

## AGREEMENT

THIS AGREEMENT, dated this 12<sup>TH</sup> day of January, 2012, between the Charter Township of Jamestown, a Michigan charter township and public body corporate, whose address is 2380 Riley Street, Jamestown, Michigan 49427, and the Charter Township of Georgetown, a Michigan charter township and public body corporate, whose address is 1515 Baldwin, Jenison, Michigan 49428, and the County of Ottawa, a body corporate created under the provisions of the Michigan Constitution, acting by and through its Board of County Road Commissioners, whose address is P.O. Box 739, Grand Haven, Michigan 49417, is made with reference to the following facts and circumstances.

A. The Townships previously entered into a Joint Agreement for Conditional Transfer of Property between Jamestown Charter Township and Georgetown Charter Township, Ottawa County, Michigan, dated March 14, 1994, and amended December 10, 1998.

B. The Townships have agreed to terminate the Joint Agreement and to establish their respective rights and responsibilities relative to public sanitary sewer service subsequent to the termination of the Joint Agreement.

C. The County is a party to this Agreement, which deals with the transport of wastewater from the border of Jamestown to the Grandville CWP, due to the fact that the County is the agent for the Townships in several related agreements. For example, the Sewage Disposal Agreement between City of Grandville and Ottawa County, 1968, as amended, requires the County to manage various collection systems located in Ottawa County and bill the Townships and City of Hudsonville for management of those systems; and the Rush Creek O&M Agreements of 1973 and 1975 (collectively, the "Rush Creek O&M Agreement") require the County to manage the Rush Creek Trunk Sewer. Exhibit 1 provides an overall map of the facilities described in this Agreement and how they relate to the Rush Creek Trunk Sewer and

Grandville CWP.

NOW THEREFORE, in consideration of the mutual covenants and agreements referred to herein, the parties agree as follows:

**Section 1. Definitions.** The following terms and phrases, whenever used in this Agreement, shall have the following meanings, unless the context clearly indicates another or different meaning:

A. “22<sup>nd</sup> Avenue Meter” means a meter installed at Jackson Street and 22<sup>nd</sup> Avenue of a type and in a location approved by the Townships and the County, which will be used to meter the flow of wastewater discharged from Jamestown into the Georgetown Sewer System by way of the 22<sup>nd</sup> Avenue Sewer. The 22<sup>nd</sup> Avenue Meter is not considered a part of the 22<sup>nd</sup> Avenue Sewer.

B. “22<sup>nd</sup> Avenue Sewer” means the sanitary sewer located within the Townships as described and defined by Exhibit 2 to this Agreement.

C. “425 Area” means the area depicted in Exhibit A attached to the Joint Agreement.

D. “Capital Improvements” means major repair or replacement of public sewer system components that have outlived their useful life, are obsolete, or have failed. For gravity sewers, this includes replacing, relining, or grouting the sewer pipe and replacing or relining the manholes. For force mains, this includes replacing or relining the sewer pipe; replacing valves and cleanouts; and replacing or relining valve and cleanout structures. For lift stations, this includes pump replacement, wet well relining or replacement, piping replacement, and upgrades to the electrical and mechanical systems. The County will determine if a project is considered a “Capital Improvement” for any item not specifically listed above for any sewer system for which the County is responsible for O&M.

E. “County” means the County of Ottawa, a body corporate created under the provisions of the Michigan Constitution, acting by and through its Board of County Road Commissioners, whose address is P.O. Box 739, Grand Haven, Michigan.

F. “Existing M-21 Trunk Sewer” means the existing sanitary sewer trunk line located in M-121 (formerly M-21) as described and defined by Exhibit 3 to this Agreement.

G “Georgetown” means the Charter Township of Georgetown, a Michigan charter township and public body corporate, whose address is 1515 Baldwin, Jenison, Michigan 49428.

H. “Georgetown Sewer System” means the public sanitary sewer collection and transmission mains, pumps, valves, and related appurtenances located within Georgetown that provide sanitary sewage collection and transmission within Georgetown, including that portion of the 22<sup>nd</sup> Avenue Sewer located within Georgetown.

I. “Good Utility Practice” means those practices, methods and acts which, in the exercise of reasonable judgment, in light of the facts at the time a decision is made, can be expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and all applicable laws and governmental rules, regulations and orders. Good Utility Practice includes, but is not limited to, any of the practices, methods and acts engaged in or approved by a significant portion of the sanitary sewer utility industry in Michigan. Good Utility Practice is not limited to optimal practices, methods or acts to the exclusion of all others, but rather includes a number of possible practices, methods or acts.

J. “Grandville” means the City of Grandville, a Michigan home rule city, whose address is 3195 Wilson Avenue, SW, Grandville, Michigan 49418.

K. “Grandville CWP” means the Grandville Clean Water Treatment Plant located at 15 Baldwin Street, Jenison, Michigan 49428, which treats sanitary sewage discharged from the

Georgetown Sewer System and the Jamestown Sewer System, and other public sanitary sewer systems.

L. “Jamestown” means the Charter Township of Jamestown, a Michigan charter township and public body corporate, whose address is 2380 Riley Street, Jamestown, Michigan 49427.

M. “Jamestown Sewer System” means the public sanitary sewer collection and transmission mains, pumps, valves, and related appurtenances located within Jamestown that provide sanitary sewage collection and transmission within Jamestown, including that portion of the 22<sup>nd</sup> Avenue Sewer located within Jamestown.

N. “Joint Agreement” means the Joint Agreement for Conditional Transfer of Property between Jamestown Charter Township and Georgetown Charter Township, Ottawa County, Michigan, dated March 14, 1994, as amended December 10, 1998.

O. “M-21 Bypass Project” means the lift station and force main as described and defined by Exhibit 4 to this Agreement.

P. “O&M” means operation, maintenance, service and repair, but does not include Capital Improvements.

Q. “Rush Creek 42-inch Sewer” means the 42-inch sanitary sewer as described and defined by Exhibit 5.

R. “Rush Creek Trunk Sewer” or the “Rush Creek Sewer System” means the 54- inch, 42-inch, 30-inch, 24-inch, and 18-inch sanitary trunk sewer located in Georgetown that begins at the City of Hudsonville city limits and ends at the Grandville CWP, as more particularly described and defined by Exhibit 6.

S. “Townships” means Jamestown and Georgetown when referred to collectively.

**Section 2. Termination.**

A. Effective Date. The Joint Agreement, including Section 4 of the 1998 Amendment, shall terminate effective on the first day of the next calendar month following formal receipt by the Townships and the County of a written certification from a licensed professional engineer engaged by Jamestown attesting that the 22<sup>nd</sup> Avenue Meter has been installed, is operating and is accurately metering flow from the Jamestown Sewer System to the Georgetown Sewer System consistent with the previously-approved construction plans described in Section 3.D(1) of this Agreement.

B. Transfer of 425 Area. At such time as the Joint Agreement is terminated, the 425 Area shall be transferred to Jamestown; all governmental functions including, without limitation, all water and sewer matters within Jamestown, shall be transferred from Georgetown to Jamestown. Further, subject to the terms of this Agreement, jurisdiction over all water and sewer matters in the 425 Area shall return to Jamestown. The Townships shall undertake all actions required by the Joint Agreement and state law to terminate the Joint Agreement. Georgetown and Jamestown will cooperate in effecting a smooth transfer of governmental functions as provided for in this Section. To the extent that title to any real or personal property or other interests in land (i.e., easements) relating to any portion of the Jamestown Sewer System are held or owned by Georgetown, Georgetown shall convey, assign or otherwise transfer such title or interest to Jamestown, at Jamestown's expense, by appropriate conveyance without any further approval required for such conveyance, assignment or transfer by Georgetown or Jamestown.

C. Sewer Customer. Following the termination of the Joint Agreement, Jamestown customers located in the 425 Area shall be sewer customers of the Jamestown Sewer System. The Jamestown Sewer System is a customer of the County. Subject to all terms and provisions of this

Agreement, Jamestown is hereby authorized to discharge wastewater collected in Jamestown by the Jamestown Sewer System through the Georgetown Sewer System including use of the 22<sup>nd</sup> Avenue Sewer, the M 21 Bypass Project, the existing M-21 Trunk Sewer and the Rush Creek Sewer System for treatment at the Grandville CWP, subject also to the provisions of the Sewage Disposal Agreement and Amendments and the Rush Creek O&M Agreements and Amendments to the extent not in conflict with this Agreement.

D. Operation and Maintenance. Jamestown, on its own or by contract, shall provide O&M for the Jamestown Sewer System and the 22<sup>nd</sup> Avenue Meter. Georgetown, on its own or by contract, shall provide O&M for the Georgetown Sewer System.

E. Connection Fees, Rates and Charges.

(1) Except as otherwise provided by Subsection E.(5) below, Georgetown shall retain and/or receive all connection fees, rates, and other utility charges which it has collected or which are otherwise due to Georgetown in accordance with the Joint Agreement (or any other similar agreement between the Townships), prior to the termination date of the Joint Agreement set forth in Section 2.A., above. Jamestown shall hold Georgetown harmless for any such fees, rates, and charges to which Georgetown is entitled under the Joint Agreement or any other similar agreement between the Townships.

