

**THIRD AMENDMENT TO  
SEWAGE DISPOSAL AGREEMENT**

**CITY OF GRANDVILLE - OTTAWA COUNTY  
OTTAWA COUNTY WATER SUPPLY AND SEWERAGE  
AND SEWAGE DISPOSAL SYSTEM  
RUSH CREEK SANITARY SEWER SYSTEM**

THIS THIRD AMENDMENT TO SEWAGE DISPOSAL AGREEMENT is entered into by and between the CITY OF GRANDVILLE, a municipal corporation located in the County of Kent ("Grandville"), the COUNTY OF OTTAWA, by its Board of County Road Commissioners (the "County" or "Ottawa County"), the CITY OF HUDSONVILLE, a municipal corporation located in the County of Ottawa ("Hudsonville"), the CHARTER TOWNSHIP OF GEORGETOWN, a municipal corporation located in the County of Ottawa ("Georgetown") and the CHARTER TOWNSHIP OF JAMESTOWN, a municipal corporation located in the County of Ottawa ("Jamestown") (Hudsonville, Georgetown and Jamestown are sometimes referred to herein as the "Ottawa County Municipalities" and Grandville and the Ottawa County Municipalities are sometimes together referred to herein as the "constituent municipalities").

**RECITALS:**

- A. Grandville and the County have entered into a Sewage Disposal Agreement dated February 20, 1968, amended in 1989, and further amended in 2001 (the "Agreement").
- B. Grandville, the County and the Ottawa County Municipalities wish to further amend the Agreement as provided below.

**BACKGROUND AND PRINCIPLES UNDERLYING THIS AMENDMENT**

Grandville is the owner and operator of a wastewater treatment plant (the "Grandville Plant") and, pursuant to the Agreement, Grandville has agreed, or will agree in this Amendment, to treat and dispose of sanitary sewage originating only from the designated areas of Ottawa County shown on Exhibit A attached hereto and made a part hereof, which includes part or all of each of the Ottawa County Municipalities and a portion of Blendon Township ("Blendon"), which is a service area of Georgetown.

Grandville and the City of Wyoming entered into a long-term Sanitary Sewage Disposal Agreement dated September 27, 1993 (the "Grandville-Wyoming Agreement"), whereby up to three million gallons per day ("MGD") of sanitary sewage may be treated and disposed of by the Wyoming wastewater treatment plant (the "Wyoming Plant").

As a result of reaching 80% of plant capacity, the parties have studied the advisability of expanding the Grandville Plant. Grandville contracted with Moore & Bruggink, civil engineers, for a Wastewater Treatment Plant Expansion Study dated July 2006 (the "Study"). The parties

agree that expanding the Grandville Plant from the treatment capacity of 4.4 MGD to 10.0 MGD, as described in the Study, is a wise and prudent course of action to provide for future anticipated treatment needs in the area of Ottawa County served pursuant to the Agreement. The population and flow projections for the constituent municipalities which were prepared as part of the Study are attached as Exhibit B.

Wherever this Amendment refers to a right or obligation of the Ottawa County Municipalities, it is recognized that such right or obligation actually belongs to the County, and that the County shall be responsible for extending such rights and obligations to the Ottawa County Municipalities through agreements between the County and the Ottawa County Municipalities.

### AGREEMENT

In order to implement the undertakings of the parties to this Agreement in accordance with the principles set forth above, it is therefore agreed as follows:

**1. Expansion of Grandville Plant.** The parties agree that the capacity at the Grandville Plant shall be increased from 4.4 MGD to 10.0 MGD by means of constructing the improvements described in the Study. The estimated cost of such improvements was approximately \$20,000,000 at the time the study was completed in 2006. The costs of such improvements were updated by Moore & Bruggink in August, 2007 and are shown in the attached Exhibit C. Grandville shall be responsible for the construction of the improvements and shall finance the costs thereof through the issuance of sanitary sewer system revenue bonds (the "Expansion Bonds") pursuant to Act 94 of the Michigan Public Acts of 1933, as amended, which Expansion Bonds shall be secured solely by the revenues of the sanitary sewer system (the "System"). Certain improvements which are described in the attached Exhibit C are renovation items which shall not be financed as part of the Project costs for the Expansion Bonds. A description of the renovation items and the estimated costs therefor, prepared by Moore & Bruggink, is set forth in the attached Exhibit D. The costs of the renovation items shall be financed by Grandville and shall be treated as capital charges under the existing Agreement.

**2. Ottawa County Service Area.** Exhibit A attached to the existing Agreement is hereby revoked and replaced with the revised Exhibit A attached hereto and made a part hereof. Ottawa County and the Ottawa County Municipalities agree that all sanitary sewage originating in the designated areas of Blendon and the Ottawa County Municipalities shown on Exhibit A (the "Ottawa County Service Area") shall be treated at the Grandville Plant during the term of this Agreement. The previous service area is expanded by the revised Exhibit A to add Section 1 of Blendon Township. The Ottawa County Service Area may be amended from time to time by written agreement of Grandville and Ottawa County and pursuant to such written agreement, Grandville and Ottawa County may amend the Ottawa County Service Area to allow another municipality located in Ottawa County to use a portion of the New Capacity (as defined below) pursuant to terms that are negotiated by Grandville and Ottawa County; provided however, that Grandville shall not be required to make any changes in its methodology for setting rates or billing the Ottawa County Municipalities.

