



WASHTENAW COUNTY BOARD OF COMMISSIONERS

Wednesday July 6, 2011

RECORD OF PROCEEDINGS

An adjourned session of the Washtenaw County Board of Commissioners was held at the Administration Building, in the City of Ann Arbor, Michigan, on Wednesday, July 6, 2011.

The meeting was called to order at 8:39 p.m. by Conan Smith, Chair of the Board.

MEMBERS PRESENT: Comms. Bergman, Gunn, Judge, Peterson, Ping, Prater, Sizemore, Conan Smith, Dan Smith, and Turner.

MEMBERS ABSENT: Comm. Rabhi

OTHERS PRESENT: County Administrator, Verna McDaniel; Interim Deputy County Administrator, Kelly Belknap; Corporation Counsel Curtis Hedger; Jerry Clayton, County Sheriff; Lawrence Kestenbaum, County Clerk; Brian Mackie, Prosecuting Attorney; Diane Heidt, Barbara Finch, Human Resources; Mary Jo Callan, Community Development; Tony VanDerworp, Economic Development and Energy; Bob Tetens, Parks and Recreation; Dick Fleece, Public Health; Patricia Denig, ETCS; Greg Dill, Sheriff's office; Andy Brush, Information Technology; Dave Shirley, Facilities; Ben Toole, ITS; Cheryl Perry, County Administration; Jason Brooks, Clerk's Office; various citizens; and members of the press.

Roll Call

Pledge of Allegiance

Approval of the Minutes of the Previous Meeting

Comm. Prater seconded by Comm. Bergman moved that the minutes of the June 1, 2011 meeting of the Board of Commissioners be approved. Motion carried.

Citizen Participation

Tom Partridge stated that he is an advocate for people needing increased services in the State of Michigan. He added that corporations are not asked to pay higher fees and progressive taxes in this State.

Commissioner Follow-Up to Citizen Participation

None

Communications

Comm. Prater seconded by Comm. Gunn moved that the communications be received and dealt with as recommended. Motion carried.

R-0056 RECEIVED: May 26, 2011. A letter to Conan Smith, Chair, Washtenaw County Board of Commissioners, from Howard Heideman, Administrator, Tax Analysis Division, Office of Revenue and Tax Analysis, Michigan Department of Treasury, re: Tri-County Convention Facilities Tax/4% State-Wide Liquor Tax, dated May 18, 2011. Received and filed.

R-0057 RECEIVED: June 1, 2011. A letter to the Washtenaw County Clerk, from E. Spaulding Clark, Scio Township Supervisor, re: Industrial Facilities Exemption request for Aeroflex/Inmet, 293 Dino Drive, Ann Arbor, MI 48103, dated May 27, 2011. Received and filed.

R-0058 RECEIVED: June 6, 2011. A letter to Jason Brooks, Washtenaw County Board of Commissioners Communications, from E. Spaulding Clark, Scio Township Supervisor, re: Breuinger Michigan Farmland and Open Space application (PA116), dated June 1, 2011. Received and filed.

R-0059 RECEIVED: June 6, 2011. A letter to the Washtenaw County Clerk, from Bryce Kelley, Development Officer, Wayne County EDGE, re: Notice of PA 328 Hearing, dated June 2, 2011. Received and filed, notice posted at 200 N. Main St. and forwarded for posting at Administration Office.

R-0060 RECEIVED: June 8, 2011. A letter to Conan Smith, Chair, Washtenaw County Board of Commissioners, from Mercedes Marquez, Assistant Secretary, U.S. Department of Housing and Urban Development, re: Community Fiscal Year (FY) 2011 allocations for the Office of Community Planning and Development's (CPD) formula programs, dated June 3, 2011. Received and filed, copied to Community Development.

R-0061 RECEIVED: June 13, 2011. Receipt of Application and notice of public hearing to the Washtenaw County Board of Commissioners, from Dianne S. Hill, Saline City Clerk, re: Receipt of Application and Notice of Public Hearing for review of an Industrial Facilities Exemption Certificate applied for by Quantum Signal LLC, dated June 6, 2011. Received and filed.

R-0062 RECEIVED: June 14, 2011. A letter to Chairperson, Washtenaw County Board of Commissioners, from Edward B. Rebman, McCartney & Company, P.C., re: Annual accounting for the Washtenaw County 9-1-1 Service District, dated June 10, 2011. Received and filed, copied to Emergency Management Division of the Sheriff's office.

R-0063 RECEIVED: June 23, 2011. A letter to the Washtenaw County Board of Commissioners, from Philip Michelini, re: Opposition to new rates of People's Express Bus Service. Received and filed.

R-0064 RECEIVED: June 23, 2011. A letter to the Washtenaw County Board of Commissioners, from Cynthia Slane, re: Opposition to new rates of People's Express Bus Service, dated June 20, 2011. Received and filed.

R-0065 RECEIVED: June 24, 2011. A letter to the Washtenaw County Board of Commissioners, from Adeline J. Cox, re: Opposition to new rates of People's Express Bus Service. Received and filed.

Liaison Reports

Comm. Conan Smith reported that Nelson Meade, who is one of the founders of the Parks and Recreation Commission, has been selected by the National Parks and Recreation Agency as the Public Official of the Year.

Report of the Chair of the Board of Commissioners

11-0103 Comm. Turner seconded by Comm. Gunn moved that the proclamation to welcome the National Joint Apprenticeship and Training Committee's National Training Institute be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

Special Order of Business

None

Reports of the Standing Committees

Comm. Gunn seconded by Comm. Prater moved that the following reports be received and approved: Ways & Means, dated June 1, 2011; Working Session, dated June 1, 2011 and June 16, 2011. Motion carried. (Complete reports are on file in the County Clerk/Register's Office.)

Reports of Special Committees

Comm. Gunn seconded by Comm. Prater moved that the following reports be received: Board of Road Commissioners, dated May 17, 2011; Public Works Board, dated March 16, 2011 and April 14, 2011; Social Services Board, dated March 22, 2011; Statutory Drainage Board, dated April 15, 2011 and May 17, 2011; Workforce Development Board, dated March 22, 2011. Motion carried. (Complete reports are on file in the County Clerk/Register's Office.)

Other Reports

None

Report of the Treasurer

None

Appointments

11-0104 Comm. Gunn seconded by Comm. Prater moved that the resolution appointing one member to the Washtenaw County Workforce Development Board for the remainder of a term expiring December 31, 2012 be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0105 Comm. Gunn seconded by Comm. Prater moved that the resolution appointing one member to the Environmental Health Code Appeals Board/Public Health Advisory Committee for the remainder of a five-year term expiring December 31, 2015 be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0106 Comm. Gunn seconded by Comm. Prater moved that the Board Action to appoint Comm. Turner to replace Comm. Gunn as a commissioner representative on the Washtenaw County Employees Retirement System be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

Report of the County Administrator

None

Resolutions:

Ways and Means – June 1, 2011

11-0107 Comm. Gunn seconded by Comm. Prater moved that the resolution pledging the full faith and credit of the County of Washtenaw, within constitutional limitations, for the payment of the bond of the Allen Creek Drainage District described in the bond resolution be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0108 Comm. Gunn seconded by Comm. Prater moved that the resolution pledging the full faith and credit of the County of Washtenaw, within constitutional limitations, for the payment of the bond of the County Farm Drain Drainage District described in the bond resolution be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0109 Comm. Gunn seconded by Comm. Prater moved that the resolution pledging the full faith and credit of the County of Washtenaw, within Constitutional limitations, for the payment of the bond of the Malletts Creek Drain Drainage District described in the bond resolution be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0110 Comm. Gunn seconded by Comm. Prater moved that the resolution pledging the full faith and credit of the County of Washtenaw, within constitutional limitations, for the payment of the bond of the Swift Run Drain Drainage District described in the bond resolution be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0111 Comm. Gunn seconded by Comm. Prater moved that the resolution pledging the full faith and credit of the County of Washtenaw, within constitutional limitations, for the payment of the bond of the Traver Creek Drain Drainage District described in the bond resolution be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0112 Comm. Gunn seconded by Comm. Prater moved that the resolution accepting the recommendation from the Police Services Steering Committee (PSSC) and adopting the Police Services 2012-15 Cost/Price Metrics as the agreed calculation for the total price of a Police Service Unit (PSU) be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

Ways and Means – July 6, 2011

11-0113 Comm. Gunn seconded by Comm. Prater moved that the resolution ratifying the signature of the County Administrator on the electronic application submission to the Genesee County Health Department Racial and Ethnic approaches to community Health (REACH) US Legacy Project in the amount of \$24,805 for 2012 for the Public Health Department; authorizing the Administrator to sign the notice of award; amending the budget; authorizing the Administrator to sign delegate contracts be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0114 Comm. Gunn seconded by Comm. Prater moved that the resolution ratifying the Chair of the Board's signature on the ETCS Michigan National Career Readiness Certificate (MI NCRC) funding from the Workforce Development Agency, State of Michigan (WDAsom) formerly the Department of Energy, Labor and Economic Growth (DELEG) in the amount of \$140,954 for the time period of October 1, 2009 through June 30, 2011 be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0115 Comm. Gunn seconded by Comm. Prater moved that the resolution ratifying the Chair of the Board's signature on the ETCS Wagner-Peyser Recovery Act Reemployment Services (RES) funding to support Case Management Services for Trade from the State of Michigan Workforce Development Agency (WDA) formerly the Department of Energy, Labor and Economic Growth (DELEG) in the amount of \$19,620 for the time period of October 1, 2009 through March 31, 2011 be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0116 Comm. Gunn seconded by Comm. Prater moved that the resolution authorizing the County Administrator to sign the legal documents necessary to complete a settlement with Ypsilanti Charter Township and Augusta Charter Township in the police services litigation be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0117 Comm. Gunn seconded by Comm. Prater moved that the resolution adopting a fee for delivering a marriage license immediately following application be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0118 Comm. Gunn seconded by Comm. Prater moved that the resolution authorizing the Administrator to allocate an amount not to exceed \$1,000,000 for the purpose of implementing the Phase II Trial Court Infrastructure consolidation be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

New Business

11-0119 Comm. Gunn seconded by Comm. Prater moved that the resolution approving the FY 2012 Area Implementation Plan of the Area Agency on Aging 1-B for the purpose of conveying such support to the Area Agency on Aging 1-B and the Michigan Office of Services to the Aging (Plan) be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

11-0120 Comm. Gunn seconded by Comm. Prater moved that the resolution to set a public hearing at 6:45 p.m. on August 3, 2011 at a regular Board of Commissioners meeting to receive comment on the adoption of the proposed Southeast Michigan Energy Office Community Alliance inter-local agreement be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

Approval of Claims

11-0121 Comm. Gunn seconded by Comm. Prater moved that the resolution authorizing payment of claims commencing with the last previously approved claim and continuing through the date of June 24, 2011 be adopted. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms. Rabhi and Sizemore). Motion carried.

FUND	DESCRIPTION	SYSTEM CHECKS	UTILITIES	CREDIT CARDS	EXCEPTIONS & PRE-CLAIMS	TOTAL
1010	General Fund		4,308.92	21,125.53	16,215.40	41,649.85
1210	Economic Development & Energy				1,897.37	1,897.37
1291	Urban County CDBG				236.50	236.50
1293	Community Development			1,359.82		1,359.82
1294	Neighborhood Stabilization Pro				105.51	105.51
1572	Inmate Concessions			235.95		235.95
1710	Bfi Solid Waste Coord.				129.00	129.00
1760	Environmental Health				1,693.63	1,693.63
1811	Veterans Relief Fund		3,926.03	4,150.56		8,076.59
1850	RRNWWDD:Storm Water General Per				182.31	182.31
1881	Violence Against Women				389.90	389.90
1882	HIDTA		4,205.49	2,556.24	2,597.26	9,358.99
1905	911 Maintenance Fund		808.54	60.07		868.61
1990	EECS Special Voted Millage		2,940.62			2,940.62
2080	Parks And Recreation Fund		35,871.50			35,871.50
2090	Parks - Natural Areas Millage		5.48			5.48
2150	Friend Of The Court			370.00	1,409.50	1,779.50
2320	Title II-A 78% (Adults)				15,174.77	15,174.77
2340	Title II-C (Youth)				10,231.50	10,231.50

2350	Title III EDWAAA				41,355.04	41,355.04
2370	ETCS Administrative Fund		1,304.47	2,123.63	234.60	3,662.70
2420	Work First				7,738.56	7,738.56
2460	Economic Development Job Train				27.86	27.86
2510	Head Start			5,307.22		5,307.22
2630	Sr Nutrition		606.12		461.80	1,067.92
2650	Foster Grandparents				825.66	825.66
2960	Health Fund				6,534.61	6,534.61
2990	Child Care Fund			282.48		282.48
4050	Capital Equipment			3,964.17		3,964.17
5510	2009 Property Foreclosure		8.34			8.34
6310	Facilities Mgt O & M		108,322.23		300.00	108,622.23
6320	Fac. Mgt- Fleet			3,666.57		3,666.57
6340	Gen. Serv. - Warehouse				11,070.00	11,070.00
6440	Self Insurance		450.00	63.03		513.03
6630	Medical Insurance				2,355,795.00	2,355,795.00
6660	Workers Comp. Revolving				375.05	375.05
6900	Telephone Revolving		77,758.64			77,758.64
7370	T&A Environmental Health				324.00	324.00
7412	LAWNET Drug Law Enforcement		714.30			714.30
7413	LAWNET Non-Forfeiture Fund		1,064.87			1,064.87
7520	Employee Retirement Fund			1,754.16		1,754.16
7570	VEBA Health Trust			605.12		605.12
7990	MSU Extension			3,393.40		3,393.40
	TOTALS		242,295.55	51,017.95	2,475,304.83	2,768,618.33

Items for Current/Future Discussion

None

Citizen Participation

Tom Partridge stated that he would like the statutory reference in asking for addresses during Citizen Participation. He added that the Apportionment Commission recently redrew the boundaries in the County to favor themselves politically. Partridge stated that more people need to be involved in the process and have access to elected officials. He added that it may be necessary to seek court action to reverse this action.

Commissioners Follow-up to Citizen Participation

Comm. Conan Smith stated that the Apportionment Commission offered an open process and did their job in accordance with the law.

Comm. Dan Smith stated that the Commission did its job and followed the law and stated that he saw no inappropriate actions.

Adjournment

Comm. Gunn seconded by Comm. Prater moved to adjourn until Wednesday August 3rd, 2011, at 6:45 p.m. in the Board Room, Washtenaw County Administration Building. Motion carried.

The meeting adjourned at 9:04 p.m.

Conan Smith, Chair

Lawrence Kestenbaum, Clerk/Register
By: Jason Brooks, Deputy Clerk

Board Approved: August 3, 2011

PROCLAMATION TO WELCOME THE NATIONAL JOINT APPRENTICESHIP AND TRAINING COMMITTEE'S NATIONAL TRAINING INSTITUTE

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, the National Joint Apprenticeship and Training Committee (NJATC) for the Electrical Industry was created more than seventy years ago, and has developed into the largest apprenticeship and training program of its kind; and,

WHEREAS, programs affiliated with the NJATC have trained more than 350,000 apprentices to journeyman status without cost to the taxpayers; and,

WHEREAS, the NJATC holds its National Training Institute, July 30-August 5, 2011, in Washtenaw County, on the campuses of the University of Michigan and Washtenaw Community College; and,

WHEREAS, the National Training Institute will bring an estimated 2,000 participants to Washtenaw County in 2011; and,

WHEREAS, the economic impact to Washtenaw County during the National Training Institute is estimated at nearly \$5,000,000.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners does hereby proclaim the period of July 30-August 5, 2011 as National Training Institute Week in Washtenaw County, Michigan, and call upon the people of Washtenaw County to observe this week with appropriate programs, activities and ceremonies supporting this 22nd year of Training Excellence.

Conan Smith
Chairman
Washtenaw County Board of Commissioner, District 10

Rob Turner
Washtenaw County Board of Commissioner, District 1

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY

ROLL CALL VOTE: TOTALS

9 0 2

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)^{SS}.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0103

A RESOLUTION APPOINTING ONE MEMBER TO THE WASHTENAW COUNTY WORKFORCE DEVELOPMENT BOARD FOR THE REMAINDER OF A TERM EXPIRING DECEMBER 31, 2012

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, on December 13, 1995, the Board of Commissioners adopted a resolution establishing the Washtenaw County Workforce Development Board; and

WHEREAS, one vacancy exists for an education representative for a term expiring December 31, 2012

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby appoints the following member to the Washtenaw County Workforce Development Board for the remainder of a term expiring December 31, 2012:

<u>Member</u>	<u>Representing</u>	<u>Term</u>
1) Scott Menzel	Education	12/31/12

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY ROLL CALL VOTE: TOTALS 9 0 2

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS}.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____ Deputy Clerk



Res. No. 11-0104

A RESOLUTION APPOINTING ONE MEMBER TO THE ENVIRONMENTAL HEALTH CODE APPEALS BOARD/PUBLIC HEALTH ADVISORY COMMITTEE FOR THE REMAINDER OF A FIVE-YEAR TERM EXPIRING DECEMBER 31, 2015

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, one vacancy exists on the Washtenaw County Health Code Appeals Board/Public Health Advisory Committee for a five-year term expiring December 31, 2015

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby makes the following appointment to the Washtenaw County Health Code Appeals Board/Public Health Advisory Committee for a five-year term expiring December 31, 2015

<u>Member</u>	<u>Representing</u>	<u>Term Expiration</u>
1) Robert Gray	General Public	12/31/15

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY ROLL CALL VOTE: TOTALS 9 0 2

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)^{SS}

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0105



WASHTENAW COUNTY BOARD OF COMMISSIONERS

Wednesday, July 7, 2011

The following action was taken by the Washtenaw County Board of Commissioners during their July 7, 2011, Board Meeting.

11-0106 Comm. Gunn seconded by Comm. Prater moved to appoint Comm. Turner to replace Comm. Gunn as a commissioner representative on the Washtenaw County Employees Retirement System Board of Trustees. Roll call vote: YEAS: 9 NAYS: 0 ABSENT: 2 (Comms Rabhi and Sizemore). Motion carried.

LAWRENCE KESTENBAUM
WASHTENAW COUNTY CLERK/REGISTER

By: Deputy Clerk

DATED: _____

COUNTY OF WASHTENAW

At a regular meeting of the Board of Commissioners of the County of Washtenaw, Michigan (the "County") held at the Washtenaw County Commissioners' Chambers, Washtenaw County Administration Building, Ann Arbor, Washtenaw County, Michigan (the "County") on July 6, 2011 at 6:45 o'clock p.m., Eastern Daylight Savings Time there were:

PRESENT: Comms. Bergman, Gunn, Judge, Peterson, Ping, Prater, Conan Smith, Dan Smith, and Turner

ABSENT: Comms. Rabhi and Sizemore

The following preamble and resolution were offered by Comm. Gunn and second by Comm. Prater:

**RESOLUTION PLEDGING THE FULL FAITH AND CREDIT OF THE
COUNTY OF WASHTENAW, WITHIN CONSTITUTIONAL LIMITATIONS,
FOR THE PAYMENT OF THE BOND OF THE
ALLEN CREEK DRAINAGE DISTRICT
DESCRIBED IN THE BOND RESOLUTION
ATTACHED TO THIS RESOLUTION**

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, the Washtenaw County Water Resources Commissioner (the "Commissioner") has completed the necessary proceedings for making certain improvements in the ALLEN CREEK DRAINAGE DISTRICT (the "District") which will involve the improvement of a storm drain within the City of Ann Arbor designated as the Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project (the "Project"); and

WHEREAS, the Drainage Board for the District has approved a "Bond Resolution" in the form attached hereto authorizing the issuance of not to exceed \$330,000 in a Bond (the "Bond") with interest at a rate not to exceed the rate of 6% per annum pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956 as amended (the "Drain Code"), maturing finally no later than October 1, 2031 (depending on the construction of the Project), a copy of which is attached to this resolution; and

WHEREAS, the estimated cost of the Project is \$331,244 which has been apportioned against the City of Ann Arbor (the "Public Corporation"), all pursuant to the Drain Code; and

WHEREAS, to defray part of the cost of the Project, the Water Resources Commissioner, on behalf of the District, proposes to issue up to \$330,000 principal amount of a bond of the District, and to pledge the full faith and credit of the Drainage District, to be designated as set forth in the title of this resolution (the "Bond"), with interest at the rate of not more than 6% per annum, pursuant to the Drain Code. The maturity dates and amounts are estimated as follows:

<u>Maturing</u>	<u>Amount</u>
April 1, 2012	\$15,000
April 1, 2013	15,000
April 1, 2014	15,000
April 1, 2015	15,000
April 1, 2016	15,000
April 1, 2017	15,000
April 1, 2018	15,000
April 1, 2019	15,000
April 1, 2020	15,000
April 1, 2021	15,000
April 1, 2022	15,000
April 1, 2023	15,000
April 1, 2024	15,000
April 1, 2025	15,000
April 1, 2026	20,000
April 1, 2027	20,000
April 1, 2028	20,000
April 1, 2029	20,000
April 1, 2030	20,000
April 1, 2031	20,000

WHEREAS, the Bond is to be made payable out of the assessments against the City of Ann Arbor assessed pursuant to the Drain Code; and

WHEREAS, the Board of Commissioners, pursuant to said Drain Code, is authorized by vote of two-thirds of its members to pledge its full faith and credit of the County of Washtenaw for the payment of the Bond, within constitutional limitations;

NOW THEREFORE BE IT RESOLVED as follows:

1. The limited tax full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the Bond. In case of any deficiency in the

assessments to be made to pay the principal of and interest on the Bond as and when due, the County shall pay the amount of such deficiency out of its general funds as a first budget obligation and, if necessary, shall levy ad valorem taxes for such purposes against all taxable property within its limits, subject to constitutional and statutory limitations provided, however, that if it is necessary to reimburse the County for money it is obligated to advance, it shall be the duty of the Commissioner to at once levy an additional assessment as herein before provided as such an amount as will make up the deficiency pursuant to the Drain Code, Section 280, M.C.L. 280.280.