(2) Jamestown has provided documentation to Georgetown, summarized in the form attached hereto as Exhibit 7, evidencing the number of REUs connected to the Jamestown System and amounts paid to Georgetown for those connections for the period between March 1, 2001, and the date of this Agreement.

(3) Georgetown hereby acknowledges the receipt of the connection fees detailed in Exhibit 7.

(4) Georgetown has provided documentation to Jamestown, in the form attached hereto as Exhibit 8, evidencing the cost to construct the M-21 Bypass Project, the number of REUs that can be served by the M-21 Bypass Project, and the resulting cost per REU. Jamestown hereby acknowledges the receipt of the cost and REU figures detailed in Exhibit 8.

(5) Georgetown shall credit Jamestown on a per-REU basis the amounts set forth in Exhibit 8 (i.e., \$259.37 per REU), for all connections in Jamestown that have paid connection fees, as described in Exhibit 7. This credit will be used by Jamestown as an offset to the monies owed to Georgetown by Jamestown for the M-21 Bypass Project, as described in Section 4 below and shown in more detail on Exhibit 9.

F. **Representations and Warranties.** Georgetown represents and warrants that it has not expended any funds for water or sanitary system improvements in Jamestown during the term of the Joint Agreement and, therefore, Georgetown is not entitled to any payment from Jamestown pursuant to the second sentence of Paragraph 5 of the Joint Agreement. Further, Georgetown represents that it has maintained the Jamestown Sewer System in accordance with Good Utility Practices and, as of the date of this Agreement, the Jamestown Sewer System is in good working order, minor wear and tear excepted. Jamestown acknowledges that it accepts the Jamestown Sewer System “as is”, without any warranties, express or implied.

**Section 3. The 22<sup>nd</sup> Avenue Sewer.** The Townships’ ownership interests and rights with respect to the 22<sup>nd</sup> Avenue Sewer shall be as set forth in this Section 3.

A. **Division of Ownership.** Subject to the terms of this Agreement, the on-going ownership of the 22<sup>nd</sup> Avenue Sewer shall be as follows:

(1) That portion of the 22<sup>nd</sup> Avenue Sewer and all connecting public sewer lines and appurtenances which are situated within Jamestown’s political boundaries shall be the sole

property of Jamestown.

(2) That portion of the 22<sup>nd</sup> Avenue Sewer and all connecting public sewer lines and appurtenances which are situated within Georgetown's political boundaries shall be the sole property of Georgetown.

B. Non-Payment for Division. The parties agree that division of the 22<sup>nd</sup> Avenue Sewer ownership as set forth in Section 3.A. above shall not require the payment of any sums by either Township to the other and that the parties shall take any necessary actions required by law to effectuate such allocation including, but not limited to, the actions described in Section 2.B. of this Agreement.

C. Allocation of Capacity within 22<sup>nd</sup> Avenue Sewer in Georgetown.

(1) Subject to the provisions of this Agreement, Jamestown shall have, own in perpetuity, and always have available to it a guaranteed peak discharge capacity in the 22<sup>nd</sup> Avenue Sewer located in Georgetown equal to 2.54 mgd, as calculated in accordance with Exhibit 10. Jamestown shall indemnify and hold harmless Georgetown and its officers, employees and agents, from claims, demands or damages, of any nature, arising out of Jamestown's lack of capacity due to circumstances or factors outside the reasonable control of Georgetown. Georgetown shall indemnify and hold harmless Jamestown and its officers, employees and agents, from claims, demands or damages, of any nature, arising out of Georgetown's lack of capacity due to circumstances or factors outside the reasonable control of Jamestown.

(2) Jamestown may not surge the public sewer system beyond the amount of discharge expressly authorized in this Agreement.

(3) The parties agree that division of the 22<sup>nd</sup> Avenue Sewer capacity as set forth in Section 3.C. and as shown on Exhibit 10 shall not require the payment of any sums by either

Township to the other and that the parties shall take any necessary actions required by law to effectuate such allocation including, but not limited to, the actions described in Section 2.B. of this Agreement.

D. Metering.

(1) Jamestown, at Jamestown's sole expense, shall purchase and install the 22<sup>nd</sup> Avenue Meter in a location approved by the Townships and the County, to meter the flow of wastewater discharge from Jamestown into the 22<sup>nd</sup> Avenue Sewer in Georgetown. Preliminary construction plans for the 22<sup>nd</sup> Avenue Meter will be provided to Georgetown, the County and Grandville for their review and approval, which approval is required and which shall not be unreasonably withheld or delayed. The date on which the 22<sup>nd</sup> Avenue Meter project is installed and operational shall be certified in writing to Jamestown, the County, Grandville and Georgetown by Jamestown's engineer.

(2) The 22<sup>nd</sup> Avenue Meter shall be owned by Jamestown as part of the Jamestown Sewer System (and shall not be considered part of the 22<sup>nd</sup> Avenue Sewer), and operated, maintained, repaired and replaced by Jamestown, even if installed in Georgetown Township. For purposes of this Agreement, Jamestown hereby designates the County as Jamestown's agent for the operation, maintenance, repair and replacement of the 22<sup>nd</sup> Avenue Meter. Subject to this Section 3.D.(2), Jamestown may undertake the operation, maintenance, repair and replacement of the 22<sup>nd</sup> Avenue Meter on its own or by contract. The County reserves the right to inspect and require repairs to or replacement of the 22<sup>nd</sup> Avenue Meter to ensure the accuracy of the meter readings as part of the County's billing responsibilities. In the event that the 22<sup>nd</sup> Avenue Meter fails or is in need of repair as determined by the County, the County shall promptly repair or replace the 22<sup>nd</sup> Avenue Meter at Jamestown's expense. If, during the repair,

maintenance or replacement of the 22<sup>nd</sup> Avenue Meter, the 22<sup>nd</sup> Avenue Meter is not metering flow from the Jamestown Sewer System to the Georgetown Sewer System, the County will estimate the flow based on historical meter readings using a daily average, adjusted for any seasonal variations, to calculate the missing monthly meter readings. At all times with respect to the 22<sup>nd</sup> Avenue Meter Georgetown shall be entitled to receive any reports or other information prepared with respect to the on-going operational capability of the meter. Georgetown shall have no responsibility for O&M of the 22<sup>nd</sup> Avenue Meter.

(3) For any discharger to the portion of the 22<sup>nd</sup> Avenue Sewer located within Georgetown whose discharge point to the 22<sup>nd</sup> Avenue Sewer is upstream of the 22<sup>nd</sup> Avenue Meter, the County shall determine the discharge amount to be allocated to such user(s), and shall update such determination periodically if circumstances indicate the discharge may have changed significantly. The total of such discharge amounts shall be, for all purposes related to this Agreement, deducted from Jamestown Township's usage as measured by the 22<sup>nd</sup> Avenue Meter and added to Georgetown Township's usage. Subject to Section 3.E., such dischargers shall be customers of Georgetown Township and it shall be entitled to charge such dischargers fees charged to similar dischargers in the Township.

E. Operation and Maintenance. Jamestown, on its own or by contract, at its sole cost, shall provide O&M for that portion of the 22<sup>nd</sup> Avenue Sewer located within Jamestown as well as that portion within Georgetown Township upstream of the 22<sup>nd</sup> Avenue Meter. Except as noted herein, Georgetown, on its own or by contract, shall provide O&M for the 22<sup>nd</sup> Avenue Sewer located within Georgetown; provided, however, that Jamestown is responsible for a portion of the O&M costs associated with the 22<sup>nd</sup> Avenue Sewer located within Georgetown based on allocated capacity as set forth on Exhibit 10. Jamestown shall pay the applicable O&M costs for that portion

of the 22<sup>nd</sup> Avenue Sewer located in Georgetown in accordance with the allocated capacity as set forth on Exhibit 10 and Section 8 of this Agreement. Georgetown shall provide Jamestown with a copy of Georgetown's annual budget for the Georgetown Sewer System to disclose any planned maintenance by Georgetown on the 22<sup>nd</sup> Avenue Sewer located in Georgetown. Georgetown shall provide the annual budget to Jamestown within 30 calendar days of adoption of that budget by Georgetown.

F. Odor Control. Jamestown's discharge, at the 22<sup>nd</sup> Avenue Meter, must be in compliance with all pretreatment regulations then in effect for the Grandville CWP and with Georgetown's sewer use ordinance. Following notice from the County to the responsible Township(s) and a reasonable opportunity for the responsible Township(s) to cure the odor problem, the County may require the responsible Township(s) to take odor control measures the County deems appropriate, the costs of which shall be borne by the responsible Township(s).

G. Infiltration. To account for infiltration that will enter the Georgetown System from Jamestown, Jamestown agrees to a surcharge of 500 gallons per day that will be added to the 22<sup>nd</sup> Avenue Meter by the County.

H. Capital Improvements. The costs for Capital Improvements to the 22<sup>nd</sup> Avenue Sewer in Georgetown Township will be allocated based on capacity of each section of sewer as detailed in Exhibits 10 and 11. Payments for such Capital Improvements shall be processed in accordance with the provisions of Subsection 8.A.(5).

