

CHARTER TOWNSHIP OF YPSILANTI
MINUTES OF THE JANUARY 17, 2017 REGULAR MEETING

Supervisor Stumbo called the meeting to order at approximately 7:02 pm in the Ypsilanti Township Civic Center Board Room, 7200 S. Huron River Drive, Ypsilanti Township. The Pledge of Allegiance was recited and a moment of silent prayer observed with Remembrance of the Weaks Family.

Members Present: Supervisor Brenda L. Stumbo, Clerk Karen Lovejoy Roe, Treasurer Larry Doe, Trustees: Stan Eldridge, Heather Jarrell Roe, Jimmie Wilson Jr., Monica Ross-Williams

Legal Counsel: Wm. Douglas Winters

PUBLIC COMMENTS

Arloa Kaiser, Township Resident stated that the speed limit on some of Michigan roads were to increase and it will cost \$494,000.00 to change the speed limit signs. Ms. Kaiser said she opposed increasing the speed limit.

Sydney, a resident of in the City of Ypsilanti, asked for people in the audience who were in opposition for the Nexus pipeline to raise their hands. She asked the board to continue to oppose the pipeline.

Shawna McNally, urged the Board to continue to oppose the pipeline.

Tatiana Goodwin, Township Resident, said that she opposes the Nexus pipeline.

Nick Leja, New Hudson Resident said he and his mother were here to look into opening a new retail business in Ypsilanti Township. He said when they went to the Planning Commission they were told there was an ordinance against stores selling second hand merchandise. He said that his business was family oriented and it was suggested that he come here and speak to the board. Supervisor Stumbo said that Trustee Eldridge sits on the Planning Commission and suggested he leave his information and someone will contact him. Trustee Wilson asked what the name of the business was and they responded that it was Disc Replay.

Ms. Domink, Township Resident she stated she opposes the Nexus pipeline.

Jennifer Sporer, Township Resident said that she continues to oppose the Nexus pipeline.

Supervisor Stumbo stated that the Nexus easement issue was discussed in the work session and the reason it's before us is because there is a legal strategy that we can say no to and Nexus would go to court for eminent domain or we could negotiate and gather more information from them to use in court. She said the Board did vote against Nexus but we are interested in getting as much information as we can.

Marcia, Township Resident stated she was here representing people who couldn't be here to oppose the pipeline.

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Kurt, Township Resident, thanked the Board for the Resolution they passed against the pipeline and encouraged the board to stand in opposition against the pipeline.

Kathy Schoen, Augusta Township Resident, thanked the Board for the Resolution and encourages the board not to negotiate with Nexus.

Andrea Pierce, Township Resident, stated she was against the Nexus pipeline and she was against negotiating.

Jacob Morris, lifelong Washtenaw County Resident stated he studies Environmental Science and Society at EMU and he encouraged the Board to oppose the Nexus pipeline.

Sarah Shilling, Ypsilanti City Resident stated Nexus does not have respect for human life and she would like the Board to oppose negotiating with Nexus.

Ben Calhoun, Township Resident encouraged the Board to oppose negotiating with Nexus.

Anne Olvera, Township Resident, encouraged the Board to oppose negotiating with Nexus.

Tatiana Goodwin, Township Resident spoke against Nexus and said she would like the Township to go to Court with Nexus.

Patricia Myles, Township Resident spoke against Nexus.

Andrea Pierce, Township Resident spoke against Nexus.

James Billingsley, Township Resident stated his home has not stopped shaking for the last few months because of the Wolverine pipeline. He said if you live near the construction zone the only peace you get is when you go to work because your house vibrates continually.

CONSENT AGENDA

A. MINUTES OF THE DECEMBER 20, 2016 WORK SESSION AND REGULAR MEETING

B. STATEMENTS AND CHECKS

- 1. STATEMENTS AND CHECKS FOR YEAR END DECEMBER 22, 2016 IN THE AMOUNT OF \$690,462.74**
- 2. STATEMENTS AND CHECKS FOR JANUARY 17, 2017 IN THE AMOUNT OF \$653,071.33**
- 3. CHOICE HEALTH CARE DEDUCTIBLE ACH EFT FOR DECEMBER 2016 IN THE AMOUNT OF \$30,100.80**

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C. NOVEMBER 2016 TREASURER'S REPORT

D. 2016 ANNUAL TREASURER'S REPORT

A motion was made by Treasurer Doe, supported by Trustee Wilson to approve the Consent Agenda.

