallons in each calendar year (the "Maximum Annual Water Supply") and FIVE THOUSAND FOUR HUNDRED AND TWENTY FIVE (5,425) gallons each calendar day (the "Maximum Daily Water Supply") The Association may refuse to supply water in excess of either the Maximum Annual Water Supply or the Maximum Daily Water Supply. If the Association supplies water to the School District in excess of either the Maximum Annual Water Supply or Maximum Daily Water Supply, the Association may charge the School District the excess water consumption penalty rate as specified

in Article III, Section 2(c) of this Agreement. The School District shall only use the water received from the Association on the School District Property for usual and customary school uses and shall not re-sell the water to any third-party or supply water to any use not occurring on the School District Property. Subject to the Maximum Daily Water Supply and Maximum Annual Water Supply provisions of this Agreement, the Association shall provide water at a minimum of one hundred eighty (180) gallons per minute for daily use and a minimum of five hundred eighty (580) gallons per minute for building fire suppression purposes.

(d) Meter. The School District shall install and maintain a flow meter near the Water System Connection Point to accurately measure the volume of water delivered by the Association at the Water System Connection Point (the "Water Flow Meter"). Beginning on the Effective Date, and annually thereafter, the School District shall obtain third party certification of the meter's calibration and operation. The certification will be provided to the Association in a timely manner upon request.

(e) Water Pressure. The Association shall utilize Prudent Utility Practices to deliver water at a pressure range ("Pressure Range") between forty (40) psi and sixty (60) psi as measured at the Water System Connection Point. The Association is permitted to deliver water at a pressure outside of the Pressure Range if circumstances exist outside of the control of the Association including power failure, supply line breaks, maintenance outages, etc. that do not permit the Association to deliver water within the Pressure Range. The Association has no obligation or responsibility, and makes no warranty, for the pressure of any water downstream of the Water System Connection Point.

(f) Water Quality. The Association shall utilize Prudent Utility Practices to deliver water to the Water System Connection Point of the same quality and standards supplied to other users of the Water System. The Association shall be responsible for meeting state and federal standards for drinking water at the Water System Connection Point, but the Association shall have no liability or responsibility for water quality beyond the Water System Connection Point and the Association makes no warranties regarding water quality downstream of the Water System Connection Point.

(g) Remedy for Non-Compliance with the Pressure Range or Water Quality. If the Association consistently delivers water at the Water System Connection Point outside of the Pressure Range or water quality or flow standards provided by Section 1 of this Article, the School District shall request that the Parties meet within thirty calendar days to discuss the reasons for the non-compliance and, if agreed necessary, develop, and implement a mutually agreeable written corrective action plan within sixty calendar days of the meeting, or as otherwise agreed. The corrective action plan shall include a timetable for resolution of the non-compliance issues. If the Association fails to reasonably follow the corrective action plan and the non-compliance issue persists, the School District may pursue any other remedy provided by this Agreement.

(h) Water Supply Interruption or Shortage

(1) Emergencies. To the extent feasible, the Association shall continuously maintain water service to the School District. In the event of a general emergency or water

shortage affecting the Water System and requiring restriction on the delivery of water to the Water Supply Connection Point, the Association may restrict the water supplied to the Water Supply Connection Point in the same proportion that it is restricting supply to all users of water supplied by the Association. The Association shall utilize Prudent Utility Practices to resume the continuous supply of water as soon as practicable.

(2) Routine Maintenance. The Association shall provide the School District with no less than ten (10) business days advanced written notice of any routine maintenance of the Private Utilities necessitating a reduction in the supply of water delivered to the Water Supply Connection Point. To the extent practical and consistent with Prudent Utility Practices, the Association shall schedule routine maintenance in the months of July or August, or such other dates and times as school is not in session.

(3) Discontinuance of Use of Water System. The School District may, at its option, discontinue use of the Water System. In such event, the School District shall provide written notice to the Association at least ninety (90) days prior to it discontinuing use of the Water System. Upon termination of the School District's use of the Water System, it shall comply with the termination provisions contained in Article IV, Section 2, herein, and pay all costs and other expenses described in Article III, Section 2, herein.

