

MEMO 22-29

TO: Frank Schulte, City Administrator
FROM: James Kowalski, Director of Public Services *J.K.*
DATE: July 11, 2022
SUBJECT: Amendment No. 5 to Water Service Contract between Great Lakes Water Authority and City of Grosse Pointe Woods

Every four years, Grosse Pointe Woods and Great Lake Water Authority have a contract reopener meeting. On June 15, 2022, both parties agreed to the revisions in the attached amendment.

City Attorney Debra Walling has reviewed and approved of Amendment No. 5 to Water Service Contract between Great Lakes Water Authority and City of Grosse Pointe Woods.

I concur with the review by the city attorney and city engineer, and recommend City Council to approve Amendment No. 5 to the Water Service Contract between Great Lakes Water Authority and City of Grosse Pointe Woods.

Approved for Council Consideration:



Frank Schulte, City Administrator

7-11-22

Date

RECEIVED

JUL 12 2022

CITY OF GROSSE-POINTE WOODS
CLERK'S DEPARTMENT

**AMENDMENT NO. 5 TO WATER SERVICE CONTRACT
BETWEEN
GREAT LAKES WATER AUTHORITY
AND
CITY OF GROSSE POINTE WOODS**

This Amendment No. 5 (“Amendment”) is made between the Great Lakes Water Authority, a municipal authority and public body corporate (“GLWA”), and the City of Grosse Pointe Woods, a municipal corporation (“Member Partner”). GLWA and Member Partner are collectively referred to as the “Parties”.

RECITALS

- A. GLWA leases, operates, and maintains the public water supply system owned by the City of Detroit (“System”); and
- B. On July 21, 2009, the Parties entered a Water Service Contract (“Contract”) reflecting the terms and conditions governing the delivery and purchase of potable water, as subsequently amended and assigned; and
- C. GLWA has determined that its charge methodology renders irrelevant the “minimum take or pay” terms of Section 5.06 of the Contract; and
- D. Article 15 of the Contract permits the Parties to amend the Contract by mutual agreement; and
- E. In consideration of the mutual undertakings of the Parties and for the benefit of the public, it is the mutual desire of the Parties to enter this Amendment to amend the Contract as set forth in detail in the following sections.

ACCORDINGLY, THE PARTIES AGREE AS FOLLOWS:

- 1. Section 5.06 of the Contract is deleted in its entirety.
- 2. Exhibit B of the Contract is amended by deleting in its entirety the existing Exhibit B and substituting the attached Exhibit B in its place.
- 3. Except for the provisions of the Contract specifically contained in this Amendment, all other terms, conditions, and covenants contained in the Contract shall remain in full force and effect and as set forth in the Contract.
- 4. This Amendment to the Contract shall be effective and binding upon the Parties when it is signed and acknowledged by the duly authorized representatives of both Parties and is approved by Member Partner’s governing body and the GLWA Board of Directors.

Accordingly, GLWA and Member Partner, by and through their duly authorized officers and representatives, have executed this Amendment.

City of Grosse Pointe Woods:

By: _____
Frank Schulte
City Administrator

APPROVED BY
GROSSE POINTE WOODS CITY COUNCIL ON: _____
Date

Great Lakes Water Authority:

By: _____
Chief Executive Officer

Dated: _____

APPROVED BY
GLWA BOARD OF DIRECTORS ON: _____
Date

APPROVED AS TO FORM BY
GLWA GENERAL COUNSEL ON: _____
Signature/Date

EXHIBIT B

Projected Annual Volume and Minimum Annual Volume (Table 1)
Pressure Range and Maximum Flow Rate (Table 2)
Flow Split Assumptions (Table 3)
Addresses for Notice (Table 4)

Table 1 and Table 2 set forth the agreed upon Projected Annual Volumes, Minimum Annual Volumes, Pressure Ranges and Maximum Flow Rates for the term of this Contract provided that figures in bold type face are immediately enforceable pursuant to the terms of Section 5.07 and italicized figures are contained for planning purposes only but will become effective absent the negotiated replacements anticipated in Section 5.07.

The approximate rate of flow by individual meter set forth in Table 3 is the assumption upon which the Pressure Range commitments established in Table 2 have been devised. Should Customer deviate from these assumptions at any meter(s), the Board may be unable to meet the stated Pressure Range commitments in this Contract or in the contract of another customer of the Board and Section 5.08 of this Contract may be invoked.

