



OFFICE OF THE CITY CLERK

BRENDA J. GREEN, CMC
CITY CLERK

MY PRIORITY IS TO SERVE YOU

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February 7, 2018

RE: City of Highland Park City Council Resolution Regarding Official Notice to Great Lakes Water Authority Regarding Request for Meeting to Resolve Contract Issues, Disproportionate Sewer Billing Practices, Failure to Abide by Federal Court Judgements/Agreements, and Public Slander

To whom it may concern:

On behalf of the City of Highland Park, please see the attached resolution, passed February 5, 2018, by Highland Park City Council, regarding an official notice to Great Lakes Water Authority (GLWA) requesting a meeting concerning the City of Highland Park's sewer services agreement. This resolution outlines the City of Highland Park's request for meeting to resolve contract issues, GLWA's inappropriate actions relating to their charges to Highland Park for sewer services, GLWA's refusal to abide by federal court judgements and agreements, their disproportionate sewer billing practices, and their continued public slander of the city.

Sincerely,

Brenda J. Green
City Clerk,
City of Highland Park, County of Wayne

cc: Hubert Yopp, Mayor, City of Highland Park Mayor
Cathy Square, City Administrator
Damon L. Garrett, PE, Water Director
William T. Ford, City Attorney
Calvin Grigsby, Counsel

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City of Highland Park

County of Wayne, State of Michigan

RESOLUTION REGARDING OFFICIAL NOTICE TO GREAT LAKES WATER
AUTHORITY OF REQUEST FOR MEETING UNDER SECTION 1.E OF
SEWER SERVICES AGREEMENT.

Moved by Councilmember Woodard

Supported by Councilmember Lewis

WHEREAS, on May 12, 2016, the City Administrator sent to Jonathan Wheatley and Sue McCormick a request for a meeting, pursuant to § 1.E. of Sewage Service Contract duly approved by the City of Highland Park and the City of Detroit on June 8, 1983 ("Contract").

WHEREAS, the meeting was requested to have GLWA explain its implausible sewage billings and sewer rate increases.

WHEREAS, GLWA has not responded to the meeting request.

WHEREAS, the Contract provides "the City of Detroit and its consultants at the request of the contracting parties will have a conference with the contracting parties and its representatives in order to explain and discuss the reports [of sewer rates] being provided."

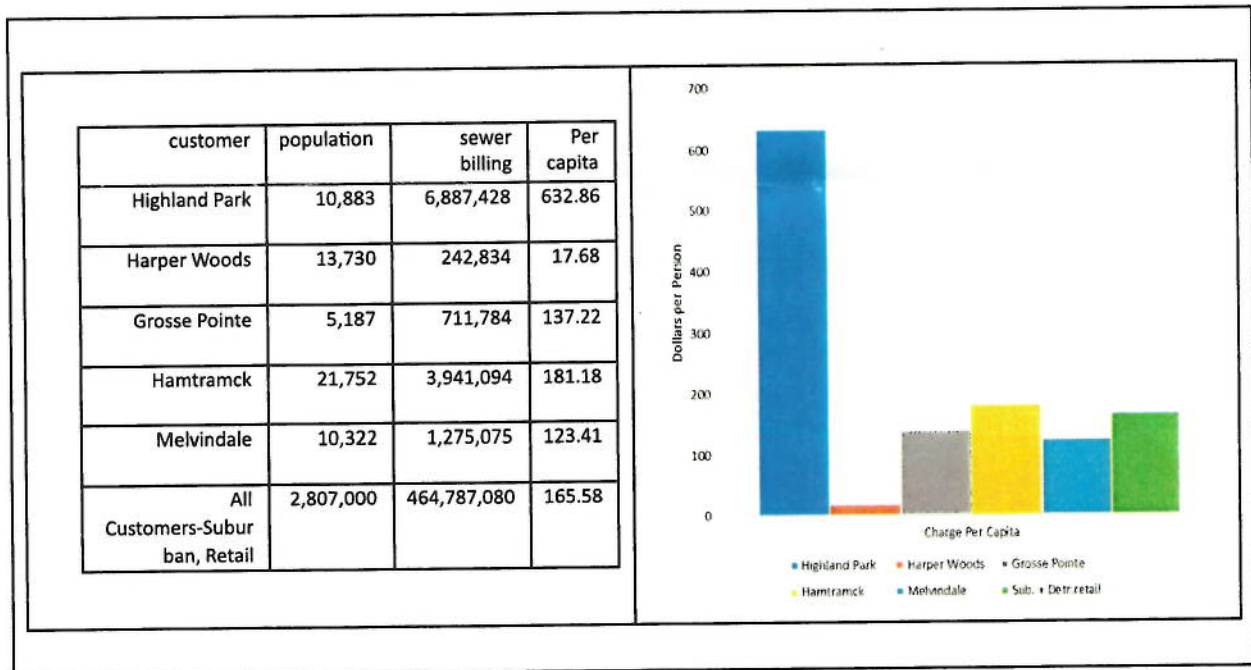
WHEREAS, the Contract also provides that "the rate [billed] shall conform to section 204(b)(1)(A) of Public Law 92-500, as amended and regulations of the U.S. EPA, being 40 CFR, 35.929 through 35.929-3" which require rates proportionate to use of GLWA's sewer system and regulates DWII and wet weather charges (Contract §A(1)(b), p. 5).