## **Section 2. Sewer Services**

(a) Connection Point. The School District has made a connection to the Sewer System at the location identified on the attached Exhibit B with a six (6) inch gravity line from the building to the property line, where an eight (8) inch stub was connected (the "Sewer System Connection Point"). The School District has paid for all costs and expenses related to or arising out of the initial construction of the Sewer System Connection Point. The School District shall inspect and test the Sewer System Connection Point in compliance with all Applicable Laws and the plans and specifications approved by the Association.

(b) System Ownership and Maintenance. All pipes, valves, fittings, connections, and other related appurtenances on the School District Property including and upstream of the Sewer System Connection Point are owned by the School District and the School District is responsible for all operation and maintenance of those facilities and equipment at its sole expense. The Sewer System downstream of the Sewer System Connection Point is owned by the Association and the Association is responsible for all operation and maintenance of the same. The Parties shall keep all components of the Sewer System and the Sewer System Connection Point in a good and functional condition, consistent with Prudent Utility Practices, and sufficient to prevent unreasonable waste.

(c) Service. During the time the School District utilizes the Sewer System, the Parties agree:

(i) Acceptance of Flow. The Association shall accept Wastewater from the School District Property in an amount not to exceed ONE MILLION FOUR HUNDRED TEN THOUSAND FIVE HUNDRED GALLONS (1,410,500) gallons each calendar year (the "Sewer

System Annual Maximum”) as measured at the Sewer System Connection Point. The Association shall accept Wastewater from the School District Property in an amount not to exceed FIVE THOUSAND FOUR HUNDRED TWENTY-FIVE (5,425) gallons each calendar day (the “Sewer System Daily Maximum”) as measured at the Sewer System Connection Point. If the School District discharges Wastewater into the Sewer System in excess of the Sewer System Annual Maximum or the Sewer System Daily Maximum, the School District shall pay to the Association the excess sewer discharge penalty rate as outlined in Article III, Section 3(c) of this Agreement. The School District shall not discharge Wastewater to the Sewer System that was not generated on the School District Property.

(ii) Maximum Rate. The School District shall not deliver Wastewater to the Sewer System Connection Point at a rate exceeding three hundred gallons per minute (300 GPM) (the “Sewer System Maximum Rate”) without the Association’s prior approval, which the Association may grant or withhold as it determines in the best interest of the Sewer System. In light of the damage to the Sewer System that could be caused by the School District discharging Wastewater in excess of the Sewer System Maximum Rate, the School District is responsible for and shall promptly reimburse the Association for all actual costs, damages, and expenses caused by the School District discharging, or attempting to discharge, Wastewater into the Sewer System in excess of the Sewer System Maximum Rate.

(d) Unacceptable Waste. The School District shall not discharge, or attempt to discharge, any Unacceptable Waste into the Sewer System. In light of the damage to the Sewer System that could be caused by the School District discharging Unacceptable Waste into the Sewer System, the School District is responsible for all actual costs, damages, and expenses caused by the School District discharging, or attempting to discharge, Unacceptable Waste into the Sewer System. The School District shall utilize best efforts to ensure that users of the facilities on the School District Property do not discharge Unacceptable Waste into the Sewer System

(e) Meter. The School District shall install and maintain a flow meter near the Sewer System Connection Point to accurately measure the volume of Wastewater delivered by the School District at the Sewer System Connection Point (the “Sewer System Flow Meter”). Beginning on the Effective Date and annually thereafter, the School District shall obtain third party certification of the meter’s calibration and operation. The certification will be provided to the Association in a timely manner upon request.

(f) Prompt Notification of Unusual Conditions. The School District shall promptly notify the Association regarding any proposed spills, pollutants, large discharges, chemicals, or any substantial change in the volume or amount of discharge into the Sewer System.

(g) Discontinuance of Wastewater Drainage. The School District may, at its option, discontinue the discharge of wastewater into the Sewer System. In such event, the School District shall provide written notice to the Association at least ninety (90) days prior to its discontinuing the discharge of wastewater into the Sewer System. Upon the termination of the School District’s discharge of wastewater into the Sewer System, it shall comply with the termination provisions contained in Article IV, Section 2., herein, and pay the costs and other expenses described in Article V, Section 1., herein. At such time as the Public Sanitary Sewer becomes Available for

Use, the School District shall discontinue its discharge of Wastewater to the Sewer System for treatment and disposal and the Association will have no further responsibility for the disposal or treatment of Wastewater. The Association shall continue to operate and maintain a collector main leading from the Sewer System Connection Point to the point of transfer of Wastewater to the Public Sanitary Sewer the route of which is outlined on the attached Exhibit C (the "Collector Main").

