

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF OAKLAND
CHARTER TOWNSHIP OF WHITE LAKE**

CAPITAL IMPROVEMENT BOND, SERIES 2021

RESOLUTION # 21-024

At a regular meeting of the Township Board of the Charter Township of White Lake, County of Oakland, State of Michigan, held electronically via Zoom in accordance with the Open Meetings Act, Public Act 267 of 976, as amended, on the 20th day of July 2021 at 7:00 p.m. with those present and absent being:

PRESENT: _____

ABSENT: _____

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

WHEREAS, the Township Board has determined that it is necessary to finance the cost of acquiring and constructing water supply system improvements for the Township consisting of, but without limitation, (i) the extension of the Township’s water supply system approximately 11,700 feet south on Bogie Lake Road from the intersection with Highland Road in order to supply water to Huron Valley Schools facilities located on Bogie Lake Road between Cedar Island Road and Lake Haven Drive in the Township, and (ii) installation of iron filtration process equipment, facilities, and related appurtenances necessary to treat 2,000 gallons of groundwater per minute at the existing Aspen Meadows well house in the Township (the “Project”); and

WHEREAS, the cost of the Project is estimated to be \$8,582,600; and

WHEREAS, the Township Board has determined to issue bonds and to use the proceeds of the sale of such bonds to finance a portion of the cost of the Project. The source of payment for the bonds will include revenues to be derived from the Township's water supply system and contractual payments to be made by Huron Valley Schools to the Township pursuant to a Water Infrastructure and Service Agreement to be executed by the Township and Huron Valley Schools.

WHEREAS, the Township Board also has determined to sell the bonds in a private negotiated sale to the Michigan Finance Authority (the "Authority") as authorized by Act 227, Public Acts of Michigan, 1985, as amended ("Act 227"), in order to enable the Authority to provide assistance with respect to the Project from the proceeds of the State of Michigan Drinking Water Revolving Fund.

THEREFORE, BE IT RESOLVED by the Township Board of the Charter Township of White Lake, Michigan, as follows:

1. APPROVAL OF AGREEMENT. The Township Board hereby approves the Water Infrastructure and Service Agreement between the Township and Huron Valley Schools (the "Agreement") and the Supervisor and the Township Clerk are authorized and directed to execute the Agreement on behalf of the Township and to deliver the same to Huron Valley Schools.

2. AUTHORIZATION OF BONDS-- PURPOSE. Bonds of the Township aggregating the principal sum of not to exceed Eight Million Seven Hundred Thirty-Five Thousand Dollars (\$8,735,000), or such lesser amount as determined by the Authorized Officer (as defined below) pursuant to Section 18 hereof, shall be issued and sold for the purpose of defraying all or part of the cost of the Project, including the cost of issuing the bonds. Each of

the Supervisor or Treasurer, acting individually, is hereby designated as an “Authorized Officer” for purposes of this resolution.

3. BOND DETAILS. The bonds shall be designated “Capital Improvement Bonds, Series 2021”; shall be dated the date of delivery thereof; shall be numbered from 1 upwards; shall be fully registered; shall be in any denomination not exceeding the aggregate principal amount for each maturity at the option of the bondholder (provided, however, that so long as the bonds are registered in the name of the Authority, the bonds may be in the form of a single bond in a denomination equal to the aggregate outstanding principal amount of the bonds, with an exhibit attached thereto that identifies the annual maturities for the bonds, and references herein to the “bonds” shall mean that single bond registered in the name of the Authority); shall bear interest at a rate or rates as set forth in the Purchase Contract (as hereinafter defined) from the date of delivery of the various principal installments as hereinafter described, payable on such dates as determined by written order of the Authorized Officer, and semiannually thereafter; and shall mature in installments of principal on such dates and in such amounts as shall be determined by written order of the Authorized Officer; provided, however, that the final principal installment shall be due no later than thirty (30) years after the date of issuance.

The bonds are expected to be delivered to the Authority as the initial purchaser thereof in installments (the “Installments”) equal to the amounts advanced from time to time by the Authority to the Township pursuant to the Purchase Contract and the Supplemental Agreement (each as hereinafter defined).

