CHARTER TOWNSHIP OF WEST BLOOMFIELD
COUNTY OF OAKLAND
STATE OF MICHIGAN

ORDINANCE NO. C-706-C


WHEREAS, the Charter Township of West Bloomfield, Oakland County, Michigan (the "Township" or "Issuer") has previously issued the following revenue bond issues pursuant to the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended (MCL 141.1, et seq.) (the "Act"): (A) 2007 Water System Improvement Revenue Bonds (General Obligation-Limited Tax), dated March 29, 2007, in the original principal amount of $935,000; (B) 2008 Water System Improvement Revenue Bonds, Series A (General Obligation - Limited Tax), dated April 1, 2008, in the original principal amount of $7,975,000; and (C) 2008 Water System Improvement Revenue Bonds, Series B (General Obligation - Limited Tax), dated June 23, 2008, in the original principal amount of $790,000 (collectively, the "Prior Bonds"); and

WHEREAS, it has been determined by the Township Board of the Township that it is necessary for the public health and welfare of the Township to make certain improvements to the Township's public water supply and sewage disposal system (the "System"), including, but not limited to, the lining of approximately 178,000 feet of sanitary sewer, the rehabilitation of approximately 2,200 manholes, and the construction and acquisition of certain pump station improvements, as well as all other necessary and related improvements, the acquisition of necessary rights in land, and other necessary and related improvements (the "Project"); and

WHEREAS, the total cost of the Project, including incidental expenses, reasonable contingency, and legal, financing, engineering and other related issuance costs, has been estimated by the Township's engineers, Johnson & Anderson, Inc., Waterford, Michigan (the "Township Engineer"), to be Seventeen Million Five Hundred Thousand Dollars ($17,500,000); and

WHEREAS, the Township Board has determined that it is in the best interests of the Township to finance all or a portion of the cost of the Project through the issuance of bonds; and
WHEREAS, in order to maintain reasonable rates and charges and continue to provide sufficient funds for the operation and maintenance of the System, and to provide for the acquisition and construction of the Project, the Township is authorized and does hereby determine it to be in the best interests of the Township to issue its revenue bonds, secured by a statutory lien against the System's revenues as provided by the Act, and to be further secured by the pledge of the Township's limited tax full faith and credit; and

WHEREAS, the conditions and requirements set forth in the Prior Bonds Authorizing Ordinances (as hereinafter defined) for the issuance of revenue bonds of the Township to finance the cost of the Project as Additional Bonds thereunder have been established by the financial records and audits of the System; and

WHEREAS, the Township Board has determined that all or a portion of the cost of the Project is to be defrayed through the issuance of not to exceed Seventeen Million Five Hundred Thousand Dollars ($17,500,000) Water Supply and Sewage Disposal System Revenue Bonds (the "Bonds"), to be issued by the Township in one or more series; and

WHEREAS, the Township Board has determined that it is in the best interests of the Township to finance all or a portion of the cost of the Project through the issuance of the Bonds to the Michigan Municipal Bond Authority (the "MMBA" or the "Authority") pursuant to the Clean Water State Revolving Loan Fund Program (the "CWSRF Program") administered by the Michigan Department of Environmental Quality (the "MDEQ"); and

WHEREAS, all things necessary for the authorization and issuance of revenue bonds under the Constitution and laws of the State of Michigan, ordinances and resolutions of the Township, and particularly the Act, have been done, and the Township is now empowered and desires to authorize the issuance of the Bonds; and

WHEREAS, the Township Board desires to negotiate the sale of the Bonds to the Authority and to authorize the execution and delivery of any and all documents necessary to effectuate the sale and delivery of the Bonds to the Authority.

NOW, THEREFORE, THE TOWNSHIP BOARD FOR THE CHARTER TOWNSHIP OF WEST BLOOMFIELD ORDAINS:

1. Necessity; Cost Estimate; Useful Life. It is hereby determined and declared to be necessary for the public health and welfare of the residents of the Township and customers of the System to improve the System by constructing, installing and acquiring the Project, and the Township Board determines that the estimated cost of the Project, including reasonable contingency, incidental expenses and financing costs, is approximately Seventeen Million Five Hundred Thousand Dollars ($17,500,000), and the period of usefulness of the Project to be not less than thirty (30) years.

