

MEMORANDUM OF UNDERSTANDING

THIS MEMORANDUM OF UNDERSTANDING ("**Memorandum**") is entered into this June 27, 2024 (the "**Effective Date**") by and between SADDLE RIDGE SITE CONDOMINIUM ASSOCIATION, a Michigan non-profit corporation, whose address is 1188 E. Paris Avenue, Suite 100, Grand Rapids, Michigan 49546 (the "**Association**") and WEST MICHIGAN DEVELOPMENT COMPANY, a Michigan Corporation, whose address is 1188 East Paris Avenue, Grand Rapids, Michigan 49546 ("**West Michigan Development**"; the Association and West Michigan Development are referred to herein as the "**Parties**").

A. The Association owns and operates a private wastewater collection and treatment facility (the "**Sewer System**") and a private water system including wells, treatment system and distribution system (the "**Water System**") that serves the co-owners of the Saddle Ridge Site Condominium project.

B. West Michigan Development is the successor developer of the Saddle Ridge Site Condominium project and currently serves as the management agent of the Association. The transitional control date for the Saddle Ridge Site Condominium occurred in 2016.

C. The Association and West Michigan Development have negotiated a certain proposed Wastewater Transport Agreement (the "**North Kent Agreement**") along with the Charter Township of Plainfield (the "**Township**"), a Michigan charter township, and Rockford Public Schools, a Michigan general powers school district, (the "**District**"), a copy of the North Kent Agreement is attached hereto as Exhibit A.

D. The North Kent Agreement governs the transfer of title to the Township of the collection portion of the Sewer System, the retirement of the treatment component of the Sewer System, the connection of the Sewer System to the Township's public wastewater treatment system, and related matters (the "**Project**").

E. The North Kent Agreement requires the Township to design, bid, and construct certain wastewater facilities, including a sanitary sewer lift station and force main, in order to proceed with the Project.

F. The North Kent Agreement requires that the Association, its co-owners, West Michigan Development, and the District reimburse the Township for all construction and engineering costs associated with the Project.

G. The North Kent Agreement requires the District and homeowners within Saddle Ridge to pay a connection fee to the Township composed of the prevailing sewer availability fee, sewer connection fee, and sewer trunkage fee (the "**Connection Fee**").

H. Section 5C of the North Kent Agreement permits any party to the North Kent Agreement to terminate the North Kent Agreement after receipt of the plans, specifications, and estimated costs prior to the construction of the aforementioned facilities and the connection to the Township's public sanitary sewer (the "**Termination Clause**").

I. The Parties wish to enter into this Memorandum concurrent with the North Kent Agreement to outline certain rights and responsibilities of the Parties with respect to the North Kent Agreement and the Termination Clause. The Parties are entering into the North Kent

Agreement in reliance upon the mutual obligations, covenants, and promises of this Memorandum.

THEREFORE, IT IS AGREED AS FOLLOWS.

1. West Michigan Development Covered Costs.

- a. The Parties agree to allocate and pay the costs and fees associated with the Project, the past and future operational deficiencies of the Sewer System and Water System as detailed in Exhibit B. As provided in Exhibit B, West Michigan Development will cover future operational deficiencies incurred with respect to the day-to-day operating (and not improvement) of the Sewer System and Water System (beyond the quarterly water and sewer utility assessments billed in arrears by the Association and any operational funds paid by the District) until midnight on August 31, 2024 (the "**Turnover Date**"). These deficiencies shall be paid directly by West Michigan Development into the utility fund. Any cost associated with the repair, upgrade, or replacement of parts of the Water System shall be paid by the Association directly and not from the utility fund.
- b. Following the Turnover Date, the Association shall be responsible for all operations and shall pay any operational shortfalls. The Association shall bill and collect the water and sewer utility assessments for the quarter ending September 30, 2024. The Association shall promptly pay West Michigan Development for the months of July and August 2/3 of the total billing for the third quarter of 2024 (July through September). These assessments shall be billed at not less than the rates billed for the second quarter of 2024. The payment to West Michigan Development shall also include any amounts paid by or due from the District for operations for the month of August. This shall be paid by October 31, 2024.
- c. Aside from these obligations with respect to the Sewer System, West Michigan Development has no obligations whatsoever to fund the operation, repair, capital improvements, replacement reserves or construction of the Water System or other common elements and the Association shall timely provide funds to meet those obligations.
- d. West Michigan Development has provided cash contributions to the Association for ultimate payment to the Township to cover the Project engineering costs under the North Kent Agreement which as of May 5, 2024, totaled \$183,247, as shown on the attached Exhibit C. The Association shall reimburse or cause the Township and/or District to reimburse those funds to West Michigan Development no later than the date the connection to the North Kent public sanitary sewer system occurs and the forcemain becomes operational (the "**Startup Date**").
- e. West Michigan Development shall release and discharge the Association from any debts or charges associated with the Sewer System and Water System, except where otherwise expressly provided by this Memorandum. The Association, for itself and its co-owners, releases West Michigan Development and its affiliates (including, without limitation, Eastbrook Homes, Inc., Eastbrook Development Company, and Saddle Ridge Development LLC), as developer, managing agent and/or builder, from any additional liability related to the construction, operation, or maintenance of the common elements, Sewer System and Water System, including, without limitation, any liability for funding any additional replacement reserves, and agrees to indemnify, hold harmless and defend West Michigan Development from any liabilities, including, without