The motion carried unanimously.

SUPERVISOR REPORT (not given)

CLERK REPORT (not given)

TREASURER REPORT (not given)

TRUSTEE REPORT (given in the work session)

ATTORNEY REPORT (given in the work session)

A. GENERAL LEGAL UPDATE

OLD BUSINESS

- 1. REQUEST AUTHORIZATION FOR TOWNSHIP ATTORNEY DOUG WINTERS AND ATTORNEY ADAM COHEN TO ENTER INTO NEGOTIATIONS WITH NEXUS FOR TEMPORARY AND PERMANENT EASEMENT AGREEMENTS ON TOWNSHIP OWNED PROPERTY AS REQUESTED BY NEXUS (TABLED AT THE DECEMBER 2, 2016 REGULAR MEETING)**

A motion was made by Treasurer Doe, supported by Trustee Jarrell Roe to remove from Table.

Jarrell Roe:	Yes	Eldridge:	Yes	Ross-Williams:	Yes
Lovejoy Roe:	Yes	Doe:	Yes	Wilson:	Yes
Stumbo:	Yes				

The motion carried unanimously.

A motion was made by Clerk Lovejoy Roe for discussion purposes, supported by Treasurer Doe to Approve Request Authorization for Township Attorney Doug Winters and Attorney Adam Cohen to Enter into Negotiations with Nexus for Temporary and Permanent Easement Agreements on Township Owned Property as Requested by Nexus and include Attorney Winters additions for negotiations from the work session.

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Trustee Eldridge asked if the value Nexus was offering for the land if it would go lower if the Board decides not to negotiate with them. Attorney Winters stated that it would not go lower than the initial offer but would not go higher if the Board does not negotiate. Trustee Eldridge said he had major concerns regarding the pipeline. He said he could not vote to negotiate with people he did not trust.

Trustee Wilson asked Attorney Winters if we allow the easement it would be a violation of FERC licensing. Attorney Winters stated that because the Township has a Hydro Dam it was licensed in a different division of FERC and we would need approval from them to negotiate. Attorney Winters said once Nexus receives their certificate from FERC, they will go to Court and they will get the property they want. He said the only thing the Township would receive from Nexus would be the compensation Nexus decided to give the Township and that would be the same to all the property owners that Nexus had tried to sign agreements with them. He said Nexus would get the easements even if we do not negotiate with them. Attorney Winters said there were environmental issues that are at stake with the pipeline. He said that if the Township could have stopped the pipeline it would be done so, since the Board voted against the pipeline. He said he did not want anyone to believe that going into negotiations would be a surrender to Nexus. Attorney Winters stressed that there was a responsibility beyond just saying no. He said that if Nexus was successful in getting the waiver regarding odorization that it would do a lot of potential harm when there was a rupture in the pipeline. Attorney Winters stated that he would rather sit across the table and negotiate the issues instead of not negotiate, and try to get answers later and then be told it was none of our business. He said whatever the Board decides would be what he would do but he stressed that if we do not negotiate Nexus would do what they want and all the Township will do is watch because we would have lost our voice.

Supervisor Stumbo asked who Adam Cohen was and Attorney Winters said he was the Eminent Domain Attorney. Attorney Winters stated when you go to court for eminent domain it only involves compensation. He said you cannot take property without compensation. Attorney Winters said the compensation gets narrower when you go into Federal Court.

Clerk Lovejoy Roe stated she would like to negotiate because it would keep the door open and our Attorney can negotiate what is in the best interests of Ypsilanti Township residents and if we do not negotiate, it would shut the door and we would not be able to protect the Township residents. She said the pipeline was coming and we cannot stop it, but we can fight for safety and that could protect generations of people in Ypsilanti Township. Clerk Lovejoy Roe said she would like to amend her motion to include contacting Senator Debbie Stabenow, Senator Gary Peters, and Congresswoman Debbie Dingell and to ask for their support in the fight regarding odorization, to negotiate to make sure our FERC license is not in jeopardy and that Nexus won't interfere with the schedule for ACM, and to allow technical expertise to be utilized if Attorney Winters and Attorney Cohen feel it is necessary to protect Township Residents. Treasurer Doe supported the amendment.

