

**RESOLUTION APPROVING ACT 342 CONTRACT  
AND PUBLICATION OF NOTICE**

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**TOWNSHIP OF IDA**  
County of Monroe, State of Michigan

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Minutes of a regular meeting of the Township Board of the Township of Ida, County of Monroe, Michigan (the "Township") held on the 5th day of January, 2021, at 7:00 p.m., Eastern Time.

PRESENT: Members Paul Metz, Tera Shaffer,  
Chris Curry, Tim Mata

ABSENT: Members Sherry Hilken

The following preamble and resolution were offered by Member Tim Mata and supported by Member Chris Curry :

WHEREAS, the Township has previously determined that it is necessary for the public health, safety and welfare of the Township to acquire and construct improvements to the Ida-Raisinville Sewage Disposal System (the "System"), consisting of acquiring, constructing, furnishing and equipping pump station improvements for the Ida-Raisinville Sewage Disposal System, together with all related site improvements, appurtenances and attachments (the "Project") to service the Township, and the Township of Raisinville (together, the "Local Units"); and

WHEREAS, the Township has previously requested the Drain Commissioner of the County of Monroe, as the county agency (the "County Agency"), to take the necessary steps under the provisions of Act 342, Public Acts of Michigan, 1939, as amended (the "Act"), to construct and finance the Project; and

WHEREAS, Sections 5a, 5b and 5c of the Act authorize the execution of contracts between municipal units and the designated county agency providing for the acquisition, construction, financing and operation of sewer system improvements; and

WHEREAS, the County Agency and the Local Units have negotiated a contract (the "Contract") providing for the acquisition, operation and financing of the Project, by the terms of which Contract the Local Units are obligated to pay the cost of the Project to be financed to the County in installments as therein provided, a copy of which Contract is attached to this resolution and incorporated herein by reference.

NOW THEREFORE, BE IT RESOLVED THAT:

1. Approval of Contract. The Contract between the County, the County Agency, and the Local Units providing for the acquisition, operation and financing of the Project is

hereby approved, and the Supervisor and Clerk of the Township are authorized and directed to execute and deliver the Contract for and on behalf of the Township.

2. Approval of Plans, Cost and Local Unit Share. The plans, as submitted by the engineers, and the total estimated cost of the Project to be financed by the issuance of bonds in the aggregate amount of not to exceed \$850,000, of which an amount not to exceed the Township's Local Unit Share (as defined in the Contract and 71.80%, or \$610,300) is the Township's share, is hereby approved.

3. Approval of Covenant to Levy Ad Valorem Property Taxes. The Township does hereby ratify and confirm its covenant in the Contract to levy ad valorem taxes against all taxable property in the Township to the extent necessary to meet the obligations of the Township thereunder and does further indicate its purpose and intent to make such a levy as necessary to meet such obligations; provided, however, that such levy, if necessary, shall be within constitutional and statutory limitations.

4. Approval of Notice; Authorization to Publish. Notice of the adoption of this resolution approving the Contract shall be published in the Monroe Evening News, a newspaper of general circulation in the Township, in substantially the form attached hereto promptly after the adoption of this resolution, **as a display advertisement at least one quarter page in size.** The Township Board hereby determines that the designated newspaper is the newspaper circulating in the Township which reaches the largest number of persons to whom the notice is directed and that publication of the notice in the designated newspaper represents the most practical and feasible means of informing the taxpayers and electors of the Township of the Project and the financing thereof. A copy of the Contract shall be placed on file in the office of the Clerk of the Township and shall be available for public examination.

5. Effectiveness of Contract. The Contract shall become binding and effective upon the expiration of forty five (45) days following the date of publication of the notice unless under the provisions of Section 5b of the Act the effectiveness of the Contract is stayed by reason of the filing of a petition for referendum thereon, in which instance the Contract shall become binding and effective upon approval by a majority of the electors of the Township voting thereupon at an election called and held for that purpose.

6. Delegation of Certain Actions to Township Officers. The Township Supervisor, Treasurer and Clerk are each hereby authorized to make any necessary applications for approval or waivers from the Michigan Department of Treasury of the Township's intent to enter into a full faith and credit contract for payment of the bonds and to do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the bonds.