limitation, reasonable attorneys' fees, arising under the North Kent Agreement, subject, however, to Section 8 below.

2. Wastewater Plant Decommissioning. After the Startup Date, West Michigan Development shall oversee and pay the engineering, permitting, and construction costs associated with the retirement of the wastewater treatment plant of the Sewer System, including removal or burying of the tanks, necessary to retire the Sewer System in compliance with the North Kent Agreement and all other applicable law. The site of the wastewater treatment plant shall be left in backfilled and level condition, with the building intact in its then "AS IS" condition. West Michigan Development may retain any proceeds from the sale of existing equipment and materials associated with the wastewater treatment plant.
3. Agreement on Project Costs. The Association is negotiating an agreement with the District regarding the allocation and payment of a share of the construction and other costs associated with the Project by the District. Preliminary discussions indicate said agreement may entail the Association paying 66.67% of the Project costs and the District paying 33.33% of the costs.
4. Association Refund to West Michigan Development for District Connection. The Association and the District have negotiated a separate connection agreement to connect the District's elementary school to the Water System in consideration for a payment by the District. \$120,000 of such payment shall be remitted to West Michigan Development within 15 days of receipt from the District. The Association shall be entitled to retain the balance of any connection fee paid by the District.
5. Administrative Consent Order. The Parties are currently subject to a 2019 administrative consent order with the Statement of Michigan Department of Environment, Great Lakes, and Energy (the "**Consent Order**") related to the Sewer System. The Parties shall continue to comply with the terms and conditions of the Consent Order and work diligently to have the Consent Order terminated in compliance with applicable law. West Michigan Development will be responsible for the costs, fines, and fees, including, without limitation, reasonable attorneys' fees associated with the Consent Order until the Turnover Date. Commencing on the Turnover Date, the Association shall be responsible for and indemnify and hold harmless West Michigan Development from all costs, fines, and fees, including, without limitation reasonable attorneys' fees, associated with the Consent Order, except to the extent such costs, fines, and fees are the result of the negligent, or more culpable, acts or omissions of West Michigan Development, or its affiliates, in which case the Association will have no obligation to indemnify, defend, or hold harmless and West Michigan will be responsible for such costs.
6. Approval of Plans, Specifications and Costs. The Parties acknowledge that the plans, specifications, and the gross amount of the estimated costs of the Project provided pursuant to Section 5C of the North Kent Agreement are acceptable to them. A copy of the acceptable costs is attached hereto as Exhibit D.
7. Connection Fees and Construction Costs. The Association has negotiated with the Township an acceptable agreement to permit the co-owners of the Association to pay the Connection Fee and the construction costs under the North Kent Agreement and

the operational deficiencies for the Sewer System incurred from the Turnover Date to the Startup Date in annual installments for a period no less than 10 years.