2. If required to do so, the County Water Resources Commissioner is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

3. All previous resolutions of the Board of Commissioners of the County, or parts thereof, that are inconsistent with this resolution are hereby rescinded.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY ROLL CALL VOTE: TOTALS 9 0 2

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS}.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0107

BOND RESOLUTION

WHEREAS, the Drainage Board (the "Board") for the Allen Creek Drainage District (the "District"), by resolution, has approved the cleaning out, widening, deepening, straightening, extending, tiling, interconnecting or otherwise improve the intracounty drain designated by the Board as the "Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project" (the "Project") for the purpose of providing storm drainage to the District which lies wholly within the City of Ann Arbor, County of Washtenaw (the "County"), Michigan; and

WHEREAS, pursuant to a resolution of the Board, the following Public Corporation has been apportioned the cost to establish, locate, acquire, construct and finance the Project and has been assessed by the Board in the amounts set forth all as follows:

Total Estimated Cost of Project:	\$331,244
Name of Public Corporation To be Assessed	City of <u>Ann Arbor</u>
Percentage Apportioned to Public Corporation to be Assessed:	100%
Amount of Assessment against Public Corporation Based Upon Percentage of Apportionment:	\$331,244
Less Prepayments:	\$ 1,244
Amount to be Collected in Installments:	\$330,000

WHEREAS, the Board desires to issue a bond of the District in the maximum aggregate principal amount of \$330,000 in anticipation of the payment of such assessments against the City of Ann Arbor (the "Public Corporation"), all pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956, as amended (the "Act"); and

WHEREAS, the several installments of principal of and interest on the assessment roll made by this Board will not be

less than the semiannual principal and interest due on such bond;

NOW, THEREFORE, IT IS RESOLVED as follows:

1. Bond Size. A Bond of the District in the aggregate principal amount of not to exceed \$330,000 shall, as provided below, be sold to the Michigan Finance Authority (the "Authority") through its State Revolving Fund Loan Program.

2. Definitions. In addition to other terms defined in this Resolution, whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

a. "Act" means Act No. 40 of the Public Acts of Michigan of 1956, as amended.

b. "State Authority" and "Authority" shall mean the Michigan Finance Authority created under Executive Reorganization Order E.R.O No. 2010-2 Act No. 227 of the Public Acts of Michigan of 1985.

c. "Bond" means the Allen Creek Drainage District, Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project Bond (Limited Tax General Obligation), Series 2011 of the District in such principal amount as shall be delivered pursuant to the Purchase Contract authorized by this Resolution.

d. "Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the District, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bond and the principal and redemption premium, if any, on the Bond as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if the Bond is to be called for redemption prior to maturity, irrevocable notice to call the Bond for redemption shall be given to the paying agent.

e. "Purchase Contract" shall mean a Purchase Contract and Supplemental Agreement.

3. Bond Details. The Bond hereby authorized shall be designated Allen Creek Drainage District, Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project Bond (Limited Tax General Obligation), Series 2011 or in any other manner requested by the Authority and approved by the

Chair of the Drainage Board, shall be dated as of the date of delivery, shall consist of a single fully-registered bond, and shall be payable in the years and amounts as shown on the Form of Bond attached to this Bond Resolution all in accordance with a certain Purchase Contract, in the general form attached hereto as Appendix A (the "Purchase Contract").

The Bond shall bear interest from the date such principal is disbursed by the State Authority to the District at such rate per annum as shall be agreed to not in excess of six percent (6%) per annum, payable on such dates as shall be provided in the final Bond. It is expected that principal will be disbursed in more than one installment and each installment of principal disbursed will bear interest from the date of disbursement as noted by the State Authority on the date of disbursement.

Principal of and interest on the Bond shall be payable, and principal of the Bond will be subject to prepayment prior to maturity, in the manner and at the times provided in the form of Bond set forth in paragraph 17 of this Bond Resolution. The actual debt retirement schedule shall be set forth in the Purchase Contract.

4. Source of Repayment. The Bond shall be issued in anticipation of, and is payable primarily from, the collection of special assessments assessed against the City of Ann Arbor, the public corporation on the Special Assessment Roll for the Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project. The assessments are general obligations of the public corporation. The full faith and credit of the Allen Creek Drainage District has been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw will be pledged therefor. Taxes imposed by the public corporation are subject to constitutional tax rate limitations.

5. Reduction in Aggregate Amount of Issue. In the event the Purchase Contract shall call for delivery of bonds less than \$330,000, the Chair of the Drainage Board shall reduce the principal amount of the Bond and restructure the maturities thereof in accordance with the Purchase Contract.

6. Paying Agent and Bond Registrar. The Water Resources Commissioner of the County shall act as Paying Agent and Bond Registrar.

7. Transfer or Exchange of Bond. The Bond shall be transferable only as set forth in the Bond Form shown in paragraph 17 of this Bond Resolution.

8. Execution and Delivery. The bond shall be executed in the name of the Drainage District by the manual or facsimile

signatures of the Chair and at least one other member of the Drainage Board (if facsimile signatures are used the bond shall be authenticated by the manual signature of an authorized representative of the bond registrar and paying agent; if manual signatures are used no authentication is necessary), and the seal of the Drainage District or a facsimile thereof, shall be impressed or imprinted on the bond. When so executed, the Bond shall be delivered to the Chair of the Drainage Board, who thereafter shall deliver the same to the Authority.

9. Bond Payment Fund. The District shall establish a separate fund to be designated "Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project Bond Payment Fund" (the "Bond Payment Fund"). All accrued interest and premium, if any, received from the purchaser of the Bond shall be deposited in the Bond Payment Fund.

Moneys in the Bond Payment Fund shall be used solely to pay principal of and premium, if any, and interest on the Bond.

Moneys in the Bond Payment Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the dates when moneys in the Bond Payment Fund will be required to pay the principal of and interest on the Bond. Obligations purchased as an investment of moneys of the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

All collections of installments of the assessments against the public corporation assessed (including principal and interest) on the Special Assessment Roll for the Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project shall be placed in the Bond Payment Fund and shall be used solely to pay the principal and interest on the bond authorized herein.

10. Project Fund. Except for amounts required by this resolution to be deposited in the Bond Payment Fund, the proceeds from the sale of the Bond shall be deposited in a separate fund to be designated "Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project Fund" (the "Project Fund").

Moneys at any time in the Project Fund shall be used solely to pay costs of the Project or to reimburse the District for any costs of the Project paid before the Bond is delivered, except that upon payment (or provision for payment) in full of the costs of the Project any excess moneys remaining in the Project Fund shall be transferred to the Bond Payment Fund (if a Bond is outstanding) or applied as required by law.

Moneys in the Project Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the estimated dates when moneys in the Project Fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys in the Project Fund shall be deemed at all times to be a part of the Project Fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

11. Mutilated, Lost, Stolen, or Destroyed Bonds. Subject to Act No. 354, Public Acts of Michigan, 1972, as amended and any other applicable laws, in the event any bond is mutilated, lost, stolen or destroyed, the Chair of the Drainage Board and any other member of the Drainage Board may, on behalf of the District, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new bond having a number not then outstanding, of like date, maturity, interest rate and denomination as that mutilated, lost, stolen, or destroyed.

In the case of a mutilated bond, a replacement bond shall not be delivered unless and until such mutilated bond is surrendered to the Bond Registrar. In the case of a lost, stolen, or destroyed bond, a replacement bond shall not be delivered unless and until the District and the Bond Registrar shall have received the following: (i) a bond of indemnity as required by Act 354; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the bond lost, stolen or destroyed and the circumstances under which it was lost, stolen, or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the District and the Bond Registrar against loss due to the lost, stolen, or destroyed bond and the issuance of any replacement bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the District and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the District.

12. Arbitrage and Tax Covenants. Notwithstanding any other provision of this Resolution, the District covenants that it will not at any time or times:

(a) Permit any proceeds of the Bond or any other funds of the District or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a

"private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Bond to be includible in gross income for federal income tax purposes, cause the interest on the Bond to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bond to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Bond and the interest thereon from State of Michigan income taxation.

13. Defeasance or Redemption of Bond. If at any time,

- (a) the whole amount of the principal of and interest on any outstanding bond shall be paid, or
- (b) (i) sufficient moneys, or Government Obligations (as defined in this section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on any outstanding bond as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of and premium, if any, and interest on such bond as and when due, and (ii) in the case of redemption prior to maturity, any outstanding bond shall have been duly called for redemption (or irrevocable instructions to call such bond for redemption shall have been given)

then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the District shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bond (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this resolution, paid over to

the District and considered excess proceeds of the Bond. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within thirty (30) days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be published once in a newspaper of general circulation in the City of Detroit, Michigan, setting forth (x) the date or dates, if any, designated for the redemption of the Bond, (y) a description of the moneys or Government Obligations so held by it, and (z) that the District has been released from its obligations under this resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of and premium, if any, and interest on the Bond at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by an Authorized Officer, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

14. Filing with Municipal Finance Division. The Water Resources Commissioner, if necessary, is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

15. Resolution. The provisions of this Resolution shall constitute a contract between the District and the State Authority as the bondholder. After the issuance of the Bond the Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interests of the bondholder, nor shall the District adopt any law, ordinance or resolution in any way adversely affecting the rights of the holders of the Bond so long as the Bond or interest thereon remains unpaid.

16. Purchase Contract. The Chair of the Drainage Board is hereby authorized to execute and deliver the Purchase Contract and the Issuer's Certificate, with such changes as may be necessary or desirable, permitted by the Act and otherwise by law, and not materially adverse to the District so long as the interest rate on the Bond is not in excess of 6% per annum.

The Chair of the Drainage Board and any member of the Drainage Board, and any of them individually, are hereby authorized to sign the Supplemental Agreement and any and all other documents and certificates necessary for the sale and delivery of the Bond.

17. Form of Bond. The Bond shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
ALLEN CREEK DRAINAGE DISTRICT,
COUNTY OF WASHTENAW, STATE OF MICHIGAN
ALLEN CREEK CISTERN INSTALLATION, DOWNSPOUT DISCONNECTION AND
TREE PLANTING PROJECT BOND
(LIMITED TAX GENERAL OBLIGATION), SERIES 2011

No. R-1

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUANCE</u>
_____ %	_____	_____

=====

REGISTERED OWNER: MICHIGAN FINANCE AUTHORITY

PRINCIPAL AMOUNT: _____ (\$_____)

=====

FOR VALUE RECEIVED, the Allen Creek Drainage District, County of Washtenaw, State of Michigan (the "Issuer" or "District"), hereby acknowledges itself indebted and promises to pay to the Michigan Finance Authority (the "MFA" or the "Authority") the principal sum of _____ Dollars (\$_____) or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, on the dates and in the principal installments indicated on the Payment Schedule attached as EXHIBIT 1 hereto, unless prepaid prior thereto as hereinafter provided, with interest on said principal thereon until paid from the date each such installment of principal is disbursed by the Authority to the District at the rate of _____ percent (____%) per annum, first payable on _____, _____ and semiannually thereafter and principal is payable on the first day of _____ commencing _____, _____ (as identified in the Purchase Contract) and annually thereafter.

Notwithstanding any other provision of this Bond, so long as the Michigan Finance Authority (the "State Authority" or "Authority") is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the District by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether

by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least forty (40) days prior to the date on which such redemption is to be made.

ADDITIONAL INTEREST

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

The Bond may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced (subject to any principal forgiveness as provided for in EXHIBIT 1), all accrued interest thereon, and any other

amount payable with respect thereto in accordance with the terms of this Bond.

This Bond is a single registered bond issued by the District under and pursuant to and in full conformity with the Constitution and statutes of the State of Michigan (especially Act No. 40, Public Acts of Michigan, 1956, as amended) and a bond resolution adopted by the Drainage Board of the District on _____, _____ (the "Bond Resolution") for the purpose of paying for the construction of the Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project (the "Project").

This Bond is issued in anticipation of, and is primarily payable from, the collection of special assessments assessed against public corporation on the Special Assessment Roll for the Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project. The assessments are general obligations of the public corporation. The full faith and credit of the Allen Creek Drainage District have been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw have been pledged therefore. Taxes imposed by the public corporation are subject to constitutional tax rate limitations.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in connection with the issuance of the Bond, existed, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the District, including this Bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Allen Creek Drainage District, County of Washtenaw, Michigan, by its Drainage Board has caused this Bond to be executed in its name with the signatures of its Chair and at least one other member of the Drainage Board, has caused its seal to be affixed hereto, all as of the Date of Issuance.

ALLEN CREEK DRAINAGE DISTRICT

SEAL] By: _____
Chair

And: _____
Member of the Drainage Board

las.r3-wasdr14

EXHIBIT 1

Name of Issuer: Allen Creek Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of _____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

18. Investments. Moneys in the Bond Payment Fund and the Project Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the Treasurer of the District which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than (a) in the case of the Bond Payment Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bond, and (b) in the case of the Project Fund, the estimated dates when moneys in such fund will be required to pay costs of the Allen Creek Cistern Installation, Downspout Disconnection and Tree Planting Project. Obligations purchased as an investment of moneys in the Bond Payment Fund or the Project Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

19. Depositories. All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Bond Payment Fund shall only be deposited in such banks where the principal of and interest on the Bond are payable. The Treasurer of the District shall select the depository or depositories to be used from those banks authorized in this Section.

20. Qualified Tax-Exempt Obligation. The Bond is designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265 of the Code.

21. Retention of Bond Counsel. The firm of Axe & Ecklund, P.C., attorneys of Grosse Pointe Farms, Michigan, is hereby retained to act as bond counsel for the District in connection with the issuance, sale and delivery of the Bond.

22. Retention of Financial Consultants. Municipal Financial Consultants Incorporated, Grosse Pointe Farms, Michigan, is hereby retained to act as financial consultant and advisor to the District in connection with the issuance, sale and delivery of the Bond.

23. Conflicting Resolutions. All resolutions of the Board, or parts of such resolutions, in conflict with this resolution are hereby rescinded.

24. Effective Date. This Resolution shall become effective immediately upon its adoption and shall be recorded in

the minutes of the District as soon as practicable after adoption.

APPENDIX A

ALLEN CREEK DRAINAGE DISTRICT State Revolving Fund
County of Washtenaw, State of Michigan
Project No: (*Project Number*)

PURCHASE CONTRACT

The Michigan Finance Authority (the "Authority"), a public body corporate, separate and distinct from the State of Michigan, hereby offers to enter into this Purchase Contract with the Issuer named below (the "Issuer") which, upon the acceptance of this offer by the Issuer and ratification by the Authority, will be binding upon the Authority and the Issuer. This offer is made subject to acceptance on or before _____.

Upon the terms and conditions and upon the basis of the representations, warranties, and agreements set forth herein, including those set forth on Schedule I hereto, the Authority hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Authority, bonds (the "Bonds") in the principal amount and with the maturities and interest rate as shown on Schedule I and with redemption provisions acceptable to the Authority. The purchase price for the Bonds shall be 100%. The Authority's obligation to disburse Bond proceeds shall be contingent upon funding of the State Water Pollution Control Revolving Fund created by 1988 PA 316 and 1988 PA 317. The method of payment of Bond proceeds to the Issuer shall be as set forth in the Supplemental Agreement among the Issuer, the Authority, and the State of Michigan acting through the Department of Environmental Quality.

The Issuer represents and warrants to, and agrees with, the Authority that the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (i) to enter into this Purchase Contract, and (ii) to sell and deliver the Bonds to the Authority as provided herein and in the resolution or ordinance authorizing the Bonds and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I.

On _____, the local preclosing date, the Issuer shall make available for inspection by the Authority at the offices of the Department of Attorney General, Finance Division, Lansing, Michigan, the Bonds, together with such other documents,

certificates and closing opinions as the Authority shall require (the "Closing Documents").

On _____, (the "Closing Date"), the Authority shall accept delivery of the Bonds and the Closing Documents and pay the purchase price for the Bonds.

MICHIGAN FINANCE
AUTHORITY

BY _____
Authorized Officer

Accepted and Agreed to this
_____ day of _____

ALLEN CREEK DRAINAGE DISTRICT
County of Washtenaw, State of Michigan ("Issuer")

By: _____

Title: _____

SCHEDULE I

Name of Issuer: Allen Creek Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

COUNTY OF WASHTENAW

At a regular meeting of the Board of Commissioners of the County of Washtenaw, Michigan (the "County") held at the Washtenaw County Commissioners' Chambers, Washtenaw County Administration Building, Ann Arbor, Washtenaw County, Michigan (the "County") on July 6, 2011 at 6:45 o'clock p.m., Eastern Daylight Savings Time there were:

PRESENT: Comms. Bergman, Gunn, Judge, Peterson, Ping, Prater, Conan Smith, Dan Smith, and Turner

ABSENT: Comms. Rabhi and Sizemore

The following preamble and resolution were offered by Comm. Gunn and second by Comm. Prater:

**RESOLUTION PLEDGING THE FULL FAITH AND CREDIT OF THE
COUNTY OF WASHTENAW, WITHIN CONSTITUTIONAL LIMITATIONS,
FOR THE PAYMENT OF THE BOND OF THE
COUNTY FARM DRAIN DRAINAGE DISTRICT
DESCRIBED IN THE BOND RESOLUTION
ATTACHED TO THIS RESOLUTION**

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, the Washtenaw County Water Resources Commissioner (the "Commissioner") has completed the necessary proceedings for making certain improvements in the COUNTY FARM DRAIN DRAINAGE DISTRICT (the "District") which will involve the improvement of a storm drain within the City of Ann Arbor designated as the County Farm Drain Stream Bank Stabilization Project (the "Project"); and

WHEREAS, the Drainage Board for the District has approved a "Bond Resolution" in the form attached hereto authorizing the issuance of not to exceed \$1,200,000 in a Bond (the "Bond") with interest at a rate not to exceed the rate of 6% per annum pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956 as amended (the "Drain Code"), maturing finally no later than October 1, 2031 (depending on the construction of the Project), a copy of which is attached to this resolution; and

WHEREAS, the estimated cost of the Project is \$1,239,000 which has been apportioned against the City of Ann Arbor and the

State of Michigan (the "Public Corporations"), all pursuant to the Drain Code; and

WHEREAS, to defray part of the cost of the Project, the Water Resources Commissioner, on behalf of the District, proposes to issue up to \$1,200,000 principal amount of a bond of the District, and to pledge the full faith and credit of the Drainage District, to be designated as set forth in the title of this resolution (the "Bond"), with interest at the rate of not more than 6% per annum, pursuant to the Drain Code. The maturity dates and amounts are estimated as follows:

<u>Maturing</u>	<u>Amount</u>
April 1, 2012	\$45,000
April 1, 2013	50,000
April 1, 2014	50,000
April 1, 2015	50,000
April 1, 2016	50,000
April 1, 2017	55,000
April 1, 2018	55,000
April 1, 2019	55,000
April 1, 2020	55,000
April 1, 2021	60,000
April 1, 2022	60,000
April 1, 2023	60,000
April 1, 2024	65,000
April 1, 2025	65,000
April 1, 2026	65,000
April 1, 2027	70,000
April 1, 2028	70,000
April 1, 2029	70,000
April 1, 2030	75,000
April 1, 2031	75,000

WHEREAS, the Bond is to be made payable out of the assessments against the City of Ann Arbor assessed pursuant to the Drain Code; and

WHEREAS, the Board of Commissioners, pursuant to said Drain Code, is authorized by vote of two-thirds of its members to pledge its full faith and credit of the County of Washtenaw for the payment of the Bond, within constitutional limitations;

NOW THEREFORE BE IT RESOLVED as follows:

1. The limited tax full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the Bond. In case of any deficiency in the assessments to be made to pay the principal of and interest on

the Bond as and when due, the County shall pay the amount of such deficiency out of its general funds as a first budget obligation and, if necessary, shall levy ad valorem taxes for such purposes against all taxable property within its limits, subject to constitutional and statutory limitations provided, however, that if it is necessary to reimburse the County for money it is obligated to advance, it shall be the duty of the Commissioner to at once levy an additional assessment as herein before provided as such an amount as will make up the deficiency pursuant to the Drain Code, Section 280, M.C.L. 280.280.

