LICENSE AGREEMENT FOR USE OF CITY OF ANN ARBOR PROPERTY FOR SOLAR POWER PROJECT

This License Agreement for Use of City of Ann Arbor Property for Solar Power Project ("Agreement") is made and entered into as of this day of , 2015, by and between the City of Ann Arbor, a Michigan municipal corporation, having its offices located at 301 E. Huron Street, Ann Arbor, Michigan 48104 ("City"), and The DTE Electric Company, a Michigan corporation, having its offices located at One Energy Plaza, Detroit, Michigan 48226 ("DTE Electric"). City and DTE Electric may be referred to herein in the singular as a "Party" and collectively as the "Parties".

The following is a recital of the facts underlying the execution of this Agreement:

- A. Whereas, DTE Electric wishes to use property owned by the City for installation and operation of photovoltaic systems;
- B. Whereas, City agrees to allow DTE Electric to develop a photovoltaic project including, but not limited to, DTE Electric's installation, maintenance and operation of the photovoltaic systems described in attached Schedule A ("System") at City's property located at 801 Airport Drive, Ann Arbor, MI 48108, also known as the Ann Arbor Municipal Airport ("Premises" or "Airport"), within the areas shown for each phase in attached Schedule B ("Site License Area"), contingent upon release of the Site License Area by the Federal Aviation Administration ("FAA") from use for aviation purposes;
- C. Whereas, the System shall be installed in two phases (referred to when needed as "System Phase 1" and "System Phase 2") as described in Schedules A and B, each of which will be installed and operated on different areas within the Site License Area (referred to when needed as "Site License Area 1" and "Site License Area 2");
- D. Whereas, City's agreement to allow DTE Electric to install, maintain and operate System Phase 1 and System Phase 2 within the Site License Area also is contingent on approval by the FAA of the materials, configuration and construction of each phase of the System within the Site License Area; and
- E. Whereas, DTE Electric shall, at its sole cost and expense, engineer, procure, install, maintain and operate any and all equipment that is part of or necessary for the operation of the System.

THEREFORE, the Parties agree as follows:

1. Term:

a. Site License Area 1 is made available for DTE Electric to begin the installation of System Phase 1 under the terms of this Agreement upon (1) execution of this Agreement by all parties, (2) release of the Site License Area from use for aviation purposes by the FAA, and (3) approval by the FAA of the materials,

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DTE Electric and City of Ann Arbor Solar Site License

configuration and construction of System Phase 1 within Site License Area ("Effective Date"). Site License Area 2 is made available for DTE Electric to begin the installation of System Phase 2 under the terms of this Agreement upon (1) satisfaction of the requirements for Site License Area 1 to be made available, and (2) approval by the FAA of the materials, configuration and construction of System Phase 2 within the Site License Area.

- b. The term of this Agreement ("Term") shall commence on the date System Phase 1 is placed in service and generates electric power ("In-Service Date") as provided in the amendment contemplated by Section 3(a) below, and shall continue for a period of Twenty (20) years, except as such Term may be earlier terminated as provided herein, and subject to DTE Electric's right to extend the Term for periods of one (1) year each ("Renewal Period") upon the expiration of the initial Term or a Renewal Period, as the case may be, by written notice to City not later than sixty (60) days prior to the expiration of the initial Term or a Renewal Period, as the case may be, up to but not exceeding ten (10) Renewal Periods.
- c. DTE Electric shall complete installation of System Phase 2 under the terms of this Agreement on or before December 31, 2017, or shall forfeit both its right to install, maintain and operate System Phase 2 within Site License Area 2 and its right to access or use Site License Area 2 other than for access to Site License Area 1 as shown on Schedule B and as provided for more specifically in Section 4
- d. At the expiration or earlier termination of the Term, DTE Electric shall be afforded a period of one hundred eighty (180) days in which to remove the System and any other DTE Electric Property (as defined herein) from the Site License Area (as defined herein) and Premises and restore the Site License Area and the Premises to the condition that existed prior to such installation.

2. System:

- a. DTE Electric understands and agrees that the configuration and construction of the System within the Site License Area, including but not limited to the location, angles, materials, construction methods and other aspects of the System are subject to review and approval of the FAA.
- b. DTE Electric shall, at its sole cost and expense, install and maintain the System upon, under and over the Site License Area as shown and described in Schedule B.
- c. DTE Electric agrees that with respect to all its facilities, apparatus and equipment installed on the Site License Area, it will enter the same for taxation in its own name and pay any taxes levied thereupon. DTE Electric will remit and bear the expenses of any taxes assessed and levied against personal property installed on the Site License Area and owned and/or possessed by DTE Electric.

- DTE Electric also will pay all taxes assessed and levied, if any, on any of the real property on which the Site License Area and Site Access Area are located.
- d. The System will be owned, operated and maintained by DTE Electric and will operate without the involvement of City.
- e. All energy, including capacity, generated by the System shall remain the sole and exclusive property of DTE Electric.
- f. DTE Electric shall, at its sole cost and expense, periodically inspect, clean, maintain, repair and replace the System at intervals determined by DTE Electric to be necessary or desirable.

3. Site License Area and Site Access Area:

- The locations of the Site License Area, including both Site License Area 1 and Site License Area 2, and Site Access Area, as described and identified in Schedule B, are approximate locations of the Site License Area and Site Access Area that DTE Electric will use. The portion of the Site Access Area that runs along the west side of the existing fence for the length of the west side of Site License Area 1, and that is shown as lying within Site License Area 2, shall cease being part of the Site Access Area and shall become part of Site License Area 2 if DTE Electric proceeds with and completes installation of System Phase 2. That portion of the Site Access Area shall remain part of the Site Access Area and not convert to become part of the Site License Area if DTE Electric does not proceed with and complete installation of System Phase 2. City and DTE Electric each agrees that upon completion of the installation of System Phase 1, DTE Electric shall substitute by amendment to this Agreement an as-built survey for the descriptions of the Site License Area 1 and Site Access Area identified on Schedule B and shall amend and record the Memorandum attached as Schedule D and Exhibit A attached thereto (Site License Area and Site Access Area Description and Drawing) that is agreed to and executed by both City and DTE Electric. The amended Memorandum also shall identify the actual In-Service Date for System Phase 1. City and DTE Electric each agrees that upon completion of the installation of System Phase 2, DTE Electric shall substitute by second amendment to this Agreement an as-built survey for the descriptions of Site License Area 1, Site License Area 2, and Site Access Area identified on Schedule B and shall amend again and record the Memorandum attached as Schedule D and Exhibit A attached thereto (Site License Area and Site Access Area Description and Drawing) that is agreed to and executed by both City and DTE Electric. amended Memorandum also shall restate the actual In-Service Date for System Phase 1.
- b. The System shall be configured in a manner that allows DTE Electric to construct, at its sole expense, a fence around the perimeter of the Site License Area connecting at each end to the Airport Perimeter Security Fence where they intersect, or around the perimeter of the Site License Area east of and connecting at each end to the existing Airport Perimeter Security Fence ("Site License Area Fence"). The portion of the Site License Area Fence east of and connecting at each end to the