8. Omitted.
9. Letters of Credit. The Parties acknowledge that the letter of credit provided by West Michigan Development with respect to the Sewer System has expired and West Michigan Development has no obligation to renew it or provide replacement funds for it. The Association shall cooperate with West Michigan Development to cause the release to West Michigan Development of the letter of credit OSB.0081008 in the sum of \$28,100 posted by West Michigan Development with the Michigan Department of Environment, Great Lakes and Energy with respect to the Water System and substitution of a new letter of credit or other satisfactory security posted at the expense and for the account of the Association on or before November 20, 2024, the date the existing letter of credit must be extended or replaced. West Michigan Development shall bear the costs of maintaining the existing letter of credit until such date, but in the event such letter of credit is drawn upon, the Association shall promptly reimburse West Michigan Development for the amount and cost of such draw.
10. Litigation with Infrastructure Alternatives, Inc. The Association shall cooperate with West Michigan Development to file suit against Infrastructure Alternatives, Inc. ("IAI") to recover losses incurred by the Association and funded by West Michigan Development resulting from IAI's negligence and/or breach of contract in connection with IAI's goods and services provided in the operation of the Sewer System, including, without limitation, all funds escrowed by West Michigan Development for release of the construction lien on the Saddle Ridge Site Condominium claimed by IAI. West Michigan Development shall pay all attorneys' fees incurred by it to pursue such litigation. If West Michigan Development pursues such litigation, any recovery from IAI, after return of the escrowed funds and accrued interest, shall be applied first to reimburse West Michigan Development's attorneys' fees incurred in the litigation, and then any balance recovered will be paid 100% to West Michigan Development and 0% to the Association. West Michigan Development shall keep the Association reasonably apprised of the status of any litigation, and indemnify, defend, and hold harmless the Association from all claims, loss, costs, fines, and fees associated with or arising from any litigation between West Michigan Development and IAI, or any agreement under which IAI provided goods or services to the Association.
11. Termination of Role as Manager. Effective at midnight on July 31, 2024, as to Association general (non-Sewer System and Water System) operations and the Turnover Date as to Sewer System and Water System operations, the role of West Michigan Development as management agent of the Association shall terminate and West Michigan Development shall no longer oversee the general operations and common areas of the condominium, or the operation of the Sewer System or the Water System. The Association's obligation to pay any management or similar fees terminates on July 31, 2024. If this Memorandum terminates pursuant to Section 8 above, then West Michigan Development may by written notice to the Association given within 15 days following such termination, elect to terminate its role as the management agent of the Association and its responsibility as the Association's management agent for the general operations and common areas of the condominium, and the operation of the Sewer System and the Water System, in which event the Association shall be solely responsible for managing and funding all its

operations, including, without limitation, the operation of the Sewer System and the Water System.

12. Participation in Meetings. West Michigan Development shall utilize reasonable best efforts to ensure that a member of the Association Board be present for any meetings between West Michigan Development and the District or the Township.

[Signatures follow on the succeeding page.]

Exhibit A

The Wastewater Transportation Agreement

WASTEWATER TRANSPORT AGREEMENT

THIS WASTEWATER TRANSPORT AGREEMENT ("Agreement") is entered in to this _____, 2023 ("Effective Date"), by and between the **SADDLE RIDGE SITE CONDOMINIUM ASSOCIATION**, a Michigan non-profit corporation, whose address is whose address is 1188 E. Paris Ave. Suite 100, Grand Rapids, MI 49546 ("Association"), **WEST MICHIGAN DEVELOPMENT COMPANY**, a Michigan Corporation, whose address is 1188 East Paris Avenue, Grand Rapids, Michigan 49546 ("West Michigan Development"), the **ROCKFORD PUBLIC SCHOOLS**, a Michigan general powers school district, whose address is 350 Main Street, Rockford, Michigan 49341 ("School District"), and the **CHARTER TOWNSHIP OF PLAINFIELD, MICHIGAN**, a Michigan charter township ("Township"), whose address is 6161 Belmont Avenue, Belmont, MI 49308.

RECITALS

A. The Township owns a public wastewater collection system and transport facility ("Township System") which is operated by and whose waste is treated by the North Kent Sewer Authority, pursuant to a contract with the Township and subject to, a State of Michigan wastewater discharge permit ("NKSA").

B. The Association owns and operates a private wastewater collection and treatment system ("Saddle Ridge System"), which has a Service Area as shown on **Exhibit A**;

C. The School District is constructing an elementary school in the Saddle Ridge subdivision and Association acknowledges that the School District has the right to and will connect and use the Saddle Ridge System for wastewater collection and treatment from the elementary school;

D. The Saddle Ridge Development is located in the neighboring township of Algoma.

E. Algoma Township does not operate either a wastewater collection/transport/treatment system and is not currently a member of the NKSA, although it has a wastewater collection and treatment agreement with the Township over a portion of Algoma Township, but currently not including the Saddle Ridge development or the School District.

F. Due to the increasing complexities of operating a private wastewater collection and treatment system and the proximity to the Township's System, the Association, West Michigan Development and the School District would like to transfer ownership and operation of the Saddle Ridge System's collection system, only, to the Township pursuant to the conditions of this Agreement.

G. To facilitate its ability to connect to and utilize the Township System, the Township will need to design and construct a Force Main, Sewage Lift Station and Flow Meter and related appurtenances as further detailed in **Section 5** below (the "Project"). The Project components are described in **Exhibit B**. The route and course of the Project is set forth in **Exhibit C**.

Exhibit A (continued)

H. The Michigan Constitution of 1963, Article 7, § 28, the Urban Cooperation Act of 1967, as amended, being MCL 124.501, et. seq. ("Act 7"), and Section 11a of the Revised School Code, 1976 PA 451, as amended (MCL 380.11a), authorizes political subdivisions to exercise jointly with any other political subdivision any power, privilege or authority which such political subdivisions share in common with which each might exercise separately.

I. Pursuant to resolutions adopted by their respective governing bodies, the Parties each have been authorized to execute this Agreement for the Services according to the terms and conditions of this Agreement.