3. **Capacity.**

(a) **Existing Capacity.** It is recognized that the treatment and disposal capacity of the Grandville Plant as of January 1, 2007 is 4.4 MGD (the "Existing Capacity"). Grandville shall continue to own and be entitled to utilize the Existing Capacity at the Grandville Plant and the capacity available at the Wyoming Plant pursuant to the Grandville-Wyoming Agreement. It is Grandville's intent to minimize or eliminate the operational costs of utilizing the Wyoming capacity for the financial benefit of Grandville and the Ottawa County Municipalities. The Ottawa County Municipalities may utilize available Existing Capacity and capacity at the Wyoming Plant available under the Grandville-Wyoming Agreement. The parties agree that Grandville may terminate or modify the utilization of the Grandville-Wyoming Agreement at any time. Grandville may utilize the Existing Capacity (including but not limited to the 0.98 MGD of capacity referred to in the second paragraph of Section 3(b) below) in such manner as it in its sole discretion determine to be appropriate, and may allow other municipalities to use the Existing Capacity on terms to be negotiated by Grandville.

(b) **New Capacity.** It is expected that 5.6 MGD of new capacity will be made available as a result of the Expansion (the "New Capacity"). Ottawa County shall have beneficial ownership rights to the New Capacity and shall have the right to contribute sewage from the Ottawa County Service Area for treatment in the System up to the amount of the New Capacity, which shall also be its total allocated capacity. Such capacity allocations shall not be changed except in accordance with the terms of the Agreement.

During the term of this Agreement, the Ottawa County Municipalities may utilize an additional 0.98 MGD of capacity within the Ottawa County Service Area, which represents the difference between the Existing Capacity and the projected capacity to be used by Grandville through the year 2030, but only if and to the extent that such capacity is available and not being used by Grandville for other purposes, under the same terms and conditions as provided in the existing Agreement.

(c) **Re-Rating or Reduction of Capacity.** If the total capacity of the Grandville Plant is re-rated or reduced by the Michigan Department of Environmental Quality, Grandville and Ottawa County shall receive an adjustment in their allocated capacity equal to the amount by which the capacity is re-rated or reduced multiplied by the percentage of its share of the allocated capacity of the System determined on the basis of the total allocated capacity of the System at the time of such re-rating or reduction. This formula shall also be used at any time that the capacity of the System is re-rated or reduced as a result of action by state or federal authorities. For purposes of such calculation, the percentage multiplier shall be the percentage of capacity allocated to Grandville and Ottawa County at the time that the capacity of the System is re-rated or reduced.

4. **Cost of New Capacity and Payment of Debt Service on Expansion Bonds.** Except as provided in Section 8 hereof, the cost of the New Capacity, including all acquisition, construction, engineering, legal, financial, capitalized interest, and other related expenses, plus any required contribution to a bond reserve account, shall be financed through the Expansion Bonds to be issued by Grandville. Debt service on the Expansion Bonds shall be paid in the first

instance from connection fees as provided in Section 7 below, and then, to the extent of any shortfall, from operating revenues of the System. Each quarter, the revenues in the Receiving Fund which have been generated by connection fees shall be set aside in the Bond and Interest Redemption Fund for the Expansion Bonds until such funds are sufficient to provide for the payment of the next maturing principal and interest on the Expansion Bonds as they become due. If there shall be any deficiency in the amount set aside, then the amount of such deficiency shall be transferred from other revenues in the Receiving Fund until the amounts are sufficient to pay the principal and interest on the Expansion Bonds when due and as further provided in Section 7 below.

5. **Sewage Rates.** Sewage rates and charges shall be established and adjusted by Grandville from time-to-time in the manner and subject to the requirements set forth in the Agreement, except as expressly modified herein. It is Grandville's present intent to eliminate costs for treatment at the Wyoming Plant after the New Capacity is available (unless otherwise needed or utilized pursuant to Section 3(a) hereof). Notwithstanding the foregoing, for purposes of establishing rates and charges, Grandville shall include as System costs the rates and charges which Grandville must pay to Wyoming for the operation and maintenance of the Wyoming Plant pursuant to the Grandville-Wyoming Agreement, and shall consider all sewage treated at the Wyoming Plant to be sewage treated by the System. In addition, operation and maintenance expenses for each year shall include the debt service payments required to be made in that fiscal year for the Expansion Bonds, after taking into account the connection fees collected pursuant to Section 7 below, and rates and charges shall be established in such amounts as are necessary to provide for all costs of operation and maintenance of the System, including debt service payments on the Expansion Bonds as mentioned above (to the extent such debt service is not paid from connection fees), and to provide for such coverage requirements as are necessary to meet the financial covenants associated with the issuance of the Expansion Bonds and any other bonds payable from the revenues of the System. In the event that Ottawa County issues the Ottawa County Bonds pursuant to Section 8 hereof, the sewer rates shall not include any charges related to payment of debt service on the Ottawa County Bonds.

The annual sewage rates and charges established for each fiscal year by Grandville pursuant to the Agreement shall be based on an estimated budget and estimated annual sewage flow as reasonably determined by the Superintendent of the Grandville Plant and shall be billed monthly to Ottawa County. Within 180 days from the end of each fiscal year, the Superintendent of the Grandville Plant shall prepare a "Rate Reconciliation Report" which is based on actual costs and actual flow during the preceding fiscal year. In the event that the rates charged during the preceding fiscal year did not completely cover all costs to be recovered through the sewer rates, the amount of such deficiency shall be added to the costs used to determine the rates for the current fiscal year. In the event that the rates charged during the preceding fiscal year resulted in a surplus in excess of the costs to be recovered through the sewer rates, the amount of such surplus shall be applied as a credit against the monthly invoice(s) next coming due after preparation of the Rate Reconciliation Report. The Superintendent of the Grandville Plant shall provide a copy of the Rate Reconciliation Report to Ottawa County promptly after its completion and, at the same time, notify Ottawa County of any changes in the estimated sewage rates which shall be effective with the next monthly billing.