2. Payment of Costs. To pay all or a portion of the cost of acquiring, installing and constructing the Project, including the payment of any bond discount and other costs of issuance, it is hereby determined that there be borrowed upon the credit of the income and revenues of the System the principal sum of not to exceed Seventeen Million Five Hundred Thousand Dollars
($17,500,000), and that revenue bonds be issued therefor in one or more series under the provisions of the Act.

3. The Michigan Municipal Bond Authority. The Township Board, based upon consultations with and recommendations from its financial consultant and bond counsel, hereby determines that it is in the best interests of the Township to issue each series of the Bonds through a negotiated sale to the MMBA, rather than sell the Bonds at a public sale, based upon the favorable terms [including the interest rate(s)] and reduced costs of issuance that are available through the MMBA pursuant to the MDEQ's CWSRF Program. In the event that the Bonds are sold to the MMBA, the following subprovisions, in their substantial form(s) and with any revisions and modifications deemed necessary by the MMBA, shall apply:

   (a) Bond Purchase Contract. The Bonds are hereby authorized to be sold to the MMBA pursuant to the Act, Act 227, Public Acts of Michigan, 1985, as amended, and Act 34, Public Acts of Michigan, 2001, as amended, and other applicable statutory provisions, and to bear an original issue date, and bear interest at the rates as shall be determined by the Supervisor, Clerk or Treasurer (each an "Authorized Officer"). In the event that the Bonds are sold to the MMBA, the Issuer hereby approves, and an Authorized Officer is hereby authorized and directed to execute and deliver, the Bond Purchase Contract, the Supplemental Agreement, the Revenue Sharing Pledge Agreement, if necessary, and the Issuer's Certificate as provided by the MMBA for the sale to the MMBA of the Bonds, if, in the judgment of the Authorized Officer, the interest rate or rates on the Bonds and other terms and conditions of the Bond Purchase Contract and other agreements and certificates are in the best interests of the Township to accept.

   (b) Discount. The Township hereby authorizes the sale of the Bonds to the MMBA at a discount of not to exceed five percent (5%), and an Authorized Officer is hereby authorized and directed to approve the specific discount offered by the MMBA and the interest rates for and the principal amount of the Bonds, if, in the Authorized Officer's judgment, the discount, interest rates and principal amount of the Bonds are in the best interests of the Township to accept.

   (c) MMBA's Depository. Notwithstanding any other provision of this Ordinance, so long as the MMBA is the owner of the Bonds, (1) the Bonds are payable as to principal, premium, if any, and interest at the designated corporate trust office of the MMBA's Depository, or at such other place as shall be designated in writing to the Issuer by the MMBA; (2) the Issuer agrees that it will deposit with the MMBA's Depository payments of the principal of, premium, if any, and interest on the Bonds in immediately available funds at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (3) written notice of any redemption of the Bonds shall be given by the Issuer and received by the MMBA's Depository at least 40 days prior to the date on which such redemption is to be made.

In the event of a default in the payment of principal or interest thereon 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 MMBA's cost of providing funds (as determined by the MMBA) to make payment on the bonds of the MMBA issued to provide funds to purchase the Bonds, but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the MMBA has been fully reimbursed for all costs incurred by the MMBA (as determined by the MMBA) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment
date following demand of the MMBA. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the MMBA) the investment of amounts in the reserve account established by the MMBA for the bonds of the MMBA issued to provide funds to purchase the Bonds 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 MMBA 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 MMBA) of such deficiency as additional interest on the Bonds.

(d) **Prior Redemption.** The Bonds may be subject to redemption prior to maturity by the Township only with the prior written consent of the MMBA and on such terms as may be required by the MMBA.