NOW THEREFORE, in consideration of the mutual promises, representations, warranties and agreements set forth in this Agreement, the Parties hereby agree as follows:

AGREEMENT

1. **Conditions Precedent.** The following conditions must occur before this Agreement binds the parties, except to the extent provided herein:

A. NKSA must approve the expansion of the Township's sewer district to include the Saddle Ridge Development and the adjoining Rockford Public School elementary school, which together constitute the Service Area.

B. Algoma Township must approve the expansion of its sewer district with the Township to include the Saddle Ridge Development and the Rockford Public School project.

C. All easements for the force main constructed herein must be obtained by the Township, including but not limited to receipt of a Permit for installation of a pipe located underneath the U.S. 131 freeway.

D. The State of Michigan's Environment, Great Lakes and Energy ("EGLE") must approve the Project and issue all necessary construction permits;

E. If any one of the approval conditions listed in Section 1A-D are denied, the Association and West Michigan Development agrees to reimburse all of the Township's out of pocket legal and engineering costs attributable to the Project and, thereafter, this Agreement shall become null and void.

2. **Statement of the Authority and Purpose.** Pursuant to Act 7, the Revised School Code, and any other applicable laws of the State of Michigan, the Township and the School District and the Association and West Michigan Development enter into this Agreement to establish terms and conditions for the Township to provide Services set forth in Section 4. The Township shall provide the Services, and in exchange, the School District, West Michigan Development and/or the Association shall pay the fees and charges as set forth in Section 4 of this Agreement. In addition, the Township will construct the Project, as defined in Section 5.

Exhibit A (continued)

3. **The Saddle Ridge System and Township Service Area, Overview.** The Service Area is shown on Exhibit A. The Project components are listed on Exhibit B. The route and course of the Project is shown on Exhibit C.

A. Following the completion of the Project (as set forth in Section 4), West Michigan Development and the Association shall transfer lien free to the Township and the Township shall accept title to and ownership of the Saddle Ridge wastewater collection and transport system only, including the lift station to be built as part of the Project.

Following the completion of the Project, the Association and/or West Michigan Development at their sole expenses shall close and remove all other portions of the Saddle Ridge System, including but not limited to the treatment plant, all of its equipment, piping and other appurtenances.

B. The Township will only provide Services within the Service Area to users within the Service Area consistent with the terms of this Agreement.

4. **Wastewater Collection and Transport Services (the "Services").**

A. Service. The Township agrees to provide to the School District and Association wastewater collection, transport and treatment through NKSA, of all waste flows generated within the Service Area in accordance with the terms of this Agreement.

B. Metering. The Township is responsible for installation and maintenance of flow meters or a residential equivalent unit ("REU") system for the School District and each residence in the Association or any other user in the Service Area.

C. Permits. Except as otherwise provided in this Agreement, each Party is responsible for the procurement of any and all permits, warranties, easements, licenses, and other similar approvals and consents necessary to operate and maintain that Party's respective activities herein

D. Compliance with State and Federal Law and Regulations. The Township and/or NKSA will establish, provide and implement system operation and maintenance related programs, studies, reports, testing, sampling, inspections and surveys in accordance with County, State, and Federal mandates and directives upon completion of the Project.

E. Wastewater Treatment. The Township agrees to accept wastewater flow from the Service Area, as limited by this Agreement and to obtain treatment of that wastewater flow from the NKSA and to bill each homeowner in the Association and the School District based on either metered flow or an REU system. The Services shall be provided to the School District and homeowners in the Association on the same terms as they are provided to other users within the Township except where expressly identified herein.

F. Ordinance Compliance. School District and Association Agree to comply with the requirements of the Township's sewer ordinance.

Exhibit A (continued)

5. **Sewer Facilities: Approval, Construction, Maintenance, Permitting, and Operation.**

A. Project. Following the Effective Date of this Agreement, and except as provided herein, the Township will proceed to engineer, design and construct the following wastewater facilities (as described in Exhibit B, incorporated herein):

- i. A Lift Station located in the Saddle Ridge Development;
- ii. A sanitary sewage Force Main between the Saddle Ridge Sewer Service Area and the Township's existing mains as described above at Section 3.

B. Project Ownership and Payment.

- i. Following construction/installation the Township shall obtain title to the collection and transport system only of the Saddle Ridge System and retain title to the Force Main, and the Lift Station to be located within the Saddle Ridge Sewer Service Area.
- ii. The costs provided for in Section 5.A shall be paid by the Association, the School District and West Michigan Development within thirty (30) days of the Township's billing of invoices for work completed during the Project.
- iii. The Township will bill the individual Saddle Ridge homeowners and School District the System connection fees sixty (60) days before the expected turnover of the Saddle Ridge Sewer System;
- iv. Thereafter, bill the individual Saddle Ridge homeowners and the School District according to the monthly operating charges the Township charges current users of the Township System.
- v. In the event that the former transport and collection system being turned over to the Township, which excludes the proposed Lift Station and Force Main, needs a major repair (defined for this paragraph as a single project of more than \$10,000) within twenty-five (25) years of the turnover date, the Saddle Ridge homeowner and School District shall be billed a proportionate share of the repair on their water and sewer bills.

