



City of Pleasant Ridge
23925 Woodward Avenue
Pleasant Ridge, Michigan 48069

**City Commission Meeting
September 13, 2016
Agenda**

Honorable Mayor, City Commissioners and Residents: This shall serve as your official notification of the Regular City Commission Meeting to be held Tuesday, September 13, 2016, at 7:30 p.m., in the City Commission Chambers, 23925 Woodward Avenue, Pleasant Ridge, Michigan 48069. The following items are on the Agenda for your consideration:

REGULAR CITY COMMISSION MEETING – 7:30 P.M.

1. **Meeting Called to Order.**
2. **Pledge of Allegiance.**
3. **Roll Call.**
4. **Infrastructure Bond Referendum Notice.**
5. **2016 City of Pleasant Ridge Beautification Awards.**
6. **PUBLIC DISCUSSION – items not on the Agenda.**
7. **Introduction of Mr. Timothy Shultz, Department of Public Works Supervisor.**
8. **Governmental Reports.**
9. **City Commission Liaison Reports.**
 - **Commissioner Krzysiak – Recreation Commission.**
 - **Commissioner Foreman – Ferndale Public Schools.**
 - **Commissioner Perry – Planning/DDA, Committee Liaison.**
 - **Commissioner Scott – Historical Commission.**
10. **Consideration of the following Consent Agenda.**

All items listed on the Consent Agenda are considered to be routine by the City Commission, will be enacted by one motion and approved by a roll call vote. There will be no separate discussion of these items unless a City Commissioner or visitor so requests, in which event, the item will be removed from the consent agenda and considered as the last item of business.

 - a. Minutes of the Regular City Commission Meeting held Tuesday, July 12, 2016.
 - b. Monthly Disbursement Report.
 - c. Schedule a Public Hearing to solicit public comments on Tuesday, October 18, 2016, at 7:30 p.m. regarding an Ordinance to amend Chapter 70, Traffic and Vehicles Article V, Parking Violations Bureau and Parking Fines, Section 70-93, Parking Fines.

- d. Schedule a Public Hearing to solicit public comments on Tuesday, October 18, 2016, at 7:30 p.m. regarding an Ordinance to amend Chapter 14, Building and Building Regulations, by the addition of Article VI, Property Maintenance Code.
 - e. Local Road Improvement Matching Fund Cost Participation Agreement between the City of Pleasant Ridge and the County of Oakland.
11. **Resolution regarding allowing dogs in Gainsboro Park.**
 12. **Resolution regarding the Refuse Collection fee.**
 13. **City Manager's Report.**
 14. **Other Business.**
 15. **Adjournment.**

In the spirit of compliance with the Americans with Disabilities Act, individuals with a disability should feel free to contact the City at least seventy-two (72) hours in advance of the meeting, if requesting accommodations.



City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
 To: City Commission
 Date: September 8, 2016
 Re: Infrastructure Bond Notice of Intent

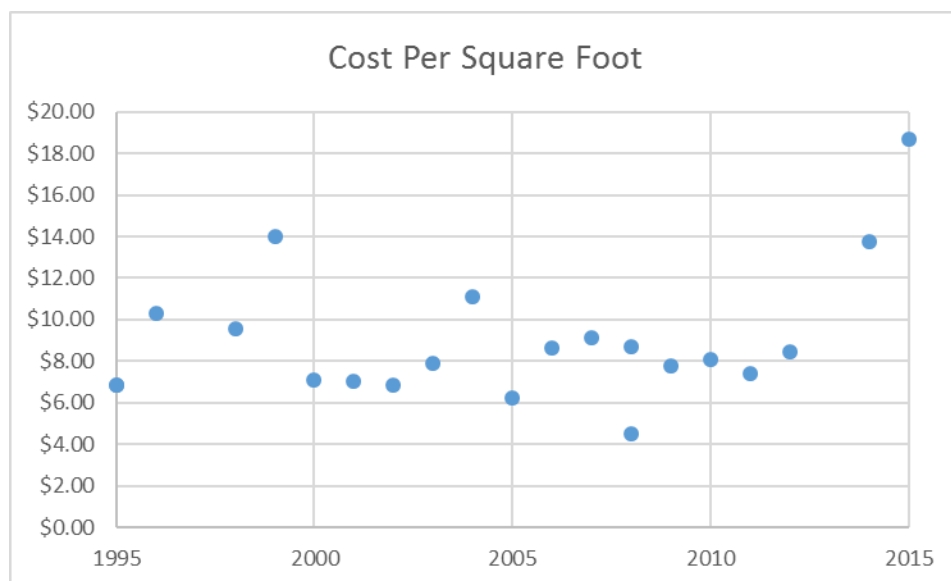
Overview

The cost to construct streets has gone up over 230% in the past 4 years. This drastic cost increase is limiting our ability to reconstruct the remaining streets in town in a timely manner. Rather than using a pay as you go approach, the City can instead sell bonds to allow us to finish reconstructing the remaining streets in town, with future infrastructure millage revenue being used to repay the bonds.

Background

Street Reconstruction Cost History and Future Cost Estimates

The following chart summarizes the inflation-adjusted cost to reconstruct each street in the City over the 1995-2015 period. The chart shows that up until 2012, the cost to reconstruct a street was very steady in real terms at about \$8.00 a square foot. However, over the past two years costs have spiked to the point where it cost us \$18.50 a square foot to reconstruct Oxford in 2015. Our engineer's estimate of probable costs for Norwich and Hanover is \$20.65 per square foot.



There is no one single reason for this cost increase, but the largest culprits seem to be the increasing cost for concrete, and the loss of many contractors who could and would do small concrete jobs like our residential streets during the Great Recession. We are now left with a very small pool of firms that bid on jobs like ours, which drives up costs.

Pay-As-You-Go Reconstruction Schedule

The following table presents a reconstruction schedule which matches up expected future costs with revenues. This is based on the assumption that construction costs will increase at a rate equal to inflation, which based on recent experience is a tenuous assumption. Nonetheless, the following table shows that Norwich and Hanover would be reconstructed in 2018 and 2019, while Ridge would have to wait until 2021, Indiana would have to wait until 2022, and Bermuda would not be finished until 2023.

This is an unacceptably long time to wait to reconstruct these streets as their condition will only deteriorate over time. Further, the following schedule uses all available infrastructure millage and local and major streets funding, leaving nothing left over for maintenance activities. As our previously reconstructed streets age they will require maintenance work, which will represent an additional cost not accounted for in the following table.

	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24
Infrastructure Fund Beginning Balance	(\$483,432)	(\$4,432)	\$183,508	\$2,427	(\$2,634)	\$7,364	(\$5,538)	(\$16,299)
Revenue								
Infrastructure Millage Revenue	\$394,000	\$397,940	\$401,919	\$405,939	\$409,998	\$414,098	\$418,239	\$422,421
Transfers In (SCAF)	\$250,000		\$80,000	\$320,000		\$100,000	\$100,000	
Transfers In (other)	\$40,000	\$40,000	\$100,000			\$100,000		
Financing Revenue								
Expenditures								
Capital Outlay	\$205,000		\$763,000	\$731,000		\$627,000	\$529,000	\$165,000
Transfers Out (SCAF)		\$250,000			\$400,000			\$200,000
Financing Payment								
Infrastructure Fund Ending Balance	(\$4,432)	\$183,508	\$2,427	(\$2,634)	\$7,364	(\$5,538)	(\$16,299)	\$41,122
Millage Year	2	3	4	5	6	7	8	9
Outlay Description	Repairs/CC		Norwich	Hanover		Ridge	Indiana	Bermuda

Bond Construction and Repayment Schedule

The following table shows a reconstruction schedule using bond sale proceeds:

	16-17	17-18	18-19	19-20	20-21	21-22	22-23	23-24
Infrastructure Fund Beginning Balance	(\$483,432)	\$2,995,568	\$1,413,508	\$215,427	\$221,366	\$231,364	\$245,462	\$263,701
Revenue								
Infrastructure Millage Revenue	\$394,000	\$397,940	\$401,919	\$405,939	\$409,998	\$414,098	\$418,239	\$422,421
Transfers In (SCAF)	\$250,000							
Transfers In (other)	\$40,000	\$40,000						
Financing Revenue	\$3,000,000							
Expenditures								
Capital Outlay	\$205,000	\$1,495,000	\$1,325,000	\$125,000	\$125,000	\$125,000	\$125,000	\$125,000
Transfers Out (SCAF)		\$250,000						
Financing Payment		\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000	\$275,000
Infrastructure Fund Ending Balance	\$2,995,568	\$1,413,508	\$215,427	\$221,366	\$231,364	\$245,462	\$263,701	\$286,122
Millage Year	2	3	4	5	6	7	8	9
Outlay Description	Repairs/CC	Norwich & Hanover	Ridge, Indiana & Bermuda	Repairs & Maintenance	Repairs & Maintenance	Repairs & Maintenance	Repairs & Maintenance	Repairs & Maintenance

In total, the estimated cost to repay \$3,000,000 in bond funding will be about \$4,125,000 over the 15-year repayment period. This repayment, coupled with the up-front capital expenses, will leave about \$3,500,000 un-allocated infrastructure millage revenue that will be generated over the remaining 19 years of the infrastructure millage. This un-allocated funding can be used for maintenance and repair and other projects over time. This approach balances our immediate need for capital with our future needs for annual infrastructure funding.

Benefits and Risks

Floating bonds to forward ourselves money to finish our street reconstruction work will solve our immediate problem, and in a way that we can afford on into the future. However, by taking on estimated annual repayments of \$275,000 a year we will be left with only \$125,000 of annual infrastructure millage funding to meet our ongoing maintenance requirements. While staff believes that this level of annual funding will be adequate to undertake necessary repairs and maintenance to our infrastructure, if some unforeseen major expense crops up we will be more limited in our ability to address it. While this risk always exists, taking on bond repayments increases the risk somewhat.

In the final balance, the known need to reconstruct our remaining streets is a real and pressing need that in staff's estimation outweighs the unknown risk of a future infrastructure cost. For that reason, we are presenting this financing option to the City Commission for consideration.

Requested Action

City Commission approval of a resolution authorizing publication of notice of intent to issue general obligation capital improvement bonds.

CITY OF PLEASANT RIDGE

At a regular meeting of the City Commission of the City of Pleasant Ridge (the "City"), County of Oakland, Michigan, held in the City Hall, on Tuesday, September 13, 2016, at 7:30 p.m., Eastern Time, there were

PRESENT:

ABSENT:

The following preamble and resolutions were offered by _____ and seconded by _____:

**RESOLUTION AUTHORIZING PUBLICATION
OF NOTICE OF INTENT TO ISSUE GENERAL OBLIGATION
CAPITAL IMPROVEMENT BONDS**

WHEREAS, the City intends to issue and sell general obligation capital improvement bonds, pursuant to the Revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), in an aggregate principal amount not to exceed Three Million Dollars (\$3,000,000.00) (the "Bonds"), for the purposes of paying part of the costs of acquiring, constructing and installing street, sewer and water system repairs, sidewalks, alleys, parking lots, parks, and general infrastructure improvements within the City (collectively, the "Capital Improvement Program"); and

WHEREAS, it is proposed that the Bonds be primarily payable from collections of a tax of up to three (3) mills approved by the electors of the City on November 5, 2013 to fund the Capital Improvement Program, authorized to be levied annually for the years 2015 through 2035; and

WHEREAS, it is further proposed that the Bonds be general obligation bonds secured by a pledge of the City's full faith and credit, subject to constitutional, statutory and charter limitations; and

WHEREAS, a notice of intent to issue bonds and of the right to petition for referendum thereon must be published at least 45 days before the issuance of the Bonds in order to comply with the requirements of Section 517 of Act 34.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to cause the following NOTICE OF INTENTION TO ISSUE GENERAL OBLIGATION CAPITAL

IMPROVEMENT BONDS, TO PLEDGE THE CITY'S FULL FAITH AND CREDIT AS SECURITY THEREFOR, AND NOTICE OF RIGHT TO PETITION FOR REFERENDUM THEREON to be published and prominently displayed once in a newspaper of general circulation in the City. Said notice of intent shall be published as a one-quarter (1/4) page display advertisement in substantially the following form:

**NOTICE OF INTENTION OF THE CITY OF PLEASANT RIDGE
TO ISSUE GENERAL OBLIGATION CAPITAL IMPROVEMENT BONDS, TO PLEDGE
ITS FULL FAITH AND CREDIT AS SECURITY THEREFOR,
AND NOTICE OF RIGHT TO PETITION FOR REFERENDUM THEREON**

TO ALL ELECTORS AND TAXPAYERS OF THE CITY OF PLEASANT RIDGE:

PLEASE TAKE NOTICE that the City Commission of the City of Pleasant Ridge, Oakland County, Michigan (the "City"), intends to issue and sell General Obligation Capital Improvement Bonds, pursuant to Act 34, Public Acts of Michigan, 2001, as amended, in an aggregate principal amount not to exceed Three Million Dollars (\$3,000,000.00) (the "Bonds"), for the purposes of paying part of the costs of acquiring, constructing and installing street, sewer and water system repairs, sidewalks, alleys, parking lots, parks, and general infrastructure improvements within the City (collectively, the "Capital Improvement Program").

SAID BONDS will be payable in annual installments, not to exceed fifteen (15) in number, and will bear interest at the rate or rates to be determined at public or negotiated sale, but in no event to exceed six percent (6.0%) per annum on the balance of the Bonds from time to time remaining unpaid.

THE PRINCIPAL OF AND INTEREST ON SAID BONDS SHALL BE PRIMARILY PAYABLE from collections of a tax of up to three (3) mills approved by the electors of the City on November 5, 2013 to fund the Capital Improvement Program, authorized to be levied annually for the years 2015 through 2035. The Bonds will be further secured by the City's limited tax general obligation pledge as described below.

**FULL FAITH AND CREDIT AND TAXING POWER OF
THE CITY OF PLEASANT RIDGE WILL BE PLEDGED**

NOTICE IS FURTHER GIVEN that the Bonds will be general obligation bonds of the City. The full faith and credit of the City will be pledged to the payment of principal of and interest on the Bonds. Pursuant to such pledge of its full faith and credit, the City will be obligated to levy such ad valorem taxes upon all taxable property in the City as shall be necessary to make such payments of principal and interest, which taxes, however, will be subject to applicable statutory, constitutional and charter limitations on the taxing power of the City.

RIGHT TO PETITION FOR REFERENDUM

NOTICE IS FURTHER GIVEN to the electors and taxpayers of the City of Pleasant Ridge to inform them of their right to petition for a referendum on the question of issuance of the Bonds. The City intends to issue the Bonds without a vote of the electors thereon, but the Bonds shall not be issued until 45 days after publication of this notice and until final approval by the City Commission. If, within such 45-day period, a petition for referendum requesting an election on the issuance of the Bonds, signed by

not less than 10% or 15,000 of the registered electors of the City, whichever is less, has been filed with the City Clerk, the Bonds shall not be issued unless and until approved by a majority of the electors of the City voting thereon at a general or special election.

This notice is given by order of the City Commission. Further information may be obtained at the office of the City Clerk, Pleasant Ridge City Hall, 23925 Woodward Avenue, Pleasant Ridge, Michigan 48069.

Amy Drealan, City Clerk,
City of Pleasant Ridge

2. The City Commission does hereby determine that the foregoing Notice and the manner of publication directed is the method best calculated to give notice to the City's electors and taxpayers of the City's intent to issue the Bonds, the purpose of the Bonds, the security for the Bonds, including the full faith and credit pledge to be issued by the City, and the right of referendum relating thereto, and publication in a newspaper of general circulation in the City is hereby determined to reach the largest number of persons to whom the notice is directed.

3. The law firm of Dykema Gossett PLLC, of Bloomfield Hills, Michigan, is hereby retained to act as nationally recognized bond counsel for the City in connection with the issuance and sale of the Bonds.

4. The financial consulting firm of Bendzinski & Co., of Detroit, Michigan, is hereby retained to act as financial consultant and advisor for the City in connection with the issuance and sale of the Bonds.

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

YES:

NO:

ABSTAIN:

THE RESOLUTION WAS THEREUPON DECLARED ADOPTED.

Amy Drealan, City Clerk

I, the undersigned, the duly qualified and acting City Clerk of the City of Pleasant Ridge, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Commission at a regular meeting held on September 13, 2016, the original of which is on file in my office, and that such meeting was conducted and public notice thereof was given pursuant to and in compliance with Act No. 267, Public Acts of Michigan, 1976, as amended, and that minutes of such meeting were kept and are available as required by such Act.

Amy Drealan, City Clerk

September ____, 2016

**ANDERSON, ECKSTEIN & WESTRICK, INC.**

51301 Schoenherr Road
 Shelby Township, MI 48315
 Phone: 586-726-1234
 Fax No: 586-726-8780

PRELIMINARY ESTIMATE

AEW PROJECT NO. 0175-0075

PROJECT: Ridge Road HMA Rehabilitation
 (South City Limit to Northern Limit)

OWNER: City of Pleasant Ridge

PREPARED BY: Jeffery Mannor
 DATE: 7/25/2016

CHECKED BY: Michael D. Smith, PE
 DATE: 7/25/2016

WORK ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mobilization, Max. 5%	1	LS	\$ 22,445.00	\$ 22,445.00
Audio Visual Record of Construction Area	1	LS	\$ 2,500.00	\$ 2,500.00
Sidewalk, Rem	520	Syd	\$ 10.00	\$ 5,200.00
Curb and Gutter, Rem	1230	Ft	\$ 10.00	\$ 12,300.00
Erosion Control, Inlet Filter	22	Ea	\$ 175.00	\$ 3,850.00
Subgrade Undercutting	75	Cyd	\$ 45.00	\$ 3,375.00
Aggregate Base, Conditioning	25	Sta	\$ 900.00	\$ 22,410.00
Aggregate Base	850	Ton	\$ 25.00	\$ 21,250.00
Dr Structure, Adj, Case 2	47	Ea	\$ 400.00	\$ 18,800.00
Pavt Cleaning	1	LS	\$ 6,500.00	\$ 6,500.00
HMA Surface, Rem	7600	Syd	\$ 7.50	\$ 57,000.00
HMA, LVSP (Top Course, 2")	920	Ton	\$ 90.00	\$ 82,800.00
HMA, 2C (Base Course, 3")	1380	Ton	\$ 90.00	\$ 124,200.00
Curb and Gutter, Conc, Det F2	1230	Ft	\$ 35.00	\$ 43,050.00
Detectable Warning Surface	210	Ft	\$ 50.00	\$ 10,500.00
Sidewalk, Conc, 4 inch	500	Sft	\$ 5.00	\$ 2,500.00
Sidewalk, Conc, 6 inch	300	Sft	\$ 6.00	\$ 1,800.00
Sidewalk Ramp, Conc, 4 inch	3900	Sft	\$ 6.00	\$ 23,400.00
Sidewalk Ramp, Conc, 8 inch	750	Sft	\$ 7.00	\$ 5,250.00
Traffic Control and Maintenance	1	LS	\$ 11,000.00	\$ 11,000.00
Pavt Striping	1	LS	\$ 2,500.00	\$ 2,500.00
Final Cleanup and Restoration	1	LS	\$ 7,500.00	\$ 7,500.00
			Subtotal:	\$ 490,130.00
			Contingencies (10%)	\$ 49,010.00
			Total Estimated Construction Cost:	\$ 539,140.00
			Design & Permits (6.8%)	\$ 36,660.00
			Contract Administration, Construction Observation & Staking (8%)	\$ 43,130.00
			Material Quality Control Services (1.5%):	\$ 8,090.00
			ESTIMATED TOTAL COST:	\$ 627,020.00

Scope of Work:

Removing and replacing the asphalt pavement (5"), removing and replacing various segments of curb and gutter, reconditioning the existing aggregate base and reconstructing all sidewalk ramps to meet current ADA requirements.



ANDERSON, ECKSTEIN & WESTRICK, INC.
 51301 Schoenherr Road
 Shelby Township, MI 48315
 Phone: 586-726-1234
 Fax No: 586-726-8780

PRELIMINARY ESTIMATE

AEW PROJECT NO. 0175-0075

PROJECT: Indiana Road HMA Rehabilitation
 (Woodward Heights Blvd. to Northern Limits)
 OWNER: City of Pleasant Ridge
 PREPARED BY: Jeffery Mannor
 DATE: 7/25/2016
 CHECKED BY: Michael D. Smith, PE
 DATE: 7/25/2016

WORK ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mobilization, Max. 5%	1	LS	\$ 21,555.00	\$ 21,555.00
Sidewalk, Rem	760	Syd	\$ 10.00	\$ 7,600.00
Curb and Gutter, Rem	150	Ft	\$ 15.00	\$ 2,250.00
HMA Surface, Rem	4850	Syd	\$ 6.00	\$ 29,100.00
Erosion Control, Inlet Filter	25	Ea	\$ 175.00	\$ 4,375.00
Subgrade Undercutting, Modified	100	Cyd	\$ 45.00	\$ 4,500.00
Station Grading	18	Sta	\$ 3,500.00	\$ 63,000.00
Aggregate Base, 4 inch	6380	Syd	\$ 6.00	\$ 38,280.00
Maintenance Gravel	150	Ton	\$ 20.00	\$ 3,000.00
HMA, LVSP (Top Course, 2")	590	Ton	\$ 95.00	\$ 56,050.00
HMA, 2C (Base Course, 3")	880	Ton	\$ 95.00	\$ 83,600.00
Lane Tie, Epoxy Anchored	50	Ea	\$ 8.00	\$ 400.00
Curb and Gutter, Conc, Det F2	150	Ft	\$ 35.00	\$ 5,250.00
Sidewalk, Conc, 4 inch	2000	Sft	\$ 5.00	\$ 10,000.00
Sidewalk, Conc, 6 inch	1000	Sft	\$ 7.00	\$ 7,000.00
Detectable Warning Surface	175	Ft	\$ 50.00	\$ 8,750.00
Sidewalk Ramp, Conc, 8 inch	3850	Sft	\$ 7.00	\$ 26,950.00
Traffic Control and Maintenance	1	LS	\$ 10,000.00	\$ 10,000.00
Surface Restoration, Sodding	1630	Syd	\$ 6.00	\$ 9,780.00
Water, Sodding/Seeding	90	Unit	\$ 40.00	\$ 3,600.00
Irrigation Pipe, Furn and Install	1000	Ft	\$ 3.00	\$ 3,000.00
Sprinkler Head	150	Ea	\$ 50.00	\$ 7,500.00
			Subtotal: \$	405,540.00
			Contingencies (10%) \$	40,550.00
			Total Estimated Construction Cost: \$	446,090.00
			Design & Permits (7.1%) \$	31,670.00
			Contract Administration, Construction Observation & Staking (10%) \$	44,610.00
			Material Quality Control Services (1.5%): \$	6,690.00
			ESTIMATED TOTAL COST: \$	529,060.00

Scope of Work:

Removing and replacing the asphalt pavement (5"), removing and replacing various segments of curb and gutter and reconstructing all sidewalk ramps to meet current ADA requirements.

**ANDERSON, ECKSTEIN & WESTRICK, INC.**

51301 Schoenherr Road
 Shelby Township, MI 48315
 Phone: 586-726-1234
 Fax No: 586-726-8780

PRELIMINARY ESTIMATE

AEW PROJECT NO. 0175-0075

PROJECT: Indiana Ave Pavement Reconstruction
 (Woodward Heights Blvd. to Northern Limits)

OWNER: City of Pleasant Ridge

PREPARED BY: Jeffery Mannor

DATE: 7/25/2016

CHECKED BY: Michael D. Smith, PE

DATE: 7/25/2016

WORK ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mobilization, Max. 5%	1	LS	\$ 43,795.00	\$ 43,795.00
Dr Structure, Rem	16	Ea	\$ 350.00	\$ 5,600.00
Sewer, Rem, Less than 24 inch	347	Ft	\$ 20.00	\$ 6,940.00
Curb and Gutter, Rem	3800	Ft	\$ 10.00	\$ 38,000.00
Sidewalk, Rem	2025	Syd	\$ 10.00	\$ 20,250.00
Driveway, Rem	400	Syd	\$ 10.00	\$ 4,000.00
HMA Surface, Rem	4850	Syd	\$ 6.00	\$ 29,100.00
Subgrade Undercutting, Modified	100	Cyd	\$ 45.00	\$ 4,500.00
Station Grading	18	Sta	\$ 3,500.00	\$ 63,000.00
Erosion Control, Inlet Filter	25	Ea	\$ 175.00	\$ 4,375.00
Aggregate Base, 4 inch	6380	Syd	\$ 5.00	\$ 31,900.00
Maintenance Gravel	150	Ton	\$ 20.00	\$ 3,000.00
Sewer, CI IV, 12 inch, Tr Det B	440	Ft	\$ 60.00	\$ 26,400.00
Dr Structure Cover, Adj, Case 2	1	Ea	\$ 300.00	\$ 300.00
Dr Structure, 48 inch dia	15	Ea	\$ 2,000.00	\$ 30,000.00
Dr Structure, Adj, Add Depth	15	Ft	\$ 250.00	\$ 3,750.00
Dr Structure, Tap, 12 inch	11	Ea	\$ 450.00	\$ 4,950.00
Sanitary Sewer Repair, 12 inch, Tr Det B	25	Ft	\$ 300.00	\$ 7,500.00
Sanitary Sewer Repair, 15 inch, Tr Det B	25	Ft	\$ 350.00	\$ 8,750.00
Sanitary Sewer Repair, 18 inch, Tr Det B	25	Ft	\$ 375.00	\$ 9,375.00
Sanitary Sewer Repair, 24 inch, Tr Det B	25	Ft	\$ 400.00	\$ 10,000.00
Sanitary Sewer Repair, 30 inch, Tr Det B	25	Ft	\$ 450.00	\$ 11,250.00
Dr Structure Cover, Catch Basin	15	Ea	\$ 500.00	\$ 7,500.00
Dr Structure Cover, Sanitary Manhole	1	Ea	\$ 550.00	\$ 550.00
Dr Structure Trap, 6 inch	11	Ea	\$ 550.00	\$ 6,050.00
Conc Pavt with Integral Curb, Nonreinf, 8 inch	5940	Syd	\$ 55.00	\$ 326,700.00
Joint, Expansion, Erg, Modified	405	Ft	\$ 15.00	\$ 6,075.00
Joint, Expansion, E2	54	Ft	\$ 25.00	\$ 1,350.00
Lane Tie, Epoxy Anchored	50	Ea	\$ 8.00	\$ 400.00
Driveway, Nonreinf Conc, 6 inch	440	Syd	\$ 75.00	\$ 33,000.00
Sidewalk, Conc, 4 inch	13665	Sft	\$ 5.00	\$ 68,325.00
Sidewalk, Conc, 6 inch	4560	Sft	\$ 7.00	\$ 31,920.00
Detectable Warning Surface	175	Ft	\$ 50.00	\$ 8,750.00
Sidewalk Ramp, Conc, 8 inch	3850	Sft	\$ 7.00	\$ 26,950.00
Traffic Control and Maintenance	1	LS	\$ 10,000.00	\$ 10,000.00
Surface Restoration, Sodding	1630	Syd	\$ 6.00	\$ 9,780.00
Water, Sodding/Seeding	90	Unit	\$ 40.00	\$ 3,600.00
Landscaping Mulch Around Trees	30	Cyd	\$ 50.00	\$ 1,500.00
Irrigation Pipe, Furn and Install	1000	Ft	\$ 3.00	\$ 3,000.00
Sprinkler Head	150	Ea	\$ 50.00	\$ 7,500.00
			Subtotal: \$	919,685.00
			Contingencies (10%): \$	91,970.00
			Total Estimated Construction Cost: \$	1,011,655.00
			Design & Permits (6.3%): \$	63,730.00
			Contract Administration, Construction Observation & Staking (8%): \$	80,930.00
			Material Quality Control Services (1.5%): \$	15,170.00
			ESTIMATED TOTAL COST: \$	1,171,485.00

Scope of Work:

Removing existing curb and gutter and asphalt pavement and replacing with 8 inch concrete pavement with integral curb, replacing various sidewalk segments, replacing all concrete driveways, and reconstructing all sidewalk ramps to meet current ADA requirements.



