

Debt Management Committee
IMMEDIATELY FOLLOWING FINANCE

11/28/2012

304 E Grand River, Suite 201, Howell, Michigan 48843

8:45 AM

AGENDA

REVISED

2:08 pm, Nov 27, 2012

1. **CALL MEETING TO ORDER**
2. **APPROVAL OF MINUTES**
Minutes Dated: October 10, 2012
3. **APPROVAL OF AGENDA**
4. **REPORTS**
5. **CALL TO THE PUBLIC**
6. **DISCUSSION**
7. **OTHER BUSINESS**

-
- 08 Administration**
AMENDMENT TO RESOLUTION 2012-01-024 REGARDING INTEREST RATE ON CHARGE BACKS

-
- 09 Administration**
RESOLUTION APPROVING SECOND AMENDMENT TO LIVINGSTON COUNTY SEWAGE DISPOSAL SYSTEM (VILLAGE OF FOWLerville/TOWNSHIP OF HANDY) 2005 IMPROVEMENTS AND EXTENSIONS CONTRACT

-
- 10. ADJOURNMENT**

MEETING MINUTES

LIVINGSTON COUNTY

OCTOBER 9, 2012 - 7:30 PM

ADMINISTRATION BUILDING - BOARD CHAMBERS
304 E. Grand River Avenue, Howell, MI 48843

DEBT MANAGEMENT COMMITTEE

COMM. CAROL GRIFFITH

COMM. JACK LA BELLE

COMM. JIM MANTEY

TREASURER: JENNIFER NASH

Co. ADMIN: BELINDA PETERS

FIN. OFF:: CINDY MENDOZA

OTHERS:
COMM. MAGGIE JONES
KARI BLANCHETT
BRIAN JONCKHEERE

JENNIFER DIFLORIO
JUDY DAUBENMIER
JAMIE PALMER

COMM. DENNIS DOLAN
COMM. DAVE DOMAS

1. **CALL TO ORDER:** Meeting called to order by: **COMM. CAROL GRIFFITH** at **8:50 AM**.

2. **APPROVAL OF MINUTES: MINUTES OF MEETING DATED MAY 30, 2012:**

MOTION TO APPROVE THE MINUTES, AS PRESENTED.

MOVED BY: MANTEY / SECONDED BY: JONES

ALL IN FAVOR - MOTION PASSED

3. **APPROVAL OF AGENDA:**

**MOTION TO APPROVE THE AGENDA, AS MODIFIED: ADDITION OF
PROJECT DECISION TREE AS 5.C. UNDER REPORTS**

MOVED BY: MANTEY / SECONDED BY: JONES

ALL IN FAVOR - MOTION PASSED

4. **CLOSED SESSION: None.**

5. **REPORTS:**

- A. CHARGE-BACK UPDATES:** Kari Blanchett, of PFM Financial Group, updated members on the Handy Township Charge-Back situation, providing a Summary of Sewer Fund Cash Flow Options. Feels the only solution will be for the Township to go out for a 2.6 mills millage.
- B. 2012 TAX SALE RESULTS:** Jennifer Nash advised the Committee of the 2012 Tax Sale Results.
- C. PROJECT DECISION TREE:** Brian Jonckheere advised the status of the Handy Wastewater Project. Comm. Jones posed question if grant funds would be available for Handy Township for assistance. Everyone felt it is worth looking into.

6. **CALL TO THE PUBLIC:** **Judi Daubenmier** - Stated her concern about county footing bill for the Handy Township situation of \$500,000 spread across to the tax payers.
7. **DISCUSSION:** None
8. **OTHER BUSINESS:** None
9. **ADJOURNMENT:**

MOTION TO ADJOURN AT 9:27 PM.
Moved BY: MANTEY
SECONDED BY: JONES
ALL IN FAVOR - MOTION PASSED

Respectfully Submitted

KELLI HAWORTH
RECORDING SECRETARY

RESOLUTION

NO: 2012-____-____

LIVINGSTON COUNTY

DATE: _____, 2012

At a regular meeting of the Board of Commissioners of the County of Livingston, Michigan (the "Board"), held on the ____ day of _____, 2012.