**Article III**  
**Private Utility Rates, Fees, and Charges**

**Section 1. Connection Fee.** In order to reimburse the Association for the costs that the Association has incurred, or will incur, for improvements to the Water System occasioned by the School District's connection, on the Effective Date, the School District shall pay to the Association the sum of TWO HUNDRED NINETY FIVE THOUSAND SEVEN HUNDRED TWENTY NINE AND 00/100 DOLLARS (295,729) as a nonrefundable fee to connect to the Water System.

**Section 2. Water Rates**

(a) Initial Water Commodity Charge. For an initial period of at least twelve (12) months following the Effective Date and until the Association adjusts the Water Commodity Charge pursuant to Article III, Section 5, the School District shall pay to the Association a Water Commodity Charge of \$4.18.

(b) User Charge. The School District shall pay the Association the Water User Charge starting from the original date of connection, which pre-dated the Effective Date of this Agreement, in accordance with applicable usage requirements. In addition, for an initial period of at least twelve (12) months following the Effective Date and until the Association adjusts the Water User Charge pursuant to Article III, Section 5, the School District shall pay to the Association a monthly Water User Charge of \$209.12.

(c) Excess Water Consumption Penalty Rate. If the Association delivers water to the School District in excess of either the Maximum Annual Water Supply or Maximum Daily Water Supply, the School District shall be responsible for an excess water consumption penalty rate of ONE HUNDRED AND FIFTY PERCENT (150%) of the then existing Water Commodity Charge per 1,000 gallons of water, or portion thereof, delivered to the School District Property in excess of the Maximum Annual Water Supply or Maximum Daily Water Supply.

(d) Extraordinary Capital Expenses. The Connection Fee in Article III, Section 1, above, includes all costs to upgrade the Water System to provide water supply to the School District Property at the quantity, quality, supply, and pressure specifications provided for by this Agreement. If the Association encounters extraordinary capital or operational expenses for the Water System, the Association may charge to the School District an extraordinary capital expense charge that is charged in common to all users of the Private Utilities based on a proportionate share of the School District's use of the Private Utilities. The amount of the School District's extraordinary capital expense charge shall be in proportion to the School District's usage of the relevant Private Utility based on the number of REU's of the School District's Private Utility usage

for the preceding twelve (12) month period. The Association shall only use any extraordinary capital expenses charged pursuant to this Section 2(d) for the ongoing or future operational or maintenance needs of Private Utilities. The Association shall provide the School District with no less than six (6) months' advanced written notice prior to the effective date of any extraordinary capital expense charges. As used in this Section 2(d) the term "extraordinary capital or operational expenses" shall mean a non-recurring expense that is unexpected or special and not related to the day-to-day ordinary maintenance and repair of the Private Utilities, or costs associated with upgrades

**Section 3. Sewer Rates.** During the period in which a connection to the Sewer System exists and the School district is discharging wastewater the Parties agree:

(a) Commodity Charge. The School District shall pay to the Association a Sewer Commodity Charge based on the actual costs incurred by the Association in the treatment, hauling, and disposal of Wastewater generated by the School District Property. The Association shall compute the actual costs owed by determining the Association's actual cost to haul and dispose of Wastewater per 1,000 gallons, which amount shall be consistent with all users of the Sewer System, and multiplying that figure by the amount of Wastewater delivered by the School District as measured at the Sewer Flow Meter.

(b) Excess Wastewater Discharge Penalty Rate. If the School District discharges Wastewater to the Sewer System in excess of either the Sewer System Annual Maximum or the Sewer System Daily Maximum, the School District shall be responsible for an excess wastewater discharge penalty rate of ONE HUNDRED AND FIFTY PERCENT (150%) of the then existing Sewer Commodity Charge per 1,000 gallons of discharge, or portion thereof, in excess of the Sewer System Annual Maximum or Sewer System Daily Maximum.

**Section 4. Billing.** The Association shall prepare and send to the School District an itemized monthly invoice for all charges and fees incurred by School District as provided by this Agreement. All invoices are due and payable within forty-five (45) days of receipt. Late payments will incur a late payment fee equal to 1% of the unpaid balance for every forty-five (45) days, or part thereof, until the balance is paid in full.