ANDERSON, ECKSTEIN & WESTRICK, INC.
 51301 Schoenherr Road
 Shelby Township, MI 48315
 Phone: 586-726-1234
 Fax No: 586-726-8780

PRELIMINARY ESTIMATE

AEW PROJECT NO. 0175-0075

PROJECT: Bermuda Aveune HMA Rehabilitation
 (Woodward Heights Blvd. to Sylvan Ave.)
OWNER: City of Pleasant Ridge
PREPARED BY: Jeffery Mannor
DATE: 7/25/2016
CHECKED BY: Michael D. Smith, PE
DATE: 7/25/2016

WORK ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mobilization, Max. 5%	1	LS	\$ 5,620.00	\$ 5,620.00
Curb and Gutter, Rem	150	Ft	\$ 15.00	\$ 2,250.00
Sidewalk, Rem	230	Syd	\$ 10.00	\$ 2,300.00
HMA Surface, Rem	1250	Syd	\$ 6.50	\$ 8,125.00
Subgrade Undercutting, Modified	50	Cyd	\$ 45.00	\$ 2,250.00
Station Grading	5	Sta	\$ 4,600.00	\$ 23,000.00
Erosion Control, Inlet Filter	8	Ea	\$ 175.00	\$ 1,400.00
Aggregate Base, 4 inch	1650	Syd	\$ 6.00	\$ 9,900.00
Maintenance Gravel	50	Ton	\$ 15.00	\$ 750.00
HMA, LVSP (Top Course, 2")	150	Ton	\$ 115.00	\$ 17,250.00
HMA, 2C (Base Course, 3")	230	Ton	\$ 115.00	\$ 26,450.00
Lane Tie, Epoxy Anchored	20	Ea	\$ 8.00	\$ 160.00
Curb and Gutter, Conc, Det D2	150	Ft	\$ 35.00	\$ 5,250.00
Sidewalk, Conc, 4 inch	1200	Sft	\$ 5.00	\$ 6,000.00
Sidewalk, Conc, 6 inch	600	Sft	\$ 7.00	\$ 4,200.00
Detectable Warning Surface	30	Ft	\$ 50.00	\$ 1,500.00
Sidewalk Ramp, Conc, 8 inch	250	Sft	\$ 8.00	\$ 2,000.00
Traffic Control and Maintenance	1	LS	\$ 3,000.00	\$ 3,000.00
Surface Restoration, Sodding	100	Syd	\$ 10.00	\$ 1,000.00
Water, Sodding/Seeding	10	Unit	\$ 100.00	\$ 1,000.00
Irrigation Pipe, Furn and Install	150	Ft	\$ 3.00	\$ 450.00
Sprinkler Head	25	Ea	\$ 50.00	\$ 1,250.00
			Subtotal:	\$ 125,105.00
			Contingencies (10%):	\$ 12,510.00
			Total Estimated Construction Cost:	\$ 137,615.00
			Design & Permits (8.6%):	\$ 11,830.00
			Contract Administration, Construction Observation & Staking (10%):	\$ 13,760.00
			Material Quality Control Services (1.5%):	\$ 2,060.00
			ESTIMATED TOTAL COST:	\$ 165,265.00

Scope of Work:

Removing and replacing the asphalt pavement (5"), removing and replacing various segments of curb and gutter, installing 4 inches of aggregate base and reconstructing all sidewalk ramps to meet current ADA requirements.



ANDERSON, ECKSTEIN & WESTRICK, INC.
 51301 Schoenherr Road
 Shelby Township, MI 48315
 Phone: 586-726-1234
 Fax No: 586-726-8780

PRELIMINARY ESTIMATE

AEW PROJECT NO. 0175-0075

PROJECT: Bermuda Aveune Reconstruction
 (Woodward Heights Blvd. to Sylvan Ave.)

OWNER: City of Pleasant Ridge

PREPARED BY: Jeffery Mannor
 DATE: 7/25/2016

CHECKED BY: Michael D. Smith, PE
 DATE: 7/25/2016

WORK ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mobilization, Max. 5%	1	LS	\$ 9,980.00	\$ 9,980.00
Curb and Gutter, Rem	540	Ft	\$ 15.00	\$ 8,100.00
Sidewalk, Rem	260	Syd	\$ 10.00	\$ 2,600.00
Driveway, Rem	75	Syd	\$ 12.00	\$ 900.00
HMA Surface, Rem	1250	Syd	\$ 7.50	\$ 9,375.00
Subgrade Undercutting, Modified	50	Cyd	\$ 45.00	\$ 2,250.00
Station Grading	5	Sta	\$ 4,600.00	\$ 23,000.00
Erosion Control, Inlet Filter	8	Ea	\$ 175.00	\$ 1,400.00
Aggregate Base, 4 inch	1775	Syd	\$ 6.00	\$ 10,650.00
Maintenance Gravel	50	Ton	\$ 20.00	\$ 1,000.00
Dr Structure Cover, Adj, Case 2	1	Ea	\$ 350.00	\$ 350.00
Dr Structure, Adj, Add Depth	5	Ft	\$ 300.00	\$ 1,500.00
Dr Structure, Tap, 12 inch	1	Ea	\$ 500.00	\$ 500.00
Dr Structure Cover, Sanitary Manhole	1	Ea	\$ 550.00	\$ 550.00
Conc Pavt with Integral Curb, Nonreinf, 8 inch	1650	Syd	\$ 60.00	\$ 99,000.00
Joint, Expansion, Erg, Modified	108	Ft	\$ 15.00	\$ 1,620.00
Lane Tie, Epoxy Anchored	20	Ea	\$ 8.00	\$ 160.00
Driveway, Nonreinf Conc, 6 inch	100	Syd	\$ 75.00	\$ 7,500.00
Sidewalk, Conc, 4 inch	1500	Sft	\$ 5.00	\$ 7,500.00
Sidewalk, Conc, 6 inch	800	Sft	\$ 7.00	\$ 5,600.00
Detectable Warning Surface	30	Ft	\$ 50.00	\$ 1,500.00
Sidewalk Ramp, Conc, 8 inch	260	Sft	\$ 8.00	\$ 2,080.00
Traffic Control and Maintenance	1	LS	\$ 4,000.00	\$ 4,000.00
Surface Restoration, Sodding	400	Syd	\$ 6.00	\$ 2,400.00
Water, Sodding/Seeding	20	Unit	\$ 100.00	\$ 2,000.00
Landscaping Mulch Around Trees	10	Cyd	\$ 50.00	\$ 500.00
Irrigation Pipe, Furn and Install	350	Ft	\$ 3.00	\$ 1,050.00
Sprinkler Head	50	Ea	\$ 50.00	\$ 2,500.00
			Subtotal:	\$ 209,565.00
			Contingencies (10%):	\$ 20,960.00
			Total Estimated Construction Cost:	\$ 230,525.00
			Design & Permits (7.8%):	\$ 17,980.00
			Contract Administration, Construction Observation & Staking (10%):	\$ 23,050.00
			Material Quality Control Services (1.5%):	\$ 3,460.00
			ESTIMATED TOTAL COST:	\$ 275,015.00

Scope of Work:

Removing existing curb and gutter and asphalt pavement and replacing with 8 inch concrete pavement with integral curb, replacing various sidewalk segments, replacing all concrete driveways, and reconstructing all sidewalk ramps to meet current ADA requirements.

**ANDERSON, ECKSTEIN & WESTRICK, INC.**

51301 Schoenherr Road
 Shelby Township, MI 48315
 Phone: 586-726-1234
 Fax No: 586-726-8780

PRELIMINARY ESTIMATE

AEW PROJECT NO. 0175-0075

PROJECT: Norwich Rd. Pavement Reconstruction
 (Oakdale Blvd. to Ridge Rd.)

OWNER: City of Pleasant Ridge

PREPARED BY: Jeffery Mannor

DATE: 7/15/2016

CHECKED BY: Michael D. Smith, PE

DATE: 7/25/2016

WORK ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mobilization, Max. 5%	1	LS	\$ 29,885.00	\$ 29,885.00
Dr Structure, Rem	15	Ea	\$ 350.00	\$ 5,250.00
Sewer, Rem, Less than 24 inch	150	Ft	\$ 25.00	\$ 3,750.00
Curb and Gutter, Rem	2650	Ft	\$ 10.00	\$ 26,500.00
Sidewalk, Rem	1475	Syd	\$ 10.00	\$ 14,750.00
Driveway, Rem	200	Syd	\$ 10.00	\$ 2,000.00
HMA Surface, Rem	4170	Syd	\$ 7.50	\$ 31,275.00
Subgrade Undercutting, Modified	100	Cyd	\$ 45.00	\$ 4,500.00
Station Grading	14	Sta	\$ 3,800.00	\$ 51,300.00
Erosion Control, Inlet Filter	10	Ea	\$ 175.00	\$ 1,750.00
Aggregate Base, 4 inch	4300	Syd	\$ 6.00	\$ 25,800.00
Maintenance Gravel	150	Ton	\$ 20.00	\$ 3,000.00
Sewer, CI IV, 12 inch, Tr Det B	150	Ft	\$ 60.00	\$ 9,000.00
Dr Structure Cover, Adj, Case 2	5	Ea	\$ 350.00	\$ 1,750.00
Dr Structure, 48 inch dia	8	Ea	\$ 2,000.00	\$ 16,000.00
Dr Structure, Adj, Add Depth	5	Ft	\$ 250.00	\$ 1,250.00
Dr Structure, Tap, 12 inch	3	Ea	\$ 500.00	\$ 1,500.00
Sanitary Sewer Repair, 12 inch, Tr Det B	25	Ft	\$ 300.00	\$ 7,500.00
Sanitary Sewer Repair, 15 inch, Tr Det B	25	Ft	\$ 350.00	\$ 8,750.00
Dr Structure Cover, Catch Basin	8	Ea	\$ 550.00	\$ 4,400.00
Dr Structure Cover, Sanitary Manhole	5	Ea	\$ 550.00	\$ 2,750.00
Dr Structure Trap, 6 inch	4	Ea	\$ 550.00	\$ 2,200.00
Conc Pavt with Integral Curb, Nonreinf, 8 inch	4000	Syd	\$ 55.00	\$ 220,000.00
Joint, Expansion, Erg, Modified	54	Ft	\$ 20.00	\$ 1,080.00
Lane Tie, Epoxy Anchored	55	Ea	\$ 9.00	\$ 495.00
Driveway, Nonreinf Conc, 6 inch	250	Syd	\$ 50.00	\$ 12,500.00
Sidewalk, Conc, 4 inch	9975	Sft	\$ 5.00	\$ 49,875.00
Sidewalk, Conc, 6 inch	3300	Sft	\$ 7.00	\$ 23,100.00
Detectable Warning Surface	10	Ft	\$ 50.00	\$ 500.00
Sidewalk Ramp, Conc, 8 inch	80	Sft	\$ 10.00	\$ 800.00
Traffic Control and Maintenance	1	LS	\$ 9,000.00	\$ 9,000.00
Surface Restoration, Sodding	1200	Syd	\$ 6.00	\$ 7,200.00
Water, Sodding/Seeding	70	Unit	\$ 40.00	\$ 2,800.00
Landscaping Mulch Around Trees	20	Cyd	\$ 50.00	\$ 1,000.00
Gate Well Cover	1	Ea	\$ 550.00	\$ 550.00
Gate Well Cover, Adj, Case 2	1	Ea	\$ 350.00	\$ 350.00
Irrigation Pipe, Furn and Install	2000	Ft	\$ 3.00	\$ 6,000.00
Sprinkler Head	150	Ea	\$ 50.00	\$ 7,500.00
			Subtotal:	\$ 597,610.00
			Contingencies (10%):	\$ 59,760.00
			Total Estimated Construction Cost:	\$ 657,370.00
			Design & Permits (6.6%):	\$ 43,390.00
			Contract Administration, Construction Observation & Staking (8%):	\$ 52,590.00
			Material Quality Control Services (1.5%):	\$ 9,860.00
			ESTIMATED TOTAL COST:	\$ 763,210.00

Scope of Work:

Removing existing curb and gutter and asphalt pavement and replacing with 8 inch concrete pavement with integral curb, replacing various sidewalk segments, replacing all concrete driveways, and reconstructing all sidewalk ramps to meet current ADA requirements.

**ANDERSON, ECKSTEIN & WESTRICK, INC.**

51301 Schoenherr Road
 Shelby Township, MI 48315
 Phone: 586-726-1234
 Fax No: 586-726-8780

PRELIMINARY ESTIMATE

AEW PROJECT NO. 0175-0075

PROJECT: Hanover Ave. Pavement Reconstruction
 (Oakdale Blvd. to Ridge Rd.)

OWNER: City of Pleasant Ridge

PREPARED BY: Jeffery Mannor

DATE: 7/25/2016

CHECKED BY: Michael D. Smith, PE

DATE: 7/25/2016

WORK ITEM	QUANTITY	UNIT	UNIT PRICE	AMOUNT
Mobilization, Max. 5%	1	LS	\$ 27,220.00	\$ 27,220.00
Dr Structure, Rem	6	Ea	\$ 350.00	\$ 2,100.00
Sewer, Rem, Less than 24 inch	110	Ft	\$ 25.00	\$ 2,750.00
Curb and Gutter, Rem	2680	Ft	\$ 10.00	\$ 26,800.00
Sidewalk, Rem	1500	Syd	\$ 10.00	\$ 15,000.00
Driveway, Rem	250	Syd	\$ 10.00	\$ 2,500.00
HMA Surface, Rem	4100	Syd	\$ 7.50	\$ 30,750.00
Subgrade Undercutting, Modified	100	Cyd	\$ 45.00	\$ 4,500.00
Station Grading	14	Sta	\$ 3,800.00	\$ 51,300.00
Erosion Control, Inlet Filter	8	Ea	\$ 175.00	\$ 1,400.00
Aggregate Base, 4 inch	4300	Syd	\$ 6.00	\$ 25,800.00
Maintenance Gravel	150	Ton	\$ 20.00	\$ 3,000.00
Sewer, CI IV, 12 inch, Tr Det B	120	Ft	\$ 60.00	\$ 7,200.00
Dr Structure Cover, Adj, Case 2	4	Ea	\$ 300.00	\$ 1,200.00
Dr Structure, 48 inch dia	6	Ea	\$ 2,000.00	\$ 12,000.00
Dr Structure, Adj, Add Depth	10	Ft	\$ 250.00	\$ 2,500.00
Dr Structure, Tap, 12 inch	3	Ea	\$ 500.00	\$ 1,500.00
Sanitary Sewer Repair, 12 inch, Tr Det B	25	Ft	\$ 300.00	\$ 7,500.00
Sanitary Sewer Repair, 15 inch, Tr Det B	25	Ft	\$ 350.00	\$ 8,750.00
Sanitary Sewer Repair, 18 inch, Tr Det B	25	Ft	\$ 400.00	\$ 10,000.00
Dr Structure Cover, Catch Basin	6	Ea	\$ 550.00	\$ 3,300.00
Dr Structure Cover, Sanitary Manhole	4	Ea	\$ 550.00	\$ 2,200.00
Dr Structure Trap, 6 inch	3	Ea	\$ 550.00	\$ 1,650.00
Conc Pavt with Integral Curb, Nonreinf, 8 inch	4000	Syd	\$ 50.00	\$ 200,000.00
Joint, Expansion, Erg, Modified	54	Ft	\$ 15.00	\$ 810.00
Lane Tie, Epoxy Anchored	50	Ea	\$ 9.00	\$ 450.00
Driveway, Nonreinf Conc, 6 inch	250	Syd	\$ 50.00	\$ 12,500.00
Sidewalk, Conc, 4 inch	11070	Sft	\$ 5.00	\$ 55,350.00
Sidewalk, Conc, 6 inch	2430	Sft	\$ 7.00	\$ 17,010.00
Detectable Warning Surface	15	Ft	\$ 50.00	\$ 750.00
Sidewalk Ramp, Conc, 8 inch	110	Sft	\$ 8.00	\$ 880.00
Traffic Control and Maintenance	1	LS	\$ 7,500.00	\$ 7,500.00
Surface Restoration, Sodding	1200	Syd	\$ 6.00	\$ 7,200.00
Water, Sodding/Seeding	70	Unit	\$ 40.00	\$ 2,800.00
Landscaping Mulch Around Trees	20	Cyd	\$ 50.00	\$ 1,000.00
Gate Well Cover	1	Ea	\$ 550.00	\$ 550.00
Gate Well Cover, Adj, Case 2	1	Ea	\$ 350.00	\$ 350.00
Irrigation Pipe, Furn and Install	2000	Ft	\$ 3.00	\$ 6,000.00
Sprinkler Head	150	Ea	\$ 50.00	\$ 7,500.00

Subtotal: \$ 571,570.00

Contingencies (10%): \$ 57,160.00

Total Estimated Construction Cost: \$ 628,730.00

Design & Permits (6.8%): \$ 42,750.00

Contract Administration, Construction Observation & Staking (8%): \$ 50,300.00

Material Quality Control Services (1.5%): \$ 9,430.00

ESTIMATED TOTAL COST: \$ 731,210.00Scope of Work:

Removing existing curb and gutter and asphalt pavement and replacing with 8 inch concrete pavement with integral curb, replacing various sidewalk segments, replacing all concrete driveways, and reconstructing all sidewalk ramps to meet current ADA requirements.

**Not to Exceed
 \$3,000,000
 City of Pleasant Ridge
 County of Oakland, State of Michigan
 General Obligation Limited Tax Bonds, Series 2017
 Proposed Schedule of Events**

<u>Date</u>	<u>Activity/Event</u>	<u>Participants</u>
9/13/16	Adopt Notice of intent Resolution	CITY
	Publish Notice of intent	CITY
	Right of Referendum expires	CITY
	Send Bond Specifications	RMA/BC
	Provide Resolutions	BC/CITY
	Adopts Bond Authorizing Resolution.	CITY
	Preliminary Official Statement to RMA	RMA
	POS Comments Due from RMA	RMA
	Distribute initial draft of Preliminary Official Statement, Notice of Sale, Legal Opinion and CDU to working group for review and comment.	RMA/BC
	Request rating from Standard and Poor's.	RMA
	Due Diligence Call	RMA/CITY
	Receive comments on initial draft of Preliminary Official Statement, Notice of Sale, Legal Opinion and CDU.	CITY/RMA/BC
	Rating Call with Standard and Poor's	CITY/RMA
	Distribute FINAL draft of Preliminary Official Statement to working group for final review comment and sign off	RMA
	Receive rating from Standard and Poor's.	CITY/RMA/BC
	Receive FINAL comments and/or sign off on FINAL draft of Preliminary Official Statement.	CITY/RMA/BC

Print and Distribute Preliminary Official Statement	RMA
Publish Notice of Sale	BC
Bond Sale	CITY/RMA/BC
Award Bonds	CITY/RMA/BC
Print Final Official Statement and distribute final closing letter.	RMA
Close and Deliver Bonds.	CITY/RMA/BC/TA

Legend

CITY	=	City of Pleasant Ridge
RMA	=	Registered Municipal Advisor - Bendzinski & Co. Municipal Finance Advisors
BC	=	Bond Counsel – Dykema
TA	=	Transfer Agent – The Huntington Bank National Association



City of Pleasant Ridge

Amy M. Drealan, City Clerk

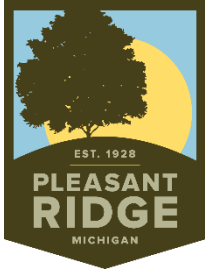
From: Amy M. Drealan, City Clerk
To: Mayor and City Commission
Date: September 13, 2016
Re: 2016 Beautification Awards

Commissioner Foreman and members of the Beautification Committee will present the 2016 City of Pleasant Ridge Beautification Awards.

The 2016 Beautification Award winners are:

- A1 Woodside Park
- 25 Norwich
- 10 Maywood
- 54 Wellesley
- 24280 Woodward Avenue

Please feel free to contact me should you wish to discuss this matter further.



City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
To: City Commission
Date: September 8, 2016
Re: Introduction of New City DPW Coordinator

Overview

Tim Schultz, the new City DPW coordinator will be introduced at the September 13 City Commission meeting.

Background

The City recently hired our own DPW Coordinator to replace an on-site foreman that Brilar had formerly provided. The new City DPW Coordinator will fulfill all of the same roles and responsibilities that the Brilar foreman did, with the difference being that he is employed by us instead of Brilar.

The purpose for this change was to improve service delivery for our residents by bringing responsibility for DPW management under a City employee. Brilar will continue to be our primary DPW contractor providing lawn maintenance, snow plowing, leaf pickup, loose brush pickup, and other services as needed under the direction of our DPW coordinator.

Residents should not see a change in how DPW services are delivered, with the exception that you'll now see a white pickup truck with Pleasant Ridge logos driving around town instead of a Brilar pickup.

Requested Action

None requested.



City of Pleasant Ridge

23925 Woodward Avenue
Pleasant Ridge, Michigan 48069

Regular City Commission Meeting July 12, 2016

Having been duly publicized, Mayor Metzger called the meeting to order at 7:34 p.m.

Present: Commissioners Foreman (telephonically), Krzysiak, Perry, Scott, Mayor Metzger.
Also Present: City Manager Breuckman, City Attorney Greg Need, Assistant City Manager Scott Pietrzak.

Governmental Reports

Ms. Tiffany Gunter, Regional Transit Authority, presented a PowerPoint on the millage proposal for the November 2016 ballot. The Regional Transit Authority covers Macomb, Oakland, Washtenaw and Wayne Counties. Bus Rapid Transit is proposed on Woodward Avenue (Detroit to Pontiac) [2022], Gratiot Avenue (Detroit to M-59)[2023], Michigan Avenue (Detroit to DTW)[2026], Washtenaw Avenue (Ann Arbor to Ypsilanti)[2026], and express services on Woodward, Gratiot, Michigan, and Washtenaw[2017-2018]. Regional Rail is proposed for Ann Arbor to Detroit, with stops in Ann Arbor, Ypsilanti, Wayne, Dearborn, and Detroit (New Center); connects to M-1 rail, local bus and dedicated feeder services; and connects to DTW via I-275 airport express from Wayne [all 2022]. Cross-County Connectors will solve the issues of disconnectivity on an east/west basis that include 8 Mile Road [2019], 9 Mile Road [2019], 12 Mile Road [2018], 15 Mile Road [2020], Fort/Eureka [2019], Grand River Avenue [2018], Greenfield Road [2018], Jefferson Avenue [2020], Plymouth Road [2021], and Van Dyke Road [2019]. Commuter Express is proposed on M-59 [2019], I-75 [2019], Ann Arbor to Canton [2018], and Ann Arbor to Plymouth [2018]. Local Express is proposed on Canal Road [2018], Dequindre Road Extension [2020], Ford Road Extension [2019], Groesbeck Highway [2021], Highland Road [2021], Middlebelt Road South [2019], Northville [2020], and Ypsilanti Connector [2018]. Airport Express is proposed for Ann Arbor and Ypsilanti [2017], Downtown Detroit [2017], Midtown Detroit and Macomb County [2021], Dearborn, Southfield, Troy [2021], and Wayne, Livonia Novi [2021]. Streetcars are proposed for 2017 from New Center to Downtown, and will also connect with the Regional Rail. Also, Paratransit and Mobility Management services are part of the proposal. A coordinated fare system is a goal that the RTA is working on.

Ms. Kajal Ravani, Michigan Environmental Council, highlighted ACT (A Coalition for Transit). A resolution in support was read by Mayor Metzger.