2. If required to do so, the County Water Resources Commissioner is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

3. All previous resolutions of the Board of Commissioners of the County, or parts thereof, that are inconsistent with this resolution are hereby rescinded.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY **ROLL CALL VOTE: TOTALS** **9 0 2**

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS.}

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____
Deputy Clerk



Res. No. 11-0108

BOND RESOLUTION

WHEREAS, the Drainage Board (the "Board") for the County Farm Drain Drainage District (the "District"), by resolution, has approved the cleaning out, widening, deepening, straightening, extending, tiling, interconnecting or otherwise improve the intracounty drain designated by the Board as the "County Farm Drain Stream Bank Stabilization Project" (the "Project") for the purpose of providing storm drainage to the District which lies wholly within the City of Ann Arbor, County of Washtenaw (the "County"), Michigan; and

WHEREAS, pursuant to a resolution of the Board, the following Public Corporations has been apportioned the cost to establish, locate, acquire, construct and finance the Project and has been assessed by the Board in the amounts set forth all as follows:

Total Estimated Cost of Project:	\$1,239,000	
Name of Public Corporation To be Assessed	City of <u>Ann Arbor</u>	State of <u>Michigan</u>
Percentage Apportioned to Public Corporations to be Assessed:	97.00%	3.00%
Amount of Assessment against Public Corporation Based Upon Percentage of Apportionment:	\$1,201,830	\$37,170
Less Prepayments:	\$ 1,830	\$37,170
Amount to be Collected in Installments:	\$1,200,000	\$0

WHEREAS, the Board desires to issue a bond of the District in the maximum aggregate principal amount of \$1,200,000 in anticipation of the payment of such assessments against the City of Ann Arbor (the "Public Corporation"), all pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956, as amended (the "Act"); and

WHEREAS, the several installments of principal of and interest on the assessment roll made by this Board will not be

less than the semiannual principal and interest due on such bond;

NOW, THEREFORE, IT IS RESOLVED as follows:

1. Bond Size. A Bond of the District in the aggregate principal amount of not to exceed \$1,200,000 shall, as provided below, be sold to the Michigan Finance Authority (the "Authority") through its State Revolving Fund Loan Program.

2. Definitions. In addition to other terms defined in this Resolution, whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

a. "Act" means Act No. 40 of the Public Acts of Michigan of 1956, as amended.

b. "State Authority" and "Authority" shall mean the Michigan Finance Authority created under Executive Reorganization Order E.R.O No. 2010-2 Act No. 227 of the Public Acts of Michigan of 1985.

c. "Bond" means the County Farm Drain Drainage District, County Farm Drain Stream Bank Stabilization Project Bond (Limited Tax General Obligation), Series 2011 of the District in such principal amount as shall be delivered pursuant to the Purchase Contract authorized by this Resolution.

d. "Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the District, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bond and the principal and redemption premium, if any, on the Bond as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if the Bond is to be called for redemption prior to maturity, irrevocable notice to call the Bond for redemption shall be given to the paying agent.

e. "Purchase Contract" shall mean a Purchase Contract and Supplemental Agreement.

3. Bond Details. The Bond hereby authorized shall be designated County Farm Drain Drainage District, County Farm Drain Stream Bank Stabilization Project Bond (Limited Tax General Obligation), Series 2011 or in any other manner requested by the Authority and approved by the Chair of the

Drainage Board, shall be dated as of the date of delivery, shall consist of a single fully-registered bond, and shall be payable in the years and amounts as shown on the Form of Bond attached to this Bond Resolution all in accordance with a certain Purchase Contract, in the general form attached hereto as Appendix A (the "Purchase Contract").

The Bond shall bear interest from the date such principal is disbursed by the State Authority to the District at such rate per annum as shall be agreed to not in excess of six percent (6%) per annum, payable on such dates as shall be provided in the final Bond. It is expected that principal will be disbursed in more than one installment and each installment of principal disbursed will bear interest from the date of disbursement as noted by the State Authority on the date of disbursement.

Principal of and interest on the Bond shall be payable, and principal of the Bond will be subject to prepayment prior to maturity, in the manner and at the times provided in the form of Bond set forth in paragraph 17 of this Bond Resolution. The actual debt retirement schedule shall be set forth in the Purchase Contract.

4. Source of Repayment. The Bond shall be issued in anticipation of, and is payable primarily from, the collection of special assessments assessed against the City of Ann Arbor, the Public Corporation on the Special Assessment Roll for the County Farm Drain Stream Bank Stabilization Project. The assessments are general obligations of the Public Corporation. The full faith and credit of the County Farm Drain Drainage District has been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw will be pledged therefor. Taxes imposed by the Public Corporation are subject to constitutional tax rate limitations.

5. Reduction in Aggregate Amount of Issue. In the event the Purchase Contract shall call for delivery of bonds less than \$1,240,000, the Chair of the Drainage Board shall reduce the principal amount of the Bond and restructure the maturities thereof in accordance with the Purchase Contract.

6. Paying Agent and Bond Registrar. The Water Resources Commissioner of the County shall act as Paying Agent and Bond Registrar.

7. Transfer or Exchange of Bond. The Bond shall be transferable only as set forth in the Bond Form shown in paragraph 17 of this Bond Resolution.

8. Execution and Delivery. The bond shall be executed in the name of the Drainage District by the manual or facsimile

signatures of the Chair and at least one other member of the Drainage Board (if facsimile signatures are used the bond shall be authenticated by the manual signature of an authorized representative of the bond registrar and paying agent; if manual signatures are used no authentication is necessary), and the seal of the Drainage District or a facsimile thereof, shall be impressed or imprinted on the bond. When so executed, the Bond shall be delivered to the Chair of the Drainage Board, who thereafter shall deliver the same to the Authority.

9. Bond Payment Fund. The District shall establish a separate fund to be designated "County Farm Drain Stream Bank Stabilization Project Bond Payment Fund" (the "Bond Payment Fund"). All accrued interest and premium, if any, received from the purchaser of the Bond shall be deposited in the Bond Payment Fund.

Moneys in the Bond Payment Fund shall be used solely to pay principal of and premium, if any, and interest on the Bond.

Moneys in the Bond Payment Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the dates when moneys in the Bond Payment Fund will be required to pay the principal of and interest on the Bond. Obligations purchased as an investment of moneys of the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

All collections of installments of the assessments against the Public Corporation assessed (including principal and interest) on the Special Assessment Roll for the County Farm Drain Stream Bank Stabilization Project shall be placed in the Bond Payment Fund and shall be used solely to pay the principal and interest on the bond authorized herein.

10. Project Fund. Except for amounts required by this resolution to be deposited in the Bond Payment Fund, the proceeds from the sale of the Bond shall be deposited in a separate fund to be designated "County Farm Drain Stream Bank Stabilization Project Fund" (the "Project Fund").

Moneys at any time in the Project Fund shall be used solely to pay costs of the Project or to reimburse the District for any costs of the Project paid before the Bond is delivered, except that upon payment (or provision for payment) in full of the costs of the Project any excess moneys remaining in the Project Fund shall be transferred to the Bond Payment Fund (if a Bond is outstanding) or applied as required by law.

Moneys in the Project Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the estimated dates when moneys in the Project Fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys in the Project Fund shall be deemed at all times to be a part of the Project Fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

11. Mutilated, Lost, Stolen, or Destroyed Bonds. Subject to Act No. 354, Public Acts of Michigan, 1972, as amended and any other applicable laws, in the event any bond is mutilated, lost, stolen or destroyed, the Chair of the Drainage Board and any other member of the Drainage Board may, on behalf of the District, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new bond having a number not then outstanding, of like date, maturity, interest rate and denomination as that mutilated, lost, stolen, or destroyed.

In the case of a mutilated bond, a replacement bond shall not be delivered unless and until such mutilated bond is surrendered to the Bond Registrar. In the case of a lost, stolen, or destroyed bond, a replacement bond shall not be delivered unless and until the District and the Bond Registrar shall have received the following: (i) a bond of indemnity as required by Act 354; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the bond lost, stolen or destroyed and the circumstances under which it was lost, stolen, or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the District and the Bond Registrar against loss due to the lost, stolen, or destroyed bond and the issuance of any replacement bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the District and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the District.

12. Arbitrage and Tax Covenants. Notwithstanding any other provision of this Resolution, the District covenants that it will not at any time or times:

(a) Permit any proceeds of the Bond or any other funds of the District or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a "private activity bond" within the meaning of Section

141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Bond to be includible in gross income for federal income tax purposes, cause the interest on the Bond to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bond to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Bond and the interest thereon from State of Michigan income taxation.

13. Defeasance or Redemption of Bond. If at any time,

- (a) the whole amount of the principal of and interest on any outstanding bond shall be paid, or
- (b) (i) sufficient moneys, or Government Obligations (as defined in this section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on any outstanding bond as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of and premium, if any, and interest on such bond as and when due, and (ii) in the case of redemption prior to maturity, any outstanding bond shall have been duly called for redemption (or irrevocable instructions to call such bond for redemption shall have been given)

then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the District shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bond (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this resolution, paid over to the District and considered excess proceeds of the Bond. In the

event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within thirty (30) days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be published once in a newspaper of general circulation in the City of Detroit, Michigan, setting forth (x) the date or dates, if any, designated for the redemption of the Bond, (y) a description of the moneys or Government Obligations so held by it, and (z) that the District has been released from its obligations under this resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of and premium, if any, and interest on the Bond at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by an Authorized Officer, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

14. Filing with Municipal Finance Division. The Water Resources Commissioner, if necessary, is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

15. Resolution. The provisions of this Resolution shall constitute a contract between the District and the State Authority as the bondholder. After the issuance of the Bond the Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interests of the bondholder, nor shall the District adopt any law, ordinance or resolution in any way adversely affecting the rights of the holders of the Bond so long as the Bond or interest thereon remains unpaid.

16. Purchase Contract. The Chair of the Drainage Board is hereby authorized to execute and deliver the Purchase Contract and the Issuer's Certificate, with such changes as may be necessary or desirable, permitted by the Act and otherwise by law, and not materially adverse to the District so long as the interest rate on the Bond is not in excess of 6% per annum.

The Chair of the Drainage Board and any member of the Drainage Board, and any of them individually, are hereby authorized to sign the Supplemental Agreement and any and all other documents and certificates necessary for the sale and delivery of the Bond.

17. Form of Bond. The Bond shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY FARM DRAIN DRAINAGE DISTRICT,
COUNTY OF WASHTENAW, STATE OF MICHIGAN
COUNTY FARM DRAIN STREAM BANK STABILIZATION PROJECT BOND
(LIMITED TAX GENERAL OBLIGATION), SERIES 2011

No. R-1

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUANCE</u>
_____ %	_____	_____

=====

REGISTERED OWNER: MICHIGAN FINANCE AUTHORITY

PRINCIPAL AMOUNT: _____ (\$_____)

=====

FOR VALUE RECEIVED, the County Farm Drain Drainage District, County of Washtenaw, State of Michigan (the "Issuer" or "District"), hereby acknowledges itself indebted and promises to pay to the Michigan Finance Authority (the "MFA" or the "Authority") the principal sum of _____ Dollars (\$_____) or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, on the dates and in the principal installments indicated on the Payment Schedule attached as EXHIBIT 1 hereto, unless prepaid prior thereto as hereinafter provided, with interest on said principal thereon until paid from the date each such installment of principal is disbursed by the Authority to the District at the rate of _____ percent (____%) per annum, first payable on _____, _____ and semiannually thereafter and principal is payable on the first day of _____ commencing _____, _____ (as identified in the Purchase Contract) and annually thereafter.

Notwithstanding any other provision of this Bond, so long as the Michigan Finance Authority (the "State Authority" or "Authority") is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the District by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the

Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least forty (40) days prior to the date on which such redemption is to be made.

ADDITIONAL INTEREST

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

The Bond may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced (subject to any principal forgiveness as provided for in EXHIBIT 1), all accrued interest thereon, and any other

amount payable with respect thereto in accordance with the terms of this Bond.

This Bond is a single registered bond issued by the District under and pursuant to and in full conformity with the Constitution and statutes of the State of Michigan (especially Act No. 40, Public Acts of Michigan, 1956, as amended) and a bond resolution adopted by the Drainage Board of the District on _____, ____ (the "Bond Resolution") for the purpose of paying for the construction of the County Farm Drain Stream Bank Stabilization Project (the "Project").

This Bond is issued in anticipation of, and is primarily payable from, the collection of special assessments assessed against Public Corporation on the Special Assessment Roll for the County Farm Drain Stream Bank Stabilization Project. The assessments are general obligations of the Public Corporations. The full faith and credit of the County Farm Drain Drainage District have been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw have been pledged therefore. Taxes imposed by the Public Corporation are subject to constitutional tax rate limitations.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in connection with the issuance of the Bond, existed, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the District, including this Bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the County Farm Drain Drainage District, County of Washtenaw, Michigan, by its Drainage Board has caused this Bond to be executed in its name with the signatures of its Chair and at least one other member of the Drainage Board, has caused its seal to be affixed hereto, all as of the Date of Issuance.

COUNTY FARM DRAIN DRAINAGE DISTRICT

SEAL] By: _____
Chair

And: _____
Member of the Drainage Board

EXHIBIT 1

Name of Issuer: County Farm Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
---------------------------	--

Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of _____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

18. Investments. Moneys in the Bond Payment Fund and the Project Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the Treasurer of the District which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than (a) in the case of the Bond Payment Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bond, and (b) in the case of the Project Fund, the estimated dates when moneys in such fund will be required to pay costs of the County Farm Drain Stream Bank Stabilization Project. Obligations purchased as an investment of moneys in the Bond Payment Fund or the Project Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

19. Depositories. All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Bond Payment Fund shall only be deposited in such banks where the principal of and interest on the Bond are payable. The Treasurer of the District shall select the depository or depositories to be used from those banks authorized in this Section.

20. Qualified Tax-Exempt Obligation. The Bond is designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265 of the Code.

21. Retention of Bond Counsel. The firm of Axe & Ecklund, P.C., attorneys of Grosse Pointe Farms, Michigan, is hereby retained to act as bond counsel for the District in connection with the issuance, sale and delivery of the Bond.

22. Retention of Financial Consultants. Municipal Financial Consultants Incorporated, Grosse Pointe Farms, Michigan, is hereby retained to act as financial consultant and advisor to the District in connection with the issuance, sale and delivery of the Bond.

23. Conflicting Resolutions. All resolutions of the Board, or parts of such resolutions, in conflict with this resolution are hereby rescinded.

24. Effective Date. This Resolution shall become effective immediately upon its adoption and shall be recorded in the minutes of the District as soon as practicable after adoption.

APPENDIX A

COUNTY FARM DRAIN DRAINAGE DISTRICT State Revolving Fund
County of Washtenaw, State of Michigan
Project No: (*Project Number*)

PURCHASE CONTRACT

The Michigan Finance Authority (the "Authority"), a public body corporate, separate and distinct from the State of Michigan, hereby offers to enter into this Purchase Contract with the Issuer named below (the "Issuer") which, upon the acceptance of this offer by the Issuer and ratification by the Authority, will be binding upon the Authority and the Issuer. This offer is made subject to acceptance on or before _____.

Upon the terms and conditions and upon the basis of the representations, warranties, and agreements set forth herein, including those set forth on Schedule I hereto, the Authority hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Authority, bonds (the "Bonds") in the principal amount and with the maturities and interest rate as shown on Schedule I and with redemption provisions acceptable to the Authority. The purchase price for the Bonds shall be 100%. The Authority's obligation to disburse Bond proceeds shall be contingent upon funding of the State Water Pollution Control Revolving Fund created by 1988 PA 316 and 1988 PA 317. The method of payment of Bond proceeds to the Issuer shall be as set forth in the Supplemental Agreement among the Issuer, the Authority, and the State of Michigan acting through the Department of Environmental Quality.

The Issuer represents and warrants to, and agrees with, the Authority that the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (i) to enter into this Purchase Contract, and (ii) to sell and deliver the Bonds to the Authority as provided herein and in the resolution or ordinance authorizing the Bonds and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I.

On _____, the local preclosing date, the Issuer shall make available for inspection by the Authority at the offices of the Department of Attorney General, Finance Division, Lansing, Michigan, the Bonds, together with such other documents, certificates and closing opinions as the Authority shall require (the "Closing Documents").

On _____, (the "Closing Date"), the Authority shall accept delivery of the Bonds and the Closing Documents and pay the purchase price for the Bonds.

MICHIGAN FINANCE
AUTHORITY

BY _____
Authorized Officer

Accepted and Agreed to this
_____ day of _____

COUNTY FARM DRAIN DRAINAGE DISTRICT
County of Washtenaw, State of Michigan ("Issuer")

By: _____

Title: _____

SCHEDULE I

Name of Issuer: County Farm Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

COUNTY OF WASHTENAW

At a regular meeting of the Board of Commissioners of the County of Washtenaw, Michigan (the "County") held at the Washtenaw County Commissioners' Chambers, Washtenaw County Administration Building, Ann Arbor, Washtenaw County, Michigan (the "County") on July 6, 2011 at 6:45 o'clock p.m., Eastern Daylight Savings Time there were:

PRESENT: Comms. Bergman, Gunn, Judge, Peterson, Ping, Prater, Conan Smith, Dan Smith, and Turner

ABSENT: Comms. Rabhi and Sizemore

The following preamble and resolution were offered by Comm. Gunn and second by Comm. Prater:

**RESOLUTION PLEDGING THE FULL FAITH AND CREDIT OF THE
COUNTY OF WASHTENAW, WITHIN CONSTITUTIONAL LIMITATIONS,
FOR THE PAYMENT OF THE BOND OF THE
MALLETTS CREEK DRAIN DRAINAGE DISTRICT
DESCRIBED IN THE BOND RESOLUTION
ATTACHED TO THIS RESOLUTION**

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, the Washtenaw County Water Resources Commissioner (the "Commissioner") has completed the necessary proceedings for making certain improvements in the MALLETTS CREEK DRAIN DRAINAGE DISTRICT (the "District") which will involve projects to improve storm drains within the City of Ann Arbor designated as the Malletts Creek Drain Burns Park Porous Alley Project, the Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Malletts Creek Drain Stream Bank Stabilization Project (together the "Project"); and

WHEREAS, the Drainage Board for the District has approved a "Bond Resolution" in the form attached hereto authorizing the issuance of not to exceed \$3,480,000 in a Bond (the "Bond") with interest at a rate not to exceed the rate of 6% per annum pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956 as amended (the "Drain Code"), maturing finally no later than October 1, 2031 (depending on the construction of the Project), a copy of which is attached to this resolution; and

WHEREAS, the estimated cost of the Project is \$3,482,856 which has been apportioned against the City of Ann Arbor, the County of Washtenaw and the State of Michigan (the "Public Corporations"), all pursuant to the Drain Code; and

WHEREAS, to defray part of the cost of the Project, the Water Resources Commissioner, on behalf of the District, proposes to issue up to \$3,480,000 principal amount of a bond of the District, and to pledge the full faith and credit of the Drainage District, to be designated as set forth in the title of this resolution (the "Bond"), with interest at the rate of not more than 6% per annum, pursuant to the Drain Code. The maturity dates and amounts are estimated as follows:

<u>Maturing</u>	<u>Amount</u>
April 1, 2012	\$135,000
April 1, 2013	140,000
April 1, 2014	145,000
April 1, 2015	145,000
April 1, 2016	150,000
April 1, 2017	155,000
April 1, 2018	160,000
April 1, 2019	160,000
April 1, 2020	165,000
April 1, 2021	170,000
April 1, 2022	175,000
April 1, 2023	180,000
April 1, 2024	185,000
April 1, 2025	190,000
April 1, 2026	195,000
April 1, 2027	195,000
April 1, 2028	200,000
April 1, 2029	205,000
April 1, 2030	210,000
April 1, 2031	220,000

WHEREAS, the Bond is to be made payable out of the assessments against the City of Ann Arbor, the County of Washtenaw and the State of Michigan assessed pursuant to the Drain Code; and

WHEREAS, the Board of Commissioners, pursuant to said Drain Code, is authorized by vote of two-thirds of its members to pledge its full faith and credit of the County of Washtenaw for the payment of the Bond, within constitutional limitations;

NOW THEREFORE BE IT RESOLVED as follows:

1. The limited tax full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the Bond. In case of any deficiency in the assessments to be made to pay the principal of and interest on the Bond as and when due, the County shall pay the amount of such deficiency out of its general funds as a first budget obligation and, if necessary, shall levy ad valorem taxes for such purposes against all taxable property within its limits, subject to constitutional and statutory limitations provided, however, that if it is necessary to reimburse the County for money it is obligated to advance, it shall be the duty of the Commissioner to at once levy an additional assessment as herein before provided as such an amount as will make up the deficiency pursuant to the Drain Code, Section 280, M.C.L. 280.280.

