

**CHARTER TOWNSHIP OF FENTON BOARD OF TRUSTEES
MINUTES FOR REGULAR MEETING OF JANUARY 23, 2017**

**FENTON TOWNSHIP CIVIC COMMUNITY CENTER
12060 MANTAWAUKA DRIVE, FENTON, MICHIGAN**

Supervisor Mathis called the meeting to order at 7:30 p.m.

Present: Mathis, Krug, Tucker, Goupil, Kesler, Lorraine, Shumaker, Attorney Doyle
and Operations Manager Broecker.

Absent: None

OPENING PRAYER / PLEDGE OF ALLEGIANCE:

Trustee Goupil offered the opening prayer. Lake Fenton 6th grader Trent Ketterer led the pledge of allegiance to the flag.

APPROVAL OF AGENDA:

Motion to approve the 1/23/17 Fenton Township Board Meeting agenda as presented.

Motion by: Lorraine

Seconded: Shumaker

Ayes: All

Nays: None

Motion carried. The agenda is approved.

MEETING MINUTES:

The minutes for the 1/9/17 regular meeting stand approved as presented.

EXPENDITURES:

Motion to approve invoices and expenditures for all funds totaling \$428,995.99 for payment as presented.

Motion by: Tucker

Seconded: Kesler

Ayes: Mathis, Krug, Tucker, Goupil, Kesler, Lorraine, Shumaker

Nays: None

Motion carried.

PUBLIC HEARINGS:

2017 Local Road Improvement Projects

Supervisor Mathis opened a public hearing to gather citizen input regarding potential local road improvement projects in 2017.

Public Comment:

Cheryl Clark, 12177 Dalhart Drive

Ms. Clark stated that Dalhart Drive is in need of improvement. More gravel is needed to maintain the road surface.

Ann Marie Young, 12145 Dalhart Drive

Ms. Young reported that there is a manhole 12 inches above road surface, which has caused at least one accident. Supervisor Mathis stated that the sewer maintenance crew will investigate.

Gregory Young, 12145 Dalhart Drive

Mr. Young reported that there is another manhole just over hill from their home that is partially buried.

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Earl Green, 12084 Odell Road

Mr. Green expressed concern that the grading of Odell Road creates a gravel “curb” on the roadside, which causes flooding problems. He also stated that the Thompson Road - Linden Road intersection is dangerous due to the sharp angle. He believes the intersection should be adjusted to a 90 degree angle.

Roy Kinne, 13013 Lia Court

Mr. Kinne stated that poor sight lines at the intersection of Lahring Road and North Road are very dangerous for vehicles turning from North onto Lahring. He suggested white dotted lines to show the edge of the road and turning arcs might keep vehicles from making the turn too tight. Mr. Kinne stated that the intersections of Thompson Road at Jennings Road and Torrey Road at Lahring Road have similar issues.

Trent & Terry Ketterer, 2191 Ray Road

Mr. Ketterer and young Mr. Ketterer stated that Ray Road between Torrey & Fenton Roads is in very poor condition. There are large potholes and standing water almost year round. They asked to consider paving this section of Road. Supervisor Mathis pointed out that any improvements to Ray Road would involve a cooperative effort with Mundy Township since it is a boundary road. Trustee Lorraine asked if a special assessment could be used to pave the road. Operations Manager Broecker noted that the Township does not typically utilize special assessments on local roads, but it can be done. More research will be undertaken.

Based on the 3-year improvement plan adopted in late 2014 and review by Lawrence Engineering, the following roads were suggested as potential improvement projects for 2017:

Limestone/Gravel Resurfacing

Hogan Road	Railroad tracks to Lahring Road
Hogan Road	Smith Road to Ray Road
Old Linden Road	Thompson Road to dead end
Sharp Road	Lahring Road to Smith Road
Whitaker Road	Lobdell Road to pavement

Asphalt Resurfacing

Butcher Road	Fenton Road to Gage Road
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The Township will request the appropriate cost estimates and bring recommendations back to a future meeting for board action.