C. Plans. Following the Effective Date of this Agreement, the Township shall instruct and direct its engineer to prepare plans and specifications for the Project along with an estimated cost for the Project. The plans and specifications shall be designed to comply with all applicable laws and requirements. Upon completion of the plans and specifications, copies of such plans shall be submitted to West Michigan Development, the Association and the School District for their review and approval.

D. Construction. The Township will proceed to bid out and award the Project. The Township or its agents shall be responsible to oversee the construction of the Project and shall be responsible to pay for the Project, subject to reimbursement as stated above in Section 5.B(ii).

Exhibit A (continued)

E. Obligation to Construct and Standard of Construction. The Township will diligently complete (directly and through its contractors) all work comprising the Project skillfully, in a good and reasonable manner, in compliance with all applicable codes and laws, and in conformance with the approved plans and specifications.

F. Construction Permits, Approvals. Prior to initiating any work on the Project, the Township shall obtain and/or have in place all permits and regulatory, governmental, or other approvals required to complete the Project and must obtain, have in place, or (such as, for contractors who must have certain insurance coverage) confirmed that the responsible party has obtained or has in place all insurance policies and coverages required under this Agreement.

G. ROW Safety. The Township and its contractors will comply with all directions of the Michigan Department of Transportation and Kent County Road Commission in working within the rights of way as part of the Project. The Township and its contractors will comply with all applicable laws, safety regulations, and guidance, and will provide adequate marking and signage to prevent the interaction of all traffic (vehicular, pedestrian, and otherwise) with the work comprising the Project, and potentially unsafe conditions (e.g., an open trench, equipment, etc.).

H. Contractors Insurance - Project.

- i. Coverage. The Township will require its contractors performing any work related to the Project to have in place and maintain the following minimum insurance coverages:

Workman's Compensation: Statutory Coverage

Bodily Injury and Property Damage Other Than Automobile:

Each Occurrence \$2,000,000

Aggregate \$3,000,000

Bodily Injury Liability and Property Damage Liability Automobile:

Bodily Injury Liability \$500,000 Each Person

Each Occurrence \$2,000,000

Property Damage Liability \$2,000,000 Each Occurrence

Combined Single Limit for Bodily Injury and Property Damage Liability

Each Occurrence \$2,000,000

- ii. Documentation. The Township will require evidence of all such insurance (e.g., certificates) from all proposed contractors with their bids. All coverages must be in place and satisfactory documentation evidencing the same must be in the possession of the Township prior to the Township entering into any contract with a contractor and prior to such contractor entering upon the public rights of way for any reason. Copies of all such documentation as set forth herein shall be provided to any party upon request. All contracts must include a provision stating that failure of that

Exhibit A (continued)

contractor to submit the required documentation upon demand, or failure to keep insurance current, will result in termination of the applicable contract.

I. Maintenance. The Township, through its NKSA contract, will be responsible for operating and maintaining the new Force Main and lift station and the existing Saddle Ridge wastewater transport system after it is conveyed to the Township consistent with Section 3.A.

J. Liability and Claims. Each Party is responsible for any and all damages and claims, including administrative sanctions, penalties, and/or claims for damages to persons or property associated with any action or inactions related to that Party's respective responsibilities under this Agreement. If it appears that both Parties may be responsible, the Parties shall endeavor to allocate responsibility between the Parties and present a common defense. No Party shall have a right of indemnification against the other Party. It is understood that the operations of the Township System is a governmental function. Each Party retains all rights, privileges and immunities as provided by law, and nothing in this Agreement shall be deemed a waiver of governmental immunity as provided by law.

K. Indemnification. Notwithstanding the Township's obligations in Section 5.J, all parties recognize that the Township is undertaking this Project for the benefit of the School District, West Michigan Development and the Association. As a result, for twenty-five (25) years following the Effective Date West Michigan Development, the School District and the Association agree to defend and indemnify the Township from any claim or liability associated with the operation of the Saddle Ridge System prior to the completion of the Project, as well as any future liability associated with the operation of the Saddle Ridge System or the closure and removal of the Saddle Ridge System's treatment and holding tank systems, all equipment and any appurtenances.

6. Term and Amendment. This Agreement shall be effective as of the Effective Date and shall continue until the Project is complete, except that all the provisions in Section 5.J and 5.K will survive the termination of this Agreement.