Notice of redemption of any bond shall be given at least forty (40) days prior to the date fixed for redemption by mail to the registered owner(s) at the registered address shown on the registration books kept by the Bond Registrar. Bonds shall be called for redemption in multiples of $5,000, and bonds of denominations of more than $5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by $5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in an aggregate principal amount equal to the unredeemed portion of the bond surrendered shall be issued to the registered owner thereof. No further interest payment on the bonds or portions of the bonds called for redemption shall accrue after the date fixed for redemption, provided funds are on hand with the Bond Registrar to redeem same.

(e) The Issuer hereby agrees to and approves, in their substantial form(s), the inclusion of the following terms and conditions in the Bonds and other related closing documents and certificates as provided below:

(1) The Issuer promises to pay to the Authority the principal amount of the Bonds 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 MDEQ.

(2) Interest is first payable April 1, 2010 or October 1, 2010, and semiannually thereafter and principal is payable on the first day of April or October commencing April 1, 2011 or October 1, 2011 (as identified in the Purchase Contract) and annually thereafter, or as otherwise approved by an Authorized Officer or a designee thereof.

(3) Bonds 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.

(4) 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 Issuer 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 40 days prior to the date on which such redemption is to be made.

(5) **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 payments 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.

(6) During the time funds are being drawn down by the Issuer under this Bond, MMBA 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 MMBA 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, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

(7) Such other standard terms and provisions as may be reasonably required by the MMBA for Bonds issued pursuant to the CWSRF Program.

4. **The Bonds.** The Bonds of the Issuer aggregating the principal sum of not to exceed Seventeen Million Five Hundred Thousand Dollars ($17,500,000) shall be issued for the purpose of paying all or a portion of the cost of the Project. The Bonds may be issued in one or more series, with the aggregate principal amount(s) not to exceed Seventeen Million Five Hundred Thousand Dollars ($17,500,000).
Except as changed by the provisions of this Ordinance, all the provisions of the Prior Bonds Authorizing Ordinances shall apply to the Bonds, the same as though each of those provisions were repeated in this Ordinance in their entirety. It is the purpose of this Ordinance to authorize the issuance of Additional Bonds to finance all or a portion of the cost of the Project, Additional Bonds for such purpose being authorized by the provisions of the Prior Bonds Authorizing Ordinances, upon the conditions therein stated, which conditions have been fully satisfied.

(a) The first series of the Bonds shall be issued in the principal amount not to exceed Seventeen Million Five Hundred Thousand Dollars ($17,500,000); shall be designated "2010 Water Supply and Sewage Disposal System Revenue Bonds, Series A"; shall be dated the date of delivery; shall be fully registered Bonds as to principal and interest; shall be issued in denominations of $5,000 or integral multiples thereof, shall bear interest at a rate or rates to be hereafter determined not exceeding 2.50% per annum, payable on April 1, 2010 or October 1, 2010, and semiannually thereafter on the first day of October and April in each year; and shall mature annually on April 1 or October 1 in each year as follows:

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<tr>
<td>2017</td>
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<tr>
<td>2020</td>
<td>855,000</td>
<td>2030</td>
<td>1,095,000</td>
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</tbody>
</table>

An Authorized Officer, or a designee thereof, is hereby authorized to: adjust the maturity schedule, including the dates/years for the first and last maturities for the Bonds from what is shown in the above maturity schedule; adjust the interest payment dates; determine (after consultation with the Township's bond counsel and financial consultant) the priority of the statutory lien on the Net Revenues of the System associated with the Bonds and the standing of the Bonds with respect to the Prior Bonds; and/or reduce the principal amount of the borrowing as deemed necessary and reasonable to the Project.

(b) Any subsequent series of the Bonds shall be issued by the Township in a principal amount not to exceed Seventeen Million Five Hundred Thousand Dollars ($17,500,000), less the original principal amounts of series of Bonds issued prior thereto pursuant to the authority granted by this Ordinance. Such subsequent series of the Bonds shall bear the designation determined by an Authorized Officer, or a designee thereof, be dated the date of delivery, have (after consultation with the Township's bond counsel and financial consultant) the priority of the statutory lien on the Net Revenues of the System associated with the Bonds and the standing of the Bonds with respect to the Prior Bonds as determined by the Authorized Officer (after consultation with the Township's bond counsel and financial consultant), bear interest at a rate or rates to be hereafter determined not exceeding 6.00% per annum, as determined and approved by an Authorized Officer, or a designee thereof, and have maturity dates and amounts as determined by an Authorized Officer or a designee thereof. An Authorized Officer or a designee thereof is hereby authorized to adjust the maturity
schedule, the interest payment dates, and/or reduce the principal amount of such borrowing(s) as deemed necessary and reasonable to the Project.