REPORTS:

Ordinance Enforcement 4th Quarter Report

Supervisor Mathis reviewed the 4th quarter report from Ordinance Enforcement Officer Tom Hosie. Zoning issues, junk vehicles and dog control were the categories with the highest number of complaints for the quarter. 32 of the 34 complaints filed during the 4th quarter have been closed. The remaining 2 are still under investigation. The report also documents two appearance tickets issued during the quarter for violations that were not corrected voluntarily.

COMMUNICATIONS:

None

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ADOPTION OF ORDINANCES:

None

UNFINISHED BUSINESS:

None

NEW BUSINESS:

Resolution No. 2017-01, Authorization to Issue Capital Improvement Bonds

The board reviewed a proposed resolution authorizing the issuance of \$1.7 million in capital improvement bonds. The proceeds of these bonds will be used to pay for sewer pump station upgrades. It is anticipated that the cost of servicing the debt will be more than offset by a reduction in repair costs. The board had previously declared its intent to issue the bonds by resolution on 11/28/16. This resolution confirms the issue amount of \$1.7 million. Clerk Krug presented the following resolution:

RESOLUTION NO. 2017-01

WHEREAS, the Township does hereby determine that it is necessary to pay all or part of the costs of acquiring, constructing, furnishing and equipping improvements to the Township's sanitary sewer system, consisting generally of pump station improvements and generators, together with all necessary interests in land, and all related sites, structures, equipment, appurtenances and attachments thereto in the Township (the "Project"); and

WHEREAS, to finance the cost of the Project, the Township Board deems it necessary to borrow the principal amount of not to exceed One Million Seven Hundred Thousand Dollars (\$1,700,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), to pay the cost of the Project; and

WHEREAS, a notice of intent for bonds was published in accordance with Act 34 which provides that the capital improvement bonds may be issued without a vote of the electors of the Township unless a proper petition for an election on the question of the issuance of the bonds is filed with the Township Clerk within a period of forty-five (45) days from the date of publication and as of this date no petition has been filed with the Township Clerk; and

WHEREAS, the Township desires to solicit proposals from financial institutions and other prospective purchasers and negotiate the sale of the Bonds to a purchaser within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the Township designated 2017 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed One Million Seven Hundred Thousand Dollars (\$1,700,000) for the purpose of paying all or part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds.

The issue shall consist of bonds fully-registered as to principal and interest of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, or alternatively, may consist of a single-instrument, non-convertible bond, as determined at the time of sale. The Bonds will be

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dated as of the date of delivery, or such other date as determined by the Operations Manager/Deputy Clerk, Supervisor, Township Clerk, or Treasurer (each, an "Authorized Officer"), be payable on May 1 (or such other date as determined at the time of sale thereof) in the years and in the annual amounts as determined at the time of sale. The Bonds shall bear interest at a rate or rates to be determined upon negotiated sale thereof, payable semi-annually on May 1 and November 1, first payable on such date as determined by an Authorized Officer at the time of sale, provided that the interest rate per annum on the Bonds shall not exceed 5.00%. The Bonds shall be sold at a price not less than 99% of their par value. The Bonds may be issued as serial bonds or term bonds or any combination thereof. The Bonds may be subject to redemption prior to maturity in the manner and at the times and prices determined at the time of sale.

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 a Michigan bank or trust company to be selected by an Authorized Officer at the time of the sale of the Bonds as registrar and transfer agent for the Bonds (the "Transfer Agent"), provided that in the event that the Bonds are purchased by a single institutional investor the Township Treasurer may act as the Transfer Agent.

2. Execution of Bonds; Book-Entry-Only Form. *The Bonds of this issue shall be executed in the name of the Township with the manual or facsimile signatures of the Supervisor and Township Clerk and shall have the seal of the Township, or a facsimile thereof, printed or impressed on the Bonds. No Bond signed by facsimile signature shall be valid until authenticated by an authorized officer or representative of the Transfer Agent.*

The Bonds may be issued in book-entry-only form through the Depository Trust Company in New York, New York ("DTC") and any Authorized Officer is 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.