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Trustee Ross-Williams said she appreciates the work Attorney Winters has done thus far but because of the mistrust, she feels about towards Nexus she would not support negotiation.

The motion failed.

NEW BUSINESS

1. BUDGET AMENDMENT #1

A Motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to Approve Budget Amendment #1 (see attached).

The motion carried unanimously.

2. RESOLUTION 2017-01, APPROVING REFUNDING CONTRACT FOR YCUA BONDS MATURING 2018-2032 (2002 SANITARY SEWER SYSTEM NO. 3 BONDS DATED NOVEMBER 26, 2002 AND WATER SUPPLY SYSTEM NO. 6 BONDS DATED FEBRUARY 6, 2007) NOT TO EXCEED PRINCIPAL AMOUNT OF \$7,500,000 2017 REFUNDING BONDS

A Motion was made by Clerk Lovejoy Roe, supported by Trustee Eldridge to Approve Resolution 2017-01, Approving Refunding Contract for YCUA Bonds Maturing 2018-2032 (2002 Sanitary Sewer System No. 3 Bonds Dated November 26, 2002 and Water Supply System No. 6 Bonds Dated February 6, 2007) not to Exceed Principal Amount of \$7,500,000 2017 Refunding Bonds with changes to the Refunding Contract for 3% savings (see attached).

Tom Colis from Miller Canfield, explained that YCUA had issued Bonds in the past and in 2002 and 2007 they had issued bonds to finance projects. He said that refunding bonds means that they were turning in bonds and issuing lower interest bonds. He stated the 2007 bonds would be reissued into a lower interest bond, which would save the Township interest. After discussion with Supervisor Stumbo and Clerk Lovejoy Roe Mr. Colis offered to the Board to change the Refunding Contract with YCUA to state the Resolution includes a savings provision of at least 3% of net present savings. Mr. Colis said he would send the corrected language copy to Clerk Lovejoy Roe and he would send the corrected copy to YCUA for their meeting next week.

The motion carried unanimously.

3. RESOLUTION 2017-02, OWNERS DAM SAFETY PROGRAM

A motion was made by Clerk Lovejoy Roe supported by Trustee Ross-Williams to Approve Resolution 2017-02, Owners Dam Safety Program (see attached).

The motion carried unanimously.

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- 4. REQUEST OF ANGELA VERGES, RECREATION SUPERINTENDENT TO PURCHASE A SOFTWARE UPGRADE FROM RECTRAC, A SINGLE SOURCE VENDOR, IN THE AMOUNT OF \$7,705.00 BUDGETED IN LINE ITEM 101-266-000-977-001**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to Approve the Request of Angela Verges, Recreation Superintendent to Purchase a Software Upgrade from Rectrac, a Single Source Vendor, in the Amount of \$7,705.00 Budgeted in Line Item 101-266-000-977-001.

The motion carried unanimously.

- 5. REQUEST OF KAREN WALLIN, HUMAN RESOURCE GENERALIST FOR AUTHORIZATION TO CREATE AN ASSISTANT I.T. MANAGER POSITION WITHIN THE TEAMSTER BARGAINING UNIT WITH PROPOSED SALARY OF \$55,000.00 PER YEAR AND TO WAIVE EXTERNAL POSTING AND FILL THE POSITION INTERNALLY.**

A motion was made by Clerk Lovejoy Roe, supported by Treasurer Doe to Approve the Request of Karen Wallin, Human Resource Generalist for Authorization to Create an Assistant I.T. Manager Position within the Teamster Bargaining Unit with Proposed Salary of \$55,000.00 per year and to Waive External Posting and Fill the Position Internally.

Karen Wallin, Human Resource Generalist stated that with increase of IT services it was decided that we were in need of this Manager position. Trustee Wilson asked if the Help Desk employee was getting this position would be rehiring for the help desk. Trustee Eldridge asked who would be doing the Help Desk responsibilities and Ms. Wallin said the Manager would continue to do both.

The motion carried unanimously.