**Section 4. M-21 Bypass Project.**

A. Division of Ownership. Georgetown acquired, constructed and completed the M-21 Bypass Project (in this Section 4, the "Project"). The cost of the Project is detailed in Exhibits 8 and 9 to this Agreement. Jamestown will purchase an undivided 34.32% of the capacity in the

Project from Georgetown by paying to Georgetown 34.32% of the total as-built cost of the Project (“Jamestown’s Project Cost Share”) in accordance with Section 4.B., below. These percentages are calculated by using Jamestown’s capacity (2.54 mgd) and Georgetown’s capacity (4.86 mgd) in the M-21 Bypass Project.

B. Payment for Division. Jamestown will pay Jamestown’s Project Cost Share to Georgetown as set forth below:

(1) Upon execution of this Agreement by the Townships, Jamestown shall pay \$539,962.34 in cash to Georgetown, as more particularly detailed on Exhibit 9.

(2) The unpaid balance of Jamestown’s Project Cost Share, in the amount of \$500,000 (for purposes of this subsection 4.B(2), the “Outstanding Balance”), shall be paid to Georgetown by Jamestown in one payment, plus interest accruing thereon, within 30 days of the date of this Agreement; provided, however, that Jamestown, in Jamestown’s sole discretion, may elect to, on its own or with the assistance of the County, issue bonds to pay the Outstanding Balance (and any accrued interest thereon) to Georgetown. Interest on the Outstanding Balance shall accrue according to the following: For the period beginning June 1, 2010 through and including May 31, 2011, interest shall accrue on the Outstanding Balance at the rate of 1%; for the period beginning June 1, 2011, through and including the month in which the payment of the Outstanding Balance is paid by Jamestown to Georgetown, interest shall accrue on the Outstanding Balance at the rate of 3%. Interest shall be calculated on the basis of a 365-day calendar year for the actual number of days elapsed (*See Exhibit 9 for details as to the calculation of interest*). If Jamestown elects to issue bonds (on its own or through the County), Jamestown shall pay the Outstanding Balance (and any accrued interest) on or before September 30, 2012.

C. Capacity. Subject to the provisions of this Agreement, upon completion of the Project, Jamestown shall be permitted to discharge a maximum of 2.54 mgd through the Project.

D. Operation and Maintenance. Georgetown shall operate and maintain the Project. O&M costs of the Project shall be shared by Georgetown and Jamestown per the capacity allocations as is provided in Section 4.A. and Exhibit 11 of this Agreement. Georgetown shall provide Jamestown with a copy of Georgetown's annual budget for the Georgetown Sewer System to Jamestown to disclose any planned maintenance by Georgetown on the Project. Georgetown shall provide the annual budget to Jamestown within 30 calendar days of adoption of that budget by Georgetown.

E. Capital Improvements. The costs for Capital Improvements to the M-21 Bypass Project will be allocated by the capacity of each section of sewer, as detailed in Section 4.A. and Exhibit 11 of this Agreement. Payments for such Capital Improvements shall be processed in accordance with the provisions of Subsection 8.A.(5).

**Section 5. Existing M-21 Trunk Sewer.**

A. Grant of Capacity. Subject to the provisions of this Agreement, Georgetown hereby grants capacity in the Existing M-21 Trunk Sewer to Jamestown equal to 2.54 mgd. The aforesaid grant of capacity shall not be deemed a franchise or license for purposes of Article VII, Section 30 of the Michigan Constitution of 1963. The parties acknowledge that all title and interest in the Existing M-21 Trunk Sewer is now and will remain with Georgetown, subject only to the provisions of Section 5.C. below regarding the rebuilding or rehabilitation of the Existing M-21 Trunk Sewer.

B. Capacity Fee. Jamestown shall pay Georgetown an annual charge of \$525 for the right to use the M-21 Trunk Sewer consistent with the capacity allocated to Jamestown pursuant

to Section 5.A., above. Georgetown shall bill the Capacity Fee to the County at the first of each year. The County, in turn, will bill the Capacity Fee to Jamestown as part of the monthly billing to Jamestown and Jamestown shall pay the Capacity Fee in accordance with Section 7 of this Agreement. Upon the County's receipt of the Capacity Fee from Jamestown, the County shall remit the amount to Georgetown. The annual charge will increase by \$5 per year. Bills not paid when due shall accrue interest at the rate of 1% per month or portion thereof during which the bill remains unpaid.

C. Rebuilding or Rehabilitation of Existing M-21 Trunk Sewer. If Georgetown, in its sole discretion, determines that it is necessary to rebuild or rehabilitate the Existing M-21 Trunk Sewer, the Townships will share in the cost of such rebuilding or rehabilitation in proportion to each Township's capacity requirements (the "Capacity Percentage"). When the rebuilding or rehabilitation of the Existing M-21 Trunk Sewer is complete and becomes operational, Georgetown shall own an undivided interest of the rebuilt or rehabilitated M-21 Trunk Sewer equal to Georgetown's Capacity Percentage and Jamestown shall own an undivided interest of the rebuilt or rehabilitated M-21 Trunk Sewer equal to Jamestown's Capacity Percentage. The date on which the rebuilding or rehabilitation project is complete shall be certified in writing to Jamestown and Georgetown by the relevant project engineer.

D. Operation and Maintenance. O&M for the Existing M-21 Trunk Sewer shall be provided by Georgetown. O&M costs shall be shared by Georgetown and Jamestown by capacity allocation, as is provided in Exhibit 11 of this Agreement. Georgetown shall provide Jamestown with a copy of Georgetown's annual budget for the Georgetown Sewer System to Jamestown to disclose any planned maintenance on the Existing M-21 Trunk Sewer by Georgetown. Georgetown shall provide the annual budget to Jamestown within 30 calendar days

of adoption of that budget by Georgetown.

**Section 6. Rush Creek 42-inch Sewer.**

A. Division of Ownership. Georgetown acquired, constructed and completed the Rush Creek 42-inch Sewer. The cost of the Rush Creek 42-inch Sewer is detailed in Exhibits 8 and 9 to this Agreement. Jamestown will purchase an undivided 11.29% of the Rush Creek 42-inch Sewer from Georgetown by paying Georgetown in cash. Upon payment of Jamestown's share, Georgetown will own 88.71% and Jamestown will own 11.29% of the Rush Creek 42-inch Sewer (see Exhibit 9 for additional details as to the respective costs and the calculation of division of ownership). It is the parties' understanding that eventually the City of Hudsonville will purchase part of Georgetown's interest.

B. Payment for Division. Jamestown will pay Jamestown's share of the Rush Creek 42-inch Sewer to Georgetown within 30 calendar days after the date of this Agreement first written above.

C. Capacity. Subject to the provisions of this Agreement, Jamestown may discharge a maximum of 2.74 mgd through the Rush Creek 42-inch Sewer. This capacity takes into account the 0.20 mgd of existing capacity that Jamestown owns in the Rush Creek Trunk Sewer.

D. Operation and Maintenance. The County shall operate and maintain the Rush Creek 42-inch Sewer. O&M costs of the Rush Creek 42-inch Sewer will be shared in accordance with the Rush Creek Trunk Sewer O&M Agreements, as amended. The County shall make available to the Townships the County's annual budget (or such other applicable document) for the Rush Creek 42-inch Sewer within thirty (30) calendar days of adoption of that budget (or document) by the County to disclose any planned maintenance on the Rush Creek 42-inch Sewer by the County; provided, however, that such disclosure is strictly for advisory

purposes and does not restrict or limit the terms of the Rush Creek Trunk Sewer O&M Agreements.

E. Capital Improvements. The costs for Capital Improvements to the Rush Creek 42-inch Sewer will be allocated by the capacity of each section of sewer, as detailed in this Section and Exhibit 11 of this Agreement and pursuant to the terms of the Rush Creek Trunk Sewer O&M Agreements. Payments for such Capital Improvements shall be processed in accordance with the provisions of Subsection 8.A.(5).

**Section 7. Planning for, and Notice of Capital Improvements.** Each year, Georgetown and the County shall provide Jamestown with a copy of Georgetown's and the County's capital improvement plans (and any subsequent revisions thereto) with respect to proposed Capital Improvements to the 22<sup>nd</sup> Avenue Sewer, Existing M-21 Trunk Sewer, M-21 Bypass Project, or Rush Creek 42-inch Sewer, to provide Jamestown with sufficient time to budget for and pay Jamestown's share of the Capital Improvements according to the cost allocation provisions set forth in this Agreement; provided, however, that with respect to the County's disclosure of the County's capital improvement plans, such disclosure is strictly for advisory purposes and does not restrict or limit the terms of the Rush Creek Trunk Sewer O&M Agreements.

**Section 8. Billing; Insurance.**

A. Billing.

(1) Georgetown shall bill the County monthly for Jamestown's allocable share of Georgetown's costs for O&M of the 22<sup>nd</sup> Avenue Sewer, M-21 Bypass Project, and the Existing M-21 Trunk Sewer as reflected on Exhibit 12. The County, in turn, shall bill Jamestown for such costs and the costs for the operation, maintenance, repair and replacement of the 22<sup>nd</sup> Avenue Meter. The allocations for each facility (other than the 22<sup>nd</sup> Avenue Meter) are

detailed in Exhibit 11 and the formula for the calculation of Georgetown's actual costs for O&M is set forth on Exhibit 12.