6. **Capital Charges.** Except as specifically provided herein, capital charges for existing and future capital investment in the System, including but not limited to the renovation items described in Exhibit C, shall continue to be paid as provided in the Agreement. Capital charges shall not be assessed or apply to the capital costs associated with the capital improvements to the System financed through the Expansion Bonds or the Ottawa County Bonds referred to in Section 8 hereof. Grandville agrees to discuss a change in the historical methodology of allocating capital costs with the Advisory Committee.

7. **Connection Fees.** In the event that Ottawa County does not issue the Ottawa County Bonds pursuant to Section 8 hereof, Grandville and the Ottawa County Municipalities shall each establish connection fees for each new user that connects to the System. Commencing with the Effective Date as defined in Section 20 hereof, all of the connection fees collected by Grandville and the Ottawa County Municipalities shall be paid to the Grandville City Treasurer as collected for deposit to the Sewer Receiving Fund, for further deposit to the Repair and Replacement Fund. The funds in the Repair and Replacement Fund attributable to connection fees shall be used to pay for project costs associated with the expansion of the Grandville Plant or to partially fund the Bond Reserve Account, and thus reduce the size of the Expansion Bonds. It is the intent of the parties that the connection fees to be collected by Grandville and the Ottawa County Municipalities shall be the primary source of payment of the debt service on the Expansion Bonds. In connection with the issuance of the Expansion Bonds, Grandville shall cause its independent financial advisor to prepare a spreadsheet which is based on the population and flow projections from the Study for each of the Ottawa County Municipalities as shown on Exhibit B attached hereto. Such spreadsheet will estimate (a) the number of connections required from the Ottawa County Municipalities based on expected population and flow projections and (b) the cost of the connection fees required for each connection in Ottawa County in order to pay all debt service requirements on the Bonds until they are paid in full, with the understanding that any shortfall in revenues generated by the actual connection fees will be covered in the short term by other operating revenues of the System.

To the extent that the connection fees collected from Grandville and the Ottawa County Municipalities are insufficient to pay the principal of and interest on the Expansion Bonds when due, Grandville shall cause such payments to be made from other revenues of the System. The amount of any shortfall in any fiscal year which has not been reimbursed to Grandville as of June 30 of such year, plus interest on such amounts at the rate of 6% per annum, shall be included in a separate line item entitled "DEBT SERVICE CHARGE," with 1/12th of such shortfall, plus interest as aforesaid, to be billed and collected monthly from Ottawa County for the 12-month period following distribution of the Rate Reconciliation Report. The amount of the debt service charge shall be reviewed and adjusted annually as part of the Rate Reconciliation Report until Grandville has been fully reimbursed for all debt service payments made on the Expansion Bonds from System revenue. All funds paid to Grandville from connection fees or fees generated from the debt service charge shall be applied, first, to reimburse the Receiving Fund for all debt service payments made on the Expansion Bonds from System revenue and, second, to the Bond and Interest Redemption Fund. Such billings shall be subject to a 5% penalty if not paid within 60 days after the billing date. All delinquent balances remaining unpaid shall be subject to a 1/2 percent per month additional penalty fee until paid.

In the event that the connection fees generate more revenue than what is required to pay debt service on the Expansion Bonds in any fiscal year, the excess amount shall be deposited to the Repair and Replacement Fund or used to redeem Expansion Bonds prior to maturity if permitted by the Ordinances authorizing the issuance of the Expansion Bonds.

**8. Alternative Structure.** Notwithstanding anything else to the contrary in this Amendment, Ottawa County may elect to pay for all of the costs of the New Capacity, including all acquisition, construction, equipping, engineering, legal, contingency and other related expenses. In such event, the provisions of this Amendment relating to the payment of costs for the New Capacity through the issuance of the Expansion Bonds and Section 7 entitled "Connection Fees" shall not apply except as hereinafter provided.

If Ottawa County elects to pay for the costs of the New Capacity pursuant to this Section 8, Ottawa County shall make a cash payment of \$1,000,000 to Grandville within 30 days of the Effective Date of this Amendment. Grandville shall deposit such funds into a designated "Project Fund" and shall use such funds as needed to pay for the engineering, legal and other expenses for the New Capacity prior to commencement of construction, with any excess to be applied to future construction cost for the New Capacity. Grandville shall provide quarterly reports to Ottawa County detailing expenditures from the Project Fund. If at any time the Project Fund is depleted to a fund balance of \$50,000 or less, Grandville shall notify Ottawa County and, within 30 days of such notification, Ottawa County shall pay Grandville an additional \$100,000 for deposit to the Project Fund.

After the design engineering is completed and bids for construction of the Project have been received, but prior to such time that Grandville enters into any construction contracts for the New Capacity, Ottawa County shall issue bonds (the "Ottawa County Bonds") to pay for the remaining estimated cost of the New Capacity, including all acquisition, construction, equipping, engineering, legal, contingency and other related expenses, based upon a revised engineer's estimate to be prepared by Moore & Bruggink. The Ottawa County Bonds shall be issued within not more than 120 days from the date that the Moore & Bruggink revised engineer's estimate is completed. The Ottawa County Bonds shall not be issued unless and until Grandville and Ottawa County have negotiated a Construction Payment Agreement as described below.

At the time Moore & Bruggink prepares the revised engineer's estimate, they shall also prepare an estimated drawdown schedule listing the amount and estimated dates of payment for all remaining estimated costs of the New Capacity. Grandville and Ottawa County shall use their best efforts to negotiate a Construction Payment Agreement which shall require Ottawa County to pay to the Grandville City Treasurer, periodically in advance, the remaining estimated costs of the New Capacity. In the event that the parties are not able to agree to a Construction Payment Agreement that is acceptable to both parties, or if Ottawa County fails to issue the Ottawa County Bonds for any reason within 120 days of the date that Moore & Bruggink provides the revised engineer's estimate, then Grandville shall issue the Expansion Bonds to pay for the remaining costs of the New Capacity in accordance with this Amendment.