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 by 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.*

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 Bonds. The Township shall, each year budget the amount of the debt service coming*

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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 therefor, or, if necessary, levy taxes upon all taxable property in the Township subject to applicable constitutional and statutory tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year.

The Treasurer is authorized and directed to open a depository account with a bank or trust company designated by the Township Board, to be designated 2017 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) DEBT RETIREMENT FUND (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, premium, if any, 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, premium, if any, 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 with a bank or trust company designated by the Township Board, to be designated 2017 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) 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 with such changes as may be required to conform the Bond to the final terms of the Bonds established by the Sale Order:*

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[THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MICHIGAN UNIFORM SECURITIES ACT, AS AMENDED, IN RELIANCE UPON EXEMPTIONS THEREUNDER. ANY RESALE OR OTHER TRANSFER OF THIS BOND MAY BE MADE ONLY UPON REGISTRATION UNDER SUCH ACTS OR IN AN EXEMPT TRANSACTION UNDER SUCH ACTS AND UPON COMPLIANCE WITH THE CONDITIONS SET FORTH HEREIN AND MAY BE OFFERED AND SOLD ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THOSE ACTS OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE.]

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UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF GENESEE

CHARTER TOWNSHIP OF FENTON
2017 CAPITAL IMPROVEMENT BOND
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	May 1, 20__	_____, 2017	

Registered Owner:

Principal Amount: Dollars

The Charter Township of Fenton, County of Genesee, State of Michigan (the "Township"), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date [specified above] [set forth in Exhibit A attached hereto and made a part hereof], with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on _____, 20__ and semiannually thereafter. Principal of this bond is payable [at the _____ office of _____, _____, Michigan,] [by the Treasurer of the Township] or such other paying agent as the Township may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the Township kept by the Transfer Agent by check or draft mailed by the Transfer Agent to the registered owner of record at the registered address. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the Township are hereby irrevocably pledged.

This bond is [a single, fully-registered, non-convertible bond] [one of a series of bonds] of even Date of Original Issue [in] [aggregating] the principal sum of \$_____, issued pursuant to Act 34, Public Acts of Michigan, 2001, as amended, and a resolution duly adopted by the Township Board of the Township for the purpose of paying all or part of the cost of constructing certain capital improvements for the Township.

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the Township, and the Township is required, if necessary, to levy ad valorem

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taxes on all taxable property in the Township for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

Bonds of this issue maturing in the years 20__ to 20__, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 of this issue maturing in the year 20__ and thereafter, shall be subject to redemption prior to maturity, at the option of the Township, in such order as the Township shall determine, on any date on or after May 1, 20__, at par and accrued interest to the date fixed for redemption.

[Insert Term Bond Provisions, if any]

In case less than the full amount of an outstanding bond is called for redemption, the Transfer Agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem said bond or portion thereof.

[This][Any] bond is transferable only upon the registration books of the Township kept by the Transfer Agent by the registered owner of record in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the resolution authorizing this bond and upon the payment of the charges, if any, therein prescribed.

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

[This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.]

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IN WITNESS WHEREOF the Township, by its Township Board, has caused this bond to be executed with the [manual/facsimile] signatures of its Supervisor and its Township Clerk and its corporate seal or a facsimile thereof to be [impressed/printed] hereon, all as of the Date of Original Issue.