PRESENT: _____

ABSENT: _____

The following resolution was made by _____ and seconded by _____:

WHEREAS, on January 17, 2012, the Board adopted Resolution 2012-01-024 pertaining to the interest rate on tax sale charge backs by the County Treasurer relating to delinquent taxes for the tax years 2002 through 2007 (the "Delinquent Taxes"); and

WHEREAS, the Board has determined to amend Resolution 2012-01-024 as hereinafter provided.

NOW, THEREFORE, BE IT RESOLVED that:

1. The following is hereby substituted for and in place of section 1 of Resolution 2012-01-024:

The Board hereby reduces the interest rate on the Delinquent Taxes from 1% per month or fraction of a month to ½ of 1% per month or fraction of a month. Such reduction in the interest rate applies to all charge backs assessed with respect to the Delinquent Taxes by the County Treasurer regardless of the date assessed.

2. Except as amended herein, Resolution 2012-01-024 shall remain in full force and effect. All other resolutions and parts of resolutions insofar as they may be in conflict with Resolution 2012-01-024 as amended herein are hereby rescinded.

RESOLUTION

NO: 2012-____-____

LIVINGSTON COUNTY

DATE: _____, 2012

MOVED: Commissioner _____

SECONDED: Commissioner _____

CARRIED: __-__-__

RESOLUTION DECLARED ADOPTED.

YEAS: _____

NAYS: _____

ABSTENTIONS: _____

STATE OF MICHIGAN)
)ss
COUNTY OF LIVINGSTON)

I, the undersigned, the duly qualified and acting Clerk of the County of Livingston, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Board of Commissioners of the County of Livingston held on the ____ day of _____, 2012, the original of which resolution is on file in my office and is available to the public. Public notice of said meeting was given in accordance with the provisions of the open meeting act.

IN WITNESS WHEREOF, I have hereunto affixed my official signature on this ____ day of _____, 2012.

Clerk, County of Livingston

RESOLUTION

NO:

LIVINGSTON COUNTY

DATE:

RESOLUTION APPROVING SECOND AMENDMENT TO LIVINGSTON COUNTY SEWAGE DISPOSAL SYSTEM (VILLAGE OF FOWLerville/TOWNSHIP OF HANDY) 2005 IMPROVEMENTS AND EXTENSIONS CONTRACT

WHEREAS, pursuant to the provisions of Act 185, Public Acts of Michigan, 1957, as amended (“Act 185”), the County of Livingston (the “County”), acting through its Board of Public Works, the Village of Fowlerville (the “Village”) and the Township of Handy (the “Township”) have entered into the Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of June 1, 2005, as amended by the First Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of October 1, 2005 (as amended, the “Contract”), in respect of the acquisition, construction and financing of improvements to the existing wastewater treatment facility of the Village’s sewage disposal system and various improvements and extensions to be connected to the existing sewage disposal system of the Village (collectively, the “Project;” that portion of the Project to be paid for by the Village is hereinafter referred to as the “Village Project” and that portion of the Project to be paid for by the Township is hereinafter referred to as the “Township Project”); and

WHEREAS, pursuant to the Contract, the County issued (i) one series of its bonds in the aggregate amount of \$3,200,000 to provide funds to pay the cost of the Village Project and (ii) one series of its bonds in the aggregate amount of \$5,060,000 to provide funds to pay the cost of the Township Project (the “Township Project Bonds”); and

WHEREAS, the Township Project consisted of, among other things, a sanitary sewer extension beginning at the end of the existing Village collection system located on National Road in the Village just east of Gregory Road, then running west along National Road to Gregory Road, then north along Gregory Road to Grand River Avenue, and then west approximately 10,000 feet along Grand River Avenue (collectively, the “Grand River Sewer Extension”); and

