

Board of Trustees Minutes - Special Meeting November 1, 2006

Supervisor Reaume called the meeting to order at 6:34 p.m. and led in the Pledge of Allegiance to the Flag.

MEMBERS PRESENT:

Richard Reaume, Supervisor
Ron Edwards, Treasurer
Marilyn Massengill, Clerk
Kay Arnold, Trustee
Charles Curmi, Trustee
Robert Doroshewitz, Trustee
Steven Mann, Trustee

ABSENT: None

OTHERS PRESENT:

James Anulewicz, Director of Public Service
Mark Lewis, Chief Building Official
Randy Maycock, Fire Chief
Thomas Tiderington, Police Chief
Joe Bridgman, Deputy Clerk
Alice Geletzke, Recording Secretary
5 Members of the Public

D. APPROVAL OF AGENDA

Special Meeting - Wednesday, November 1, 2006

Mrs. Massengill added Item J.4 under New Business, Purchase of Police Department Vehicle. She then moved to approve the Agenda for the Board of Trustees Special Meeting of November 1, 2006, as amended. Seconded by Ms. Arnold

AYES: Arnold, Doroshewitz, Reaume, Edwards, Mann
NAYS: Curmi, Massengill
Motion carried.

E. APPROVAL OF CONSENT AGENDA - N/A

F. PUBLIC COMMENT AND QUESTIONS - There were none.

G. PUBLIC HEARING - N/A

H. COMMUNITY DEVELOPMENT - N/A

I. UNFINISHED BUSINESS - N/A

J. NEW BUSINESS

J.1 Approve Revised Tax Abatement Contract

Board members discussed the changes in the revised contract, with some members wishing to delay action on approving the contract form for future applications until they could study it further.

Mr. Mann moved to approve the contract as prepared for Automotive Components Holdings, LLC, for the two-year Industrial Facilities Exemption approved by the Board at the October 10th meeting. Seconded by Mr. Doroshewitz.

AYES: Mann, Doroshewitz, Arnold, Curmi, Massengill, Reaume
NAYS: Edwards
Motion carried.

J.2 Resolution authorizing Limited Tax Capital Improvement Bonds
for the Sheldon Road/CSX Railroad Grade Separation Project
Resolution No. 06-11-01-31

Mr. Edwards indicated his reason for moving ahead with the bond sale is to be prepared when work commences and to capture favorable interest rates.

When answering Mr. Doroshewitz' question regarding the timeline for bond transactions, Mr. Mann pointed out that though he works for Miller, Canfield, the bond attorneys, he does not have a financial interest in the transaction.

Mr. Curmi expressed his opinion that this action is premature since a schedule has not been received from the County regarding the project.

Mr. Curmi moved to postpone authorization for the sale of 2006 General Obligation Limited Tax Capital Improvements Bonds until the meeting of November 14, 2006. The motion died from lack of support.

Mr. Edwards moved to approve Resolution 06-11-01-31, authorizing the sale of 2006 General Obligation Limited Tax Capital Improvement Bonds in an amount not to exceed \$995,000. Seconded by Mr. Doroshewitz.

ROLL CALL: AYES: Edwards, Reaume, Massengill, Mann, Arnold, Doroshewitz

NAYS: Curmi

Motion carried.

The resolution reads as follows:

WHEREAS, the Township Board (the "Township Board") of the Charter Township of Plymouth, County of Wayne, State of Michigan (the "Township") caused a notice of intent (the "Notice of Intent") to issue bonds in an amount not to exceed Nine Hundred Ninety-Five Thousand Dollars (\$995,000) for the purpose of paying a part of the Township's share of the costs of the Sheldon Road/CSX Railroad Grade Separation project, which project consists generally of the construction of street, bridge, public utility, drainage and related improvements and the acquisition of certain rights of way and easements in connection therewith (the "Project") to be published in the Plymouth Observer on March 2, 2006; and

WHEREAS, pursuant to Section 517 of Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), no sufficient petition for a referendum on the question of the sale and issuance of the bonds described in the Notice of Intent was filed with the Clerk of the Township within 45 days after the publication of the Notice of Intent and, therefore, the Township has been duly authorized to issue and sell not to exceed \$995,000 principal amount of limited tax capital improvement bonds to finance the Project in one or more series; and

WHEREAS, the Township Board has determined that pursuant to such authorization, a series of bonds of the Township in the principal amount of not to exceed Nine Hundred Ninety-Five Thousand Dollars (\$995,000) should be issued to pay a portion of the costs of the Project.

NOW, THEREFORE BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the township designated GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2006 (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Nine Hundred Ninety-Five Thousand Dollars (\$995,000) for the purpose of paying a portion of the costs of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds. The Bonds shall consist of bonds in full-registered form of the denomination of \$5,000, or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered consecutively in order of registration, dated as of December 1, 2006, or such other date as determined by any of the Supervisor (the "Supervisor"), Clerk (the "Clerk") and Treasurer (the "Treasurer") of the Township. The Bonds shall bear interest, mature and be payable at the times and in the manner set forth in Sections 6 and 7 hereof.

The Bonds shall be sold at public sale at a price not less than 98.5% of the principal amount thereof.

The Bonds shall be subject to redemption prior to maturity in the manner and at the times and prices set forth in Sections 6 and 7 hereof.

Interest shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the township to conform to market practice in the future. Interest shall be payable to the registered owner of record as of the 15th day of the month preceding the payment date for each interest payment. The principal of the Bonds shall be payable at the principal corporate trust office of LaSalle Bank N.A., Troy, Michigan, as the transfer agent for the Bonds (the "Transfer Agent").