Based upon consultations with and recommendations from its financial consultant and bond counsel, the Township hereby determines that it is in the best interests of the Township to issue such subsequent series of the Bonds through a negotiated sale to the MMBA, rather than sell the Bonds at a public sale, based upon the favorable terms [including the interest rate(s)] and reduced costs of issuance that are available through the MMBA pursuant to the MDEQ's CWSRF Program.

5. **Bond Execution.** The Supervisor and Clerk be, and they are hereby authorized to manually sign, or cause their facsimile signatures to be affixed to, the Bonds in conformity with the above specifications and the Treasurer is hereby further authorized and directed to deliver the Bonds to the purchaser thereof upon receipt of the purchase price and accrued interest, if any.

6. **Lost, Destroyed, Mutilated Bonds.** If any Bond shall become mutilated, the Issuer, at the expense of the bondholder, shall execute, and the paying agent, if any, shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond upon surrender to the paying agent of the mutilated Bond. If any Bond issued under this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft and indemnity may be submitted to the paying agent and, if this evidence is satisfactory to both the paying agent and the Issuer, an indemnity satisfactory to the paying agent and the Issuer shall be given and the Issuer, at the expense of the owner, shall execute, and the paying agent shall thereupon authenticate and deliver a new Bond of like tenor and bearing the statement required by Act 354, Public Acts of Michigan, 1972, as amended, being §§ 129.131 to 129.134, inclusive, of the Michigan Compiled Laws, or any applicable law hereafter enacted in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the paying agent may pay the same without surrender thereof.

7. **Bond Form.** The Bonds shall be in substantially the form as attached hereto as Exhibit A. The Supervisor and Clerk are authorized to execute the Bonds manually, or by facsimile signature if authorized by law.

8. **Township Supervisor's Authority.** The Supervisor or a designee thereof, if permitted by law, is hereby authorized to:

   (a) file with the Michigan Department of Treasury (the "Department") within fifteen (15) business days after issuance of the Bonds, any and all documentation required subsequent to the issuance of the Bonds, together with any statutorily required fee.

   (b) execute and file any necessary applications for approvals or waivers from the Department, the MMBA, and/or the MDEQ.

9. **Delegation of Authority.** The Authorized Officers, and all other officers, agents and representatives of the Issuer and each of them shall, if necessary, appoint a paying agent/bond registrar, and execute, issue and deliver any certificates, statements, warranties, representations, or documents necessary to effect the purposes of this Ordinance or the Bonds. The officers, agents and employees of the Issuer are authorized to take all other actions necessary and convenient to facilitate the sale and delivery of the Bonds.
10. **Bond Counsel.** Thrun Law Firm, P.C., is hereby appointed as bond counsel for the Township with reference to the issuance of the Bonds. Further, Thrun Law Firm, P.C., has informed the Township Board that it represents no other party in the issuance of the Bonds.

11. **Advance Payment of Project Costs.** The advance payment for the Project is hereby approved, and the monies are authorized to be advanced from monies on hand in the Issuer’s general or water and sewer fund, which monies will be repaid to the general or water and sewer fund with a like amount, plus interest from the date of withdrawal, from the proceeds of the Bonds when received. The Issuer shall reimburse the general or water and sewer fund not earlier than the date on which the costs and expenses are paid and not later than the later of:

(a) the date that is eighteen (18) months after the costs and expenses are paid; or

(b) the date the Project placed in service or abandoned, but in no event more than three (3) years after the costs and expenses are paid.