In the event that Ottawa County issues the Ottawa County Bonds and the parties enter into a Construction Payment Agreement, Grandville shall deposit such payments from the

proceeds of the Ottawa County Bonds into the Project Fund described above and shall use such funds for payment of costs for the New Capacity. Grandville shall provide quarterly reports to Ottawa County detailing the expenditures from the Project Fund. All interest earned on monies in the Project Fund shall become a part of such Fund. Upon completion of the improvements necessary to create the New Capacity, Grandville shall pay any amounts remaining in the Project Fund to Ottawa County.

9. **Advisory Committee.** An Advisory Committee (the "Committee") is hereby established consisting of the City Manager of Grandville, the Chief Financial Officer of Grandville, the Superintendent of the Grandville Plant, the Director of the Grandville Department of Public Works, one member to be appointed by Hudsonville, one member to be appointed by Georgetown, one member to be appointed by Jamestown and one member to be appointed by the County. The Committee shall provide advice and consultation to Grandville with respect to the operation and maintenance of the System. In addition, the Committee shall also review and make recommendations to Grandville with respect to general matters concerning the System, including but not limited to capital improvements and expenses, the Repair and Replacement Fund, capacity interests, and engineering studies.

The Committee shall meet periodically as required. Grandville shall keep the Committee reasonably apprised with respect to all aspects of the operation and maintenance of the System and shall provide the Committee with regular financial and operational reports. Prior to the adoption of the annual budget for the System, Grandville shall review the proposed budget, including the proposed rates and charges and connection fees for the next System fiscal year, with the Advisory Committee at a meeting of the Committee.

Within 30 days from the date this Amendment becomes effective, the County shall designate in writing its four representatives on the Committee and shall notify all of the constituent municipalities in writing of the identity of such representatives. If the County shall determine to change any of its representatives on the Committee, it shall give written notice on or before the effective date of such change to the constituent municipalities.

The Chief Financial Officer of Grandville shall serve as the chairperson of the Committee. The chairperson shall be responsible for establishing an agenda as necessary for all Committee meetings. The Committee shall establish a regular meeting schedule by common agreement. No additional notice is required of a regular meeting of the Committee. The chairperson shall call a special meeting of the Committee when requested in writing by any two members of the Committee and may call a special meeting on his or her own motion. Three days' written notice shall be given by the chairperson by ordinary mail to each member of the Committee at his or her office address of the date, time and place of each special Committee meeting unless the chairperson shall determine, in good faith, that an emergency special meeting is necessary, in which event oral notice shall be given to the office or residence of each Committee member of the date, time and place of such meeting as far in advance as reasonably possible.

The actions of the Committee shall be of an advisory nature only. Grandville shall consider the Committee's recommendations in the administration of the System.

**10. Arbitration.** The parties will attempt in good faith to promptly resolve by negotiation any controversy or claim arising out of or relating to this Agreement. The disputing party shall give the other party written notice of the dispute. Within forty days after receipt of said notice, the receiving party shall submit to the other a written response. The notice and the response shall include a statement of the serving party's position and a summary of the evidence and arguments supporting its position. Service of the notice and response shall be by certified mail, return receipt requested. Representatives of the parties shall meet at a mutually acceptable time and place within fifty days of the date of the disputing party's notice and thereafter as often as they reasonably deem necessary to exchange relevant information and to attempt to resolve the dispute.

If the matter has not been resolved within eighty days of the disputing party's notice, or if the party receiving said notice will not meet within fifty days, the controversy shall be settled by arbitration by a sole arbitrator. The arbitration shall be governed by the Michigan Uniform Arbitration Act, MCLA 600.5001 et seq. The Kent County Circuit Court may enter judgment on the arbitration award. All deadlines specified in this Section may be extended by mutual agreement.

The arbitrator shall be selected by mutual agreement of the parties. The arbitrator shall be independent and impartial. The arbitrator shall have no current or past employment by or contract with any party to the dispute and shall have expertise with regard to wastewater treatment facilities and the setting of rates for sewage disposal services. The arbitrator shall be compensated at an hourly rate determined at the time of appointment for all time spent in connection with the proceeding and shall be reimbursed for any travel and other expenses. Each side shall pay one-half of the arbitrator's costs and expenses.

The place of arbitration shall be determined by the arbitrator, but shall be within either Kent County or Ottawa County. The arbitrator shall permit and facilitate such discovery as it shall determine is appropriate in the circumstances, taking into account the needs of the parties and the desirability of making discovery expeditious and cost-effective. The arbitrator shall be the judge of the relevancy and materiality of the evidence offered and conformity to the legal rules of evidence shall not be necessary. The arbitrator shall make his or her decision and render an award within 90 days after the last day of the final hearing before the arbitrator.

All awards shall be in writing and shall state the reasoning on which the award rests. Within ten days after receipt of the award, either party, with concurrent notice to the other party, may request the arbitrator to correct in an award any errors in computation, any clerical or typographical errors, or any errors of a similar nature. Within fifteen days after the delivery of an award to the parties the Arbitrator may make corrections on its own initiative and corrections requested by either party. All such correction shall be in writing. After expiration of the fifteen-day period provided above, awards shall be final and binding on the parties, and the parties shall undertake to carry out awards without delay. A judgment upon the award rendered by the Arbitrator pursuant to this Agreement may be entered and enforced by the circuit court of the county in which the arbitration was held or in any other court of competent jurisdiction.