2. If required to do so, the County Water Resources Commissioner is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

3. All previous resolutions of the Board of Commissioners of the County, or parts thereof, that are inconsistent with this resolution are hereby rescinded.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY

ROLL CALL VOTE: TOTALS

9 0 2

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)^{SS}.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0109

BOND RESOLUTION

WHEREAS, the Drainage Board (the "Board") for the Malletts Creek Drain Drainage District (the "District"), by resolution, has approved the cleaning out, widening, deepening, straightening, extending, tiling, interconnecting or otherwise improve the intracounty drain designated by the Board as the "Malletts Creek Drain Burns Park Porous Alley Project, Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Malletts Creek Drain Stream Bank Stabilization Project" (together the "Project") for the purpose of providing storm drainage to the District which lies wholly within the City of Ann Arbor, County of Washtenaw (the "County"), Michigan; and

WHEREAS, pursuant to a resolution of the Board, the following Public Corporations has been apportioned the cost to establish, locate, acquire, construct and finance the Project and has been assessed by the Board in the amounts set forth all as follows:

Total Estimated Cost of Project:		\$3,482,856		
Name of Public Corporation To be Assessed	City of <u>Ann Arbor</u>	County of <u>Washtenaw</u>	State of <u>Michigan</u>	
Percentage Apportioned to Public Corporations to be Assessed:	93.77451%	1.56052%	4.66497%	
Amount of Assessment against Public Corporation Based Upon Percentage of Apportionment:	\$3,266,031.15	\$54,350.66	\$162,474.19	
Less Prepayments:	\$ 2,678.20	\$ 44.57	\$ 133.23	
Amount to be Collected in Installments:	\$3,263,352.95	\$54,306.10	\$162,340.96	
Total Amount to be Collected in Installments		\$3,480,000.00		

WHEREAS, the Board desires to issue a bond of the District in the maximum aggregate principal amount of \$3,480,000 in anticipation of the payment of such assessments against the City of Ann Arbor, the County of Washtenaw and the State of Michigan (the "Public Corporations"), all pursuant to Chapter 20 of Act

No. 40, Michigan Public Acts of 1956, as amended (the "Act"); and

WHEREAS, the several installments of principal of and interest on the assessment roll made by this Board will not be less than the semiannual principal and interest due on such bond;

NOW, THEREFORE, IT IS RESOLVED as follows:

1. Bond Size. A Bond of the District in the aggregate principal amount of not to exceed \$3,480,000 shall, as provided below, be sold to the Michigan Finance Authority (the "Authority") through its State Revolving Fund Loan Program.

2. Definitions. In addition to other terms defined in this Resolution, whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

a. "Act" means Act No. 40 of the Public Acts of Michigan of 1956, as amended.

b. "State Authority" and "Authority" shall mean the Michigan Finance Authority created under Executive Reorganization Order E.R.O No. 2010-2 Act No. 227 of the Public Acts of Michigan of 1985.

c. "Bond" means Malletts Creek Drain Burns Park Porous Alley Project, Malletts Creek Drain Drainage District, Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and Malletts Creek Drain Stream Bank Stabilization Project Bond (Limited Tax General Obligation), Series 2011 of the District in such principal amount as shall be delivered pursuant to the Purchase Contract authorized by this Resolution.

d. "Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the District, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bond and the principal and redemption premium, if any, on the Bond as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if the Bond is to be called for redemption prior to maturity, irrevocable notice to call the Bond for redemption shall be given to the paying agent.

e. "Purchase Contract" shall mean a Purchase Contract and Supplemental Agreement.

3. Bond Details. The Bond hereby authorized shall be designated Malletts Creek Drain Burns Park Porous Alley Project, Malletts Creek Drain Drainage District, Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and Malletts Creek Drain Stream Bank Stabilization Project Bond (Limited Tax General Obligation), Series 2011 or in any other manner requested by the Authority and approved by the Chair of the Drainage Board, shall be dated as of the date of delivery, shall consist of a single fully-registered bond, and shall be payable in the years and amounts as shown on the Form of Bond attached to this Bond Resolution all in accordance with a certain Purchase Contract, in the general form attached hereto as Appendix A (the "Purchase Contract").

The Bond shall bear interest from the date such principal is disbursed by the State Authority to the District at such rate per annum as shall be agreed to not in excess of six percent (6%) per annum, payable on such dates as shall be provided in the final Bond. It is expected that principal will be disbursed in more than one installment and each installment of principal disbursed will bear interest from the date of disbursement as noted by the State Authority on the date of disbursement.

Principal of and interest on the Bond shall be payable, and principal of the Bond will be subject to prepayment prior to maturity, in the manner and at the times provided in the form of Bond set forth in paragraph 17 of this Bond Resolution. The actual debt retirement schedule shall be set forth in the Purchase Contract.

4. Source of Repayment. The Bond shall be issued in anticipation of, and is payable primarily from, the collection of special assessments assessed against the City of Ann Arbor, the County of Washtenaw and the State of Michigan, the Public Corporations on the Special Assessment Roll for the Malletts Creek Drain Burns Park Porous Alley Project, the Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Malletts Creek Drain Stream Bank Stabilization Project. The assessments are general obligations of the Public Corporations. The full faith and credit of the Malletts Creek Drain Drainage District has been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw will be pledged therefor. Taxes imposed by the Public Corporations are subject to constitutional tax rate limitations.

5. Reduction in Aggregate Amount of Issue. In the event the Purchase Contract shall call for delivery of bonds less than \$3,480,000, the Chair of the Drainage Board shall reduce the

principal amount of the Bond and restructure the maturities thereof in accordance with the Purchase Contract.

6. Paying Agent and Bond Registrar. The Water Resources Commissioner of the County shall act as Paying Agent and Bond Registrar.

7. Transfer or Exchange of Bond. The Bond shall be transferable only as set forth in the Bond Form shown in paragraph 17 of this Bond Resolution.

8. Execution and Delivery. The bond shall be executed in the name of the Drainage District by the manual or facsimile signatures of the Chair and at least one other member of the Drainage Board (if facsimile signatures are used the bond shall be authenticated by the manual signature of an authorized representative of the bond registrar and paying agent; if manual signatures are used no authentication is necessary), and the seal of the Drainage District or a facsimile thereof, shall be impressed or imprinted on the bond. When so executed, the Bond shall be delivered to the Chair of the Drainage Board, who thereafter shall deliver the same to the Authority.

9. Bond Payment Fund. The District shall establish a separate fund to be designated "Malletts Creek Drain Burns Park Porous Alley Project, Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and Malletts Creek Drain Stream Bank Stabilization Project Bond Payment Fund" (the "Bond Payment Fund"). All accrued interest and premium, if any, received from the purchaser of the Bond shall be deposited in the Bond Payment Fund.

Moneys in the Bond Payment Fund shall be used solely to pay principal of and premium, if any, and interest on the Bond.

Moneys in the Bond Payment Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the dates when moneys in the Bond Payment Fund will be required to pay the principal of and interest on the Bond. Obligations purchased as an investment of moneys of the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

All collections of installments of the assessments against the Public Corporations assessed (including principal and interest) on the Special Assessment Roll for the Malletts Creek Drain Burns Park Porous Alley Project, the Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Malletts Creek Drain Stream Bank Stabilization Project shall be placed in the Bond Payment Fund and shall be

used solely to pay the principal and interest on the bond authorized herein.

10. Project Fund. Except for amounts required by this resolution to be deposited in the Bond Payment Fund, the proceeds from the sale of the Bond shall be deposited in a separate fund to be designated "Malletts Creek Drain Burns Park Porous Alley Project, the Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Malletts Creek Drain Stream Bank Stabilization Project Fund" (the "Project Fund").

Moneys at any time in the Project Fund shall be used solely to pay costs of the Project or to reimburse the District for any costs of the Project paid before the Bond is delivered, except that upon payment (or provision for payment) in full of the costs of the Project any excess moneys remaining in the Project Fund shall be transferred to the Bond Payment Fund (if a Bond is outstanding) or applied as required by law.

Moneys in the Project Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the estimated dates when moneys in the Project Fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys in the Project Fund shall be deemed at all times to be a part of the Project Fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

11. Mutilated, Lost, Stolen, or Destroyed Bonds. Subject to Act No. 354, Public Acts of Michigan, 1972, as amended and any other applicable laws, in the event any bond is mutilated, lost, stolen or destroyed, the Chair of the Drainage Board and any other member of the Drainage Board may, on behalf of the District, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new bond having a number not then outstanding, of like date, maturity, interest rate and denomination as that mutilated, lost, stolen, or destroyed.

In the case of a mutilated bond, a replacement bond shall not be delivered unless and until such mutilated bond is surrendered to the Bond Registrar. In the case of a lost, stolen, or destroyed bond, a replacement bond shall not be delivered unless and until the District and the Bond Registrar shall have received the following: (i) a bond of indemnity as required by Act 354; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the bond lost, stolen or destroyed and the circumstances under which it was lost, stolen, or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the District and the Bond Registrar against loss due to the lost, stolen, or destroyed bond and the issuance of any replacement

bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the District and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the District.

12. Arbitrage and Tax Covenants. Notwithstanding any other provision of this Resolution, the District covenants that it will not at any time or times:

(a) Permit any proceeds of the Bond or any other funds of the District or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a "private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Bond to be includible in gross income for federal income tax purposes, cause the interest on the Bond to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bond to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Bond and the interest thereon from State of Michigan income taxation.

13. Defeasance or Redemption of Bond. If at any time,

- (a) the whole amount of the principal of and interest on any outstanding bond shall be paid, or
- (b) (i) sufficient moneys, or Government Obligations (as defined in this section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on any outstanding bond as and when due at maturity

or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of and premium, if any, and interest on such bond as and when due, and (ii) in the case of redemption prior to maturity, any outstanding bond shall have been duly called for redemption (or irrevocable instructions to call such bond for redemption shall have been given)

then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the District shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bond (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this resolution, paid over to the District and considered excess proceeds of the Bond. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within thirty (30) days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be published once in a newspaper of general circulation in the City of Detroit, Michigan, setting forth (x) the date or dates, if any, designated for the redemption of the Bond, (y) a description of the moneys or Government Obligations so held by it, and (z) that the District has been released from its obligations under this resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of and premium, if any, and interest on the Bond at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by an Authorized Officer, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

14. Filing with Municipal Finance Division. The Water Resources Commissioner, if necessary, is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

15. Resolution. The provisions of this Resolution shall constitute a contract between the District and the State Authority as the bondholder. After the issuance of the Bond the Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interests of the bondholder, nor shall the District adopt any law, ordinance or resolution in any way adversely affecting the rights of the holders of the Bond so long as the Bond or interest thereon remains unpaid.

16. Purchase Contract. The Chair of the Drainage Board is hereby authorized to execute and deliver the Purchase Contract and the Issuer's Certificate, with such changes as may be necessary or desirable, permitted by the Act and otherwise by law, and not materially adverse to the District so long as the interest rate on the Bond is not in excess of 6% per annum.

The Chair of the Drainage Board and any member of the Drainage Board, and any of them individually, are hereby authorized to sign the Supplemental Agreement and any and all other documents and certificates necessary for the sale and delivery of the Bond.

17. Form of Bond. The Bond shall be in substantially the following form:

UNITED STATES OF AMERICA
 STATE OF MICHIGAN
 MALLETTS CREEK DRAIN DRAINAGE DISTRICT,
 COUNTY OF WASHTENAW, STATE OF MICHIGAN
 MALLETTS CREEK DRAIN BURNS PARK POROUS ALLEY PROJECT, MALLETTS
 CREEK DRAIN CISTERN INSTALLATION, DOWNSPOUT DISCONNECTION AND
 TREE PLANTING PROJECT AND MALLETTS CREEK DRAIN STREAM BANK
 STABILIZATION PROJECT BOND
 (LIMITED TAX GENERAL OBLIGATION), SERIES 2011

No. R-1

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUANCE</u>
_____ %	_____	_____

REGISTERED OWNER: MICHIGAN FINANCE AUTHORITY

PRINCIPAL AMOUNT: _____ (\$_____)

FOR VALUE RECEIVED, the Malletts Creek Drain Drainage District, County of Washtenaw, State of Michigan (the "Issuer" or "District"), hereby acknowledges itself indebted and promises to pay to the Michigan Finance Authority (the "MFA" or the "Authority") the principal sum of _____ Dollars (\$_____) or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, on the dates and in the principal installments indicated on the Payment Schedule attached as EXHIBIT 1 hereto, unless prepaid prior thereto as hereinafter provided, with interest on said principal thereon until paid from the date each such installment of principal is disbursed by the Authority to the District at the rate of _____ percent (____%) per annum, first payable on _____, _____ and semiannually thereafter and principal is payable on the first day of _____ commencing _____, _____ (as identified in the Purchase Contract) and annually thereafter.

Notwithstanding any other provision of this Bond, so long as the Michigan Finance Authority (the "State Authority" or "Authority") is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the District by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business

days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least forty (40) days prior to the date on which such redemption is to be made.

ADDITIONAL INTEREST

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

The Bond may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced (subject to any principal forgiveness as provided for

in EXHIBIT 1), all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

This Bond is a single registered bond issued by the District under and pursuant to and in full conformity with the Constitution and statutes of the State of Michigan (especially Act No. 40, Public Acts of Michigan, 1956, as amended) and a bond resolution adopted by the Drainage Board of the District on _____, ____ (the "Bond Resolution") for the purpose of paying for the construction of the Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project (the "Project").

This Bond is issued in anticipation of, and is primarily payable from, the collection of special assessments assessed against Public Corporations on the Special Assessment Roll for the Malletts Creek Drain Burns Park Porous Alley Project, the Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Malletts Creek Drain Stream Bank Stabilization Project. The assessments are general obligations of the Public Corporations. The full faith and credit of the Malletts Creek Drain Drainage District have been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw have been pledged therefore. Taxes imposed by the Public Corporations are subject to constitutional tax rate limitations.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in connection with the issuance of the Bond, existed, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the District, including this Bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Malletts Creek Drain Drainage District, County of Washtenaw, Michigan, by its Drainage Board has caused this Bond to be executed in its name with the signatures of its Chair and at least one other member of the Drainage Board, has caused its seal to be affixed hereto, all as of the Date of Issuance.

MALLETTS CREEK DRAIN DRAINAGE DISTRICT

By: _____
Chair

SEAL]

And: _____
Member of the Drainage Board

EXHIBIT 1

Name of Issuer: Malletts Creek Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of _____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

18. Investments. Moneys in the Bond Payment Fund and the Project Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the Treasurer of the District which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than (a) in the case of the Bond Payment Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bond, and (b) in the case of the Project Fund, the estimated dates when moneys in such fund will be required to pay costs of the Malletts Creek Drain Burns Park Porous Alley Project, the Malletts Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Malletts Creek Drain Stream Bank Stabilization Project. Obligations purchased as an investment of moneys in the Bond Payment Fund or the Project Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

19. Depositories. All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Bond Payment Fund shall only be deposited in such banks where the principal of and interest on the Bond are payable. The Treasurer of the District shall select the depository or depositories to be used from those banks authorized in this Section.

20. Qualified Tax-Exempt Obligation. The Bond is designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265 of the Code.

21. Retention of Bond Counsel. The firm of Axe & Ecklund, P.C., attorneys of Grosse Pointe Farms, Michigan, is hereby retained to act as bond counsel for the District in connection with the issuance, sale and delivery of the Bond.

22. Retention of Financial Consultants. Municipal Financial Consultants Incorporated, Grosse Pointe Farms, Michigan, is hereby retained to act as financial consultant and advisor to the District in connection with the issuance, sale and delivery of the Bond.

23. Conflicting Resolutions. All resolutions of the Board, or parts of such resolutions, in conflict with this resolution are hereby rescinded.

24. Effective Date. This Resolution shall become effective immediately upon its adoption and shall be recorded in the minutes of the District as soon as practicable after adoption.

APPENDIX A

MALLETTS CREEK DRAIN DRAINAGE DISTRICT State Revolving Fund
County of Washtenaw, State of Michigan
Project No: (*Project Number*)

PURCHASE CONTRACT

The Michigan Finance Authority (the "Authority"), a public body corporate, separate and distinct from the State of Michigan, hereby offers to enter into this Purchase Contract with the Issuer named below (the "Issuer") which, upon the acceptance of this offer by the Issuer and ratification by the Authority, will be binding upon the Authority and the Issuer. This offer is made subject to acceptance on or before _____.

Upon the terms and conditions and upon the basis of the representations, warranties, and agreements set forth herein, including those set forth on Schedule I hereto, the Authority hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Authority, bonds (the "Bonds") in the principal amount and with the maturities and interest rate as shown on Schedule I and with redemption provisions acceptable to the Authority. The purchase price for the Bonds shall be 100%. The Authority's obligation to disburse Bond proceeds shall be contingent upon funding of the State Water Pollution Control Revolving Fund created by 1988 PA 316 and 1988 PA 317. The method of payment of Bond proceeds to the Issuer shall be as set forth in the Supplemental Agreement among the Issuer, the Authority, and the State of Michigan acting through the Department of Environmental Quality.

The Issuer represents and warrants to, and agrees with, the Authority that the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (i) to enter into this Purchase Contract, and (ii) to sell and deliver the Bonds to the Authority as provided herein and in the resolution or ordinance authorizing the Bonds and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I.

On _____, the local preclosing date, the Issuer shall make available for inspection by the Authority at the offices of the Department of Attorney General, Finance Division, Lansing,

Michigan, the Bonds, together with such other documents, certificates and closing opinions as the Authority shall require (the "Closing Documents").

On _____, (the "Closing Date"), the Authority shall accept delivery of the Bonds and the Closing Documents and pay the purchase price for the Bonds.

MICHIGAN FINANCE
AUTHORITY

BY _____
Authorized Officer

Accepted and Agreed to this
_____ day of _____

MALLETTS CREEK DRAIN DRAINAGE DISTRICT
County of Washtenaw, State of Michigan ("Issuer")

By: _____

Title: _____

SCHEDULE I

Name of Issuer: Malletts Creek Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

COUNTY OF WASHTENAW

At a regular meeting of the Board of Commissioners of the County of Washtenaw, Michigan (the "County") held at the Washtenaw County Commissioners' Chambers, Washtenaw County Administration Building, Ann Arbor, Washtenaw County, Michigan (the "County") on July 6, 2011 at 6:45 o'clock p.m., Eastern Daylight Savings Time there were:

PRESENT: Comms. Bergman, Gunn, Judge, Peterson, Ping, Prater, Conan Smith, Dan Smith, and Turner

ABSENT: Comms. Rabhi and Sizemore

The following preamble and resolution were offered by Comm. Gunn and second by Comm. Prater:

**RESOLUTION PLEDGING THE FULL FAITH AND CREDIT OF THE
COUNTY OF WASHTENAW, WITHIN CONSTITUTIONAL LIMITATIONS,
FOR THE PAYMENT OF THE BOND OF THE
SWIFT RUN DRAIN DRAINAGE DISTRICT
DESCRIBED IN THE BOND RESOLUTION
ATTACHED TO THIS RESOLUTION**

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, the Washtenaw County Water Resources Commissioner (the "Commissioner") has completed the necessary proceedings for making certain improvements in the SWIFT RUN DRAIN DRAINAGE DISTRICT (the "District") which will involve the improvement of a storm drain within the City of Ann Arbor designated as the Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project (the "Project"); and

WHEREAS, the Drainage Board for the District has approved a "Bond Resolution" in the form attached hereto authorizing the issuance of not to exceed \$75,000 in a Bond (the "Bond") with interest at a rate not to exceed the rate of 6% per annum pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956 as amended (the "Drain Code"), maturing finally no later than October 1, 2031 (depending on the construction of the Project), a copy of which is attached to this resolution; and

WHEREAS, the estimated cost of the Project is \$75,750 which has been apportioned against the City of Ann Arbor (the "Public Corporation"), all pursuant to the Drain Code; and

WHEREAS, to defray part of the cost of the Project, the Water Resources Commissioner, on behalf of the District, proposes to issue up to \$75,000 principal amount of a bond of the District, and to pledge the full faith and credit of the Drainage District, to be designated as set forth in the title of this resolution (the "Bond"), with interest at the rate of not more than 6% per annum, pursuant to the Drain Code. The maturity dates and amounts are estimated as follows:

<u>Maturing</u>	<u>Amount</u>
April 1, 2012	\$3,000
April 1, 2013	3,000
April 1, 2014	3,000
April 1, 2015	3,000
April 1, 2016	3,000
April 1, 2017	3,000
April 1, 2018	3,000
April 1, 2019	4,000
April 1, 2020	4,000
April 1, 2021	4,000
April 1, 2022	4,000
April 1, 2023	4,000
April 1, 2024	4,000
April 1, 2025	4,000
April 1, 2026	4,000
April 1, 2027	4,000
April 1, 2028	4,000
April 1, 2029	4,000
April 1, 2030	5,000
April 1, 2031	5,000

WHEREAS, the Bond is to be made payable out of the assessments against the City of Ann Arbor assessed pursuant to the Drain Code; and

WHEREAS, the Board of Commissioners, pursuant to said Drain Code, is authorized by vote of two-thirds of its members to pledge its full faith and credit of the County of Washtenaw for the payment of the Bond, within constitutional limitations;

NOW THEREFORE BE IT RESOLVED as follows:

1. The limited tax full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the Bond. In case of any deficiency in the

assessments to be made to pay the principal of and interest on the Bond as and when due, the County shall pay the amount of such deficiency out of its general funds as a first budget obligation and, if necessary, shall levy ad valorem taxes for such purposes against all taxable property within its limits, subject to constitutional and statutory limitations provided, however, that if it is necessary to reimburse the County for money it is obligated to advance, it shall be the duty of the Commissioner to at once levy an additional assessment as herein before provided as such an amount as will make up the deficiency pursuant to the Drain Code, Section 280, M.C.L. 280.280.