16-3269

Motion by Commissioner Perry, second by Commissioner Scott, that the Resolution in Support of A Coalition for Transit (ACT) be approved.

Adopted: Yeas: Commissioner Perry, Scott Foreman, Krzysiak, Mayor Metzger
Nays: None.

Sgt. Robert Ried, Pleasant Ridge Police Department, was available for questions on the item on the Consent Agenda involving IT Services/CLEMIS and asked the Commission to support the agreement. Sgt. Ried also warned residents that ID thefts are on the rise and to be aware of your credit reports and have computer security. Commissioner Foreman inquired if the Pleasant Ridge Police Department has attended any of the Oak-Tac training sessions, and Sgt. Ried responded that training will begin in August. Commissioner Krzysiak inquired about a community watch event and Sgt. Ried responded that it will be September 21st, at 6:30p. Chief

Nowak will have more information at the August meeting. Commissioner Krzysiak expressed gratitude to the officers serving in law enforcement especially in light of current events.

City Commissioner Liaison Reports

Commissioner Scott on behalf of the Historical Commission had nothing to report due to the summer break.

Commissioner Krzysiak mentioned that work has begun on the Gainsboro Park improvements and installation of the playground equipment. A Special Recreation Commission meeting will be held on July 13th to vote on equipment recommendations. City Manager Breuckman had a PowerPoint on the proposed plans for the 5-12 playground featuring the Evos Play Structure, Global Motion, Mobius Climber, Wee-Saw, Swings, and Boogie Board. This plan is pretty much within budget. Assistant City Manager Pietrzak mentioned the ice cream social is July 20th at the pool, 6:00 p.m. Commissioner Foreman inquired if the snack area is open for all participants at the pool and Pietrzak responded that it is.

Commissioner Foreman reported that there was no school board meeting in July and the next meeting will be August 15th, 7:00p, at the high school.

Commissioner Perry reported that the Planning Commission and DDA met June 27th. The DDA discussed the program guides for the façade improvement grant for the commercial properties along Woodward. The DDA reviewed the business district survey results with a response rate of 37-percent. A high overall satisfaction rate with city response and services was reported. Highest priorities are infrastructure improvements, especially sidewalks and streetscapes. The biggest impediments are lack of parking and the design of Woodward overall. The full results are on the City's Website under the DDA meetings packet. Next meeting is Monday, July 25th, 7:00p. Manager Breuckman mentioned that this meeting may be canceled due to lack of quorum.

Consent Agenda

16-3270

Motion by Commissioner Foreman, second by Commissioner Scott, that the Consent Agenda be approved, as recommended.

Adopted: Yeas: Commissioner Foreman, Scott, Krzysiak, Perry, Mayor Metzger
 Nays: None.

Gainsboro Park Play Structure Relocation

City Manager Breuckman explained why Commissioner Foreman is participating in the meeting via the iPad and approved as part of the Open Meetings Act.

Breuckman reported that the old Gainsboro play structure is no longer onsite and the options now are to reuse it somewhere else in town, donate for reuse somewhere else, or scrap/recycle. This structure is 15 years old, the Community Center structure is 17 years old, and their average lifespan is 25 years. A possible relocation is the park at the Community Center, but will take up majority of the available green space. Or, this play structure can replace the older existing one at the Community Center. A long-term concept plan should be considered for the Community Center and the park area. An estimated cost of the structure with community build, replacing woodchips, and other expenses could be about \$10,000.00. Decision points to be discussed are to prepare a concept plan for the Community Center park; preserve equal or greater open green space; professional oversight for installation; compliant safety surfacing; and funding. Mayor Metzger recommends having a long-term concept plan for the Community Center before deciding what to do with the equipment. Commissioner Foreman questioned the age range for the structure and Pietrzak responded it is 5-12. Commissioner Foreman questioned how long feasibly before enough monies would be available to follow

through on a concept plan. Breuckman responded it depends on what the overall concept plan is, whether you add a paver patio, extend out the building, etcetera. It is up to the City Commission on how it wants to spend money on what projects. Breuckman suggested idea conversations should start first, and then develop a concept drawing from the discussions. Pietrzak added that the existing play structure at the Community Center is showing signs of aging in that it has been there 17 years. Commissioner Perry mentioned that some residents have concerns whether the need for playground space is actually necessary, and that maybe an expansion for meeting space would be a better option. Commissioner Krzysiak mentioned that many residents came together to remove the existing structure and it should be preserved for the children in Pleasant Ridge. Breuckman added that funds would be available to develop a concept plan. Commissioner Scott mentioned that the Commission should take into consideration whether it would be better to eventually purchase new equipment instead of reusing the existing structure that may have a shorter lifespan. Pietrzak mentioned that he had contacted a company to see if it would be possible to remove the structure in order for it to be donated, but that company's schedule prevented them from even making a proposal. Commissioner Scott inquired the cost to extend the life of the existing equipment versus replacing it with the structure that was removed from Gainsboro. Lengthy discussion held. Foreman mentioned that the two structures are different in size and style. Mayor Metzger added that a plan for funding and voluntarism needs to be clearly laid out as part of this concept plan.

Mr. Tom Treuter, 11 Oakland Park, mentioned that a plan is needed with a consultant's opinion in order to go forward and be better organized. If the structure cannot be used in the City, then it should be donated.

Ms. Betty Howe, 31 Cambridge, recommended that the Recreation Commission should be in attendance at the Commission meeting to be a part of these discussions.

Commissioner Scott would like the Recreation Commission to make recommendations to the City Commission as to whether to reuse or donate the play structure that has been removed from Gainsboro Park. Commissioner Foreman suggested a joint workshop with the Recreation Commission to discuss this further.

16-3271

Motion by Commissioner Foreman, second by Commissioner Scott, that the City Commission and Recreation Commission have a joint workshop to discussion various options of the old Gainsboro Park play structure, and that City staff move forward on developing concept plan options based upon recommendations from the Recreation Commission.

Adopted: Yeas: Commissioner Foreman, Scott, Krzysiak, Perry, Mayor Metzger
 Nays: None.

City Manager's Report

City Manager Breuckman gave an update on the Gainsboro Park project. The main pathways through the park will be 10-ft. wide designed for two-way bike traffic. The secondary pathway will be 8-ft. wide. Concrete pouring will start within a week.

Breuckman mentioned the edge striping on Ridge Road provides 10-ft. wide travel lanes in an effort to slow down traffic. The line is 3-ft. from the curb and can provide a zone for bicyclists. A road speed study shows that travel speeds are declining: November 2014 at 28.5 mph to July 2016 at 25.1 mph. A solar-powered speed sign will be placed on Ridge in August to assist with these efforts. Commissioner Scott inquired if there are any developments from the Woodward proposed plans, and Breuckman reported that the City has met with MDOT to revise the concept plan for the curve coming into Main Street. The service drive revisions are still being discussed and have much more detail and expense.

Other Business

Commissioner Foreman mentioned that the Beautification Commission will be making its presentation at the September 13th meeting that will include a minimum of one business property and four residential homes.

Commissioner Krzysiak mentioned that Monday, July 25th, at Roosevelt Elementary, the school district will have a dedication to its new playground.

Commissioner Krzysiak reported that the next book for the Book Club will be “Arsenal of Democracy” by A. J. Baime and will be discussed on Tuesday, July 26th, 7:00 p.m., Hessel Park. Note the date change in order to not conflict with the playground dedication.

With no further business or discussion, Mayor Metzger adjourned the meeting at 10:30 p.m.

Mayor Kurt Metzger

Amy M. Drealan, City Clerk
/mat

July - August 2016

ACCOUNTS PAYABLE

PAYROLL LIABILITIES	\$	5,676.50
TAX LIABILITIES	\$	4,537,574.34
ACCOUNTS PAYABLE	\$	1,191,386.09
TOTAL	\$	5,734,636.93

PAYROLL

July 7, 2016	\$	42,510.05
July 20, 2016	\$	43,752.17
August 3, 2016	\$	46,139.07
August 17, 2016	\$	42,962.41
August 31, 2016	\$	38,993.00
TOTAL	\$	214,356.70

**CHECK REGISTER FOR CITY OF PLEASANT RIDGE
PAYROLL LIABILITIES
JULY - AUGUST 2016**

Check Date	Check	Vendor Name	Description	Amount
7/6/2016	1661	MIFOP	UNION DUES-JUL 2016	\$ 188.00
7/6/2016	1662	MISDU	FOC DEDUCTIONS	\$ 224.60
7/6/2016	1663	M&T BANK-ICMA - 401a	RETIRMENT CONTRIBUTIONS	\$ 1,103.14
7/6/2016	1664	ICMA RETIREMENT TRUST - 457	RETIRMENT CONTRIBUTIONS	\$ 1,417.08
7/20/2016	1681	MISDU	FOC DEDUCTIONS	\$ 224.60
7/20/2016	1682	M&T BANK-ICMA - 401a	RETIRMENT CONTRIBUTIONS	\$ 1,076.96
7/20/2016	1683	ICMA RETIREMENT TRUST - 457	RETIRMENT CONTRIBUTIONS	\$ 1,442.12
8/3/2016	1702	MIFOP	UNION DUES-AUG 2016	\$ 188.00
8/3/2016	1703	MISDU	FOC DEDUCTIONS	\$ 323.82
8/3/2016	1704	M&T BANK-ICMA - 401a	RETIRMENT CONTRIBUTIONS	\$ 973.43
8/3/2016	1705	ICMA RETIREMENT TRUST - 457	RETIRMENT CONTRIBUTIONS	\$ 1,504.81
8/17/2016	1737	MISDU	FOC DEDUCTIONS	\$ 224.60
8/17/2016	1738	M&T BANK-ICMA - 401a	RETIRMENT CONTRIBUTIONS	\$ 997.57
8/17/2016	1739	ICMA RETIREMENT TRUST - 457	RETIRMENT CONTRIBUTIONS	\$ 1,504.81
8/31/2016	1754	MISDU	FOC DEDUCTIONS	\$ 224.60
8/31/2016	1755	M&T BANK-ICMA - 401a	RETIRMENT CONTRIBUTIONS	\$ 997.57
8/31/2016	1756	ICMA RETIREMENT TRUST - 457	RETIRMENT CONTRIBUTIONS	\$ 1,577.90
TOTAL PAYROLL LIABILITIES				\$ 5,676.50

**CHECK REGISTER FOR CITY OF PLEASANT RIDGE
TAX LIABILITIES
JULY - AUGUST 2016**

Check Date	Check	Vendor Name	Description	Amount
07/12/2016	2375	CITY OF PLEASANT RIDGE-DDA	2016 TAX COLLECTIONS	\$ 1,207.17
07/12/2016	2376	CITY OF PLEASANT RIDGE-GENERAL	2016 TAX COLLECTIONS	\$ 54,248.06
07/12/2016	2377	FERNDALE PUBLIC SCHOOL	2016 TAX COLLECTIONS	\$ 23,221.00
07/12/2016	2378	OAKLAND COUNTY TREASURER	2016 TAX COLLECTIONS	\$ 36,565.05
07/26/2016	2379	CITY OF PLEASANT RIDGE-DDA	2016 TAX COLLECTIONS	\$ 24,936.31
07/26/2016	2380	CITY OF PLEASANT RIDGE-GENERAL	2016 TAX COLLECTIONS	\$ 1,219,930.79
07/26/2016	2381	CORELOGIC REFUND DEPT	2016 SUMMER TAX OVERPAYMENT	\$ 7,346.83
07/26/2016	2382	FERNDALE PUBLIC SCHOOL	2016 TAX COLLECTION	\$ 472,196.99
07/26/2016	2383	OAKLAND COUNTY TREASURER	2016 TAX COLLECTIONS	\$ 818,385.76
07/26/2016	2384	PC LAW ASSOCIATES	2016 SUMMER TAX OVERPAYMENT	\$ 57.22
08/09/2016	2385	CITY OF PLEASANT RIDGE-DDA	2016 TAX COLLECTIONS	\$ 18,961.42
08/09/2016	2386	CITY OF PLEASANT RIDGE-GENERAL	2016 TAX COLLECTIONS	\$ 1,343.65
08/09/2016	2387	CITY OF PLEASANT RIDGE-TAXES	2016 TAX COLLECTIONS	\$ 761,165.86
08/09/2016	2388	CORELOGIC	2016 SUMMER TAX OVERPAYMENT	\$ 13,667.37
08/09/2016	2389	FERNDALE PUBLIC SCHOOL	2016 TAX COLLECTIONS	\$ 317,464.35
08/09/2016	2390	OAKLAND COUNTY TREASURER	2016 TAX COLLECTIONS	\$ 513,737.04
08/30/2016	2391	CITY OF PLEASANT RIDGE-DDA	2016 TAX COLLECTIONS	\$ 8,750.74
08/30/2016	2392	CITY OF PLEASANT RIDGE-GENERAL	2016 TAX COLLECTIONS	\$ 68.36
08/30/2016	2393	CITY OF PLEASANT RIDGE-TAXES	2016 TAX COLLECTIONS	\$ 111,705.90
08/30/2016	2394	CORELOGIC REFUND DEPT	2016 SUMMER TAX OVERPAYMENT	\$ 5,650.33
08/30/2016	2395	FERNDALE SCHOOL DISTRICT	2016 TAX COLLECTIONS	\$ 49,838.28
08/30/2016	2396	OAKLAND COUNTY TREASURER	2016 TAX COLLECTIONS	\$ 77,125.86
TOTAL TAX LIABILITIES				\$ 4,537,574.34

CITY OF PLEASANT RIDGE CHECK REGISTER
ACCOUNTS PAYABLE
JULY 12, 2016

Check Date	Check	Vendor Name	Description	Amount
07/12/2016		ADKISON, NEED & ALLEN P.L.L.C.	CITY ATTORNEY CONTRACT	\$ 1,544.25
07/12/2016	20485	APPLIED SCIENCE AND TECHNOLOGY, INC	ENVIROMENTAL SERVICES	\$ 3,753.68
07/12/2016	20486	COMMUNITY MEDIA NETWORK	CITY COMMISSION MEETING RECORDING	\$ 200.00
07/12/2016	20487	ENTERPRISE UNIFORM COMPANY	UNIFORM SUPPLIES	\$ 143.90
07/12/2016	20488	G2 CONSULTING GROUP	OXFORD ROAD CONSTRUCTION	\$ 8,962.50
07/12/2016	20489	MICHIGAN MUNICIPAL LEAGUE	WEBSITE EMPLOYMENT CLASSIFIED	\$ 62.60
07/12/2016	20490	MICHIGAN POLICE EQUIPMENT	POLICE EQUIPMENT	\$ 1,799.00
07/12/2016	20491	MOTOR CITY AUTO SPA	POLICE VEHICLE MAINTENANCE	\$ 584.00
07/12/2016	20492	MUNICIPAL CODE CORPORATION	CITY CODE UPDATES & ANNUAL FEE	\$ 2,630.00
07/12/2016	20493	NYE UNIFORM	UNIFORM ALLOWANCE - REID	\$ 220.00
07/12/2016	20494	ROBERT RIED	UNIFORM ALLOWANCE REIMBURSEMENT	\$ 237.40
07/12/2016	20495	SCHEER'S ACE HARDWARE	BUILDING MAINTENANCE AND SUPPLIES	\$ 273.72
07/12/2016	20496	SOCRRA	REFUSE COLLECTION CONTRACT	\$ 228.34
07/12/2016	20497	ARROW UNIFORM RENTAL	MAT RENTALS AND JANITORIAL SUPPLIES	\$ 503.64
07/12/2016	20498	BCBS OF MICHIGAN	HEALTH CARE BENEFITS	\$ 25,862.96
07/12/2016	20499	BOSTON MUTUAL LIFE INS. CO.-G	HEALTH CARE BENEFITS	\$ 170.50
07/12/2016	20500	GODDARD COATINGS SPORT SURFACES	GAINSBOROUGH PARK RENOVATION	\$ 16,200.00
07/12/2016	20501	GREAT AMERICA	TELEPHONE SYSTEM	\$ 433.00
07/12/2016	20502	JANI-KING OF MICHIGAN, INC	JANITORIAL CLEANING CONTRACT	\$ 2,161.00
07/12/2016	20503	LIVING LAB	GAINSBORO PARK PROJECT	\$ 5,185.00
07/12/2016	20504	MI MUNICIPAL RISK MANAGEMENT	LIABILITY INSURANCE	\$ 31,936.50
07/12/2016	20505	MICHIGAN MUNICIPAL LEAGUE	MEMBERSHIP DUES	\$ 1,959.00
07/12/2016	20506	MICHIGAN MUNICIPAL LEAGUE	WORKERS COMP CONTRIBUTION	\$ 2,682.00
07/12/2016	20507	O.P. AQUATICS	POOL CHEMICALS AND SUPPLIES	\$ 573.00
07/12/2016	20508	OAKLAND COUNTY TREASURER	SEWAGE TREATMENT	\$ 45,225.25
07/12/2016	20509	RAY KEE	BUILDING INSPECTOR SERVICES	\$ 1,350.00
07/12/2016	20510	ROYAL OAK FORD	2016 FORD F150 DPW TRUCK	\$ 29,383.00
07/12/2016	20511	SEMCOG	MEMBERSHIP DUES	\$ 747.00
07/12/2016	20512	TEEK ELECTRIC	PARK PROJECT	\$ 1,900.00
07/12/2016	20513	WEB MATTERS BY KRISTIE	MONTHLY WEBSITE HOSTING	\$ 131.20

Total for 7-12-2016

\$ 187,042.44

CITY OF PLEASANT RIDGE CHECK REGISTER
 ACCOUNTS PAYABLE
 JULY 20, 2016

Check Date	Check	Vendor Name	Description	Amount
07/20/2016	20514	MICHIGAN MUNICIPAL LEAGUE	Q-2 UNEMPLOYMENT CONTRIBUTIONS	\$ 102.28
07/20/2016	20515	ARROW UNIFORM RENTAL	MAT RENTAL AND JANITORIAL SUPPLIES	\$ 507.90
07/20/2016	20516	BCBS OF MICHIGAN	HEALTH CARE BENEFITS	\$ 25,862.96
07/20/2016	20517	CITY OF PLEASANT RIDGE-PETTY C	PETTY CASH REPLENISHMENT	\$ 538.73
07/20/2016	20518	CRANBROOK SWIM CLUB	B FINALS AND PROGRAM ADS	\$ 795.00
07/20/2016	20519	ECO BLASTER	FIRE HYDRANT RESTORATION (24)	\$ 2,640.00
07/20/2016	20520	LEGAL SHIELD	PREPAID LEGAL SERVICES	\$ 25.90
07/20/2016	20521	MAT COURT RECORDING	CITY COMMISSION MEETING MINUTES	\$ 100.00
07/20/2016	20522	NSSL	A FINALS AND PROGRAM ADS	\$ 475.00
07/20/2016	20523	PARAOLYMPICS	SWIMATHON PARAOLYMPICS	\$ 504.00
07/20/2016	20524	SOCRRA	REFUSE COLLECTION CONTRACT	\$ 7,537.00
07/20/2016	20525	SPECIAL OLYMPICS	SWIMATHON SPECIAL OLYMPICS	\$ 504.00
07/20/2016	20526	PAVEX CORPORATION	GAINSBORO PARK RECONSTRUCTION	\$ 170,629.66

Total for 7-20-2016

\$ 210,222.43

CITY OF PLEASANT RIDGE CHECK REGISTER
ACCOUNTS PAYABLE
AUGUST 8, 2016

Check Date	Check	Vendor Name	Description	Amount
08/08/2016		21ST CENTURY MEDIA-MICHIGAN	PRINTING OF LEGAL ADDS	\$ 1,507.92
08/08/2016	20528	ADKISON, NEED & ALLEN P.L.L.C.	CITY ATTORNEY SERVICES	\$ 507.50
08/08/2016	20529	BERKO INTERNATIONAL MICHIGAN, INC	POLICE SUPPLIES	\$ 151.00
08/08/2016	20530	ANDERSON, ECKSTEIN & WESTRICK	PROFESSIONAL SERVICES	\$ 7,421.50
08/08/2016	20531	ARROW UNIFORM RENTAL	MAT RENTAL AND JANITORIAL SUPPLIES	\$ 475.03
08/08/2016	20532	BOSTON MUTUAL LIFE INS. CO.-G	HEALTH CARE BENEFITS	\$ 170.50
08/08/2016	20533	BRILAR	DPW CONTRACTED SERVICES	\$ 39,288.63
08/08/2016	20534	CARLA KRZYSIAK	YOGA INSTRUCTION	\$ 288.00
08/08/2016	20535	CONSUMERS ENERGY	CITY UTILITY SERVICES	\$ 423.28
08/08/2016	20536	CRAFTSMAN HOMES INC	57 MAYWOOD CONSTRUCTION BOND	\$ 5,000.00
08/08/2016	20537	CREATIVE AWARDS	SWIM MEDALS AND SOCCER TROPHIES	\$ 306.25
08/08/2016	20538	DILSIO CONTRACTING INC	RETURN OF PERFORMANCE BOND - OXFORD	\$ 61,000.00
08/08/2016	20539	EGT GROUP, INC	PRINTING OF THE RIDGER	\$ 1,987.23
08/08/2016	20540	ERIC UNCAPHER	WATER CREDIT REFUND	\$ 41.51
08/08/2016	20541	ERSI	ENVIRONMENTAL SYSTEMS	\$ 424.00
08/08/2016	20542	EUGENE LUMBERG	CITY ATTORNEY CONTRACT	\$ 537.50
08/08/2016	20543	FERMOB	GAINSBORO PARK PROJECT	\$ 6,859.00
08/08/2016	20544	FERNDALE PIZZA CO., INC.	RECREATION SUPPLIES	\$ 47.67
08/08/2016	20545	FERNDALE SCHOOL DISTRICT	CAMP FIELD TRIP BUSES	\$ 787.50
08/08/2016	20546	FLAME FURNACE	4 RIDGE BLDG MAINTENANCE	\$ 3,844.00
08/08/2016	20547	GIFELS WEBSTER	WOODWARD ROAD DIET	\$ 812.50
08/08/2016	20548	GREAT LAKES WATER AUTHORITY	INDUSTRIAL WASTE CHARGES	\$ 418.00
08/08/2016	20549	HOLIDAY FOOD CENTER	HOME AND GARDEN TOUR	\$ 400.22
08/08/2016	20550	ICMA RETIREMENT CORPORATION	ANNUAL PLAN FEE RENEWAL	\$ 250.00
08/08/2016	20551	INTERNATIONAL CODE COUNCIL	MEMBERSHIP DUES	\$ 135.00
08/08/2016	20552	J & J AUTO TRUCK CENTER	POLICE CAR MAINTENANCE	\$ 189.87
08/08/2016	20553	KAREN SHEPLER	IMAGINATION STATION	\$ 450.00
08/08/2016	20554	MAT COURT RECORDING	CITY COMMISSION MINUTES	\$ 100.00
08/08/2016	20555	MELANIE SEVALD	CSF CLASS	\$ 384.00
08/08/2016	20556	MICH.MUNICIPAL RISK MGMNT.AUTH	LIABILITY INSURANCE POLICY FEES	\$ 818.00
08/08/2016	20557	MICHIGAN DEPARTMNET OF LICENSING	BOILER CERTIFICATE INSPECTION	\$ 120.00
08/08/2016	20558	MIKE'S TREE SURGEONS, INC.	ARBORIST SERVICES	\$ 225.00
08/08/2016	20559	MODERN MARKETING INC	POLICE DEPARTMENT SUPPLIES	\$ 1,498.28
08/08/2016	20560	NYE UNIFORM	POLICE UNIFORM EQUIPMENT	\$ 163.00
08/08/2016	20561	O.P. AQUATICS	POOL CHEMICALS	\$ 1,165.50
08/08/2016	20562	OAKLAND COUNTY TREASURER	INVESTMENT CONTRIBUTION	\$ 100,000.00
08/08/2016	20563	OAKLAND COUNTY TREASURER	GWK BOND PAYMENT	\$ 13,132.54
08/08/2016	20564	PK CONTRACTING	TRAFFIC CONTROL	\$ 1,131.52
08/08/2016	20565	PLANTE & MORAN PLLC	CITY ACCOUNTING SERVICES	\$ 5,234.00
08/08/2016	20566	RAY KEE	BUILDING INSPECTOR SERVICES	\$ 1,350.00
08/08/2016	20567	SAFEBUILT	CODE ENFORCEMENT SERVICES	\$ 660.00
08/08/2016	20568	SOCWA	WATER PURCHASES FOR JULY 2016	\$ 26,595.90
08/08/2016	20569	USZTAN CONSTRUCTION	PARK MAINTENANCE AND WALL REPAIR	\$ 1,299.00
08/08/2016	20570	VERIZON	WIRELESS SERVICES	\$ 115.16
08/08/2016	20571	VICTORIA DICKINSON	SIT AND GET FIT CLASS	\$ 496.00
08/08/2016	20572	WEX BANK	POLICE CAR FUEL PURCHASES	\$ 2,920.61
08/08/2016	20573	WINDER POLICE EQUIPMENT	POLICE DEPARTMENT EQUIPMENT	\$ 485.60
08/08/2016	20574	CITY OF ROYAL OAK	WATER AND SEWER MAINTENANCE	\$ 4,153.95
08/08/2016	20575	NYE UNIFORM	UNIFORM REIMBURSEMENT	\$ 295.00
08/08/2016	20576	OAKLAND COUNTY TREASURER	CLEMIS MEMBERSHIP	\$ 2,052.00
08/08/2016	20577	SAFEBUILT	CODE ENFORCEMENT SERVICES	\$ 660.00
08/08/2016	20578	MUNICIPAL EMP.RETIREMENT SYST.	VALUATION STUDY - 3 DIVISIONS	\$ 550.00