Each party shall bear its own costs and attorneys fees. Any monetary award shall include interest at a rate of six percent. Interest shall run from the date selected by the arbitrator in accordance with the provisions of this Agreement. Any sums due shall be paid within sixty days of the award. The arbitrator is not empowered to award damages in excess of actual damages, including punitive damages. This Section does not preclude a court of competent jurisdiction from providing interim injunctive relief during the pendency of the arbitration.

The procedures specified in this Section shall be the sole and exclusive procedures for the resolution of disputes between the parties arising out of or relating to this Agreement. All disputes shall be governed by the laws of the State of Michigan.

**11. Waivers.** No failure or delay on the part of any of the constituent municipalities in exercising any right, power, or remedy hereunder shall operate as a waiver thereof. No single or partial exercise by any of the constituent municipalities of any right or remedy shall preclude other or further exercise thereof or the exercise of any other right or remedy.

**12. Amendment.** The Agreement and the First, Second and Third Amendments thereto contain the entire understanding and agreement of the parties as to the subject matter hereof and may be amended only by written agreement of all parties who are then bound by the terms hereof.

**13. Severability.** In case any one or more of the provisions contained in the Agreement or any document, instrument or agreement required hereunder should be declared invalid, illegal, or unenforceable in any respect, the validity, legality and enforceability of the remaining provisions contained herein or therein shall not in any way be affected or impaired thereby.

**14. Captions.** The captions contained in this Amendment are for convenience for reference only and shall not limit or define the provisions of the Agreement or this Amendment or affect the interpretation or construction thereof.

**15. Counterparts.** This Amendment may be executed in any number of counterparts, each of which, when so executed and delivered, shall be deemed to be an original, but all such counterparts taken together shall constitute but one and the same agreement.

**16. Assignment.** The Agreement shall inure to the benefit of and be binding upon the parties and their successors in interest but may not be assigned to others without the written consent of the other parties hereto.

**17. No Rights to Third Parties.** The Agreement shall not be deemed to be an agreement for the benefit of any third party or parties, and no third party or parties shall have any right of action under it for any cause whatsoever.

18. **Notice.** All notices which are required hereunder shall be in writing and shall be deemed to be effectively given when sent by first class mail, postage prepaid, or hand delivered directly to the party to whom notice must be given at the addresses set forth below or to such other addresses as the parties may designate by notice given pursuant to this Section:

To Grandville:

City of Grandville  
3195 Wilson Avenue, S.W.  
Grandville, MI 49418  
Attention: City Manager

To the County:

Ottawa County Road Commission  
Rosy Mound Drive at U.S.-31  
P.O. Box 739  
Grand Haven, MI 49417  
Attention: Director of Utilities

To Hudsonville:

City of Hudsonville  
3275 Central Blvd.  
Hudsonville, MI 49426-1450  
Attn: City Manager

To Jamestown:

Charter Township of Jamestown  
P. O. Box 88  
Jamestown, MI 49427-0088  
Attn: Township Supervisor

To Georgetown:

Charter Township of Georgetown  
P. O. Box 769  
Jenison, MI 49429-0769  
Attn: Township Supervisor

19. **Control.** It is recognized that Grandville will continue to own the Grandville Plant and that Grandville retains responsibility for the management and operation of the Grandville Plant, subject however to all of the terms and conditions of the Agreement. Payment by the County for the New Capacity in accordance with the terms of this Amendment shall not entitle it to any ownership interest in the Grandville Plant; provided, however, that the County shall beneficially own the right of wastewater treatment pursuant to Section 3(b) hereof, as such amount may be adjusted pursuant to Section 3(c) hereof, in any future negotiations between the parties concerning the Grandville Plant.

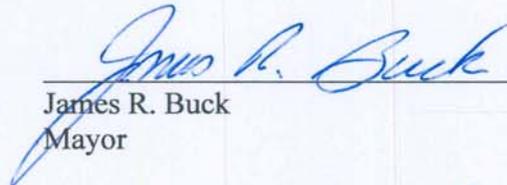
20. **Termination Date.** The parties hereby agree that the term of the Agreement, as amended, shall be extended for a term of 30 years from the Effective Date. The Agreement may also be renewed for such additional periods as may be mutually agreed upon by the parties hereto.

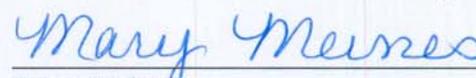
21. **Effective Date.** This Third Amendment shall become effective as of the date that it has been approved by all of the governing boards of the parties hereto. Except as specifically modified herein, the Agreement shall continue in full force and affect.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in their respective names by their duly authorized officers as of the dates set forth below.