(2) Each billing statement from Georgetown and the County to Jamestown shall include a detailed itemization of the charges that make up the billing that is consistent with this Agreement.

(3) Unless otherwise provided herein, Jamestown shall have thirty (30) days from the date of each bill from the County to make payment to the County. Bills not paid to the County when due shall accrue interest at the rate of one percent per month or portion thereof during which the bill remains unpaid. The County shall pay amounts due and owing to Georgetown within thirty (30) days of receiving payment from Jamestown for the proportion of such costs allocable to Jamestown.

(4) If Jamestown disputes a charge or an amount billed for O&M by Georgetown or the County, Jamestown shall pay the disputed amount and the parties shall attempt to resolve the dispute; provided, however that if they are unable to do so within thirty (30) days after Jamestown provides notice of the dispute to Georgetown or the County, the parties may, by mutual consent, proceed to mediate the dispute with the County. In the alternative, Georgetown or Jamestown may, by written notice to the other, invoke binding arbitration for resolution of the billing dispute under the auspices of the American Arbitration Association. The matter will then proceed to binding arbitration according to the applicable rules. A judgment of any Michigan circuit court may be entered upon the award made pursuant to this section, and shall be valid, enforceable and irrevocable, except upon such grounds as exist at law or equity for the rescission or revocation of this Agreement.

(5) Costs and charges for Capital Improvements shall be billed to the

responsible party or parties in accordance with this Agreement. Payments shall be due and payable within thirty (30) days of the date of the invoice; provided, however, after thirty (30) days interest shall accrue on any amounts unpaid at a rate of interest equal to the U.S. Prime Rate as reported in the *Wall Street Journal* on the date of the invoice.

B. Insurance.

(1) Georgetown shall obtain and maintain, at Georgetown's sole cost, adequate general liability and motor vehicle insurance for the Georgetown Sewer System.

(2) Jamestown shall obtain and maintain, at Jamestown's sole cost, adequate general liability and motor vehicle insurance for the Jamestown Sewer System.

(3) The County shall procure and maintain comprehensive general liability and motor vehicle insurance covering all activities for which it has assumed risk and liability pursuant to Section 6.D. of this Agreement. The County's insurance policies shall name each of the Townships and their respective Township board members, officers, employees, and agents as additional named insureds. If the County maintains any umbrella coverage which provides protection for liability in excess of its comprehensive general liability insurance and motor vehicle insurance, the County umbrella insurance policy shall include as an additional insured each of the Townships and their respective Township board members, officers, employees, and agents. Such insurance shall also include a provision waiving any right of the insurance carrier to utilize the provisions of this Section as the basis for any subrogation claim against another party.

(4) The parties shall, on the request of any party to this Agreement, request its insurance agent to provide the parties hereto with certificates of insurance evidencing the insurance policies required by Section 8.B. of this Agreement.

(5) Each party to this Agreement shall maintain copies of the insurance

required pursuant to this Agreement at each party's principal office and copies of such insurance policies shall be available for inspection on request of any party.

(6) The insurance policies that each of the Townships is required to maintain in accordance with Section 8.B. of this Agreement shall name the County, the County Board of Commissioners, the Board of County Road Commissioners, and all County officers, employees, and agents as additional insureds. In addition, if the Townships maintain any umbrella coverage which provides for liability in excess of its comprehensive general liability insurance and motor vehicle insurance, the Townships' umbrella insurance shall include as an additional insureds the County, its Board of Commissioners, the Road Commission Board, and all County officers, employees, and agents.

(7) The Townships and the County shall mutually agree in writing on minimum limits for insurance required by Section 8.B. of this Agreement. A not-to-exceed deductible shall also be agreed upon in writing. This insurance shall include a provision waiving any right of the insurance carrier to utilize the provisions of Section 8.B. of this Agreement as the basis for any subrogation claim against another party.

(8) All policies of insurance shall be written by insurance companies in good standing and authorized to do business in the State of Michigan. All such policies of insurance shall further provide that they may not be cancelled, terminated, or materially modified except upon not less than thirty (30) days prior written notice to all parties to this Agreement.

**Section 9. Reduction of Capacity.** If the capacity in the 22<sup>nd</sup> Avenue Sewer, Rush Creek Sewer System, M-21 Bypass Project, Existing M-21 Sewer, or Grandville CWP is temporarily reduced at any time during the term of this Agreement for whatever reason, the County shall temporarily reduce proportionally each Township's respective capacity in all other

applicable sewer components (i.e., 22<sup>nd</sup> Avenue Sewer, Rush Creek Sewer System, M-21 Bypass Project, Existing M-21 Sewer or Grandville CWP) based on the respective capacity interests of Georgetown and Jamestown as described in Exhibit 11 and the rights of any other entities to use the applicable sewer components.

**Section 10. Sewer Use Ordinance.** With respect to any sanitary sewer system referenced herein, Jamestown shall adopt, enforce and maintain, so long as this Agreement is in effect, a sewer use ordinance and regulations at least as restrictive and stringent as the Grandville sewer use ordinance.

**Section 11. Term.** This Agreement shall continue for as long as the 22<sup>nd</sup> Avenue Sewer, the M-21 Bypass Project and the rebuilt and rehabilitated Existing M-21 Trunk Sewer, or any of them, as they may be repaired, replaced, and rebuilt, are operational and utilized by the Townships.

**Section 12. Liability.**

A. Liability of the County.

(1) The County is not liable to the Townships or either of them for any loss, cost, damage or expense incurred by either Township with respect to the 22<sup>nd</sup> Avenue Sewer, the 22<sup>nd</sup> Avenue Meter, the M-21 Bypass Project or the Existing M-21 Trunk Sewer. The County is not liable to the Townships or either of them for any loss, cost, damage or expense incurred by the Townships or either of them with respect to its obligations under Section 6.D. of this Agreement except in those circumstances where the County, its officers, employees or agents, fails to perform the County's obligations specified herein consistent with Good Utility Practice or the County, its officers, employees or agents has been guilty of gross negligence or intentional wrongdoing in connection with its obligations; provided, however, that the foregoing waiver shall not apply to

contractual claims between the parties. In no event shall the County be liable to the Townships for service interruptions or claims of sewer customers for service interruptions caused by third parties. Further, in no event shall the County be liable to the Townships for any loss, damage, or expense incurred by either Township because of the design or construction of the 22<sup>nd</sup> Avenue Sewer, the 22<sup>nd</sup> Avenue Meter, the M-21 Bypass Project, the Existing M-21 Trunk Sewer and/or the Rush Creek 42 inch Sewer.

(2) Any liability or any payment, cost, expense or obligation arising from a claim of liability (after application thereto of any insurance coverage or proceeds) to a third party or parties against the County or either of the Townships related to the 22<sup>nd</sup> Avenue Sewer, 22<sup>nd</sup> Avenue Meter, the M-21 Bypass Project, Rush Creek 42-inch Sewer or the Existing M-21 Trunk Sewer shall be governed by this Subsection 12.A.

(3) The County assumes all risk and liability for injury or damage to persons or property that arise from the failure to perform the County's obligations as set forth in Section 6.D. of this Agreement or due to gross negligence or intentional wrongdoing by the County or its officers, employees or agents in performing those obligations. The County agrees to indemnify Jamestown and Georgetown and the members of their Township boards, officers, employees, and agents from any and all losses, damages, claims, and expenses, including reasonable attorney's fees incurred for defense, resulting from an injury or damage to any persons or property for which the County has assumed risk and liability pursuant to the immediately preceding sentence to the extent that any insurance maintained by the County therefore is insufficient. The County's obligation pursuant to this subsection shall survive any termination of this Agreement.

(4) Except as otherwise provided in this Agreement, the Townships assume all risk and liability for injury or damage to persons or property that arises on account of the design,

construction, operation, maintenance, repair or replacement of the 22<sup>nd</sup> Avenue Sewer, the 22<sup>nd</sup> Avenue Meter, the M-21 Bypass Project, Rush Creek 42-inch Sewer or the Existing M-21 Trunk Sewer. The Townships agree to indemnify the County and the members of its Board of Commissioners and Road Commission Board, officers, employees, and agents from any and all lawsuits, damages, claims, and expenses, including reasonable attorneys' fees incurred for defense, resulting from an injury or damage to persons or property for which the Townships have assumed risk and liability pursuant to the immediately preceding sentence to the extent that any insurance maintained by the Townships therefore is insufficient. If a particular improvement is owned jointly by the Townships, each Township's responsibility pursuant to this Subsection 12.A. shall be in proportion to their ownership percentages.

B. Liability of Georgetown.

(1) Georgetown is not liable to Jamestown or the County for any loss, cost, damage or expense incurred by Georgetown with respect to the Georgetown Sewer System, including but not limited to that portion of the 22<sup>nd</sup> Avenue Sewer located within Georgetown, the M-21 Bypass Project, Rush Creek 42-inch Sewer or the Existing M-21 Trunk Sewer, except in those circumstances where Georgetown, its officers, employees or agents, fails to perform Georgetown's obligations specified herein or Georgetown, its officers, employees or agents has been guilty of gross negligence or intentional wrongdoing in connection with its obligations; provided, however, that the foregoing waiver shall not apply to contractual claims between the parties. In no event shall Georgetown be liable to Jamestown or the County for service interruptions or claims of sewer customers for service interruptions caused by third parties.

