

## **FY 2017 SHARED SERVICES AND TRANSITION COSTS TRUE-UP AGREEMENT**

THIS Fiscal Year 2017 (FY 2017) SHARED SERVICES AND TRANSITION COSTS TRUE-UP AGREEMENT (“Agreement”) entered into on \_\_\_\_\_, 2019, by and between the DETROIT WATER AND SEWERAGE DEPARTMENT (“DWSD”), a department of the City of Detroit (the “City”), and the GREAT LAKES WATER AUTHORITY (“GLWA”) and, a municipal authority and public body corporate organized and existing under and pursuant to the provisions of Act No. 233, Public Acts of Michigan, 1955, as amended (“Act 233”) (DWSD and GLWA together are the “Parties”).

### WITNESSETH:

WHEREAS, the City owns a Water Supply System (the “Water System”) and a Sewage Disposal System (the “Sewer System”); and

WHEREAS, the City and GLWA entered into a Shared Services Agreement (the “SSA”) dated as of December 1, 2015 relating to the provision of services by the City to the GLWA with respect to the Regional Water System and the Regional Sewer System, and the provision of services by the GLWA to the City with respect to the operation and management of the Detroit Local Water Facilities and the Detroit Local Sewer Facilities for a term that runs concurrently with the Regional Water Supply System Lease, dated June 12, 2015 (as Schedules have been amended, the “Water Lease”), and (ii) the Regional Sewage Disposal System Lease, dated June 12, 2015 (as Schedules have been amended, the “Sewer Lease” and together with the Water Lease, the “Leases”). The Leases have an initial term of forty (40) years; and

WHEREAS, pursuant to the SSA and for FY 2017, GLWA provided specific Services to the DWSD and DWSD provided specific Services to GLWA (“Shared Services”), which are reflected in Schedule A to this Agreement; and

WHEREAS, for FY 2017, there were transition costs incurred by both Parties that were not captured in the Schedules attached to the SSA, which are reflected in Schedule B to this Agreement; and

WHEREAS, for FY 2017, DWSD’s Chief Financial Officer and GLWA’s Chief Financial Officer negotiated a settlement of these Shared Services and transition costs; and

WHEREAS, for FY 2017, the Parties seek to true-up the amounts owed between them for any and all, known and unknown, Shared Services and transition costs, which are reflected in Schedule A and B.

In consideration for the mutual agreements described herein, the Parties agree to the following settlement of FY 2017 Shared Services and transition costs as described below:

1. Within 30 days of execution of this agreement, DWSD shall pay GLWA \$12,455,776 and GLWA shall pay DWSD \$3,664,780 as the true-up of all FY 2017 Shared Services and transition costs performed by the Parties.

2. Said monetary payment represents a reviewed and agreed upon settlement between the Parties and fully resolves any and all of the Parties, known and unknown Shared Services and transition costs for FY 2017 with the exception of DoIT-001 – Financial Information Services and DoIT-002 - Radios. If these two Shared Services are billed to DWSD by the City of Detroit GLWA agrees to pay appropriate associated costs.
3. The Parties expressly agree that they cannot demand payment for any other FY 2017 Shared Services and transition costs with the exception of DoIT-001 – Financial Information Services and DoIT-002 - Radios. If these two Shared Services are billed to DWSD by the City of Detroit GLWA agrees to pay appropriate associated costs.
4. The Parties mutually agree that this Agreement supersedes any and all requirements under Article 5 of the SSA regarding invoices, payment terms and invoice disputes for FY 2017.
5. The Parties mutually agree that this Agreement does not impact in any way the Parties’ rights and obligations under the SSA for any other Fiscal Year.

IN WITNESS WHEREOF, the DETROIT WATER AND SEWERAGE DEPARTMENT and the GREAT LAKES WATER AUTHORITY have executed this Agreement by their duly authorized officers as of the day and year first above written.

DETROIT WATER AND SEWERAGE DEPARTMENT

By: \_\_\_\_\_

Its: Director

GREAT LAKES WATER AUTHORITY

By: \_\_\_\_\_

Its: Chief Executive Officer

### Schedule A - Shared Services

GLWA Provider Shared Service Description	GLWA Total Billings to DWSD	DWSD/City of Detroit Provider Shared Service Description	DWSD Total Billings to GLWA
OPS-002 Miss Dig	\$ -	OPS-001 Fleet	\$ 994,954
OPS-004 Water Quality	208,117	OPS-002 Miss Dig	45,849
OPS-005 Security	2,689,157	OPS-003 As Needed Field Services	21,553
OPS-005 Security Training	7,990	OPS-006 Facilities	2,119,049
OPS-006 Facilities	-	DoIT-001 Financial Information Services	-
OPS-008 Systems Control Center	732,038	DoIT-002 Radios	-
ITS-001 Retail AMR	381,722	DoIT-003 Customer Service Technology Suite	65,601
ITS-002 Customer Service Tech Suite	34,105		-
ITS-003 See Click Fix	195,104		-
ITS-004 WAM	1,472,379		-
ITS-005 Mobile Work Force	317,015		-
ITS-006 ESRI-GIS	1,197,645		-
ITS-007 DADS	91,911		-
ITS-008 TIBCO	120,599		-
ITS-009 IT Infrastructure	3,383,971		-
PRO-001 Application Analyst	-		-
LS-001-A Joint Litigation and Defense, LS-001-B Environment, LS-002 Environment, LS-003 Contract Drafting	8,043		-
<b>Subtotals</b>	<b>\$ 10,839,797</b>	<b>Subtotals</b>	<b>\$ 3,247,006</b>

### Schedule B - Transition Costs

Other items to bill not a defined shared service code	Other items to bill not a defined shared service code
DWSD-R Staff Training by GLWA	\$ 13,768
Bank Fees	907,832
Lakeshore Invoices	676,875
Public Finance	17,506
Subtotal	1,615,980
<b>Grand Total</b>	<b>\$ 12,455,776</b>
Fuel	\$ 72,300
WAM Invoices	230,532
DWSD Help Desk Staff FY17	94,941
Subtotal	397,773
<b>Grand Total</b>	<b>\$ 3,644,780</b>