

Council Chamber,

Ann Arbor, Mich., May 11th, 1908.

Special Session.

Meeting called to order by Pres. Walz.

Present—Ald. Georg, Hochrein, Murray, Maulbetsch, Sweet. St. James, Pipp, Manwaring, Sherk, Good-year, Smith, Abbott, Lutz, Pres. Walz—14.

Absent—Ald. Stark—1.

ela2..se...6B

Mayor's Call.Ann Arbor, Mich., May 11th, 1908.
Ross Granger, City Clerk.

Dear Sir:—You will please call a special meeting of the common council for tonight, May 11th, 1908, at 7:30 o'clock, for the purpose of considering litigation now pending and claims against the city and taking such action thereon as may be deemed necessary.

Respectfully,

J. C. HENDERSON,

Mayor.

Communication from Mayor.

To the President and Members of the City Council:

Upon the recommendation of the city's legal advisers, I am submitting herewith a proposition from the Ann Arbor Water Company to the city for a possible compromise of the two suits of the said Water Company now pending against the city.

By the request of the company, several conferences have been held between its representatives, the city's legal counsel and myself, with the result that the Water Company has finally proposed a basis for settlement of such seeming material advantage to the city that, in the judgment of the legal counsel for the city and myself, I deem it my duty to submit said proposal to your honorable body for such action as in your wisdom you may consider best calculated to conserve the interests of the city and its citizens.

A careful study of the proposed stipulation will show what the concessions are and the counsel for the city, who are present, will be glad to make any farther needed explanation. A comparison of these concessions with

the terms of the ordinance which the city has been enjoined from enforcing will, I think, convince you that by the proposed settlement the city will secure those things of greatest practical concern contained in the ordinance,—a material reduction in the water rates to consumers and the entire removal of the objectionable tile by which it has been supposed the city's water supply has sometimes been contaminated. In the proposed settlement each party is to pay its own costs.

Should litigation continue and be won by the city there might be very little more of a tangible and practical nature gained to compensate for the heavy expense which would surely be incurred, and a victory for either side in the circuit court would mean an appeal to the supreme court and add big cost to the people. The proposed compromise is therefore placed before you for your approval or rejection as your wisdom may determine.

Be assured of my cheerful acquiescence in whatever course is determined upon.

Respectfully submitted,

JAMES C. HENDERSON,

Mayor.

STATE OF MICHIGAN.**The Circuit Court for the County of of Washtenaw, In Chancery.**

The Ann Arbor Water Company, complainant vs. The City of Ann Arbor, Francis M. Hamilton and Charles B. Masten, defendants.

The Circuit Court for the County of of Washtenaw, In Chancery.

The Ann Arbor Water Company, complainant, vs. The City of Ann Arbor, a municipal corporation, Francis M. Hamilton, Charles B. Masten and John A. Wessinger, et al., defendants.

To the Ann Arbor Water Company, Ann Arbor, Michigan:

Your communication of the 5th inst. relative to the settlement of the two suits therein mentioned has been received and duly considered, and the proposals therein stated as a basis for settlement have been rejected except as hereinafter stated.

The counsel and representatives of

the city of Ann Arbor submit the following as the sole and ultimate basis of the settlement of said suits:

First:—The Ann Arbor Water Company shall, on or before July first, 1908, forever discontinue the use of the tile pipe at its Washington street station, and refrain and desist absolutely from allowing any water collected by means of said tile pipe or by any means whereby surface water may enter and become part of the water supply furnished by it to the city of Ann Arbor and its inhabitants.

Second—The Ann Arbor Water Company shall, on or before July first, 1908, reduce its domestic rates to conform to the following schedule:

For ordinary household uses for
a house not exceeding four
rooms occupied by one fam-
ily \$2.50
For each additional room..... .50

(The word room as used in the foregoing schedule shall not be construed to include alcoves, bath rooms, cellars, furnace rooms, fuel rooms, halls, laundry rooms, pantry, or store rooms, actually built and exclusively used as such.)

For one bath tub..... 2.50

Third—The Ann Arbor Water Company shall, on or before January first, 1909, reduce its rates to conform to the following schedule:

For one water closet (self-clos-
ing) and wash bowl with
faucet 3.00

This charge is over and above the said domestic rates.

Fourth—Nothing in this stipulation contained shall be construed as an admission by either party that the present rates of the Ann Arbor Water Company or the rates herein mentioned are reasonable or unreasonable.

Fifth—Each party shall pay its own costs.

Sixth—If the Ann Arbor Water Company shall accept these proposals as a basis of settlement of the pending suits the mayor of said city will submit the same to the common council, together with a recommendation that in case of its approval of the same and authorization for the settlement of said suits the counsel for said city shall be authorized to enter

into a stipulation for the discontinuance of the "tile suit," so-called, July first, 1908, and of the "ordinance suit," so-called, January first, 1909.

The foregoing stipulation is satisfactory to the above named complainant and has been approved by it.

J. F. LAWRENCE,
THOS. D. KEARNEY,
Solicitors for Complainant.

May 7th, 1908.

Resolution.

By Ald. Manwaring—

Resolved, that the proposition for settlement, submitted by the Water Company, be referred to a committee of the whole of the council, and that such committee meet at the Council Chamber on May 15th, 1908, at 7:30 p. m., to consider said matter; and that notice of such meeting be given through the press and all citizens of Ann Arbor interested in the matter be invited to meet with the committee, and that such committee report to the next regular meeting of the council.

Adopted as follows:

Yeas—Ald. Georg, Hochrein, Maulbetsch, St James, Pipp, Manwaring, Sherk, Goodyear, Smith, Abbott, Lutz, Pres. Walz—12.

Nays—Ald. Murray, Sweet—2.

The council adjourned.

ROSS GRANGER,
Clerk.