WHEREAS, the Board of Public Works entered into various contracts with construction contractors for the construction of the Grand River Sewer Extension; and

WHEREAS, due to problems with one of the contracts for the Grand River Sewer Extension, the Grand River Sewer Extension has not been completed to date and there remains to be completed approximately 1,000 feet of gravity sewer and approximately 1,400 feet of forcemain; and

WHEREAS, all proceeds of the Township Project Bonds have been expended and the Township does not have sufficient available funds to pay the cost of completing the Grand River Sewer Extension; and

WHEREAS, there has been presented to this Board of Commissioners a proposed Second Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of December 1, 2012, between the County, acting through the Board of Public Works, and the Township (the "Second Amendment"), pursuant to which the County will advance money from its available funds to pay the cost of completing the Grand River Sewer Extension in anticipation of payments to be made by the Township, all as more fully set forth therein.

THEREFORE, BE IT RESOLVED as follows:

1. APPROVAL OF SECOND AMENDMENT. The Second Amendment is approved and the Board of Public Works, by its Chairman and its Secretary, is authorized and directed to execute and deliver the Second Amendment on behalf of the County, in as many counterparts as may be deemed advisable, after the Second Amendment has been executed by the appropriate officials of the Township. The Second Amendment reads as follows:

2. EXECUTION AND DELIVERY OF ADDITIONAL DOCUMENTS. The officers, agents and employees of the County and the Board of Public Works are authorized to execute such documents and certificates and to take all other actions necessary and convenient to facilitate the execution and delivery of the Second Amendment.

3. ADVANCE OF MONEY TO PAY COST OF COMPLETING GRAND RIVER SEWER EXTENSION. The cost of completing the Grand River Sewer Extension shall be financed by money advanced by the County from its available funds, as authorized in Section 11(1)(d) of Act 185, in anticipation of payments to be made by the Township to the County, all as more fully set forth in the Second Amendment.

4. CONFLICTING RESOLUTIONS. All resolutions and parts of resolutions insofar as they may be in conflict herewith are hereby rescinded.

*

*

*

MOVED:

SECONDED:

CARRIED:

**SECOND AMENDMENT TO
LIVINGSTON COUNTY SEWAGE DISPOSAL SYSTEM
(VILLAGE OF FOWLerville/TOWNSHIP OF HANDY)
2005 IMPROVEMENTS AND EXTENSIONS CONTRACT**

THIS SECOND AMENDMENT TO CONTRACT (“Second Amendment”) is made as of December 1, 2012, by and between the COUNTY OF LIVINGSTON, a Michigan county (the “County”), by and through its Board of Public Works (the “BPW”), and the TOWNSHIP OF HANDY (the “Township”), a Michigan general law township located in the County.

WITNESSETH:

WHEREAS, pursuant to the provisions of Act 185, Public Acts of Michigan, 1957, as amended (“Act 185”), the County, acting through the BPW, the Village of Fowlerville (the “Village”) and the Township have entered into the Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of June 1, 2005, as amended by the First Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of October 1, 2005 (as amended, the “Contract”), in respect of the acquisition, construction and financing of improvements to the existing wastewater treatment facility of the Village’s sewage disposal system and various improvements and extensions to be connected to the existing sewage disposal system of the Village (collectively, the “Project;” that portion of the Project to be paid for by the Village is hereinafter referred to as the “Village Project” and that portion of the Project to be paid for by the Township is hereinafter referred to as the “Township Project”); and

WHEREAS, pursuant to the Contract, the County issued (i) one series of its bonds in the aggregate amount of \$3,200,000 to provide funds to pay the cost of the Village Project and (ii) one series of its bonds in the aggregate amount of \$5,060,000 to provide funds to pay the cost of the Township Project (the “Township Project Bonds”); and

