



## Legislation Details (With Text)

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**Title:** Proposed Amendment No. 4 to Water Service Contract with Charter Township of Shelby  
**Sponsors:** Randal Brown  
**Indexes:** General Counsel  
**Code sections:**  
**Attachments:** 1. Shelby Water Contract Am 4 Ex B 2020

Date	Ver.	Action By	Action	Result
1/27/2021	1	Board of Directors	Approved	Pass

### Proposed Amendment No. 4 to Water Service Contract with Charter Township of Shelby

**Agenda of:** January 27, 2021  
**Item No.:** **2021-030**  
**Amount:** Revenue Contract

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

**FROM:** Sue F. McCormick  
Chief Executive Officer  
Great Lakes Water Authority

**DATE:** January 27, 2021

**RE: Proposed Amendment No. 4 to Water Service Contract with Charter Township of Shelby**

### MOTION

Upon recommendation of Randal Brown, General Counsel, the Board of Directors ("Board") of the Great Lakes Water Authority ("GLWA"), **authorizes the Chief Executive Officer ("CEO") to execute Amendment No. 4 to the 30-year water service contract with Charter Township of Shelby;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

On 12/1/2020, the Shelby Township ("Member Partner") Board agreed to the terms of Amendment No. 4 ("Amendment") to the Water Service Contract with GLWA.

During the summer of 2020, Member Partner experienced exceedances of its contractual peak hour flow rate. As a result, the parties discussed how Member Partner can best manage its usage to the contract limits. In this Amendment, Member Partner has agreed to the modification of certain terms and conditions of the contract to provide for more oversight and management of Member Partner's peak hour flow rate, including annual meetings with GLWA to review usage for calendar years 2021 and 2022, and, if necessary, beyond. Member Partner also agreed to a corrective action plan in which an irrigation ordinance meant to achieve compliance with the contract peak hour value will be enacted by March 1, 2021.

Moreover, as set forth in the attached Exhibit B, GLWA and the Member Partner agreed to increase the peak hour value for calendar year 2021 and beyond. No other contract values are modified by this Amendment.

### **JUSTIFICATION**

Approval of this Amendment provides a mutually beneficial, stable, long-term framework for interactions between GLWA and the Member Partner and incorporates annual system planning volumes, pressures, and maximum day and peak hour values that better reflect future Member Partner usage.

### **BUDGET IMPACT**

The revenues expected to result from this Amendment will be reflected in the FY 2021-2022 schedule of charges.

### **COMMITTEE REVIEW**

This matter is being presented directly to the full Board of Directors for consideration and approval.

### **SHARED SERVICES IMPACT**

This item does not impact the shared services agreement between GLWA and DWSD.