Total for 8-8-2016

\$ 299,328.67

CITY OF PLEASANT RIDGE CHECK REGISTER
 ACCOUNTS PAYABLE
 AUGUST 16, 2016

Check Date	Check	Vendor Name	Description	Amount
08/16/2016	20579	ARROW UNIFORM RENTAL	MAT RENTALS AND JANITORIAL SUPPLIES	\$ 252.41
08/16/2016	20580	BCBS OF MICHIGAN	HEALTHCARE BENEFITS	\$ 25,862.96
08/16/2016	20581	BRILAR	DPW CONTRACTED SERVICES	\$ 24,254.79
08/16/2016	20582	CITY OF BERKLEY	JULY DISPATCH SERVICES	\$ 3,349.61
08/16/2016	20583	CITY OF FERNDALE	FIRE CONTRACT PAYMENT	\$ 42,763.44
08/16/2016	20584	COMCAST	GAINSBORO PARK PROJECT	\$ 1,637.82
08/16/2016	20585	DETROIT EDISON COMPANY	COMMUNITY STREET LIGHTING	\$ 8.16
08/16/2016	20586	GREAT AMERICA	TELEPHONE SERVICES	\$ 433.00
08/16/2016	20587	JASON NAGY	UNIFORM ALLOWANCE REIMBURSEMENT	\$ 345.28
08/16/2016	20588	MAJK GRAPHICS INC	DPW TRUCK GRAPHICS	\$ 136.00
08/16/2016	20589	MICHIGAN MUNICIPAL LEAGUE	WORKERS COMP CONTRIBUTION	\$ 2,682.00
08/16/2016	20590	MPARKS	MPARKS MEMBERSHIP RENEWAL	\$ 435.00
08/16/2016	20591	NANCY ZIMMERMAN	CAMBRIDGE PROJECT REIMBURSEMENT	\$ 384.50
08/16/2016	20592	OAKLAND SCHOOLS	PRINTING OF WATER BILLS	\$ 1,071.84
08/16/2016	20593	SOCRRA	REFUSE COLLECTION CONTRACT	\$ 8,706.00
08/16/2016	20594	VARSITY SHOP	SWIM TEAM ITEMS	\$ 2,361.15
Total for 8-16-2016				\$ 114,683.96

CITY OF PLEASANT RIDGE CHECK REGISTER
ACCOUNTS PAYABLE
AUGUST 31, 2016

Check Date	Check	Vendor Name	Description	Amount
08/31/2016		ANDERSON, ECKSTEIN & WESTRICK	PARK PROJECT	\$ 15,923.50
08/31/2016	20596	ANNE-MARIE BOUCHARD	YOGA CAMP DEMO	\$ 280.00
08/31/2016	20597	APPLIED CONCEPTS, INC.	POLICE VEHICLE SUPPLIES	\$ 1,819.00
08/31/2016	20598	ARROW UNIFORM RENTAL	MAT RENTALS AND JANITORIAL SUPPLIES	\$ 763.28
08/31/2016	20599	BOSTON MUTUAL LIFE INS. CO.	HEALTH CARE BENEFITS	\$ 170.50
08/31/2016	20600	BRILAR	DPW CONTRACTED SERVICES	\$ 22,893.12
08/31/2016	20601	CARLA KRZYSIK	YOGA INSTRUCTION	\$ 128.00
08/31/2016	20602	CHAMBERLIN PONY RIDES	HAYRIDE	\$ 50.00
08/31/2016	20603	CITY OF BERKLEY	AUGUST DISPATCH SERVICES	\$ 3,349.61
08/31/2016	20604	CITY OF FERNDALE	FIRE CONTRACT PAYMENT - SEPTEMBER	\$ 21,381.72
08/31/2016	20605	CITY OF PLEASANT RIDGE-GENERAL	CITY UTILITY WATER/SEWER BILLS	\$ 5,170.22
08/31/2016	20606	COMMUNITY MEDIA NETWORK	CITY COMMISSION MEETING	\$ 200.00
08/31/2016	20607	DETROIT EDISON COMPANY	COMMUNITY LIGHTING	\$ 2,832.21
08/31/2016	20608	ECO BLASTER	FIRE HYDRANT RESTORATION	\$ 6,930.00
08/31/2016	20609	ELECTION SOURCE	ELECTION SUPPLIES	\$ 630.00
08/31/2016	20610	FERNDALE SCHOOL DISTRICT	SPECIAL PROGRAM SUPPLIES - RECREATION	\$ 663.24
08/31/2016	20611	FLAME FURNACE	RECREATION BUILDING REPAIR	\$ 338.00
08/31/2016	20612	GIFFELS WEBSTER	WOODWARD ROAD DIET	\$ 2,112.50
08/31/2016	20613	INK ADDICT	SYNCHRO SWIM SHIRTS 2016	\$ 195.00
08/31/2016	20614	ICCA	ANNUAL MEMBERSHIP BILLING	\$ 1,190.00
08/31/2016	20615	J & J AUTO TRUCK CENTER	POLICE CAR REPAIRS	\$ 1,242.71
08/31/2016	20616	JANI-KING OF MICHIGAN, INC.	JANITORIAL CLEANING SERVICES	\$ 2,161.00
08/31/2016	20617	LEGAL SHIELD	PRE PAID LEGAL SERVICES	\$ 25.90
08/31/2016	20618	MAJIK GRAPHICS INC	POLICE CAR GRAPHICS	\$ 510.00
08/31/2016	20619	METRO CARBONIC	SPECIAL PROGRAM SUPPLIES - RECREATION	\$ 60.00
08/31/2016	20620	NYE UNIFORM	POLICE UNIFORM SUPPLIES	\$ 163.00
08/31/2016	20621	O.P. AQUATICS	POOL CHEMICALS AND SUPPLIES	\$ 899.08
08/31/2016	20622	OAKLAND COUNTY TREASURER	GWKDD-SEWAGE TREATMENT - JULY 2016	\$ 46,527.17
08/31/2016	20623	ON DUTY GEAR, LLC	POLICE DEPARTMENT SUPPLIES	\$ 685.00
08/31/2016	20624	PAVEX CORPORATION	GAINSBORO PARK PROJECT	\$ 157,203.72
08/31/2016	20625	PLANTE & MORAN PLLC	PROFESSIONAL ACCOUNTING SERVICES	\$ 10,573.00
08/31/2016	20626	PROVIDENCE CORPORATE HEALTH	PHYSICAL EXAM - TIM SCHULTZ	\$ 98.00
08/31/2016	20627	PUBLIC AGENCY TRAINING COUNCIL	POLICE TRAINING	\$ 900.00
08/31/2016	20628	RAY KEE	BUILDING INSPECTOR SERVICES	\$ 1,350.00
08/31/2016	20629	SOCRRA	REFUSE COLLECTION CONTRACT	\$ 7,761.46
08/31/2016	20630	TASER INTERNATIONAL	POLICE DEPARTMENT SUPPLIES	\$ 125.78
08/31/2016	20631	THE BANK OF NEW YORK	COMMUNITY CENTER BONDS	\$ 37,762.50
08/31/2016	20632	TOSHIBA FINANCIAL SERVICES	COPIER LEASE	\$ 818.51
08/31/2016	20633	VERIZON	WIRELESS SERVICES	\$ 50.08
08/31/2016	20634	VINCE RIZZO	ELECTION DINNER	\$ 237.50
08/31/2016	20635	WEB MATTERS BY KRISTIE	MONTHLY WEBSITE HOSTING	\$ 24.95
08/31/2016	20636	DTE ENERGY	NEW STREET LIGHT INSTALLATION	\$ 5,758.84

Total for 8-31-2016

\$ 361,958.10

CITY OF PLEASANT RIDGE CHECK REGISTER
 ACCOUNTS PAYABLE
 Electronic Payments & P-Card Transactions

Check Date	Check	Vendor Name	Description	Amount
07/15/2016	575	5TH 3RD	RECREATION, PROGRAM, OFFICE SUPPLIES	\$ 3,993.50
07/15/2016	576	5TH 3RD	RECREATION PROGRAM SUPPLIES	\$ 3,547.26
07/15/2016	577	ADOBE SYSTEMS INC	SOFTWARE MAINTENANCE	\$ 52.99
07/15/2016	578	ADOBE SYSTEMS INC	SOFTWARE MAINTENANCE	\$ 15.89
07/15/2016	579	AMAZON.COM	OFFICE SUPPLIES-CITY MANAGER	\$ 47.70
07/15/2016	580	AT&T MOBILITY	WIREESS SERVICES	\$ 47.82
07/15/2016	581	COMCAST	TELECOMMUNICATION SERVICES	\$ 144.85
07/15/2016	582	COMCAST	TELECOMMUNICATION SERVICES	\$ 115.46
07/15/2016	583	DTE ENERGY	UTILITIES SERVICES	\$ 7,192.24
07/15/2016	584	INTERMEDIA.NET INC.	TELECOMMUNICATION SERVICES	\$ 118.80
07/15/2016	585	MICRO CENTER	OFFICE SUPPLIES-POLICE DEPARTMENT	\$ 62.52
07/15/2016	586	PERFECT WATER	FITNESS CENTER SUPPLIES	\$ 39.95
07/15/2016	587	POSTMASTER	POSTAGE REPLENISHMENT	\$ 250.00
07/15/2016	588	STAMPS.COM	MONTHLY SERVICE FEE	\$ 15.99
07/15/2016	589	VARIDESK LLC	OFFICE SUPPLIES	\$ 495.00
07/15/2016	590	WOW! BUSINESS	TELECOMMUNICATION SERVICES	\$ 261.17
07/15/2016	591	XFER COMMUNICATIONS	BACKUP AND RECOVERY SERVICES	\$ 198.50
07/15/2016	592	XFER COMMUNICATIONS	MAINTENANCE AGREEMENT	\$ 545.00
08/09/2016	570	COMCAST	TELECOMMUNICATION SERVICES	\$ 0.15
08/12/2016	574	WEX BANK	PD FUEL PURCHASES	\$ 1,005.70

Total for Electronic Payments

\$ 18,150.49



City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
To: City Commission
Date: September 8, 2016
Re: City Code Amendment Call for Public Hearing – Double Parking Fine

Overview

Attached is an ordinance for introduction to amend the City Code regarding double parking fines.

Background

The attached City Code ordinance amendment cleans up an oversight in the previously adopted Municipal Civil Infraction ordinance 418 adopted in April of this year. The proposed amendment corrects an oversight in the previous ordinance. The double parking fine was set at \$25.00, whereas it should be \$80.00

Requested Action

City Commission action to schedule a public hearing for the proposed ordinance at the October 18, 2016 meeting.

City of Pleasant Ridge
Ordinance No. 420

AN ORDINANCE TO AMEND THE PLEASANT RIDGE CITY CODE, CHAPTER 70,
TRAFFIC AND VEHICLES, – SECTION 70-93.

THE CITY OF PLEASANT RIDGE HEREBY ORDAINS:

Section 1. Chapter 70 Traffic and Vehicles, Section 70-93(a)(5) is amended to read as follows: Double parking \$80.00.

Section 2. **Effective Date**

This ordinance shall be effective 15 days after enactment and upon publication.

Introduced: Tuesday, September 13, 2016

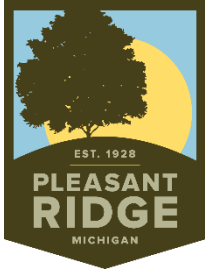
Public Hearing:

Adopted:

Published:

Effective:

Amy M. Drealan, CMC
City Clerk



City of Pleasant Ridge

Amy M. Drealan, City Clerk

From: Amy M. Drealan, City Clerk
To: City Commission
Date: September 8, 2016
Re: City Code Amendment Call for Public Hearing – 2015 Property Maintenance Code

Overview

Attached is an ordinance for introduction to amend the City Code regarding the 2015 Property Maintenance Code.

Background

The attached City Code ordinance amendment is to protect the public health, safety and welfare in all existing structures, residential and nonresidential, and on all existing premises by establishing minimum requirements and standards for premises, structures, equipment, and facilities for light, ventilation, space, heating, sanitation, protection from the elements, life safety, safety from fire and other hazards, and for safe and sanitary maintenance; fixing the responsibility of owners, operators and occupants; regulating the occupancy of existing structures and premises, and providing for administration, enforcement and penalties.

The Property Maintenance Code was inadvertently left out of the code recodification. The proposed ordinance adopts the most recent Property Maintenance Code. The fines are consistent with the adopted civil infraction ordinances. The dates inserted in Section 4 are those that typically have been used in other communities that have adopted this Code. The Property Maintenance Code's weed provisions have been deleted, as we already have a separate Code provision. A copy of the full IPMC is available at City Hall.

Requested Action

City Commission action to schedule a public hearing for the proposed ordinance at the October 18, 2016 meeting.

City of Pleasant Ridge
Ordinance No. 421

AN ORDINANCE TO AMEND THE CITY OF PLEASANT RIDGE CODE OF ORDINANCES,
CHAPTER 14 – BUILDING AND BUILDING REGULATIONS.

THE CITY OF PLEASANT RIDGE ORDAINS:

Section 1.

A new Chapter 14, Article VI is added to read as follows:

Article VI – Property Maintenance Code

Sec. 14-122. – Title.

This Article shall be known as the Property Maintenance Code.

Sec. 14-123. – Adoption.

The International Property Maintenance Code of 2015, as published by the International Code Council, and all previous and future amendments thereto “IPMC”, is hereby adopted by the City of Pleasant Ridge and its provisions will be effective from the effective date of this amendment.

Sec. 14-124. – Insertions.

The following Sections of the IPMC are hereby revised by making the following insertions.

- (a) Section 101.1. Insert: “the City of Pleasant Ridge”.
- (b) Section 112.4. Insert: “fines of not less than \$100.00, nor more than \$500.00 per day.”
- (c) Section 304.14. Insert: “Insect screens to be used from May 31st to September 30th.”
- (d) Section 602.3. Insert: “Heat supply for residences from October 1st to April 30th.”
- (e) Section 602.4. Insert: “Heat supply for occupiable workspaces from October 1st to April 30th.”

Sec. 14-125. – Deletions.

Code Section 302.4. “Weeds” is hereby deleted.

Sec. 14-126. – Changes.

The following sections of the IPMC are changed to read in their entirety as follows:

- (a) Sec. 103.1. General. The City Building Official, or such other individuals as designated by the City Manager, shall be responsible to enforce the provisions of this Code, and shall be designated as the Code Official for purposes of enforcement of this Code.
- (b) Section 103.5. The fees for activities and services performed by the City in carrying on its responsibilities under the Code shall be adopted by resolution of the City Commission.
- (c) Sec. 106.3. A violation of this ordinance shall be deemed to be a municipal civil infraction. If the notice of violation is not complied with, the Code Official may institute the appropriate proceeding at law or in equity to restrain, correct, or abate such violation, or to require the removal or termination of the unlawful occupancy of the structure in violation of the provisions of this Code or the order or direction made pursuant thereto.
- (d) Sec. 106.4. Any person who violates any of the terms and provisions of this ordinance shall be found responsible for a municipal civil infraction, and subject to the penalties as provided in Chapters 1 and 28 of the Pleasant Ridge City Code.

Section 2. Severability.

Should any provision or part of this Article be declared by any court of competent jurisdiction to be invalid or unenforceable, the same shall not affect the validity or enforceability of the balance of this Article, which shall remain in full force and effect.

Section 3. Repealer.

All other ordinances or parts of ordinances in conflict with this ordinance are hereby repealed only to the extent necessary to give this Ordinance full force and effect.

Section 4. Savings clause.

Nothing in this Article shall be construed to affect any suit or proceeding pending in any court or any rights acquired or any liability incurred, or any cause or causes of action acquired or existing, under any act or ordinance hereby repealed as cited in Section 3 of this Ordinance; nor shall any just or legal right or remedy of any character be lost, impaired, or affected by this Ordinance.

Section 4. Effective Date.

This Ordinance shall become effective fifteen days after enactment and upon publication as provided by law.

Section 5. Adoption.

Introduced: Tuesday, September 13, 2016

Public Hearing:

Adopted:

Published:

Effective:

Amy M. Drealan, CMC
City Clerk



City of Pleasant Ridge

James Breuckman, City Manager

From: James Breuckman, City Manager
To: City Commission
Date: September 8, 2016
Re: Local Road Improvement Matching Fund Cost Participation Agreement

Overview

Pleasant Ridge has been awarded matching funds from Oakland County for local road improvement projects. A resolution of the City Commission is needed to enter into the cost participation agreement.

Background

Pleasant Ridge applied for, and was awarded \$5,627 from Oakland County as part of a new Local Road Improvement Program. Oakland County has made money available to its local units based on a formula that takes into account population and miles of local roads. The money can be used for maintenance activities, and we will be using the money towards our concrete street repair work that is now getting underway.

Requested Action

City Commission approval of the attached cost participation agreement with Oakland County.

LOCAL ROAD IMPROVEMENT MATCHING FUND PILOT PROGRAM

COST PARTICIPATION AGREEMENT

Concrete repairs on Millington Rd., Poplar Park Blvd, Oakland Park Blvd, Cambridge Blvd, Oakdale Blvd, Maplefield Rd.

City of Pleasant Ridge

Board Project No. 2016-12

This Agreement, made and entered into this ____ day of _____, 2016, by and between the Board of Commissioners of the County of Oakland, Michigan, hereinafter referred to as the BOARD, and the City of Pleasant Ridge, hereinafter referred to as the COMMUNITY, provides as follows:

WHEREAS, the BOARD has established the Pilot Local Road Improvement Matching Fund Program, hereinafter the PROGRAM, for the purposes of improving economic development in Oakland County cities and villages. The terms and policies of the PROGRAM are contained in Attachment A. The BOARD intends the PROGRAM to assist its municipalities by offering limited funds, from state statutory revenue sharing funds, for specific, targeted road maintenance and/or improvement projects on roadways under the jurisdiction of cities and villages; and

WHEREAS, the BOARD shall participate in a city or village road project in an amount not exceeding 50% of the cost of the road improvement, hereinafter referred to as the PROJECT, and also not exceeding the Preliminary Distribution Formula as it relates to the COMMUNITY, (Attachment B); and

WHEREAS, the COMMUNITY has identified the PROJECT as Concrete repairs on Millington Rd., Poplar Park Blvd, Oakland Park Blvd, Cambridge Blvd, Oakdale Blvd, Maplefield Rd., as more fully described in Attachment C, attached hereto, and made a part hereof, which improvements involve roads under the jurisdiction of and within the COMMUNITY and are not under the jurisdiction of the Road Commission for Oakland County or state trunk lines; and

WHEREAS, the COMMUNITY has acknowledged and agreed to the BOARD's policies regarding the PROGRAM, Attachment A, and further acknowledge and agree that the PROJECT's purpose is to encourage and assist businesses to locate and expand within Oakland County and shall submit a report to the BOARD identifying the effect of the PROJECT on businesses in the COMMUNITY at the completion of the PROJECT. In addition, the COMMUNITY acknowledges that the program is meant to supplement and not replace funding for existing road programs or projects; and

WHEREAS, the COMMUNITY has acknowledged and agreed that the PROGRAM is expressly established as a pilot program and there is no guarantee that the PROGRAM will be continued from year to year. The COMMUNITY further acknowledges and agrees that if the PROJECT is a multi-year road improvement project, the maximum number of years for the

PROJECT funding is three (3) years, although the BOARD anticipates that most PROJECT's funded under the PROGRAM will be completed by the end of calendar-year 2017, and there is no obligation on behalf of the BOARD to fund either the PROJECT or the PROGRAM in the future; and

WHEREAS the COMMUNITY has acknowledged and agreed that the COMMUNITY shall assume any and all responsibilities and liabilities arising out of the administration of the PROJECT and that Oakland County shares no such responsibilities in administering the PROJECT; and

WHEREAS, the estimated total cost of the PROJECT is \$121,300; and

WHEREAS, said PROJECT involves certain designated and approved Local Road Improvement Matching Funds in the amount of \$5,627, which amount shall be paid to the COMMUNITY by the BOARD; and

WHEREAS, the BOARD and the COMMUNITY have reached a mutual understanding regarding the cost sharing of the PROJECT and wish to commit that understanding to writing in this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants set forth herein and in conformity with applicable law and BOARD resolution(s), it is hereby agreed between the COMMUNITY and the BOARD that:

1. The BOARD approves of the PROJECT, and in reliance upon the acknowledgements of the COMMUNITY, finds that the PROJECT meets the purpose of the PROGRAM.

2. The BOARD approves of a total funding amount under the PROGRAM for the PROJECT in an amount not to exceed \$5,627, The COMMUNITY shall submit an invoice to the COUNTY in the amount of \$5,627, addressed to Lynn Sonkiss, Manager of Fiscal Services, Executive Office Building, 2100 Pontiac Lake Road, Building 41 West, Waterford, MI 48328, upon execution of this Agreement. Upon receipt of said invoice, the BOARD shall pay the COMMUNITY the sum of \$5,627 from funds available in the PROGRAM.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and date first written above.

OAKLAND COUNTY BOARD OF COMMISSIONERS

By: _____

Its: _____

COMMUNITY

By: _____

It's: _____

PILOT LOCAL ROAD IMPROVEMENT MATCHING FUND PROGRAM

STATEMENT OF PURPOSE

Oakland County Government recognizes that Michigan law places the primary responsibility for road funding on the State and non-county local units of government. However, the County also recognizes that the law does permit a limited, discretionary role for the County in assisting a road commission and local units within a county by supporting some road maintenance and improvement efforts.

Accordingly, for many years Oakland County has voluntarily provided limited assistance to its cities, villages and townships (CVT's) and to the Road Commission of Oakland County (RCOC) by investing in a discretionary Tri-Party Road Program. Authorized under Michigan law, the County's tri-party funding contributions primarily facilitate safety improvement projects on CVT roads under the jurisdiction of the RCOC. By law, tri-party funds cannot be used to fund projects on roads solely under the jurisdiction of CVT's.

Recognizing a continuing need to better maintain local CVT streets and roads, yet being ever mindful of the County's limited responsibility for and jurisdiction over non-county roads and streets, Oakland County Government wishes to pilot a discretionary program that is more flexible than the current Tri-Party Road Program, one that will allow Oakland County to assist its cities and villages with maintenance and safety projects on non-county roads.

Not being the funding responsibility of County government, local CVT roads generally cannot be maintained or improved using county funds because doing so would be considered to be the "gifting" of County resources. However laudable the purpose, Michigan law generally forbids the gifting of government resources. To avoid application of the constitutionally-based gifting restriction, the state legislature must, and in this arena has, determine that a public benefit results from a taxpayer investment, one that provides a *quid pro quo* sufficient to avoid application of the gifting prohibition. Here, the legislature has determined that the economic development benefit presumed to accrue to a county as a result of local street and road investments can provide a sufficient *quid pro quo* to county taxpayers justifying a discretionary county investment in a non-county road, a benefit that constitutes a fair exchange for value and not a gift.

This legislative determination is set forth in 1985 P.A. 9, which amended 1913 P.A. 380, by adding a new section 2, which in pertinent part provides:

"(1)...A county may grant or loan funds to a township, village or city located within that county for the purpose of encouraging and assisting businesses to locate and expand within the county...

(2) A loan or grant made under subsection (1) may be used for local public improvements or to encourage and assist businesses in locating or expanding in this state, to preserve jobs in this state, to encourage investment in the communities in this state, or for other public purposes."

Communities that wish to attract, retain and grow business, retain jobs and encourage community investment, needs a safely maintained road infrastructure. This road infrastructure must include both residential and commercial roads as workers and consumers need to get to and from work, shopping, schools and recreation. In a fiscally prudent and limited manner, the County wishes to help its cities and villages accomplish this objective by test-piloting a new local road improvement matching fund program.

Any such program must be mindful of the limits imposed under Public Act 9. One important restriction Public Act 9 imposed on grants or loans made pursuant subsection 2 of the Act is the mandate that, "A grant or loan under this subsection shall not be derived from ad valorem taxes except for ad valorem taxes approved by a vote of the people for economic development." This means that funding for an expanded local road assistance program cannot utilize proceeds from any of Oakland County's ad valorem tax levies since no levy has been approved by voters specifically for economic development.

Given this limitation, it appears that the state statutory revenue sharing appropriated to the County can provide a non-ad valorem source of funds that legally can be used to support the pilot program. Competition for those funds, which are limited in amount, is fierce and their yearly availability is subject to the state legislative process. In the recent past, the State stripped all of those funds away from Michigan counties. Understanding that reality, it shall be the policy of the Oakland County Board of Commissioners that the Board shall not appropriate any county funds for a local road improvement matching fund program for non-county roads in any year where the State of Michigan fails to appropriate statutory revenue sharing funds to Oakland County in an amount sufficient to allow the County to first prudently address its core functions.

Act 9 imposes additional conditions on grants and loans. These include requirements that the loan or grant shall be administered within an established application process for proposals; that any grant or loan shall be made at a public hearing of the county board of commissioners and that the Board shall require a report to the county board of commissioners regarding the activities of the recipient and a report as to the degree to which the recipient has met the stated public purpose of the funding.

Understanding all of the above, the Oakland County Board of Commissioners hereby establishes the following Pilot Local Road Improvement Matching Fund Program:

PROGRAM SUMMARY

The Board of Commissioners establishes a Pilot Local Road Improvement Matching Fund Program for the purposes of improving economic development in Oakland County cities and villages. The County intends this Program to assist its municipalities by offering limited matching funds for specific, targeted road maintenance and/or improvement projects on roadways under the jurisdiction of cities and villages.

A city or village participating in the Local Road Improvement Matching Fund Program shall match any fund authorized by the Board of Commissioners in an amount equal to a minimum of 50% of the cost of the total project award. County participation shall be limited to a maximum of 50% of the cost of the total project budget. Funding shall be utilized to supplement and enhance local road maintenance and

improvement programs. Funding is not intended to replace existing budgeted local road programs or to replace funding already committed to road improvements.