(2) Georgetown assumes all risk and liability for injury or damage to persons or property that arise from the failure to perform Georgetown's obligations as set forth in this

Agreement or otherwise due to gross negligence or intentional wrongdoing by Georgetown or its officers, employees or agents. Georgetown agrees to indemnify Jamestown and the County and the members of the respective boards, its officers, employees, and agents from any and all losses, damages, claims, and expenses, including reasonable attorney's fees incurred for defense, resulting from an injury or damage to any persons or property for which Georgetown has assumed risk and liability pursuant to the immediately preceding sentence to the extent that any insurance maintained by Georgetown therefore is insufficient.

C. Liability of Jamestown.

(1) Jamestown is not liable to Georgetown or the County for any loss, cost, damage or expense incurred by Jamestown with respect to the Jamestown Sewer System, including the 22<sup>nd</sup> Avenue Meter, except in those circumstances where Jamestown, its officers, employees or agents, fails to perform Jamestown's obligations specified herein or Jamestown, its officers, employees or agents has been guilty of gross negligence or intentional wrongdoing in connection with its obligations; provided, however, that the foregoing waiver shall not apply to contractual claims between the parties. In no event shall Jamestown be liable to Georgetown or the County for service interruptions or claims of sewer customers for service interruptions caused by third parties.

(2) Jamestown assumes all risk and liability for injury or damage to persons or property that arise from the failure to perform Jamestown's obligations as set forth in this Agreement or otherwise due to gross negligence or intentional wrongdoing by Jamestown or its officers, employees or agents. Jamestown agrees to indemnify Georgetown and the County and the members of the respective boards, its officers, employees, and agents from any and all losses, damages, claims, and expenses, including reasonable attorney's fees incurred for defense,

resulting from an injury or damage to any persons or property for which Jamestown has assumed risk and liability pursuant to the immediately preceding sentence to the extent that any insurance maintained by Jamestown therefore is insufficient.

**Section 13. Counterparts.** This Agreement may be executed in any number of counterparts and each such counterpart shall be considered a valid original.

**Section 14. Binding Effect.** The covenants contained herein shall bind and the benefits and advantages shall inure to the respective successors and permitted assigns of the parties hereto.

**Section 15. Law.** This Agreement shall be interpreted in accordance with the laws of the State of Michigan.

**Section 16. Captions.** The captions or headings in this Agreement are for convenience only and shall not define, limit, or describe the scope or intent of any provision or section of this Agreement.

**Section 17. Signing Authority.** The individuals executing this Agreement below personally warrant to the other parties that the individual, in executing this Agreement, is acting with full authority to bind the respective parties to the terms of this Agreement and that evidence of such authority shall be submitted upon request.

**Section 18. Miscellaneous.** This Agreement may not be amended, changed, modified, altered, assigned, or terminated without the written consent of both parties. All exhibits attached hereto are hereby incorporated as though fully stated herein. All notices and other documents to be served or transmitted hereunder shall be in writing addressed to the respective parties hereto at the addresses stated on page 1 of this Agreement or such other address or addressee as shall be specified by the parties hereto from time to time and may be served or transmitted in person or by

ordinary mail properly addressed with sufficient postage. A waiver by any party hereto of a breach or violation of any provision of this Agreement shall not be a waiver of any subsequent breach of the same or any other provision of this Agreement. If any section or provision of this Agreement is unenforceable for any reason, the unenforceability there shall not impair the remainder of this Agreement, which shall remain in full force and effect. This Agreement represents the entire understanding and agreement between the parties hereto with respect to the termination of the Joint Agreement and the ownership of the Georgetown Sewer System and the Jamestown Sewer System, and Jamestown's capacity rights in the Georgetown Sewer System. This Agreement and the terms hereof are subject to other existing agreements between one or both of the Townships, and the County, and/or Grandville, or the City of Hudsonville.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

CHARTER TOWNSHIP OF GEORGETOWN

By: D. Dale Mohr  
D. Dale Mohr  
Its Supervisor

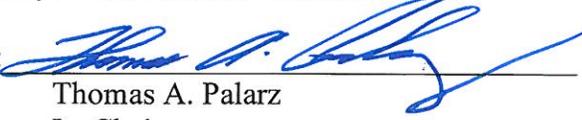
By: Del South  
Del South  
Its Clerk

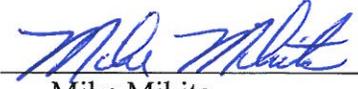
CHARTER TOWNSHIP OF JAMESTOWN

By: James Miedema  
James Miedema  
Its Supervisor

By: Ruth Pruis  
Ruth Pruis  
Its Clerk

COUNTY OF OTTAWA, by and through its  
County Board of Road Commissioners

By:   
Thomas A. Palarz  
Its Chairman

By:   
Mike Mikita  
Its Secretary

OCRC.TerminationAgr.120105



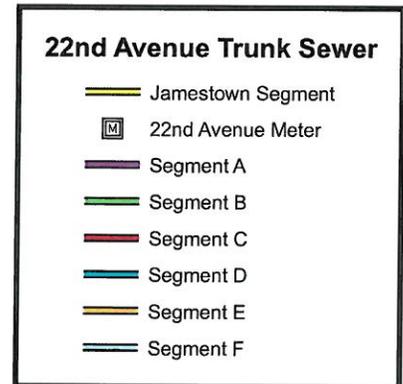
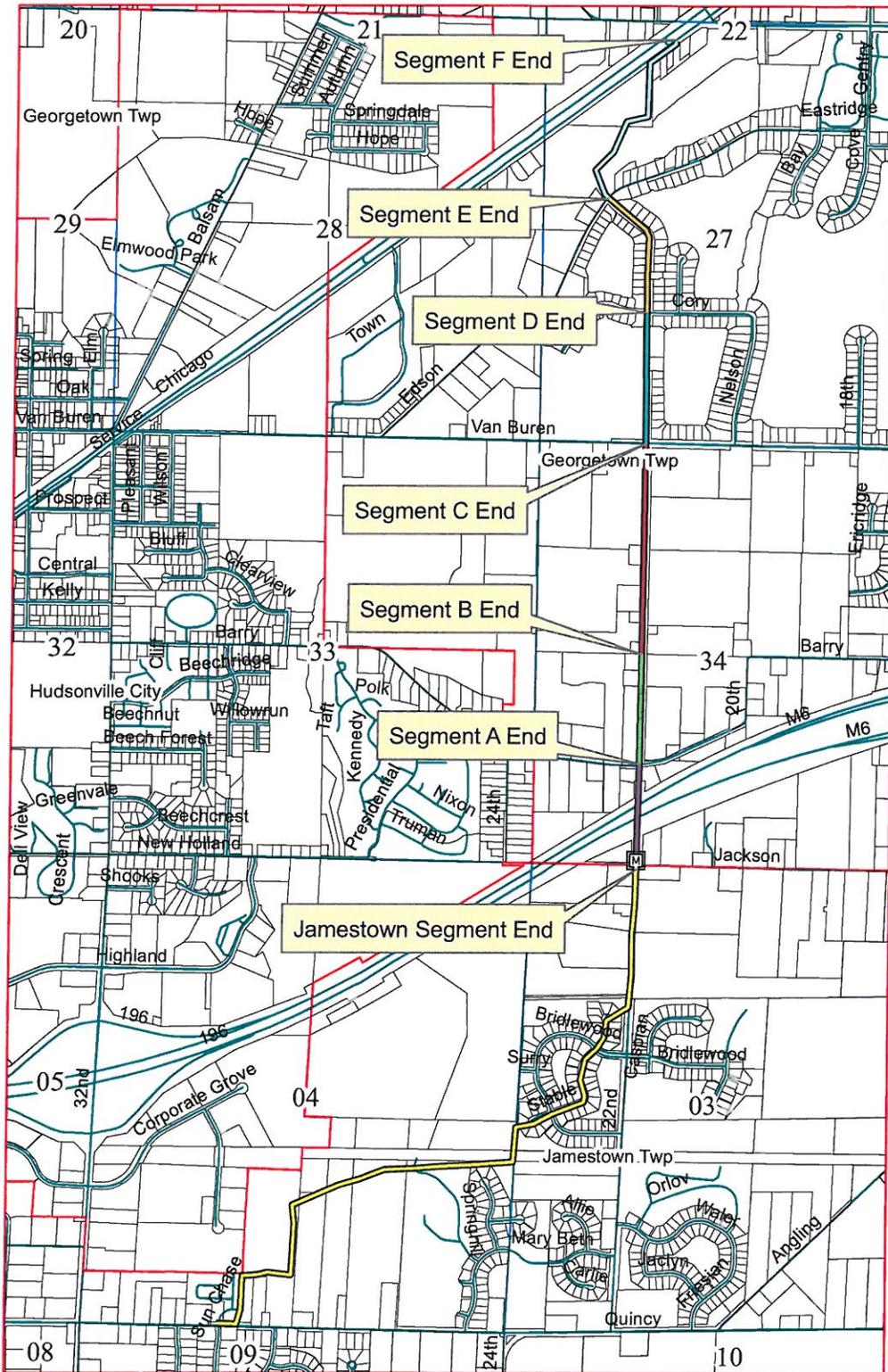
Exhibit 2

Description of 22<sup>nd</sup> Avenue Trunk Sewer

The 22<sup>nd</sup> Avenue Trunk Sewer consists of approximately 22,000 feet of 12" through 24" gravity trunk sewer located in Jamestown Township and Georgetown Township as follows:

Approximately 9,500 feet of 21" trunk sewer located in Jamestown Township in Quincy Street, in public easements between Quincy Street and 22<sup>nd</sup> Avenue, and in 22<sup>nd</sup> Avenue north to the Georgetown Township/Jamestown Township line at Jackson Street.