WHEREAS, the Township Project consisted of, among other things, a sanitary sewer extension beginning at the end of the existing Village collection system located on National Road in the Village just east of Gregory Road, then running west along National Road to Gregory Road, then north along Gregory Road to Grand River Avenue, and then west approximately 10,000 feet along Grand River Avenue (collectively, the “Grand River Sewer Extension”); and

WHEREAS, the BPW entered into various contracts with construction contractors for the construction of the Grand River Sewer Extension; and

WHEREAS, due to problems with one of the contracts for the Grand River Sewer Extension, the Grand River Sewer Extension has not been completed to date and there remains to be completed approximately 1,000 feet of gravity sewer and approximately 1,400 feet of forcemain; and

WHEREAS, all proceeds of the Township Project Bonds have been expended and the Township does not have sufficient available funds to pay the cost of completing the Grand River Sewer Extension; and

WHEREAS, the County is willing to advance money from its available funds to pay the cost of completing the Grand River Sewer Extension, and it is therefore necessary to supplement and further amend the Contract as hereinafter provided.

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

1. Supplement and Amendment to Contract. The Contract is supplemented and amended by adding the following new Sections 39 through 42, inclusive:

GRAND RIVER SEWER EXTENSION

“39. The total estimated cost of completing the Grand River Sewer Extension is hereby approved to be \$475,000, as set forth in Exhibit B-3 attached hereto and made a part hereof. The BPW and the Township hereby approve and confirm the Plans for the completion of the Grand River Sewer Extension. The estimated cost of completing the Grand River Sewer Extension includes all surveys, Plans, specifications, acquisition of property for rights-of-way, physical construction necessary to acquire and construct the Grand River Sewer Extension, the acquisition of all materials, machinery and necessary equipment, and engineering, engineering supervision, administrative, legal and financing expenses necessary in connection with the completion of the Grand River Sewer Extension.”

40. (a) The cost of completing the Grand River Sewer Extension shall be financed by money advanced from time to time by the County as provided in Section 11(1)(d) of Act 185 in anticipation of payments to be made by the Township as provided herein. All money advanced by the County pursuant to this Section 40 shall be used solely to pay the cost of completing the Grand River Sewer Extension, including engineering, legal and other expenses incident thereto, and shall be paid only upon the authorization of the BPW. All such money advanced by the County shall bear interest from the date of advance until repaid by the Township at the rate of 2.25% per annum.

(b) Following the effective date of this Second Amendment, the BPW shall take all steps necessary to receive bids for the completion of the Grand River Sewer Extension.

(c) It is expressly agreed by the County and the Township that the County shall not be obligated to advance money to pay the cost of completing the Grand River Sewer Extension until such time as (i) the BPW has received bids for the completion of the Grand River Sewer Extension, and the bids are fully acceptable to the BPW, (ii) after receipt of the bids, the cost of completing the Grand River Sewer Extension is equal to or less than the estimated cost set forth in Section 39, and (iii) all

permits and easements necessary for the completion of the Grand River Sewer Extension have been obtained. In the event that either condition (i) or (iii) set forth above is not resolved to the satisfaction of the County, in its sole discretion, then the County shall be under no obligation under this Contract to advance money to complete the Grand River Sewer Extension. In the event that condition (ii) set forth above is not satisfied, the County shall be under no obligation under this Contract to advance money to complete the Grand River Sewer Extension until it shall have received a resolution from the Township Board of the Township in which the Township (x) approves the increase in the cost of completing the Grand River Sewer Extension and (y) agrees to pay such increased amount to the County as provided in Section 41.

(d) If, after work on the completion of the Grand River Sewer Extension has commenced, the proceeds of the money authorized to be advanced by the County as provided herein are for any reason insufficient and additional funds become necessary, the County shall advance additional money in an amount sufficient to complete the Grand River Sewer Extension and such additional amount shall be added to the amount required to be repaid to the County as provided in Section 41.