2. If required to do so, the County Water Resources Commissioner is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

3. All previous resolutions of the Board of Commissioners of the County, or parts thereof, that are inconsistent with this resolution are hereby rescinded.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY **ROLL CALL VOTE: TOTALS** **9 0 2**

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS.}

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____
Deputy Clerk



Res. No. 11-0110

BOND RESOLUTION

WHEREAS, the Drainage Board (the "Board") for the Swift Run Drain Drainage District (the "District"), by resolution, has approved the cleaning out, widening, deepening, straightening, extending, tiling, interconnecting or otherwise improve the intracounty drain designated by the Board as the "Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project" (the "Project") for the purpose of providing storm drainage to the District which lies wholly within the City of Ann Arbor, County of Washtenaw (the "County"), Michigan; and

WHEREAS, pursuant to a resolution of the Board, the following Public Corporation has been apportioned the cost to establish, locate, acquire, construct and finance the Project and has been assessed by the Board in the amounts set forth all as follows:

Total Estimated Cost of Project:	\$75,750
Name of Public Corporation To be Assessed	City of <u>Ann Arbor</u>
Percentage Apportioned to Public Corporation to be Assessed:	100%
Amount of Assessment against Public Corporation Based Upon Percentage of Apportionment:	\$75,750
Less Prepayments:	\$ 750
Amount to be Collected in Installments:	\$75,000

WHEREAS, the Board desires to issue a bond of the District in the maximum aggregate principal amount of \$75,000 in anticipation of the payment of such assessments against the City of Ann Arbor (the "Public Corporation"), all pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956, as amended (the "Act"); and

WHEREAS, the several installments of principal of and interest on the assessment roll made by this Board will not be

less than the semiannual principal and interest due on such bond;

NOW, THEREFORE, IT IS RESOLVED as follows:

1. Bond Size. A Bond of the District in the aggregate principal amount of not to exceed \$75,000 shall, as provided below, be sold to the Michigan Finance Authority (the "Authority") through its State Revolving Fund Loan Program.

2. Definitions. In addition to other terms defined in this Resolution, whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

a. "Act" means Act No. 40 of the Public Acts of Michigan of 1956, as amended.

b. "State Authority" and "Authority" shall mean the Michigan Finance Authority created under Executive Reorganization Order E.R.O No. 2010-2 Act No. 227 of the Public Acts of Michigan of 1985.

c. "Bond" means the Swift Run Drain Drainage District, Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project Bond (Limited Tax General Obligation), Series 2011 of the District in such principal amount as shall be delivered pursuant to the Purchase Contract authorized by this Resolution.

d. "Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the District, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bond and the principal and redemption premium, if any, on the Bond as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if the Bond is to be called for redemption prior to maturity, irrevocable notice to call the Bond for redemption shall be given to the paying agent.

e. "Purchase Contract" shall mean a Purchase Contract and Supplemental Agreement.

3. Bond Details. The Bond hereby authorized shall be designated Swift Run Drain Drainage District, Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project Bond (Limited Tax General Obligation), Series 2011 or in any other manner requested by the Authority and approved by the

Chair of the Drainage Board, shall be dated as of the date of delivery, shall consist of a single fully-registered bond, and shall be payable in the years and amounts as shown on the Form of Bond attached to this Bond Resolution all in accordance with a certain Purchase Contract, in the general form attached hereto as Appendix A (the "Purchase Contract").

The Bond shall bear interest from the date such principal is disbursed by the State Authority to the District at such rate per annum as shall be agreed to not in excess of six percent (6%) per annum, payable on such dates as shall be provided in the final Bond. It is expected that principal will be disbursed in more than one installment and each installment of principal disbursed will bear interest from the date of disbursement as noted by the State Authority on the date of disbursement.

Principal of and interest on the Bond shall be payable, and principal of the Bond will be subject to prepayment prior to maturity, in the manner and at the times provided in the form of Bond set forth in paragraph 17 of this Bond Resolution. The actual debt retirement schedule shall be set forth in the Purchase Contract.

4. Source of Repayment. The Bond shall be issued in anticipation of, and is payable primarily from, the collection of special assessments assessed against the City of Ann Arbor, the public corporation on the Special Assessment Roll for the Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project. The assessments are general obligations of the public corporation. The full faith and credit of the Swift Run Drain Drainage District has been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw will be pledged therefor. Taxes imposed by the public corporation are subject to constitutional tax rate limitations.

5. Reduction in Aggregate Amount of Issue. In the event the Purchase Contract shall call for delivery of bonds less than \$75,000, the Chair of the Drainage Board shall reduce the principal amount of the Bond and restructure the maturities thereof in accordance with the Purchase Contract.

6. Paying Agent and Bond Registrar. The Water Resources Commissioner of the County shall act as Paying Agent and Bond Registrar.

7. Transfer or Exchange of Bond. The Bond shall be transferable only as set forth in the Bond Form shown in paragraph 17 of this Bond Resolution.

8. Execution and Delivery. The bond shall be executed in the name of the Drainage District by the manual or facsimile

signatures of the Chair and at least one other member of the Drainage Board (if facsimile signatures are used the bond shall be authenticated by the manual signature of an authorized representative of the bond registrar and paying agent; if manual signatures are used no authentication is necessary), and the seal of the Drainage District or a facsimile thereof, shall be impressed or imprinted on the bond. When so executed, the Bond shall be delivered to the Chair of the Drainage Board, who thereafter shall deliver the same to the Authority.

9. Bond Payment Fund. The District shall establish a separate fund to be designated "Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project Bond Payment Fund" (the "Bond Payment Fund"). All accrued interest and premium, if any, received from the purchaser of the Bond shall be deposited in the Bond Payment Fund.

Moneys in the Bond Payment Fund shall be used solely to pay principal of and premium, if any, and interest on the Bond.

Moneys in the Bond Payment Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the dates when moneys in the Bond Payment Fund will be required to pay the principal of and interest on the Bond. Obligations purchased as an investment of moneys of the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

All collections of installments of the assessments against the public corporation assessed (including principal and interest) on the Special Assessment Roll for the Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project shall be placed in the Bond Payment Fund and shall be used solely to pay the principal and interest on the bond authorized herein.

10. Project Fund. Except for amounts required by this resolution to be deposited in the Bond Payment Fund, the proceeds from the sale of the Bond shall be deposited in a separate fund to be designated "Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project Fund" (the "Project Fund").

Moneys at any time in the Project Fund shall be used solely to pay costs of the Project or to reimburse the District for any costs of the Project paid before the Bond is delivered, except that upon payment (or provision for payment) in full of the costs of the Project any excess moneys remaining in the Project Fund shall be transferred to the Bond Payment Fund (if a Bond is outstanding) or applied as required by law.

Moneys in the Project Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the estimated dates when moneys in the Project Fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys in the Project Fund shall be deemed at all times to be a part of the Project Fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

11. Mutilated, Lost, Stolen, or Destroyed Bonds. Subject to Act No. 354, Public Acts of Michigan, 1972, as amended and any other applicable laws, in the event any bond is mutilated, lost, stolen or destroyed, the Chair of the Drainage Board and any other member of the Drainage Board may, on behalf of the District, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new bond having a number not then outstanding, of like date, maturity, interest rate and denomination as that mutilated, lost, stolen, or destroyed.

In the case of a mutilated bond, a replacement bond shall not be delivered unless and until such mutilated bond is surrendered to the Bond Registrar. In the case of a lost, stolen, or destroyed bond, a replacement bond shall not be delivered unless and until the District and the Bond Registrar shall have received the following: (i) a bond of indemnity as required by Act 354; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the bond lost, stolen or destroyed and the circumstances under which it was lost, stolen, or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the District and the Bond Registrar against loss due to the lost, stolen, or destroyed bond and the issuance of any replacement bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the District and the Bond Registrar in connection with the replacement, including the transfer and exchange costs which otherwise would be paid by the District.

12. Arbitrage and Tax Covenants. Notwithstanding any other provision of this Resolution, the District covenants that it will not at any time or times:

(a) Permit any proceeds of the Bond or any other funds of the District or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a

"private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Bond to be includible in gross income for federal income tax purposes, cause the interest on the Bond to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bond to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Bond and the interest thereon from State of Michigan income taxation.

13. Defeasance or Redemption of Bond. If at any time,

- (a) the whole amount of the principal of and interest on any outstanding bond shall be paid, or
- (b) (i) sufficient moneys, or Government Obligations (as defined in this section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on any outstanding bond as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of and premium, if any, and interest on such bond as and when due, and (ii) in the case of redemption prior to maturity, any outstanding bond shall have been duly called for redemption (or irrevocable instructions to call such bond for redemption shall have been given)

then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the District shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bond (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this resolution, paid over to

the District and considered excess proceeds of the Bond. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within thirty (30) days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be published once in a newspaper of general circulation in the City of Detroit, Michigan, setting forth (x) the date or dates, if any, designated for the redemption of the Bond, (y) a description of the moneys or Government Obligations so held by it, and (z) that the District has been released from its obligations under this resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of and premium, if any, and interest on the Bond at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by an Authorized Officer, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

14. Filing with Municipal Finance Division. The Water Resources Commissioner, if necessary, is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

15. Resolution. The provisions of this Resolution shall constitute a contract between the District and the State Authority as the bondholder. After the issuance of the Bond the Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interests of the bondholder, nor shall the District adopt any law, ordinance or resolution in any way adversely affecting the rights of the holders of the Bond so long as the Bond or interest thereon remains unpaid.

16. Purchase Contract. The Chair of the Drainage Board is hereby authorized to execute and deliver the Purchase Contract and the Issuer's Certificate, with such changes as may be necessary or desirable, permitted by the Act and otherwise by law, and not materially adverse to the District so long as the interest rate on the Bond is not in excess of 6% per annum.

The Chair of the Drainage Board and any member of the Drainage Board, and any of them individually, are hereby authorized to sign the Supplemental Agreement and any and all other documents and certificates necessary for the sale and delivery of the Bond.

17. Form of Bond. The Bond shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
SWIFT RUN DRAIN DRAINAGE DISTRICT,
COUNTY OF WASHTENAW, STATE OF MICHIGAN
SWIFT RUN DRAIN CISTERN INSTALLATION, DOWNSPOUT DISCONNECTION
AND TREE PLANTING PROJECT BOND
(LIMITED TAX GENERAL OBLIGATION), SERIES 2011

No. R-1

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUANCE</u>
_____ %	_____	_____

=====

REGISTERED OWNER: MICHIGAN FINANCE AUTHORITY

PRINCIPAL AMOUNT: _____ (\$_____)

=====

FOR VALUE RECEIVED, the Swift Run Drain Drainage District, County of Washtenaw, State of Michigan (the "Issuer" or "District"), hereby acknowledges itself indebted and promises to pay to the Michigan Finance Authority (the "MFA" or the "Authority") the principal sum of _____ Dollars (\$_____) or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, on the dates and in the principal installments indicated on the Payment Schedule attached as EXHIBIT 1 hereto, unless prepaid prior thereto as hereinafter provided, with interest on said principal thereon until paid from the date each such installment of principal is disbursed by the Authority to the District at the rate of _____ percent (____%) per annum, first payable on _____, _____ and semiannually thereafter and principal is payable on the first day of _____ commencing _____, _____ (as identified in the Purchase Contract) and annually thereafter.

Notwithstanding any other provision of this Bond, so long as the Michigan Finance Authority (the "State Authority" or "Authority") is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the District by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether

by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least forty (40) days prior to the date on which such redemption is to be made.

ADDITIONAL INTEREST

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

The Bond may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced (subject to any principal forgiveness as provided for in EXHIBIT 1), all accrued interest thereon, and any other

amount payable with respect thereto in accordance with the terms of this Bond.

This Bond is a single registered bond issued by the District under and pursuant to and in full conformity with the Constitution and statutes of the State of Michigan (especially Act No. 40, Public Acts of Michigan, 1956, as amended) and a bond resolution adopted by the Drainage Board of the District on _____, _____ (the "Bond Resolution") for the purpose of paying for the construction of the Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project (the "Project").

This Bond is issued in anticipation of, and is primarily payable from, the collection of special assessments assessed against public corporation on the Special Assessment Roll for the Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project. The assessments are general obligations of the public corporation. The full faith and credit of the Swift Run Drain Drainage District have been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw have been pledged therefore. Taxes imposed by the public corporation are subject to constitutional tax rate limitations.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in connection with the issuance of the Bond, existed, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the District, including this Bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Swift Run Drain Drainage District, County of Washtenaw, Michigan, by its Drainage Board has caused this Bond to be executed in its name with the signatures of its Chair and at least one other member of the Drainage Board, has caused its seal to be affixed hereto, all as of the Date of Issuance.

SWIFT RUN DRAIN DRAINAGE DISTRICT

SEAL] By: _____
Chair

And: _____
Member of the Drainage Board

EXHIBIT 1

Name of Issuer: Swift Run Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of _____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

18. Investments. Moneys in the Bond Payment Fund and the Project Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the Treasurer of the District which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than (a) in the case of the Bond Payment Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bond, and (b) in the case of the Project Fund, the estimated dates when moneys in such fund will be required to pay costs of the Swift Run Drain Cistern Installation, Downspout Disconnection and Tree Planting Project. Obligations purchased as an investment of moneys in the Bond Payment Fund or the Project Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

19. Depositories. All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Bond Payment Fund shall only be deposited in such banks where the principal of and interest on the Bond are payable. The Treasurer of the District shall select the depository or depositories to be used from those banks authorized in this Section.

20. Qualified Tax-Exempt Obligation. The Bond is designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265 of the Code.

21. Retention of Bond Counsel. The firm of Axe & Ecklund, P.C., attorneys of Grosse Pointe Farms, Michigan, is hereby retained to act as bond counsel for the District in connection with the issuance, sale and delivery of the Bond.

22. Retention of Financial Consultants. Municipal Financial Consultants Incorporated, Grosse Pointe Farms, Michigan, is hereby retained to act as financial consultant and advisor to the District in connection with the issuance, sale and delivery of the Bond.

23. Conflicting Resolutions. All resolutions of the Board, or parts of such resolutions, in conflict with this resolution are hereby rescinded.

24. Effective Date. This Resolution shall become effective immediately upon its adoption and shall be recorded in

the minutes of the District as soon as practicable after adoption.

APPENDIX A

SWIFT RUN DRAIN DRAINAGE DISTRICT State Revolving Fund
County of Washtenaw, State of Michigan
Project No: (*Project Number*)

PURCHASE CONTRACT

The Michigan Finance Authority (the "Authority"), a public body corporate, separate and distinct from the State of Michigan, hereby offers to enter into this Purchase Contract with the Issuer named below (the "Issuer") which, upon the acceptance of this offer by the Issuer and ratification by the Authority, will be binding upon the Authority and the Issuer. This offer is made subject to acceptance on or before _____.

Upon the terms and conditions and upon the basis of the representations, warranties, and agreements set forth herein, including those set forth on Schedule I hereto, the Authority hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Authority, bonds (the "Bonds") in the principal amount and with the maturities and interest rate as shown on Schedule I and with redemption provisions acceptable to the Authority. The purchase price for the Bonds shall be 100%. The Authority's obligation to disburse Bond proceeds shall be contingent upon funding of the State Water Pollution Control Revolving Fund created by 1988 PA 316 and 1988 PA 317. The method of payment of Bond proceeds to the Issuer shall be as set forth in the Supplemental Agreement among the Issuer, the Authority, and the State of Michigan acting through the Department of Environmental Quality.

The Issuer represents and warrants to, and agrees with, the Authority that the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (i) to enter into this Purchase Contract, and (ii) to sell and deliver the Bonds to the Authority as provided herein and in the resolution or ordinance authorizing the Bonds and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I.

On _____, the local preclosing date, the Issuer shall make available for inspection by the Authority at the offices of the Department of Attorney General, Finance Division, Lansing, Michigan, the Bonds, together with such other documents,

certificates and closing opinions as the Authority shall require (the "Closing Documents").

On _____, (the "Closing Date"), the Authority shall accept delivery of the Bonds and the Closing Documents and pay the purchase price for the Bonds.

MICHIGAN FINANCE
AUTHORITY

BY _____
Authorized Officer

Accepted and Agreed to this
_____ day of _____

SWIFT RUN DRAIN DRAINAGE DISTRICT
County of Washtenaw, State of Michigan ("Issuer")

By: _____

Title: _____

SCHEDULE I

Name of Issuer: Swift Run Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

COUNTY OF WASHTENAW

At a regular meeting of the Board of Commissioners of the County of Washtenaw, Michigan (the "County") held at the Washtenaw County Commissioners' Chambers, Washtenaw County Administration Building, Ann Arbor, Washtenaw County, Michigan (the "County") on July 6, 2011 at 6:45 o'clock p.m., Eastern Daylight Savings Time there were:

PRESENT: Comms. Bergman, Gunn, Judge, Peterson, Ping, Prater, Conan Smith, Dan Smith, and Turner

ABSENT: Comms. Rabhi and Sizemore

The following preamble and resolution were offered by Comm. Gunn and second by Comm. Prater:

**RESOLUTION PLEDGING THE FULL FAITH AND CREDIT OF THE
COUNTY OF WASHTENAW, WITHIN CONSTITUTIONAL LIMITATIONS,
FOR THE PAYMENT OF THE BOND OF THE
TRAVER CREEK DRAIN DRAINAGE DISTRICT
DESCRIBED IN THE BOND RESOLUTION
ATTACHED TO THIS RESOLUTION**

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, the Washtenaw County Water Resources Commissioner (the "Commissioner") has completed the necessary proceedings for making certain improvements in the TRAVER CREEK DRAIN DRAINAGE DISTRICT (the "District") which will involve projects to improve storm drains within the City of Ann Arbor designated as the Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Traver Creek Drain Stream Bank Stabilization Project (together the "Project"); and

WHEREAS, the Drainage Board for the District has approved a "Bond Resolution" in the form attached hereto authorizing the issuance of not to exceed \$765,000 in a Bond (the "Bond") with interest at a rate not to exceed the rate of 6% per annum pursuant to Chapter 20 of Act No. 40, Michigan Public Acts of 1956 as amended (the "Drain Code"), maturing finally no later than October 1, 2031 (depending on the construction of the Project), a copy of which is attached to this resolution; and

WHEREAS, the estimated cost of the Project is \$766,150 which has been apportioned against the City of Ann Arbor, the County of Washtenaw and the State of Michigan (the "Public Corporations"), all pursuant to the Drain Code; and

WHEREAS, to defray part of the cost of the Project, the Water Resources Commissioner, on behalf of the District, proposes to issue up to \$765,000 principal amount of a bond of the District, and to pledge the full faith and credit of the Drainage District, to be designated as set forth in the title of this resolution (the "Bond"), with interest at the rate of not more than 6% per annum, pursuant to the Drain Code. The maturity dates and amounts are estimated as follows:

<u>Maturing</u>	<u>Amount</u>
April 1, 2012	\$30,000
April 1, 2013	30,000
April 1, 2014	30,000
April 1, 2015	30,000
April 1, 2016	35,000
April 1, 2017	35,000
April 1, 2018	35,000
April 1, 2019	35,000
April 1, 2020	35,000
April 1, 2021	40,000
April 1, 2022	40,000
April 1, 2023	40,000
April 1, 2024	40,000
April 1, 2025	40,000
April 1, 2026	40,000
April 1, 2027	45,000
April 1, 2028	45,000
April 1, 2029	45,000
April 1, 2030	45,000
April 1, 2031	50,000

WHEREAS, the Bond is to be made payable out of the assessments against the City of Ann Arbor, the County of Washtenaw and the State of Michigan assessed pursuant to the Drain Code; and

WHEREAS, the Board of Commissioners, pursuant to said Drain Code, is authorized by vote of two-thirds of its members to pledge its full faith and credit of the County of Washtenaw for the payment of the Bond, within constitutional limitations;

NOW THEREFORE BE IT RESOLVED as follows:

1. The limited tax full faith and credit of the County is hereby pledged for the prompt payment of the principal of and interest on the Bond. In case of any deficiency in the assessments to be made to pay the principal of and interest on the Bond as and when due, the County shall pay the amount of such deficiency out of its general funds as a first budget obligation and, if necessary, shall levy ad valorem taxes for such purposes against all taxable property within its limits, subject to constitutional and statutory limitations provided, however, that if it is necessary to reimburse the County for money it is obligated to advance, it shall be the duty of the Commissioner to at once levy an additional assessment as herein before provided as such an amount as will make up the deficiency pursuant to the Drain Code, Section 280, M.C.L. 280.280.