WHEREAS, the Contract also provides rates charged Highland Park may not include debt financing for non-capital payments of swap breakage fees which may not be included in sewer rates (Contract §A (2)).

WHEREAS, Highland Park's charges are plainly out of proportion to other GLWA customers and GLWA management has adopted a "cone of silence" on any public discussion of HP overcharges but freely discusses the non-payment of these

overcharges in public meetings, and through dissemination of slanderous comments to the media and other wholesale customers.

WHEREAS, The Chart below derived from GLWA June 2014 SEC required disclosures on DAC Bond demonstrates the serious discrepancy in HP billings:



NOW, THEREFORE, BE IT RESOLVED THAT:

1. Highland Park hereby again requests a meeting as contemplated by the Contract to discuss these disproportionate overcharges for sewer services.
2. Highland Park requests that GLWA cease and desist continuing public claims of failure to pay sewer bills by Highland Park where the amounts billed are clearly erroneous and in violation of proportionate share Contract provisions.
3. The Contract as modified by the 1996 Federal Court Consent Judgment/Settlement Agreement ("Federal Court Settlement Agreement") requires the deposit of all sewer and water fees collected by Highland Park in a pledged escrow account which is audited by GLWA.

a. From October 2004 through October 2016 the amount due for sewer services under the Federal Court Settlement Agreement is \$26,967,469 and as of October 20, 2016, GLWA has received checks from the escrow of \$29,814,298, \$2,846,829 more than the amount due.

b. Although GLWA takes monthly payments from the court ordered escrow, it has disregarded all other provisions of the Contract and the Federal Court Settlement Agreement and states in its DAC Bond continuing disclosures that the Contract is "Not Applicable."

4. Accordingly, Highland Park also requests that the meeting include negotiation of a revised agreement, to replace the Contract and Federal Consent Order, to include the following general sections:

Section I – Wastewater Disposal Contract between Great Lakes Water Authority (GLWA) and the City of Highland Park

Section II – Map of the city boundaries, city sewer, service area and connections to the GLWA system

Section III – Meter Installation & Monitoring

Section IV – Large Industrial / Commercial Users

Section V – MDOT

Section VI – Wayne County

Section VII – Other Government Users

Section VIII –GLWA Template Boiler Plate Information (Rates etc....)

Section IX – Judge Feikens Era 83 Contract /96 Consent Judgment Information

Section X – Storm Water Mitigation

Section XI – Infrastructure Solution to Wet Weather Discharge

5. Until any new contract is negotiated, and meters are installed so that we have objective measurement of volume of discharges by Highland Park into the GLWA sewer system, Highland Park requests that GLWA acknowledge

publicly that its disproportionate billings are in violation of the existing Agreements.

6. The requested meeting, which is an obligatory GLWA Contract requirement, is the first step in resolving the Highland Park Overcharges and should be held as soon as possible.
7. Per the Contract, Highland Park will pay all reasonable costs associated with the meeting.
8. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate the aforesaid meeting.

BE IT FINALLY RESOLVED that a copy of this resolution becomes a part of the official records of the City of Highland Park. A copy shall be delivered by the Clerk certified mail to all members of the GLWA Board, Governor Rick Snyder, the Attorney General and GLWA's other wholesale customers.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Highland Park, County of Wayne, State of Michigan, at a meeting held on Monday, February 5, 2018, at 7:00 o'clock p.m., prevailing Eastern Time, and that said meeting was conducted in full compliance with the Open Meetings Act, being Act 267, Public Acts, of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act 267.

I further certify that notice of said meeting was given to each member of the Council in accordance with the rules of procedure of the Council.

I further certify that the following Members were present at said meeting:

Council President Patrick, Pro-Tem McDonald, Councilmembers Woodard, Lewis and Marshall. Yeas (5), Nays (0), Absent (0)

I further certify that Councilmember Woodard moved for adoption of said resolution and that Councilmember Lewis supported said motion.

City Clerk, Brenda Green, CMC