(e) Promptly following completion of the Grand River Sewer Extension, the BPW will furnish the Township will a statement setting forth (i) the total amount of money advanced by the County to pay the cost thereof and (ii) the date and amount of each advance.

41. (a) The cost of completing the Grand River Sewer Extension shall be charged to and paid by the Township as provided in this Second Amendment. The total amount actually advanced by the County as provided in this Second Amendment shall be paid by the Township to the BPW in one installment due on June 1, 2030, plus interest thereon at the rate set forth in Section 40(a), such interest payable on each June 1, commencing June 1, 2013 and each June 1 thereafter through and including June 1, 2030.

(b) The Township shall have the right at any time to prepay to the County, without penalty or premium, all or any part of the total amount advanced by the County as provided in this Second Amendment, together with interest thereon to the date of prepayment, upon fifteen (15) days' written notice to the County.

42. The Township, pursuant to authorization of Section 12 of Act 185, hereby irrevocably pledges its full faith and credit for the prompt and timely payment of its obligations to repay the money advanced by the County to pay the cost of completing the Grand River Sewer Extension as expressed in Section 41 of this Contract. Pursuant to such pledge, if other funds are not available, the Township shall be required to pay such amounts from any of its general funds as a first budget obligation and shall each year levy an ad valorem tax on all the taxable property in the Township in an amount which, taking into consideration estimated delinquencies in tax collections, will be sufficient to pay such obligations under this Contract becoming due before the time of the following year's tax collections, such annual levy, however, to be subject to applicable statutory and constitutional tax limitations. The foregoing commitments of the Township are

expressly recognized as being for the purpose of providing funds to meet the contractual obligations of the Township to repay all money advanced by the County to pay the cost of completing the Grand River Sewer Extension. Nothing in this Contract shall be construed to prevent the Township from using any, or any combination, of the means and methods provided in paragraph 2, Section 12 of Act 185 for the purpose of providing funds to meet its obligations under this Second Amendment, and if at the time of making the annual tax levy there shall be other funds on hand earmarked and set aside for the payment of the contractual obligation due prior to the next tax collection period, then such annual tax levy may be reduced by such amount.”

2. Definitions. Capitalized terms not otherwise defined in this Second Amendment shall have the meaning given to such terms in the Contract.

3. Effective Date. This Second Amendment shall become effective upon approval by the Village Council of the Village, by the Township Board of the Township, by the Board of Public Works of the County, and by the Board of Commissioners of the County, and when duly executed by the Supervisor and Clerk of the Township, and by the Chairman and Secretary of the Board of Public Works for and on behalf of the County. This Second Amendment may be executed in several counterparts.

4. Ratification of Contract. The Contract, as supplemented and amended by this Second Amendment, is hereby ratified and confirmed. To the extent of any conflict between the Contract and this Second Amendment, the provisions of this Second Amendment shall control.

5. Modifications, Amendments. Modifications, amendments or waivers of any provision of this Second Amendment may be made only by the written mutual consent of the County and the Township.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Second Amendment to Contract to be executed as of the date and year first above written.

COUNTY OF LIVINGSTON
By Its BOARD OF PUBLIC WORKS

By: _____
Its: Chairman

By: _____
Its: Secretary

TOWNSHIP OF HANDY

By: _____
Its: Supervisor

By: _____
Its: Clerk

EXHIBIT B-3

**ESTIMATE OF COST OF COMPLETING
GRAND RIVER SEWER EXTENSION**

| | |
|--|------------------|
| Construction (Labor, Equipment, Materials) | \$343,000 |
| Engineering | 82,000 |
| Contingency | 40,000 |
| Bond Counsel Fees | <u>10,000</u> |
| TOTAL | \$475,000 |

At a regular meeting of the Township Board of the Township of Handy, Livingston County, Michigan, held on December 11, 2012.