4. PAYMENT OF PRINCIPAL AND INTEREST. The principal of, premium, if any, and interest on the bonds shall be payable in lawful money of the United States. So long as the bonds are registered in the name of the Authority, the bonds are payable as to principal, redemption 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 Township by the Authority (the “Authority’s Depository”). So long as the Authority is the owner of the bonds, the Township agrees that it will deposit with the Authority’s Depository payments of the principal of, premium, if any, and interest on the bonds 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. If the bonds are not registered in the name of the Authority, the principal of and premium, if any, on the bonds are payable upon the surrender thereof at the office of the bond registrar and paying agent and the interest is payable by check or draft mailed by the bond registrar and paying agent to the registered owner of the bonds at the address appearing on the registration books of the Township kept by the bond registrar and paying agent as of the 15th day of the month preceding the month in which an interest payment is due.

5. PRIOR REDEMPTION. The bonds shall be subject to redemption prior to maturity upon the terms and conditions set forth in the form of bonds contained in section 9 hereof.

6. BOND REGISTRAR AND PAYING AGENT. Until a successor is appointed by the Township Board, the Treasurer shall act as bond registrar and paying agent.

7. EXECUTION, AUTHENTICATION AND DELIVERY OF BONDS. The bonds shall be executed in the name of the Township by the manual or facsimile signatures of the Supervisor and the Clerk and authenticated by the manual signature of the bond registrar and paying agent or an authorized representative of the bond registrar and paying agent, and the seal of the Township (or a facsimile thereof) shall be impressed or imprinted on the bonds. After the bonds have been executed and authenticated for delivery to the Authority as the original purchaser thereof, they shall be delivered by the Treasurer to the purchaser upon receipt of the purchase price or upon compliance with the terms and conditions of the Purchase Contract.

Additional bonds bearing the facsimile signatures of the Supervisor and the Clerk and upon which the seal of the Township (or a facsimile thereof) is impressed or imprinted may be delivered to the bond registrar and paying agent for authentication and delivery in connection with the exchange or transfer of bonds. The bond registrar and paying agent shall indicate on each bond the date of its authentication.

8. EXCHANGE AND TRANSFER OF BONDS. Any bond, at the option of the registered owner thereof and upon surrender thereof to the bond registrar and paying agent with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney, may be exchanged for bonds of any other authorized denominations of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered bond.

Each bond shall be transferable only upon the books of the Township, which shall be kept for that purpose by the bond registrar and paying agent, upon surrender of such bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the registered owner or his duly authorized attorney.

Upon the exchange or transfer of any bond, the bond registrar and paying agent on behalf of the Township shall cancel the surrendered bond and shall authenticate and deliver to the transferee a new bond or bonds of any authorized denomination of the same aggregate principal amount and maturity date and bearing the same rate of interest as the surrendered bond. If, at the time the bond registrar and paying agent authenticates and delivers a new bond pursuant to this section, payment of interest on the bonds is in default, the bond registrar and paying agent shall endorse upon the new bond the following: "Payment of interest on this bond is in default. The last date to which interest has been paid is _____."

The Township and the bond registrar and paying agent may deem and treat the person in whose name any bond shall be registered upon the books of the Township as the absolute owner of such bond, whether such bond shall be overdue or not, for the purpose of receiving payment of the principal of and interest on such bond and for all other purposes, and all payments made to any such registered owner, or upon his order, in accordance with the provisions of Section 3 of this Resolution shall be valid and effectual to satisfy and discharge the liability upon such bond to the extent of the sum or sums so paid, and neither the Township nor the bond registrar and paying agent shall be affected by any notice to the contrary. The Township agrees to indemnify and save the bond registrar and paying agent harmless from and against any and all loss, cost, charge, expense, judgment or liability incurred by it, acting in good faith and without negligence hereunder, in so treating such registered owner.

For every exchange or transfer of bonds, the Township or the bond registrar and paying agent may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such exchange or transfer, which sum or sums shall be paid by the person requesting such exchange or transfer as a condition precedent to the exercise of the privilege of making such exchange or transfer.

The bond registrar and paying agent shall not be required to transfer or exchange bonds or portions of bonds which have been selected for redemption.