7. **Notices.**

A. Notice under this Agreement must be in writing.

B. Notice is effective upon receipt.

C. Notice must be delivered to the respective party at the following addresses via certified US Mail or personal delivery.

If to the Township:

Exhibit A (continued)

If to the School District:

Rockford Public Schools
Attn: Assistant Superintendent, Finance
350 Main Street
Rockford, Michigan 49341
mcunco@rockfordschools.org
(As of 10/1/2023 Michael Cunco is the Assistant Superintendent,
Finance)

With a copy to:

Rockford Public Schools
Attn: Superintendent of Schools
350 Main Street
Rockford, Michigan 49341
smatthews@rockfordschools.org
(As of 10/1/2023 Dr. Steven Matthews is the Superintendent of
Schools)

If to the Association:

Mr. Brett Gorby
President

_____, Michigan _____
brettgorby@hotmail.com

If to West Michigan Development Company:

Mr. Michael A. McGraw
CEO
1188 E. Paris Ave. Suite 100
Grand Rapids, Michigan 49546
mcgraw@eastbrookhomes.com

8. **Default Provisions.** Except in the event of an emergency, 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 9 below, pursue all available legal remedies, including termination of this Agreement for cause.

9. **Dispute Resolution.** Except as provided herein, any and all claims alleging breach of contract shall be submitted to binding arbitration pursuant to the rules of the American Arbitration Association ("AAA"), with either all parties agreeing to an arbitrator or AAA assigning a qualified arbitrator. Pursuant to the court rules of Michigan, any decision of the arbitrator can be entered as a judgment in a state court of competent jurisdiction.

Exhibit A (continued)

10. **Assignment.** This Agreement is assignable only upon the mutual written and signed consent of all of the Parties.
11. **Execution.** 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
12. **No Joint Venture or Third-Party Beneficiaries.** No joint venture is created by this Agreement or the tasks provided for herein and 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 hereunder. Without limiting the foregoing, the parties acknowledge and agree that only the Saddle Ridge Sewer System Service Area is intended to be served as a result of this Agreement.
13. **Affirmation.** The signatories affirm that they are able to bind their respective parties.
14. **Entire Agreement.** This Agreement represents the entire understanding and agreement between the parties. All prior understandings and agreements are specifically merged herein. Any amendment must be in a like writing, formally approved by all parties.
15. **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.
16. **Applicable Law.** The Agreement shall be construed and interpreted according to the laws of the State of Michigan.
17. **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.
18. **Other Agreements.** Except as provided in this Agreement, all other contracts between the parties hereto shall not be modified and shall remain in full force and effect.

[SIGNATURES AND ACKNOWLEDGMENTS ON THE FOLLOWING PAGES]

Exhibit A (continued)

**THE CHARTER TOWNSHIP OF
PLAINFIELD, a Michigan charter
township**

By: _____

Tom Coleman

Its: Supervisor

By: _____

Cathleen Postmus

Its: Clerk

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

Acknowledged before me in Kent County, _____, on _____, 2023, by Tom Coleman and Cathleen Postmus, the Supervisor and Clerk of the Charter Township of Plainfield, a Michigan charter township, to me known to be the same persons who executed the within instrument on behalf of the Charter Township of Plainfield, a Michigan charter township, and who acknowledge the same to be the free act and deed of the Charter Township of Plainfield, a Michigan charter township.

*
Notary Public, _____ County, _____
Acting in _____ County
My commission expires: _____

Exhibit A (continued)

**ROCKFORD PUBLIC SCHOOLS,
a Michigan general power school district**

By: _____
Steven Matthews
Its: Superintendent of Schools

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

On _____, 2023, before me personally appeared Steven Matthews, the Superintendent of Schools of Rockford Public Schools, a Michigan general powers school district, to me known to be the same person who executed the within instrument on behalf of the Rockford Public Schools, a Michigan general powers school district, and who acknowledged the same to be the free act and deed of Rockford Public Schools, a Michigan general powers school district.

*
Notary Public, _____ County, _____
Acting in _____ County
My commission expires: _____

Exhibit A (continued)

**WEST MICHIGAN DEVELOPMENT,
a Michigan corporation**

By: _____

Its: _____

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

On _____, 2023, before me personally appeared _____, the _____ of West Michigan Development, a Michigan corporation, to me known to be the same person who executed the within instrument on behalf of West Michigan Development, a Michigan corporation, and who acknowledged the same to be the free act and deed of West Michigan Development, a Michigan corporation.