existing Airport Perimeter Security Fence shall match the height and materials of the existing Airport Perimeter Security Fence. The remainder of the Site License Area Fence may be a different height and different materials than the existing Airport Perimeter Security Fence, subject to the approval of City. If the Site License Area Fence is erected around the full perimeter of the Site License Area, DTE Electric may remove the segment of existing Airport Perimeter Security Fence that otherwise would remain within the Site License Area Fence. The portion of the Site License Area Fence that abuts the secure area of the Airport will become part of the Airport Perimeter Security Fence and the City will maintain it as part of the Airport Perimeter Security Fence. The portion of the Site License Area Fence that does not abut the secure area of the Airport will be maintained by DTE Electric. The Site License Area Fence will be constructed to include a gate for access to the Site License Area. DTE Electric shall have the right to restrict access to the Site License Area, but recognizes the City's need to have access at times. Both the City and DTE Electric shall install locks on the gate so that each Party may enter on is own, if needed. Except in the event of an emergency, each Party shall give the other a minimum of 24 hours notice before accessing the Site License Area. In the event of an emergency, the Party needing access shall provide notice to the emergency contact(s) of the other Party listed on attached Schedule E. Until the portion of the Site License Area Fence is erected east of and connecting at each end to the existing Airport Perimeter Security Fence as provided in this Section 3(b), and except as otherwise approved in advance, DTE Electric personnel shall not enter the Site License Area unless escorted by City personnel, or in accordance with a written protocol approved by the Airport Manager. Once the Site License Area Fence has been erected around the Site License Area as provided in this Section 3(b), DTE Electric personnel shall not enter the Site License Area without prior notice to the City, which shall include notice of the purpose for entry or type of work to be done and equipment that will be used. For routine maintenance, routine checks on the System, and other routine activities, this notice to the City may be satisfied by providing the required information by telephone and email message to the Airport Manager at the telephone number and email address provided in Exhibit E. City personnel shall not enter the Site License Area unless escorted by DTE personnel. In the event of an emergency, the Party needing access shall follow direction provided by the other Party, which shall not unreasonably interfere with the access needed to respond to the emergency.

- 4. <u>Right of Utilization:</u> Effective upon execution of this Agreement by both parties, City grants DTE Electric an exclusive license to install, inspect, maintain, repair, and replace the System at, upon, under and over the Site License Area, continuing for the duration of the Term, together with:
 - a. the right of DTE Electric to install, maintain, renew, and inspect, during the Term of this Agreement, the System as DTE Electric determines to be necessary or desirable;
 - b. the right of DTE Electric for reasonable access to receive, unload, store, warehouse and protect all materials, tools and equipment on the Site License Area, as needed, and within, on and across, as needed, the Site Access Area, as

- shown on Schedule B, during construction of System Phase 1 and during construction of System Phase 2, provided that DTE Electric's use of the Site Access Area shall not interfere with aviation operations, as determined by City;
- c. the right of DTE Electric to provide, install, and maintain through or under the Site License Area and/or Site Access Area during the Term of this Agreement such cables, electric lines, ducts, transformers, and other apparatus as may, in the opinion of DTE Electric, be necessary or desirable for connecting the System to or for the benefit of DTE Electric's electrical system, provided that if DTE Electric wants to use an area other than the Site Access Area for such cables, electric lines, ducts, transformers, and other apparatus, DTE Electric will work to reach agreement with the City to obtain rights to use a different area; and
- d. a non-exclusive right to ingress and egress to and from the Site License Area across, through and on the Site Access Area that provides access from Ellsworth Road to the Site License Area, running parallel to and to the west of the west Airport Perimeter Security Fence as shown on attached Schedule B, to DTE Electric and its employees, agents, contractors and subcontractors, at all times on and after the Effective Date and continuing through the Term of this Agreement, to enter the Site License Area and do thereon such acts and things as may be necessary or desirable for the purpose of installing, inspecting, maintaining, repairing, replacing and removing the System, electric lines or other ancillary equipment or apparatus.

As used in this Agreement in reference to the license granted by City to DTE Electric for the Site License Area, "exclusive" means that City will not grant a license, easement, lease or right of way at, upon, under or over the Site License Area, whether recorded or unrecorded, to a party other than DTE Electric. City also will not grant a license, easement, lease or right of way, whether recorded or unrecorded, which interferes with DTE Electric's use of the Site License Area to operate the System.

The licenses granted to DTE Electric for the Site License Area and for the Site Access Area shall not be inconsistent with or interfere with the City's use of the Premises, including access by City personnel to the Site License Area that may be required and will be exercised in accordance with Section 3(b).

5. <u>City Review of Plans and Specifications:</u> DTE Electric shall not construct the System unless and until City has reviewed and approved DTE Electric's plans and specifications for the System, which approval shall not be unreasonably withheld or delayed. If DTE Electric removes any trees that Pittsfield Township requires to be replaced, DTE Electric shall replace those trees as required to be replaced by Pittsfield Township. If possible, DTE Electric shall place the replacement trees on the Premises in coordination with and subject to approval by City.

If vegetation management outside the Site License Area is necessary to prevent interference with System operations, DTE Electric and City will meet and agree on a plan for that vegetation management, the cost of which will be borne by DTE Electric.

- 6. Operation, Maintenance and Repair of System: DTE Electric will operate, maintain and repair the System during the Term of this Agreement at the sole cost and expense of DTE Electric. DTE Electric's access and advance notice to City shall comply with Section 3(b). All work performed by DTE Electric in connection with the installation, operation, maintenance and repair of the System shall be performed in accordance with all applicable federal, state and local laws, rules, regulations and ordinances.
- 7. Compensation: DTE Electric shall pay City as described in Schedule C.
- 8. <u>Credits, Rebates and Incentives</u>: All federal and state tax credits, renewable energy credits, including all renewable energy attributes and/or benefits, payments, grants, rebates, incentive payments, or other credits paid as a result of the design, installation, and/or operation of the System (hereinafter "Incentives") shall inure to the exclusive benefit of and become the exclusive property of DTE Electric. City will cooperate in good faith as necessary to enable DTE Electric to obtain all available Incentives. Apart from City's cooperation as set forth above, DTE Electric shall be solely responsible for securing and receiving any Incentives.
- 9. Ownership. The System and all alterations, additions, improvements or installations made thereto by DTE Electric and all personal property of DTE Electric used in connection with the installation, operation and maintenance of the System, electric lines, ducts or other apparatus related to the System are, and shall be and remain, the personal property of DTE Electric ("DTE Electric Property"). In no event shall any DTE Electric Property be deemed a fixture, nor shall City, nor anyone claiming by, through or under City (including, but not limited to, any present or future mortgagee of City) have any rights in or to the DTE Electric Property at any time.
- 10. <u>Termination of Agreement for Convenience</u>: DTE Electric shall have the right to terminate this Agreement upon thirty (30) days written notice to City at any time during the Term.

In the event that either DTE Electric or City terminates this Agreement, DTE Electric shall be provided reasonable time to remove the System and restore the Site License Area and Site Access Area to their original condition prior to the installation of the System, except for normal wear and tear. DTE Electric shall have no further obligations to City and City shall have no further obligations to DTE Electric.

Termination is subject to the provisions of Section 15.