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____:

WHEREAS, pursuant to the provisions of Act 185, Public Acts of Michigan, 1957, as amended, the County of Livingston (the "County"), acting through its Board of Public Works (the "BPW"), the Village of Fowlerville (the "Village") and the Township of Handy (the "Township") have entered into the Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of June 1, 2005, as amended by the First Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of October 1, 2005 (as amended, the "Contract"), in respect of the acquisition, construction and financing of improvements to the existing wastewater treatment facility of the Village's sewage disposal system and various improvements and extensions to be connected to the existing sewage disposal system of the Village (collectively, the "Project;" that portion of the Project to be paid for by the Village is hereinafter referred to as the "Village Project" and that portion of the Project to be paid for by the Township is hereinafter referred to as the "Township Project"); and

WHEREAS, pursuant to the Contract, the County issued (i) one series of its bonds in the aggregate amount of \$3,200,000 to provide funds to pay the cost of the Village Project and (ii) one series of its bonds in the aggregate amount of \$5,060,000 to provide funds to pay the cost of the Township Project (the "Township Project Bonds"); and

WHEREAS, the Township Project consisted of, among other things, a sanitary sewer extension beginning at the end of the existing Village collection system located on National Road in the Village just east of Gregory Road, then running west along National Road to Gregory Road, then north along Gregory Road to Grand River Avenue, and then west approximately 10,000 feet along Grand River Avenue (collectively, the “Grand River Sewer Extension”); and

WHEREAS, the BPW entered into various contracts with construction contractors for the construction of the Grand River Sewer Extension; and

WHEREAS, due to problems with one of the contracts for the Grand River Sewer Extension, the Grand River Sewer Extension has not been completed to date and there remains to be completed approximately 1,000 feet of gravity sewer and approximately 1,400 feet of forcemain; and

WHEREAS, all proceeds of the Township Project Bonds have been expended and the Township does not have sufficient available funds to pay the cost of completing the Grand River Sewer Extension; and

WHEREAS, there has been presented to this Township Board a proposed Second Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of December 1, 2012, between the County, acting through the BPW, and the Township (the “Second Amendment”), pursuant to which the County will advance money from its available funds to pay the cost of completing the Grand River Sewer Extension in anticipation of payments to be made by the Township, all as more fully set forth therein.

THEREFORE, BE IT RESOLVED BY THE TOWNSHIP BOARD OF THE TOWNSHIP OF HANDY, LIVINGSTON COUNTY, MICHIGAN, as follows:

1. The Township Board hereby approves the Second Amendment, which Second Amendment provides, among other things, (a) that the County will advance money in the aggregate amount of not to exceed \$475,000 to finance the cost of completing the Grand River Sewer Extension in anticipation of payments to be made by the Township which payments will be

sufficient to repay the County for all money so advanced by the County, together with interest thereon as provided in the Second Amendment, and (b) that for the making of said payments the Township will pledge its full faith and credit. Taxes levied by the Township will be subject to statutory and constitutional tax limitations.

2. The Supervisor and the Clerk are authorized and directed to execute and deliver the Second Amendment for and on behalf of the Township of Handy (in such number of counterparts as may be desirable).

3. The Supervisor and the Clerk are each authorized to execute and deliver such other documents and certificates and to do all other things that are necessary to effectuate the execution and delivery of the Second Amendment.

4. All resolutions and part of resolutions, insofar as the same may be in conflict with the provisions of this resolution, be and the same hereby are rescinded.

ADOPTED: Yeas _____

Nays _____

STATE OF MICHIGAN)
) SS:
COUNTY OF LIVINGSTON)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Township of Handy, Livingston County, Michigan at a regular meeting held on December 11, 2012, the original of which resolution is on file in my office. I further certify that notice of said meeting was given in accordance with the Open Meetings Act.

Township Clerk
Township of Handy

At a regular meeting of the Board of Public Works of Livingston County, Michigan, held on December 6, 2012.

