POLICY STATEMENT BETWEEN CITY OF ANN ARBOR AND ANN ARBOR CHARTER TOWNSHIP

PROMULGATION OF POLICIES

The City of Ann Arbor, a Michigan municipal corporation, with its main office located at 100 N. Fifth Avenue, Ann Arbor, Michigan 48104 (hereinafter the "City") and Ann Arbor Charter Township, a Michigan municipal corporation with its main office located at 3792 Pontiac Trail, Ann Arbor, Michigan 48105 (hereinafter the "Township") hereby state that for the purpose of furthering the common welfare, they are promulgating policies set forth below and declare their intentions to abide by those policies in their exercise of their governmental authority insofar as it is practical and permitted by law. This agreement is intended to provide for orderly annexation procedures between the two governments and establish a common boundary between the communities so that each may systematically plan for the provision of services to the area to be included within its boundaries.

I. Common Boundary

All land in the Township lying west of U.S. 23 and south of M-14 shall be annexed to the City in an orderly manner. That portion of the Township lying north of M-14, east of Maple Road and south of the Huron River, excluding therefrom the area located east of Maple Road, west of Newport Road, and south of the Huron River, as shown on the map attached as Exhibit A-1 and as more specifically described in the legal description attached as Exhibit A-2, shall also be annexed to the City in an orderly manner. It is understood that this aforementioned boundary is unofficial until such time as it can be officially designated pursuant to the procedures required under applicable state law and regulations.

The parties agree to the following policies:

- A. The City shall be the only municipality to provide sewer and water service to all areas within the area identified herein as areas to be annexed to the City.
- B. The City may initiate a petition for annexation of any Township property located within the area designated area A on the map attached as Exhibit B.

- C. The Township agrees to release any property in area A which is presently receiving or in the future requests a connection to City sewer or water mains.
- D. Any land in areas A through D as shown on the map attached as Exhibit B for which connection to Ann Arbor City water service is requested will be released by the Township at the request of the owner. The Township agrees that it will not object to such annexations or refuse to release the properties because of the requested connection to the City water supply.
- E. *The Township agrees that the creation of islands is not a basis for objection to any annexation within areas to be within the City as provided by this boundary policy.
- F. The Township agrees that the currently pending requests for annexation to the City listed on Exhibit C will be released immediately after this agreement is approved by both governing bodies.
- G. All properties located within areas B through D which request connection to Ann Arbor City sewer will be released by the Township forthwith upon the owner's request for annexation to the City.
- H. Property which is developed and occupied on the date of this agreement in areas B through D may connect to City sewers without immediate annexation upon the condition that the owner sign an agreement which includes the following:
 - 1. The owner agrees to do all things necessary to have the property annexed to the City of Ann Arbor within five years from the date of connection to the City sewer or by December 31, 2007, whichever comes first.
 - The owner agrees to pay the City the same rates as Township residents pay for sewer service after the connection to a City sewer main but before annexation to the City and to comply with all City ordinances and regulations regarding the use of sanitary sewer.
 - 3. The owner agrees to pay the proportionate cost of the sewer main which serves the property at the time of connection in the same