9. FORM OF BONDS. The bonds shall be in substantially the following form, with such changes thereto as necessary to conform to any order of the Authorized Officer issued in accordance with this resolution:

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF OAKLAND
CHARTER TOWNSHIP OF WHITE LAKE**

CAPITAL IMPROVEMENT BOND, SERIES 2021

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>
_____ %	See Exhibit A	_____, 2021

Registered Owner: Michigan Finance Authority

Principal Amount:

The Charter Township of White Lake, County of Oakland, State of Michigan (the "Township"), acknowledges itself indebted to and for value received hereby promises to pay to the Registered Owner identified above, or registered assigns, the Principal Amount or so much thereof as shall have been advanced to the Township pursuant to a Purchase Contract between the Township and the Michigan Finance Authority (the "Authority") and a Supplemental Agreement by and among the Township, the Authority and the State of Michigan acting through the Department of Environmental Quality on the maturity dates and in the amounts set forth in Exhibit A attached hereto, unless redeemed prior thereto as hereinafter provided, the final payment to be made upon presentation and surrender of this bond at the office of the Treasurer, Charter Township of White Lake, County of Oakland, Michigan, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolution (as hereinafter defined), and to pay to the Registered Owner, as shown on the registration books at the close of business on the 15th day of the calendar month preceding the month in which an interest payment is due, by check or draft drawn upon and mailed by the bond registrar and paying agent by first class mail postage prepaid to the Registered Owner at the registered address, interest at the rate per annum specified above on such Principal Amount, to the extent advanced to the Township pursuant to the Purchase Contract and the Supplemental Agreement and not forgiven pursuant to the related Order of Approval issued by the Michigan Department of Environmental Quality, until the Township's obligation with respect to the payment of such Principal Amount is discharged. Interest is payable on the first day of _____ and _____ in each year, commencing on _____ 1, 20___. Principal and interest are payable in lawful money of the United States of America.

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 that 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 Township'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 that may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Township shall and hereby agrees to pay on demand only the Township's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

During the time funds are being drawn down by the Township under this bond, the Authority periodically will provide the Township 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 Township of its obligation to repay the outstanding principal amount actually advanced, 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 obligation in the principal sum of _____ Dollars (\$ _____) issued by the Township under and pursuant to and in full conformity with the Constitution and Statutes of Michigan (especially Act No. 34, Public Acts of 2001, as amended) and a bond authorizing resolution adopted by the Township Board of the Township (the "Resolution") for the purpose of defraying part of the cost of acquiring, constructing, and installing water supply system improvements in the Township.

The Township has irrevocably pledged its full faith and credit for the prompt payment of the principal of and interest on this bond as the same become due. The principal of and interest on the bonds are payable as a first budget obligation of the Township from its general funds. The ability of the Township to raise such funds is subject to applicable statutory, constitutional and charter limitations on the taxing power of the Township. The amount of taxes necessary to pay the principal of and interest on the bonds, together with the taxes levied for the same year, shall not exceed the limit authorized by law. The source of payment for the bonds includes revenues to be derived from the Township's water supply system and contractual payments to be made by Huron Valley Schools to the Township pursuant to a Water Infrastructure and Service Agreement between the Township and Huron Valley Schools.

This bond is transferable, as provided in the Resolution, only upon the books of the Township kept for that purpose by the bond registrar and paying agent, upon the surrender of this bond together with a written instrument of transfer satisfactory to the bond registrar and paying agent duly executed by the Registered Owner or his attorney duly authorized in writing. Upon the exchange or transfer of this bond a new bond or bonds of any authorized denomination, in the same aggregate principal amount and of the same interest rate and maturity, shall be authenticated and delivered to the transferee in exchange therefor as provided in the Resolution,

and upon payment of the charges, if any, therein provided. Bonds so authenticated and delivered shall be in any denomination not exceeding the aggregate principal amount for each maturity.

The bond registrar and paying agent shall not be required to transfer or exchange this bond or any portion of this bond that has been selected for redemption.

This bond is subject to redemption prior to maturity at the option of the Township and with the prior written consent of and upon such terms as may be required by the Authority. That portion of the bond called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the bond registrar and paying agent to redeem the same.