2. If required to do so, the County Water Resources Commissioner is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

3. All previous resolutions of the Board of Commissioners of the County, or parts thereof, that are inconsistent with this resolution are hereby rescinded.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY

ROLL CALL VOTE: TOTALS

9 0 2

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)^{SS}.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0111

BOND RESOLUTION

WHEREAS, the Drainage Board (the "Board") for the Traver Creek Drain Drainage District (the "District"), by resolution, has approved the cleaning out, widening, deepening, straightening, extending, tiling, interconnecting or otherwise improve the intracounty drain designated by the Board as the "Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Traver Creek Drain Stream Bank Stabilization Project" (together the "Project") for the purpose of providing storm drainage to the District which lies wholly within the City of Ann Arbor, County of Washtenaw (the "County"), Michigan; and

WHEREAS, pursuant to a resolution of the Board, the following Public Corporations has been apportioned the cost to establish, locate, acquire, construct and finance the Project and has been assessed by the Board in the amounts set forth all as follows:

Total Estimated Cost of Project:	\$766,150		
Name of Public Corporation To be Assessed	City of <u>Ann Arbor</u>	County of <u>Washtenaw</u>	State of <u>Michigan</u>
Percentage Apportioned to Public Corporations to be Assessed:	88.2158%	4.0553%	7.7289%
Amount of Assessment against Public Corporation Based Upon Percentage of Apportionment:	\$675,865.35	\$31,069.68	\$59,214.97
Less Prepayments:	\$ 1,014.48	\$ 46.64	\$ 88.88
Amount to be Collected in Installments:	\$674,850.87	\$31,023.05	\$59,126.09
Total Amount to be Collected in Installments	\$765,000.00		

WHEREAS, the Board desires to issue a bond of the District in the maximum aggregate principal amount of \$765,000 in anticipation of the payment of such assessments against the City of Ann Arbor, the County of Washtenaw and the State of Michigan (the "Public Corporations"), all pursuant to Chapter 20 of Act

No. 40, Michigan Public Acts of 1956, as amended (the "Act"); and

WHEREAS, the several installments of principal of and interest on the assessment roll made by this Board will not be less than the semiannual principal and interest due on such bond;

NOW, THEREFORE, IT IS RESOLVED as follows:

1. Bond Size. A Bond of the District in the aggregate principal amount of not to exceed \$765,000 shall, as provided below, be sold to the Michigan Finance Authority (the "Authority") through its State Revolving Fund Loan Program.

2. Definitions. In addition to other terms defined in this Resolution, whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

a. "Act" means Act No. 40 of the Public Acts of Michigan of 1956, as amended.

b. "State Authority" and "Authority" shall mean the Michigan Finance Authority created under Executive Reorganization Order E.R.O No. 2010-2 Act No. 227 of the Public Acts of Michigan of 1985.

c. "Bond" means the Traver Creek Drain Drainage District, Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and Traver Creek Drain Stream Bank Stabilization Project Bond (Limited Tax General Obligation), Series 2011 of the District in such principal amount as shall be delivered pursuant to the Purchase Contract authorized by this Resolution.

d. "Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the District, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bond and the principal and redemption premium, if any, on the Bond as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if the Bond is to be called for redemption prior to maturity, irrevocable notice to call the Bond for redemption shall be given to the paying agent.

e. "Purchase Contract" shall mean a Purchase Contract and Supplemental Agreement.

3. Bond Details. The Bond hereby authorized shall be designated Traver Creek Drain Drainage District, Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and Traver Creek Drain Stream Bank Stabilization Project Bond (Limited Tax General Obligation), Series 2011 or in any other manner requested by the Authority and approved by the Chair of the Drainage Board, shall be dated as of the date of delivery, shall consist of a single fully-registered bond, and shall be payable in the years and amounts as shown on the Form of Bond attached to this Bond Resolution all in accordance with a certain Purchase Contract, in the general form attached hereto as Appendix A (the "Purchase Contract").

The Bond shall bear interest from the date such principal is disbursed by the State Authority to the District at such rate per annum as shall be agreed to not in excess of six percent (6%) per annum, payable on such dates as shall be provided in the final Bond. It is expected that principal will be disbursed in more than one installment and each installment of principal disbursed will bear interest from the date of disbursement as noted by the State Authority on the date of disbursement.

Principal of and interest on the Bond shall be payable, and principal of the Bond will be subject to prepayment prior to maturity, in the manner and at the times provided in the form of Bond set forth in paragraph 17 of this Bond Resolution. The actual debt retirement schedule shall be set forth in the Purchase Contract.

4. Source of Repayment. The Bond shall be issued in anticipation of, and is payable primarily from, the collection of special assessments assessed against the City of Ann Arbor, the County of Washtenaw and the State of Michigan, the Public Corporations on the Special Assessment Roll for the Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Traver Creek Drain Stream Bank Stabilization Project. The assessments are general obligations of the Public Corporations. The full faith and credit of the Traver Creek Drain Drainage District has been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw will be pledged therefor. Taxes imposed by the Public Corporations are subject to constitutional tax rate limitations.

5. Reduction in Aggregate Amount of Issue. In the event the Purchase Contract shall call for delivery of bonds less than \$765,000, the Chair of the Drainage Board shall reduce the

principal amount of the Bond and restructure the maturities thereof in accordance with the Purchase Contract.

6. Paying Agent and Bond Registrar. The Water Resources Commissioner of the County shall act as Paying Agent and Bond Registrar.

7. Transfer or Exchange of Bond. The Bond shall be transferable only as set forth in the Bond Form shown in paragraph 17 of this Bond Resolution.

8. Execution and Delivery. The bond shall be executed in the name of the Drainage District by the manual or facsimile signatures of the Chair and at least one other member of the Drainage Board (if facsimile signatures are used the bond shall be authenticated by the manual signature of an authorized representative of the bond registrar and paying agent; if manual signatures are used no authentication is necessary), and the seal of the Drainage District or a facsimile thereof, shall be impressed or imprinted on the bond. When so executed, the Bond shall be delivered to the Chair of the Drainage Board, who thereafter shall deliver the same to the Authority.

9. Bond Payment Fund. The District shall establish a separate fund to be designated "Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and Traver Creek Drain Stream Bank Stabilization Project Bond Payment Fund" (the "Bond Payment Fund"). All accrued interest and premium, if any, received from the purchaser of the Bond shall be deposited in the Bond Payment Fund.

Moneys in the Bond Payment Fund shall be used solely to pay principal of and premium, if any, and interest on the Bond.

Moneys in the Bond Payment Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the dates when moneys in the Bond Payment Fund will be required to pay the principal of and interest on the Bond. Obligations purchased as an investment of moneys of the Bond Payment Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

All collections of installments of the assessments against the Public Corporations assessed (including principal and interest) on the Special Assessment Roll for the Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Traver Creek Drain Stream Bank Stabilization Project shall be placed in the Bond Payment Fund and shall be used solely to pay the principal and interest on the bond authorized herein.

10. Project Fund. Except for amounts required by this resolution to be deposited in the Bond Payment Fund, the proceeds from the sale of the Bond shall be deposited in a separate fund to be designated "Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Traver Creek Drain Stream Bank Stabilization Project Fund" (the "Project Fund").

Moneys at any time in the Project Fund shall be used solely to pay costs of the Project or to reimburse the District for any costs of the Project paid before the Bond is delivered, except that upon payment (or provision for payment) in full of the costs of the Project any excess moneys remaining in the Project Fund shall be transferred to the Bond Payment Fund (if a Bond is outstanding) or applied as required by law.

Moneys in the Project Fund may be continuously invested and reinvested in any legal investment for District funds, which shall mature, or which shall be subject to redemption by the holder thereof not later than, the estimated dates when moneys in the Project Fund will be required to pay costs of the Project. Obligations purchased as an investment of moneys in the Project Fund shall be deemed at all times to be a part of the Project Fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

11. Mutilated, Lost, Stolen, or Destroyed Bonds. Subject to Act No. 354, Public Acts of Michigan, 1972, as amended and any other applicable laws, in the event any bond is mutilated, lost, stolen or destroyed, the Chair of the Drainage Board and any other member of the Drainage Board may, on behalf of the District, execute and deliver, or order the Bond Registrar to authenticate and deliver, a new bond having a number not then outstanding, of like date, maturity, interest rate and denomination as that mutilated, lost, stolen, or destroyed.

In the case of a mutilated bond, a replacement bond shall not be delivered unless and until such mutilated bond is surrendered to the Bond Registrar. In the case of a lost, stolen, or destroyed bond, a replacement bond shall not be delivered unless and until the District and the Bond Registrar shall have received the following: (i) a bond of indemnity as required by Act 354; (ii) an affidavit of the registered owner (or his or her attorney) setting forth ownership of the bond lost, stolen or destroyed and the circumstances under which it was lost, stolen, or destroyed; (iii) the agreement of the owner of the Bond (or his or her attorney) to fully indemnify the District and the Bond Registrar against loss due to the lost, stolen, or destroyed bond and the issuance of any replacement bond in connection therewith; and (iv) the agreement of the owner of the Bond (or his or her attorney) to pay all expenses of the District and the Bond Registrar in connection with the

replacement, including the transfer and exchange costs which otherwise would be paid by the District.

12. Arbitrage and Tax Covenants. Notwithstanding any other provision of this Resolution, the District covenants that it will not at any time or times:

(a) Permit any proceeds of the Bond or any other funds of the District or under its control to be used directly or indirectly (i) to acquire any securities or obligations, the acquisition of which would cause any Bond to be an "arbitrage bond" as defined in Section 148 of the Internal Revenue Code of 1986, as amended (the "Code"), or (ii) in a manner which would result in the exclusion of any Bond from the treatment afforded by Section 103(a) of the Code by reason of the classification of any Bond as a "private activity bond" within the meaning of Section 141(a) of the Code, as a "private loan bond" within the meaning of Section 141(a) of the Code or as an obligation guaranteed by the United States of America within the meaning of Section 149(b) of the Code; or

(b) Take any action, or fail to take any action (including failure to file any required information or other returns with the United States Internal Revenue Service or to rebate amounts to the United States, if required, at or before the time or times required), within its control which action or failure to act would (i) cause the interest on the Bond to be includible in gross income for federal income tax purposes, cause the interest on the Bond to be includible in computing any alternative minimum tax (other than the alternative minimum tax applicable to interest on all tax-exempt obligations generally) or cause the proceeds of the Bond to be used directly or indirectly by an organization described in Section 501(c)(3) of the Code, or (ii) adversely affect the exemption of the Bond and the interest thereon from State of Michigan income taxation.

13. Defeasance or Redemption of Bond. If at any time,

(a) the whole amount of the principal of and interest on any outstanding bond shall be paid, or

(b) (i) sufficient moneys, or Government Obligations (as defined in this section) not callable prior to maturity, the principal of and interest on which when due and payable will provide sufficient moneys, to pay the whole amount of the principal of and premium, if any, and interest on any outstanding bond as and when due at maturity or upon redemption prior to maturity shall be deposited with and held by a trustee or an escrow agent for the purpose of paying the principal of

and premium, if any, and interest on such bond as and when due, and (ii) in the case of redemption prior to maturity, any outstanding bond shall have been duly called for redemption (or irrevocable instructions to call such bond for redemption shall have been given)

then, at the time of the payment referred to in clause (a) of this Section or of the deposit referred to in clause (b) of this Section, the District shall be released from all further obligations under this resolution, and any moneys or other assets then held or pledged pursuant to this resolution for the purpose of paying the principal of and interest on the Bond (other than the moneys deposited with and held by a trustee or an escrow agent as provided in clause (b) of this Section) shall be released from the conditions of this resolution, paid over to the District and considered excess proceeds of the Bond. In the event moneys or Government Obligations shall be so deposited and held, the trustee or escrow agent holding such moneys or Government Obligations shall, within thirty (30) days after such moneys or Government Obligations shall have been so deposited, cause a notice signed by it to be published once in a newspaper of general circulation in the City of Detroit, Michigan, setting forth (x) the date or dates, if any, designated for the redemption of the Bond, (y) a description of the moneys or Government Obligations so held by it, and (z) that the District has been released from its obligations under this resolution. All moneys and Government Obligations so deposited and held shall be held in trust and applied only to the payment of the principal of and premium, if any, and interest on the Bond at maturity or upon redemption prior to maturity, as the case may be, as provided in this Section.

The trustee or escrow agent referred to in this Section shall (a) be a bank or trust company permitted by law to offer and offering the required services, (b) be appointed by an Authorized Officer, and (c) at the time of its appointment and so long as it is serving as such, have at least \$25,000,000 of capital and unimpaired surplus. The same bank or trust company may serve as trustee or escrow agent under this Section and as Bond Registrar so long as it is otherwise eligible to serve in each such capacity.

As used in this Section, the term "Government Obligations" means direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America.

14. Filing with Municipal Finance Division. The Water Resources Commissioner, if necessary, is authorized and directed to:

- (a) apply to the Municipal Finance Division of the Michigan Department of Treasury for approval of the sale of the Bond;
- (b) file with such application all required supporting material; and
- (c) pay all fees required in connection therewith.

15. Resolution. The provisions of this Resolution shall constitute a contract between the District and the State Authority as the bondholder. After the issuance of the Bond the Resolution shall not be repealed or amended in any respect which will adversely affect the rights and interests of the bondholder, nor shall the District adopt any law, ordinance or resolution in any way adversely affecting the rights of the holders of the Bond so long as the Bond or interest thereon remains unpaid.

16. Purchase Contract. The Chair of the Drainage Board is hereby authorized to execute and deliver the Purchase Contract and the Issuer's Certificate, with such changes as may be necessary or desirable, permitted by the Act and otherwise by law, and not materially adverse to the District so long as the interest rate on the Bond is not in excess of 6% per annum.

The Chair of the Drainage Board and any member of the Drainage Board, and any of them individually, are hereby authorized to sign the Supplemental Agreement and any and all other documents and certificates necessary for the sale and delivery of the Bond.

17. Form of Bond. The Bond shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
TRAVER CREEK DRAIN DRAINAGE DISTRICT,
COUNTY OF WASHTENAW, STATE OF MICHIGAN
TRAVER CREEK DRAIN CISTERN INSTALLATION, DOWNSPOUT DISCONNECTION
AND TREE PLANTING PROJECT AND THE TRAVER CREEK DRAIN STREAM BANK
STABILIZATION PROJECT BOND
(LIMITED TAX GENERAL OBLIGATION), SERIES 2011

No. R-1

<u>RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ISSUANCE</u>
_____ %	_____	_____

REGISTERED OWNER: MICHIGAN FINANCE AUTHORITY

PRINCIPAL AMOUNT: _____ (\$_____)

FOR VALUE RECEIVED, the Traver Creek Drain Drainage District, County of Washtenaw, State of Michigan (the "Issuer" or "District"), hereby acknowledges itself indebted and promises to pay to the Michigan Finance Authority (the "MFA" or the "Authority") the principal sum of _____ Dollars (\$_____) or so much thereof as shall have been advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, on the dates and in the principal installments indicated on the Payment Schedule attached as EXHIBIT 1 hereto, unless prepaid prior thereto as hereinafter provided, with interest on said principal thereon until paid from the date each such installment of principal is disbursed by the Authority to the District at the rate of _____ percent (____%) per annum, first payable on _____, _____ and semiannually thereafter and principal is payable on the first day of _____ commencing _____, _____ (as identified in the Purchase Contract) and annually thereafter.

Notwithstanding any other provision of this Bond, so long as the Michigan Finance Authority (the "State Authority" or "Authority") is the owner of this Bond, (a) this Bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the District by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business

days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this Bond shall be given by the Issuer and received by the Authority's Depository at least forty (40) days prior to the date on which such redemption is to be made.

ADDITIONAL INTEREST

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this Bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this Bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this Bond.

The Bond may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

During the time funds are being drawn down by the Issuer under this Bond, the Authority will periodically provide the Issuer a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the Issuer of its obligation to repay the outstanding principal amount actually advanced (subject to any principal forgiveness as provided for

in EXHIBIT 1), all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

This Bond is a single registered bond issued by the District under and pursuant to and in full conformity with the Constitution and statutes of the State of Michigan (especially Act No. 40, Public Acts of Michigan, 1956, as amended) and a bond resolution adopted by the Drainage Board of the District on _____, _____ (the "Bond Resolution") for the purpose of paying for the construction of the Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project (the "Project").

This Bond is issued in anticipation of, and is primarily payable from, the collection of special assessments assessed against Public Corporations on the Special Assessment Roll for the Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Traver Creek Drain Stream Bank Stabilization Project. The assessments are general obligations of the Public Corporations. The full faith and credit of the Traver Creek Drain Drainage District have been pledged for the prompt payment of the principal and interest on this bond as the same shall become due, and, in addition, the full faith and credit of the County of Washtenaw have been pledged therefore. Taxes imposed by the Public Corporations are subject to constitutional tax rate limitations.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in connection with the issuance of the Bond, existed, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of Michigan, and that the total indebtedness of the District, including this Bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Traver Creek Drain Drainage District, County of Washtenaw, Michigan, by its Drainage Board has caused this Bond to be executed in its name with the signatures of its Chair and at least one other member of the Drainage Board, has caused its seal to be affixed hereto, all as of the Date of Issuance.

TRAVER CREEK DRAIN DRAINAGE DISTRICT

By: _____
Chair

SEAL]

And: _____
Member of the Drainage Board

EXHIBIT 1

Name of Issuer: Traver Creek Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of _____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

18. Investments. Moneys in the Bond Payment Fund and the Project Fund may be continuously invested and reinvested in the United States government obligations, obligations the principal of and interest on which are unconditionally guaranteed by the United States government, or in interest-bearing time deposits selected by the Treasurer of the District which are permissible investments for surplus funds under Act No. 20 of the Public Acts of 1943, as amended. Such investments shall mature, or be subject to redemption at the option of the holder, not later than (a) in the case of the Bond Payment Fund, the dates moneys in such fund will be required to pay the principal of and interest on the Bond, and (b) in the case of the Project Fund, the estimated dates when moneys in such fund will be required to pay costs of the Traver Creek Drain Cistern Installation, Downspout Disconnection and Tree Planting Project and the Traver Creek Drain Stream Bank Stabilization Project. Obligations purchased as an investment of moneys in the Bond Payment Fund or the Project Fund, as the case may be, shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund.

19. Depositories. All of the banks located in the State of Michigan are hereby designated as permissible depositories of the moneys in the funds established by this Resolution, except that the moneys in the Bond Payment Fund shall only be deposited in such banks where the principal of and interest on the Bond are payable. The Treasurer of the District shall select the depository or depositories to be used from those banks authorized in this Section.

20. Qualified Tax-Exempt Obligation. The Bond is designated as "qualified tax-exempt obligations" for purposes of deduction of interest expense by financial institutions under the provisions of Section 265 of the Code.

21. Retention of Bond Counsel. The firm of Axe & Ecklund, P.C., attorneys of Grosse Pointe Farms, Michigan, is hereby retained to act as bond counsel for the District in connection with the issuance, sale and delivery of the Bond.

22. Retention of Financial Consultants. Municipal Financial Consultants Incorporated, Grosse Pointe Farms, Michigan, is hereby retained to act as financial consultant and advisor to the District in connection with the issuance, sale and delivery of the Bond.