*
Notary Public, _____ County, _____
Acting in _____ County
My commission expires: _____

Exhibit A (continued)

**SADDLE RIDGE HOMEOWNERS'
ASSOCIATION, a Michigan nonprofit
corporation**

By: _____

Its: President

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

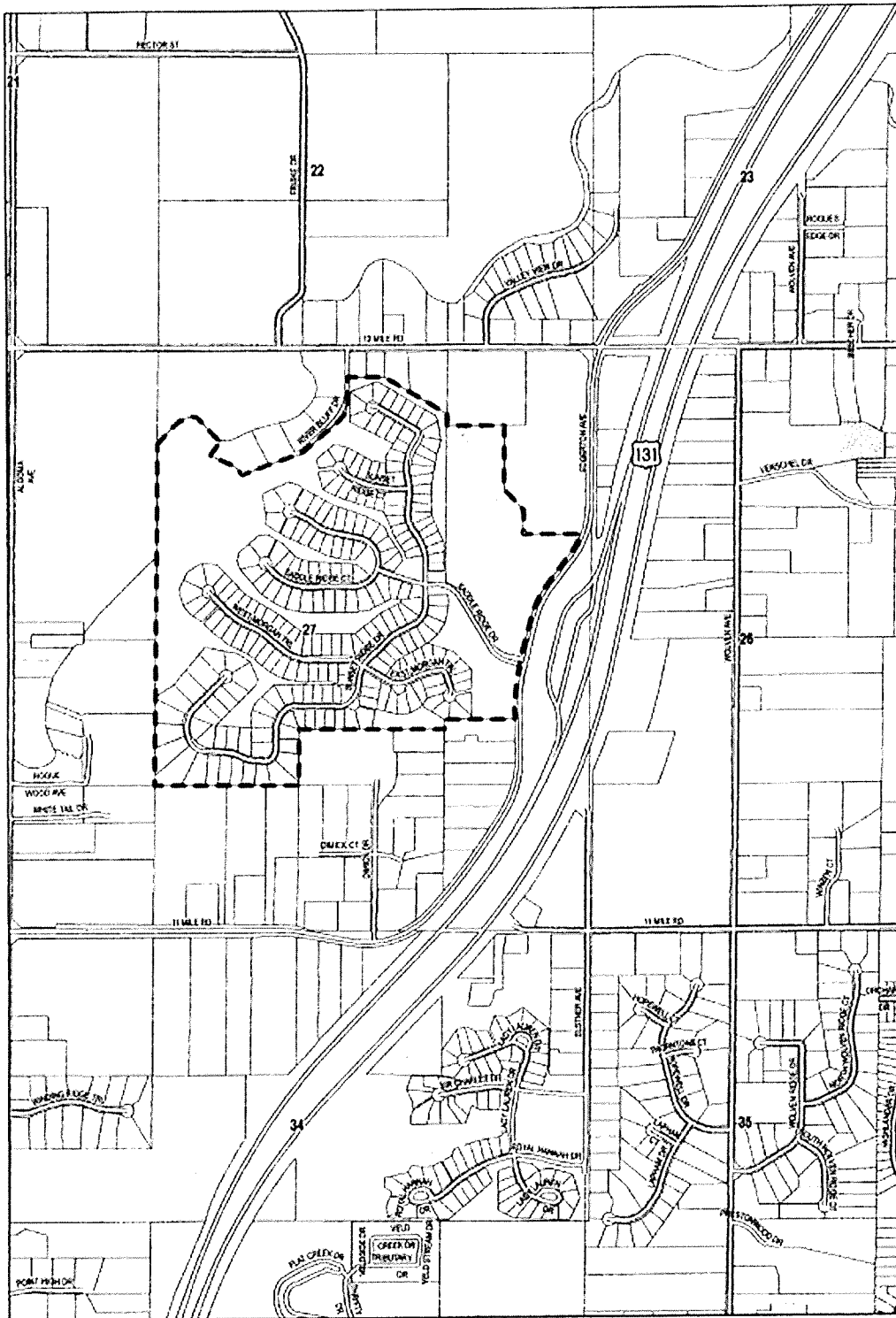
On _____, 2023, before me personally appeared _____,
President of the Saddle Ridge Homeowners' Association, a Michigan nonprofit corporation, to me
known to be the same person who executed the within instrument on behalf of the Saddle Ridge
Homeowner's Association, a Michigan nonprofit corporation, and who acknowledged the same to
be the free act and deed of the Saddle Ridge Homeowners' Association, a Michigan nonprofit
corporation.