12. **Security for Bonds.** The Bonds hereby authorized, together with interest thereon, shall be payable primarily or solely (as finally determined by the Authorized Officer upon the sale of the Bonds) from the net income and revenues to be derived from the operation of the System. To pay such principal and interest as and when same shall become due, there is hereby created a statutory lien upon the whole of the net revenues of the System, the priority of which lien shall be determined by an Authorized Officer or a designee thereof, to continue until the payment in full of the principal and interest on the Bonds and said revenues shall be set aside for that purpose and identified as the "Water Supply and Sewage Disposal System Revenue Bond and Interest Redemption Fund Account".

If required by the MMBA, the full faith and credit of the Township, pursuant to the applicable provisions of the Act, shall be pledged as additional security for the payment of the Bonds when due, subject to existing constitutional, statutory and charter tax rate limitations. In the event the revenues received from the operation of the System are insufficient to pay principal and interest on the Bonds when due, the Township will advance funds therefor from general funds of the Township and will, if necessary, levy taxes within applicable tax rate limitations for the prompt payment of principal and interest on the Bonds. Should the Township advance funds at any time for payment of the Bonds, it will be entitled to be reimbursed from the first funds thereafter available for such purpose.

13. **Rates and Charges.** Prior to the issuance of the Bonds, rates and charges for the services of the System will be fixed in an amount sufficient to pay the costs of operating and maintaining the System, and to provide sufficient revenue for principal and interest on the Bonds and the Prior Bonds, debt service, replacement and improvement requirements and all other requirements provided herein, and to otherwise comply with the covenants herein provided. The rates and charges for all services and facilities rendered by the System shall be reasonable and just, taking into consideration the costs and value of the System and the cost of maintaining, repairing and operating the same and the amounts necessary for the retirement of all the Bonds and the Prior Bonds, and accruing interest on the Bonds and the Prior Bonds, and such amounts as may be necessary to meet the requirements of this Ordinance.
14. **Rates, Billing and Enforcement.** Except as provided in Section 13 above, the rates charged for the services of the System, and the billing, enforcement, and collection of charges for such services, as well as the general management of the System, shall be as in effect in the Township as of the date of the issuance of the Bonds, and as adjusted from time to time by the Township, provided by the ordinances and resolutions of the Township.

15. **No Free Service.** No free service shall be furnished by the System to any individual, firm or corporation, public or private, or to any public agency or instrumentality.

16. **Prior Bonds Authorizing Ordinances.** The Township has previously enacted the following ordinances to authorize the Prior Bonds of the Township pledging the revenues of the System for the repayment thereof in order to finance the extension, enlargement, acquisition, construction and/or improvement of the System: Ordinance No. C-706, adopted February 5, 2007; Ordinance No. C-706-A, adopted March 3, 2008; and Ordinance No. C-706-B, adopted May 12, 2008 (together, the "Prior Bonds Authorizing Ordinances").

The Prior Bonds Authorizing Ordinances are supplemented and amended to add the provisions of this Ordinance, and, except as otherwise provided by this Ordinance, all of the provisions and covenants of the Prior Bonds Authorizing Ordinances shall apply to the Bonds issued pursuant to this Ordinance the same as though each of those provisions and covenants were repeated in this Ordinance in detail. It is the purpose of this Ordinance to authorize the issuance of additional revenue bonds to acquire and construct improvements to the System, bonds for such purpose being authorized by the provisions of the Prior Bonds Authorizing Ordinances upon compliance with the conditions precedent to the issuance of bonds as therein specified.

17. **Covenants.** The Issuer covenants and agrees with the holder(s) of the Bonds that so long as any of the Prior Bonds remain outstanding and unpaid as to either principal or interest that it will keep and maintain each of the covenants and agreements as set forth in the Prior Bonds Authorizing Ordinances. Further, the Township covenants to operate the System and to fix rates and charges for the services of the System sufficient to provide Net Revenues equal to at least 100% of the annual debt service requirements of the Bonds and the Prior Bonds.

18. **Additional Bonds.** The Issuer may issue additional bonds of equal standing with the Bonds and/or the Prior Bonds only for the purposes and on the conditions set forth in the Prior Bonds Authorizing Ordinances.

