CITY OF TOLEDO, CITY OF SYLVANIA,
MONROE COUNTY, DANA CORPORATION
WATER SUPPLY AGREEMENT

This Agreement is made and entered into this 28 day of December, 1995, by and between the City of Toledo, Ohio, hereinafter referred to as "Toledo", acting through its Mayor, the City of Sylvania, Ohio, hereinafter referred to as "Sylvania", acting through its Mayor and Director of Finance, the County of Monroe, Michigan, hereinafter referred to as "Monroe County", acting by and through the Monroe County Drain Commissioner, hereinafter referred to as the "County Agency", and Dana Corporation, hereinafter referred to as "Dana", acting through its duly authorized representatives.

WHEREAS, on August 2, 1965, Toledo and Sylvania entered into an agreement under which Toledo agreed to supply Sylvania with surplus water, which agreement has expired but Toledo continues to supply Sylvania with surplus water; and

WHEREAS, Dana, located at 8000 Yankee Road, Ottawa Lake, Whiteford Township, Monroe County, Michigan, lying within the "Monroe County Water Supply System" area, (the geographical limits of Monroe County, Michigan), is in need of a centralized source of water to replace failing water wells; and

WHEREAS, Dana has requested a temporary accommodation tap into a Sylvania water line adjacent to the Michigan-Ohio State line until such time as it has access to a centralized water system within the Monroe County Water Supply System or any other Monroe County or Whiteford Township water supply system; and

WHEREAS, the County Agency has the authority without endorsement to authorize the installation of a public water line within a public road right-of-way, subject to normal permits being obtained from the Monroe County Board of Road Commissioners, hereinafter referred to as the "Road Commission"; and
WHEREAS, Sylvania may not distribute its water purchased from Toledo to customers outside of the "Sylvania Water District", as defined in the August 2, 1965 agreement as amended, without approval from Toledo; and

WHEREAS, pursuant to Act 342, Public Acts of Michigan, 1939, as amended, ("Act 342"), Monroe County, acting by and through its County Agency, has established a Monroe County public water supply system, sometimes referred to as the Monroe County Water Supply System, to provide public water to various municipalities located within the County of Monroe, State of Michigan; and

WHEREAS, under and subject to the terms of Act 342, the County is authorized, through the County Agency, to acquire and construct various improvements to the Monroe County Water Supply System; and

WHEREAS, Monroe County, on its own and/or acting by and through its County Agency, has entered into various agreements with municipalities within the County of Monroe, State of Michigan, to provide public water as part of the Monroe County Water Supply System, and that in connection therewith, various subsystems of the System have been established for various municipalities, and said subsystems have been given various names; and

WHEREAS, no current water supply subsystem has been established for the Township of Whiteford, Monroe County, Michigan and therefore, no name has been given for any such subsystem; and

WHEREAS, the Township of Whiteford has indicated to the County Agency that it does not wish to enter into any water supply subsystem contract, and does not desire to establish any special subsystem within the Township of Whiteford, for the reason that it does not have any ordinance or administration in place to handle or assist in the handling of any such water supply subsystem within the Township of Whiteford; and
WHEREAS, the Township of Whiteford has indicated that it does not oppose Monroe County, acting by and through its County Agency, constructing, operating and maintaining a Monroe County Water Supply System water transmission line within the Township of Whiteford; and

WHEREAS, Monroe County, acting by and through its County Agency, desires to name the water supply subsystem in Whiteford Township to, in part, serve Dana pursuant to this Agreement, as the "Monroe County Water Supply System (Whiteford System No. 1)", for lack of a better name, and the Township of Whiteford has indicated to the County Agency that it has no objection to said name; and

WHEREAS, the proposed temporary accommodation tap into a Sylvania water line for Dana is necessary to serve an entity (Dana) located in the Township of Whiteford, Monroe County, Michigan, to promote the health and welfare of the citizens of the Township of Whiteford, Monroe County, Michigan, and that said improvement will benefit Monroe County and its citizens by adding a water supply transmission line to the Monroe County Water Supply System; and

WHEREAS, Dana has proposed to pay the costs for the construction and maintenance of the temporary accommodation tap into a Sylvania water line adjacent to the Michigan-Ohio State line; and

WHEREAS, on the terms hereinafter set forth, Toledo, Sylvania and Monroe County acting by and through the County Agency, have agreed to permit the temporary accommodation tap as authorized by Ordinance No. 569-95 passed by Toledo City Council on September 5, 1995, Ordinance No.151-95 passed by Sylvania City Council on December 18, 1995, and by Act 342 and prior authority granted by Monroe County to the County Agency for the general establishment of the Monroe County Water Supply System.

