

## FIRST AMENDMENT TO WATER AND SEWER SERVICES AGREEMENT

This First Amendment to Water and Sewer Services Agreement (the “First Amendment”) is entered into as of July 1, 2020 by and between the City of Detroit, a home rule city organized and existing under the laws of the State of Michigan (the “City”), and the Great Lakes Water Authority, a public corporation organized under Act 233, Michigan Public Acts of 1955, as amended (“Act 233”) (the “Authority”).

### RECITALS

WHEREAS, the City and the Authority have previously entered into a Regional Sewage Disposal System Lease, dated June 12, 2015 (the “Sewer Lease”), a Regional Water Supply System Lease, dated June 12, 2015 (the “Water Lease” and together with the Sewer Lease, the “Leases”), and a Water and Sewer Services Agreement, dated as of June 12, 2015 (the “Agreement”), to facilitate the Authority’s provision of water supply and sewage disposal services to its member-partner communities, including the City; and

WHEREAS, pursuant to the Leases, the Authority is authorized to establish rates, fees and charges for its water supply and sewage disposal services to its customers and pursuant to the Agreement, the City is appointed as agent of the Authority for setting retail rates and for billing, collecting and enforcing the collection of charges from retail customers of the City; and

WHEREAS, Section 5.6(a)(v) of each of the Leases provides that the Authority shall include within its budgeted revenue requirement each fiscal year a common-to-all charge equal to 0.5% of the base budgeted revenues for the Regional Sewer System and the Regional Water System and deposit such amount into the WRAP (Water Residential Assistance Program) Fund to be used to provide assistance to indigent residential customers throughout the Sewer System and the Water System, including residential customers in the City; and

WHEREAS, Section 5.3(a)(vi) and Section 5.3(b)(vi) of the Agreement require the City to include in its Local System Budgets for each fiscal year an amount equal to 0.5% of the base budgeted operating revenues for the Detroit Local Systems and deposit such amount into the WRAP Fund; and

WHEREAS, City and the Authority desire to amend Section 5.3(a)(iv) and Section (b)(vi) of the Agreement as hereinafter provided.

**NOW, THEREFORE**, in consideration of the mutual promises and agreements herein contains, the parties hereto agree as follows:

1. Definitions. All capitalized terms not otherwise defined in this First Amendment shall have the meaning given such terms in the Agreement.
2. Amendments to Section 5.3 of the Agreement. The following is substituted for and in the place of Section 5.3(a)(vi) and Section 5.3(b)(vi) of the Agreement:

“(vi) the amount necessary to be deposited to the WRAP Fund, which shall be not less than 0.5% but not greater than 1.0% of the base budgeted operating revenues for the Detroit Local Systems for such Fiscal Year. Any amounts greater than 0.5% may be used by the Detroit Local Systems to further the purpose of the WRAP program or other related pilot program or activity determined by the Detroit Local Systems to meet local needs. The Authority’s WRAP administrator shall consult with the Detroit Local Systems to provide requested assistance for any such pilot program. At the end of the first Fiscal Year following implementation of a pilot program for the Detroit Local Systems, the Authority’s WRAP administrator and a representative of the Detroit Local Systems shall advise the Authority Board of the results of any pilot program;”

3. Ratification of Agreement. The Agreement, as amended by this First Amendment, is ratified and confirmed.

4. Counterparts. This First Amendment may be executed in one or more counterparts, each of which shall be deemed to be an original and all of which together shall constitute one and the same instrument. The exchange of copies of this First Amendment and of signature pages by facsimile or PDF transmission shall constitute effective execution and delivery of this First Amendment as to the parties hereto and may be used in lieu of the original First Amendment for all purposes. Signatures of the Parties hereto transmitted by facsimile or PDF shall be deemed to be their original signatures for all purposes.

5. Effective Date. This First Amendment shall be effective as of July 1, 2020.

[Signature page follows]

IN WITNESS WHEREOF, the City and Authority, by and through their duly authorized officers and representatives, have executed this First Amendment as of the date first written above, pursuant to and in accordance with Act 233.

**CITY OF DETROIT**

By: 

Title: Mayor

**GREAT LAKES WATER AUTHORITY**

By: 

Title: Chief Executive Officer