

AGREEMENT

GULL LAKE SEWER AND WATER AUTHORITY

VILLAGE OF RICHLAND

(YORKTOWN SANITARY SEWER EXTENSION)

This Agreement entered into this 12<sup>th</sup> day of Sept., 1994, between the Gull Lake Sewer and Water Authority (hereinafter, AUTHORITY) and the Village of Richland, Richland Township, Kalamazoo County, Michigan (hereinafter, VILLAGE).

WHEREAS, VILLAGE and AUTHORITY, by Agreement dated July 8, 1991, entered into a contract whereby AUTHORITY agreed to cause public sanitary sewers and appurtenances to be constructed within VILLAGE as part of AUTHORITY's system, and to operate and maintain same; and VILLAGE agreed to pay to AUTHORITY special assessments levied by VILLAGE upon property therein to defray costs of same and to adopt and enforce ordinances pertaining to use of said facilities, all as more fully set forth therein; and

WHEREAS, said Agreement included provisions for construction of extensions to AUTHORITY's public sanitary sewers in VILLAGE; and

WHEREAS, VILLAGE and AUTHORITY proceeded to cause plans and estimates of costs of an extension to public sanitary sewers to be prepared for a project (commonly known as the Yorktown Project) and VILLAGE has specially assessed benefited property for part of the costs of same, and AUTHORITY proceeded to cause said project to be constructed;

NOW, THEREFORE, IT IS AGREED:

1. In accordance with the Agreement dated July 8, 1991, VILLAGE agrees to bill and collect all special assessments levied by VILLAGE upon property within Yorktown Special Assessment District No. 1 and to forward all sums collected, including interest on unpaid balances at 7% per annum, to AUTHORITY to be

debited to a a receivable fund called Yorktown Extension Fund. Funds within the held in Yorktown Extension Fund shall be applied by AUTHORITY to payment of the cost of this project, as referred to in Exhibit A.

2. AUTHORITY agrees that payment by VILLAGE of all special assessment revenues (and interest thereon) from the Yorktown Special Assessment District No. 1 constitutes payment in full for the costs incurred by the Authority for the Yorktown project.

3. The AUTHORITY agrees to bill and to collect connection fees and second benefit charges established by VILLAGE ordinance for connections to the public sanitary sewer line within the Yorktown District the same manner as AUTHORITY bills and collects said charges for MEMBER TOWNSHIPS, and to deposit all such sums collected in Yorktown Extension Fund until such time as the costs of the project have been repaid in full or until such time as the balance in Yorktown Extension Fund plus unpaid special assessments (if any) equals the total amount of the project costs (including interest thereon at 7% per annum) as shown on Exhibit A, whichever first occurs. Any connection fees or second benefit charges collected thereafter shall be used only for capital costs (defined as costs of expansions or improvements to the System) of expansions, extensions, or other improvements made to AUTHORITY facilities or to future extensions thereto.

4. Nothing herein is intended to modify or amend the existing Agreement between the parties. The purpose of this Agreement is to clarify the actual Project Costs of the Yorktown Project and to reaffirm the obligations of the parties in accordance with their Agreement dated July 8, 1991.

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

WITNESSES:

Rubene A. Larson

Nancy Lee Smith

WITNESSES:

David C. Walls

Esther B. Thompson

GULL LAKE SEWER AND WATER  
AUTHORITY

Dean S. Blanchard  
By:

VILLAGE OF RICHLAND, MICHIGAN

Jack E. Gray  
By:  
President

Prepared by:  
Lynda E. Thomsen  
BAUCKHAM, SPARKS, ROLFE & THOMSEN  
132 West South Street  
Suite 500  
Kalamazoo, Michigan 49007

EXHIBIT A

YORKTOWN CONSTRUCTION PROJECT -- POST AUDIT

August 4, 1994

A. TOTAL PROJECT COST (10/92 - 12/93) =		\$141,874.11
B. ENGINEERING DISCOUNT =	(\$10,000.00)	
(TO BE REPAID FROM FOXWOOD ACCT)		
C. CONTRIBUTED CAPITAL =	<u>(\$38,700.00)</u>	<u>(\$ 48,700.00)</u>
PROJECT COST FUNDED BY AUTHORITY		<u>\$ 93,174.11</u>
D. CONFIRMED VILLAGE ASM'T. ROLL (1/18/92-YORKTOWN)		\$ 90,566.32