Notwithstanding any other provision of this bond, so long as the 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 Township by the Authority (the "Authority's Depository"); (b) the Township 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 Township's deposit by 12:00 noon on the scheduled day, the Township 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 Township and received by the Authority's Depository at least 40 days prior to the date on which redemption is to be made.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the issuance of the bonds of this series, existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the Township, including the series of bonds of which this bond is one, does not exceed any constitutional, statutory or charter limitation.

IN WITNESS WHEREOF, the Charter Township of White Lake, County of Oakland, Michigan, by its Township Board, has caused this bond to be executed in its name by manual or facsimile signatures of its Supervisor and Clerk and its seal (or a facsimile thereof) to be impressed or imprinted hereon. This bond shall not be valid unless the Certificate of Authentication has been manually executed by the bond registrar and paying agent or an authorized representative of the bond registrar and paying agent.

CHARTER TOWNSHIP OF WHITE LAKE

By: _____
Rik Kowall, Supervisor

And: _____
Anthony L. Noble, Clerk

(SEAL)

CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Resolution.

By:

Mike Roman, Treasurer
Charter Township of White Lake
Bond Registrar and Paying Agent

AUTHENTICATION DATE:

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____
(please print or type name, address and taxpayer identification number of transferee) the within
bond and all rights thereunder and hereby irrevocably constitutes and appoints

attorney to transfer the within bond on the books kept for registration thereof, with full power of
substitution in the premises.

Dated: _____

Signature Guaranteed: _____

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guarantee program.

EXHIBIT A

The principal amounts and maturity dates applicable to the bond to which this Exhibit A is attached are as follows:

MATURITY DATE	<u>PRINCIPAL MATURITY</u>
<u>1</u>	

Based on the schedule provided above unless revised as provided in this paragraph, repayment of the Principal Amount shall be made according to such schedule until the full Principal Amount disbursed to the Township is repaid; provided, however, that the Township shall have no obligation to repay any serial principal installment for which the Township did not receive a disbursement of Principal Amount by the date such serial principal installment is due. In the event the Order of Approval issued by the Department of Environment, Great Lakes, and Energy (the "Order") approves a principal amount of assistance less than the amount of this Bond, the MFA shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule described above 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 Township by the MFA or (3) of prepayment of the Bond, the MFA shall prepare a new payment schedule that shall be effective upon receipt by the Township.

[END OF BOND FORM]

10. DEBT SERVICE FUND. There shall be established for the bonds a debt service fund which shall be kept in a separate bank account. From the proceeds of the sale of the bonds there shall be set aside in the debt service fund any premium and accrued interest received from the purchaser of the bonds at the time of delivery of the bonds. Funds of the Township to be used to pay the principal and interest on the bonds when due shall be placed in the debt service fund and so long as the principal or interest on the bonds shall remain unpaid, no moneys shall be withdrawn from such debt service fund except to pay principal and interest on the bonds.

11. CONSTRUCTION FUND. The remainder of the proceeds of the sale of the bonds shall be set aside in a construction fund and used solely to defray the cost of construction of the Project. Any unexpended balance of the proceeds of the sale of the bonds remaining in the construction fund after completion of the Project shall be deposited in the debt service fund established in Section 10 hereof.

12. PLEDGE OF FULL FAITH AND CREDIT. The full faith and credit of the Township are pledged hereby to the payment of the principal and interest on the bonds authorized by this Resolution. Each year the Township shall include in its budget as a first budget obligation amounts, from any lawfully available sources, that are sufficient to pay such principal and interest as the same shall become due. The ability of the Township to raise such funds is subject to applicable constitutional, statutory and charter limitations on the taxing power of the Township. The amount of taxes necessary to pay the principal of and interest on the bonds, together with the taxes levied for the same year, shall not exceed the limit authorized by law. The source of payment for the bonds includes revenues to be derived from the Township's water supply system and contractual payments to be made by Huron Valley Schools to the Township pursuant to the Agreement.

13. ESTIMATES OF COST AND PERIOD OF USEFULNESS. The estimated cost of the Project is hereby determined to be \$8,582,600, and the plans for the Project are hereby approved and adopted. The estimated period of usefulness of the Project is hereby determined to be thirty (30) years and upwards.