19. **Ordinance Shall Constitute Contract.** The provisions of this Ordinance shall constitute a contract between the Issuer and the bondholders and after the issuance of such Bonds, this Ordinance shall not be repealed or amended in any respect which will adversely affect the rights and interests of the holders, nor shall the Issuer adopt any law, ordinance or resolution in any way adversely affecting the rights of the holders so long as the Bonds or interest thereon remains unpaid.

20. **Fiscal Year of System.** The fiscal year for the operation of the System is from January 1 to December 31 of each year.

21. **Application to Department of Treasury and Other Governmental Agencies.** The Township’s Supervisor, Clerk, Treasurer, members, staff, counsel and bond counsel for the Issuer, or any of them, are authorized on behalf of the Issuer to apply for such rulings, order and approvals
and file or submit such elections or other documents to any governmental agency and execute all necessary documents on behalf of the Township in order that the Bonds may be validly issued and the interest thereon be exempt from federal income taxation and are further hereby authorized to execute, date and deliver such other certificates, documents, instruments, and opinions and other papers as may be required by the Purchase Contract or as may be necessary or convenient to effectuate the sale and delivery of the Bonds in accordance with the terms of the Purchase Contract.

22. **Financial Consultant.** The financial consulting firm of Public Financial Management, Inc., Ann Arbor, Michigan, is hereby appointed as financial consultants to the Township with reference to the issuance of the Bonds herein authorized.

23. **Conflict and Severability.** All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are, to the extent of such conflict, hereby repealed, and each section of this Ordinance and each subdivision of any section thereof is hereby declared to be independent, and the finding or holding of any section or subdivision thereof to be invalid or void, shall not be deemed to affect the validity of any other section or subdivision of this Ordinance.

24. **Section Headings.** The section headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this Ordinance.

25. **Publication and Recordation.** This Ordinance shall be published once in full in a newspaper of general circulation within the corporate limits of the Township, qualified under Michigan law to publish the legal notice, promptly after its adoption.

26. **Effective Date.** This Ordinance is hereby determined to be immediately necessary for the preservation of the public health and safety of the Issuer and shall be in full force and effect from and after its passage and publication as required by law.
APPROVED AND ENACTED by the Township Board of the Charter Township of West Bloomfield, County of Oakland, State of Michigan, on November 16, 2009.

Michele Economou Ureste  
Township Supervisor  
Charter Township of West Bloomfield

(Seal)

Attest:  
Catherine Shaughnessy  
Township Clerk  
Charter Township of West Bloomfield

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly enacted by the Township Board of the Charter Township of West Bloomfield, County of Oakland, State of Michigan, at a regular meeting held on Monday, the 16th day of November, 2009, 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, as amended, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

I further certify that the following Board Members were present at the meeting:

Economou Ureste, Shaughnessy, Weingarden, Brown, Farber, Kaplan, Rosenberg

and that the following Board Members were absent:

None

I further certify that Board Member Shaughnessy moved enactment of the Ordinance, and that the motion was supported by Board Member Weingarden.

I further certify that the following Board Members voted for enactment of the Ordinance:

Economou Ureste, Shaughnessy, Weingarden, Brown, Farber, Kaplan, Rosenberg

and that the following Board Members voted against enactment of the Ordinance:

None
I further certify that the Ordinance has been recorded in the Ordinance Book and that the recording has been authenticated by the signatures of the Supervisor and the Clerk.

\[Signature\]

Catherine Shaughnessy, Township Clerk
Charter Township of West Bloomfield
EXHIBIT A

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF OAKLAND
CHARTER TOWNSHIP OF WEST BLOOMFIELD
2010 WATER SUPPLY AND SEWAGE DISPOSAL SYSTEM
REVENUE BOND, SERIES ___
(GENERAL OBLIGATION - LIMITED TAX)

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<td>Per Schedule A</td>
<td>____ I of each</td>
<td>year per Schedule A</td>
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REGISTERED OWNER: MICHIGAN MUNICIPAL BOND AUTHORITY