Approximately 11,250 feet of 12" through 24" trunk sewer located in Georgetown Township from Jackson Street north to the intersection with the Rush Creek Trunk Sewer in Chicago Drive.



Description of Existing M-21 Trunk Sewer

The M-21 Trunk Sewer consists of approximately 5,170 feet of 24" through 30" gravity trunk sewer located in Georgetown Township as follows:

Approximately 2,900 feet of 24" trunk sewer located along M-21 from 8<sup>th</sup> Avenue, east to Cottonwood.

Approximately 2,083 feet of 27" trunk sewer located along M-21 from Cottonwood, east to Rush Creek.

Approximately 187 feet of 30" trunk sewer located in an easement from the west side of Rush Creek, east to the Rush Creek Trunk Sewer.

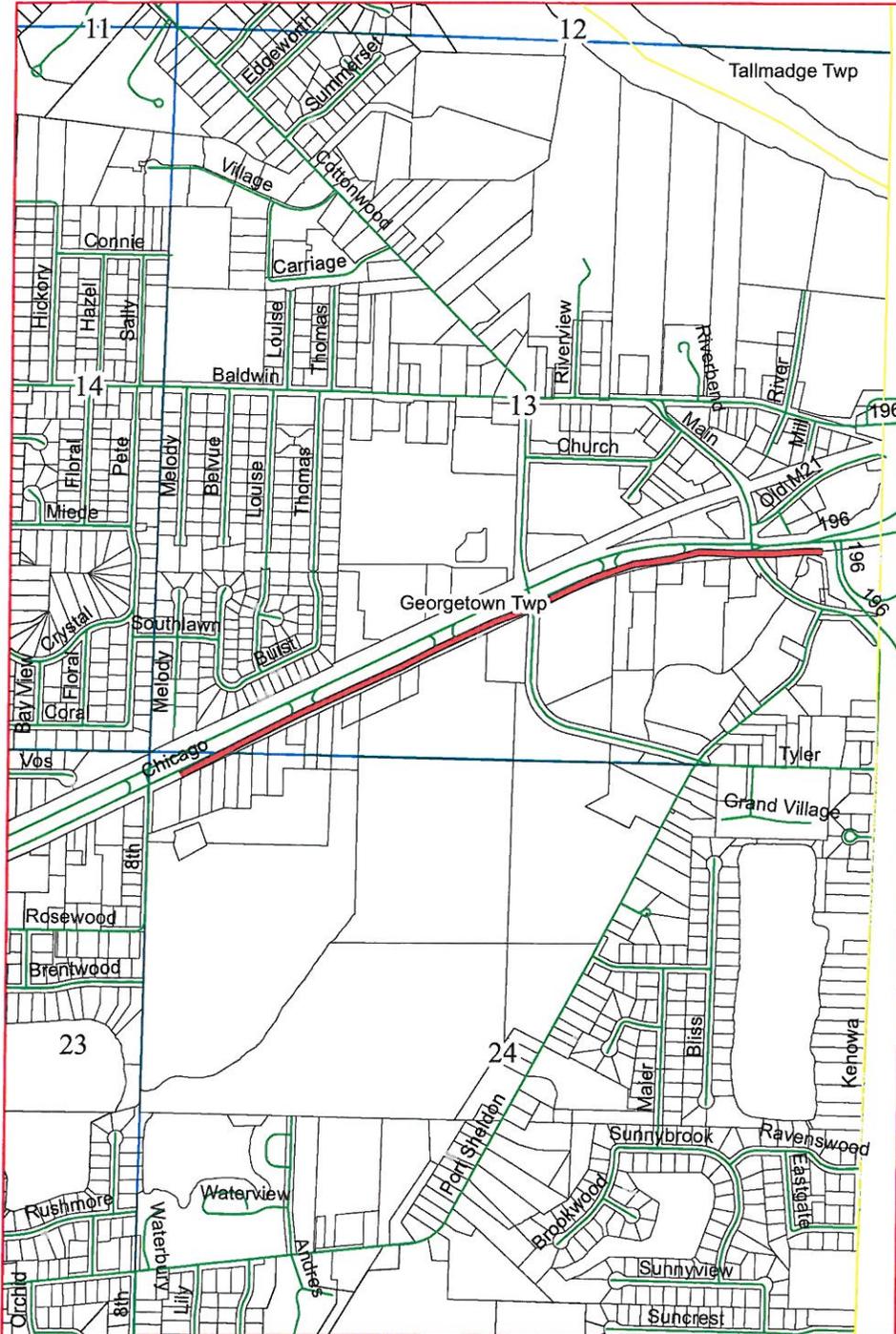


Exhibit 4

Description of M-21 Bypass Project

The M-21 Bypass Project consists of a lift station, force main, and 42-inch gravity sewer located in Georgetown Township as follows:

The M-21 lift station is located on the south side of M-21, at the northeast corner of the Ottawa County Road Commission's Hudsonville Garage.

Approximately 11,077 feet of 30" forcemain from 970 feet west of Port Sheldon Street to 130 feet east of 8<sup>th</sup> Avenue.

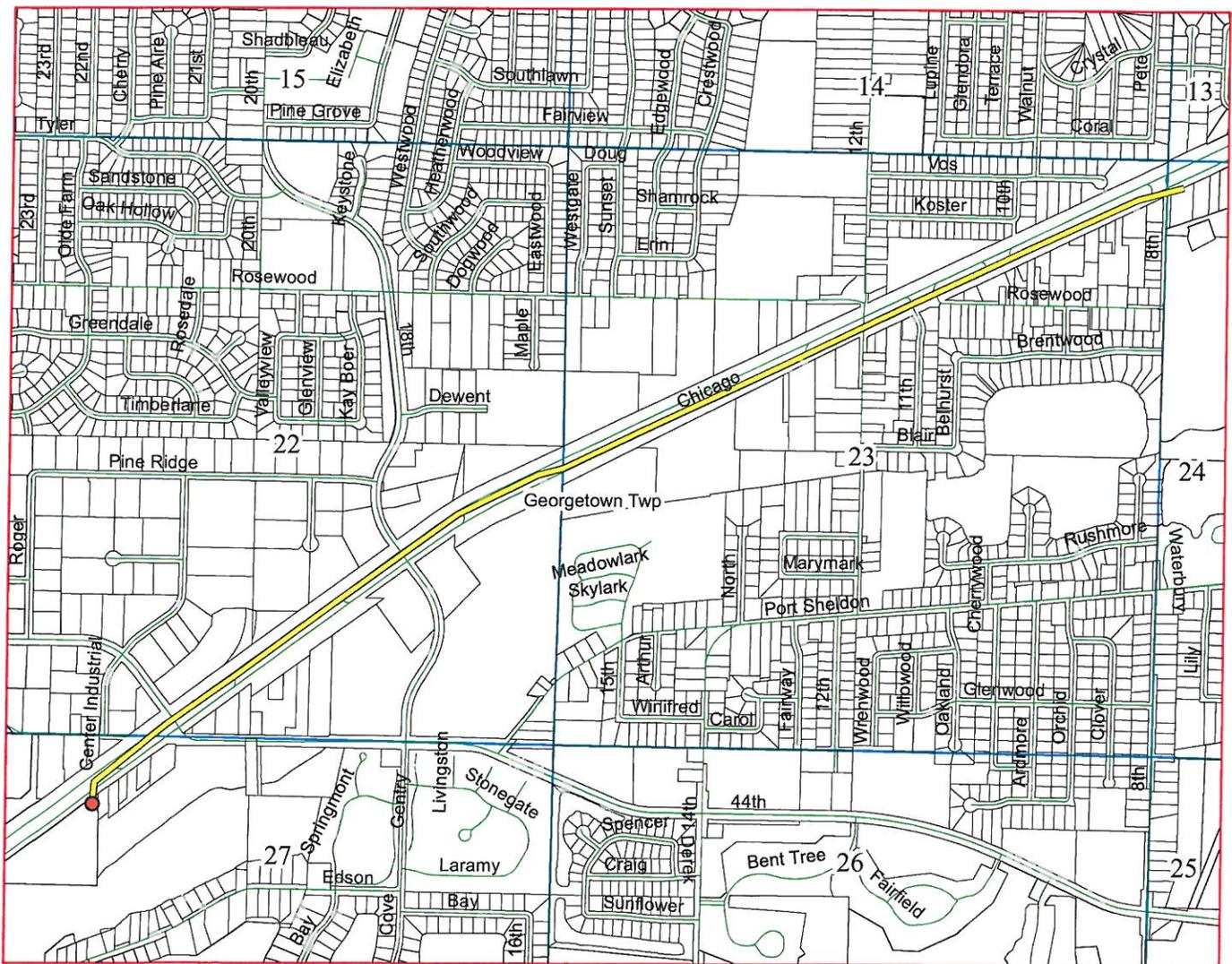
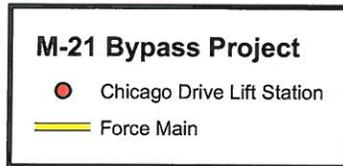


Exhibit 5

Description of Rush Creek 42-inch Sewer

Approximately 1,277 feet of 42" trunk sewer along the northerly side of the west bound Chicago Drive exit ramp from just east of where Rush Creek crosses Chicago Drive to North of CSXT Railroad.