- 6. REQUEST OF MIKE RADZIK, OCS DIRECTOR FOR AUTHORIZATION TO SEEK LEGAL ACTION IF NECESSARY TO ABATE PUBLIC NUISANCE FOR PROPERTY LOCATED AT 1635 WISMER, 618 BAGLEY, 456 HAYES, 1715 BEVERLY, 2355 WIARD AND 1711/1731 CADILLAC IN THE AMOUNT OF \$35,000.00 BUDGETED IN LINE ITEM #101-950-000-801-023**

A motion was made by Treasurer Doe, supported by Clerk Lovejoy Roe to Approve the Request of Mike Radzik, OCS Director for Authorization to Seek Legal Action if Necessary to Abate Public Nuisance for Property Located at 1635 Wismer, 618 Bagley, 456 Hayes, 1715 Beverly, 2355 Wiard and 1711/1731 Cadillac in the Amount of \$35,000.00 Budgeted in Line Item #101-950-000-801-023.

The motion carried unanimously.

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A motion was made by Treasurer Doe, supported by Trustee Jarrell-Roe to Adjourn.

The motion carried unanimously.

The meeting was adjourned at approximately 8:42p.m.

Respectfully Submitted,

Brenda L. Stumbo, Supervisor
Charter Township of Ypsilanti

Karen Lovejoy Roe, Clerk
Charter Township of Ypsilanti

**CHARTER TOWNSHIP OF YPSILANTI
2017 BUDGET AMENDMENT #1**

January 17, 2017

101 - GENERAL OPERATIONS FUND

Total Increase \$37,689.00

Request to carryforward the 2016 approved budgeted funds for the Board Room Sound System Project to 2017's budget. The equipment and installation were not delivered until January 2017, therefore the expenditure will be for 2017. This will be funded by an Appropriation of Prior Year Fund Balance.

Revenues:	Prior Year Fund Balance	101-000-000-699.000	\$20,908.00
		Net Revenues	<u><u>\$20,908.00</u></u>
Expenditures:	Equipment	101-265-000-977.000	\$20,908.00
		Net Expenditures	<u><u>\$20,908.00</u></u>

Request to increase budget for a new Teamster classification of an Assistant I. T. Manager position with the beginning salary of \$55,000. It is the intent to move budgeted funds of \$40,124 from the Help Desk Specialist position to the new position of Assistant I. T. Manager. The budget amount requested will be the salary difference of \$14,876 plus \$1,138 FICA and \$767 MERS increases. This will be funded by an Appropriation of Prior Year Fund Balance.

Revenues:	Prior Year Fund Balance	101-000-000-699.000	\$16,781.00
		Net Revenues	<u><u>\$16,781.00</u></u>
Expenditures:	Salary - Permanent Wages	101-266-000-706.000	\$14,876.00
	FICA	101-266-000-715.000	\$1,138.00
	MERS	101-266-000-876.000	\$767.00
		Net Expenditures	<u><u>\$16,781.00</u></u>

226 - ENVIRONMENTAL SERVICES FUND

Total Increase \$1,149.00

Increase budget for PTO payout over the budgeted 32 hours. The requested hours are paid at 75%, of which 50% will be in the Environmental Services and 50% will be in the Compost Fund. The three full time elected officials have approved to bring to the Board. This will be funded by an Appropriation of Prior Year Fund Balance.

Revenues:	Prior Year Fund Balance	226-000-000-699.000	\$1,149.00
		Net Revenues	<u><u>\$1,149.00</u></u>
Expenditures:	Salary - Payout PTO	226-226-000-708.004	\$1,067.00
	FICA	226-226-000-715.000	\$82.00
		Net Expenditures	<u><u>\$1,149.00</u></u>

**CHARTER TOWNSHIP OF YPSILANTI
2017 BUDGET AMENDMENT #1**

January 17, 2017

266 - LAW ENFORCEMENT FUND

Total Increase \$3,263.00

Increase budget for PTO payout over the budgeted 32 hours per employee. The requested hours are paid at 75% and the three full time elected officials have approved to bring to the Board. This will be funded by an Appropriation of Prior Year Fund Balance.

Revenues:	Prior Year Fund Balance	266-000-000-699.000	\$3,263.00
		Net Revenues	<u><u>\$3,263.00</u></u>
Expenditures:	Salary - Payout PTO	266-304-000-708.004	\$3,031.00
	FICA	266-304-000-715.000	\$232.00
		Net Expenditures	<u><u>\$3,263.00</u></u>

590 - COMPOST FUND

Total Increase \$1,149.00

Increase budget for PTO payout over the budgeted 32 hours. The requested hours are paid at 75%, of which 50% will be in the Environmental Services and 50% will be in the Compost Fund. The three full time elected officials have approved to bring to the Board. This will be funded by an Appropriation of Prior Year Fund Balance.