FENTON

CHARTER TOWNSHIP OF

County of Genesee
State of Michigan

By: _____

Its: Supervisor

(SEAL)

By: _____

Its: Township Clerk

(Form of Transfer Agent's Certificate of Authentication)

CERTIFICATE OF AUTHENTICATION

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

Transfer Agent

By: _____
Authorized Signatory

DATE OF AUTHENTICATION: _____

[Bond printer to insert form of assignment]

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7. Useful Life of Project. *The estimated period of usefulness of the Project is hereby declared to be not less than ten (10) years.*

8. Negotiated Sale. *The Township Board has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and, pursuant to the requirements of Act 34, hereby determines that a negotiated sale of the Bonds will result in the most efficient and expeditious means of selling the Bonds and will result in the lowest interest cost to the Township.*

9. Placement or Sale of Bonds; Delegation to Authorized Officer; Sale Order. *Each Authorized Officer is hereby authorized to solicit proposals through a private placement with a qualified bank or other sophisticated institutional investor as purchaser thereof (the "Purchaser"). Each Authorized Officer is individually authorized to negotiate and execute a sale order specifying the final terms of the Bonds with the Purchaser and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds, subject to the parameters set forth in this Resolution. Alternatively, if deemed appropriate by the financial advisor to the Township and an Authorized Officer, the Township is authorized to sell the Bonds to an underwriter (the "Underwriter") pursuant to a bond purchase agreement, and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds, subject to the parameters set forth in this Resolution.*

10. Adjustment of Bond Terms. *Each Authorized Officer is hereby authorized to adjust the final Bond details to the extent necessary or convenient to complete the transaction authorized in this Resolution, and in pursuance of the foregoing are each 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, all subject to the parameters established in this Resolution; provided that the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the interest rate per annum on the Bonds shall not exceed five percent per annum (5.00%), the Bonds shall be sold at a price not less than 99% of their par value, and the Bonds shall mature no later than eleven years from the date of issue.*

11. 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, and to prevent the Bonds from being or becoming "private activity bonds" as that term is used in Section 141 of the Code. The Bonds are hereby designated as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.*

12. Continuing Disclosure. *In the event the Bonds are sold to an Underwriter, the Township agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and the Authorized Officers are each hereby authorized to execute such undertaking prior to delivery of the*

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Bonds. If the Bonds are placed with a Purchaser, the Township will not enter into a continuing disclosure undertaking.

13. Authorization of Other Actions. *In the event of a public offering, the Authorized Officers are each authorized and directed to cause the preparation and circulation of a preliminary and final official statement with respect to the Bonds; to procure a policy of municipal bond insurance with respect to the Bonds or cause the qualification of the Bonds therefor if the acquisition of such insurance would be of economic benefit to the Township; to obtain ratings on the Bonds; and to take all other actions necessary or advisable, and make such other filings with the Michigan Department of Treasury or with other parties, to enable the issuance, sale and delivery of the Bonds as contemplated herein.*

14. Financial Advisor. *The Township hereby confirms H.J. Umbaugh & Associates, LLP, as financial advisor with respect to the Bonds.*

15. Placement Agent; Underwriter. *The Township hereby confirms Fifth Third Securities, Inc., as Placement Agent with respect to the Bonds. In the event the Bonds are sold to an Underwriter, confirms Fifth Third Securities, Inc. shall serve as Underwriter.*

16. Bond Counsel. *Miller, Canfield, Paddock and Stone, P.L.C. is hereby approved as bond counsel for the Bonds, notwithstanding periodic representation in unrelated matters of the Underwriter and other parties or potential parties to the transaction contemplated by this resolution.*

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

Motion to adopt Resolution No. 2017-01 as presented.

Motion by: Krug

Seconded: Tucker

Ayes: Mathis, Krug, Tucker, Goupil, Kesler, Lorraine

Nays: Shumaker

Motion carried. Resolution declared adopted.

BOARD COMMENT:

Trustee Shumaker expressed concern that the board was not advised that the approved sale of tax-reverted units in the Fenton Orchards development was never completed. After a brief discussion the board agreed to review all township owned property to determine the best course of action for each parcel.

PUBLIC COMMENT – AGENDA OR NON-AGENDA ITEMS:

None

ADJOURN: Meeting adjourned at 8:40 p.m.

Bonnie Mathis, Supervisor

Robert Krug, Clerk

Minutes Posted 1/24/17