NOW THEREFORE, in consideration of the mutual promises and covenants herein contained and the performance thereof, it is agreed by and between the parties as follows:
SECTION 1. TEMPORARY ACCOMMODATION TAP.

The parties agree that Dana is authorized, at its own cost, to construct and maintain a temporary accommodation tap consisting of a water line, meter pit and meter connecting its facility located at 8000 Yankee Road, Ottawa Lake, Whiteford Township, Monroe County, Michigan, to an existing Sylvania Water District water transmission line at a location approved by Sylvania for a period equal to one hundred twenty (120) days after any Monroe County governmental entity constructs its centralized water system that will service Dana's property, but not to exceed ten (10) years from the date hereof. Water taken from the Sylvania system by Dana shall be metered and shall be used only at the facility located at 8000 Yankee Road. The water line, meter pit and meter shall meet all specifications and requirements as set forth in Toledo's Department of Public Utilities Rules and Regulations and Sylvania's applicable Ordinances, Rules and Regulations as may be amended from time to time.

SECTION 2. PAYMENT FOR CONSTRUCTION.

Dana shall provide at its sole cost all planning, engineering, and construction for the installation and making operational for the water transmission line beginning at the Dana property in the Clark Road right-of-way south of Lynch Road and north of Yankee Road in Whiteford Township, Monroe County, Michigan, and extending within said Clark Road right-of-way south to the Michigan-Ohio State line, and for the connection from the Clark Road right-of-way to the facilities within the Dana property, and for the metering facilities, and for the extension of the water transmission line south of the Michigan-Ohio State line to connect to an existing Sylvania Water District water transmission line. In addition, Dana shall be responsible for paying the legal costs in setting up this Agreement and the associated "Monroe County Agency Maintenance Agreement with Dana Corporation Monroe County Water Supply System (Whiteford System No. 1)", executed by Dana and the County Agency at or about the same time as the execution of this Agreement. Dana shall also pay the costs of the County Agency to review plans, and supervise
and inspect, as needed, the installation and making operational the water transmission line, to insure that the water transmission line is constructed in accordance with the specifications, rules and regulations of the County Agency for public water transmission lines within the Monroe County Water Supply System. All charges of the County Agency shall be billed to Dana after the costs for said charges have accrued, and shall be paid by Dana within thirty days of the date of the bill.

SECTION 3. AUTHORITY.

Monroe County certifies and represents to Dana that it has the authority necessary to allow the construction of the water transmission line within the Clark Road right-of-way beginning at a point south of Lynch Road and north of Yankee Road, and continuing south to the Michigan-Ohio State line, and that no other consents from adjoining property owners or any other entity is necessary to install the water transmission line from a point in the City of Sylvania through the Clark Road right-of-way and then connecting with a tap at 8000 Yankee Road, except for a normal permit to construct in a right-of-way which must be obtained by Dana from the Road Commission. Monroe County agrees that no taps by others than Dana will be permitted without Sylvania's and Toledo's consent.

SECTION 4. BILLING.

Sylvania shall read the meter measuring the water taken from its system and shall bill Dana directly and not through the County Agency, at the same intervals and rates charged to other like customers within the City of Sylvania as specified in Sylvania Codified Ordinances. Sylvania shall collect and enforce payment of its billings on the same terms and conditions applied to its like citizens. All parties to this Agreement shall have unrestricted access to the Dana meter pit and meter at all times for purposes of inspecting the metering equipment and taking meter reads. Neither Monroe County nor the County Agency makes any representations or promises of fairness to Dana with respect to the billing by Sylvania to Dana for the reason that Monroe County and the County Agency have no control or contractual arrangement with Toledo or Sylvania for the supply of water to
Dana, except as is provided for in this Agreement.

SECTION 5. EMPLOYMENT.

In consideration of Toledo's authorization for the sale of water by Sylvania to Dana, Dana agrees to use its best efforts to recruit any new employees hired during the period in which it obtains water through the Sylvania water line, from the Toledo metropolitan area, it being specifically acknowledged, however, that Dana has specialized workplace needs which may or may not be satisfied with employees recruited from the Toledo metropolitan area.

SECTION 6. INSTALLATION AND DEDICATION OF WATER LINE IN MONROE COUNTY.