**Rush Creek 42-inch Sewer**

— 42 inch Trunk Sewer

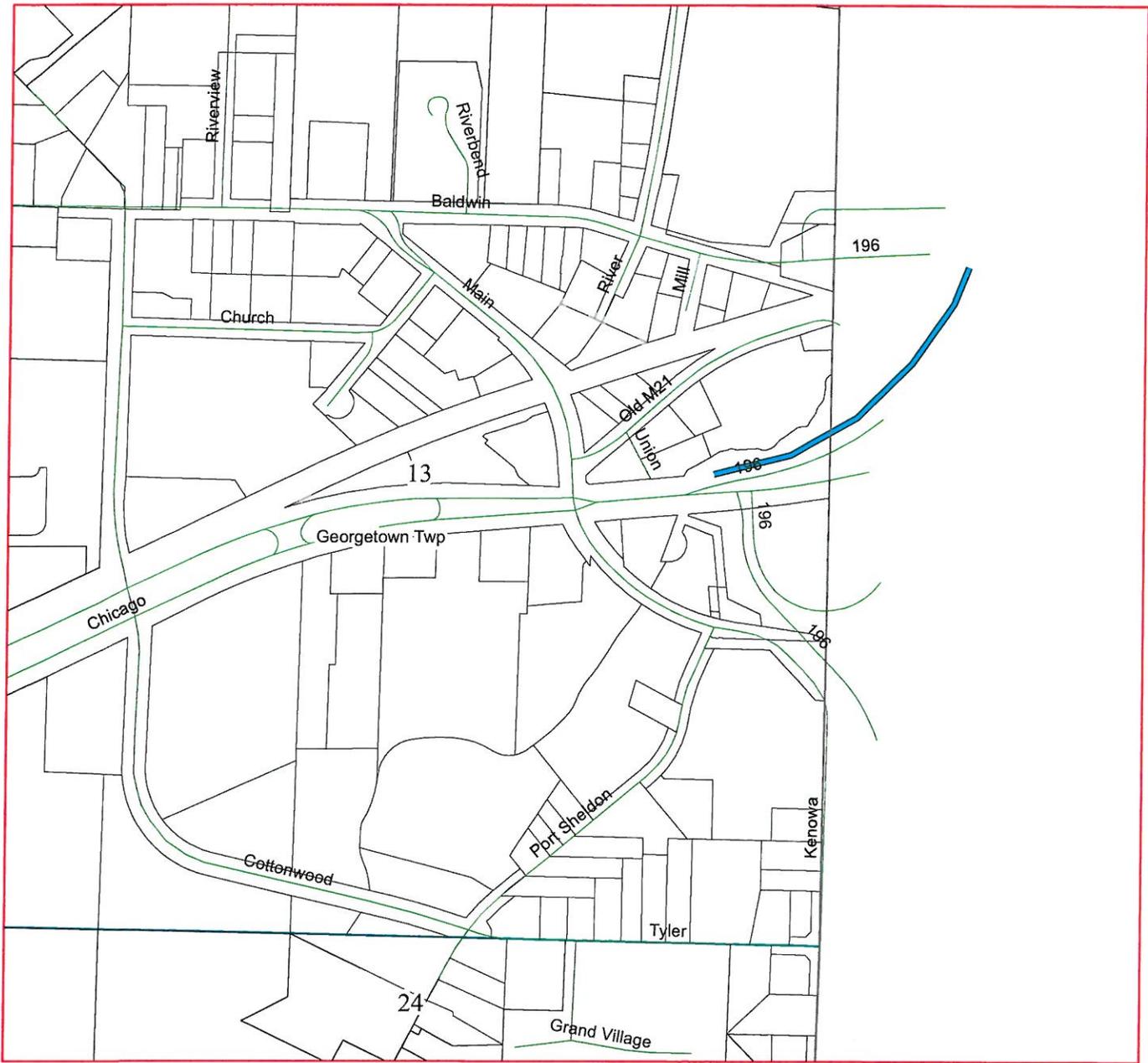
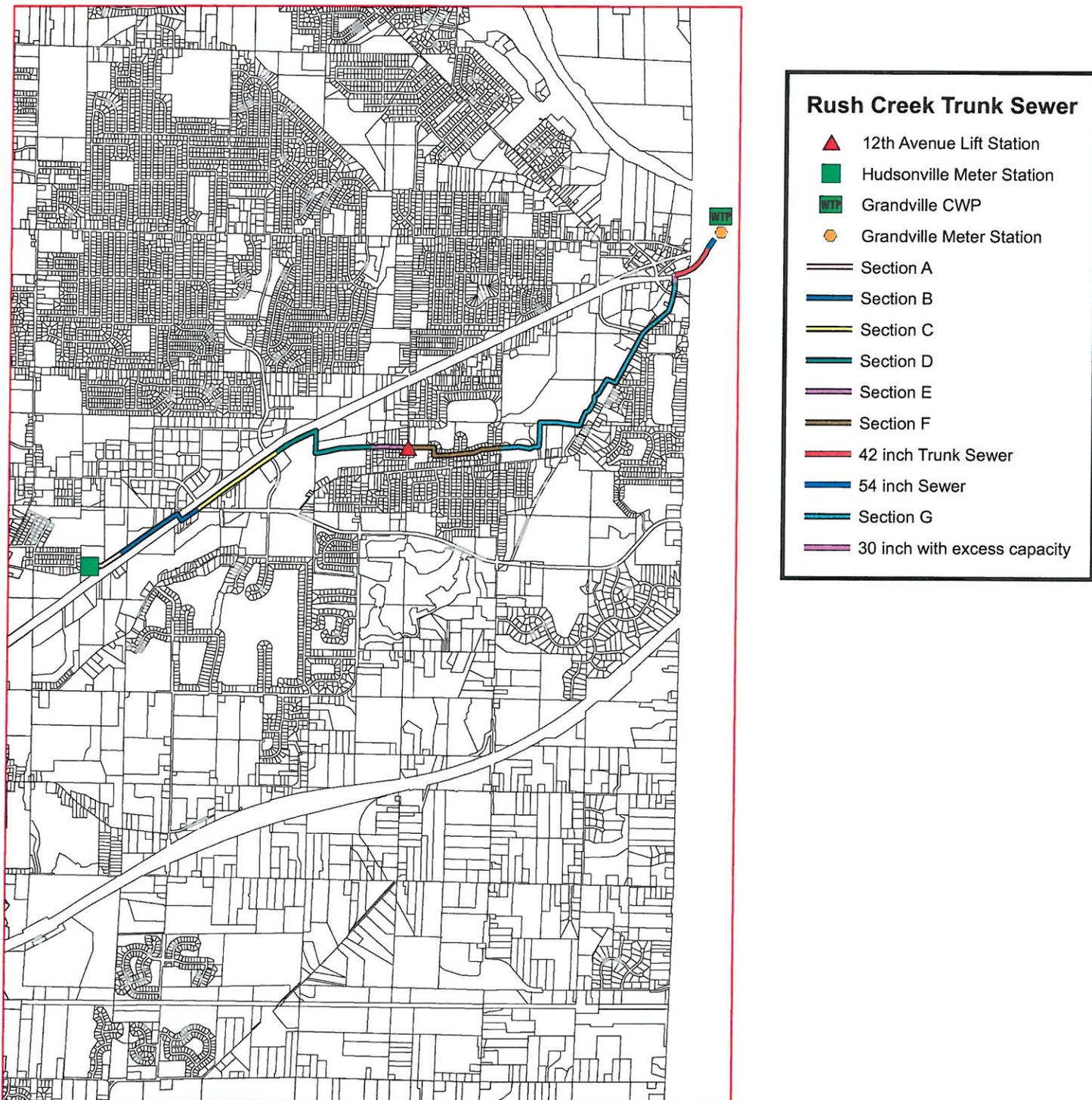


Exhibit 6

Description of Rush Creek Trunk Sewer

The Rush Creek Trunk Sewer consists of approximately 22,000 feet of 18" through 54" gravity trunk sewer located as follows:

Approximately 22,000 feet of 18" through 54" trunk sewer located in Georgetown Township between the metering station at the Hudsonville City limits and the metering station at the Grandville Wastewater Treatment Plant, in public easements, Chicago Drive, Marymark Drive, Rushmore Street, Port Sheldon Road, Mill Street and in Baldwin Street.