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____:

RESOLUTION RECOMMENDING BOARD OF COMMISSIONERS OF
LIVINGSTON COUNTY ADOPT RESOLUTION APPROVING SECOND AMENDMENT
TO LIVINGSTON COUNTY SEWAGE DISPOSAL SYSTEM (VILLAGE OF
FOWLerville/TOWNSHIP OF HANDY) 2005 IMPROVEMENTS AND EXTENSIONS
CONTRACT

WHEREAS, the County of Livingston (the “County”), by resolution of its Board of Commissioners, has established a Department of Public Works for the administration of the powers conferred upon the County by Act 185 of the Michigan Public Acts of 1957, as amended (“Act 185”), which Department is administered by the Board of Public Works (the “Board”), under the general control of the Board of Commissioners; and

WHEREAS, pursuant to the provisions of Act 185, the County, acting through the Board, the Village of Fowlerville (the “Village”) and the Township of Handy (the “Township”) have entered into the Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of June 1, 2005, as amended by the First Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of October 1, 2005 (as amended, the “Contract”), in respect of the acquisition, construction and financing of improvements to the existing wastewater treatment facility of the Village’s sewage

disposal system and various improvements and extensions to be connected to the existing sewage disposal system of the Village (collectively, the “Project;” that portion of the Project to be paid for by the Village is hereinafter referred to as the “Village Project” and that portion of the Project to be paid for by the Township is hereinafter referred to as the “Township Project”); and

WHEREAS, pursuant to the Contract, the County issued (i) one series of its bonds in the aggregate amount of \$3,200,000 to provide funds to pay the cost of the Village Project and (ii) one series of its bonds in the aggregate amount of \$5,060,000 to provide funds to pay the cost of the Township Project (the “Township Project Bonds”); and

WHEREAS, the Township Project consisted of, among other things, a sanitary sewer extension beginning at the end of the existing Village collection system located on National Road in the Village just east of Gregory Road, then running west along National Road to Gregory Road, then north along Gregory Road to Grand River Avenue, and then west approximately 10,000 feet along Grand River Avenue (collectively, the “Grand River Sewer Extension”); and

WHEREAS, the Board entered into various contracts with construction contractors for the construction of the Grand River Sewer Extension; and

WHEREAS, due to problems with one of the contracts for the Grand River Sewer Extension, the Grand River Sewer Extension has not been completed to date and there remains to be completed approximately 1,000 feet of gravity sewer and approximately 1,400 feet of forcemain; and

WHEREAS, all proceeds of the Township Project Bonds have been expended and the Township does not have sufficient available funds to pay the cost of completing the Grand River Sewer Extension; and

WHEREAS, there has been presented to this Board a proposed resolution to be considered by the Board of Commissioners of the County that approves and authorizes the execution and delivery of a Second Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of December 1, 2012, between the County, acting through the Board, and the Township (the

“Second Amendment”), pursuant to which the County will advance money from its available funds to pay the cost of completing the Grand River Sewer Extension in anticipation of payments to be made by the Township, all as more fully set forth therein.

BE IT RESOLVED BY THE BOARD OF PUBLIC WORKS OF THE COUNTY OF LIVINGSTON, as follows:

1. The Second Amendment and the estimate of cost to complete the Grand River Sewer Extension set forth therein, in the forms presented to this meeting, are approved.

2. The proposed resolution of the Board of Commissioners of the County approving the Second Amendment, in the form presented to this meeting, is approved, and the Secretary is authorized to submit the same to the Board of Commissioners with the recommendation that the same be adopted.

3. All resolutions and parts of resolutions, insofar as the same may be in conflict herewith, are rescinded.

YEAS: _____

NAYS: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
)ss
COUNTY OF LIVINGSTON)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted at a regular meeting of the Livingston County Board of Public Works held on December 6, 2012, the original of which resolution is on file in my office. I further certify that notice of said meeting was given in accordance with the Open Meetings Act.

Secretary
Livingston County Board of Public Works

At a regular meeting of the Village Council of the Village of Fowlerville, Livingston County, Michigan, held on _____, 2012.