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- amount and upon the same terms as would be required of City residents.
- 4. The City may include such lawful terms in the agreement as it deems appropriate to enforce the condition that the owner of the property seek to have it annexed within the time stated in sub-paragraph 1 above. The Township will not intervene on behalf of property owners who do not comply with their agreement to pursue and complete annexation to the City.
- II. Sewer and Water Agreements
- A. The City will withdraw its notice of nonrenewal of the "City of Ann Arbor-Ann Arbor Township Wastewater Treatment Contract" dated November 8, 1976 (the City-Township Sewer Agreement) pursuant to which the Township receives sewer service from the City of Ann Arbor, so that such Agreement will be extended until December 31, 2015.
- B. The Township agrees that it will not interfere with or delay construction, by the City, of sanitary sewers or water mains to serve any of the areas to be included within the City.
- The parties agree to revise the City-Township Sewer Agreement and the C. "City of Ann Arbor-Ann Arbor Township Water Supply Contract" dated June 22, 1984 (the City-Township Water Agreement) as set forth in this paragraph (those areas were originally described in the May 1976 Final Facilities Plan for Wastewater Management in the Ann Arbor-Ypsilanti Areas of the Huron River Valley, Washtenaw County, Michigan, and such description was incorporated in the City-Township Sewer Agreement and the City-Township Water Agreement). The parties agree to revise area 3A in the City-Township Sewer Agreement as shown on the map attached as Exhibit D to include that portion of the Township located east of Maple Road, west of Newport Road, and south of the Huron River (as described in section I above) so that the Township may serve that area under the City-Township Sewer Agreement. At the Township's request, the parties will revise sewer and water area 5A in the City-Township Sewer and Water Agreements as shown on the map attached as Exhibit D, so that the Township may serve that area with water and sewer service under those Agreements. The parties further agree to reallocate sewer

service capacity under the City-Township Sewer Agreement from area 3A to area 5A as reasonably requested by the Township. However, nothing in this policy agreement requires the City to provide the Township with more than the total sewer and water service capacities set forth in the existing City-Township Sewer and Water Agreements.

III. Existing Agreements

Nothing in this boundary policy and agreement is intended to alter the terms of the existing agreements between Township residents and the City concerning annexation or the provision of water or sewer service by the City to those residents.

IV. Petitions to State Boundary Commission

The City agrees it will not initiate a petition to the State Boundary Commission to annex any owner occupied land in areas B, C, or D before December 31, 2007. After that date, the Township will not oppose a petition by the City to annex properties in Areas B, C, or D or otherwise intervene on behalf of the owner.

Pending Litigation V.

The City and Township agree to take all necessary action to dismiss or otherwise conclude, in a manner consistent with this agreement, all pending litigation and State Boundary Commission proceedings involving annexation of Township land into the City.

City of Ann Arbor, a municipal corporation

Charter Township of Ann Arbor, a municipal corporation

Dated: February

Approved as

Approved as to form



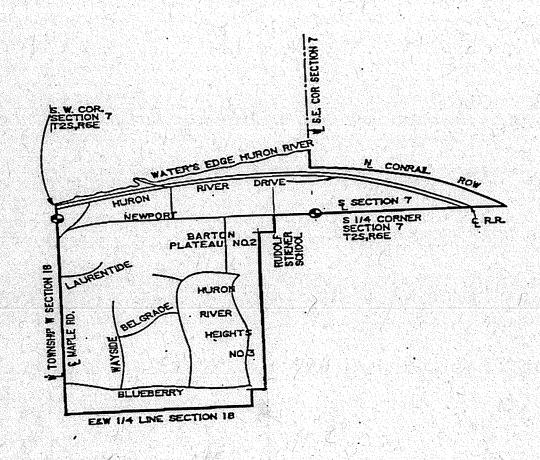


EXHIBIT A-1

PROJECT NO. 84540-01 ANN ARBOR CHARTER TOWNSHIP CLIENT: FEET INCH = LEGAL DESCRIPTION OF TOWNSHIP LIMITS IN SECTIONS 7 & 18 SCALE DRAWN PVS 12-17-93 DATE 256E CHECKED CRO SCHWIMMER REVISED REMOVED SCHOOL 5793 1-10-94 DATE CHECKED CRO PG NONE BOOK FIELD hurmen OF

REGISTERED LAND SURVEYOR NO.