11. <u>Full-Service Bundled Customer</u>: City agrees that City shall be and remain during the Term of this Agreement a full-service bundled customer of DTE Electric at City's location at 801 Airport Drive, Ann Arbor, Michigan, 48108, ("Full-Service Bundled Location") by satisfying all of its electric power needs at the Full-Service Bundled Location through electric power generated, distributed and transmitted by DTE Electric ("Full-Service Bundled Customer"). City shall not sell, transfer or lease the Full-Service Bundled Location to any person or entity that is not a Full-Service Bundled Customer of DTE Electric and subject to the provisions of Section 19. In the event City sells, transfers or leases the Full-Service Bundled Location to any person or

entity that is not a Full-Service Bundled Customer of DTE Electric or City closes or abandons the Full-Service Bundled Location, City shall provide a Full-Service Bundled Location that shall be Full-Service Bundled Customer. If City sells, transfers or leases the Site License Area, whether independent of or as part of a sale, transfer or lease of the Premises, the purchaser, transferee or lessee shall provide a Full-Service Bundled Location that shall be Full-Service Bundled Customer of DTE Electric as provided in Section 14.

12. <u>City's Compliance with Applicable Laws</u>: City, at its sole cost and expense, shall comply with all applicable federal, state and local laws, rules, regulations and ordinances relating to the ownership and occupancy of the Premises.

13. City's Obligations:

City shall at all times during the Term of this Agreement use commercially reasonable efforts to maintain the Premises in the vicinity of the Site License Area in good condition and repair, provided that DTE Electric shall be responsible for the System and any vegetation management for a ground mounted System as further set forth in Section 6 and/or otherwise in this Agreement. City shall not interfere with or cause or permit any interference with the System, electric lines, ducts, or other apparatus related to the System.

14. <u>Sale/Transfer/Lease of Premises:</u> In the event of City's sale, transfer or lease of the Site License Area, the purchaser, transferee or lessee (collectively "Subsequent Occupant") of the Site License Area shall be bound by this Agreement, it being the intent of the Parties that this Agreement shall be binding upon and inure to the benefit of the Parties' successors and assigns, and that the covenants contained herein, including but not limited to Sections 4 and the requirement that any Subsequent Occupant shall be a Full-Service Bundled Customer at a mutually agreed upon location identified in accordance with Section 11 above for the remainder of the Term, shall run with the land.

City agrees that DTE Electric shall have the right, without the further consent, approval or signature of City, to execute and record a short form of memorandum of this Agreement in the office of the Register of Deeds for the county in which the Premises are located in the form set forth at Schedule D. DTE Electric agrees that if it executes and records a short form memorandum of this Agreement, that it will execute and record an amended short form memorandum if Exhibit A to the short form memorandum is amended, as provided in Section 3. In the event this Agreement is terminated as provided herein, DTE Electric agrees to record a memorandum discharging the notice in the office of the Register of Deeds for Washtenaw County.

15. Removal/Relocation of the System:

a. The Parties further agree that in the event City requires DTE Electric to relocate the System to another City location during the Term of this Agreement, as provided below, City shall reimburse DTE Electric for the cost of relocating the System ("Removal Costs" as defined below) to (i) another City location acceptable to DTE Electric, in its sole discretion, or (ii) if a City location is not

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available, then any third party location that is acceptable to DTE Electric, in its sole discretion, which discretion shall be exercised in a reasonable manner. Removal Costs shall include all costs and expenses incurred by or on behalf of DTE Electric in connection with removal of the System from the existing Site License Area and repair or maintenance of the Premises, if applicable, and installation and testing of the System at such substitute location and all applicable interconnection fees and expenses at the substitute location, as well as costs of a new title search, other out of pocket expenses, and loss of revenue or other damages DTE Electric may suffer as a result of such removal, provided that such costs shall not exceed \$1,000 per kilowatt DC of System capacity at the time of removal ("Maximum Removal Cost"). The Maximum Removal Cost shall be adjusted as follows:

Years 0-10 – 100% of Maximum Removal Cost Years 11-15 – 75% of Maximum Removal Cost Years 16-20 -50% of Maximum Removal Cost

In the event that no acceptable location is identified, after a request for relocation, City shall reimburse DTE Electric in the amount of the Maximum Removal Cost, as adjusted above. Notwithstanding anything stated to the contrary in this Agreement, City shall not relocate the System for the first five (5) years of the Term of this Agreement unless the City ceases operations at the Premises.

- b. If City elects to relocate the System pursuant to Section 15(a) above, DTE Electric shall have a period of one hundred eighty (180) days to remove the System from the Premises. Subject to new or amended Schedules A, and B that show the relocated System and the new Site License Area, the installation, operation, inspection, maintenance, repair, and replacement of the System at the new location shall be governed by the terms of this Agreement, including the Term, unless amendment of this Agreement is agreed to by both City and DTE Electric as provided in Section 31.
- c. If relocation is required by the FAA, DTE Electric shall remove the System in the time mandated by the FAA or 180 days, whichever is less, and the City shall not be obligated to reimburse DTE Electric any of the Maximum Removal Cost and DTE Electric in its sole discretion may terminate this Agreement and shall have no further obligation to City hereunder.
- 16. Force Majeure: Neither Party hereto shall be liable to the other for any failure of performance due to causes beyond its reasonable control, the occurrence of which could not have been prevented by the exercise of due diligence ("Force Majeure"), such as acts of God, acts of the other party, acts of civil or military authority, fires, floods, earthquakes, epidemics, windstorms, explosions, natural disasters, sabotage, wars, riots, strikes, work stoppages, labor disputes, or changes in laws or regulations; provided, however, that written notice of such Force Majeure event (including the anticipated duration of the delay caused by a Force Majeure event) shall be given by the

affected Party to the other Party as soon as possible after the event or occurrence (but in no event more than thirty (30) days thereafter).

- 17. City's Default: A failure by City to perform or comply with any of the terms and conditions of this Agreement may be considered an event of default by City under this Agreement (hereinafter "Event of Default by City") at the option of DTE Electric. If an Event of Default by City occurs, DTE Electric shall notify City in writing of such default. City shall have thirty (30) days following written notice by DTE Electric to cure the default unless by the nature of such default a longer period to cure is required, in which event City shall not be in default if it commences to cure the default within thirty (30) days of receipt of notice from DTE Electric and diligently proceeds to cure the default thereafter. If an Event of Default by City has not been cured within such period, DTE Electric shall have the right to terminate this Agreement, in which event City shall compensate DTE Electric in accordance with Section 15(a) above.
- 18. <u>DTE Electric's Default</u>: A failure by DTE Electric to perform or comply with any of the terms and conditions of this Agreement may be considered an event of default by DTE Electric under this Agreement (hereinafter "Event of Default by DTE Electric") at the option of City. If an Event of Default by DTE Electric occurs, City shall notify DTE Electric in writing of such default. DTE Electric shall have thirty (30) days following written notice by City to cure the default unless by the nature of such default a longer period to cure is required, in which event DTE Electric shall not be in default if it commences to cure the default within thirty (30) days of receipt of notice from City and diligently proceeds to cure the default thereafter. If an Event of Default by DTE Electric has not been cured within such period, City shall have the option to terminate this Agreement by written notice to DTE Electric. Upon termination of this Agreement, DTE Electric shall have one hundred eighty days (180) from the date of DTE Electric's receipt of City's written notice of termination to remove the System from the Premises.
- 19. <u>Assignment:</u> City may not assign its rights and obligations under this Agreement to a purchaser, transferee or lessee of the Site License Area and/or Premises without DTE Electric's prior consent, which shall not be unreasonably withheld or delayed. DTE Electric may not assign its rights and obligations under this Agreement to another party, including a subsidiary or wholly-owned affiliate of DTE Energy, without City's prior written consent, which shall not be unreasonably withheld or delayed.
- 20. <u>Insurance</u>: Upon execution of this Agreement and as otherwise requested by City, DTE Electric shall provide City with Certificate(s) of Insurance evidencing insurance for personal injury and property damage, including contractual liability insurance, with combined limits of not less than \$2,000,000 Dollars per occurrence, is in effect and covering City as an additional insured under all such policies. DTE Electric agrees that such insurance coverage will remain in effect during the Term of the Agreement. City agrees that the insurance required by this Section 20 may be provided in whole or in part by DTE Electric as self-insurance.