**Section 5. Adjustment in Rates.** The Association may amend, no more frequently than every twelve (12) months, the Private Utility Charges as necessary to accommodate increased costs in providing the Private Utilities.

(a) Methodology for Rate Adjustment. If the Association wishes to adjust the Private Utility Charges, the Association shall utilize actual consumption data collected from the School District Property for the preceding twelve (12) month period to determine the number of REU's of water being delivered to the School District Property and the number of REU's of Wastewater being discharged by the School District Property (the "Revised REU's"). The Association shall utilize the Revised REU's to adjust the Private Utility Charges to reflect the School District's proportional use of the Private Utilities. However, in no event shall the Association charge the School District an amount per REU that is in excess of that charged to other users of the Private Utilities.



(b) Notice to the School District. As soon as possible in the rate adjustment process provided by Article III, Section 5, the Association shall inform the School District of the preliminary actual consumption data and proposed rates to assist the School District in financial planning. The Association shall provide the School District with no less than three (3) months' advanced written notice prior to the effective date of any adjustment in the Private Utility Charges.

**Section 7. Meter Failure.** If, for any reason, the Water Flow Meter or the Sewer System Flow Meter are unreadable, unusable, inoperable, or do not accurately function, the Association shall use the best available data and Prudent Utility Practices to estimate the Private Utility Charges owed by the School District.

**Section 8. Non-Payment.** If any sums, fees, or charges are owed by the School District pursuant to this Agreement and remain unpaid for one-hundred twenty (120) days or greater, the Association may shut off and refuse to provide water service to the School District. The Association shall promptly restore water service to the School District upon receipt of all past due sums, fees, or charges.

#### Article IV Term and Termination

**Section 1. Term.** This Agreement will be effective as of the Effective Date and shall continue until December 31, 2074. The term of this Agreement will be extended on the same terms and provisions or other mutually agreeable terms and provisions by one or more renewals unless not less than five years prior to the expiration date of this Agreement, or the expiration of any additional renewal term, a Party gives the other Party notice of intent not to renew. If no such notice is given, this Agreement shall automatically renew for a ten-year extension on the same terms. If a notice on non-renewal is provided and if the other Party still desires to renew the agreement the Parties agree that the terms and conditions of the renewal shall be subject to the arbitration provisions contained in Article VIII, Section 2, herein.

**Section 2. Termination** Upon the termination or expiration of this Agreement for any reason, the School District shall promptly retire and abandon its connection to the Private Utilities in compliance with all applicable laws and regulations and take all actions necessary to restore the Private Utilities to the condition existing prior to the Effective Date.

#### Article V Construction and Inspection

**Section 1. Future Construction or Maintenance.** Except in the case of emergency, prior to initiating any construction or maintenance work that may impact or impair the Private Utilities, the School District shall provide the Association with thirty (30) days advanced written notice of the proposed construction or maintenance work and submit the plans and specifications of the proposed construction or maintenance work for the Association's review and approval. Said approval will not be unreasonably withheld, conditioned, or delayed. The School District shall diligently complete all construction or maintenance work skillfully, in a good and reasonable

manner, in compliance with all applicable codes and laws, and in conformance with the approved plans and specifications. If the School District damages any portion of the Private Utilities as the result of or arising out of any construction or maintenance activities on the School District Property, the School District shall promptly reimburse the Association for all damages, costs, and expenses to the Private Utilities occasioned by the School District's construction and maintenance activities.

**Section 2. Inspection and Testing.** The Association, and its contractors, agents, and assigns, may, during normal business hours and with prior written notification to the School District, enter upon the School District Property to observe, inspect, and test any portion of the School District's plumbing or waste discharge system that directly or indirectly connects to the Private Utilities. The Association, and its contractors, agents, and assigns, may enter upon the exterior of the School District property at any time in order to prevent or repair damage to the Private Utilities or take such other action reasonably necessary to ensure the proper functioning of the Private Utilities.