PROJECT GUIDELINES

Program funding shall be utilized solely for the purposes of road improvements to roads under the jurisdiction of local cities and villages. Road improvements may include, but not be limited to, paving, resurfacing, lane additions or lengthening, bridges, or drainage as such improvements relate to road safety, structure or relieving congestion.

Program funding:

May be utilized to supplement a local government's matched funding for the purposes of receiving additional federal transportation funding;

May not be utilized to fulfill a local government's responsibility to fund improvements to state trunklines;

Shall be limited to real capital improvements to roadways and shall not be utilized for other purposes, such as administrative expenses, personnel, consultants or other similar purposes;

Shall not be utilized for non-motorized improvements, unless these improvements are included in a project plan for major improvements to a motorized roadway;

Shall be utilized for projects that will result in a measurable improvement in the development of the local economy and contribute to business growth. Recipients shall be responsible for providing an outline of the economic benefits of the project prior to approval and for reporting to the Board of Commissioners after the completion of the project on the benefits achieved as a result of the projects.

ADMINISTRATION

Local Road Improvement Matching Fund Program projects may be appropriated by the Board of Commissioners in compliance with the County budget process. The amount of funds to be dedicated for the Pilot Program shall be determined by the Board of Commissioners on an annual basis. Program funding may be reduced or eliminated based upon the ability of the County government to meet primary constitutional and statutory duties. The Board of Commissioners expressly reserves the right to adjust the County matching funds share at any time based upon County budget needs.

In accordance with MCL 123.872, funds dedicated to the Local Road Improvement Matching Fund Program shall not be derived from ad valorem tax revenues. Program funding shall be limited to funds derived from the County's distribution from the Michigan General Revenue Sharing Act. Reduction or elimination of the County's distribution of revenue sharing funds may result in the elimination or suspension of the program.

Funding availability shall be distributed based upon a formula updated annually. The formula will consist of:

1. A percentage derived from the number of certified local major street miles in each city and village divided by aggregate total of certified local major street miles of all cities and villages in the county.
2. A percentage derived from the population of each city and village as determined by the last decennial census conducted by the U.S. Census Bureau divided by the aggregate total population of cities and villages in the county.
3. A percentage derived from the three year rolling total of the number of crashes on city and village major local streets divided by the aggregate three year rolling crash numbers for all city and village major local streets. The crash data will be supplied by the Road Commission for Oakland County using data from the Traffic Improvement Association.

Each city and villages percentage allocation shall be determined by adding each factor percentage and dividing that total by three. The amount of funds available for match shall be determined by the total amount of funds allocated by the Board of Commissioners added to an equal amount representing the match provided by local cities and villages.

The Chairman of the Finance Committee of the Board of Commissioners shall establish a Subcommittee on the Local Road Improvement Program. This subcommittee shall consist of three members, with two members representing the majority caucus and one member representing the minority caucus. It shall be the responsibility of the Subcommittee to direct the administration of this program, receive applications for program funding and make recommendation of acceptance to the Finance Committee and Board of Commissioners. The Subcommittee may consult with county departments, staff and the Road Commission for Oakland County in the conduct of its business.

DISBURSEMENT

The Subcommittee shall forward recommendations for approval of Local Road Improvement Matching Fund Program projects to the Chairman of the Board of Commissioners. This recommendation shall include a cost participation agreement between the County and participating municipality. Minimally, cost participation agreements shall include: responsibility for administering the project, the project location, purpose, scope, estimated costs including supporting detail, provisions ensuring compliance with project guidelines, as well as disbursement eligibility requirements. The cost participation agreement shall also require the maintenance of supporting documentation to ensure compliance with the following provisions:

1. Any and all supporting documentation for project expenditures reimbursed with appropriated funding shall be maintained a minimum of seven years from the date of final reimbursement for actual expenditures incurred.
2. The Oakland County Auditing Division reserves the right to audit any and all project expenditures reimbursed through the program.

Upon receipt of recommendation of project approval from the Subcommittee, the County Commissioner or Commissioners, representing the area included in the proposed project, may introduce

a resolution authorizing approval of the project and the release of funds. Resolutions shall be forwarded to the Finance Committee of the Board of Commissioners, who shall review and issue a recommendation to the Board on the adoption of the resolution. The Chairperson of the Finance Committee shall schedule a public hearing before the Board of Commissioners prior to consideration of final approval of the resolution.

The deadline for projects to be submitted for consideration shall be established by the Subcommittee. The Subcommittee may work with participating municipalities to develop a plan for projects that exceed that municipality's annual allocation amount. This may include a limited plan to rollover that municipality's allocation for a period of years until enough funding availability has accrued to complete the project, subject to funding availability.

Upon completion of project plans and execution of the local participation agreement by the County and governing authority of the local municipality, the participating municipality shall submit an invoice in accordance with the terms and conditions included in the agreement. The Oakland County Department of Management and Budget Fiscal Services Division shall process payments in accordance with policies and procedures as set forth by the Department of Management and Budget and the Oakland County Treasurer.

In the event an eligible local unit of government chooses not to participate in the Local Road Improvement Matching Fund Program, any previously undistributed allocated funding may be re-allocated to all participating local units of government in accordance with the formula included in this policy.

At the completion of each project, the participating local government shall provide a report to the Board of Commissioners regarding the activities of the recipient and the degree to which the recipient has met the stated public purpose of the funding as required by MCL 123.872.

LOCAL ROAD IMPROVEMENT SUBCOMMITTEE
FINANCE COMMITTEE, OAKLAND COUNTY BOARD OF COMMISSIONERS

Provision regarding existing funded local road programs and projects. The standard project agreement shall require participating municipalities to acknowledge that the Local Road Improvement Program is meant to supplement and to not replace funding for existing road programs or projects.

Fulfillment of economic benefit provisions of MCL 123.872. The Pilot Local Road Improvement Program has been established by the Oakland County Board of Commissioners under the authority granted by MCL 123.872, which provides that “A county may grant or loan funds to a township, village or city located within that county for the purposes of encouraging and assisting businesses to locate and expand within the county”. It shall be the responsibility of the municipality to outline the extent to which the project included in their application will meet these standards. The Subcommittee shall only consider projects that meet the standards provided in MCL 123.872. The standard project agreement shall include a provision requiring the participating municipality to fulfill the statutory requirement included in MCL 123.872 that, “the grant or loan contract made by county shall require a report to the county of board of commissioners regarding the activities of the recipient and the degree to which the recipient has met the stated purpose of the funding.”

Multi-year projects. The Local Road Improvement Program has been expressly established as a pilot program. There is no guarantee the program will be continued from year to year. The Subcommittee recognizes that the allocation authorized for local governments may not provide adequate funding in a single year to allow a project to move forward. Local governments shall be offered the opportunity to submit project plans that would necessitate the accumulation of multiple years of the community’s allocation amount to fulfill the county’s share of a project budget. A multi-year project plan submittal shall not exceed three years in duration. The allocation amount available to each community is subject to change annually based upon the factors utilized in the formula. Consideration of multi-year project plans does not obligate Oakland County in any way to funding any project or program in the future. These plans are meant to be utilized for planning purposes and for consideration by the Oakland County Board of Commissioners regarding authorizing a limited carryover of a community’s allocation year to year.

Completion of projects and submittal of post-project report. The standard cost participation agreement shall include a provision requiring the municipality to complete the project and submit the required post-project completion report prior to the end of the next calendar year following the date of project approval. An alternative schedule may be approved for a project by action of the Board of Commissioners, upon recommendation of the Subcommittee.

**PRELIMINARY DISTRIBUTION FORMULA
OAKLAND COUNTY LOCAL ROAD IMPROVEMENT PILOT PROGRAM**

City/Village	Cert Major Local Road Miles	Miles %	Population	Pop %	Crash Data	Crash %	Miles+Pop+Crash	Proposed Total Exp.	Max County Contribution
Auburn Hills	32.33	4.82%	21,412	2.80%	236	1.34%	2,99%	\$59,753	\$29,877
Berkley	15.63	2.33%	14,970	1.96%	55	0.31%	1.53%	\$30,683	\$15,342
Beverly Hills	10.99	1.64%	10,267	1.34%	40	0.23%	1.07%	\$21,398	\$10,699
Bingham Farms	1.02	0.15%	1,111	0.15%	54	0.31%	0.20%	\$4,025	\$2,013
Birmingham	21.87	3.26%	20,103	2.63%	580	3.29%	3.06%	\$61,196	\$30,598
Bloomfield Hills	8.83	1.32%	3,869	0.51%	235	1.33%	1.05%	\$21,039	\$10,520
Clarkston	1.48	0.22%	882	0.12%	37	0.21%	0.18%	\$3,640	\$1,820
Clawson	9.62	1.44%	11,835	1.55%	134	0.76%	1.25%	\$24,960	\$12,480
Farmington	7.36	1.10%	10,372	1.36%	183	1.04%	1.16%	\$23,284	\$11,642
Farmington Hills	58.36	8.71%	79,740	10.43%	1955	11.08%	10.07%	\$201,492	\$100,746
Ferrdale	20.99	3.13%	19,900	2.60%	219	1.24%	2.33%	\$46,513	\$23,257
Franklin	4.34	0.65%	3,150	0.41%	48	0.27%	0.44%	\$8,878	\$4,439
Hazel Park	17.12	2.55%	16,422	2.15%	188	1.06%	1.92%	\$38,445	\$19,223
Holly	7	1.04%	6,086	0.80%	83	0.47%	0.77%	\$15,421	\$7,711
Huntington Woods	6.95	1.04%	6,238	0.82%	58	0.33%	0.73%	\$14,533	\$7,267
Keego Harbor	1.93	0.29%	2,970	0.39%	80	0.42%	0.38%	\$7,547	\$3,774
Lake Angelus	0	0.00%	290	0.04%	22	0.12%	0.05%	\$1,084	\$542
Lake Orion	2.74	0.41%	2,973	0.39%	123	0.70%	0.50%	\$9,980	\$4,990
Lathrup Village	7.36	1.10%	4,075	0.53%	185	1.05%	0.89%	\$17,867	\$8,934
Leonard	2.34	0.35%	403	0.05%	4	0.02%	0.14%	\$2,817	\$1,409
Madison Heights	21.5	3.21%	29,694	3.89%	745	4.22%	3.77%	\$75,431	\$37,716
Milford	7.3	1.09%	6,175	0.81%	108	0.61%	0.84%	\$16,716	\$8,358
Northville *	0.8	0.12%	5,970	0.78%	109	0.62%	0.51%	\$10,110	\$5,055
Novi	39.52	5.90%	55,224	7.23%	1313	7.44%	6.86%	\$137,104	\$68,552
Oak Park	18.35	2.74%	29,319	3.84%	275	1.56%	2.71%	\$54,220	\$27,110
Orchard Lake	1.8	0.27%	2,375	0.31%	120	0.68%	0.42%	\$8,397	\$4,199
Ortonville	3.21	0.48%	1,442	0.19%	40	0.23%	0.30%	\$5,962	\$2,981
Oxford	6.01	0.90%	3,436	0.45%	107	0.60%	0.65%	\$13,006	\$6,503
Pleasant Ridge	3.59	0.54%	2,526	0.33%	145	0.82%	0.56%	\$11,254	\$5,627
Pontiac	70.21	10.47%	59,515	7.79%	1264	7.16%	8.48%	\$169,507	\$84,754
Rochester	8.59	1.28%	12,711	1.66%	245	1.39%	1.44%	\$28,879	\$14,440
Rochester Hills	38.61	5.76%	70,995	9.29%	1945	11.02%	8.69%	\$173,830	\$86,915
Royal Oak	63.96	9.54%	57,236	7.49%	1083	6.14%	7.72%	\$154,461	\$77,231
South Lyon	4.43	0.66%	11,327	1.48%	144	0.81%	0.99%	\$19,717	\$9,859
Southfield	64.71	9.65%	71,739	9.39%	2452	13.90%	10.98%	\$219,625	\$109,813
Sylvan Lake	2.58	0.38%	1,720	0.23%	66	0.38%	0.33%	\$6,574	\$3,287
Troy	57.34	8.55%	80,980	10.60%	2343	13.28%	10.81%	\$216,211	\$108,106
Walled Lake	5.34	0.80%	6,999	0.92%	153	0.87%	0.86%	\$17,212	\$8,606
Wilom	10.49	1.56%	13,498	1.77%	408	2.31%	1.88%	\$37,628	\$18,814
Wolverine	3.69	0.55%	4,312	0.56%	57	0.33%	0.48%	\$9,598	\$4,799
TOTAL	670.29	100.00%	764,251	100.00%	17,639	100.00%	100.00%	\$2,000,000	\$1,000,000

ATTACHMENT C

Pilot Local Road Improvement Matching Fund Program

Concrete repairs on Millington Rd., Poplar Park Blvd, Oakland Park Blvd, Cambridge Blvd, Oakdale Blvd, Maplefield Rd
City of Pleasant Ridge

Board Project No. 2016-12

The City of Pleasant Ridge will undertake repairs to existing concrete streets that are experiencing joint degradation. Roads to be included are: Millington, Poplar Park, Oakland Park, Cambridge, Oakdale, Maplefield.

ESTIMATED PROJECT COST

Total Project Construction Cost	\$121,300	
	\$121,300	

COST PARTICIPATION BREAKDOWN

	COMMUNITY	BOARD	TOTAL
TOTAL COST	\$115,673	\$5,627	\$121,300



City of Pleasant Ridge

James Breuckman, City Manager

From: Jim Breuckman, City Manager
To: City Commission
Date: September 8, 2016
Re: Resolution to Allow Dogs in Gainsboro Park

Overview

Attached is a resolution to allow leashed dogs on pathways in Gainsboro Park.

Background

Dogs may be allowed or prohibited in City Parks by order of the City Commission (City Code section 46-50). With the construction of the new pathway system in Gainsboro Park, and given that the pathway system connects to the dog park, it is reasonable to expect that leashed dogs be allowed on the pathways in the park. This has been discussed during the Gainsboro Park design process, and there are dog waste bag stations that will be provided in the park.

Requested Action

City Commission approval of a resolution to allow leashed dogs on pathways in Gainsboro Park.



City of Pleasant Ridge

James Breuckman, City Manager

From: Scott Pietrzak, Assistant City Manager
To: City Commission
Date: September 8, 2016
Re: SOCRRA Single Stream Recycling Conversion Surcharge

Overview

SOCRRA is moving forward with converting to single-stream recycling. This includes converting SOCRRA's Materials Recycling Facility (MRF) to single stream operation and purchasing new 65-gallon single stream recycling carts for each household in Pleasant Ridge and other SOCRRA communities.

One of the financing mechanisms that SOCRRA is using to pay for the conversion to single-stream recycling is to assess a \$1 per household charge for all SOCRRA communities. This surcharge was approved by SOCRRA's board after Pleasant Ridge had approved our budget, which means we must amend our solid waste pickup fees to account for this additional charge.

Background

It is likely that the \$1 per household per month surcharge will continue for several years beyond 2016/17. The funds generated by this surcharge would be used to purchase recycling carts for each household in the SOCRRA communities and to pay for the cost of converting the MRF to allow for single stream operation. SOCRRA does not have sufficient cash on hand to pay for either of these initiatives. SOCRRA is using a combination of the \$1 per month surcharge, a revenue bond issue, and grant funding to pay for the project.

At the time of our budget discussions and approval here in Pleasant Ridge, it was not known when or if this \$1 per month fee would be imposed, so it was not included in our utility rates approved at the June City Commission meeting. Now that the MRF upgrades and single-stream recycling cart purchases are moving forward, we must revisit our garbage collection rates.

Please refer to the attached SOCRRA memo dated May 6, 2016 for an overview of the financing for the single stream conversion. The costs and financing estimates are continuing to evolve as SOCRRA works towards determining actual financing costs vs. the projected financing costs in the May 6 memo.

SOCRRA has also received a grant to help pay for the new recycling carts, making it necessary to impose the surcharge sooner than anticipated to generate matching funds. The recently awarded grant comes from the MDEQ. SOCRRA communities were awarded all of the \$450,000 that was available for SOCRRA's Recycling Cart Grant program. SOCRRA had submitted 11 grant applications for a total of \$650,000 of

grant funding – one for each community except for Huntington Woods, which already has the 65-gallon single stream recycling carts.

Pleasant Ridge Cost Breakdown

The specific cost breakdown for Pleasant Ridge’s share of the single-stream recycling conversion is as follows:

MRF Upgrade Costs	\$105,256
Recycling Cart Costs	\$52,605
<hr/>	
Pleasant Ridge Total Cost:	\$157,861
MDEQ grant funding	\$16,652
SOCRRA match	\$19,302
The Recycling Partnership (TRP) grant	\$1,954
<hr/>	
Grant and SOCRRA Funding:	\$37,908
<hr/>	
Pleasant Ridge Net Cost:	\$119,954
<hr/>	

Pleasant Ridge’s net cost will be entirely paid for by the \$1 per month surcharge. It is unknown how long that this surcharge will persist, as there may be the possibility for future increased revenues from the MRF if SOCRRA can win business from non-SOCRRA communities who may use the upgraded MRF. However, those are speculative revenues at this time. Even if the MRF upgrades do not yield revenue increases, the bottom line is that Pleasant Ridge residents will pay \$1 per month, or \$12 per year for single-stream recycling with a 65-gallon cart for every house being included in the cost.

Expected Implementation Date

SOCRRA expects single-stream recycling to be implemented on July 1, 2017. Delivery of the new carts is expected to occur on or before that date.

Requested Action

City Commission approval of a change to the garbage collection charge per utility bill from \$16.77 per bill to \$18.77 per bill to cover the new SOCRRA surcharge for converting to single-stream recycling.

May 6, 2016

Board of Trustees
SOCRRA

Subject: Financing of Single Stream Recycling

Board Members:

Following the April Board meeting, we have completed two different reviews of the economics of the single stream recycling conversion.

Capital Financing

In order to convert to single stream recycling, SOCRRA will need to finance the costs of buying the 65 gallon recycling carts and the costs of the MRF Single Stream conversion project. SOCRRA, in turn, will need to recover these costs from the member communities, from the sale of incremental recycled material from the single stream MRF or from revenue generated by charging a processing fee to third parties for recyclables that they bring to the MRF. For the purpose of the following analysis, I am assuming that there will be no incremental revenue, either from increased tonnage or from third party recyclables. This is a worst case scenario. To the extent that additional revenue is generated by the single stream MRF, the charges discussed below would be reduced, either in amount or in duration.

The total cost of buying recycling carts and converting the MRF to single stream operation is estimated at \$12.8 million. At the April meeting, I presented a worse case analysis that assumed that SOCRRA would finance this entire amount, that we would not receive any grant funding and that SOCRRA would not contribute any working capital to this project and that we will obtain financing at 3.5% interest over a 10 year period. The cart costs were allocated to the member communities on a per household basis, the MRF conversion costs were allocated on a contributed tonnage basis for the current fiscal year through March. This resulted in an average cost of \$1.13 per household per month. This data is presented in the second column of the table on the next page.

Since then, we have been awarded \$450,000 in MDEQ funding. The worst case column presented below deducts the MDEQ funding, the assumed level of SOCRRA match and an assumed level of SOCRRA funds that allows Royal Oak and Troy to be treated equitably with the other SOCRRA communities. This results in an average cost of \$1.01 per household per month. This data is presented in the third column of the table on the next page.

I am also presenting a "Better Case" scenario which assumes an additional \$800,000 in additional grant and/or SOCRRA working capital funding. This results in an average cost of \$0.94 per household per month. This data is presented in the fourth column of the table on the next page.

**MONTHLY PER HOUSEHOLD COSTS FOR
FINANCING SINGLE STREAM RECYCLING**

<u>Community</u>	<u>April Cost Per Household Per Month</u>	<u>Worst Case Cost per Household per Month</u>	<u>Better Case Cost per Household per Month</u>
Berkley	\$1.14	\$0.99	\$0.91
Beverly Hills	\$1.14	\$0.87	\$0.80
Birmingham	\$1.29	\$1.19	\$1.11
Clawson	\$1.11	\$0.81	\$0.74
Ferndale	\$1.11	\$1.05	\$0.98
Hazel Park	\$1.08	\$0.78	\$0.71
Huntington Woods	\$0.89	\$0.89	\$0.86
Lathrup Village	\$1.31	\$1.00	\$0.92
Oak Park	\$1.12	\$0.97	\$0.90
Pleasant Ridge	\$1.35	\$1.05	\$0.97
Royal Oak	\$1.09	\$1.03	\$0.96
Troy	<u>\$1.15</u>	<u>\$1.07</u>	<u>\$1.00</u>
Average	\$1.13	\$1.01	\$0.94

SOCRRA staff is exploring a number of alternatives for obtaining the financing for both the MRF conversion and for the purchase of recycling carts including additional grant funding. We are in discussions with several banks and a credit union regarding the entire project. There are also several companies that provide financing for cart purchases. In addition, we are continuing discussions with a company, Icon International, which provides barter type transactions to fund corporate expenses. As an example, they could link our project with Pepsi by stamping the Pepsi logo on the recycling carts and sending recycled PET from our MRF to Pepsi to be turned into new bottles. Pepsi would pay for all or part of our single stream project in exchange for those services. This is comparable to how the Huntington Woods Men's Club financed most of the cost of the recycling carts for Huntington Woods in exchange for a stamp on the side of the recycling carts. SOCRRA staff will continue to further develop these financing alternatives.

Operating Costs

In addition to the capital costs discussed above, the single stream recycling project will have an effect on SOCRRA's operating costs. For planning purposes only, we are assuming that there will be incremental expenses for collection costs and for MRF operating expenses. These would be offset by additional revenue from the sale of recycled materials and a reduction in disposal costs to more material being recycled. I have modeled SOCRRA's expenses and revenues from 2017/18 to 2019/20 using the approximate 2016/17 budget as a base. This analysis assumes the following:

1. The recycling tonnage from the SOCRRA member communities increases from its current level of 18,000 tons per year to 32,000 tons per year, which is the anticipated maximum tonnage from the SOCRRA communities, over a 3 year period.
2. The prices for recycled commodities will remain at their current levels throughout the period being modeled.

3. All other SOCRRA costs, including contractor, disposal and SOCRRA operating costs will increase by 2% per year.
4. No additional recycling tonnage from other sources was included.

The results of this analysis are displayed on the attached spreadsheet. They indicate a small (1.4%) increase in member rates in the first full year of operation, which reduces to a small (2.3%) decrease in member rates in the third year of operation. The conclusion is that from the perspective of operating costs, the conversion to single stream recycling will have a very small effect on member rates.

SOCRRA staff plans to have a complete presentation on the conversion to single stream project, including a contract for the conversion of the MRF and a financing plan, to present to the SOCRRA Board at the June Board meeting.

Respectfully submitted,

Jeffrey A. McKeen, P.E.
General Manager

Suggested Resolution: "That the report on Financing of Single Stream Recycling be received and filed."

EFFECT OF SINGLE STREAM RECYCLING ON MEMBER RATES

EXPENSES	15/16 Budget	16/17 Budget	Estimate 17/18	Estimate 18/19	Estimate 19/20
Collection Costs	\$12,415,312	\$12,183,640	\$12,427,313	\$12,675,859	\$12,929,376
Disposal Costs	\$2,587,000	\$2,500,000	\$2,550,000	\$2,601,000	\$2,653,020
SOCRRA operating costs	\$4,060,950	\$4,132,000	\$4,214,640	\$4,298,933	\$4,384,911
Capital Costs	\$725,200	\$750,000	\$750,000	\$750,000	\$750,000
Working Capital	<u>\$179,550</u>	<u>\$400,000</u>	<u>\$100,000</u>	<u>\$100,000</u>	<u>\$100,000</u>
TOTAL	\$19,968,012	\$19,965,640	\$20,041,953	\$20,425,792	\$20,817,308
REVENUES					
Non-member MSW	\$660,000	\$660,000	\$660,000	\$660,000	\$660,000
Non-member yard waste	\$70,000	\$70,000	\$70,000	\$70,000	\$70,000
Sale of Recyclables	\$1,649,000	\$1,371,000	\$1,500,000	\$1,500,000	\$1,500,000
Other	<u>\$195,000</u>	<u>\$243,000</u>	<u>\$243,001</u>	<u>\$243,002</u>	<u>\$243,003</u>
TOTAL	\$2,574,000	\$2,344,000	\$2,473,001	\$2,473,002	\$2,473,003
Member Rates	\$17,394,012	\$17,621,640	\$17,568,952	\$17,952,790	\$18,344,305
Member Recycling Tons	18,000	18,000	22,700	27,400	32,000
INCREMENTAL EXPENSES					
Incremental Collection Costs			\$580,000	\$580,000	\$580,000
incremental Operating Costs			\$75,000	\$150,000	\$220,000
increased revenue			-\$310,200	-\$620,400	-\$924,000
avoided disposal costs			-\$91,000	-\$190,000	-\$296,000
Net Incremental Costs			\$253,800	-\$80,400	-\$420,000
Revised Member Rates			\$17,822,752	\$17,872,390	\$17,924,305
% change			1.4%	-0.4%	-2.3%



AGENDA

Special SOCRRA Meeting – Tuesday, August 30, 2016 – 9:30 a.m.

Berkley Public Safety, 2395 12 Mile, Berkley

1. Meeting Called to Order
2. A. Roll Call & Recognition of Visitors
B. Public Comments
3. Approval of Agenda
4. Items for Decision (Board Action Requested)
 - A. Financing Single Stream Recycling
 - B. Contract with Machinex for MRF Construction
5. Adjournment

Notice: The Southeastern Oakland County Resource Recovery Authority will provide necessary, reasonable auxiliary aids and services, such as signers, for the hearing impaired, or audiotapes of printed materials being considered at the meeting to individuals with disabilities. All such requests must be made at least five days prior to said meeting. Individuals with disabilities requiring auxiliary aids or services should contact the Southeastern Oakland County Resource Recovery Authority by writing or calling: General Manager's Office, 3910 W. Webster Road, Royal Oak, MI 48073; (248) 288-5150.