The Bonds shall be issued in book-entry only form through the Depository Trust Company in New York, New York ("DTC") and the Supervisor, Clerk and Treasurer are each authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form and to make such changes in the Bond Form within the parameters

of this Resolution as may be required to accomplish the foregoing.

2. Execution of Bonds. The Bonds shall be executed in the name of the Township with the facsimile signatures of the Supervisor and Clerk and shall have the seal of the Township, or a facsimile thereof, printed or impressed on the Bonds. No Bond shall be valid until authenticated by an authorized officer or representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Supervisor, Treasurer, or Clerk upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the Township. Any Bond may be transferred upon such registration books by the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation accompanied delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Township shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the Township. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate number (and in the case of partial redemption) the called amounts of each certificate; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption of notice thereof is given as prescribed herein.

4. Limited Tax Pledge; Debt Retirement Fund; Defeasance of Bonds. The Township hereby pledges its limited tax full faith and credit for the prompt payment of the principal of and interest on the Bonds. The Township shall each year budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds available therefore, or, if necessary, levy taxes upon all taxable property in the Township subject to applicable constitutional, statutory, and charter tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The Treasurer is authorized in accordance with Act 34 to open a depository account with a bank or trust company (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature.

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 be 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.

5. Construction Fund; Proceeds of Bond Sale. The Treasurer is authorized and directed to open a separate depository account to be designated GENERAL OBLIGATION LIMITED TAX BONDS, SERIES 2006 CONSTRUCTION FUND (the "Construction Fund") and deposit into said Construction Fund the proceeds of the Bonds less accrued interest, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the Construction Fund shall be used solely to pay the costs of the Project and the costs of issuance of the Bonds.

6. Bond Form. The Bonds shall be in substantially the following form:

(A copy of the Bond form is on file in the Clerk's office for public perusal.)

7. Notice of Sale. The Supervisor, Clerk and Treasurer, in consultation with the Township's financial advisor and bond counsel, are each authorized to fix a date of sale for the Bonds and to publish a notice of sale of the Bonds in The Bond Buyer, New York, New York, which notice of sale shall be substantially the form attached hereto as Exhibit A.

8. Useful Life of the Project. The estimated period of usefulness of the Project is hereby declared to be not less than twenty (20) years.

9. Tax Covenant; Qualified Tax Exempt Obligations. The Township shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds. The Township hereby designates the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

10. Authorization of Actions. The Supervisor, Treasurer and Clerk are each hereby authorized and directed to take all other actions necessary or advisable, and to make such other filings with any parties, to enable the sale and delivery of the Bonds as contemplated herein, including but not limited to (a) taking all other actions necessary or advisable, and to make such other filings with the Michigan Department of Treasury or with other parties, to enable the sale and delivery of the Bonds as contemplated herein; and (b) adjusting the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing each is authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, designation of series, and other matters provided that the principal amount of Bonds issued shall not exceed \$995,000, the interest rate per annum on the Bonds shall not exceed seven percent (7%), and the Bonds shall be payable in not more than twenty (20) principal installments. After a competitive sale of the Bonds, the Supervisor, Treasurer or Clerk may, without further direction from the Township Board and upon advice of the Township's financial advisor and bond counsel, award the sale of Bonds to a purchaser pursuant to the execution of an awarding order approving the sale thereof provided that the final terms of the Bonds shall be within the parameters stated in this Section 10.

11. Severability. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such paragraph, section, clause or provision shall not affect any of the other provisions of this Resolution. Section headings are inserted for convenience of reference only and shall not be considered to be a part of this Resolution.

12. Conflicting Actions. All resolutions, orders or parts thereof in conflict with the provisions of this Resolution are, to the extent of such conflict, hereby repealed.

EXHIBIT A

A copy of Exhibit A is on file in the Clerk's office for public perusal.

J.3 Discuss Amended 2006 and Recommended 2007 Township Budgets

Mr. Edwards gave a presentation of the Amended 2006 and Recommended 2007 Township Budgets, which Board members discussed at length.

J.4 Police Department Vehicle Purchase

Police Chief Tiderington explained the necessity of the request which was because of three vehicle crashes this year. Two vehicles have been assessed by MMRA as not cost-effective to repair. He recommended returning his 2005 Ford Crown Victoria to patrol service and purchasing a certified pre-owned 2004 Ford Explorer from Blackwell Ford for his use for \$17,015, with \$12,000 coming from the MMRA insurance payment and \$5,015 from the Auto Expense account.

Ms. Arnold moved to approve the expenditure of \$17,015.00 from the Plymouth Township Law Enforcement Budget for the purchase of a 2004 Explorer. Seconded by Mr. Edwards.

Ayes all.

K. SUPERVISOR COMMENTS - There were none.

L. TRUSTEE COMMENTS - There were none.

M. PUBLIC COMMENT - There was none.

N. ADJOURN

Mrs. Massengill moved to adjourn the meeting. Seconded by Mr. Edwards.

Ayes all.

Mr. Reaume adjourned the meeting at 9:22 p.m.

Marilyn Massengill, Clerk
Charter Township of Plymouth

The Charter Township of Plymouth will provide necessary reasonable aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities at the meeting/hearing upon two weeks notice to the Charter Township of Plymouth. Individuals with disabilities requiring auxiliary aids or services should contact the Charter Township of Plymouth by writing or calling the Human Resource Office, Charter Township of Plymouth, 9955 N. Haggerty Road, Plymouth, Michigan, 48170, (734) 453-3202, TDD users: 1-800-649-3777 (Michigan Relay Service)-