## Article VI The Public Sanitary Sewer

**Section 1. Availability of Public Sanitary Sewer.** As of the date the Public Sanitary Sewer becomes Available for Use, the School District shall discharge wastewater flow to the Public Sanitary Sewer System for treatment and disposal and the Association will have no further responsibility for the disposal or treatment of Wastewater. The Association shall continue to operate and maintain the Collector Main. The School District shall comply with all applicable laws, regulations, and Prudent Utility Practices. Any unpaid costs, fees, charges, and other expenses under this Agreement owed to the Association prior to the transition to the Public Sanitary Sewer will be promptly remitted by the School District.

**Section 2. Costs of the Public Sanitary Sewer.** The School District shall pay to Plainfield Charter Township the sum of NINE HUNDRED NINETY-SEVEN THOUSAND NINE HUNDRED SIXTY-ONE DOLLARS (\$997,961) as its proportionate share of the costs of the construction of the Public Sanitary Sewer. This amount is based on the construction and engineering costs of the Public Sanitary Sewer, easements for public sanitary sewer facilities, Collector Main and other infrastructure and easement costs given School District's percentage use and benefit of connecting to the Public Sewer System and related amenities.

**Section 3. Maintenance of the Collector Main.** The Association may charge to the School District the Association's costs and expenses in maintaining and operating the Collector Main on a basis proportionate to the School District's use of the Collector Main. The amount of the School District's contribution to the operation and maintenance of the Collector Main shall be in proportion to the School District's usage of the relevant Private Utility based on the number of REU's of the School District's Private Utility usage for the preceding twelve (12) month period, or such short period of a twelve (12) month period is not available.

## Article VII Representations

**Section 1. Representation by the School District.** The School District represents, warrants, and covenants that:

(a) All necessary permissions, approvals, reviews, or any other forms of acquiescence necessary to authorize the School District to enter into this Agreement have been obtained and conducted.

(b) The School District shall use commercially reasonable efforts to provide all information within its control requested by the Association to the Association necessary to effectuate the purposes of this Agreement.

(c) The School District shall use its best efforts to take commercially reasonable actions to minimize any waste of the Private Utilities.

(d) The School District shall use its best efforts to take commercially reasonable actions to prevent any Unacceptable Waste from entering into the Sewer System.

(e) The School District shall cooperate with the Association with respect to the development and submission of applications for all local, state, and federal permits necessary for the operation of the Private Utilities.

**Section 1. Representation by the Association.** The Association represents, warrants, and covenants that:

(a) All necessary permissions, approvals, reviews, or any other forms of acquiescence necessary to authorize the Association to enter into this Agreement have been obtained and conducted.

(b) The Association shall use commercially reasonable efforts to provide all information within its control requested by the Association to the Association necessary to effectuate the purposes of this Agreement.

(c) The Association shall use Prudent Utility Practices to minimize the cost of the Private Utilities to the School District.

(d) The Association shall use Prudent Utility Practices to maintain and operate the Private Utilities.

**Article VIII**  
**Breach and Remedy**

**Section 1. Default Provisions.** With the exclusion of the collection of any costs, sums, or charges owed to the Association pursuant to this Agreement or where this Agreement expressly provides otherwise, in the event that either Party commits a material breach of this Agreement, 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 30 days to cure the breach. If

the Party in breach fails to cure the breach, the non-breaching Party may declare the Agreement in default and, subject to the Dispute Resolution process set forth in Section 2 below, pursue all available legal remedies.

**Section 2. Arbitration.** Any dispute, claim, or grievance arising out of or relating to the interpretation or application of this Agreement and any disputes, claims, or grievances arising among or between the Parties shall be submitted to arbitration; and the Parties shall accept the arbitrator's decision and award as final and binding. The arbitration rules of the American Arbitration Association, as amended and in effect from time to time, shall apply to all such arbitrations. Election by the School District or by the Association to submit any dispute, claim, or grievance to arbitration shall preclude that Party from litigating the dispute, claim, or grievance in the courts.

**Article IX**  
**Miscellaneous**

**Section 1. Notices** All notices required or permitted under this Agreement must be in writing, delivered to the respective Party at the following addresses via certified US Mail effective upon receipt.