*
Notary Public, _____ County, _____
Acting in _____ County
My commission expires: _____

Exhibit A (continued)

EXHIBIT A
Saddle Ridge Sewer Service Area

Exhibit A (continued)



LEGEND
[Dashed line symbol] Saddle Ridge Sewer Service Area

SADDLE RIDGE SEWER SERVICE AREA
EXHIBIT A
SEPTEMBER 7, 2020
Drein&Schubel

Exhibit A (continued)

EXHIBIT B

The Project Components to be Constructed (the "Project")

The following is a list of the components of the project to be constructed:

Exhibit A (continued)

EXHIBIT C

Route and Course of Project

Exhibit A (continued)



SCALE: 1" = 1,000'

LEGEND
 - - - - Proposed Force Main Route
 ——— Existing Sanitary Sewer

**INFRASTRUCTURE, PROJECT LOCATION,
 AND ROUTE & COURSE**
 EXHIBIT C
 SEPTEMBER 2, 2010
 Preis & Newhof

Exhibit B

Agreed Allocation of Estimated Construction Costs and Sewer System Operating Cost
Deficiencies

EXHIBIT B

WEST MICHIGAN
DEVELOPMENT CO

WEST MICHIGAN DEVELOPMENT COMPANY

Past Sewer and Water Utility Operational Deficiencies & Plant Expansion and Repairs (covered by West MI Dev Co) - (Start up - 3/31/23)

Funding by West Michigan Development Company for Past Operational Deficiencies (Estimated startup thru 3/31/2023) 3,826,160

Sewer and Water Operational Deficiencies (covered by West MI Dev Co) -(4/1/2023 thru 12/31/2023)

Funding by West Michigan Development Company for Past Operational Deficiencies (Estimated 4/1/2023 thru 12/31/2023) 1,736,222

WEST MICHIGAN DEVELOPMENT COMPANY

Sewer and Water Operational Deficiencies Anticipated Until Plainfield Wastewater Hookup (January 1, 2024 thru Aug 31 2024)

Responsible for Net Oper. Deficiencies from January 1, 2024 thru August 31, 2024 (Estimated 1/1/2024 thru 8/31/2024) 1,518,662

Wastewater Plant Decommissioning

West Michigan to pay for removal/disposal of wastewater equipment. Building and tanks will not be removed (Estimate) 100,000

7,181,044

SADDLE RIDGE HOMEOWNERS ASSOCIATION

Responsible for Operational Deficiencies- September 1, 2024 thru Plainfield system startup October 18, 2024

Unkown

Plainfield Forcemain/Liftstation Engineering and Construction

Negotiated by HOA and the
District with Plainfield
Township

Plainfield Connection Fees

Negotiated by HOA and the
District with Plainfield
Township

Exhibit C

Construction Costs Advanced by West Michigan Development under North Kent Agreement
EXHIBIT C

Saddle Ridge Forcemain and Lift Station - Engineering (Funded by West Michigan Development Company and to be reimbursed by Plainfield Township to West Michigan Development Company)

| <u>Date</u> | <u>Payment Account</u> | <u>Check #</u> | <u>Name</u> | <u>Memo</u> | <u>Paid Amount</u> |
|-------------|------------------------|----------------|---------------------|-------------------------------|--------------------|
| 06/21/2023 | Saddle Ridge Util Ck | 1999 | Plainfield Township | Escrow-NKSA Forcemain Project | 10,000.00 |
| 09/14/2023 | Saddle Ridge Util Ck | 2039 | Plainfield Township | Escrow Inv 00016940 | 11,175.15 |
| 11/07/2023 | Saddle Ridge Util Ck | 2062 | Plainfield Township | Escrow Inv 00016976 | 11,861.50 |
| 11/13/2023 | Saddle Ridge Util Ck | 2066 | Plainfield Township | Escrow Inv 00016995 | 7,982.75 |
| 12/15/2023 | Saddle Ridge Util Ck | 2079 | Plainfield Township | Escrow Inv 00017019 | 10,220.01 |
| 12/28/2023 | Saddle Ridge Util Ck | 2083 | Plainfield Township | Escrow Inv 00017044 | 442.50 |
| 01/29/2024 | Saddle Ridge Util Ck | 2092 | Plainfield Township | Escrow Inv 00017069 | 14,036.50 |
| 02/15/2024 | Saddle Ridge Util Ck | 2102 | Plainfield Township | Escrow Inv 00017086 | 45,199.05 |
| 03/21/2024 | Saddle Ridge Util Ck | 2110 | Plainfield Township | Escrow Inv 00017124 | 31,992.80 |
| 05/02/2024 | Saddle Ridge Util Ck | 2121 | Plainfield Township | Escrow Inv 00017152 | 40,337.15 |
| | | | | | 183,247.41 |

Exhibit D

Acceptable Construction Costs

Exhibit D

Estimated based upon last information available to West Michigan Development Company.
HOA and the District have separately negotiated over the last 60 days with Plainfield Township and have more current estimates

| | |
|--------------------------|---------------------|
| Construction | \$ 2,950,000 |
| Design Engineering | \$ 166,100 |
| Construction Engineering | \$ 145,200 |
| | <u>\$ 3,261,300</u> |