23. Conflicting Resolutions. All resolutions of the Board, or parts of such resolutions, in conflict with this resolution are hereby rescinded.

24. Effective Date. This Resolution shall become effective immediately upon its adoption and shall be recorded in

the minutes of the District as soon as practicable after adoption.

APPENDIX A

TRAVER CREEK DRAIN DRAINAGE DISTRICT State Revolving Fund
County of Washtenaw, State of Michigan
Project No: (*Project Number*)

PURCHASE CONTRACT

The Michigan Finance Authority (the "Authority"), a public body corporate, separate and distinct from the State of Michigan, hereby offers to enter into this Purchase Contract with the Issuer named below (the "Issuer") which, upon the acceptance of this offer by the Issuer and ratification by the Authority, will be binding upon the Authority and the Issuer. This offer is made subject to acceptance on or before _____.

Upon the terms and conditions and upon the basis of the representations, warranties, and agreements set forth herein, including those set forth on Schedule I hereto, the Authority hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Authority, bonds (the "Bonds") in the principal amount and with the maturities and interest rate as shown on Schedule I and with redemption provisions acceptable to the Authority. The purchase price for the Bonds shall be 100%. The Authority's obligation to disburse Bond proceeds shall be contingent upon funding of the State Water Pollution Control Revolving Fund created by 1988 PA 316 and 1988 PA 317. The method of payment of Bond proceeds to the Issuer shall be as set forth in the Supplemental Agreement among the Issuer, the Authority, and the State of Michigan acting through the Department of Environmental Quality.

The Issuer represents and warrants to, and agrees with, the Authority that the Issuer has, and on the Closing Date (specified below) will have, full legal right, power and authority (i) to enter into this Purchase Contract, and (ii) to sell and deliver the Bonds to the Authority as provided herein and in the resolution or ordinance authorizing the Bonds and the Issuer has duly authorized and approved the execution and delivery of and the performance by the Issuer of its obligations contained in this Purchase Contract including those set forth in Schedule I.

On _____, the local preclosing date, the Issuer shall make available for inspection by the Authority at the offices of the Department of Attorney General, Finance Division, Lansing, Michigan, the Bonds, together with such other documents,

certificates and closing opinions as the Authority shall require (the "Closing Documents").

On _____, (the "Closing Date"), the Authority shall accept delivery of the Bonds and the Closing Documents and pay the purchase price for the Bonds.

MICHIGAN FINANCE
AUTHORITY

BY _____
Authorized Officer

Accepted and Agreed to this
_____ day of _____

TRAVER CREEK DRAIN DRAINAGE DISTRICT
County of Washtenaw, State of Michigan ("Issuer")

By: _____

Title: _____

SCHEDULE I

Name of Issuer: Traver Creek Drain Drainage District
DEQ Project No.
DEQ Approved Amt: \$

PAYMENT SCHEDULE

Based on the schedule provided below unless revised as provided in this paragraph, repayment of principal of the Bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order") approves a principal amount of assistance less than the amount of the Bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order, (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the Issuer is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

<u>Due</u> <u>Date</u>	<u>Amount of Principal</u> <u>Installment Due</u>
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Interest on the Bond shall accrue on that portion of principal disbursed by the Authority to the Issuer which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of ____% per annum, payable _____ 1, _____, and semi-annually thereafter.

The Issuer agrees that it will deposit with The Bank of New York Mellon Trust Company, N.A., or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository") payments of the principal of, premium, if any, and interest on this Bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the Issuer's deposit by 12:00 noon on the scheduled day, the Issuer shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

A RESOLUTION ACCEPTING THE RECOMMENDATION FROM THE POLICE SERVICES STEERING COMMITTEE (PSSC) AND ADOPTING THE POLICE SERVICES 2012-15 COST/PRICE METRICS AS THE AGREED CALCULATION FOR THE TOTAL PRICE OF A POLICE SERVICE UNIT (PSU)

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, The Sheriff's Office and the county have provided contract police services to local jurisdictions for well over three decades and the current contracting architecture and methodology is in part based on the Northwestern University- Traffic Institute Police Allocation study incorporating the Police Services Unit (PSU) methodology by which a contract included a deputy and all necessary support; and

WHEREAS, there has been much analysis and review of issues associated with the cost and contract price metrics and methodology over the past decade; and

WHEREAS, in March 2009 the Police Services Steering Committee (PSSC) under the leadership of Sheriff Clayton established a Financial Sub-Committee with a charge of reviewing the current financial methodology and base assumptions used in the police services contracts; and

WHEREAS, the Financial Sub-Committee reviewed all costs within the direct, indirect and overhead categories and brought three scenarios to the full PSSC; and

WHEREAS, after much review and discussion on November 3, 2010 the PSSC adopted Scenario 3 as the recommended cost calculation which defined the 2011 cost per deputy at \$168,584 with an additional \$7,524 per deputy in Overhead with a 2011 established contract price of \$150,594; and

WHEREAS, these costs did not include the county's general fund contribution to County-wide Services and Mandated Services within the Sheriff's Office; and

WHEREAS, the PSSC also recommended shifting back to the PSU cost terminology as the total cost includes the deputy and all necessary support; and

WHEREAS, on December 1, 2010 the Board of Commissioners by Resolution accepted the recommendation from the Police Services Steering Committee (PSSC) and adopted Scenario 3 as the agreed upon calculation for the total cost of a Police Service Unit; and

WHEREAS, this was a breakthrough in discussions between the County, Sheriff and contracting entities that could not have been achieved without the cooperation and active participation of the Sheriff's Office, County Administration, Budget Office, and the contracting jurisdictions; and

WHEREAS, in these times of economic uncertainty, the Sheriff's Office, the county and the townships, recognized there would be additional value in being able to provide predictability around price to aid in budget planning for all parties involved; and

WHEREAS, the Sheriff's Office the county and the contracting entities wished to find the balance between cost and price to develop a "win-win" for the county and contracting entities, and more importantly the community at large; and

WHEREAS, the PSSC charged the Financial Sub-Committee, both with members from the Sheriff's Office, the County and the contracting entities, with determining what would be a fair and equitable price to be charged the contracting entities by the county; and

WHEREAS, the Financial Sub-Committee took a "shared sacrifice" approach to developing four year price projection metrics that would provide predictability, fairness, and maximize public safety services to the residents of Washtenaw County; and

WHEREAS, the Board of Commissioners is deeply committed to the public safety of all the residents of the county and as part of its budget process prioritization decided that public safety should be the number one priority in the county; and

WHEREAS, both the county and the contracting partners discussed in depth the budget challenges that each faced and the value that each contributes to over-all public safety in Washtenaw County; and

WHEREAS, the Sheriff's Office, County Administration, and the contracting entities are all deeply committed to controlling costs in order to keep the price to the contracting entities affordable without unduly burdening limited county financial resources; and

WHEREAS, the Sheriff's Office as part of its commitment to "shared sacrifice" and the safety of the residents of Washtenaw County will not pass on all anticipated price increases as reflected in the attached Price Metrics document, but absorb a portion of those costs within its budget; and

WHEREAS, the Washtenaw Board of Commissioners will adopt the price of a PSU for 2012 at \$150,594 level with 2011 price, with yearly 1% increase for subsequent year through 2015. 2013 price will be \$152,100, 2014 price will be \$153,621 and 2015 price will be \$155,157; and

WHEREAS, the Sheriff's Office, County Administration and the PSSC will further focus on the process and metrics related to the PSSC charge: the appropriate length of new contracts, adding or reducing PSUs, and changes in contract costs,; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, the County Administrator's Office, and the Ways and Means Committee;

NOW BE IT FURTHER RESOLVED, that the Washtenaw County Board of Commissioners hereby accepts the recommendation from the Police Services Steering Committee and adopts the Police Services 2012-15 Cost/Price Metrics as the agreed upon calculation for the total price of a police service unit as attached hereto and made a part hereof.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY **ROLL CALL VOTE: TOTALS** **9 0 2**

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)^{SS}.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0112

POLICE SERVICES 2012 - 15 COST/PRICE METRICS

BOC Adoption - Cost Per PSU

Cost Category Breakdown	BOC Adopted Cost	Estimated Cost			
	2011	2012	2013	2014	2015
Contract w/ Supervision					
Direct					
Salary	74,302	73,650	74,536	75,314	76,067
Fringe	45,278	45,820	50,173	54,940	60,159
Uniform Allowance	1,764	1,764	1,764	1,764	1,764
Gun Allowance	764	764	764	764	764
Fleet	13,151	13,617	13,481	13,481	13,481
Direct Subtotal	135,259	135,615	140,718	146,263	152,235
Indirect					
Central Dispatch	20,343	20,122	21,081	22,039	23,141
Net Revenue	(9,636)	(9,525)	(9,525)	(9,525)	(9,525)
Net Fire Dispatch	(2,187)	(2,162)	(2,162)	(2,162)	(2,162)
Liability Insurance	2,554	2,372	2,372	2,372	2,372
Sheriff Support Services Salary	6,472	5,656	5,643	5,707	5,764
Sheriff Support Services Fringe	4,399	3,940	4,334	4,797	5,253
Sheriff Support Services Overtime	118	117	117	117	117
Sheriff Support Services Uniforms	69	69	69	69	69
Info & Tech Systems	6,891	6,873	6,873	6,873	6,873
General Supplies	822	822	822	822	822
Other Services & Charges	2,667	2,667	2,668	2,668	2,668
Capital Outlay	111	111	111	111	111
Contract Related Legal	702	644	644	644	644
Indirect Subtotal	33,325	31,706	33,047	34,532	36,147
Contract Subtotal	168,584	167,321	173,765	180,795	188,382
Overhead					
Sheriff Admin - Patrol	5,724	5,788	6,096	6,355	6,609
General Supplies	400	400	400	400	400
Other Services & Charges	1,297	1,297	1,297	1,297	1,297
Capital Outlay	54	54	54	54	54
Uniform Allowance	37	39	39	39	39
Gun Allowance	12	12	12	12	12
Overhead Subtotal	7,524	7,590	7,898	8,157	8,411
BOC Adopted Cost Methodology	176,108	174,911	181,663	188,952	196,793
Total Cost for 74 PSU	13,031,992	12,943,383	13,443,049	13,982,435	14,562,697
Contract Price Scenario	150,594	150,594	152,100	153,621	155,157
Total Price for 74 PSU	11,143,956	11,143,956	11,255,396	11,367,950	11,481,629
County Contribution to Contract Patrol	1,888,036	1,799,427	2,187,654	2,614,486	3,081,068
County Contribution to Contract Patrol (%)	14.49%	13.90%	16.27%	18.70%	21.16%
Other County Contribution					
GF Patrol	1,575,075	1,619,030	1,702,333	1,775,066	1,846,068
Detective Bureau	1,763,733	1,785,145	1,856,801	1,934,591	2,011,974
Other County Overhead	1,654,217	1,677,590	1,674,331	1,674,331	1,674,331
Patrol Overtime	531,275	531,376	531,376	531,376	531,376
Sheriff Support Services	509,212	676,425	727,811	773,156	819,546
Central Dispatch	1,531,312	1,598,273	1,633,240	1,668,140	1,701,503
Net Other Revenue	(449,971)	(460,028)	(460,028)	(460,028)	(460,028)
Other County Contribution Subtotal	7,114,853	7,427,812	7,665,865	7,896,632	8,124,770
Total County Contribution	9,002,889	9,227,239	9,853,519	10,511,118	11,205,838

Major Assumptions:
 Salaries in alignment with union contract
 Does not include Marine Safety, Civil, Animal Control and Corrections
 Different staffing allocation between Sheriff business units in 2011
 9.5% yearly increase for fringe rates
 Liability insurance, IT and Legal 0% yearly increase
 Fleet 2012 3% increase, followed by 1% decrease in 2013 then 0% increase
 Excludes Sheriff WCERS: 2011 \$2,524,392; 2012 \$3,155,498
 Includes a \$100K estimated reduction in Sheriff Support Services

Major Price Assumptions
 Assumes a 0% increase for 2012
 Assumes a 1% increase for 2013, 2014 & 2015

A RESOLUTION RATIFYING THE SIGNATURE OF THE COUNTY ADMINISTRATOR ON THE ELECTRONIC APPLICATION SUBMISSION TO THE GENESEE COUNTY HEALTH DEPARTMENT RACIAL AND ETHNIC APPROACHES TO COMMUNITY HEALTH (REACH) US LEGACY PROJECT IN THE AMOUNT OF \$24,805 FOR THE PERIOD OF OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012 FOR THE PUBLIC HEALTH DEPARTMENT; AUTHORIZING THE ADMINISTRATOR TO SIGN THE NOTICE OF AWARD; AMENDING THE BUDGET; AUTHORIZING THE ADMINISTRATOR TO SIGN DELEGATE CONTRACTS

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, Genesee County, Michigan has been a CDC-funded REACH 2010 community since inception of the federal initiative in 1999; and

WHEREAS, The Genesee County REACH US project now seeks to award sub grants for projects (to be known as Legacy Projects) that will enhance ongoing work within recipient communities to reduce African American infant mortality; and

WHEREAS, in Washtenaw County there is a large disparity in infant mortality between babies born to black mothers vs. white mothers; and

WHEREAS, local health data points to a need for a focused infant mortality reduction campaign targeting the African American community in the Ypsilanti area; and

WHEREAS, The Washtenaw County Public Health REACH Legacy Project is intended to support existing community efforts to reduce the persistent local African American health disparity in infant mortality; and

WHEREAS, Using existing materials and methods from the Genesee REACH Project and the Health and Human Services Office of Minority Health campaign, "A Healthy Baby Begins with You," an awareness and outreach campaign will be delivered to African American women less than 18 through 30 years of age in the Ypsilanti area; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, the County Administrator's Office, and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby ratifies the electronic application submission to the Genesee County Health Department in the amount of \$24,805, for the period of October 1, 2011 through September 30, 2012 as on file with the County Clerk.

BE IT FURTHER RESOLVED that the Washtenaw County Board of Commissioners take the following actions contingent upon the receipt of the grant award in conformity with the grant application:

1. Authorizing the Administrator to sign the Notice of Grant Award
2. Amending the budget, as attached hereto and made a part hereof
3. Authorizing the Administrator to sign delegate contracts in conformity with the application/award upon review of Corporation Counsel, to be filed with the County Clerk.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY ROLL CALL VOTE: TOTALS 9 0 2

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)SS.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0113

**Public Health
2011-12 REACH US Legacy
Project
Business Unit 2962127200**

	<u>Prior Year Actual Amounts</u>	<u>Current Year Projected</u>	<u>Recommende d Budget</u>
Revenues:			
58000 Local Revenue	-	24,805	24,805
Total Revenue and Other Sources	-	24,805	24,805
Expenditure:			
80000 Other Services & Charges	-	22,550	22,550
94000 Internal Service Charges	-	2,255	2,255
Total Expenditures and Other Uses	-	24,805	24,805
Net Revenues (Expenditures)	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	-	-	-

(Note: Public Health's fund balance, end of year as of 12-31-10 was \$912,745.)

RESOLUTION RATIFYING THE CHAIR OF THE BOARD'S SIGNATURE ON THE ETCS MICHIGAN NATIONAL CAREER READINESS CERTIFICATE (MI NCRC) FUNDING FROM THE WORKFORCE DEVELOPMENT AGENCY, STATE OF MICHIGAN (WDASOM) FORMERLY THE DEPARTMENT OF ENERGY, LABOR AND ECONOMIC GROWTH (DELEG) IN THE AMOUNT OF \$140,954 FOR THE TIME PERIOD OF OCTOBER 1, 2009 THROUGH JUNE 30, 2011.

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, ETCS has submitted a plan to the Workforce Development Agency, State of Michigan (WDA) formerly the Department of Energy, Labor and Economic Growth (DELEG), for the Michigan National Career Readiness Certificate (MI NCRC) funding in the amount of \$140,954 for the time period of October 1, 2009 through June 30, 2011; and

WHEREAS, the NCRC was created by ACT, Inc. (formerly American College Testing) to be a common, reliable, and portable career readiness certificate; and

WHEREAS, the NCRC indicates that an individual has demonstrated predetermined skill levels on three core WorkKeys assessments: Applied Mathematics, Locating Information, and Reading for Information, as well as measures "real world" foundational skills that are critical to job success; and

WHEREAS, the State of Michigan has adopted a MI NCRC based on the NCRC created by ACT, Inc. and endorsed by Governor Granholm, which will provide Michigan with the ability to quantify the skills of its workforce, attract new businesses, identify skill gaps and provide the opportunity for remediation, provide employers with validated certification of applicant skill levels, and provide individuals with recognized verification of their ability to demonstrate valuable workplace skills and make informed decisions about training programs and job occupations; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, the County Administrator's Office and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby ratifies the signature of the Chair of the Board on the ETCS Michigan National Career Readiness Certificate (MI NCRC) funding from the Workforce Development Agency, State of Michigan (WDASOM) formerly the Department of Energy, Labor and Economic Growth (DELEG) in the amount of \$140,954 for the time period of October 1, 2009 through June 30, 2011, as on file with the County Clerk.

BE IT FURTHER RESOLVED that the Board of Commissioners hereby takes the following actions contingent upon receipt of the grant award in conformity with the application:

1. Authorizing the County Administrator to sign the Notice of Grant Award
2. Amending the budget as attached hereto and made a part hereof
3. Authorizing the County Administrator to sign delegate contracts upon review and approval of Corporation Counsel, to be filed with the County Clerk

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY **ROLL CALL VOTE: TOTALS** **9 0 2**

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)^{SS.}

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0114

**ETCS
MI NCRC - Wagner
Peyser
Business Unit
2490109190**

	<u>Prior Year Actual Amounts</u>	<u>Current Year Projected</u>	<u>Recommended Budget</u>
Revenues:			
50000 Federal Revenue	-	19,182	19,182
Total Revenue and Other Sources	-	19,182	19,182
Expenditure:			
80000 Other Services & Charges		19,182	19,182

Total Expenditures and Other Uses	-	19,182	19,182
Net Revenues (Expenditures)	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	-	-	-

(Note: ETCS's fund balance, end of year as of 12-31-10 was \$453,179.)

**ETCS
MI NCRC - ARRA
Business Unit
2490109199**

	<u>Prior Year Actual Amounts</u>	<u>Current Year Projected</u>	<u>Recommended Budget</u>
Revenues:			
50000 Federal Revenue	-	76,746	76,746
Total Revenue and Other Sources	-	76,746	76,746
Expenditure:			
80000 Other Services & Charges		76,746	76,746
Total Expenditures and Other Uses	-	76,746	76,746
Net Revenues (Expenditures)	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	-	-	-

(Note: ETCS's fund balance, end of year as of 12-31-10 was \$453,179.)

**ETCS
MI NCRC - WIA
Statewide
Business Unit
2320109190**

	<u>Prior Year Actual Amounts</u>	<u>Current Year Projected</u>	<u>Recommended Budget</u>
Revenues:			
50000 Federal Revenue	-	45,026	45,026
Total Revenue and Other Sources	-	45,026	45,026
Expenditure:			
80000 Other Services & Charges		45,026	45,026
Total Expenditures and Other Uses	-	45,026	45,026
Net Revenues (Expenditures)	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	-	-	-

(Note: ETCS's fund balance, end of year as of 12-31-10 was \$453,179.)

RESOLUTION RATIFYING THE CHAIR OF THE BOARD'S SIGNATURE ON THE ETCS WAGNER-PEYSER RECOVERY ACT REEMPLOYMENT SERVICES (RES) FUNDING TO SUPPORT CASE MANAGEMENT SERVICES FOR TRADE FROM THE STATE OF MICHIGAN WORKFORCE DEVELOPMENT AGENCY (WDA) FORMERLY THE DEPARTMENT OF ENERGY, LABOR AND ECONOMIC GROWTH (DELEG) IN THE AMOUNT OF \$19,620 FOR THE TIME PERIOD OF OCTOBER 1, 2009 THROUGH MARCH 31, 2011.

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, ETCS has submitted a plan to the State of Michigan Workforce Development Agency (WDA) formerly the Department of Energy, Labor and Economic Growth (DELEG) for the Wagner-Peyser Recovery Act Reemployment Services (RES) funding to support Case Management Services for Trade in the amount of \$19,620 for the time period of October 1, 2009 through March 31, 2011; and

WHEREAS, trade programs are available to assist individuals who have become unemployed as a result of increased imports or a shift in production; and

WHEREAS, the goal is to help such laid-off workers return to suitable employment as quickly as possible; several forms of reemployment assistance are available to aid those who may have lost a job due to an increase in imports; and

WHEREAS, to obtain trade services and benefits, a group of workers must first file a petition with the USDOL's Labor Division of Trade Adjustment Assistance (DTAA) requesting certification as workers adversely affected by foreign trade; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, the County Administrator's Office and the Ways and Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby ratifies the signature of the Chair of the Board on the ETCS Wagner-Peyser Recovery Act Reemployment Services (RES) funding to support Case Management Services for Trade from the State of Michigan Workforce Development Agency (WDA) formerly the Department of Energy, Labor and Economic Growth (DELEG) in the amount of \$19,620 for the time period of October 1, 2009 through March 31, 2011, as on file with the County Clerk.