Upon execution of this Agreement and as otherwise requested by DTE Electric, City shall provide DTE Electric with Certificate(s) of Insurance evidencing insurance for personal injury and property damage, including contractual liability insurance, with Page 9 of 29

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combined limits of not less than \$2,000,000 Dollars per occurrence, is in effect and covering DTE Electric as an additional insured under all such policies. City agrees that such insurance coverage will remain in effect during the Term of the Agreement. DTE Electric agrees that the insurance required by this Section 20 may be provided in whole or in part by City as self-insurance.

- 21. <u>No Consequential Damages</u>: Neither Party hereto shall be responsible to the other for incidental, indirect, or consequential damages, including, but not limited to, loss of profits or revenue.
- 22. Confidentiality: Neither Party shall make any disclosure of any information related to this Agreement without the specific prior written consent of the other, except for such disclosures to the Parties' lenders, creditors, officers, employees, agents, consultants, attorneys and accountants as may be necessary to permit each Party to perform its obligations hereunder and as required to comply with applicable laws, rules and regulations. A Party's response to the other Party's request for written consent under this Section 23 shall be within fifteen (15) days, and written consent shall not be unreasonably withheld. DTE Electric understands that records that are or will be in the possession of the City that pertain to this Agreement, including records provided to the City by DTE Electric, are or may be subject to disclosure under the Michigan Freedom of Information Act ("FOIA"). City will notify DTE Electric immediately upon receipt of a FOIA request for disclosure of any information related to this Agreement (including the Agreement itself) so that DTE Electric may, in DTE Electric's sole discretion and at its sole expense, take action to prevent such disclosure. City will provide notice to DTE Electric Company, Office of the General Counsel by telephone at (313) 235-7706 and will provide a copy of the request by facsimile or email if requested. DTE Electric understands that City will respond to a request for disclosure in accordance with the FOIA and applicable law, including the mandated time to respond, unless stopped by court order.
- 23. <u>Public Announcement</u>: The Parties shall consult with each other prior to issuing any public announcement, statement or other disclosure with respect to this agreement and neither Party shall issue any such public announcement, statement or other disclosure without first having written consent of the other Party, except as may be required by law.
- 24. <u>Governing Law:</u> This Agreement shall be governed and shall be interpreted in accordance with the laws of the State of Michigan.
- 25. <u>Severability:</u> Should any provision of this Agreement be or become invalid, ineffective or unenforceable in whole or in part, the validity, effectiveness and enforceability of the remaining provisions shall not be affected thereby.
- 26. Notices: All notices or other communications required or permitted hereunder other than emergency contacts and notice of requests for disclosure shall be in writing, and shall be personally delivered or sent by registered or certified mail, postage prepaid, return receipt requested, by means of an overnight courier service or by facsimile to the address set forth below, or such other address as a Party shall designate by written

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notice in the manner set forth herein, and shall be deemed received upon the earlier of (i) if mailed, two (2) business days after the posting by a United States Post Office; (ii) if personally delivered, the date of delivery to the address of the person to receive such notice; (iii) if sent by courier service, two (2) business day after delivery to such courier service; or (iv) if given by facsimile, upon electronic evidence of receipt. Emergency contact shall be by telephone to the person identified for emergency contact at the number listed, with actual contact and not just voice mail required for effective contact.

If to DTE Electric:

The DTE Electric Company
One Energy Plaza
Detroit, Michigan 48226
Attention: Director Renewable Energy

With a copy to:

The DTE Electric Company
One Energy Plaza
688 WCB
Detroit, Michigan 48226
Attention: Office of the General Counsel

DTE Electric's emergency contact information:

See Schedule E.

If to City:

City of Ann Arbor 301 E. Huron Street P.O. Box 8647 Ann Arbor, Michigan 48107-8647 Attention: City Administrator

With copies to:

City of Ann Arbor 301 E. Huron Street P.O. Box 8647 Ann Arbor, Michigan 48107-8647 Attention: City Attorney

Ann Arbor Municipal Airport 801 Airport Drive Ann Arbor, Michigan 48108 Attention: Airport Manager

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City's emergency contact information:

See Schedule E.

If the person, position, address, telephone number or other contact information for either Party changes, including the emergency contact information on Schedule E, the Party will provide written notice of the change(s) to the other Party.

- 27. <u>Counterparts</u>: This Agreement may be executed in one (1) or more counterparts, and all the counterparts shall constitute but one (1) and the same Agreement, notwithstanding that all parties hereto are not signatory to the same or original counterpart.
- 28. Non-Waiver: Unless otherwise expressly provided in this Agreement, no waiver by City or DTE Electric of any provision hereof shall be deemed to have been made unless expressed in writing and signed by City or DTE Electric, as the case may be. No delay or omission in the exercise of any right or remedy accruing to City or DTE Electric, as the case may be, upon any breach under this Agreement shall impair such right or remedy or be construed as a waiver of any such breach theretofore or thereafter occurring. The waiver by City or DTE Electric of any breach of any term, covenant or condition herein stated shall not be deemed to be a waiver of any other term, covenant or condition.
- 29. <u>Captions:</u> Section titles or captions contained in this Agreement are inserted as a matter of convenience and for reference only, and in no way define, limit, extend or describe the scope of this Agreement.
- 30. <u>Exhibits</u>: All Schedules attached hereto shall be incorporated herein by reference as if set out herein in full.
- 31. Entire Agreement: This Agreement, together with all schedules and exhibits attached hereto or mentioned herein, shall constitute the entire Agreement between the parties and may not be amended, modified or terminated except by a writing signed by the Parties hereto. This Agreement and the Schedules hereto wholly supersede any and all oral statements, representations or agreements made by the Parties to this Agreement. This Agreement shall become binding when executed by City and DTE Electric.
- 32. <u>Survival</u>: The provisions of Section 21 hereof shall survive the termination of this Agreement for a period of two (2) years.
- 33. <u>Construction of Agreement:</u> This Agreement is the product of negotiations between the Parties and shall not be construed as being drafted by one Party as opposed to the other.

IN WITNESS WHEREOF, and intending to be legally bound, the Parties hereto subscribe their names to this instrument on the date first written above.