**CITY OF GRANDVILLE**

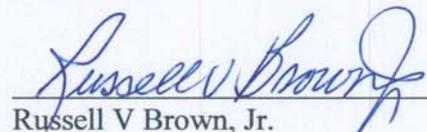
DATED: December 10, 2007

  
James R. Buck  
Mayor

  
Mary Meines  
City Clerk

**COUNTY OF OTTAWA  
By Its Board of County Road  
Commissioners**

DATED: May 8, 2008

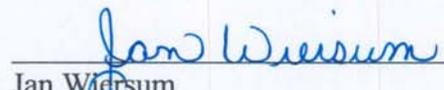
  
Russell V Brown, Jr.  
Chairman

  
Michael C. Mikita  
Secretary

**CITY OF HUDSONVILLE**

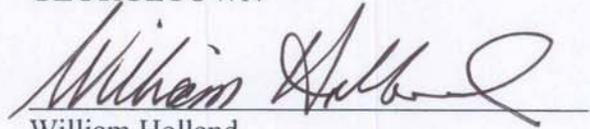
Dated: April 8, 2008

  
Donald VanDoeselaar  
Mayor

  
Jan Wiersum  
City Clerk

**CHARTER TOWNSHIP OF  
GEORGETOWN**

Dated: May 20, 2008



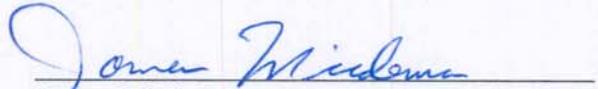
William Holland  
Supervisor



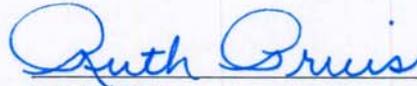
Del South  
Township Clerk

**CHARTER TOWNSHIP OF  
JAMESTOWN**

Dated: May 29, 2008



James Miedema  
Supervisor

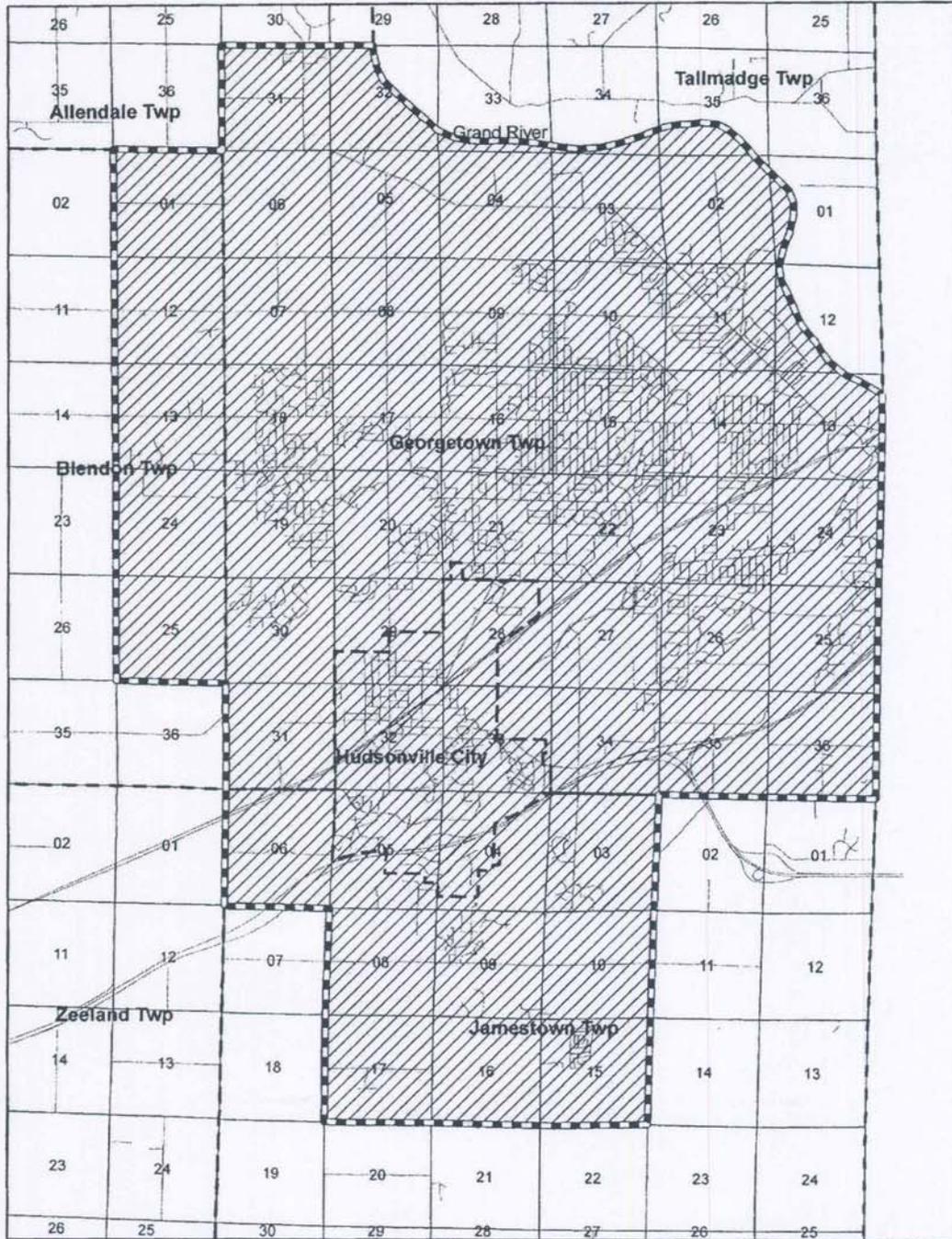


Ruth Pruis  
Township Clerk

#1469638v6

EXHIBIT A

OTTAWA COUNTY SERVICE AREA



 Ottawa County Service Area  
 Local Unit Boundary

EXHIBIT B

POPULATION AND FLOW PROJECTIONS

	-----Connected Populations-----										-----Connected Projections-----										
	1990	2000	2005	2010	2015	2020	2025	2030	2035	2040	1990	2000	2005	2010	2015	2020	2025	2030	2035	2040	
City of Grandville	15624	16263	17126	18026	18966	19949	20990	22085	22085	22085	15624	16263	17126	18026	18966	19949	20990	22085	22085	22085	22085
Georgetown Township	14623	24641	29197	32937	37156	41916	47286	53343	60176	67885	14623	24641	29197	32937	37156	41916	47286	53343	60176	67885	67885
City of Hudsonville	6084	7160	7278	7705	8156	8633	9138	9672	10238	10837	6084	7160	7278	7705	8156	8633	9138	9672	10238	10837	10837
Jamestown Township	121	936	1092	1706	2664	4162	6500	8838	11176	13514	121	936	1092	1706	2664	4162	6500	8838	11176	13514	13514
City of Walker - South	0	0	0	0	1000	2000	3000	4000	5000	6000	0	0	0	0	1000	2000	3000	4000	5000	6000	6000
<b>Connected Population</b>	<b>36452</b>	<b>49000</b>	<b>54694</b>	<b>60374</b>	<b>67942</b>	<b>76659</b>	<b>86914</b>	<b>97939</b>	<b>108676</b>	<b>120321</b>	<b>36452</b>	<b>49000</b>	<b>54694</b>	<b>60374</b>	<b>67942</b>	<b>76659</b>	<b>86914</b>	<b>97939</b>	<b>108676</b>	<b>120321</b>	<b>120321</b>
	-----Flows (MGD)-----										-----Projections w/ 2005 per capita flow rates-----										
	1990	2000	2005	2010	2015	2020	2025	2030	2035	2040	1990	2000	2005	2010	2015	2020	2025	2030	2035	2040	
City of Grandville	2.38	2.35	2.66	2.78	2.94	3.09	3.25	3.42	3.42	3.42	2.38	2.35	2.66	2.78	2.94	3.09	3.25	3.42	3.42	3.42	3.42
