

A Special Meeting of the Moran Township Board of Trustees was held on Tuesday, June 28, 2011 at the Moran Township Hall, W1362 US-2, St. Ignace, Michigan 49781.

**CALL TO ORDER:**

Supr Durm called the meeting to order at 10:00 AM DST with the Pledge of Allegiance.

**ROLL CALL:**

**PRESENT:** Supr Durm, Clerk Vallier, Treas Dionne and Trustees Malcolm and Spencer.  
**ABSENT:** NONE  
**CITIZENS:** Assessor Richard Oliver.

**PURPOSE OF MEETING:**

1. Award Contract for the Portage Street Water Project.
2. Award a Resolution for the contract.
3. Adopt a USDA Loan Resolution
4. Adopt an Ordinance to provide for the issuance and sale of Revenue Bonds.
5. Approval of payments for Water Project.

**NOTICE OF AWARD:**

Notify Glawe, Inc, 1010 US-23 North, Alpena, MI 49707 that their Bid dated June 7, 2011 for the Portage Road Water Main Improvements in the amount of \$303,724.00 has been accepted.

**MOTION BY DIONNE, SECONDED BY MALCOLM TO ACCEPT THE BID OF \$303,724.00 FROM GLAWE, INC OF ALPENNA, MI.**

**ROLL CALL VOTE:** **AYES – Supr Durm, Clerk Vallier, Treas Dionne and Trustees Spencer and Malcolm.**  
**NAYS - NONE**

**MOTION PASSED.**

**MOTION BY SPENCER, SECONDED BY DIONNE (CARRIED) TO APPROVE THE FOLLOWING AWARD RESOLUTION:**

**AWARD RESOLUTION**

**WHEREAS, Moran Township, Michigan** wishes to construct improvements titled “Portage Road Water Main Improvements, Contract 25080.00002”.

**WHEREAS,** the water main improvements project will be funded through the **U.S. Department of Agriculture-Rural Development (USDA-RD).**

**WHEREAS, Moran Township, Michigan** has sought and received construction bids for the proposed improvements and has received a low bid from **GLAWE, INC of Alpena, MI** in the amount of **\$303,724.00**.

**WHEREAS, Moran Township’s** project engineer, **Wilcox Professional Services, Escanaba, Michigan** has recommended awarding the contract to the low bidder.

**NOW THEREFORE BE IT RESOLVED,** that **Moran Township, Michigan** tentatively awards the contract for construction of the proposed water systems improvements project to **the low bidder, Glawe, Inc., for their unit price bid in the amount of \$303,724.00** contingent upon successful financial arrangements with USDA-RD.

YEAS: 5  
NAYS: 0  
Abstain: 0  
Absent: 0

I certify that the above resolution was adopted by **Moran Township, Michigan** on: JUNE 28, 2011.

By: P. James Durm, Supervisor

Signature: *P. James Durm*

Dated: JUNE 28, 2011

**MOTION BY DIONNE, SECONDED BY SPENCER TO ADOPT THE FOLLOWING:**

**LOAN RESOLUTION**

A RESOLUTION OF THE TOWNSHIP BOARD OF MORAN TOWNSHIP AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING, AND/OR EXTENDING ITS WATER FACILITY TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the Moran Township Board to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of **TWO HUNDRED FOURTEEN THOUSAND AND XX/100 DOLLARS (214,000.00)** Pursuant to the provisions of **Revenue Bond P.A. No.94 of 1933, as amended:** and **WHEREAS,** the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of

the Consolidated Farm and Rural Development Act (7U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

**NOW THEREFORE**, in consideration of the premises the Association hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7U.S.C. 1983(c)).
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legally permissible source.
5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of

- the Government if such undertaking would involve the source of funds pledged to pay the bonds.
8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.
  9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
  10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.
  11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.
  12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
  13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
  14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities, and replacement of short lived assets.
  15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.
  16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
  17. To accept a grant in an amount not to exceed **\$256,000** under the terms offered by the Government; that **Supervisor** and **Clerk** of the Association are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence

of such grant; and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instrument, shall be binding upon the Association as long as the bonds are held or insured by the Government or assignee. The provisions of sections 6 through 17 hereof may be provided for in more specific detail in the bond resolution or ordinance; to the extent that the provision contained in such bond resolution or ordinance should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Association and the Government or assignee.