[signature page follows]

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	Y OF ANN ARBOR, chigan municipal corporation	
	9	
By: _	Christopher Taylor	
Its:	Mayor	
By: _	Jacqueline Beaudry	
Its:	Jacqueline Beaudry City Clerk	
Appr	roved as to Substance:	
Steve	en D. Powers, City Administrator	
Craig	g A. Hupy, P.E., Public Services Adminis	strato
Appr	roved as to Form:	
Stepl	hen K. Postema, City Attorney	
	DTE ELECTRIC COMPANY, chigan corporation	
Auth	norized Signature of DTE Electric	_
Print N	Tame	

Print Title

City Acknowledgment

STATE OF MICHIGAN)	
)§ COUNTY OF WASHTENAW)	
, by Christopher Taylor and Jacq	s acknowledged before me this day of , queline Beaudry, the Mayor and City Clerk, respectively, n municipal corporation, on behalf of the City of Ann
	Notary Public County, State of Michigan My Commission Expires: Acting in County, Michigan
DTE E	lectric Acknowledgment
STATE OF MICHIGAN)) COUNTY OF WAYNE)	
The foregoing instrument was , by , the of The DT of The DTE Electric Company.	acknowledged before me this day of , TE Electric Company, a Michigan corporation, on behalf
	Notary Public Wayne County, State of Michigan My Commission Expires:
	Acting in County, Michigan

Schedule A - Description of Photovoltaic System

City Name:					
City Address:					
System Size (Nameplate kW DC):					
Mounting Option: Roof: Ballasted Roof: Structure-tied Ground					
Proposed PV Technology:					
Tilt:° (90° is vertical, 0° is flat)					
Orientation:° (180° is south, 90° is east, 270° is west)					
Area required for installation (sq.ft.):					
Array Location Description:					
Inverter Location:					
Inverter Location Description:					
Point of Interconnection:					
Description of PV Mounting System:					
Additional Project Requirements:					

Schedule A - Description of Photovoltaic System

ı
Customer Name: City of Ann Arbor
Customer Address: 301 E. Huron St., P.O. Box 8647, Ann Arbor, MI 48107-8647
Site Address: Site address is to be determined.
System Size (Nameplate kW DC): Phase 1: 1,100 kW - 1,600 kW Phase 2: Up to 550kW additional
Mounting Option: ☐ Roof: Ballasted ☐ Roof: Structure-tied ☐ Ground ☐ Parking Canopy
Proposed PV Technology:
Tilt: 35° (90° is vertical, 0° is horizontal) Orientation: 180° (90° is east, 180° is south, 270° is west)
Site License Area: The Site License area for the photovoltaic array is approximately 600' wide (east-west) by 1,000' long (north-south), totaling approximately 600,000 ft ² (13.8 acres, more or less.) The Site License Area is divided into two portions: Phase 1 and Phase 2. Phase 1 includes the existing fence and the area to the east of the existing fence, as well as an extension of the site access driveway, described as Phase 1 Site Access Area/Phase 2 area and the expansion area to the west, described as Phase 2 area. Access to the site will be via a separate driveway Site Access Area, starting from W. Ellsworth Road, northeast of the existing barn utilizing the existing gated driveway entrance, southward, past the east side of the barn, turning west to the northwest corner of the existing fence, then parallel to and along the west side of the existing airport western perimeter fence. The proposed Site Access Area is irregularly shaped. Please see Schedule B-1.
If required, an additional license or easement may be added at completion of the project, for an underground interconnect link between the PV array and the chosen DTE grid circuit interconnect point. Please see the Point of Interconnection section for details.
Changes to the Site Access Area or Site License Area occurring from as-built conditions may be required.

Array Location Description: The Site License Area for the PV array will be located in an open field to the south of the barn on W. Ellsworth Road. (Please see Schedule B-1.) The field is currently used for agriculture, with an existing fence and tree rows lining the east and west perimeters. A new access driveway is necessary to allow construction and maintenance traffic to reach the array site. Groundcover of the PV array Site License Area is to be low-growing prairie grass mix.

Inverter Location Description: This project will utilize multiple inverters. The output rating and type are yet to be determined. If central inverters are used, the preliminary plan is to locate each inverter near the center of its portion of the array, mounted on a reinforced concrete slab. If string inverters are used, the inverters will be attached to the PV module racking structures. A single pad mounted transformer will be located within the Site License Area, outside of the fenced area.

Point of Interconnection: To a nearby overhead DTE distribution circuit. There are two options: the circuit running along the east side of Lohr Road, or the circuit running along the south side of W. Ellsworth Road. The interconnection link is to be within directionally-bored or trenched underground HDPE conduit and may be encased within concrete. Depending on the distance to the overhead circuit, one or more intermediate manholes or handholes may be required. The interconnection link may require an additional easement or license.

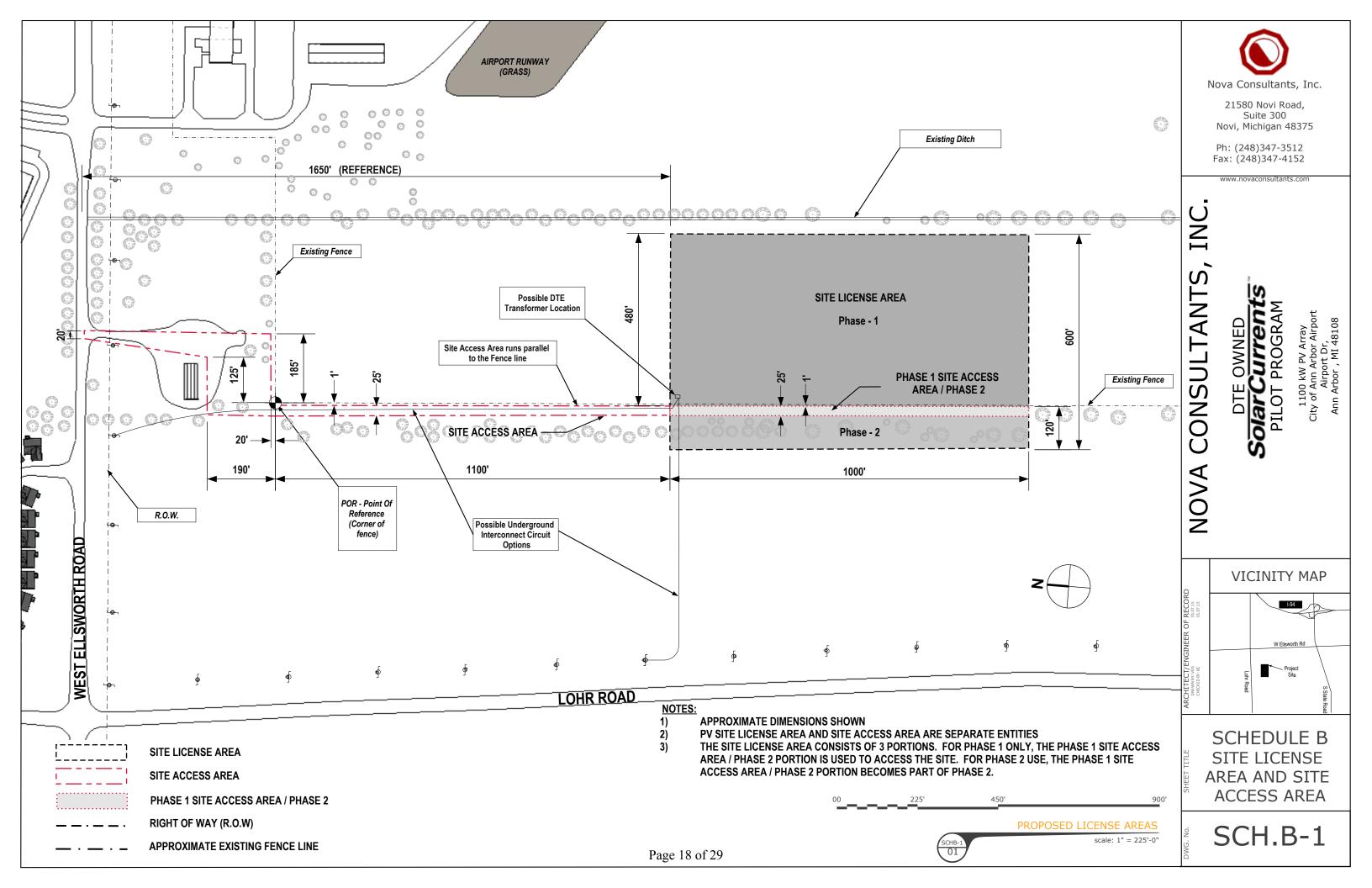
Description of PV Mounting System: Preliminary plan includes: Ground mounted array, with fixed tilt angle and orientation rack structures. Rack posts may consist of driven or helical pier foundations. Multiple rows of PV modules are to be attached in portrait orientation, consisting of racks holding 2 modules high, by 12 modules wide. Each row will consist of 9 racks wide. Each row will be horizontal across the width of the site. The rows will be stepped down from row to row, following the general north-to-south topography. Adequate spacing between rows will be provided to allow for row-to-row shadow clearance. The maximum height above ground for any structure is not to exceed 15'.