Revenues:	Prior Year Fund Balance	590-000-000-699.000	\$1,149.00
		Net Revenues	<u><u>\$1,149.00</u></u>
Expenditures:	Salary - Payout PTO	590-590-000-708.004	\$1,067.00
	FICA	590-590-000-715.000	\$82.00
		Net Expenditures	<u><u>\$1,149.00</u></u>

Motion to Amend the 2017 Budget (#1):

Move to increase the General Fund budget by \$37,689 to \$8,326,495 and approve the department line item changes as outlined.

Move to increase the Environmental Services Fund budget by \$1,149 to \$2,618,578 and approve the department line item changes as outlined.

Move to increase the Law Enforcement Fund budget by \$3,263 to \$7,024,967 and approve the department line item changes as outlined.

Move to increase the Compost Fund budget by \$1,149 to \$456,534 and approve the department line item changes as outlined.

RESOLUTION 2017-01

APPROVING REFUNDING CONTRACT

Charter Township of Ypsilanti
County of Washtenaw, State of Michigan

Minutes of a regular meeting of the Township Board (the “Governing Body”) of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan (the “Township”), held on the 17th day of January, 2017, at 7:00 o’clock p.m., prevailing Eastern Time.

PRESENT: Members: Supervisor Brenda Stumbo, Clerk Karen Lovejoy Roe, Treasurer Larry Doe, Trustees Stan Eldridge, Heather Jarrell Roe, Monica Ross Williams and Jimmie Wilson, Jr

ABSENT: Members: None

The following preamble and resolutions were offered by Member Clerk Lovejoy Roe and supported by Member Trustee Eldridge:

WHEREAS, it is deemed necessary to refund certain maturities of the Ypsilanti Community Utilities Authority’s 2007 Water Supply System No. 6 Bonds and Refunding Bonds (the “Prior Bonds”) so as to produce interest savings to the Township; and

WHEREAS, a Refunding Contract has been prepared between the Township and the Ypsilanti Community Utilities Authority (“YCUA”) to provide for the refunding of certain of said Prior Bonds; and

WHEREAS, pursuant to the Refunding Contract, YCUA plans to issue refunding bonds designated "2017 Refunding Bonds (Charter Township of Ypsilanti)" (the "Refunding Bonds");

and

WHEREAS, this Governing Body has carefully reviewed the proposed Refunding Contract and finds that it provides the best means for accomplishing the necessary savings to the Township.

NOW, THEREFORE, BE IT RESOLVED, THAT:

1. The Refunding Contract, described in the preamble to this resolution, is approved, and the Supervisor and the Township Clerk of the Township are directed to execute and deliver the Contract on behalf of the Township.

2. The Supervisor, the Township Clerk and the Township Treasurer each is hereby authorized to execute on behalf of the Township any closing document or certificate as may be required by YCUA or the purchaser of the Refunding Bonds. The Township hereby covenants to take all action within its control to the extent permitted by law necessary to maintain the exclusion of the interest on the Refunding Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to, actions relating to the rebate of arbitrage earnings and expenditure and investment of proceeds of the Refunding Bonds and moneys deemed to be proceeds of the Refunding Bonds.

3. The Supervisor, the Township Clerk and the Township Treasurer is each individually hereby authorized and directed to approve the circulation of a preliminary official statement and a final official statement describing the Refunding Bonds and to execute a final official statement on behalf of the Township.

4. The Township shall enter into an undertaking for the benefit of the holders and beneficial owners of the Refunding Bonds (the "Undertaking") and shall comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission regarding continuing disclosure. The Supervisor, the Township Clerk and the Township Treasurer each is authorized

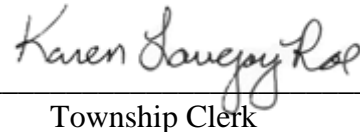
to execute and deliver the Undertaking on behalf of the Township.

5. All resolutions and parts of resolutions in conflict with this resolution be, and the same hereby are repealed.

AYES: Members Supervisor Brenda Stumbo, Clerk Karen Lovejoy Roe, Treasurer Larry Doe, Trustees Stan Eldridge, Heather Jarrell Roe, Monica Ross Williams and Jimmie Wilson, Jr

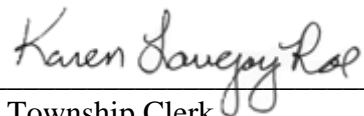
NAYS: Members None

RESOLUTION DECLARED ADOPTED.



Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan, at a regular meeting held on January 17, 2017, and that said meeting was conducted and public notice of said meeting was given pursuant to and 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.



Township Clerk

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REFUNDING CONTRACT

THIS REFUNDING CONTRACT, made and entered into this 25th day of January, 2017, by and between the YPSILANTI COMMUNITY UTILITIES AUTHORITY (the “Authority”), a public corporation organized and existing under the authority of Act 233, Public Acts of Michigan, 1955, as amended (the “Act”), under the provisions of Act 34, Public Acts of Michigan, 2001, as amended, (“Act 34”) and the Act (collectively the “Acts”), and the CHARTER TOWNSHIP OF YPSILANTI, a Michigan municipal corporation organized and existing under the Constitution and laws of the State of Michigan (the “Township”).

WITNESSETH:

WHEREAS, the Authority has been incorporated under and in pursuance of the provisions of the Act for the purposes set forth in the Act and the Authority’s Articles of Incorporation; and

WHEREAS, the Charter Township of Ypsilanti (the “Township”) and the Authority have entered into a Contract, dated as of October 1, 2001, and a Contract Supplement, dated March 1, 2002, wherein the Authority agreed to acquire and construct sewer improvements for the benefit of the Township (together, the “2002 Contract”); and

WHEREAS, bonds of the Authority were issued pursuant to the 2002 Contract, denominated 2002 Sanitary Sewer System No. 3 Bonds (Charter Township of Ypsilanti), dated as of November 26 2002 (the “2002 Bonds”); and

WHEREAS, the Township and the Authority have entered into a Water Supply

System No. 6 Contract and Refunding Contract, dated as of February 6, 2007, for the purpose of acquiring and constructing water supply system improvements for the benefit of the Township and refunding portions of the 2002 Bonds (the “Contract”); and

WHEREAS, bonds have been issued pursuant to the Contract, denominated 2007 Water Supply System No. 6 Bonds and Refunding Bonds (the “Prior Bonds”); and

WHEREAS, the Township and the Authority have determined that it is in the best interest of the Township and the Authority to refund all or part of the Prior Bonds maturing in the years 2018 through 2032; and

WHEREAS, it is the determination and judgment of the Authority and the Township that the Prior Bonds should be refunded to secure for the Township the interest savings anticipated and thereby permit the operation of the financed facilities in a more economical fashion for the benefit of the taxpayers of the Township and users of the Township’s water supply and sanitary sewer systems; and

WHEREAS, the execution of this contract (the “Refunding Contract”) is necessary in order to implement a refunding program;

NOW, THEREFORE, in consideration of the premises and the covenants of each other, the parties hereto agree as follows:

1. The Authority and the Township hereby approve and confirm the refunding of all or part of the Prior Bonds maturing in the years 2018 through 2032 under the provisions of the Act in the manner provided by and pursuant to this Refunding Contract.

2. The Authority will issue a single series of refunding bonds (the “Refunding Bonds”) in the total principal amount of not to exceed \$7,500,000 in order to pay all or

part of the costs of refunding the Prior Bonds as described in Section 1. All costs of retiring the Prior Bonds and of issuing the Refunding Bonds, including payment of the principal of and interest on the Prior Bonds, underwriting discount, bond and other printing, administrative, rating fees, legal and financial advisory fees and expenses, printing of official statements, bond insurance, trustee and paying agent/registrars fees and all related expenses shall be paid from the proceeds of sale of the Refunding Bonds or from cash amounts to be made available to pay such costs.

3. To carry out and accomplish the refunding in accordance with the provisions of Michigan law, the Authority shall take the following steps:

(a) The Authority will adopt a resolution providing for the issuance of the Refunding Bonds in the aggregate principal amount of not to exceed \$7,500,000 (the "Refunding Bond Resolution"), such Resolution substantially in the form attached hereto and based upon the financial analysis provided by PFM Financial Advisors, LLC of the financial benefits of the refunding. The Refunding Bond Resolution shall include a provision that the Refunding Bonds shall only be issued if a net present value savings of at least 3% on the Prior Bonds to be refunded shall exist upon the sale of the Refunding Bonds. The Refunding Bonds shall mature serially or be subject to annual sinking fund redemption, as authorized by law, and will be issued in anticipation of the debt service installment payments required to be made by the Township as provided in the Contract and as hereinafter provided in this Refunding Contract and will be secured primarily by the contractual obligations of the Township to pay said installments when due,

including interest. After due adoption of the Refunding Bond Resolution, the Authority will take all legal procedures and steps necessary to effectuate the sale and delivery of the Refunding Bonds.