YEAS: 5      NAYS: 0      ABSENT: 0

IN WITNESS WHEREOF, the Township Board of the Moran Township has duly adopted this resolution and caused it to be executed by the officers below in duplicate on this 28<sup>th</sup> day of June, 2011.

**Moran Township**

By      James Durm  
James Durm

Title   Township Supervisor

Attest:  
Kristine R. Vallier  
Kristine R. Vallier  
Title: Township Clerk

**MOTION BY SPENCER, SECONDED BY VALLIER TO APPROVE AN ORDINANCE TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PROVIDE FOR THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF IMPROVEMENTS AND EXTENSIONS TO THE WATER SUPPLY SYSTEM TO SERVE THE TOWNSHIP OF MORAN: TO PROVIDE FOR THE ESTABLISHMENT OF THE WATER SUPPLY SYSTEM; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE AN ADEQUATE RESERVE ACCOUNT FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND**

**DISTRIBUTION OF THE REVENUE; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM. (SEE ORDINANCE NO. 51 IN MORAN TOWNSHIP ORDINANCE BOOK)**

<b>ROLL CALL:</b>	<b>AYES:</b>	<b>SUPR DURM, CLERK VALLIER TREAS DIONNE, TRUSTEES SPENCER AND MALCOLM.</b>
	<b>NAYS:</b>	<b>NONE</b>
	<b>ABSENT:</b>	<b>NONE</b>

**PASSED AND ADOPTED BY THE TOWNSHIP OF MORAN, COUNTY OF MACKINAC, STATE OF MICHIGAN, ON JUNE 28, 2011.**

**I FURTHER CERTIFY THAT SAID ORDINANCE NO 51 HAS BEEN RECORDED IN THE ORDINANCE BOOK AND THAT SUCH RECORDING HAS BEEN AUTHENTICATED BY THE SIGNATURES OF THE TOWNSHIP SUPERVISOR AND THE TOWNSHIP CLERK**

*Kristine R. Vallier*  
**Kristine R. Vallier**  
**Moran Township Clerk**

**MOTION BY DIONNE, SECONDED BY MALCOLM FOR APPROVAL OF PAYMENTS FOR THE MORAN TOWNSHIP, PORTAGE ROAD WATER MAIN IMPROVEMENTS PROJECT – USDA IN THE AMOUNT OF \$63,211.50.**

<b>AYES:</b>	<b>Supr Durm, Clerk Vallier, Treas Dionne, Trustees Spencer And Malcolm.</b>
<b>NAYS:</b>	<b>NONE</b>
<b>ABSENT:</b>	<b>NONE</b>

**MOTION PASSED.**

**ASSESSOR REQUEST:**

M.T. Assessor Richard Oliver is requesting a new printer for the Assessor's office.

**MOTION BY SPENCER, SECONDED BY VALLIER (CARRIED) TO APPROVE PAYMENT FOR A LASER JET PRINTER AND TRAY FOR THE ASSESSOR'S OFFICE IN THE AMOUNT OF \$564.00.**

**MOTION BY DIONNE, SECONDED BY SPENCER (CARRIED) TO INCREASE THE ASSESSOR'S SUPPLY LINE ITEM BY \$600.00.**

**ADJOURNMENT:**

**MOTION BY VALLIER, SECONDED BY DIONNE (CARRIED) THE MEETING ADJOURNED AT 10:50 AM EST.**

**SIGNED:**     *Kristine R. Vallier*  
                  Kristine R. Vallier, Clerk

**DATED: JULY 5, 2011**