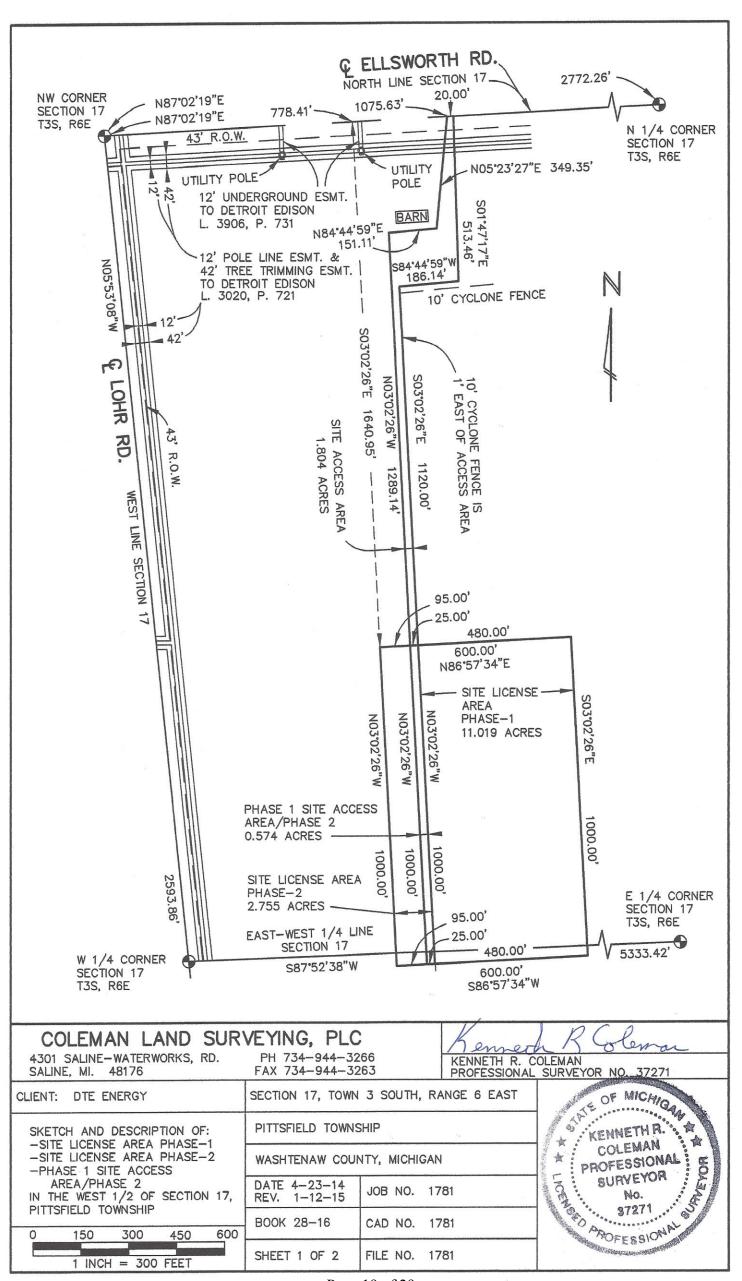
Additional Project Requirements: DTE is to add a gate to the existing perimeter fence, and add a new fence along the outside of the north, east and south perimeters of the Site License Area. The new fence is to match the existing airport perimeter fence specifications and will become the property and responsibility of the airport. The portion of the existing chain link fence within the Site License Area will become the property and responsibility of DTE. Installation of a row of shrubs or modifications to the fence to provide visual screening to the west may be added.

During construction, trees and brush along the perimeters, both within and outside the Site License Area, may be removed or pruned. After the in-service date of the system, vegetation management will be in accordance with Section 5 of the Agreement.

Schedule B - Site License Area/Site Access Area Description and Drawings

Insert Drawings





DESCRIPTION OF A 1.804 ACRE SITE ACCESS AREA Commencing at the Northwest corner or Section 17, T3S, R6E, Pittsfield Township, Washtenaw County, Michigan; thence N87°02'19"E 1075.63 feet along the north line of said Section 17 and the centerline of Ellsworth Road to the POINT OF BEGINNING; thence continuing N87°02'19"E" 20.00 feet along said north line and said centerline; thence S01°47'17"E 513.46 feet; thence S84°44'59"W 186.14 feet; thence S03°02'26"E 1120.00' feet; thence S86°57'34"W 25.00 feet; thence N03°02'26"W 1289.14 feet; thence N84°44'59"E 151.11 feet; thence N05°23'27"E 349.35 feet to the Point of Beginning, containing 1.804 acres of land, more or less, being a part of the northwest 1/4 of said Section 17, being subject to the rights of the public over the north 43 feet thereof as occupied by Ellsworth Road, together with and subject to easements and restrictions of record, if any.

DESCRIPTION OF SITE LICENSE AREA PHASE—1 Commencing at the Northwest corner or Section 17, T3S, R6E, Pittsfield Township, Washtenaw County, Michigan; thence N87°02'19"E 778.41 feet along the north line of said Section 17 and the centerline of Ellsworth Road; thence S03°02'26"E 1640.95 feet; thence N86°57'34"E 120.00 feet to the POINT OF BEGINNING; thence N86°57'34"E" 480.00 feet; thence S03°02'26"E 1000.00 feet; thence S86°57'34"W 480.00 feet; thence N03°02'26"W 1000.00 feet to the Point of Beginning, containing 11.019 acres of land, more or less, being a part of the west 1/2 of said Section 17, together with and subject to easements and restrictions of record, if any.

DESCRIPTION OF SITE LICENSE AREA PHASE—2 Commencing at the Northwest corner or Section 17, T3S, R6E, Pittsfield Township, Washtenaw County, Michigan; thence N87°02'19"E 778.41 feet along the north line of said Section 17 and the centerline of Ellsworth Road; thence S03°02'26"E 1640.95 feet to the POINT OF BEGINNING; thence N86°57'34"E" 120.00 feet; thence S03°02'26"E 1000.00 feet; thence S86°57'34"W 120.00 feet; thence N03°02'26"W 1000.00 feet to the Point of Beginning, containing 2.755 acres of land, more or less, being a part of the west 1/2 of said Section 17, together with and subject to easements and restrictions of record, if any.