Georgetown Township	1.48	2.41	2.57	2.90	3.27	3.69	4.16	4.69	5.30	5.97	1.48	2.41	2.57	2.90	3.27	3.69	4.16	4.69	5.30	5.97	5.97
City of Hudsonville	0.54	0.62	0.59	0.62	0.66	0.70	0.74	0.78	0.83	0.88	0.54	0.62	0.59	0.62	0.66	0.70	0.74	0.78	0.83	0.88	0.88
Jamestown Township	0.01	0.08	0.08	0.13	0.20	0.32	0.50	0.68	0.86	1.04	0.01	0.08	0.08	0.13	0.20	0.32	0.50	0.68	0.86	1.04	1.04
City of Walker - South	0	0	0	0	0.1	0.2	0.3	0.4	0.5	0.6	0	0	0	0	0.1	0.2	0.3	0.4	0.5	0.6	0.6
<b>Total WWTP Flow</b>	<b>4.41</b>	<b>5.44</b>	<b>5.90</b>	<b>6.44</b>	<b>7.17</b>	<b>8.00</b>	<b>8.96</b>	<b>9.98</b>	<b>10.91</b>	<b>11.92</b>	<b>4.41</b>	<b>5.44</b>	<b>5.90</b>	<b>6.44</b>	<b>7.17</b>	<b>8.00</b>	<b>8.96</b>	<b>9.98</b>	<b>10.91</b>	<b>11.92</b>	<b>11.92</b>

EXHIBIT C

PROJECT COST ESTIMATE

Section	Description	Unit	Quantity	Unit Price	Total
1502	Dewatering	L.S.	1	\$ 30,000.00	\$ 30,000
2050	Demolition	L.S.	1	\$ 35,000.00	\$ 35,000
2100	Pond Sludge Removal	Gal	672000	\$ 0.04	\$ 26,880
2200	Earthwork, Cut & Fill	Cyd	13270	\$ 6.25	\$ 82,938
2200	Earthwork, Granular Fill	CYd	10400	\$ 10.00	\$ 104,000
2485	Lawns & Grass	Syd	30000	\$ 2.00	\$ 60,000
2500	Paving & Surfacing	SYd	1110	\$ 18.00	\$ 19,980
2505	20' Wide Access Road	LFt	950	\$ 220.00	\$ 209,000
2831	Chainlink Fencing	LFt	600	\$ 21.00	\$ 12,600
3300	Cast In-Place Concrete	Cyd	4000	\$ 500.00	\$ 2,000,000
3400	Precast Cast Concrete	SFt	4236	\$ 12.00	\$ 50,832
4230	Masonry	SFt	2000	\$ 14.00	\$ 28,000
5150	Miscellaneous Metals	L.S.	1	\$ 35,000.00	\$ 35,000
5510	Metal Stairs	L.S.	1	\$ 4,000.00	\$ 4,000
5530	Aluminum Grating & Plate	SFt.	175	\$ 60.00	\$ 10,500
5600	Truck Loading Bridge	L.S.	1	\$ 20,000.00	\$ 20,000
6100	Carpentry	L.S.	1	\$ 7,900.00	\$ 7,900
6611	Fiberglass Railing	LFt	2060	\$ 30.00	\$ 61,800
6612	Fiberglass Grating	SFt	2300	\$ 14.50	\$ 33,350
7115	Waterproofng	SFt	3700	\$ 0.75	\$ 2,775
7210	Building Insulation	SFt	2000	\$ 1.00	\$ 2,000
7310	Roofing	SFt	1540	\$ 4.50	\$ 6,930
7600	Flashing & Sheet Metal	L.S.	1	\$ 4,800.00	\$ 4,800
7920	Sealants & Calking	L.S.	1	\$ 1,600.00	\$ 1,600
8100	Aluminum Doors & Frames	Each	4	\$ 6,000.00	\$ 24,000
8308	Floor Access Doors	Each	3	\$ 5,000.00	\$ 15,000
8520	Windows	Each	4	\$ 800.00	\$ 3,200
8630	Overhead Doors	Each	1	\$ 2,000.00	\$ 2,000
9510	Acoustical Ceiling	SFt	1024	\$ 5.00	\$ 5,120
9900	Painting	L.S.	1	\$ 50,000.00	\$ 50,000
10214	Metal Louvers	SFt	18	\$ 50.00	\$ 900
10800	Building Accessories	L.S.	1	\$ 3,000.00	\$ 3,000
10901	UV Building # 2	SFt	800	\$ 145.00	\$ 116,000