(a) Dana shall construct, in accordance with the specifications of Toledo, Sylvania and the County Agency, a water transmission line beginning at the Dana property in the Clark Road right-of-way south of Lynch Road and north of Yankee Road in Whiteford Township, Monroe County, Michigan, and extending within said Clark Road right-of-way south to the Michigan-Ohio State line, and then from the Michigan-Ohio State line to the Sylvania Water District water transmission line. Dana agrees to submit construction plans to, and obtain approvals from the County Agency for the construction of the portion of the water transmission line being constructed in the Clark Road right-of-way, and for the connection from the Clark Road right-of-way to the facilities within the Dana property, all in accordance with the various construction and connection specifications of the County Agency. All costs for the construction of the water transmission line shall be borne by Dana, and no costs shall be borne by the County Agency or Monroe County. Dana agrees to obtain and comply with all requirements for a right-of-way construction permit from the Road Commission for the construction of the water transmission line in the Clark Road right-of-way. All construction shall be performed by Dana in a timely and workmanlike manner. Upon completion of construction in accordance with the specifications of the County Agency, the water transmission line in the Clark Road right-of-way shall be considered as being part of the Monroe
County Water Supply System under the jurisdiction of the County Agency, and if deemed necessary in writing by the County Agency or Monroe County, the water transmission line shall be dedicated formally by Dana to the County Agency and/or Monroe County. This water transmission line shall be considered as being part of the subsystem hereby established to be known as the "Monroe County Water Supply System, (Whiteford System No. 1)".

(b) This Agreement was negotiated to supply public water to Dana, because Dana was experiencing failing water wells at its facility in Whiteford Township, Monroe County, Michigan. The water transmission line being constructed by Dana in the Clark Road right-of-way, and dedicated and conveyed to the County Agency and/or Monroe County, shall be a public water transmission line. In order for there to be extensions to said water transmission line, or for other entities to connect into said water transmission line, this Agreement will need to be renegotiated. The then existing circumstances will dictate whether or not an extension will be permitted and/or any additional connections will be allowed. In any event, if further connections are permitted, or if any extensions to the water transmission line are allowed, Dana shall not be repaid for its cost to construct the water transmission line contemplated in this Agreement. The arrangement for the payment of water received from Sylvania, and maintenance of the water transmission line, and other associated issues, other than repayment to Dana for the construction of the original water transmission line, shall be included in any renegotiated contractual arrangement among the parties to this Agreement.

(c) Once the water transmission line is constructed by Dana in the Clark Road right-of-way, and the system becomes operational, Dana shall pay all maintenance costs for the portion of the water transmission line in the Clark Road right-of-way, (as well as any costs of maintenance for the connection lines within its own property). All maintenance shall be performed by the County Agency and/or Monroe County, in accordance with the specifications, rules and regulations concerning maintenance of public water transmission lines within the Monroe County Water
Supply System. Dana must request any and all maintenance and inspections to be performed by the County Agency and/or Monroe County, and may not perform any such maintenance or inspections itself for the portion of the water transmission line located in the Clark Road right-of-way. The payment for all maintenance performed by the County Agency and/or Monroe County on the water transmission line in the Clark Road right-of-way shall be paid for by Dana in accordance with costs to the County Agency/Monroe County in paying the prevailing wage rate as set forth in the then existing agreement between the County Agency/Monroe County, any independent contractor employer, and/or any union representing the employees performing the maintenance work, presently the Utility Workers Union of America, AFL-CIO, Local 517. (A copy of the current union agreement and any succeeding agreements will be provided to Dana upon written request.) In addition, the County Agency and/or Monroe County shall have the authority to inspect and perform routine maintenance, and make any and all repairs to the water transmission line in the Clark Road right-of-way as necessary in accordance with the normal specifications, rules and regulations pertaining to maintenance, inspection and repairs to a Monroe County Water Supply System water transmission line. Dana and the County Agency agree to enter into a maintenance contract, which might provide for the maintenance to be performed by another entity such as the South County Water System, (a part of the Monroe County Water Supply System). Such a maintenance agreement shall be entered into at or about the same time that this Agreement is entered into.

(d) The water transmission line to be constructed by Dana in accordance with the specifications, rules and regulations of the County Agency shall be a ten inch (10") line. The water transmission line shall also contain fire hydrants at seven hundred foot (700') intervals along the water transmission line, and Dana shall pay the cost of constructing, maintaining and repairing said fire hydrants.
SECTION 7. MONROE COUNTY WATER SUPPLY SYSTEM.