DESCRIPTION OF PHASE 1 SITE ACCESS AREA/PHASE 2 Commencing at the Northwest corner or Section 17, T3S, R6E, Pittsfield Township, Washtenaw County, Michigan; thence N87°02'19"E 778.41 feet along the north line of said Section 17 and the centerline of Ellsworth Road; thence S03°02'26"E 1640.95 feet; thence N86°57'34"E 95.00 feet to the POINT OF BEGINNING; thence N86°57'34"E" 25.00 feet; thence S03°02'26"E 1000.00 feet; thence S86°57'34"W 25.00 feet; thence N03°02'26"W 1000.00 feet to the Point of Beginning, containing 0.574 acres of land, more or less, being a part of the west 1/2 of said Section 17, together with and subject to easements and restrictions of record, if any.

COLEMAN LAND SURVEYING, PLC 4301 SALINE-WATERWORKS, RD. PH 734-944-3266 SALINE, MI. 48176 FAX 734-944-3263				OLEMAN SURVEYOR NO 37271	
CLIENT: DTE ENERGY	SECTION 17, TOWN	3 SOUTH, F	RANGE 6 EAST	OF MICHIGAN	
SKETCH AND DESCRIPTION	PITTSFIELD TOWNS	SHIP	10	KENNETH R.	
OF A 13.774 ACRE PROPOSED SITE LICENSE AREA AND A	WASHTENAW COU	NTY, MICHIGA	N	PROFESSIONAL SO	
1.804 ACRE PROPOSED SITE ACCESS AREA IN THE W 1/2	DATE 4-23-14 REV. 1-12-15	JOB NO. 1	781	No. 15	
OF SECTION 17, PITTSFIELD TWP.	BOOK 28-16	CAD NO. 1	1781	POFESSIONA	
1 INCH = 300 FEET	SHEET 2 OF 2	FILE NO. 1	781		

Schedule C - Compensation

- A. <u>Construction Payment</u>: DTE Electric agrees to pay City the sum of \$38.00 per kilowatt DC of System design capacity. Construction payment for System Phase 1 shall be based on System Phase 1 design capacity and is due within 45 days after the Effective Date. Construction payment for System Phase 2 shall be based on System Phase 2 design capacity and is due at the start of construction of System Phase 2.
- B. <u>Annual Payment</u>: After commencement of the Term, DTE Electric agrees to pay City annually by December 1st for each year of the Term the sum of \$38.00 per kilowatt DC of System capacity in place on that December 1st.
- C. <u>Deconstruction or Removal Payment</u>: During the 180 day period allowed for removal after the end of the Term, and any additional period thereafter, DTE Energy agrees to pay City each month until the removal of all System and any other DTE Electric Property is completed in accordance with Section 1(c), one-twelfth the amount of the last Annual Payment paid by DTE Electric before the end of the Term.

Schedule D – MEMORANDUM OF SOLAR POWER LICENSE AGREEMENT

THIS MEMORANDUM OF SOLAR POWER LICENSE AGREEMENT (this "Memorandum") is made and entered into as of _______, 2015, by and between the City of Ann Arbor ("Grantor"), and the DTE Electric Company, a Michigan corporation ("Grantee"). (Grantor and Grantee are referred to collectively herein as the "Parties".)

WITNESSETH:

- A. On the date hereof, the Parties have entered into a Solar Power License Agreement (the "Agreement") pursuant to which Grantor grants to Grantee an exclusive license for the installation, maintenance, operation, inspection, repair and replacement of certain photovoltaic systems and related cables, electrical lines, ducts, transformers and other equipment, on, under and over the Site License Area/Site Access Area described in Exhibit A attached hereto and incorporated herein by reference, together with the right of ingress and egress to and from the Site License Area/Site Access Area as shown on Exhibit A and described in the Agreement.
- B. The Agreement commences on the Effective Date, as defined in the Agreement. The term of the Agreement commences on the date the System (as defined in the Agreement) is placed in service and generates electric power (the "In-Service Date"),, and will continue in full force and effect for a period of twenty (20) years with ten (10) one-year renewal options, unless earlier terminated as provided in the Agreement. The Agreement further provides that during the term, the Grantee and any successor owners of the Site License Area/Site Access Area shall obtain electricity for the premises on which the Site License Area/Site Access Area is located, or an alternative location as provided in the Agreement, as a full-service bundled customer of Grantee.
- C. The Parties execute this Memorandum, which is to be recorded, in order that third parties may have notice of the interests of Grantee in the Site License Area/Site Access Area and of the existence of the Agreement and of certain rights granted to Grantee in the Site License Area/Site Access Area as part of the Agreement.

THEREFORE, in consideration of the payments and covenants provided in the Agreement to be paid and performed by Grantee, Grantor hereby grants to Grantee the license as described in the Agreement, on, over, under and across the Site License Area/Site Access Area, all on the terms and conditions set forth in the Agreement. All of the terms, conditions, provisions and covenants of the Agreement are hereby incorporated into this Memorandum by reference as though fully set forth herein, and the Agreement and this Memorandum shall be deemed to constitute a single instrument or document. Should there be any inconsistency between the terms of this Memorandum and the Agreement, the terms of the Agreement shall prevail. The Agreement contains the entire agreement of the Parties with respect to the subject matter thereof, and any prior or contemporaneous agreements, discussions or understandings, written or oral (including, without limitation, any options or agreements for grant of license previously entered into by the Parties with respect to the Site License Area/Site Access Area), are superseded by the Agreement and shall be and hereby are released, revoked and terminated.

[signature page follows]

IN WITNESS WHEREOF, Grantor and Grantee have executed this Memorandum as of the day and year first above written

The City of Ann Arbor, a Michigan municipal corporation
BY: NAME: Christopher Taylor ITS: Mayor
BY: NAME: Jacqueline Beaudry ITS: City Clerk
Approved as to Substance:
Steven D. Powers, City Administrator
Craig A. Hupy P.E., Public Services Administrator
Approved as to Form:
Stephen K. Postema, City Attorney
GRANTEE
The DTE Electric Company, a Michigan corporation
BY:NAME:ITS:

GRANTOR

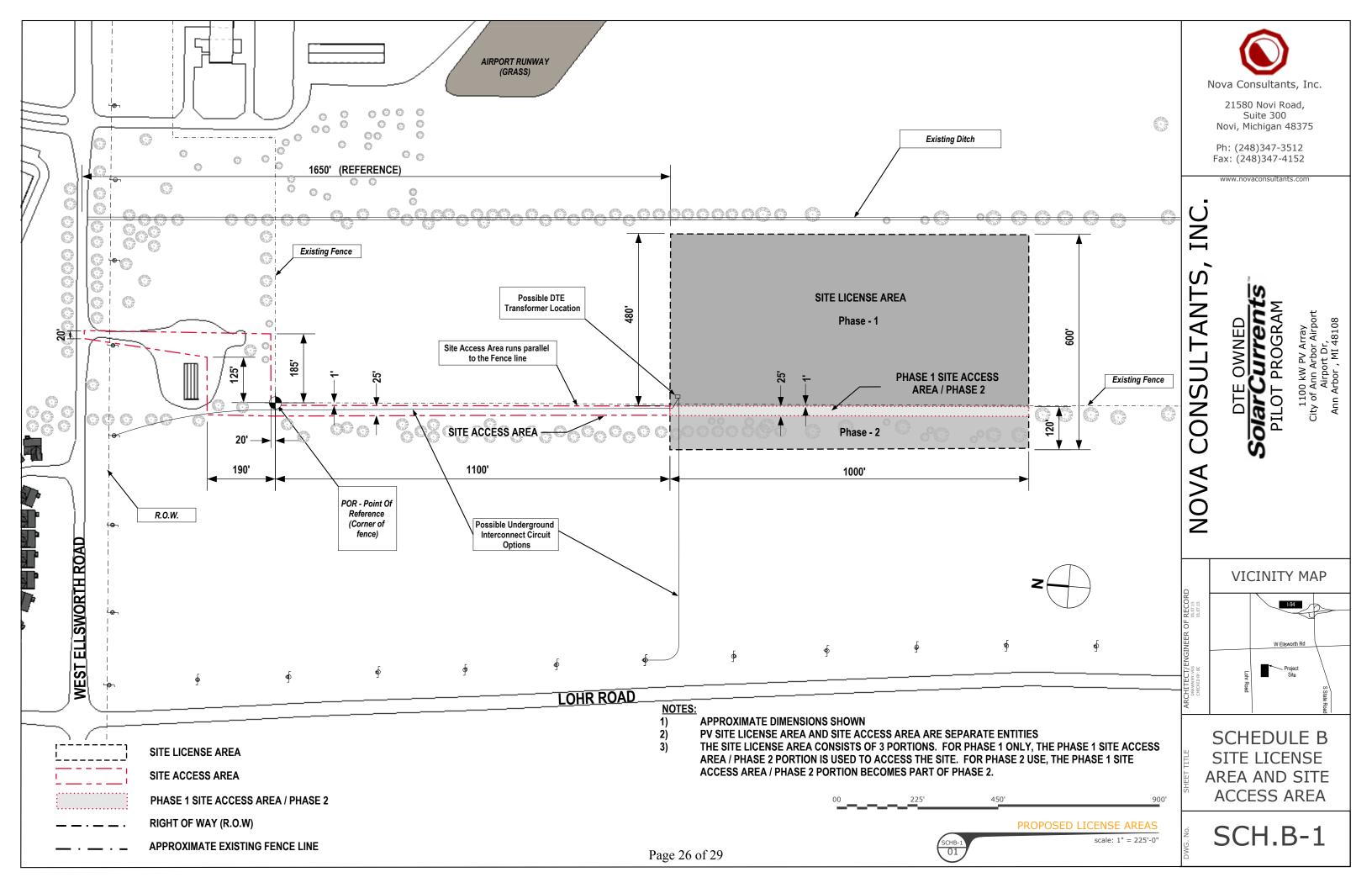
City Acknowledgment

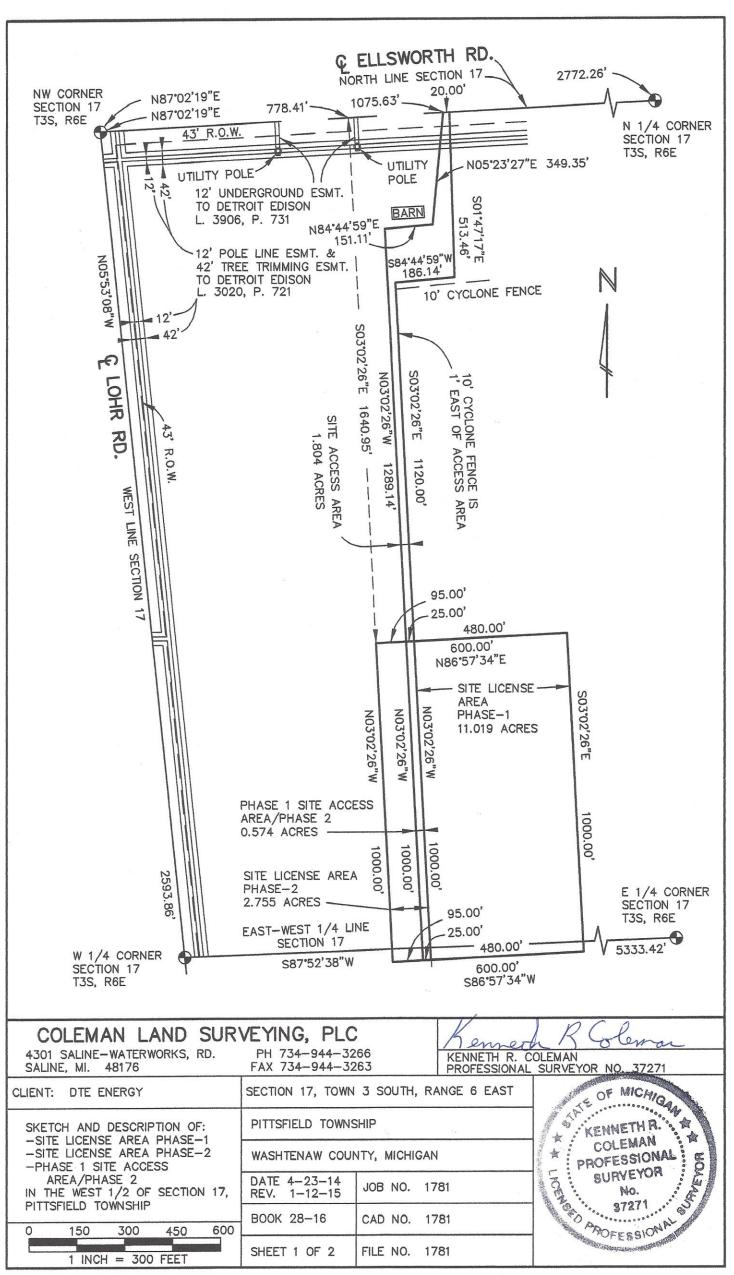
STATE OF MICHIGAN)	
COUNTY OF WASHTENAW)	
The foregoing instrument was ack , , by Christopher Taylor and Clerk, respectively, of the City of Ann Arbbehalf of the City of Ann Arbor.	Jacqueline Beaudry, the Mayor and City
	Notary Public
	County, State of Michigan
	My Commission Expires:
	Acting in County, Michigan
DTE Electric Acts STATE OF MICHIGAN) (COUNTY OF WAYNE)	eknowledgment
	owledged before me this day of DTE Electric Company, a Michigan Company.
	Notary Public Wayne County, State of Michigan My Commission Expires: Acting in County, Michigan

Prepared by: Blair A. Person, Lewis & Munday, 660 Woodward Avenue, Suite 2490, Detroit, Michigan 48226.

When recorded return to: Jon P. Christinidis, DTE Electric, One Energy Plaza, 688 WCB, Detroit, Michigan 48226

Exhibit A
Site License Area/Site Access Area Description and Drawings





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1 INCH = 300 FEET	SHEET 2 OF 2	FILE NO. 1	781		

Schedule E – EMERGENCY CONTACT INFORMATION

For DTE Electric:

Terrell Lockhart, Operations (313) 235-5623

For City:

Matthew Kulhanek, Airport Manager - (734) 972-9112 D. Lynn Crum, Facilities Supervisor - (734) 323-4158

EMAIL CONTACT INFORMATION

Email shall NOT be used for emergency contacts, but may be used for other purposes as provided in the Agreement.

For DTE Electric

Terrell Lockhart, Operations - <u>lockhartt@dteenergy.com</u> Judy Pendergrass, Project Manager - <u>pendergrassj@dteenergy.com</u>

For City:

Matthew Kulhanek, Airport Manager - MJKulhanek@a2gov.org