Ayres, Lewis, Norrls & May, Inc. ara . Diannera · Surveyors

3959 RESEARCH PARK DRIVE ANN ARBOR, MICHIGAN 48108 (313) 761-1010

DESCRIPTION OF A LINE BETWEEN PORTIONS OF ANN ARBOR TOWNSHIP AND THE CITY OF ANN ARBOR FOR THE PURPOSE OF DEFINING LIMITS OF ANNEXATION

BEGINNING AT A POINT MARKING THE INTERSECTION OF THE VEST LINE OF THE SOUTHEAST 1/4 OF SECTION 7. ANN ARBOR TOWNSHIP, TOWNSHIP 2 THE SOUTHEAST 1/4 OF SECTION 7. ANN ARBOR TOWNSHIP, TOWNSHIP 2 THE SOUTH LINE OF THE CONTAIL RAILEDAD, THENCE NORTHERLY RIGHT OF VAY LINE OF THE CONTAIL RAILEDAD, THENCE VEST WITH THE SOUTH LINE OF SAID SOUTHEAST 1/4, SECTION 7, THENCE VEST ALONG SAID SOUTH LINE OF SAID SOUTHEAST 1/4, SECTION 7, THENCE VEST OF SAID SECTION 7, THENCE CONTINUING VEST ALONG THE SOUTH LINE OF AND CENTERLINE OF NEWPOIRT ROAD THE SOUTH WEST 1/4 DF SAID SECTION 7 AND CENTERLINE OF NEWPOIRT ROAD 492.60 FEET, THENCE SOUTHERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 973 FEET, THENCE WESTERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 373 FEET, THENCE WESTERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 373 FEET, THENCE WESTERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 373 FEET, THENCE WESTERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 373 FEET, THENCE WESTERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 373 FEET, THENCE WESTERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 373 FEET, THENCE WESTERLY ALONG SAID SCHOOL PROPERTY AND PROPERTY 373 FEET, THENCE WESTERLY ALONG SAID FROM THE SAID SOUTH LINE OF SECTION 7 192 FEET TO THE EASTERLY ALONG THE FAST LINE OF SAID SUBDIVISION No. 3, AS NORTHEAST CORNER OF HURDIN RIVER HEIGHTS SUBDIVISION NO. 3, AS NORTHEAST CORNER OF HURDIN RIVER HEIGHTS SUBDIVISION TO THE EAST BLOOK SAID SUBDIVISION TO THE EAST LINE OF SAID SUBDIVISION TO SECTION 18 THENCE CONTINUING SOUTH 275.41 FEET) THENCE CONTINUING WEST ALONG SAID LAST & WEST 1/4 LINE 165.96 FEET) THENCE CONTINUING WEST ALONG SAID SUBDIVISION No. 3 326.54 FEET, THENCE CONTINUING WEST ALONG SAID SUBDIVISION NO. 3 326.54 FEET, THENCE CONTINUING WEST ALONG SAID SUBDIVISION NO. 3 326.54 FEET, THENCE CONTINUING WEST ALONG SAID SUBDIVISION NO. 1/4 LINE AND THE SOUTH LINE OF HURDIN RIVER HEIGHTS SUBDIVISION NO. 1/4 LINE AND THE SOUTH LINE OF HURDIN RIVER HEIGHTS SUBDIVISION NO. 1/4 LINE OF SAID SECTION 18 AND THE WEST LINE OF HAN ARBOR TOWNSHIP, TH

EXHIBIT A-2

PROJECT NO. 84540-01 ANN ARBOR CHARTER TOWNSHIP CLIENT: With the state of LEGAL DESCRIPTION OF TOWNSHIP SCALE 1 INCH LIMITS IN SECTIONS 7 & 18 PVS DRAWN 12-17-93 DATE 2S6E PAUL Y. CHECKED CRO SCHWIMMER REVISED REMOVED SCHOOL 05793 |1-10-94[.] DATE CHECKEDICRO PED LISS PG FIELD BOOK NONE OF SHEET REGISTERED LAND SURVEYOR NO.