11223	Raw Sewage Pumps	Each	1	\$	24,000.00	\$	24,000	
11224	Return Sludge Pumps	Each	2	\$	19,200.00	\$	38,400	
11230	Sump & Sample Pumps	Each	3	\$	4,400.00	\$	13,200	
11231	Raw Sludge Pumps	Each	2	\$	18,055.00	\$	36,110	
11234	Rotary Lobe Sludge Pumps	Each	2	\$	22,737.00	\$	45,474	
11243	Chemical Metering Pumps	Each	2	\$	2,000.00	\$	4,000	
11250	Non-Potable Water Unit	Each	1	\$	6,325.00	\$	6,325	
11262	Slide Gates	Each	9	\$	14,800.00	\$	133,200	
11263	Stop Gates	Each	27	\$	1,800.00	\$	48,600	
11265	Weirs & Scum Baffles	Lft	1630	\$	28.75	\$	46,863	
11268	Fiberglass Troughs	Each	8	\$	2,875.00	\$	23,000	
11275	Bar Screens & Compactors	Each	1	\$	120,750.00	\$	120,750	
11278	Grit Systems	Each	1	\$	118,450.00	\$	118,450	
11294	Centrifugal Blowers	Each	3	\$	71,300.00	\$	213,900	
11295	Fine Bubble Air Diffusers	Each	3510	\$	52.00	\$	182,520	
11299	Fine Air Filters	Each	2	\$	13,500.00	\$	27,000	
11300	Primary Sludge Collectors	Each	4	\$	40,250.00	\$	161,000	
11305	Final Clarifier Mechanisms	Each	2	\$	90,000.00	\$	180,000	
11365	Sieve Drum Concentrator	Each	1	\$	144,000.00	\$	144,000	
11395	16" Magnetic Flowmeters	Each	2	\$	10,200.00	\$	20,400	
11398	UV System # 3	Each	1	\$	200,000.00	\$	200,000	
13410	Sludge Storage Tank & Mixing	L.S.	1	\$	600,000.00	\$	600,000	
13415	FeCl3 Fiberglass Tank	L.S.	1	\$	18,600.00	\$	18,600	
13520	Anaerobic Digester & Boiler	Each	1	\$	4,370,000.00	\$	4,370,000	
13530	Digester Gas Covers(installed)	Each	1	\$	315,000.00	\$	315,000	
13900	Controls & Instrumentation	L.S.	1	\$	150,000.00	\$	150,000	
14310	Chain Hoist & Trolley	Each	1	\$	5,000.00	\$	5,000	
15100	Yard Piping	L.S.	1	\$	495,375.00	\$	495,375	
15400	Inside Piping	L.S.	1	\$	210,000.00	\$	210,000	
15450	Plumbing Fixtures & Trim	L.S.	1	\$	25,000.00	\$	25,000	
15600	Heating Ventilation & Air Con.	L.S.	1	\$	15,000.00	\$	15,000	
16010	Electrical	L.S.	1	\$	547,300.00	\$	547,300	
16500	Yard Lighting	L.S.	1	\$	50,000.00	\$	50,000	
16621	Cogeneration System	L.S.	1	\$	149,760.00	\$	149,760	
16625	Emergency Generator	L.S.	1	\$	140,000.00	\$	140,000	
Total All Items							\$	11,947,331
Contractor's Overhead & Profit			15%		\$		1,782,669	
CONSTRUCTION COST ESTIMATE							\$	13,730,000
Contingency, Engineering & Admin.			25%		\$		3,424,000	
<b>TOTAL EXPANSION ESTIMATE EXCLUDING RENOVATIONS</b>							<b>\$</b>	<b>17,154,000</b>

EXHIBIT D

RENOVATION ITEMS  
AND RELATED COST ESTIMATE

Item	Description	Original Items	New Items Required w/ Expansion
1	Raw Sewage Pump VFD's (3)	\$ 23,000.00	
2	Grit Auger	\$ 50,000.00	
3	Fine Bar Screen	\$ 121,000.00	
4	Raw Sewage Pump Controls	\$ -	\$ 8,000.00
5	Magnetic Flowmeter	\$ 10,000.00	
6	SDC Drum, Screen & Bar	\$ -	\$ 30,000.00
7	Anaerobic Digester Cover	\$ 315,000.00	
8	Automatic Samplers	\$ 9,000.00	
9	Aeration Tank Piping & Valves	\$ -	\$ 17,000.00
10	Air Filter Replacements	\$ -	\$ 27,000.00
11	Raw Sewage Piping Repairs	\$ -	\$ 20,000.00
12	Digester Boiler/HE Replace	\$ -	
13	RAS Pump VFD's (2)	\$ -	\$ 8,000.00
14	Misc. Valves & Gates	\$ -	\$ 25,000.00
15	Primary Scum Box	\$ -	\$ 8,000.00
16	Control Building Hatches	\$ -	\$ 9,000.00
17	FeCl2 Tank Level Sensors	\$ -	\$ 9,000.00
18	Replace UV Bulbs	\$ 26,000.00	
19	Sludge Storage Tank Mixing	\$ 356,000.00	
20	Laboratory Equipment	\$ 30,000.00	
21	Clean Digester & Storage Tank	\$ 40,000.00	
22	Admin Bldg/Control Bldg. Renov.	\$ 1,000,000.00	
23	Rotary Sludge Pumps	\$ -	\$ 50,000.00
24	Replace 500 KVA transformer	\$ -	
25	Replace comminutor #3	\$ -	
	Contractor OH & P 15%	\$ 297,000.00	\$ 32,000.00
	Renovation Construction Cost	\$ 2,277,000.00	\$ 243,000.00
	Conting., Eng. & Admin. 25%	\$ 569,000.00	\$ 61,000.00
	Total Renovation Costs	\$ 2,846,000.00	\$ 304,000.00
	<b>Total Renovation Costs w/ Expansion</b>		<b>\$ 3,150,000</b>