## Exhibit 7

### Summary of Jamestown Connection Fees Paid and Credit Calculation

Number of REUs	Connection Fee Rate	Total Paid
426	\$ 2,040	\$869,040.00
63	\$ 1,200	\$75,600.00
<b>489</b>		<b>\$944,640.00</b>
Number of REUs	Bypass System Credit	Total Credit
<b>489</b>	\$ 259.37	<b>\$126,831.93</b>

Exhibit 8  
Bypass Trunkage Calculation

Project Name	Project Cost
Chicago Drive Lift Station	\$ 871,916.41
Chicago Drive Force Main	\$ 2,310,345.17
42" Sewer	\$ 656,484.44
<b>Total Bypass System</b>	<b>\$ 3,838,746.02</b>
Detailed Costs	
<b>Chicago Drive Lift Station</b>	
Construction	\$ 805,518.32
Engineering	\$ 53,488.07
Administration	\$ 12,910.02
<b>Subtotal</b>	<b>\$ 871,916.41</b>
<b>Chicago Drive Force Main</b>	
Construction	\$ 2,133,694.12
Engineering	\$ 142,304.15
Administration	\$ 34,346.90
<b>Subtotal</b>	<b>\$ 2,310,345.17</b>
<b>42" Sewer</b>	
Construction	\$ 594,603.10
Engineering	\$ 38,627.24
Administration	\$ 9,323.17
Property Acquisition	\$ 13,930.93
<b>Subtotal</b>	<b>\$ 656,484.44</b>

Bypass Lift Station REU Capacity		
Lift Station Capacity	7.4	mgd
Peak Flow per REU	0.0005	mgd / REU
Lift Station Capacity	14,800	REUs

Cost Per REU Calculation		
Total Bypass System Cost	\$ 3,838,746.02	
Lift Station Capacity	14,800	REUs
Bypass System Credit Rate Calculation	\$ 259.37	per REU

**Exhibit 9**  
**Summary of Jamestown's Share of Costs**

Item Number	Contract Reference	Description	Total Cost Estimate	Jamestown Allocation %	Jamestown's Share
1	Section 2, E	M-21 Bypass Project credit	-\$126,831.93	100.00%	-\$126,831.93
2	Section 4, A	M-21 Bypass Project	\$3,182,261.58	34.32%	\$1,092,152.17
3	Section 5, B	Existing M-21 Trunk Sewer Fee	\$525.00	100.00%	\$525.00
4	Section 6, A	Rush Creek 42-inch Sewer	\$656,484.44	11.29%	\$74,117.09
<b>Total Jamestown Project Cost</b>					<b>\$1,039,962.34</b>
<b>Cash Payment Due (upon contract execution)</b>					<b>\$539,962.34</b>
<b>Outstanding Balance</b>					<b>\$500,000.00</b>
Interest on Outstanding Balance, 1% from 6/1/10 through 5/31/11					\$5,000.00
Interest on Outstanding Balance, 3% from 6/1/11 through					\$7,500.00
<b>Outstanding Balance with Interest through 11/30/11</b>					<b>\$512,500.00</b>
<b>Total Due on 11/30/11</b>					<b>\$1,052,462.34</b>

## Exhibit 10 22nd Avenue Trunk Sewer Capacity Evaluation

This chart was prepared by MBN for use in allocating construction costs.

Segment	Georgetown		Jamestown		Total GPM
	GPM	%	GPM *	%	
A	27	1.90%	1,390	98.10%	1,417
B	117	7.80%	1,390	92.20%	1,507
C	284	17.00%	1,390	83.00%	1,674
D	565	28.90%	1,390	71.10%	1,955
E	643	31.60%	1,390	68.40%	2,033
F	810	36.80%	1,390	63.20%	2,200

\* Based on average flow of 800,000 gpd and 2.5 peaking factor.

Converted above table to MGD for clarity.

Segment	Georgetown		Jamestown		Total MGD	Actual Pipe Capacity	Prorated Georgetown MGD	Prorated Jamestown MGD
	MGD	%	MGD *	%				
A	0.04	1.90%	2.00	98.10%	2.04	3.48	0.07	3.41
B	0.17	7.80%	2.00	92.20%	2.17	3.48	0.27	3.21
C	0.41	17.00%	2.00	83.00%	2.41	3.57	0.61	2.96
D	0.81	28.90%	2.00	71.10%	2.82	3.57	1.03	2.54
E	0.93	31.60%	2.00	68.40%	2.93	4.43	1.40	3.03
F	1.17	36.80%	2.00	63.20%	3.17	7.62	2.80	4.82

The trunk sewer in Jamestown has capacity of 3.48 mgd (peak) or 1.392 mgd (average) with a 2.5 peaking factor.

Use 2.54 MGD as the limiting capacity purchased by Jamestown in the trunk sewer system.

## Exhibit 11

### Summary of Responsibilities and Allocations

Facility Name	Description	Party Responsible for O&M	O&M and Capital Improvement Cost		Capacity Allocation		
				Jamestown (%)	Georgetown (%)	Jamestown (MGD)	Georgetown (MGD)
Jamestown Sewer System	Exhibit 1	Jamestown	System	100.00%	0.00%	2.54	0.00
22nd Avenue Meter	Exhibit 1	Jamestown	Meter	100.00%	0.00%	2.54	0.00
22nd Avenue Trunk Sewer	Exhibit 1	Georgetown	Section A	98.10%	1.90%	3.41	0.07
			Section B	92.20%	7.80%	3.21	0.27
			Section C	83.00%	17.00%	2.96	0.61
			Section D	71.10%	28.90%	2.54	1.03
			Section E	68.40%	31.60%	3.03	1.40
			Section F	63.20%	36.80%	4.82	2.80
M-21 Bypass Project	Exhibit 2	Georgetown	L.S. & F.M.	34.32%	65.68%	2.54	4.86
Existing M-21 Trunk Sewer	Exhibit 3	Georgetown	24" & 27" Sewers	29.53%	70.47%	2.54	6.06
			30" Sewer	14.85%	85.15%	2.54	14.56
42-inch Rush Creek Trunk Sewer	Exhibit 4	County	42" Sewer	11.29%	80.21%	2.74	19.46

## Exhibit 12

### Chicago Drive Lift Station and Force Main Expenses

2012 Budgeted O&M Expenses				
Category	Description	Monthly Estimate	Jamestown Township	Georgetown Township
Labor Charges			34.32%	65.68%
	Routine L.S. maintenance	\$ 260.00	\$ 89.23	\$ 170.77
	Grounds maintenance	\$ 180.00	\$ 61.78	\$ 118.22
	Force main maintenance	\$ 50.00	\$ 17.16	\$ 32.84
Utilities				
	Electric	\$ 1,100.00	\$ 377.52	\$ 722.48
	Natural gas	\$ 42.00	\$ 14.41	\$ 27.59
	Mission control	\$ 47.00	\$ 16.13	\$ 30.87
Contract Services				
	Generator maintenance	\$ 50.00	\$ 17.16	\$ 32.84
	<b>TOTAL</b>	<b>\$ 1,729.00</b>	<b>\$ 593.39</b>	<b>\$ 1,135.61</b>

The monthly O&M bill for Jamestown is \$593.39 for 11 months. On the 12th month, Georgetown will calculate the actual costs for non-routine labor, utilities, and contract services and make a correction in the final month's bill.

Example: December 2012 Actual Expenses Summary						
Category	Description	Estimated Annual	Actual Annual	Difference	Jamestown Township	Georgetown Township
Labor Charges					34.32%	65.68%
	Non-routine labor	\$ -	\$ 750.00	\$ 750.00	\$ 257.40	\$ 492.60
Utilities						
	Electric	\$ 13,200.00	\$ 13,551.00	\$ 351.00	\$ 120.46	\$ 230.54
	Natural gas	\$ 504.00	\$ 398.00	\$ (106.00)	\$ (36.38)	\$ (69.62)
	Mission control	\$ 564.00	\$ 570.00	\$ 6.00	\$ 2.06	\$ 3.94
Contract Services					\$ -	
	Generator maintenance	\$ 600.00	\$ 600.00	\$ -	\$ -	\$ -
	Repairs	\$ -	\$ 250.00	\$ 250.00	\$ 85.80	\$ 164.20
	<b>TOTAL</b>	<b>\$ 14,868.00</b>	<b>\$ 16,119.00</b>	<b>\$ 1,251.00</b>	<b>\$ 429.34</b>	<b>\$ 821.66</b>
	Monthly bill				\$ 593.39	
	<b>December 2012 Total</b>				<b>\$ 1,022.74</b>	

The December 2012 bill for Jamestown is \$593.39 + \$429.34 for a total of \$1,022.74 to be billed in December.

This is an example of the methodology to be used for billing.

The current Georgetown labor rate is \$60 per hour at the standard billing rate and \$240 for an emergency call out.

The Georgetown labor rates are subject to change. Georgetown will notify County, who will review rates with Jamestown.