14. TAX COVENANT. The Township covenants to comply with all requirements of the Internal Revenue Code of 1986, as amended (the "Code") necessary to assure that the interest on the bonds will be and will remain excludable from gross income for federal income tax purposes.

15. DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay, at maturity or irrevocable call for earlier optional redemption, the principal of and interest on the bonds, shall have been deposited in trust, this resolution shall be defeased and the owners of the bonds shall have no further rights under this resolution except to receive payment of the principal of and interest on the bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein.

16. REPLACEMENT OF BONDS. Upon receipt by the Treasurer of proof of ownership of an unmatured bond, of satisfactory evidence that the bond has been lost, apparently destroyed or wrongfully taken and of security or indemnity which complies with applicable law and is satisfactory to the Treasurer, the Treasurer may authorize the bond registrar and paying agent to deliver a new executed bond to replace the bond lost, apparently destroyed or wrongfully taken in compliance with applicable law. In the event an outstanding matured bond is lost, apparently destroyed or wrongfully taken, the Treasurer may authorize the bond registrar and paying agent to pay the bond without presentation upon the receipt of the same

documentation required for the delivery of a replacement bond. The bond registrar and paying agent, for each new bond delivered or paid without presentation as provided above, shall require the payment of expenses, including counsel fees, which may be incurred by the bond registrar and paying agent and the Township in the premises. Any bond delivered pursuant the provisions of this section in lieu of any bond lost, apparently destroyed or wrongfully taken shall be of the same form and tenor and be secured in the same manner as the bond in substitution for which such bond was delivered.

17. SALE, ISSUANCE, DELIVERY, TRANSFER AND EXCHANGE OF BONDS. The bonds shall be sold at a private, negotiated sale to the Authority, as authorized by Act 227. It is hereby determined that this method of sale is in the best interests of the Township and is calculated to provide the Township with the lowest cost of borrowing money. The sale shall be made pursuant to the terms and conditions to be set forth in a Purchase Contract (the “Purchase Contract”) and a Supplemental Agreement (the “Supplemental Agreement”). The Authorized Officer is authorized to execute and deliver the Supplemental Agreement and the Purchase Contract in such forms as shall be approved by the Authorized Officer, with such approval to be evidenced by the Authorized Officer’s signature thereon. Notwithstanding any other provision of this Resolution, the bonds shall be initially sold to the Authority as one bond, numbered 1, in the full aggregate principal amount of the bonds. The Authorized Officer is authorized to execute one or more written orders (i) containing the determinations that the Authorized Officer is authorized to make as provided in this resolution and (ii) making such changes in the provisions of the bonds or this resolution to comply with the requirements of the Authority or otherwise to enable the bonds to be sold to the Authority. In addition, the Supervisor, the Clerk, the Treasurer, and other Township employees and officials are authorized to execute and deliver to the Authority the Issuer’s Certificate and any such certificates and documents as the Authority or bond counsel shall require and to do all other things necessary to

effectuate the sale, issuance, delivery, transfer and exchange of the bonds in accordance with the provisions of this resolution.

18. REDUCTION OF PRINCIPAL AMOUNT OF BOND ISSUE. If the Authorized Officer shall determine that it is not necessary to sell bonds in the principal amount stated in Section 2 of this resolution, the Authorized Officer by written order may reduce the principal amount of bonds to be sold to that amount deemed necessary.

19. CONFLICTING RESOLUTIONS. All resolutions and parts of resolutions, insofar as they are in conflict herewith, are rescinded.

YEAS: _____

NAYS: _____

ABSENT: _____

RESOLUTION DECLARED ADOPTED.

STATE OF MICHIGAN)
) ss
COUNTY OF OAKLAND)

I, the undersigned, the Clerk of the Charter Township of White Lake, County of Oakland, Michigan, do hereby certify that the foregoing is a true and correct copy of a resolution adopted at a regular meeting of the Township Board of said Township held on the 20th day of July 2021, 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 provisions of the Open Meetings Act, MCL 15.261 et. seq.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this 20th day of July 2021.

Anthony L. Noble, Clerk