August 24, 2016

Board of Trustees
SOCRRA

Subject: Financing Single Stream Recycling

Board Members:

Following the regular August 2016 Board meeting, Mr. Davis obtained answers to the questions raised by the Board from SOCRRA's Bond Counsel, Robert Schwartz of Dickinson Wright. The answers were emailed to the members of the Board on August 11, 2016. A copy of the email is attached.

SOCRRA staff also worked with Municipal Capital Markets Group, Inc. (MCM) to develop a term sheet for the revenue bond offering. The term sheet is attached. The exact terms of the revenue bond will not be determined until the bonds are sold, which is expected to be on September 28, 2016. MCM is currently providing a not to exceed interest rate of 2.66%, which could be reduced pending a rating from Moody's and market conditions at the time of sale. MCM and SOCRRA have had several conversations with Moody's and a ratings call with Mr. Davis and our bond counsel is scheduled for September 2, 2016. Moody's is scheduled to release their rating of the bond offering on September 16, 2016.

SOCRRA also received qualifying status from the Michigan Department of Treasury on August 18, 2016. This allows SOCRRA to issue the proposed revenue bonds.

The third attachment is a Board Resolution Authorizing the Issuance of Revenue Bonds. This is the Resolution pursuant to which the bonds are issued and which contains the covenants of SOCRRA regarding, among other things, maintenance of rates and charges, debt service coverage and additional bonds. The Resolution is consistent with the term sheet discussed above. The Resolution includes the funds, and the flow of funds, which are required by Act 94 (the Revenue Bond Act), as well as all of the terms customary to any bond issue. The Resolution approves bond insurance and other credit enhancement at the discretion of the General Manager, and authorizes a final sale order to be executed by the General Manager, the Limited Offering Memorandum and a disclosure certificate if required by law or the underwriter. This Resolution was prepared by Dickinson Wright and has been reviewed and approved by Mr. Davis. This Resolution is identical to that approved by the Board at the regular August 2016 Board meeting. Mr. Davis and I are recommending that the Board unanimously approve the Resolution.

Following approval of the Resolution, SOCRRA staff, Mr. Davis, Bond Counsel and MCM will complete the tasks required to sell the Revenue Bonds and no further Board action is required. We anticipate that the bond sale will occur about September 28, 2016.

Respectfully submitted,

Jeffrey A. McKeen, P.E.
General Manager

Suggested Resolution: "That the Board approve the Resolution to Authorize Issuance of Revenue Bonds."

Jeff McKeen

From: Jeff McKeen
Sent: Thursday, August 11, 2016 3:00 PM
To: Amy Sullivan (asullivan@ci.huntington-woods.mi.us); Andy LeCureaux (alecureaux@gmail.com); Anna Lynott; Bob Davis; Bob Jackovich; Chris Wilson; Claire Galed (cgaled@hwmi.org); Derrick Schueller; Ellen Marshall; Greg Rassel (gregr@romi.gov); Joe Valentine - Birmingham (jvalentine@bhamgov.org); Karen Bever; Ken Marten (customerservice@lathrupvillage.org); Kevin Yee; Kurt Bovensiep ; Loyd Cureton (dpwdirector@ferndalemi.gov); Lucas Dean (lucasd@socrra.org); Mark Liss; Mark Pollock ; Matt Baumgarten (mbaumgarten@berkleymich.net); Rocco Fortura (rfortura@ci.oak-park.mi.us); Scott Pietrzak
Subject: SOCRRRA Board Questions

Hello SOCRRRA Board members,

Bob Davis posed the questions from yesterday's Board meeting to Bob Schwartz, our Bond Counsel from Dickinson, Wright. The answers are below.

Bob Davis and I have a conference call tomorrow morning with MCM Capital and our Bond Counsel to discuss the additional steps that we need to take to get a final revenue bond proposal that can be reviewed by the Board. After that call, Bob and I will determine if we would like to ask for a special meeting. I will keep you posted. Please let Bob Davis and I know if you have any additional questions. Thanks.

Jeff

From: Robert L. Schwartz TR [<mailto:RLSchwartz@dickinson-wright.com>]
Sent: Wednesday, August 10, 2016 5:57 PM
To: 'Robert Davis'
Subject: RE: SOCRRRA Resolutions and PLOM

Bob:

Good afternoon. I have been in a meeting in Detroit all afternoon and just returned to the office. I'm glad to hear the positive news regarding the Authority. Was the notice of intent resolution adopted (to permit the publication of the notice and commencement of the 45-day referendum period)?

In response to your questions:

1. No. Each legislative body need not take any action with respect to the bonds. Each Member must approve the bond issue, but only as a voting member of the Authority.
2. No, again. Each Member is responsible only for its contractual obligations under its contract with the Authority. The bonds will be sold on the basis of the contractual payments only. The Members have, in effect, pledged their full faith and credit to the contractual payments, pursuant to Section 6 of the contracts, but the pledge is only to the payments under the contract.
3. Once the bonds are issued, the obligation to repay is that of the Authority only. In the normal course, the Members are not in the loop. However, as you know, both the contracts and the Articles provide that, upon the withdrawal of a Member, the Member is obligated to pay its share of "negative equity" of the Authority on the date of withdrawal. The term "negative equity" is not defined, but I assume that it would be interpreted to mean the Member's share of net liabilities of the Authority, which would presumably include the bond debt.

4. There is no clear law regarding the obligations of the Members if the Authority were dissolved before the end of the ten-year term of the bonds. However, by negative inference under Section 11(6) of Act 179 (MCL 123.311), I would expect the Act and the Articles to be interpreted to prohibit the dissolution and require the Authority to pay the remaining amount due on the Bonds (or simply not dissolve), with the Bonds being treated as a contract with bondholders that would not be "impaired" by the dissolution because it could be satisfied by monetary damages. Further, the Revenue Bond Act (MCL 141.110) permits bondholders, in the event of a default, to petition for a receiver to operate the business of the Authority. In any event, I would not expect bondholders to take no action if dissolution, and resulting non-payment of the bonds, were threatened.

The bonds are intended to be the revenue obligations of the Authority, with the Members being responsible only for their contractual obligations under their contracts. However, if action by a Member or all of the Members would result in a payment default, it must be assumed that the bondholders would take action in some form to get paid.

Please don't hesitate to call me if you have any additional questions. I will be out of the office in the morning until about noon, but available the balance of the day.

Regards, Bob

Robert L. Schwartz TR Member

2600 W. Big Beaver Rd. Phone 248-433-7546
Suite 300 Fax 248-433-7274
Troy MI 48084 Email RLSchwartz@dickinsonwright.com



From: Robert Davis [<mailto:rdavis@dbsattorneys.com>]
Sent: Wednesday, August 10, 2016 4:14 PM
To: Robert L. Schwartz TR
Subject: RE: SOCRRA Resolutions and PLOM

Robert—I hope you are well. socrra meeting went well today. couple of key questions came up from the board members

1. To do the revenue bonds, will each local legislative body have to pass a resolution. we are hoping the answer is no.
 2. After the revenue bond is in place does each local community have to report its share of liability annually
 3. After the revenue bond is in place who is the obligated party. Is it socrra as the authority or each community
 4. If socrra dissolved, who would be obligated. Are the communities guarantors in any way
- Let me know asap because socrra has agreed to call a special meeting once we know these answers. Thanks for all the help



New Issue

Not Rated (TBD)

\$12,800,000

**Southeast Oakland County Resource Recovery Authority, Michigan
(SOCRRA) (www.socrra.org)
Recycling Revenue Bonds, Series 2016**

Dated: Date of Delivery	Tax-Exempt: Federal and Michigan
Expected Delivery Date: September 28, 2016	Denominations: \$5,000
Bond Trustee: Zions Bank, National Association	Bond Counsel: Dickinson Wright: PLLC
First Interest Payment Dates: January 1, 2017	Weighted Average Life: 6.378 years
Bond Are Non-Callable	Bank Qualified: No

Serial Bonds

Year	Principal	Principal	Coupon		Yield	
	Due: Jan. 1	Due: July 1	Jan. 1	July 1	Jan. 1	July 1
2017	\$385,000	\$385,000	2.00%	2.00%	1.30%	1.40%
2018	\$380,000	\$380,000	2.00%	2.00%	1.50%	1.60%
2019	\$445,000	\$450,000	2.25%	2.25%	1.65%	1.70%
2020	\$465,000	\$465,000	2.25%	2.25%	1.85%	1.85%
2021	\$565,000	\$565,000	2.25%	2.25%	2.00%	2.00%
2022	\$580,000	\$590,000	2.50%	2.50%	2.10%	2.10%
2023	\$635,000	\$640,000	2.50%	2.50%	2.20%	2.20%
2024	\$685,000	\$690,000	2.50%	2.50%	2.35%	2.35%
2025	\$710,000	\$715,000	2.60%	2.60%	2.45%	2.45%
2026	\$740,000	\$740,000	2.60%	2.60%	2.55%	2.55%
2027	\$790,000	\$800,000	2.60%	2.60%	2.70%	2.70%

Effective Rate (not to exceed 2.66%)

The Issuer: SOCRRA is a municipal corporation founded in the early 50's, owned by its 12 member communities with a total population of approximately 283,000 and covers an area of 75 square miles. SOCRRA is governed by a twelve member board of Trustees, one member representing each of the constituent municipalities which consist of: Berkley, Beverly Hills, Birmingham, Clawson, Ferndale, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak and Troy, all of which are located in Oakland County, Michigan in suburban Detroit. SOCRRA administration also manages SOCWA (a water supply) for these same member communities. SOCRRA services include curbside collection of recycling, trash and yard waste, the processing of the collected materials and a recycling drop off center located in Troy, MI. Collection and hauling is performed by outside contractors. In May, 2016, the Department of Environmental Quality and Governor's Recycling Council recognized SOCRRA for excellence in recycling at the Governor's Recycling Summit.

SOCRRA currently performs recycling through a dual stream system using 18 gallon recycling bins. Residents are asked to separate their paper recyclables from bottles, cans and jars and place the recyclables in an 18 gallon bin for curbside collection. When the recyclables are collected by

SOCRRA's contractors, the driver places the paper materials in one half of the recycling truck and places the bottles, cans and jars into the other half of the recycling truck. The recyclables are delivered to SOCRRA's MRF (Material Recovery Facility) in Troy. The MRF separates the recyclables into product streams that are sold to third parties for reuse. For the fiscal year ended June 30, 2016, SOCRRA estimates that it will process 209,538 tons of waste.

Use of Bond Proceeds: SOCRRA is planning to upgrade its recycling program by providing single stream collection of recyclables using 65 gallon containers to all households in the 12 SOCRRA communities, which should increase the amount of material being recycled. SOCRRA plans to purchase approximately 110,000 of the 65 gallon recycling containers at an estimated cost of \$4.9 million and upgrade its recycling facility at an estimated cost of \$7.9 million. The bond will be sold at a premium to investors. From the premium the underwriter will receive 2% and issuance cost will be paid which includes bond counsel fees, trustee fees, Moody's rating, and potential sales and marketing costs. Costs will vary depending on the rating and subsequent marketability of the bonds.

Security: SOCRRA collects the payments under the contracts which, after the payment of operation and maintenance expenses, are the "net revenues" on which states law and the Resolution imposes a "statutory lien". Net operating revenues equal gross revenues from all sources less operating expenses before depreciation, amortization, taxes and capital expenditure. Thus, there are two levels of security. The first is the general obligation of each municipality to make its payments to SOCRRA under the contracts. And, the second is the statutory lien imposed on the net revenues (which are the contract payments paid by each municipality after the payment of O&M). SOCRRA pledges the net revenues to the payment of debt service on the Bonds, so the Bondholders benefit from the statutory lien on those revenues

Withdrawal of Municipality: Contracts state that community members can only withdraw from the Authority during the 5th year. In the event that the revenues of the Authority following a member's withdrawal are insufficient to pay debt service, the Authority's Articles of Incorporation permit the Authority to increase charges to the remaining Members to make up the shortfall. If there is shortfall in revenues, SOCRRA can charge it back to all its members.

Reserve Fund: SOCRRA's board will restrict cash equal to a half of years debt service to be held by the trustee as a reserve fund to pay any short-fall in the payment of the semi-annual principal and interest payments on the Bonds. Any funds used from the restricted account will be replenished by SOCRRA over the following six months.

Revenues: SOCRRA receives approximately 88% of its revenues from the member municipalities, 9% from sale of recyclables, 4% from non-members and 1% from other sources. In January, 2016, SOCRRA's board increased rates its member municipalities by 2%. In June 2016, the board approved a \$1/per household fee to pay the debt service on the Bonds. All of the municipalities, except Hunting Woods have approved the additional fee. Hunting Woods contains 2,438 households and is expected to approve the additional fee in the 2016/17 fiscal year. The additional household fee is expected to produce \$1,315,068 on the 109,589 households in the municipalities that have approved the additional fee, SOCRRA is waiting on additional approval from Hunting Woods, at that time, the total additional annual revenues should be \$1,344,324.

Payment & Collections: SOCRRA bills each member municipality twice a month. The billings are directly to the municipality. The member-municipalities are responsible for collecting taxes and other revenues from their residents to pay SOCRRA's fees. The Authority bills non-member users monthly.

Maintenance Coverage Covenant: SOCRRA agrees to maintain rates and charges sufficient to cover debt service each fiscal year by 1.25% times.

Additional Bonds Test: SOCRRA covenants not to issue any additional bonds senior to the Bonds. SOCRRA may issue additional bonds on parity to the Bonds provided it can demonstrate from its last audited financial statement that there are sufficient net operating revenues, together with the projected net operating revenues to be produced as a result of any approved rate increase, to cover the annual debt service on the Bonds coming due in the current fiscal year and the average annual debt service on the additional bonds.

Projected Debt Service Coverage: As shown in the table below, SOCRRA's fiscal 2016/17 projected net operating revenues is \$2,507,925 which is the budgeted net operating revenues of \$1,192,857 plus the additional \$1 per household of \$1,315,068 (excluding Hunting Woods). In the table, net operating revenues are assumed to be \$1 million per year in fiscal years, 2018 to 2027.

Year	Customers	Rate Increases		Net Revenues	D/S Allowed at 1.25x	Total Debt Service	Est. D/S Coverage
		Budgeted Net Revenues	\$12/ Home Revenues				
2017	109,589	\$ 1,192,857	\$ 1,315,068	\$ 2,507,925	\$ 2,006,340.00	1,056,195.00	2.37
2018	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,067,840.00	2.20
2019	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,182,235.00	1.98
2020	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,193,705.00	1.96
2021	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,372,665.00	1.71
2022	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,386,675.00	1.69
2023	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,459,342.50	1.61
2024	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,529,770.00	1.53
2025	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,540,920.00	1.52
2026	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,555,600.00	1.51
2027	112,017	1,000,000	1,344,204	\$ 2,344,204	\$ 2,930,255.00	1,623,460.00	1.44

Net Operating Revenues:

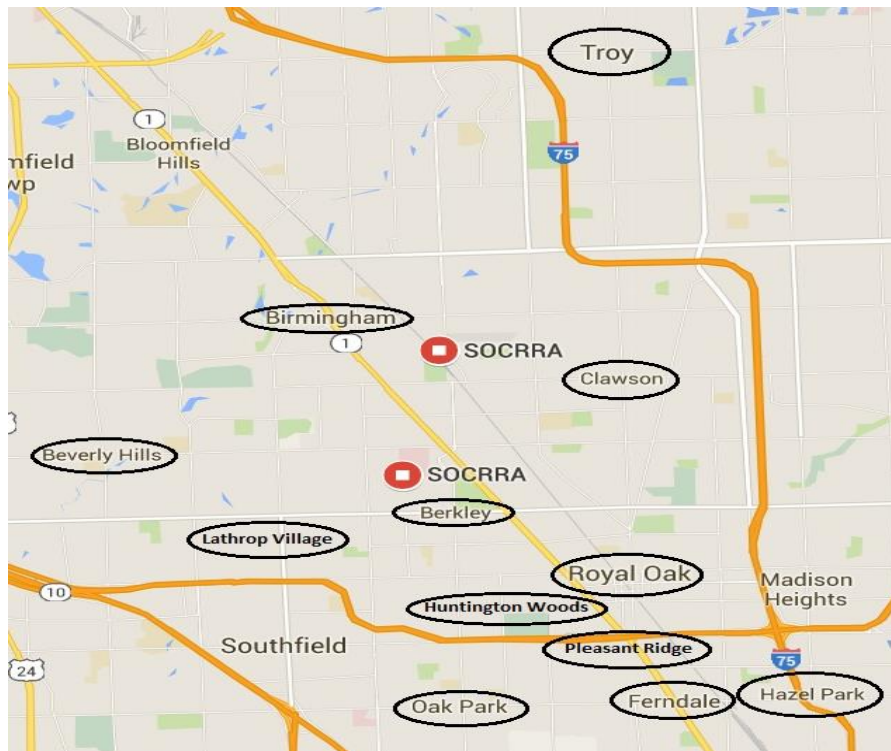
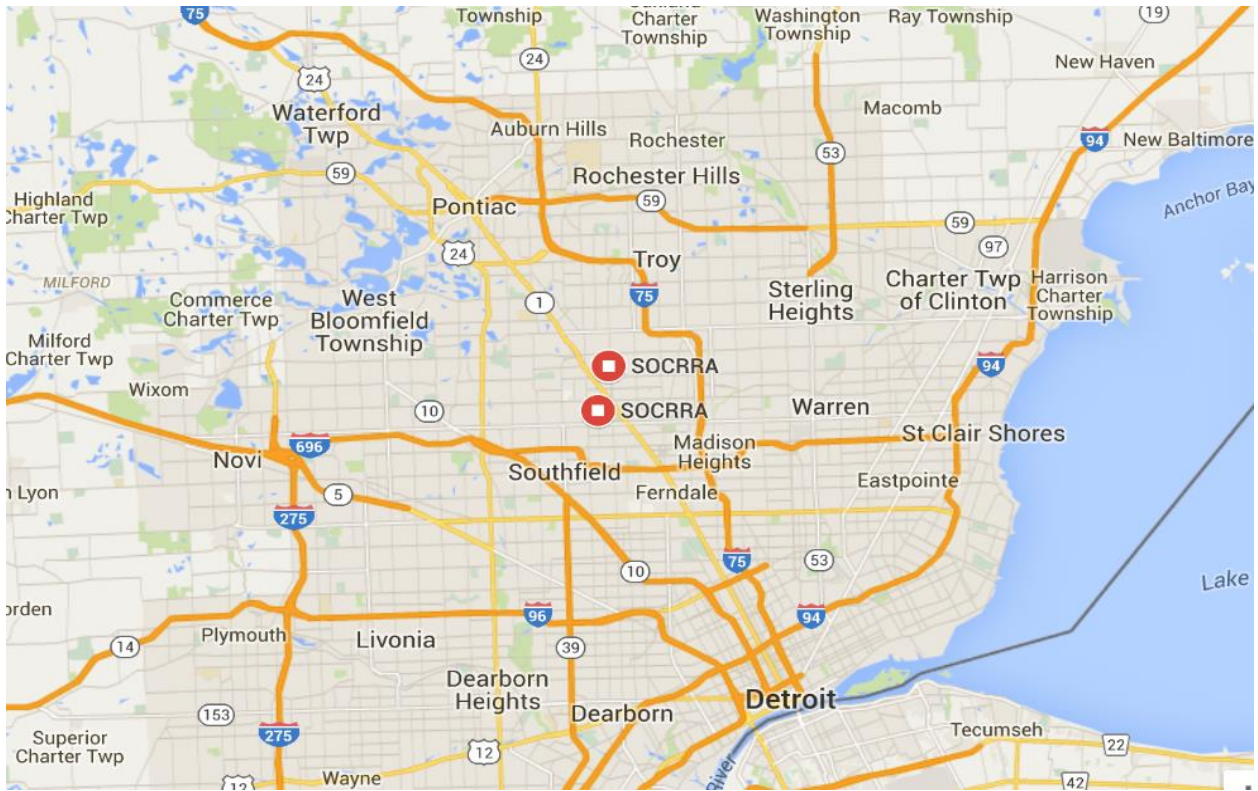
Fiscal Year Ended June 30,	2012	2013	2014	2015	2016 Estimated	2017 Budget*
Member Fees	17,475,341	\$ 17,001,212	\$ 16,754,924	\$ 19,884,790	\$ 17,225,000	\$ 17,731,324
Fees From Others		1,297,672	1,422,940	1,626,510	1,378,000	730,000
Sale of Recyclables	2,048,704	1,470,855	1,435,137	1,248,283	1,245,000	1,371,000
Other Income	353,963	233,449	252,582	246,824	243,000	243,000
Total Revenues	19,878,008	20,003,188	19,865,583	23,006,407	20,091,000	20,075,324
Facility Operating Costs	4,774,761	5,138,036	5,510,760	6,628,209	5,211,300	4,911,027
Landfill-Compost	1,053,407	415,308	551,601	914,852	395,000	461,800
Collection Contracting	12,300,073	12,782,489	12,475,261	14,160,780	11,832,000	12,183,640
Admin. & General	1,151,882	1,049,451	1,156,951	1,411,856	1,257,200	1,326,000
Total Expenses	19,280,123	19,385,284	19,694,573	23,115,697	18,695,500	18,882,467
Net Operating Revenues	597,885	617,904	171,010	(109,290)	1,395,500	1,192,857

* Excludes the \$1 per month fee per household for the new recycling containers and equipment.

Authority Demographics:

Town	Households*	Population**	Annual Growth (2010)**	Median Family Income***
Berkley	6,304	15,253	2.0%	\$ 71,740
Beverly Hills	4,227	10,448	1.8%	\$ 109,466
Birmingham	9,401	20,757	3.3%	\$ 101,171
Clawson	5,410	12,049	1.9%	\$ 53,140
Ferndale	10,135	20,256	1.8%	\$ 48,830
Hazel Park	6,488	16,604	1.1%	\$ 31,632
Huntington Woods	2,438	6,238	1.9%	\$ 115,636
Lathrup Village	1,648	4,147	1.8%	\$ 81,595
Oak Park	9,774	29,834	1.8%	\$ 49,444
Pleasant Ridge	1,169	2,564	1.5%	\$ 100,064
Royal Oak	27,775	59,069	3.2%	\$ 64,328
Troy	27,258	83,107	2.6%	\$ 82,557
SOCRRA Totals	112,027	280,326	2.1%	\$ 75,800
United States Average			2.10%	\$ 51,017
Data Sources:				
*SOCRRRA				
**www.wikipedia.com				
***www.city-data.com				

The Authority Footprint:



Agreements with Member Municipalities: SOCRRA has as entered into identical agreements with each of the 12 member municipalities. The agreements were for ten years expiring on July 1, 2017 but may be renewed at SOCRRA's option for an additional ten years to July 1, 2027. SOCRRA has determined to renew the agreements with all of the existing member municipalities. Each member municipality may withdraw from the agreement in fiscal year 2022/23 upon a 60-day notice. The agreements provide that any equity owed by the withdrawing municipality, as determined by an audit, may be paid by the withdrawing municipality over a five year period.

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**SOUTHEASTERN OAKLAND COUNTY
RESOURCE RECOVERY AUTHORITY**

RESOLUTION NO. _____

A RESOLUTION TO AUTHORIZE ISSUANCE OF REVENUE BONDS

Minutes of a special meeting of the Board of Trustees of Southeastern Oakland County Resource Recovery Authority, Oakland County, Michigan, held at the offices of the Department of Public Safety of the City of Berkley, 2395 12 Mile, Berkley, Michigan, on August 30, 2016, at 9:30 a.m., local time.

PRESENT: _____

ABSENT: _____

The following Resolution was offered by Member _____ and supported by Member _____:

WHEREAS, the Village of Beverly Hills and the Cities of Berkley, Birmingham, Clawson, Ferndale, Hazel Park, Huntington Woods, Lathrup Village, Oak Park, Pleasant Ridge, Royal Oak and Troy (each a “*Constituent Member*” and, collectively, the “*Constituent Members*”) have established the Southeastern Oakland County Resource Recovery Authority, Oakland County, Michigan (the “*Authority*”), pursuant to Act 179, Public Acts of Michigan, 1947, as amended (“*Act 179*”); and

WHEREAS, pursuant to Act 179, the Authority has entered into contracts with each of its Constituent Members for the collection, processing, and disposal of municipal solid waste, yard waste and recyclables within the respective boundaries of each Constituent Member and for the payment service charges therefor by each respective Constituent Member (each a “*Contract*” and, collectively, the “*Contracts*”); and

WHEREAS, Act 179 empowers the Authority to issue revenue bonds pursuant to Act 94, Public Acts of Michigan, 1933, as amended (“*Act 94*”), for the purpose of acquiring, constructing, improving, enlarging, or extending facilities for the collection or disposal, or both, of garbage or rubbish, or both; and

WHEREAS, the Board of Trustees of the Southeastern Oakland County Resource Recovery Authority (the “*Board*”) has determined to make improvements to the Authority’s

recycling collection and disposal facilities and acquire additional recycling containers (the “*Improvements*”); and

WHEREAS, the Improvements will enable the Authority to provide more efficient and better quality public services to its Constituent Members; and

WHEREAS, the Improvements shall be financed in part by the issuance of revenue bonds or other evidences of indebtedness in accordance with Act 94 in the sum of not to exceed \$12,800,000 for a period of not to exceed thirty (30) years (the “*Series 2016 Bonds*”); and

WHEREAS, pursuant to Act 94, the Authority is required to publish a “notice of intent” to issue the Series 2016 Bonds in a newspaper of general circulation within the boundaries of the Constituent Members of the Authority, the publication of which notice of intent and the form thereof have been approved by the Board in accordance with Act 94; and

WHEREAS, Act 94 permits the Authority to authorize an officer to sell, deliver and receive payment for obligations, and to approve interest rates or methods for fixing interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, optional or mandatory redemption rights, place of delivery and payment, and other matters and procedures necessary to complete an authorized transaction; and

WHEREAS, the Board of the Authority is empowered and desires to authorize the issuance of the Series 2016 Bonds.

THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SOUTHEASTERN OAKLAND COUNTY RESOURCE RECOVERY AUTHORITY, as follows:

Section 1. Definitions. Whenever used in this Resolution, except when otherwise indicated by the context, the following terms shall have the following meanings:

- (a) “Act 94” means Act 94, Public Acts of Michigan, 1933, as amended.
- (b) “Act 179” means Act 179, Public Acts of Michigan, 1947, as amended.
- (c) “Act 354” means Act 354, Public Acts of Michigan, 1972, as amended.
- (d) “Additional Bonds” means any additional bonds of equal standing with the Series 2016 Bonds issued pursuant to Section 22 hereof.
- (e) “Board” means the Board of Trustees of the Authority.
- (f) “Bond” or “Bonds” means the Series 2016 Bonds, together with any Additional Bonds.

(g) “Bond Registrar” means the financial institution selected by the General Manager to be the bond registrar and paying agent for the Bonds pursuant to Section 28 hereof, initially Zions Bank, Salt Lake City, Utah.

(h) “Bond Reserve Account” means the account established within the Redemption Fund pursuant to Section 14 hereof.

(i) “Bond Reserve Requirement” means the lesser of the Maximum Annual Debt Service on any outstanding Bonds, the maximum amount permitted by the Code or \$500,000.

(j) “Code” means the Internal Revenue Code of 1986, as it may be amended.

(k) “Contracts” means the contracts executed by each Constituent Member as described in the second recital hereto.

(l) “Contractual Payments” means the payments made by the Constituent Members pursuant to the Contracts.

(m) “Delivery Date” means the date that the Series 2016 Bonds are delivered to the purchasers thereof upon receipt of payment therefor.

(n) “Facilities” means the Authority’s Material Recovery Facility and all other plants, works, instrumentalities and properties, used or useful in connection with the collection or disposal, or both, of garbage and rubbish pursuant to Act 179, as the same now exist, together with all additions, extensions, repairs and improvements thereto hereafter acquired.

(o) “Fiscal Year” means the fiscal year and operating year of the Authority which begins on July 1 and ends on the following June 30.

(p) “General Manager” means the General Manager of the Authority.

(q) “Government Obligations” means any bonds or other obligations which as to principal and interest constitute direct obligations of the United States of America or obligations the principal and interest on which are guaranteed by the United States of America.

(r) “Improvements” means the purchase of approximately 109,000, sixty-five (65) gallon recycling containers and the acquisition, construction, and installation of upgrades to the Authority’s recycling facility.

(s) “Investment Obligations” means (if now or hereafter permitted by law) the following:

- (i) Government Obligations;
- (ii) Municipal Obligations; and
- (iii) any obligations or investments permitted by Act 20, Public Acts of Michigan, 1943, as amended.

(t) “Junior Lien Bonds” means bonds or other obligations which may be issued or incurred by the Authority to provide funds for any lawful purpose of the Authority which are of junior standing and priority of lien with respect to the Net Revenues to the claim of the Bonds.

(u) “Maximum Annual Debt Service” means, at any point in time, with respect to Bonds then outstanding, the maximum amount of principal and interest becoming due in the then current or any future Fiscal Year, calculated as provided in this definition. For purposes of calculating Maximum Annual Debt Service the principal amount due in each Fiscal Year shall be assumed to be made in accordance with any amortization schedule established for such debt, including any scheduled mandatory redemption of Bonds, and for such purpose, the mandatory redemption payment shall be deemed a principal payment; provided, however, that principal of

and interest on Bonds maturing on the first day of any Fiscal Year shall be deemed for purposes of this definition to mature on the last day of the immediately preceding Fiscal Year.

(v) “Municipal Obligation” means any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (i) which are not callable prior to maturity or as to which irrevocable instructions have been given to the trustee of such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, and (ii) which are secured as to principal and interest and redemption premium, if any, by a fund consisting only of Sufficient cash or Sufficient Government Obligations or Sufficient Municipal Obligations which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the redemption date or dates specified in the irrevocable instructions referred to in subclause (i) hereof, as appropriate.

(w) “Project Fund” means the fund established pursuant to Section 19 hereof.

(x) “Refund” or “Refunded” means with respect to Bonds, or any portion thereof specified, the payment thereof, or the provision for payment thereof by the deposit in trust of Sufficient cash, Sufficient Government Obligations, or Sufficient Municipal Obligations, or any combination thereof.

(y) “Resolution” means this Resolution and any other resolution amendatory to or supplemental to this Resolution and shall include any resolution authorizing the sale of any Bonds. For purposes of this Resolution, a resolution authorizing the sale of Bonds shall be construed to include an order of the General Manager or other authorized officer of the Authority authorizing the sale of Bonds.

(z) “Revenues” and “Net Revenues” means the revenues and net revenues of the Authority from the Facilities and shall be construed as defined in Section 3 of Act 94, including with respect to “Revenues”, the earnings derived from the investment of moneys in the various funds and accounts established by this Resolution, other than the Project Fund for any Fiscal Year the Authority does not transfer earnings on the Project Fund to the Receiving Fund; provided, however that Net Revenues for purposes of Section 11 hereof shall not include such earnings on the Project Fund.

(aa) “Sale Order” means the order of the General Manager authorizing the sale of the Series 2016 Bonds as provided in Section 24 hereof.

(bb) “Series 2016 Bonds” means the Recycling Revenue Bonds, Series 2016, of the Authority authorized by this Resolution.

(cc) “Sufficient” means with respect to (i) cash or (ii) Government Obligations or (iii) Municipal Obligations, or any combination thereof, not redeemable at the option of the issuer, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts, as to be fully sufficient to pay the interest as it comes due on the Bonds or any portion thereof and the principal and redemption premium, if any, on the Bonds or any portion thereof as they come due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations or cash shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the bond registrar and paying agent for such Bonds.

Section 2. Necessity; Public Purpose. It is hereby determined to be a necessary public purpose of the Authority to acquire, construct and install the Improvements.

Section 3. Estimates of Period of Usefulness and Cost. The Board adopts the estimate of eleven years and upwards as the period of usefulness of the Improvements and \$12,800,000 as the cost of the Improvements. The estimate of usefulness is now on file with the Secretary.

Section 4. Issuance of Series 2016 Bonds Authorized. To pay the cost of acquiring, constructing and installing the Improvements, including payment of bond insurance premiums, if any, underwriters discount, legal, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2016 Bonds, the Authority shall borrow the sum of not to exceed Twelve Million Eight Hundred Thousand Dollars (\$12,800,000), as finally determined in the Sale Order, and issue the Series 2016 Bonds therefor pursuant to the provisions of Act 94.

Section 5. Series 2016 Bond Details; Book-Entry System. The Series 2016 Bonds shall be designated RECYCLING REVENUE BONDS, SERIES 2016, shall be payable out of the Net Revenues, as set forth more fully in Section 7 hereof, shall consist of Bonds of the denomination of \$5,000, or multiples of \$5,000 not exceeding the principal amount of Series 2016 Bonds maturing in the applicable years, shall be dated the Date of Delivery or such other date as the General Manager shall approve in the Sale Order, shall be numbered in a convenient manner, and shall mature on January 1 and July 1 in such years as shall be determined in the Sale Order. The Series 2016 Bonds shall bear interest at a rate or rates to be determined in the Sale Order, but in any event not exceeding 6% per annum, payable on January 1 and July 1 of each year, commencing January 1, 2017, by check or draft drawn on the Bond Registrar and mailed to the registered owner at the registered address, as shown on the registration books of the Authority maintained by the Bond Registrar. Interest shall be

payable to the registered owner of record as of the 15th day of the month preceding any interest payment date. The principal of the Series 2016 Bonds shall be payable at the Bond Registrar upon presentation and surrender of the appropriate Series 2016 Bond at maturity, prior redemption or purchase. The Series 2016 Bonds may be sold at a discount but may not be sold at a price which would make the interest rate of the Series 2016 Bonds, after deducting any premium or adding any discount, exceed the maximum rate permitted by law.

The Series 2016 Bonds may be subject to redemption prior to maturity at the times and prices and in the manner finally determined by the General Manager in the Sale Order.

In case less than the full amount of an outstanding Series 2016 Bond is called for redemption, the Bond Registrar upon presentation of a Series 2016 Bond called in part for redemption shall register, authenticate and deliver to the registered owner a new Series 2016 Bond in the principal amount of the portion of the original Series 2016 Bond not called for redemption. Notice of redemption shall be given in the manner specified in the form of the Series 2016 Bonds contained in Section 20 of this Resolution.

Unless otherwise requested by the initial purchaser of the Series 2016 Bonds, initially, one fully-registered Series 2016 Bond comprising the aggregate principal amount of the Series 2016 Bonds shall be issued in the name of the initial purchaser thereof. If requested by the purchaser of the Series 2016 Bonds, the Series 2016 Bonds may be issued using the book-entry-only transfer system of The Depository Trust Company (“DTC”), and, in such case, one fully-registered Series 2016 Bond for each maturity, in the aggregate amount of such maturity, shall be issued in the name of Cede & Co., as nominee of DTC for the benefit of other parties (the “Participants”) in its book-entry-only transfer system. If used, and in the event the Authority determines that it is in the best interest of the Authority not to continue the book-

entry system of transfer or that the interests of the holders of the Series 2016 Bonds might be adversely affected if the book-entry system of transfer is continued, the Authority may notify DTC and the Bond Registrar, whereupon DTC will notify the Participants of the availability through DTC of Series 2016 Bond certificates. In such event, the Bond Registrar shall deliver, transfer and exchange Series 2016 Bond certificates as requested by DTC and any Participant or “beneficial owner” in appropriate amounts in accordance with this Resolution. DTC may determine to discontinue providing its services with respect to the Series 2016 Bonds at any time by giving notice to the Authority and the Bond Registrar and discharging its responsibilities with respect thereto under applicable law or the Authority may determine that DTC is incapable of discharging its duties and may so advise DTC. In either such event, the Authority shall use reasonable efforts to locate another securities depository. Under such circumstances (if there is no successor securities depository), the Authority and the Bond Registrar shall be obligated to deliver Series 2016 Bond certificates in accordance with the procedures established by this Resolution. In the event Series 2016 Bond certificates are issued, the provisions of this Resolution shall apply to, among other things, the transfer and exchange of such certificates and the method of payment of principal of and interest on such certificates. Whenever DTC requests the Authority and the Bond Registrar to do so, the Authority and the Bond Registrar shall cooperate with DTC in taking appropriate action after reasonable notice to make available one or more separate certificates evidencing the Series 2016 Bonds to any Participant having Series 2016 Bonds certificated to its DTC account or to arrange for another securities depository to maintain custody of certificates evidencing the Series 2016 Bonds.

Notwithstanding any other provision of this Resolution to the contrary, so long as any Series 2016 Bond is registered in the name of Cede & Co., as nominee of DTC, all payments with respect to the principal of, interest on and redemption premium, if any, on the Series 2016 Bonds and all notices with respect to the Series 2016 Bonds shall be made and given, respectively, to DTC as provided in the Letter of Representations relating to the Series 2016 Bonds among DTC, the Authority and the Bond Registrar. The General Manager is authorized to sign the Letter of Representations on behalf of the Authority in such form as the General Manager deems necessary or appropriate in order to accomplish the issuance of the Series 2016 Bonds in accordance with law and this Resolution.

Section 6. Execution, Transfer, Registration and Replacement of Bonds. The Bonds shall be executed in the name of the Authority with the original or facsimile signatures of the Chairperson and Secretary. No Bond shall be valid until authenticated by an authorized representative of the Bond Registrar. The Bonds shall be delivered to the Bond Registrar for authentication and be delivered by the Bond Registrar to the Authority Treasurer for delivery to the purchasers upon payment of the purchase price for the Bonds. Executed blank Bonds for authentication, registration and delivery to transferees may be delivered to the Bond Registrar for safekeeping.

Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by his or her 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 Bond Registrar. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Bond Registrar shall authenticate and deliver a new Bond or Bonds, in the same aggregate principal

amount, of the same maturity, and bearing the same rate or rates of interest. The Bond Registrar shall require payment by the registered owner requesting the transfer of any Bond of any tax or other governmental charge required to be paid with respect to such transfer. The Bond Registrar shall not be required to register the transfer of or exchange any Bond which has been selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part.

The Bond Registrar shall keep or cause to be kept sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Authority; and, upon presentation for such purpose, the Bond Registrar, under such reasonable regulations as it may prescribe, shall transfer or cause to be transferred, on said books, Bonds as hereinbefore provided.

If any Bond shall become mutilated, the Authority, at the expense of the registered owner of the Bond, shall execute, and the Bond Registrar shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Bond Registrar of the mutilated Bond. If any Bond shall be lost, destroyed or stolen, evidence of ownership of the Bond and of the loss, destruction or theft may be submitted to the Bond Registrar and, if the evidence is satisfactory to the General Manager and the Bond Registrar and indemnity satisfactory to the Bond Registrar and the General Manager shall be given, and if all requirements of any applicable law including Act 354 have been met, the Authority, at the expense of the owner, shall execute, and the Bond Registrar shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, 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 Bond Registrar may pay the same without surrender thereof as authorized by Act 354.

Section 7. Payment of Bonds, Defeasance. The Bonds and the interest thereon shall be payable solely from the Net Revenues (except to the extent payable from the proceeds of bond insurance or other credit enhancement, if any, or from the proceeds of Bonds), and to secure such payment there is hereby created a statutory lien upon the whole of the Net Revenues which, as of the Delivery Date, shall be a first lien, to continue until payment in full of the principal of and interest on all Bonds payable from the Net Revenues, or, until Sufficient cash, Sufficient Government Obligations, Sufficient Municipal Obligations or combination thereof shall have been deposited in trust for payment in full of the principal of and the interest on all Bonds to be paid or defeased to their maturity, or, if called or if irrevocable instructions have been given to call for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of Sufficient cash, Sufficient Government Obligations, Sufficient Municipal Obligations or any combination thereof, as provided in the previous sentence, the statutory lien herein created shall be terminated with respect to the Bonds to be defeased, the holders of these Bonds shall have no further rights under this Resolution except for payment from the deposited funds and for rights of replacement, registration and transfer, and such Bonds shall no longer be considered to be outstanding under this Resolution.

The Revenues of the Authority are comprised primarily of the Contractual Payments received by the Authority pursuant to the Contracts, for which each Constituent Member has pledged its full faith and credit to the payment thereof and each shall, as a part of its general budget, appropriate and raise each year a sum sufficient to pay for the services to be rendered

by the Authority pursuant to the provisions of Act 179. The Series 2016 Bonds are not general obligations of the Authority, and no additional security of the Authority or of any of the Constituent Members has been pledged to the payment of the Series 2016 Bonds.

Section 8. Bondholders, Rights; Receiver. The registered owner or owners of the Bonds representing in the aggregate not less than twenty percent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Authority under this Resolution, Act 94 and any other applicable provisions of law, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the Authority and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the Facilities or any part thereof.

If there is a default in the payment of the principal of or interest upon the Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the Facilities on behalf of the Authority and, under the direction of the court and by and with the approval of the court, to perform all of the duties of the officers of the Authority more particularly set forth herein and in Act 94.

The registered owner or owners of the Bonds shall have all other rights and remedies given by Act 94 and law for the payment and enforcement of the Bonds and the security therefor.

Section 9. Municipal Bond Insurance or other Credit Enhancement. The General Manager may obtain municipal bond insurance or other credit enhancement in respect of all or part of the Series 2016 Bonds or any Additional Bonds which, if obtained, shall be provided for

in the resolution or order of the General Manager authorizing the sale of the Series 2016 Bonds or any Additional Bonds. Such municipal bond insurance or other credit enhancement may secure only certain Bonds and may or may not benefit or secure any other series of Bonds or any part thereof. Such municipal bond insurer or other credit enhancement provider may be afforded certain rights and remedies to direct the proceedings with respect to the enforcement of payment of the Bonds as shall be provided in the resolution or order of the General Manager authorizing the sale of the Series 2016 Bonds or Additional Bonds.

Section 10. Management. The operation, repair and management of the Authority and the Facilities shall remain under the supervision and control of the Board and the General Manager.

Section 11. Fixing and Revising Rates; Rate Covenants. The rates for garbage and rubbish collection and disposal services and the regulations thereof now in effect shall remain in full force and effect and shall be the rates and regulations required to be established by Act 94. The rates presently in effect are estimated to be sufficient to provide for the payment of the interest on and the principal of all Bonds payable from the Revenues following the delivery of the Series 2016 Bonds as and when the same become due and payable, to provide for the creation and maintenance of a reserve therefor as required by this Resolution, to provide for the payment of the expenses of administration and operation and such expenses for maintenance of the Facilities as are necessary to preserve the same in good repair and working order, and to provide for such other requirements, expenditures and funds for the Facilities as this Resolution and Act 94 may require. Such rates shall be fixed and revised from time to time as may be necessary to produce the greater of (1) the amounts hereinbefore set forth in this Section 11 or (2) an amount so that the Net Revenues during each Fiscal Year are projected at the beginning

of such Fiscal Year to be equal to not less than 125% of the annual principal and interest requirements coming due during such Fiscal Year on all Bonds, and the Authority hereby covenants and agrees at all times to fix and maintain such rates for services furnished by the Authority as shall be sufficient to provide for the foregoing. For purposes of this paragraph principal of and interest on Bonds which mature on the first day of any Fiscal Year shall be deemed to mature on the last day of the immediately preceding Fiscal Year.

The charges for the Authority's services, which are, under the provisions of Section 21 of Act 94, made a lien on all premises served by the Authority, unless notice is given that a tenant is responsible, are hereby recognized to constitute such a lien and whenever any such charge against any premises shall be delinquent for six months, the Authority official or officials in charge of the collection thereof may certify to the tax-assessing officer of the Constitution Municipality in which such premises are located not later than May 1 of each year the fact of such delinquency, whereupon such charge shall be entered upon the next tax roll as a charge against such premises and the lien thereof enforced in the same manner as a Constituent Member's general taxes against such premises are collected and the lien thereof enforced; provided, however, where notice is given that a tenant is responsible for such charges and service as provided by said Section 21 of Act 94, no further service shall be rendered such premises until a cash deposit equal to the estimated amount of the next ensuing bill shall have been made as security for payment of such charges and services.

In addition to other remedies provided, the Authority shall have the right to discontinue its services to any premises for the non-payment of rates and charges, when due.

Section 12. No Free Service or Use. No free service or use of the Facilities, or service or use of the Facilities, at less than cost, shall be furnished by the Authority to any

person, firm or corporation, public or private, or to any public agency or instrumentality including the Authority or any other municipality.

Section 13. Operating and Fiscal Year. The Authority shall be operated on the basis of the Fiscal Year.

Section 14. Funds and Accounts; Flow of Funds. Commencing on the Delivery Date, all Revenues shall be set aside as collected and credited to a fund to be designated SOCARRA RECEIVING FUND (the "*Receiving Fund*"). The General Manager in the Sale Order shall determine the amount of moneys from the various funds and accounts and Bond proceeds, and the amount therefrom to be deposited into the Receiving Fund or other funds or accounts of the Authority. After the Delivery Date, the Revenues credited to the Receiving Fund are pledged for the purpose of the following funds and shall be transferred or debited from the Receiving Fund periodically in the manner and at the times and in the order of priority hereinafter specified:

(a) OPERATION AND MAINTENANCE FUND:

Out of the Revenues credited to the Receiving Fund there shall be first set aside in, or credited to, a fund designated OPERATION AND MAINTENANCE FUND (the "*Operation and Maintenance Fund*"), on the Delivery Date a sum sufficient to provide for payment of the expense of administration and operation of the Authority and the Facilities and such current expense for the maintenance thereof as may be necessary to keep the same in good repair and working order for the balance of the month in which the Delivery Date occurs and thereafter monthly, commencing with the month in which the Delivery Date occurs, a sum sufficient to provide for the payment of the next month's expenses of administration and operation of the

Authority and the Facilities and such current expenses for the maintenance thereof as may be necessary to preserve the same in good repair and working order.

(b) BOND AND INTEREST REDEMPTION FUND:

There shall be established and maintained a fund designated BOND AND INTEREST REDEMPTION FUND (the "*Redemption Fund*"), the moneys on deposit therein from time to time to be used solely for the purpose of paying the principal of, redemption premiums (if any) and interest on the Bonds. The moneys in the Redemption Fund (including the Bond Reserve Account) shall be kept on deposit with one of the banks or trust companies where the principal of and interest on the Bonds are payable, i.e., the Bond Registrar or a bond registrar and paying agent for Additional Bonds.

Out of the Revenues remaining in the Receiving Fund, after provision for the Operation and Maintenance Fund, there shall be set aside monthly in the Redemption Fund a sum proportionately sufficient to provide for the payment when due of the current principal of and interest on the Bonds, less any amount in the Redemption Fund representing accrued or capitalized interest on the Bonds. Commencing the month in which the Delivery Date occurs, the amount set aside each month for interest, after taking into account moneys in the Redemption Fund as above provided, shall be 1/6 of the total amount of interest on the Bonds next coming due or such greater or lesser amount in approximately equal monthly installments necessary to accumulate the amount of interest next coming due by the date such interest is to be paid. Commencing the month in which the Delivery Date occurs, the amount set aside each month for principal shall be 1/6 of the total principal amount of the Bonds next coming due or such greater or lesser amount in approximately equal monthly installments necessary to accumulate the principal amount next coming due by the date such principal is to be paid. If

there is any deficiency in the amount previously set aside, that deficiency shall be added to the next succeeding month's requirements.

There is hereby established in the Redemption Fund a separate account to be known as the "Bond Reserve Account," into which shall be deposited on the Delivery Date such moneys or securities, as determined by the General Manager in the Sale Order, that will equal the Bond Reserve Requirement. Thereafter, from the Revenues remaining in the Receiving Fund after provision has been made for the Operation and Maintenance Fund and the Redemption Fund, there shall be deposited in the Bond Reserve Account each month an amount equal to the balance in the Receiving Fund or the amount necessary to accumulate and maintain in the Bond Reserve Account a sum equal to the Bond Reserve Requirement, whichever is lesser. Except as otherwise provided herein, moneys in the Bond Reserve Account shall be used solely for the payment of the principal of and interest on Bonds as to which there would otherwise be default.

Notwithstanding the foregoing provisions of this Section 14(b), the Authority reserves the right to establish a separate Bond Reserve Account for each or any issue of Additional Bonds. Any such separate Bond Reserve Account may contain either cash or investments permitted by this Resolution for a Bond Reserve Account. The amounts to be paid into each separate Bond Reserve Account to restore it to its Bond Reserve Requirement shall be made on a parity with payments into all other Bond Reserve Accounts and shall not exceed, in any Fiscal Year, its Proportionate Deficit Payment. "Proportionate Deficit Payment" for a separate Bond Reserve Account means an amount which bears to the deficit in such a separate Bond Reserve Account the same proportion that the amount available to remedy deficits in all separate Bond Reserve Accounts bears to the aggregate deficit in all separate Bond Reserve Accounts.

No further payments need be made into the Redemption Fund after enough of the Bonds have been retired so that the amount then held in the Redemption Fund, including the Bond Reserve Account, is equal to the entire amount of principal and interest which will be payable at the time of maturity of all the then outstanding Bonds.

If at any time, the amount on deposit in or credited to the Bond Reserve Account exceeds the Bond Reserve Requirement, the amount of such excess shall be transferred therefrom and deposited in or credited to the Receiving Fund.

There shall be deposited in the Bond Reserve Account from the proceeds of the sale of each issue of Additional Bonds the lesser of (i) the amount which, when added to the amount on deposit therein on the date of delivery of such issue of Additional Bonds will equal the Bond Reserve Requirement for all Bonds then outstanding including such Additional Bonds or (ii) the maximum permitted by the Code.

(c) JUNIOR LIEN BOND AND INTEREST REDEMPTION FUND:

If the Authority shall ever issue Junior Lien Bonds, there shall be established and maintained a fund for the purpose of paying the principal, redemption premiums, if any, and interest on such Junior Lien Bonds as they come due. Revenues remaining in the Receiving Fund after provision for the requirements of the Operation and Maintenance Fund and the Redemption Fund including the Bond Reserve Account shall be set aside, but not more often than monthly, in such fund for the Junior Lien Bonds in accordance with the resolution authorizing the issuance or sale of the Junior Lien Bonds. Additionally, a separate account also may be established within such fund as a bond reserve account to be funded on a junior lien basis in accordance with the resolution authorizing the issuance or sale of the Junior Lien

Bonds. The detail of the establishment and maintenance of such fund shall be provided in the resolution of the Board authorizing the issuance or sale of such Junior Lien Bonds.

(d) EXTRAORDINARY REPAIR AND REPLACEMENT RESERVE FUND:

There is hereby established a fund, to be designated the EXTRAORDINARY REPAIR AND REPLACEMENT RESERVE FUND. Into such Fund shall be deposited such moneys or securities, after meeting the requirements for the other Funds and Accounts set forth above, such sums as the Authority shall determine for the purpose of acquiring and constructing improvements, additions and extensions of the Facilities and for making repairs and replacements thereto. Earnings on this Fund, if any, shall be transferred to the Receiving Fund.