7. Tax Covenant. The Township hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the bonds from adjusted gross income for general federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of bond proceeds and moneys deemed to be bond proceeds.

## EXHIBIT A

### NOTICE OF INTENT TO ENTER INTO TAX-SUPPORTED CONTRACT AND OF RIGHT TO PETITION FOR REFERENDUM THEREON

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TO THE TAXPAYERS AND ELECTORS OF THE  
TOWNSHIP OF IDA, COUNTY OF MONROE  
STATE OF MICHIGAN

PLEASE TAKE NOTICE that the Township of Ida (the "Township"), has adopted a resolution authorizing the execution of a contract with the County of Monroe, and the Township of Raisinville (together, the "Local Units") pursuant to Act 342, Public Acts of Michigan, 1939, as amended, which contract will provide among other things that the County will acquire and construct sewage disposal system improvements for the Ida-Raisinville Sewage Disposal System and will issue its bonds, in one or more series, to finance the cost of the same for the Local Units, and the Local Units will pay to the County all sums necessary to retire the principal of and interest on the bonds. The sewage disposal system improvements will consist of acquiring, constructing, furnishing and equipping pump station improvements for the Ida-Raisinville Sewage Disposal System, together with all related site improvements, appurtenances and attachments.

#### TOWNSHIP'S CONTRACT OBLIGATION

It is presently contemplated that the bonds will be in the principal amount of not to exceed \$850,000, of which an amount not to exceed the Township's "Local Unit Share" (as that term is defined in the contract based on the Township's usage of the sewage disposal system) is the Township's share (71.80%), will mature in not more than twenty years, and will bear interest at a rate to be determined at sale but not exceeding the maximum rate permitted by law. By virtue of the contract, the Township will be obligated to pay to the County all sums required to meet debt service payments for the Township's share of the bonds in accordance with the above or any revised schedule as such payments fall due, and will pledge as security for such contractual obligation its full faith and credit. PURSUANT TO SUCH PLEDGE, THE TOWNSHIP WILL BE REQUIRED TO PAY THE REQUIRED SUMS FROM ITS GENERAL FUNDS OR IF NECESSARY TO LEVY AD VALOREM TAXES ON ALL TAXABLE PROPERTY WITHIN ITS BOUNDARIES, SUBJECT TO APPLICABLE CONSTITUTIONAL AND STATUTORY TAX RATE LIMITATIONS, TO THE EXTENT NECESSARY TO MAKE THE REQUIRED PAYMENTS TO THE COUNTY IF OTHER FUNDS FOR SUCH PURPOSE ARE NOT AVAILABLE.

#### RIGHT OF REFERENDUM

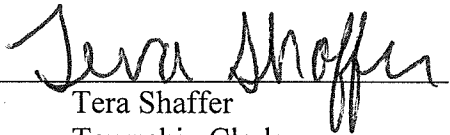
The Contract will be executed by the Township and WILL BE EFFECTIVE WITHOUT VOTE OF THE ELECTORS, AS PERMITTED BY LAW, UNLESS A PETITION REQUESTING AN ELECTION ON THE EFFECTIVENESS THEREOF, SIGNED BY NOT

8. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

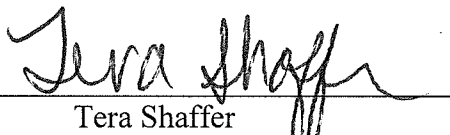
AYES: Members Paul Metz, Tera Shaffer,  
Chris Curry, Tim Mata

NAYS: Members \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

  
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Tera Shaffer  
Township Clerk

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the Township Board of the Township of Ida, County of Monroe, Michigan, at a regular meeting held on January 5, 2021, and that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

  
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Tera Shaffer  
Township Clerk

LESS THAN 10% OF THE REGISTERED ELECTORS OF THE TOWNSHIP, IS FILED WITH THE TOWNSHIP CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. If such petition is so filed, the contract cannot be effective without an approving vote by a majority of electors of the Township voting on the question.

THIS NOTICE is given pursuant to the requirements of Section 5b of Act No. 342, Public Acts of Michigan, 1939, as amended. Further information concerning the details of the contract and the matters set out in this notice may be secured from the Township Clerk's office.

Tera Shaffer  
Clerk, Township of Ida

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