

RESOLUTION NO.: _____

PRESENTED: _____

ADOPTED: _____

AMENDED RESOLUTION TO APPROVE MASTER AGREEMENT BETWEEN THE CITY OF FLINT, DEPARTMENT OF ENVIRONMENTAL QUALITY OF THE STATE OF MICHIGAN, THE GENESEE COUNTY DRAIN COMMISSIONER, THE GREAT LAKES WATER AUTHORITY AND THE KAREGNONDI WATER AUTHORITY

BY THE MAYOR:

The City of Flint (“COF”), Department of Environmental Quality of the State of Michigan (“DEQ”), the Genesee County Drain Commissioner (“GCDC”), the Great Lakes Water Authority (“GLWA”), and the Karegnondi Water Authority (“KWA”) have worked in collaboration for the purposes of effectuating the overall agreement described in the Statement of Principles for Long Term Water Delivery to the City of Flint (“Statement of Principles”), signed by the Parties and dated April 18, 2017 and implemented through the Master Agreement and the exhibits attached thereto and incorporated therein (collectively, referred to as the “Transaction Documents”).

WHEREAS, the aforementioned parties have come to a collective agreement to enter into a partnership for the purpose of Flint receiving long term water source from GLWA to provide safe drinking water to the residents of the City, to relieve the City of its debt service payment obligations on the KWA bonds, obtain ownership of the 72-inch pipe and a backup water source in the event of an emergency.

WHEREAS, The Mayor and Flint City Council have worked in collaboration with the State which has resulted in the Governor's legal counsel, stating in writing that the current board member of GLWA appointed by the Governor will be asked to resign and that upon application of a qualified representative from the City of Flint, the Governor intends to appoint a Flint resident to that seat; that \$750,000 will be granted to the City of Flint, in some combination of GLWA Water Residential Assistance Program (WRAP) funds and by the State of Michigan from its Reserve Fund, for estimated water bill relief; that funds earmarked in the WIIN Fund for residential infrastructure will be immediately released by the State of Michigan to the City of Flint upon submittal and approval by EPA of an Intended Use Plan based on the amended Project Plan to be submitted by the City and proof of qualified expenditures pursuant to that Plan; that the State of Michigan will request that the General Motors Engine Plant return as a user of the City of Flint water supply.

WHEREAS, GLWA and the City have agreed to a Water Service Contract (“Water Contract”) regarding the long-term service of potable water to the City of Flint. Great Lakes Water Authority shall sell and supply water to the City of Flint in accordance with the terms of the GLWA/Flint Water Contract for a period of thirty years from the effective date of the GLWA/Flint

Water Contract. The Master Agreement along with the following exhibits comprising the Transaction Documents are attached:

- Exhibit A - GLWA/Flint Water Contract
- Exhibit A-2 - Irrevocable License of Essential Water Mains and Raw Water Rights
- Exhibit B - GLWA/GCDC Finished and Backup Water Contract
- Exhibit C - Baseline Trust and All Receipts Trust Agreement
- Exhibit D - KWA/GLWA/Flint Three Party Agreement
- Exhibit E - DEQ/GCDC Grant Agreement (City not a party)
- Exhibit F - Contract for Deed, Quit Claim Deed for 72-inch pipe and Bill of Sale related to 72-inch pipe, License of 72 Inch Main by City of Flint to GLWA, and Sublicense of the 72 Inch Main by GLWA to the County of Genesee
- Exhibit G - KWA/Flint Raw Water Contract Amendments (Exhibits to Three Party Agreement)
- Exhibit H - Letter from the Governor's legal counsel

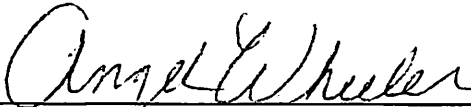
WHEREAS, Mayor Karen Weaver recommends that the Water Service Contract should be entered into in collaboration with the DEQ, GCDC, GLWA and KWA.

WHEREAS, Subject to GLWA Board approval that the language that was added to the proposed Master Agreement (other than timing adjustments) and Article 12.04(B) & (F) and 12.06 that expired on October 1, 2017, be removed; that upon full execution of such agreements, the Michigan Department of Environmental Quality and the City of Flint and the Flint City Council all stipulate to setting aside the judgment, withdrawing of all pleadings and other filings by all parties in US District Court Case No. 17-12107, and that the case be dismissed; and that the Great Lakes Water Authority be advised that the Flint City Council withdraws all statements in all its pleadings regarding the non-payment of water bills owed to the Great Lakes Water Authority by the City of Flint. ("Additional Terms").

NOW THEREFORE BE IT RESOLVED that the Flint City Council approves the Master Agreement and the Exhibits attached to the master agreement, inclusive of the Water Service Contract between the City of Flint and the Great Lakes Water Authority contingent upon the Additional Terms; and

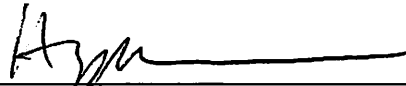
The Mayor and the City Clerk are authorized to execute and deliver the Transaction Documents to be executed by the City and to do all other things necessary to effectuate the execution and delivery of the Transaction Documents in accordance with the provisions of this Resolution.

APPROVED AS TO FORM:




Angela Wheeler, Chief Legal Officer

APPROVED AS TO FINANCE:



Hughey Newsome, Chief Financial Officer

FOR THE CITY OF FLINT:



Dr. Karen W. Weaver, Mayor

APPROVED BY CITY COUNCIL:

Herbert Winfrey, City Council President

**RECEIVERSHIP TRANSITION
ADVISORY BOARD:**