EXHIBIT B

Table 1
 Projected Annual Volume and Minimum Annual Volume

Fiscal Year Ending June 30	Projected Annual Volume (Mcf)	Minimum Annual Volume (Mcf)
2009	105,000	52,500
2010	105,000	52,500
2011	85,000	42,500
2012	85,000	42,500
2013	85,000	42,500
2014	85,000	42,500
2015	92,000	46,000
2016	92,000	46,000
2017	92,000	46,000
2018	92,000	46,000
2019	92,000	46,000
2020	80,000	40,000
2021	80,000	40,000
2022	80,000	40,000
2023	80,000	40,000
2024	80,000	40,000
2025	80,000	40,000
2026	80,000	40,000
2027	80,000	40,000
2028	<i>80,000</i>	<i>40,000</i>
2029	<i>80,000</i>	<i>40,000</i>
2030	<i>80,000</i>	<i>40,000</i>
2031	<i>80,000</i>	<i>40,000</i>
2032	<i>80,000</i>	<i>40,000</i>
2033	<i>80,000</i>	<i>40,000</i>
2034	<i>80,000</i>	<i>40,000</i>
2035	<i>80,000</i>	<i>40,000</i>
2036	<i>80,000</i>	<i>40,000</i>
2037	<i>80,000</i>	<i>40,000</i>
2038	<i>80,000</i>	<i>40,000</i>
2039	<i>80,000</i>	<i>40,000</i>

EXHIBIT B

Table 2
Pressure Range and Maximum Flow Rate

Calendar Year (Reopener Schedule in bold type)	Pressure Range (psi)		Pressure Range (psi)		Pressure Range (psi)		Maximum Flow Rate (mgd)	
	Meter GW-01		Meter GW-02		Meter GW-03		<u>Max Day</u>	<u>Peak Hour</u>
	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>	<u>Min</u>	<u>Max</u>		
2009	53	74	45	55	43	55	5.36	8.78
2010	53	74	45	55	43	55	5.36	7.07
2011	53	74	45	55	43	55	4.96	4.96
2012	53	74	45	55	43	55	4.96	4.96
2013	53	74	45	55	43	55	4.96	4.96
2014	53	74	45	55	43	55	4.96	4.96
2015	53	74	45	55	43	55	4.96	4.96
2016	53	74	45	55	43	55	4.96	4.96
2017	53	74	45	55	43	55	4.96	4.96
2018	53	74	45	55	43	55	4.96	4.96
2019	53	74	45	55	43	55	3.98	4.84
2020	53	74	45	55	43	55	3.98	4.84
2021	53	74	45	55	43	55	3.36	4.29
2022	53	74	45	55	43	55	3.36	4.29
2023	53	74	45	55	43	55	3.36	4.29
2024	53	74	45	55	43	55	3.36	4.29
2025	53	74	45	55	43	55	3.36	4.29
2026	53	74	45	55	43	55	3.36	4.29
2027	53	74	45	55	43	55	3.36	4.29
2028	53	74	45	55	43	55	3.36	4.29
2029	53	74	45	55	43	55	3.36	4.29
2030	53	74	45	55	43	55	3.36	4.29
2031	53	74	45	55	43	55	3.36	4.29
2032	53	74	45	55	43	55	3.36	4.29
2033	53	74	45	55	43	55	3.36	4.29
2034	53	74	45	55	43	55	3.36	4.29
2035	53	74	45	55	43	55	3.36	4.29
2036	53	74	45	55	43	55	3.36	4.29
2037	53	74	45	55	43	55	3.36	4.29
2038	53	74	45	55	43	55	3.36	4.29

EXHIBIT B

Table 3
Flow Split Assumptions

Meter	Assumed Flow Split (2023-2026)
GW-01	90 – 100 %
GW-02	0 – 5 %
GW-03	0 – 10 %

Table 4
Addresses for Notice

If to the Board:	If to Customer:
General Counsel Great Lakes Water Authority 735 Randolph, Suite 1901 Detroit, Michigan 48226	City Administrator City of Grosse Pointe Woods 20025 Mack Plaza Grosse Pointe Woods, Michigan 48236 Cc: Director of Public Services