If to the School District:

Rockford Public Schools  
Attn: Superintendent of Schools  
350 Main Street  
Rockford, Michigan 49341-1092

With copies to:

Rockford Public Schools  
Attn: Assistant Superintendent of Schools  
350 Main Street  
Rockford, Michigan 49341-1092

Thrun Law Firm, P.C.  
Attn: President  
2900 West Road, Suite 400  
East Lansing, Michigan 48823

If to the Association:

Brett Gorby  
President  
2887 E. Morgan Trail NE  
Rockford, MI 49341

With a copy to:

Bloom Sluggett, PC  
c/o President  
161 Ottawa Ave NW, Suite 400  
Grand Rapids, MI 49508

**Section 2. Assignment.** The Association may sell, transfer, or assign, the Private Utilities, or a portion thereof, or its ownership and operational responsibilities for the Private Utilities. The School District acknowledges and agrees that Algoma Township, or another governmental entity may undertake ownership and operational responsibility for the Private Utilities as permitted or required by law.

**Section 3. Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument

**Section 4. No Third Party Beneficiaries.** There are no third-party beneficiaries to this Agreement nor is it the intent of the Parties that any third-party beneficiary rights of any kind or nature shall accrue. Without limiting the foregoing, the Parties acknowledge and agree that only the School District Property is intended to be served by the Private Utilities as a result of this Agreement.

**Section 5. Entire Agreement.** This Agreement represents the entire understanding and agreement between the Parties. All prior understandings and agreements are specifically merged herein.

**Section 6. Captions.** The captions appearing under the terms of this Agreement are for convenience purposes only and do not in any way limit or amplify the terms or provisions of this Agreement; provided, however, that the recitals set forth above are intended to constitute an integral part of this Agreement.

**Section 7. Applicable Law.** The Agreement shall be construed and interpreted according to the laws of the State of Michigan.

**Section 8. Saving Clause.** If any term of this Agreement is found to be void, invalid, or unenforceable, the validity and enforceability of the remaining terms and provisions of this Agreement shall not be affected or impaired thereby and shall continue in full force and effect.

**Section 9. Interpretation.** The words “including,” “includes,” and “include” are to be read as if they were followed by the phrase “without limitation”.

***[SIGNATURES ON THE FOLLOWING PAGES]***

**Saddle Ridge Site Condominium  
Association**, a Michigan nonprofit corporation

By: Brett Gorby 07/23/2024

Its: President

**Rockford Public Schools**, a Michigan general  
power school district

By: A. Matt

Its: Superintendent

## EXHIBIT A

### School District Property

Parcel Number: 41-06-27-226-004

Property Address: 9605 EDGERTON AVE NE

#### Description:

410627226004 PART OF E 1/2 OF SEC 27 COM 591.70 FT N 89D 34M 42S W ALONG E&W 1/4 LINE FROM E 1/4 COR TH S 14D 16M 34S W ALONG SD WLY LINE OF EDGERTON AVE 163.45 FT TO NLY LINE OF SADDLE RIDGE DR TH N 75D 43M 26S W ALONG SD NLY LINE 121.29 FT TH NWLY 216.50 FT ALONG SD NLY LINE ON A 280.0 FT RAD CURVE TO RT /LONG CHORD BEARS N 53D 34M 22S W 211.15 FT/ TH N 31D 25M 18S W ALONG SD NLY LINE 481.54 FT TH NWLY 202.12 FT ALONG SD NLY LINE ON A 283.0 FT RAD CURVE TO LT /LONG CHORD BEARS N 51D 52M 56S W 197.85 FT/ TO W LINE OF E 1/2 NE 1/4 TH N 0D 44M 08S E ALONG SD W LINE 1432.31 FT TH S 89D 33M 17S E 531.77 FT TH S 0D 41M 10S W 585.0 FT TH N 89D 17M 50S W 65.0 FT TH N 0D 42M 10S E 20.0 FT TH S 83D 43M 31S W 256.70 FT TH SLY 81.56 FT ALONG A 35 FT RAD CURVE TO LT /LONG CHORD BEARS S 16D 58M 05S W 64.32 FT/ TH S 49D 47M 20S E 261.98 FT TH N 61D 18M 48S E 35.0 FT TH S 28D 41M 14S E 214.34 FT TH S 89D 33M 17S E 704.79 FT TO WLY LINE OF EDGERTON AVE TH SWLY 225.64 FT ALONG SD WLY LINE ON A 768.51 FT RAD CURVE TO RT /LONG CHORD BEARS S 28D 51M 54S W 224.83 FT/ TH S 37D 16M 34S W ALONG SD WLY LINE 334.17 FT TH SWLY ALONG SD WLY LINE 348.64 FT ON 868.51 FT RAD CURVE TO LT /LONG CHORD BEARS S 25D 46M 34S W 346.31 FT/ TH S 14D 16M 34S W ALONG SD WLY LINE 189.62 FT TO BEG \* SEC 27 T9N R11W 29.40 A. SPLIT ON 02/28/2007 FROM 41-06-27-226-003;