CHARTER TOWNSHIP OF WEST BLOOMFIELD, COUNTY OF OAKLAND, STATE OF MICHIGAN (the “Issuer”), promises to pay to the Michigan Municipal Bond Authority (the "Authority" or "MMBA"), primarily from the net revenues of the Issuer’s water supply and sewage disposal system, including all appurtenances, additions, extensions and improvements thereto (the “System”), the Principal Amount of this Bond specified above, in lawful money of the United States of America on the Maturity Date specified above, with interest thereon from the Date of Original Issue specified above, or subsequent dates of the installment deliveries 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, until paid at the Rate specified above (the "Bond" or "Bonds"), provided that the principal repayments required herein to be paid to the Authority shall not exceed the total of the principal installments received.

Interest is first payable ____ 1, 20___, and semiannually thereafter, and principal is payable on the first day of _______ commencing ____ 1, 20___ (as identified in the Purchase Contract) and annually thereafter.

This Bond is a single instrument, numbered 1, evidencing multiple annual maturities delivered in installments aggregating the principal amount of $_______, is payable in installments as set forth in Schedule A, and is the____ series of bonds issued pursuant to Ordinance No.____, enacted by the Township Board of the Issuer on ______, 2009 (the "Ordinance"), and under and in full compliance with the constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, and Act 34, Public Acts of Michigan, 2001, as amended, for the purpose of defraying a portion of the cost of acquiring and constructing certain improvements to the System.

This Bond is payable, both as to principal and interest, primarily from the revenues of the System, after provision has been made for reasonable and necessary expenses of operation, administration and maintenance thereof (the “Net Revenues”), and the Net Revenues are hereby irrevocably pledged and a statutory ____ lien thereon is hereby recognized and created. The
principal of and interest on this Bond are secured by that statutory lien. The Issuer, in addition to the foregoing, has pledged its full faith and credit subject to applicable constitutional, statutory and charter tax rate limitations, for the repayment of the Bonds. In case of an insufficiency of the Net Revenues of the System, this Bond is payable from the general funds of the Issuer. For a complete statement of the revenues from which, and the conditions under which, this Bond is payable, a statement of the conditions under which additional bonds of equal standing may hereafter be issued, and the general covenants and provisions pursuant to which this Bond is issued, reference is made to the Ordinance. This Bond is issued on a pari passu basis with the prior bonds of the Issuer designated "2007 Water System Improvement Revenue Bonds (General Obligation-Limited Tax)" dated March 29, 2007, issued in the original principal amount of $935,000 and "2008 Water System Improvement Revenue Bonds, Series A (General Obligation-Limited Tax)" dated April 1, 2008, issued in the original principal amount of $7,975,000.

The Issuer has covenanted and agreed and does hereby covenant and agree to (a) fix and maintain at all times while any bonds, including any principal installments of this Bond, payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest upon and the principal of this Bond and any additional bonds of equal standing payable from the Net Revenues of the System as and when the same become due and payable, (b) create a bond and interest redemption account therefor, (c) provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and (d) provide for such other expenditures and funds for the System as are required by the Ordinance.

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 Issuer 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 40 days prior to the date on which such redemption is to be made.

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.

During the time funds are being drawn down by the Issuer under this Bond, MMBA 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 MMBA 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, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

This 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.

It is hereby certified and recited that all acts, conditions and things required to be done precedent to and in the issuance of this Bond have been done, have happened and have been performed in regular and due time and form as required by law. Further, the total indebtedness of the Issuer, including this Bond, does not exceed any constitutional, statutory or charter limitation.

IN WITNESS WHEREOF, Charter Township of West Bloomfield, County of Oakland, State of Michigan, by its Township Board, has caused this Bond to be signed in its name by the manual signature of its Supervisor and to be countersigned by the manual signature of its Clerk, and its corporate seal or a facsimile thereof to be hereunto affixed, all as of _____, 20__.

CHARTER TOWNSHIP OF
WEST BLOOMFIELD
COUNTY OF OAKLAND
STATE OF MICHIGAN

(Seal)

By: ____________________________
Supervisor

Countersigned:

______________________________
Clerk