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Ayres, Lewis, Norris & May, Inc. 3959 RESEARCH PARK DRIVE ANN AREOR, MICHIGAN 4810 (313) 761-1010

EXHIBIT B

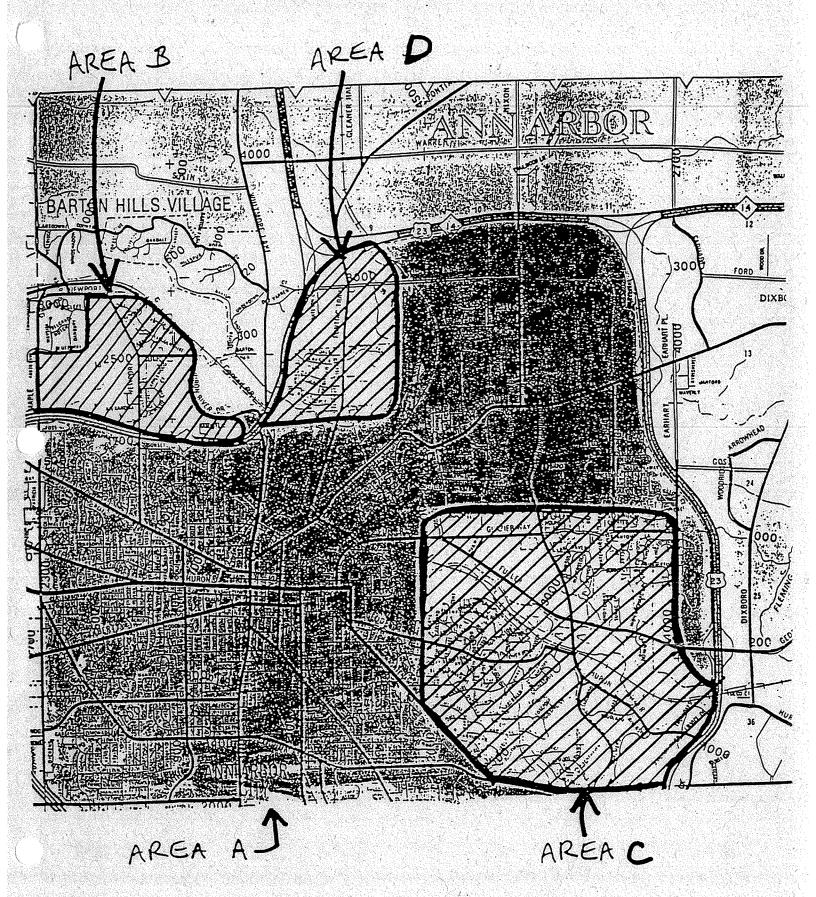


EXHIBIT "C"

PENDING ANNEXATION REQUESTS

- 1. Roumainis, Sotirio 184 Orchard Hills Ann Arbor, MI 48104
- Lawrence, A. Paul
 190 Orchard Hills
 Ann Arbor, MI 48104
- 3. Guidici, Roger 196 Orchard Hills Ann Arbor, MI 48104
- 4. Bourquin, James F. 345 Rock Creek Ct. Ann Arbor, MI 48104
- Reece, James S.
 339 Rock Creek Ct.
 Ann Arbor, MI 48104
- Griffiths, John R.
 333 Rock Creek Ct.
 Ann Arbor, MI 48104
- Kraft, Richard
 323 Rock Creek Ct.
 Ann Arbor, MI 48104
- 8. Debbink, John 317 Rock Creek Ct. Ann Arbor, MI 48104
- Wilson, Thomas & Iva
 305 Rock Creek Ct.
 Ann Arbor, MI 48104

- Cushing-Malloy
 1350 N. Main Street
 Ann Arbor, MI 48104
- 21. Calvin Hoeft Building Company North side of Traver Blvd., west of Nixon Road
- 22. Leon, Fernando and Eleanor 2680 Geddes Ann Arbor, MI 48104
- 23. Kosta, John & Janice 450 Huntington Drive Ann Arbor, MI 48104
- 24. London, Daniel and Kymberlie 1940 Chalmers Drive Ann Arbor, MI 48104
- 25. Rezmierski, Leonard & Virginia 1050 Elmwood Drive Ann Arbor, MI 48104
- 26. Wittekindt, John & Mary 3033 Geddes Ann Arbor, MI 48104

EXHIBIT D-AREAS 3A & SA AS REVISED