# EXHIBIT B

## Water System and Sewer System Connection Points

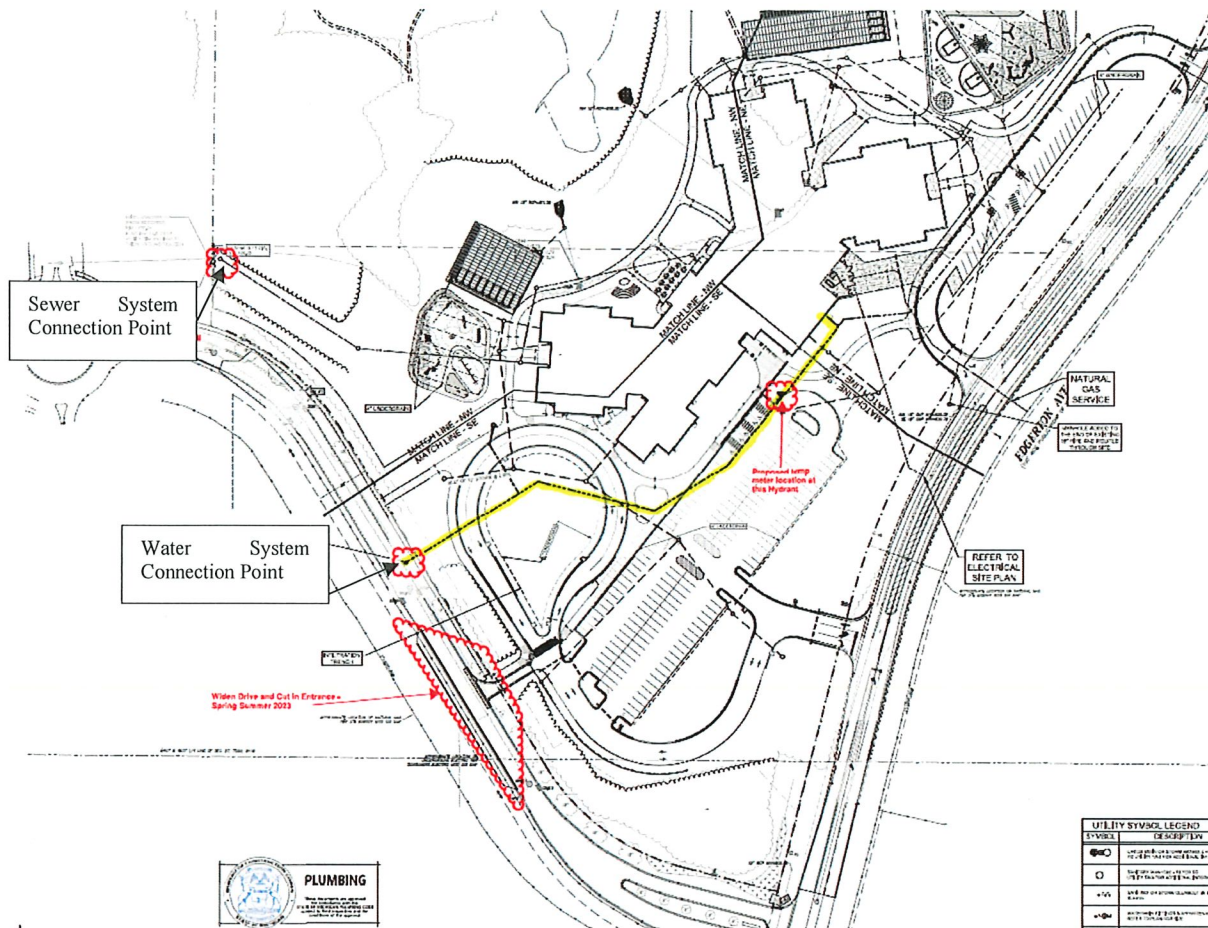




EXHIBIT C

Collector Main