BE IT FURTHER RESOLVED that the Board of Commissioners hereby takes the following actions contingent upon receipt of the grant award in conformity with the application:

1. Authorizing the County Administrator to sign the Notice of Grant Award
2. Amending the budget as attached hereto and made a part hereof

3. Authorizing the County Administrator to sign delegate contracts upon review and approval of Corporation Counsel, to be filed with the County Clerk.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY

ROLL CALL VOTE: TOTALS

9 0 2

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)^{SS}.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0115

**ETCS
Wagner-Peyser RES
Business Unit
2380099198**

	<u>Prior Year Actual Amounts</u>	<u>Current Year Projected</u>	<u>Recommended Budget</u>
Revenues:			
50000 Federal Revenue	-	19,620	19,620
Total Revenue and Other Sources	-	19,620	19,620
Expenditure:			
80000 Other Services & Charges		19,620	19,620
Total Expenditures and Other Uses	-	19,620	19,620
Net Revenues (Expenditures)	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	-	-	-

(Note: ETCS's fund balance, end of year as of 12-31-10 was \$453,179.)

A RESOLUTION AUTHORIZING THE COUNTY ADMINISTRATOR TO SIGN THE LEGAL DOCUMENTS NECESSARY TO COMPLETE A SETTLEMENT WITH YPSILANTI CHARTER TOWNSHIP AND AUGUSTA CHARTER TOWNSHIP IN THE POLICE SERVICES LITIGATION

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, on January 13, 2006, Ypsilanti Charter Township, Augusta Charter Township and Salem Township ("Plaintiff Townships") filed a lawsuit against Washtenaw County, the Washtenaw County Board of Commissioners, as it was then constituted, then County Administrator, Robert E. Guenzel and certain individual members of the Board of Commissioners, ("Defendants") alleging a number of claims concerning the County's contractual provision of police services to the Plaintiff Townships; and

WHEREAS, the existing police service contracts expired on December 31, 2005 and none of the Plaintiff Townships signed the new police services contracts which had been extensively negotiated and offered to all the contracting police entities, including the Plaintiff Townships, for 2006 through 2009; and

WHEREAS, Washtenaw County and the Plaintiff Townships stipulated at the outset of the litigation that Washtenaw County would continued to provide police services to the Plaintiff Townships with the Plaintiff Townships paying \$53.00 per hour per Police Service Unit ("PSU") for those services, provided, however that the stipulation explicitly provided that this voluntary arrangement did not waive any claims, defenses, rights, duties, obligations or arguments of either the Plaintiff Townships nor the Defendants; and

WHEREAS, on February 2, 2006, Defendants filed a Counterclaim against the Plaintiff Townships seeking the reasonable value of the police services provided to Plaintiff Townships without a contract beginning on January 1, 2006; and

WHEREAS, on July 5, 2006 the Plaintiff Townships still had not signed police service contracts; accordingly the County provided them two options: (1) sign the same four-year contracts that the other contracting entities had signed on a going-forward basis; or (2) sign month-to-month contracts for \$77.00 per hour per PSU; and

WHEREAS, the \$77.00 per hour per PSU charge, which is less than the County's actual cost to provide the service, was reached after County Administration conferred with its internal finance personnel and outside expert Plante, Moran who examined all the relevant data concerning the County's provision of contractual police services; and

WHEREAS, on December 6, 2006, the Plaintiff Townships signed police services contracts with the County on a going-forward basis with the contracts specifically stating that the signing of the contracts would not adversely affect any existing claims of the Plaintiff Townships or the Defendants for past damages; and

WHEREAS, the County requested, as damages for their Counterclaim, \$24 dollars per hour per PSU (\$77.00 per PSU minus the \$53.00 per hour per PSU rate which the Plaintiff Townships voluntarily paid the County from January 1, 2006 through December 6, 2006; and

WHEREAS, after the submission of motions for summary disposition, the Circuit Court ultimately ruled in the County's favor on every substantive claim except for the County's Counterclaim which the Circuit Court dismissed as moot based upon the signing of the police services contracts on December 6, 2006; and

WHEREAS, the Plaintiff Townships appealed the dismissal of their claims to the Michigan Court of Appeals, and the County cross appealed the dismissal of the Counterclaim; and

WHEREAS, the Michigan Court of Appeals upheld the Circuit Court's dismissal of the Plaintiff Township's claims against the County, but reversed the Circuit Court's ruling dismissing the County's Counterclaim and remanded the matter back to the Circuit Court to calculate an award; and

WHEREAS, on June 2, 2010, the Washtenaw County Board of Commissioners approved a settlement of its Counterclaim with Salem Township;

WHEREAS, on June 22, 2011, the remaining parties in the lawsuit (Washtenaw County, Ypsilanti Charter Township and Augusta Charter Township) attended a non-binding Court-ordered facilitation before former Wayne County Circuit Judge James Rashid; and

WHEREAS, following this facilitation, Facilitator Rashid proposed that the County's counterclaim be settled for \$749,427.00 with Ypsilanti Charter Township paying \$732,927.00 and Augusta Charter Township paying the remaining \$16,500.00; and

WHEREAS, the Washtenaw County Board of Commissioners believes that it is in the best interest of the tax payers of Washtenaw County to resolve this long-standing litigation and move forward.

NOW THEREFORE, BE IT RESOLVED that the Washtenaw County Board of Commissioners authorizes the County Administrator to sign the legal documents necessary to settle the dispute over the amount of the County's Counterclaim against Ypsilanti Charter Township and Augusta Charter Township in the on-going police services litigation for a total payout to Washtenaw County of \$749,427.00 with Ypsilanti Charter Township paying \$732,927.00 and Augusta Charter Township paying the remaining \$16,500.00.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY **ROLL CALL VOTE: TOTALS** **9 0 2**

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)SS.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0116

A RESOLUTION ADOPTING A FEE FOR DELIVERING A MARRIAGE LICENSE
IMMEDIATELY FOLLOWING APPLICATION

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, The Washtenaw County Clerk/Register's Vital Records Division receives marriage license applications and issues marriage licenses after a waiting period of three days following the receipt of a completed application, as required by law, and;

WHEREAS, Public Act 128 of 1887, as amended, (Sec. 551.103a) allows Michigan county clerks to waive the statutory waiting period and deliver a marriage license immediately following a completed application, upon payment of a fee set by the County Board of Commissioners, and;

WHEREAS, the current waiver fee of \$5.00 does not cover the costs incurred by the Washtenaw County Clerk and Register of Deeds in interrupting other services to immediately fulfill a marriage license waiver request, and;

WHEREAS, other Michigan counties charge as much as \$100 for a marriage license waiver, and;

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, County Administration, and the Ways & Means Committee.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the County of Washtenaw hereby adopts a fee of \$50 for waiving the statutory three-day marriage license waiting period.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY

ROLL CALL VOTE: TOTALS

9 0 2

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS}.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____
Deputy Clerk



Res. No. 11-0117

A RESOLUTION AUTHORIZING THE ADMINISTRATOR TO ALLOCATE FUNDING FOR PHASE II OF THE TRIAL COURT CONSOLIDATION PROJECT IN AN AMOUNT NOT TO EXCEED \$1,000,000

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, County Facilities Management has reviewed the costs identified in order to maintain Juvenile Court operations at the Platt Road complex and determined that the costs associated with repairing, upgrading and maintaining the infrastructure needs at the Juvenile Court facility at this location is cost prohibitive; and

WHEREAS, both the Trial Court and the County have been looking for ways to reduce the cost of doing business; and

WHEREAS, relocating the services conducted at the Platt Road facility to the Downtown Courthouse was deemed the most viable and cost effective solution to maintain services while reducing the cost of doing business; and

WHEREAS, this solution was based on the costs associated with repairing, upgrading and maintaining the facility at Platt Road in comparison to the value of the asset as well as operational efficiencies and cost reductions for the court operations; and

WHEREAS, in order to realize the court operational savings and efficiencies the transitioning of the services within; and

WHEREAS, Phase I of the project has already been approved by County Administration and includes the transition of service areas from Platt Road to the third floor of the Downtown Courthouse while temporarily transitioning other areas while identifying operation opportunities to be addressed in Phase II; and

WHEREAS, Phase II of the Trial Court Consolidation Project will include the renovation of the Downtown Courthouse located at 101 E. Huron in an effort to restructure the facility for delivery of customer service functions within that facility with the purpose of enhancing operations and reducing the cost of doing business; and

WHEREAS, it is anticipated that the costs for these renovations will not exceed \$1,000,000; and

WHEREAS, this project will be funded by Current Year Operating Funds from the Facilities Operation & Maintenance Fund in an amount of \$260,000, projected surpluses from the 14A-1 Demolition and Washtenaw Avenue Entrance projects at the Service Center in an amount of \$239,510, and Capital Projects Fund Balance in an amount of \$500,490; and

WHEREAS, this matter has been reviewed by Corporation Counsel, the Finance Department, Human Resources, County Administration, and the Ways & Means Committee.

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby authorizes the allocation of \$260,000 in Facilities Operation & Maintenance Current Year Operating Funds, \$239,510 in surpluses for the 14A-1 Demolition and Washtenaw Avenue Entrance projections, and \$500,490 in Capital Projects Fund Balance.

BE IT FURTHER RESOLVED that the Washtenaw County Board of Commissioners hereby amends the budget as attached hereto and made a part hereof.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY ROLL CALL VOTE: TOTALS 9 0 2

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS}.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0118

Facilities Management
 Court Consolidation Phase II
 Business Unit 4020112422

	<u>2010 Actual Amounts</u>	<u>2011 Projected</u>	<u>2011 Recommended Budget</u>
Revenues:			
69500 Transfers	-	-	1,000,000
Total Revenue and Other Sources	-	-	1,000,000
Expenditures:			
95000 Capital Outlay	-	-	900,000
98150 Contingency	-	-	100,000
Total Expenditures and Other Uses	-	-	1,000,000
Net Revenues (Expenditures)	-	-	-
Beginning Fund Balance	-	-	-
Ending Fund Balance	-	-	-

(Note: Capital Projects fund balance at year end 2010 was \$1,138,119.)

RESOLUTION APPROVING THE FY 2012 AREA IMPLEMENTATION PLAN OF THE AREA AGENCY ON AGING 1-B FOR THE PURPOSE OF CONVEYING SUCH SUPPORT TO THE AREA AGENCY ON AGING 1-B AND THE MICHIGAN OFFICE OF SERVICES TO THE AGING (PLAN)

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, the Area Agency on Aging 1-B has been supporting services to Washtenaw County residents since 1974; and

WHEREAS, the Area Agency on Aging 1-B has assessed the needs of older county residents and developed a plan to provide assistance that addresses identified needs; and

WHEREAS, the proposed plan has been submitted for review by the public, and has been subjected to a public hearing; and

WHEREAS, the comments at the public hearings on the proposed plan were mostly favorable, and constructive changes in the plan were made as a result of some comments; and

WHEREAS, the Washtenaw County Board of Commissioners appoints two representatives to the AAA 1-B Board of Directors, a County Commissioner and a county resident who is at least 60 years of age; and

WHEREAS, the Michigan Office of Services requires that county Boards of Commissioners be given the opportunity to review and approve an area agency on aging's annual implementation plan;

THEREFORE BE IT RESOLVED, that the Washtenaw County Board of Commissioners hereby approves the FY 2012 Annual Implementation Plan of the Area Agency on Aging 1-B, for the purpose of conveying such support to the Area Agency on Aging 1-B and the Michigan Office of Services to the Aging.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY **ROLL CALL VOTE: TOTALS** **9 0 2**

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)SS.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____

Deputy Clerk



Res. No. 11-0119

A RESOLUTION TO SET A PUBLIC HEARING AT 6:45PM ON AUGUST 3, 2011 AT A REGULAR BOARD OF COMMISSIONERS MEETING TO RECEIVE COMMENT ON THE ADOPTION OF THE PROPOSED SOUTHEAST MICHIGAN ENERGY OFFICE COMMUNITY ALLIANCE INTERLOCAL AGREEMENT

WASHTENAW COUNTY BOARD OF COMMISSIONERS

JULY 6, 2011

WHEREAS, the Washtenaw County Board of Commissioners supports efficiency and conservation efforts; and

WHEREAS, the Washtenaw County Board of Commissioners has furthered its goals of energy efficiency and conservation through local initiatives, the federal Energy Efficiency and Conservation Block Grant program and through participation in the Southeast Michigan Regional Energy Office; and

WHEREAS, Washtenaw County can further energy efficiency and conservation by participating in additional regional efforts to secure resources for energy programs through the Urban Cooperation Act; and

WHEREAS, the Open Meetings Act, PA 267 of 1976 calls for the Washtenaw County Board of Commissioners to hold a Public Hearing to receive comment on the proposed Southeast Michigan regional Energy Office Community Alliance and to publish two notices of the Public Hearing in a newspaper of general circulation in the County not less than (10) ten or more than (40) forty days before the Public Hearing; and

WHEREAS this matter has been reviewed by the County Administrator's Office, the Finance Department, and the Corporation Counsel.

NOW THEREFORE BE IT RESOLVED, that a Public Hearing shall be held before the Washtenaw County Board of Commissioners on August 3, 2011, at 6:45p.m., in the Board Room at 220 N. Main St., Ann Arbor, Michigan, to receive comment on the adoption of the Southeast Michigan regional Energy Office Community Alliance Interlocal Agreement.

BE IT FURTHER RESOLVED THAT, the Washtenaw County Board of Commissioners directs the County Clerk to give notice to the public of the Public Hearing by causing such notice to be published two separate times in a newspaper of general circulation in Washtenaw County in accordance with the Act.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY **ROLL CALL VOTE: TOTALS** **9 0 2**

STATE OF MICHIGAN)

COUNTY OF WASHTENAW)SS.

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____ Deputy Clerk



Res. No. 11-0120

NOTICE OF PUBLIC HEARING

COUNTY OF WASHTENAW

WASHTENAW COUNTY BOARD OF COMMISSIONERS
PUBLIC NOTICE ON THE ADOPTION OF THE SOUTHEAST MICHIGAN REGIONAL
ENERGY OFFICE COMMUNITY ALLIANCE INTERLOCAL AGREEMENT IN
ACCORDANCE WITH THE OPEN MEETINGS ACT, 267 OF THE PUBLIC ACTS OF
THE STATE OF MICHIGAN OF 1976, AS AMENDED

PLEASE TAKE NOTICE that a Public Hearing shall be held before the Washtenaw County Board of Commissioners on August 3, 2011 at 6:45 p.m. in the Board of Commissioner's Meeting Room, County Administration Building, 220 North Main Street, Ann Arbor, Michigan, on the adoption of the Southeast Michigan Regional Energy Office Community Alliance Interlocal Agreement.

A RESOLUTION AUTHORIZING PAYMENT OF CLAIMS COMMENCING WITH THE LAST PREVIOUSLY APPROVED CLAIM AND CONTINUING THROUGH THE DATE OF JUNE 24, 2011

WASHTENAW COUNTY BOARD OF COMMISSIONERS

July 6, 2011

WHEREAS, as filed with the County Clerk is a true copy of the record of claims commencing with the last previously approved claim and continuing through the date of June 24, 2011, inclusive; and

WHEREAS, the Board of Commissioners has been assured by the County Clerk that no claim received is withheld or rejected by the list, shows the name of the claimant, the amount of the claim and the date presented;

NOW THEREFORE BE IT RESOLVED that the Washtenaw County Board of Commissioners hereby authorizes the payment of claims commencing with the last previously approved claim and continuing through the date of June 24, 2011, inclusive, as listed in the statement of claims as attached hereto and made a part hereof.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Bergman	X			Ping	X			Conan Smith	X		
Gunn	X			Prater	X			Dan Smith	X		
Judge	X			Rabhi			X	Turner	X		
Peterson	X			Sizemore			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY ROLL CALL VOTE: TOTALS 9 0 2

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on July 6th, 2011, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS}.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 7th day of July, 2011.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____
Deputy Clerk



Res. No. 11-0121



COUNTY ADMINISTRATOR

220 North Main St., P.O. Box 8645
(734) 222-6850

Ann Arbor, Michigan 48107-8645
FAX (734) 222-6715

MEMORANDUM

August 4, 2011

TO: Lawrence Kestenbaum, Washtenaw County Clerk/Register
FROM: Verna J. McDaniel, County Administrator
RE: Certification of Claims List Inclusive from May21, 2011 through June 24, 2011

I HEREBY CERTIFY that to the best of my knowledge the list of attached claims as presented to the County Clerk/Register of Washtenaw, constitutes all claims received for payment subsequent to the List of Claims presented through the date of June 24, 2011 and that none have been withheld or omitted.

FURTHER; that all claims bear the date received.

FURTHER; that the list contains the name of each claimant, and the amount of the claims, and that proper authorization and documentation has been reviewed, checked and retained.

FURTHER; that the total demand upon each of the various general operating funds requiring approval by the Board of Commissioners prior to disbursements has been accurately determined and is stipulated in gross total by fund as an integral part of the List of Claims herein presented.

Staff Recommendation By:

Kate Sanders
Payables Analyst

	Washtenaw County				6/27/2011	
	Claims Summary Report				Page	1
	BEGINNING OF CLAIMS:	5/21/2011				
	END OF CLAIMS:	6/24/2011				
	FOR BOARD APPROVAL:	7/6/2011				
		SYSTEM		CREDIT	EXCEPTIONS &	
FUND	DESCRIPTION	CHECKS	UTILITIES	CARDS	PRE-CLAIMS	TOTAL
1010	General Fund		4,308.92	21,125.53	16,215.40	41,649.85
1210	Economic Development & Energy				1,897.37	1,897.37
1291	Urban County CDBG				236.50	236.50
1293	Community Development			1,359.82		1,359.82
1294	Neighborhood Stabilization Pro				105.51	105.51
1572	Inmate Concessions			235.95		235.95
1710	Bfi Solid Waste Coord.				129.00	129.00
1760	Environmental Health				1,693.63	1,693.63
1811	Veterans Relief Fund		3,926.03	4,150.56		8,076.59
1850	RRNWWD:Storm Water General Per				182.31	182.31
1881	Violence Against Women				389.90	389.90
1882	HIDTA		4,205.49	2,556.24	2,597.26	9,358.99
1905	911 Maintenance Fund		808.54	60.07		868.61
1990	EECS Special Voted Millage		2,940.62			2,940.62
2080	Parks And Recreation Fund		35,871.50			35,871.50
2090	Parks - Natural Areas Millage		5.48			5.48
2150	Friend Of The Court			370.00	1,409.50	1,779.50
2320	Title II-A 78% (Adults)				15,174.77	15,174.77
2340	Title II-C (Youth)				10,231.50	10,231.50
2350	Title III EDWAAA				41,355.04	41,355.04
2370	ETCS Administrative Fund		1,304.47	2,123.63	234.60	3,662.70
2420	Work First				7,738.56	7,738.56
2460	Economic Development Job Train				27.86	27.86
2510	Head Start			5,307.22		5,307.22
2630	Sr Nutrition		606.12		461.80	1,067.92
2650	Foster Grandparents				825.66	825.66
2960	Health Fund				6,534.61	6,534.61
2990	Child Care Fund			282.48		282.48
4050	Capital Equipment			3,964.17		3,964.17
5510	2009 Property Foreclosure		8.34			8.34
6310	Facilities Mgt O & M		108,322.23		300.00	108,622.23
6320	Fac. Mgt- Fleet			3,666.57		3,666.57
6340	Gen. Serv. - Warehouse				11,070.00	11,070.00
6440	Self Insurance		450.00	63.03		513.03
6630	Medical Insurance				2,355,795.00	2,355,795.00
6660	Workers Comp. Revolving				375.05	375.05
6900	Telephone Revolving		77,758.64			77,758.64
7370	T&A Environmental Health				324.00	324.00
7412	LAWNET Drug Law Enforcement		714.30			714.30
7413	LAWNET Non-Forfeiture Fund		1,064.87			1,064.87
7520	Employee Retirement Fund			1,754.16		1,754.16
7570	VEBA Health Trust			605.12		605.12
7990	MSU Extension			3,393.40		3,393.40
	TOTALS		242,295.55	51,017.95	2,475,304.83	2,768,618.33