(b) The Authority, upon receipt of proceeds of sale of the Refunding Bonds, will comply with all provisions and requirements of law, the Refunding Bond Resolution and this Refunding Contract relative to the disposition and use of the proceeds of sale thereof.

(c) The Authority shall not make any investments or take any other actions which would cause the Refunding Bonds herein authorized to be constituted as arbitrage bonds pursuant to any applicable federal statutes or regulations.

(d) The Authority shall take all steps necessary to refund the Prior Bonds.

4. The full principal amount of the Refunding Bonds shall be charged to and paid by the Township to the Authority in annual principal installments, together with interest and other expenses as herein provided. It is understood and agreed that the Refunding Bonds of the Authority will be issued in anticipation of such payments by the Township.

It is agreed that the Township shall pay to the Authority, on each annual maturity or sinking fund date of principal amounts of the Refunding Bonds, such principal amount, and in addition, on each interest payment date on the Refunding Bonds, as accrued interest on the principal installments remaining unpaid, an amount sufficient to

pay all interest due on the next succeeding interest payment date. From time to time as the Authority is billed by the registrar/transfer/paying agent for the Refunding Bonds for their services, and as other costs and expenses accrue to the Authority from handling of the payments made by the Township or from other action taken in connection with the Refunding Bonds, the Authority shall notify the Township of the amount of such fees, costs and expenses, and the Township shall, within thirty (30) days from such notification, remit to the Authority sufficient funds to pay such amounts.

The Authority shall, within thirty (30) days after the delivery of the Refunding Bonds, furnish the Township with a complete schedule of said installments and the interest thereon and due dates and shall also, at least thirty (30) days prior to each due date, advise the Township, in writing, of the exact amount due on said date. The failure to give such notice shall not, however, excuse the Township from making required payments when due under the provisions hereof.

5. The Township, pursuant to authorization contained in the Act, hereby irrevocably pledges its full faith and credit for the prompt and timely payment of its obligations pledged for payment of the Refunding Bonds as expressed herein. Pursuant to such pledge, if other funds are not available, the Township shall be required to pay such amounts from any of its general funds as a first budget obligation and shall each year levy an ad valorem tax on all the taxable property in the Township in an amount which, taking into consideration estimated delinquencies in tax collections, will be sufficient to pay such obligations under this Refunding Contract becoming due before the time of the following year's tax collections, such annual levy shall however be subject to

applicable constitutional, statutory and charter limitations. Commitments of the Township are expressly recognized as being for the purpose of providing funds to meet the contractual obligations of the Township in anticipation of which the Authority Refunding Bonds hereinbefore referred to are issued. Nothing herein contained shall be construed to prevent the Township from using any, or any combination of, the means and methods provided in Section 7 of the Act for the purpose of providing funds to meet its obligations under this Refunding Contract, and if at the time of making the annual tax levy there shall be other funds on hand earmarked and set aside for the payment of the contractual obligations due prior to the next tax collection period, then such annual tax levy may be reduced by such amount.

6. Additional moneys over and above any of the payments specified in this Refunding Contract may be prepaid as provided in the Contract.

7. All provisions of the Contract not inconsistent herewith, and particularly all covenants relative to the payment of and security for the Bonds made by the Township therein, shall remain in full force and effect and shall apply with equal effect to the Refunding Bonds authorized hereby, it being understood that upon issuance of the Refunding Bonds, all or part of the Bonds in the maturities described in Section 1 of this Refunding Contract will be defeased and the Refunding Bonds shall be substituted therefor and shall be outstanding in their place and stead. It is also hereby recognized that the obligation of the Township to make payments for debt service for those maturities of the Bonds which are not being refunded will continue in full force and effect.

8. Nothing herein contained shall in any way be construed to prevent

additional financing under the provisions of the Act.

9. The obligations and undertakings of each of the parties to this Refunding Contract shall be conditioned upon the successful accomplishment of the proposed refunding, and therefore if for any reason whatsoever the Refunding Bonds are not issued, then this Refunding Contract shall be considered void and of no force and effect; provided, however, that in such event, all costs and expenses shall be paid by the Township in accordance with existing commitments to the Authority, and the Authority shall not be obligated for such costs and expenses.