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____:

WHEREAS, pursuant to the provisions of Act 185, Public Acts of Michigan, 1957, as amended, the County of Livingston (the "County"), acting through its Board of Public Works (the "BPW"), the Village of Fowlerville (the "Village") and the Township of Handy (the "Township") have entered into the Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of June 1, 2005, as amended by the First Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of October 1, 2005 (as amended, the "Contract"), in respect of the acquisition, construction and financing of improvements to the existing wastewater treatment facility of the Village's sewage disposal system and various improvements and extensions to be connected to the existing sewage disposal system of the Village (collectively, the "Project;" that portion of the Project to be paid for by the Village is hereinafter referred to as the "Village Project" and that portion of the Project to be paid for by the Township is hereinafter referred to as the "Township Project"); and

WHEREAS, pursuant to the Contract, the County issued (i) one series of its bonds in the aggregate amount of \$3,200,000 to provide funds to pay the cost of the Village Project and (ii) one series of its bonds in the aggregate amount of \$5,060,000 to provide funds to pay the cost of the Township Project (the "Township Project Bonds"); and

WHEREAS, the Township Project consisted of, among other things, a sanitary sewer extension beginning at the end of the existing Village collection system located on National Road in the Village just east of Gregory Road, then running west along National Road to Gregory Road, then north along Gregory Road to Grand River Avenue, and then west approximately 10,000 feet along Grand River Avenue (collectively, the “Grand River Sewer Extension”); and

WHEREAS, the BPW entered into various contracts with construction contractors for the construction of the Grand River Sewer Extension; and

WHEREAS, due to problems with one of the contracts for the Grand River Sewer Extension, the Grand River Sewer Extension has not been completed to date and there remains to be completed approximately 1,000 feet of gravity sewer and approximately 1,400 feet of forcemain; and

WHEREAS, all proceeds of the Township Project Bonds have been expended and the Township does not have sufficient available funds to pay the cost of completing the Grand River Sewer Extension; and

WHEREAS, there has been presented to this Village Council a proposed Second Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract, dated as of December 1, 2012, between the County, acting through the BPW, and the Township (the “Second Amendment”), pursuant to which the County will advance money from its available funds to pay the cost of completing the Grand River Sewer Extension in anticipation of payments to be made by the Township, all as more fully set forth therein; and

WHEREAS, even though the Village is not a party to the Second Amendment, Section 32 of the Contract provides that the Contract may not be amended without the written consent of the Village.

THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF THE VILLAGE OF FOWLerville, LIVINGSTON COUNTY, MICHIGAN, as follows:

1. The Village Council approves the Consent to Second Amendment to Contact, in the form presented to this meeting, and the President and the Clerk are authorized and directed to execute and deliver the Consent to Second Amendment to Contract for and on behalf of the Village of Fowlerville.

2. All resolutions and part of resolutions, insofar as the same may be in conflict with the provisions of this resolution, be and the same hereby are rescinded.

ADOPTED: Yeas _____

Nays _____

STATE OF MICHIGAN)
) SS:
COUNTY OF LIVINGSTON)

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Village Council of the Village of Fowlerville, Livingston County, Michigan at a regular meeting held on _____, 2012, the original of which resolution is on file in my office. I further certify that notice of said meeting was given in accordance with the Open Meetings Act.

Village Clerk
Village of Fowlerville

CONSENT TO SECOND AMENDMENT TO CONTRACT

Pursuant to a resolution adopted on _____, 2012 by the Village Council of the Village of Fowlerville, Livingston County, Michigan (the "Village"), the Village hereby consents to the execution and delivery by the County of Livingston, acting through its Board of Public Works, and the Township of Handy of the attached Second Amendment to Livingston County Sewage Disposal System (Village of Fowlerville/Township of Handy) 2005 Improvements and Extensions Contract.

VILLAGE OF FOWLERVILLE

By: _____

Its: President

By: _____

Its: Clerk

Dated: _____, 2012