Upon construction by any Monroe County governmental entity of water lines in the Monroe County Water Supply System or any other Monroe County or Whiteford Township water supply system capable of serving the property located at 8000 Yankee Road, Ottawa Lake, Whiteford Township, Monroe County, Michigan, Dana, at its own costs, shall immediately connect its facility to the new line and system and shall discontinue its use of water from the Sylvania Water District system. Upon disconnection from the Sylvania system, this Agreement shall terminate.

SECTION 8. ASSIGNMENT.

This Agreement may not be assigned by Dana without the written consent of all parties. Notwithstanding anything to the contrary herein, Dana may assign this Agreement to any of its subsidiaries, affiliates or related parties as well as to any purchaser of the company or of Dana's Yankee Road facility without having to obtain the written consent of any party to this Agreement. This Agreement will be binding upon any successors, assigns or purchasers of Dana or of Dana's Yankee Road facility.

SECTION 9. TERM.

The term of this Agreement shall be for a period beginning on the date of this Agreement and continuing until one hundred twenty (120) days after any Monroe County governmental entity constructs a water system having the capability of serving the Dana property, unless terminated earlier by the mutual agreement of the parties but in no event more than ten (10) years from the date of this Agreement. At the end of the ten (10) year period, the parties agree to negotiate in good faith for an extension of this Agreement.
SECTION 10. MONROE COUNTY WITHOUT ENDORSEMENT.

Dana will indemnify and hold harmless Monroe County and the County Agency for all events, torts and damages arising relative to construction of the water transmission line contemplated herein as well as the water service provided by Sylvania with Toledo's consent to the Dana property, and not occasioned by the actions of Monroe County and/or the County Agency.

IN WITNESS WHEREOF, the City of Toledo, the City of Sylvania, the County of Monroe acting by and through the Monroe County Drain Commissioner, and Dana Corporation, by their duly authorized officers, have caused this Agreement to be executed on the date first written above.

CITY OF TOLEDO

By

Carlton S. Finkbeiner,
Mayor

CITY OF SYLVANIA

APPROVED AS TO CONTENT:

By

Don M. Moline,  
Director of Public Utilities

APPROVED AS TO FORM:

By

Mark S. Schmollinger,  
Director of Law

APPROVED AS TO CONTENT:

By

Jeffrey N. Ballenger,  
Director of Public Service

APPROVED AS TO FORM:

By

James E. Seren,  
Mayor

By

John W. Flock,  
Director of Finance

By

Carl F. Dorais,  
Director of Law
COUNTY OF MONROE, MICHIGAN
BY AND THROUGH ITS COUNTY
AGENCY

By
Rollin L. Webb,
Monroe County Drain Commissioner,
Acting as County Agency

APPROVED AS TO FORM:

By
W. Thomas Graham (P 26548),
Attorney for County Agency

By
Gary J. Franz,
Group Manager, Operations

DANA CORPORATION
June 9, 2010

Mr. Paul M. Renberg
Director and Senior Environmental Counsel
Dana Holding Corporation
3939 Technology Drive
Maumee, Ohio 43537

Re: Dana Companies, LLC
8000 Yankee Road, Ottawa Lake, Whiteford Township, Monroe County, Michigan

Dear Mr. Renberg:

This letter is written to confirm that the Monroe County Drain Commissioner ("Monroe County") is in agreement with the City of Toledo's ("Toledo") continued authorization for the City of Sylvania ("Sylvania") to supply public water directly to 8000 Yankee Road, currently owned by Dana Companies, LLC, successor by merger to Dana corporation ("Dana"), by a connection directly to the Sylvania Water District water transmission line in accordance with the expired Water Supply Agreement by and between Toledo, Sylvania, Monroe County and Dana, dated December 28, 1995 ("Water Supply Agreement"), and in accordance with the attached letter from Toledo dated May 6, 2010.

Pursuant to the Water Supply Agreement, Monroe County and Dana entered into the Monroe County Agency maintenance Agreement dated January 10, 2006 ("Maintenance Agreement"). Monroe County agrees that the Maintenance Agreement regarding the Whiteford System No. 1 (as described in the Maintenance Agreement) will remain in effect through its current term and will continue to be extended for so long as public water is supplied to 8000 Yankee Road pursuant to the terms of the attached letter from Toledo dated May 6, 2010, as such letter may be amended or extended.

Sincerely,

Daniel W. Stefanski
Monroe County Drain Commissioner / County Agency

Cc: Gregory S. Shumaker, Esq.