10. The Authority and the Township each recognize that the holders from time to time of the Refunding Bonds will have contractual rights in this Refunding Contract, and it is therefore covenanted and agreed by each of them that so long as any of the Refunding Bonds shall remain outstanding and unpaid, the provisions of this Refunding Contract shall not be subject to any alteration or revision which would in any manner materially affect either the security of the Refunding Bonds or the prompt payment of principal of or interest thereon. The Township and the Authority further covenant and agree that they will each comply with their respective duties and obligations under the terms of this Refunding Contract promptly at all times and in the manner herein set forth, and will not suffer to be done any act which would in any way impair the Refunding Bonds, the security therefor, or the prompt payment of principal of and interest thereon. It is hereby declared that the terms of this Refunding Contract insofar as they pertain to the security of Refunding Bonds shall be deemed to be for the benefit of the holders of said Refunding Bonds.

11. This Refunding Contract shall remain in full force and effect for a period of fifteen (15) years from the date hereof, or until such lesser time as the Refunding Bonds issued by the Authority are paid, at which time this Refunding Contract shall be terminated, and the provisions of the Contract relative to disposition of the financed facilities shall be carried out. In any event, the obligations of the Township to make the payments required hereunder shall be terminated at such time as all of the Refunding Bonds are paid in full by the Township, together with all interest and penalties and other obligations hereunder.

12. This Refunding Contract shall inure to the benefit of and be binding upon the respective parties hereto, their successors and assigns.

IN WITNESS WHEREOF, THE YPSILANTI COMMUNITY UTILITIES AUTHORITY, by its Commission, and the CHARTER TOWNSHIP OF YPSILANTI, COUNTY OF WASHTENAW, MICHIGAN, by its Township Board, have each caused its name to be signed to this instrument by its duly authorized officers the day and year first above written.

In the presence of:

YPSILANTI COMMUNITY UTILITIES AUTHORITY

By: _____
Chair of its Commission

By: _____
Secretary of its Commission

In the presence of:

CHARTER TOWNSHIP OF YPSILANTI

Rock Barnett

By: Brenda L. Stumbo
Supervisor
Brenda L. Stumbo 1-18-17

Alan Barnett

By: Karen Lovejoy Roc
Township Clerk
Karen Lovejoy Roc 1-18-17

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Charter Township of Ypsilanti

RESOLUTION NO. 2017-02

OWNERS DAM SAFETY PROGRAM (ODSP)

WHEREAS, the Charter Township of Ypsilanti, in Washtenaw County Michigan, currently holding a license with the Federal Energy Regulatory Commission (FERC) to operate the Ford Lake Hydroelectric Project (Project) #5334, and

WHEREAS, the FERC requires the Charter Township of Ypsilanti to develop, implement, fund and continue to support the ODSP, per the FERC guideline, for the Project until such time that the Charter Township of Ypsilanti releases ownership or the Project is no longer under the jurisdiction of the FERC, and

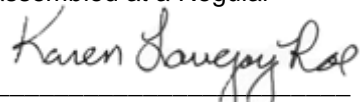
WHEREAS, the ODSP document clearly defines the responsibility for the Charter Township of Ypsilanti and its employees, and consultants, and

WHEREAS, the purpose of this Resolution is not new to the Charter Township of Ypsilanti, but rather a re-dedication to dam safety and the responsibilities that come with owning the Project, and

WHEREAS, by the action of this document, the Charter Township of Ypsilanti is showing the commitment to the FERC to operate a safe Project, prioritizing safety over any other goals, and

NOW THEREFORE, be it resolved that the Charter Township of Ypsilanti Board of Trustees acknowledges the Owners Dam Safety Program to maintain compliance with the FERC and define the role of Charter Township of Ypsilanti related to the Project.

I, Karen Lovejoy Roe, Clerk of the Charter Township of Ypsilanti, County of Washtenaw, State of Michigan hereby certify the above resolution is a true and exact copy of Resolution No. 2017-02 approved by the Charter Township of Ypsilanti, Board of Trustees assembled at a Regular Meeting held on January 17, 2017.



Karen Lovejoy Roe, Clerk
Charter Township of Ypsilanti