(e) SURPLUS FUND:

Money remaining in the Receiving Fund at the end of any Fiscal Year, after satisfaction of the requirements of the foregoing funds, may be transferred to a fund designated the SURPLUS FUND. Moneys from time to time on hand in the Surplus Fund, at the option of the Authority, may be used and applied for any of the purposes related to the Authority for which the foregoing funds and accounts were established or for any other lawful purpose of the Authority including the payment of the principal of and interest on the Authority's indebtedness incurred by the Authority for Facilities' purposes; provided, however, that if there should be any deficit in the Operation and Maintenance Fund or the Redemption Fund (including the Bond Reserve Account), and funds or accounts created for the benefit of Junior Lien Bonds, then transfers shall be made from the Surplus Fund to such funds in the priority and order named, to the extent of any such deficit.

Section 15. Depository and Funds on Hand. Moneys in the several funds and the accounts established pursuant to this Resolution, except moneys in the Redemption Fund (including the Bond Reserve Account) and the Project Fund, may be kept in one or more bank accounts at a bank or banks designated by the General Manager, and if kept in one bank account the moneys shall be allocated on the books and records of the Authority in the manner and at the times provided in this Resolution. The depository of all funds and accounts, except as otherwise specifically provided for herein, shall be those banks or trust companies designated from time to time as such by the General Manager.

Section 16. Priority of Funds. In the event the moneys in the Receiving Fund are insufficient to provide for the current requirements of the Operation and Maintenance Fund and the Redemption Fund, any moneys or securities in other funds of the Authority (except moneys in Project Fund) shall be credited or transferred first to the Operation and Maintenance Fund and, second, to the Redemption Fund, to the extent of any deficit therein.

Section 17. Investments. Except as herein otherwise provided, moneys in the funds and accounts established herein and moneys derived from the proceeds of sale of the Series 2016 Bonds may be invested by the Authority in Investment Obligations. Investment of the proceeds of the Series 2016 Bonds shall be as provided in Section 18. Investment of moneys in the Bond Reserve Account shall be limited to obligations bearing maturity dates or subject to redemption, at the option of the holder thereof, not later than ten years from the date of the investment. Profit realized or interest income earned on investment of funds in the Receiving Fund, Operation and Maintenance Fund, Redemption Fund (including the Bond Reserve Account), the Extraordinary Repair and Replacement Reserve Fund and the Project Fund shall be deposited in or credited to the Receiving Fund. Investments credited to the Bond Reserve

Account shall be valued at least annually on each January 1 beginning the first January 1 after the Delivery Date at par or at amortized value if purchased at other than par.

Section 18. Series 2016 Bond Proceeds. From the proceeds of the sale of the Series 2016 Bonds there shall be deposited in the Redemption Fund an amount equal to the accrued interest and premium, if any, received on the delivery of the Series 2016 Bonds and the Authority may take credit for the amount so deposited against the amount required to be deposited in the Redemption Fund for payment of the next maturing interest on the Series 2016 Bonds.

Next there shall be deposited in the Project Fund an amount determined by the General Manager in the Sale Order which amount shall be the estimated cost of acquiring, constructing and installing the Improvements, including engineering and legal fees relating thereto.

The balance from the proceeds of the Series 2016 Bonds shall be deposited in a separate subaccount in the Project Fund and used to pay the costs of issuance of the Series 2016 Bonds not paid from the deposit to the Project Fund as above provided.

Section 19. Project Fund. The portion of the proceeds of the sale of a series of Bonds, including the Series 2016 Bonds, issued for the purpose of acquiring and constructing repairs, enlargements, extensions, additions and improvements of the Facilities, as determined by the Board or the General Manager in the resolution or Sale Order, shall be deposited in the Project Fund in separate accounts for each series of Bonds which shall be established and maintained with a depository qualified to be a depository of moneys under Michigan law as designated by the General Manager. In addition, subaccounts may be created for the deposit of moneys other than Bond proceeds to better account for the expenditure of Bond proceeds. Moneys in the Project Fund or any account or subaccount thereof shall be applied solely to the

payment of the cost of the applicable project including engineering fees, legal and financial advisor fees, bond insurance premiums or other credit enhancement fees, if any, rating agency fees and other expenses incident to the project and to the financing thereof as determined in the resolution or order authorizing the sale of such Bonds. Payments for construction, either on account or otherwise, shall not be made unless the registered engineer in charge of such work shall file with the Board a signed statement to the effect that the work has been completed in accordance with the plans and specifications therefor, that it was done pursuant to and in accordance with the contract therefor, that such work is satisfactory and that such work has not been previously paid for. Payment of engineering fees, legal and financial advisor fees, bond insurance premiums or other credit enhancement fees, rating agency fees and other expenses incident to the financing of the project shall be made upon submission of appropriate documentation to the General Manager.

Section 20. Series 2016 Bond Form. The Series 2016 Bonds shall be in substantially the following form, with such changes and additions as shall be determined to be appropriate by the General Manager.

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF SAGINAW**

**SOUTHEASTERN OAKLAND COUNTY
RESOURCE RECOVERY AUTHORITY
RECYCLING REVENUE BOND
SERIES 2016**

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP</u>
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Registered Owner:

Principal Amount:

The Southeastern Oakland County Resource Recovery Authority, County of Oakland, State of Michigan (the “*Authority*”), acknowledges itself indebted to, and for value received hereby promises to pay to, the Registered Owner identified above, or registered assigns, the Principal Amount set forth above on the Maturity Date specified above, unless redeemed prior thereto as hereinafter provided, upon presentation and surrender of this bond at _____, of _____, Michigan, the bond registrar and paying agent, or at such successor bond registrar and paying agent as may be designated pursuant to the Resolutions (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 on such Principal Amount until the Authority’s obligation with respect to the payment of such Principal Amount is discharged, at the rate per annum specified above. Interest and principal are payable on the first days of January and July in each year, commencing on January 1, 2017. Principal and interest are payable in lawful money of the United States of America.

This bond is one of a series of bonds (the “*Series 2016 Bonds*”) of even date and like tenor, except as to denomination, rate of interest and date of maturity, aggregating the principal sum of _____ Dollars (\$_____) issued by the Authority under and pursuant to a resolution duly adopted by the Authority Board of the Authority on August 10, 2016 (the “*Resolution*”) and an order of the General Manager of the Authority 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, for the purpose of paying the cost of acquiring, constructing and installing improvements to Authority's garbage and rubbish collection and disposal facilities.

Bonds of this issue [maturing in the years _____ to _____ inclusive,] are not subject to redemption prior to maturity. [Bonds, or portions of bonds in multiples of \$5,000, maturing in the year ____ and thereafter may be redeemed at the option of the Authority, in such order of maturity as the Authority shall determine and within any maturity by lot, on any date on or after July 1, _____ at par and accrued interest to the date fixed for redemption [but without premium][plus a premium expressed as a percentage of par as follows:]

[_____% of the par value of each bond or portion thereof called for redemption on or after July 1, _____ but prior to July 1, _____;]

[_____% of the par value of each bond or portion thereof called for redemption on or after July 1, _____ but prior to July 1, _____;]

[_____% of the par value of each bond or portion thereof called for redemption on or after July 1, _____ but prior to July 1, _____;]

[No premium shall be paid on bonds called for redemption on or after July 1, _____;]

[Bonds or portions of bonds in multiples of \$5,000 are subject to mandatory redemption on January 1 and July 1, _____ as set forth below, at par and accrued interest to the date fixed for redemption. The principal amounts of bonds to be redeemed pursuant to this paragraph are as follows:

<u>July 1</u> <u>of the Year</u>	<u>Principal</u> <u>Amount</u>	<u>July 1</u> <u>of the Year</u>	<u>Principal</u> <u>Amount</u>
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In case less than the full amount of an outstanding bond is called for redemption, the bond registrar and paying agent, upon presentation of the bond called in part for redemption, shall register, authenticate and deliver the registered owner a new bond in the principal amount of the portion of the portion of the original bond not called for redemption.

A notice of redemption shall be mailed to the registered owners of the bonds or portions of bonds to be redeemed by first class mail not less than thirty (30) days prior to the date fixed for redemption at the address of the registered owner shown on the registration books maintained by the bond registrar and paying agent. Bonds or portions of bonds so 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 bonds or portions of bonds called for redemption.]

This bond is a self-liquidating bond and is not a general obligation of the Authority and does not constitute an indebtedness of the Authority within any constitutional or statutory

limitation, but is payable, both as to principal and interest, solely from the net revenues of the Authority, including all appurtenances, extensions and improvements thereto, after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the “*Net Revenues*”). The principal of and interest on this bond are secured by a statutory lien on the Net Revenues. The Net Revenues are comprised primarily of the Contractual payments received by the Authority pursuant to contracts between the Authority and each Constituent Member of the Authority, for which each Constituent Member has pledged its full faith and credit to the payment thereof and each Constituent Member shall, as a part of its general budget, appropriate and raise each year a sum sufficient to pay for the services to be rendered by the Authority pursuant to the provisions of Act 179, Public Acts of Michigan, 1947, as amended. The bonds of this series shall have equal standing with any additional bonds that may be issued pursuant to the Resolution.

For a complete statement of the revenues and reserves 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, the rights and limitations on the owner of this bond and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Resolution.

The Authority has covenanted and agreed, and does hereby covenant and agree to fix and maintain at all times while any bonds payable from the Net Revenues of the Authority shall be outstanding, such rates for service furnished by the Authority as shall be sufficient to provide for payment of the principal of and interest on this bond and any other bonds payable from the Net Revenues as and when the same shall become due and payable, and to maintain a bond redemption fund and a bond reserve account therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the Authority as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the Authority as are required by the Resolution.

This bond is transferable, as provided in the Resolution, only upon the books of the Authority 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 the denomination of \$5,000 or any integral multiple thereof not exceeding the aggregate principal amount for each maturity.

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 this bond existed, have happened and have been performed in due time, form and manner as required by law, and that the total indebtedness of the Authority, including the series of bonds of which this bond is one, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, the Southeastern Oakland County Resource Recovery Authority, County of Oakland, State of Michigan, by its Board of Trustees, has caused this bond to be executed in its name by the manual or facsimile signatures of its Chairperson and Secretary, all as of the Date of Original Issue. This bond shall not be valid unless the Certificate of Authentication has been manually executed by an authorized representative of the bond registrar and paying agent.

SOUTHEASTERN OAKLAND COUNTY RESOURCE RECOVERY AUTHORITY

By: _____

Chairperson

By: _____

Secretary

CERTIFICATE OF AUTHENTICATION

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

Bond Registrar and Paying Agent

By: _____
Authorized Representative

Date of Authentication:

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.

[End of Series 2016 Bond Form]

Section 21. Covenants. The Authority covenants and represents to the registered owners of the Bonds that so long as any Bonds remain outstanding and unpaid as to either principal or interest:

(a) That it will punctually perform all duties with reference to the Facilities and comply with applicable State laws and regulations and continually operate and maintain the Facilities in good condition.

(b) That it will not sell, lease, mortgage or in any manner dispose of the Facilities, or any substantial part of them, until all Bonds payable from the revenues of the Facilities shall have been paid in full or provision has been made to the payment of such Bonds.

(c) That it will cause an annual review of rates and charges to be made and based thereon will adjust such rates and charges to provide the amounts required by this Resolution.

(d) That it will maintain complete books and records relating to the operation of the Facilities and its financial affairs, will cause such books and records to be audited annually at the end of each fiscal year and an audit report prepared, and will furnish a Bondholder a copy of such report upon written request.

(e) That it will prepare, keep and file such records, statements and accounts as may be required by law and that, if required by law, it will file a report with the Michigan Department of Treasury, not later than one hundred and eighty (180) days after the close of the fiscal year, on forms prepared by the Department of Treasury, completely setting forth the financial operation for such fiscal year of the Facilities in accordance with the accounting method of the Authority.

(f) That it will maintain and carry insurance on all physical properties of the Facilities, for the benefit of the Bondholders, of the kinds and in the amounts normally carried

by municipalities engaged in the operation of similar facilities. All moneys received for losses under any such insurance policies shall be applied solely to the replacement and restoration of the property damaged or destroyed, and to the extent not so used, shall be used for the purpose of calling Bonds.

(g) The Authority will take all action, and refrain from taking any action, that is necessary, including paying any rebates to the United States government that may be required by the Code, which are hereby authorized to be paid from the Operation and Maintenance Fund as an expense of the Authority, to assure that the interest on the Series 2016 Bonds will be and will remain excludable from gross income for federal income tax purposes.

(h) That it hereby pledges, from other funds of the Authority available for such purpose, such moneys as may be necessary on an annual basis to maintain the requirements of Section 22 for the issuance of additional bonds.

Section 22. Additional Bonds. Except as hereinafter provided, the Authority shall not issue Additional Bonds of equal standing with respect to the Net Revenues with the Series 2016 Bonds but may issue Junior Lien Bonds. Additional Bonds shall be issued only in accordance with this Section 22.

In accordance with the provisions of Act 94, the right is reserved to issue Additional Bonds payable from the Revenues of the Authority which shall be of equal standing and priority of lien on the Net Revenues of the Authority with the Series 2016 Bonds but only for the purposes and under the terms and conditions provided in subsections (a), (b), (c) below:

(a) For the acquisition and construction of repairs, enlargements extensions, additions and improvements to the Facilities, for refunding all or a part of any outstanding Bonds or any other debt incurred by the Authority for any purpose for which Bonds may be

issued hereunder, for paying costs of issuing such Additional Bonds including deposits, if any, to be made to the Bond Reserve Account, and for payment of interest on such Additional Bonds. Additional Bonds for such purposes shall not be issued pursuant to this subparagraph (a) unless the actual Net Revenues of the Authority (not including investment earnings on the various funds and accounts established hereunder but including investment earnings on the Bond Reserve Account) for the then last preceding audited Fiscal Year shall be equal to the annual debt service on the Series 2016 Bonds coming due in the current Fiscal Year and the average annual debt service on the Additional Bonds then being issued. If the Additional Bonds are to be issued in whole or in part for refunding of outstanding Bonds the annual principal and interest requirements shall be determined by deducting from the principal and interest requirements for each Fiscal Year the annual principal and interest requirements of any Bond or Bonds to be Refunded from the proceeds of the Additional Bonds. Determination by the Board or the General Manager as to existence of conditions permitting the issuance of Additional Bonds shall be conclusive. Additional Bonds of equal standing as to the Net Revenues of the Authority shall be issued pursuant to the authorization contained in this subparagraph if the Authority shall then be in default in making its required payments to any funds or accounts created hereunder.

(b) To Refund all or a part of any Bonds outstanding hereunder and paying costs of issuing such Additional Bonds including deposits which may be made to the Bond Reserve Account. No Additional Bonds shall be issued pursuant to this subsection unless the total amount of principal and interest falling due in the then current Fiscal Year and each Fiscal Year thereafter until maturity of all Bonds which have not been Refunded after giving effect to such refunding shall be not greater than the total amount of principal and interest maturing in the

then current Fiscal Year and each Fiscal, Year thereafter until maturity prior to giving effect to such refunding. For purposes of this paragraph, principal of and interest on Bonds which mature on the first day of a Fiscal Year shall be deemed to mature on the last day of the immediately preceding Fiscal Year.

Section 23. Department of Treasury Approval. The issuance and sale of the Bonds shall be subject to permission being granted therefor, or “qualified status” being granted, by the Department of Treasury of the State of Michigan pursuant to Act 34 and, if necessary, the General Manager is authorized and directed to make application to the Department of Treasury for permission to issue and sell the Bonds as provided by the terms of this Resolution.

Section 24. Sale of Series 2016 Bonds. The Series 2016 Bonds shall be sold pursuant to a negotiated sale in which Municipal Capital Markets Group, Inc. shall act as the underwriter (the “*Underwriter*”) in connection with a placement or public offering. The Investment Banking Agreement executed by the General Manager on behalf of the Authority with Municipal Capital Markets Group, Inc., is hereby ratified and approved. The General Manager shall execute an order at the time of sale of the Series 2016 Bonds (the “*Sale Order*”) which shall set forth the principal amount of the Series 2016 Bonds, principal maturities and dates, interest rates and interest payment dates, redemption provisions, if any, purchase price to be paid by the Underwriter, and compensation to be paid to the Underwriter, as well as such other terms and provisions as the General Manager determines to be necessary or appropriate in connection with the sale of the Series 2016 Bonds. The Chairperson, the General Manager, the Secretary, the Treasurer and other appropriate Authority officials are each authorized to execute and deliver to the Underwriter such certificates and documents as the Underwriter or bond counsel shall require and to do all things necessary to effectuate the sale, issuance, delivery, transfer and exchange of the Series 2016 Bonds in accordance with the provisions of this Resolution. In making the determination in the Sale Order with respect to principal maturities

and dates, interest rates, purchase price of the Series 2016 Bonds and compensation to be paid to the Underwriter, the General Manager shall be limited as follows:

- (a) The interest rate on any Series 2016 Bond shall not exceed 6.00% per annum.
- (b) The final maturity date of the Series 2016 Bonds shall not be later than July 1, 2027.

Section 25. Limited Offering Memorandum; Official Statement. The General Manager is authorized, if required by the Underwriter, to cause the preparation of a limited offering memorandum or an official statement, as the case may be, for the Bonds, as a purchaser or purchasers may require.

Section 26. Amendments; Consent of Bondholders.

(a) The Board, from time to time and at any time, subject to the conditions and restrictions in this Resolution contained, may enact one or more supplemental or amendatory resolutions which thereafter shall form a part hereof, for any one or more or all of the following purposes:

- (i) To issue Additional Bonds or Junior Lien Bonds;
- (ii) To add to the covenants and agreements of the Authority contained in this Resolution, other covenants and agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the Authority;
- (iii) To cure any ambiguity in this Resolution or to cure, correct or supplement any defective provision contained in this Resolution, provided that such supplemental or amendatory resolution shall not be inconsistent with this Resolution and shall not have a material, adverse affect on the interests of the owners of the Bonds;
- (iv) To increase the size or scope of the Facilities; and

(v) To make such modifications in the provisions hereof as may be deemed necessary by the Board to accommodate the issuance of Additional Bonds or Junior Lien Bonds, but only if such modifications, in the written opinion of nationally recognized bond counsel filed with the Board, do not result in materially diminishing the security hereby granted to the owners of any Bonds at the time outstanding.

Any amendment or supplemental resolution or resolution authorized by the provisions of this Section 26(a) may be enacted by the Board without the consent of or notice to the owners of any of the Bonds at the time outstanding, notwithstanding any of the provisions of Section 26(b) below.

(b) With the consent of the owners of not less than 51% in principal amount of the Bonds then outstanding, the Board from time to time and at any time may adopt a resolution or resolutions supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Resolution or of any supplemental resolution; provided, however, that no such supplemental resolution shall (i) extend the fixed maturity of any Bond or reduce the rate of interest thereon or extend the time of payment of interest, or reduce the amount of the principal thereof, or reduce or extend the time for payment of any premium payable on the redemption thereof, without the consent of the owner of each Bond so affected, or (ii) reduce the aforesaid percentage of owners of the Bonds required to approve any such supplemental resolution, or (iii) deprive the owners of the Bonds (except as aforesaid) of the right to payment of the Bonds from the Net Revenues, without the consent of the owners of all the Bonds then outstanding. No amendment may be made under this Section 26(b) which affects the rights or duties of the insurer of any of the Bonds without its consent.

It shall not be necessary for the consent of the Bondholders under this Section 26(b) to approve the particular form of any proposed supplemental resolution, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the enactment by the Board of any supplemental resolution pursuant to the provisions of this Section 26(b), the Authority shall cause the Bond Registrar to mail a notice by registered or certified mail to the registered owners of all Bonds outstanding at their addresses shown on the registration books, or at such other address as is furnished in writing by such registered owner to the Bond Registrar, setting forth in general terms the substance of such supplemental resolution.

Section 27. Severability; Paragraph Headings; and Conflict. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution. The paragraph headings in this Resolution are furnished for convenience of reference only and shall not be considered to be part of this Resolution.

Section 28. Bond Registrar and Paying Agent. The General Manager is hereby authorized to select a bank or trust company to act as bond registrar and paying agent for the Series 2016 Bonds and to insert the name of such bond registrar and paying agent in the appropriate places in the Series 2016 Bond form.

Section 29. Publication and Recordation. This Resolution shall be published in full in *The Daily Tribune*, a newspaper of general circulation within the boundaries of the Authority qualified under State law to publish legal notices, promptly after its adoption and shall be recorded in the official proceedings of the Board and such recording shall be authenticated by the signatures of the Chairperson and the Secretary.

Section 30. Continuing Disclosure. The General Manager is hereby authorized, if required by law or the Underwriter, to execute a certificate of the Authority to comply with any continuing disclosure undertaking of the Authority with respect to the Series 2016 Bonds pursuant to paragraph (b)(5) of the SEC Rule 15c2-12, and amendments to such certificate from time to time in accordance with the terms of such certificate (the certificate and any amendments thereto are collectively referred to herein as the “*Continuing Disclosure Certificate*”). The Authority hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate.

Section 31. Rating; Other Actions. The General Manager is hereby designated, for and on behalf of the Authority, to seek and apply for a rating from any nationally-recognized statistical rating organization, if the General Manager determines it is in the best interests of the Authority and for the sale of Series 2016 Bonds to do so. Further, the General Manager is hereby authorized, without the further approval of the Board, to do all acts and to take all necessary steps required to effectuate the sale, issuance and delivery of the Series 2016 Bonds in accordance with the terms of this Resolution.

Section 32. Professional Services. The following are appointed to act in the following capacities with respect to the Series 2016 Bonds:

As Placement Agent or Underwriter:	Municipal Capital Markets, Inc. Greenwood Village, Colorado
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As bond counsel:	Dickinson Wright PLLC Detroit, Michigan
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Section 33. Effective Date. This Resolution shall be effective immediately upon its adoption.

CERTIFICATION

I, Mark Pollock, the duly qualified and acting Secretary of the Southeastern Oakland County Resource Recovery Authority, Oakland County, Michigan, do hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Trustees of the Authority at a special meeting held on August 30, 2016, and that notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended.

IN WITNESS WHEREOF, I further hereunto affixed my signature this 30th day of August, 2016.

Mark Pollock, Secretary

August 16, 2016

Board of Trustees
SOCRRA

Subject: Contract with Machinex for MRF Construction

Board Members:

Attached please find an updated draft of the contract between SOCRRA and Machinex for MRF Construction. This is substantially the same contract that was reviewed with the Board at prior Board meetings. The attached contract is the result of several iterations of review by both Machinex and SOCRRA and our respective attorneys. The Insurance Exhibit has been reviewed by Keith Potter, our MMRMA insurance representative. The attached contract has been approved by Machinex.

The key features of the contract are as follows:

1. The total project cost is \$7.479 million. The contract calls for this figure to be further refined following additional design discussions in order to develop a Final Guaranteed Cost of the Project.
2. The final design is consistent with the detailed design reviewed at the April Board meeting and the tour room modifications discussed at the June Board meeting.
3. The draft project schedule calls for the existing MRF to be shut down on October 24, 2016 and a MRF in service date of July 1, 2017. The contract also calls for this draft project schedule to be refined following additional design discussions in order to develop a final, binding project schedule.
4. The payment schedule is in Exhibit 4.
5. The recycling equipment is warranted for 12 months following the in service date. This is a modification to the agreement presented to the Board at the June Board meeting.
6. Exhibit 3 details the insurance coverage being provided by Machinex for this project.

SOCRRA staff and Mr. Davis recommend that the Board approve the Construction Services Agreement with Machinex at a cost of \$7.479 million.

SOCRRA has sufficient working capital available to pay the initial payment of \$750,000 to Machinex that is due at the signing of the contract. The financing discussed earlier in this agenda should be available to pay the remaining payments that will be due to Machinex under the terms of the contract. The working capital used by SOCRRA for the initial payment will be replenished from the financing discussed above.

SOCRRA staff has begun to prepare for the MRF shut down and construction periods. Included in this preparation is evaluating our options for handling the recycling generated from the member communities during the MRF shut down period. We will be providing the Board with additional information as we complete our planning.

Respectfully submitted,

Jeffrey A. McKeen, P.E.
General Manager

Suggested Resolution: "That the Construction Services Contract with Machinex at a cost of \$7.479 million is approved."

CONSTRUCTION SERVICES AGREEMENT

This Construction Services Agreement (“Agreement”), dated this ____ day of July, 2016, between Southeastern Oakland County Resource Recovery Authority, located at 3910 W. Webster Road, Royal Oak, Michigan 48073 (“SOCRRA”) and Machinex Technologies, located at 716 Gallimore Dairy Rd., Ste. 103, High Point, NC 27265 (“Contractor”), and states the following:

RECITALS

- A. **WHEREAS**, SOCRRA wishes to partially demo, partially construct/modify and fully equip for future operations its current Troy, Michigan MRF site to a new facility with a recycling system for processing and marketing of single stream recyclables; and
- B. **WHEREAS**, SOCRRA prepared and issued a certain RFP for the design, demolition work, construction and equipment installation services desired by SOCRRA which included certain response options; and
- C. **WHEREAS**, the SOCRRA RFP is attached hereto as Exhibit 1 and is incorporated by reference herein as set forth below; and
- D. **WHEREAS**, the Contractor responded, with multiple supplements, to the SOCRRA RFP with a written proposal and supporting exhibits for RFP Option A, Design/Build; and
- E. **WHEREAS**, the Contractor’s response, including all supplements, to the SOCRRA RFP process is attached hereto as Exhibit 2 and is incorporated by reference herein as set forth below; and
- F. **WHEREAS**, the Contractor has been selected by SOCRRA to conduct the Design/Build work as set forth in Contractor’s response to the SOCRRA RFP, subject to the terms and conditions set forth herein and otherwise based on the RFP process as a whole; and
- G. **WHEREAS**, the goals and objectives of this Agreement are to define the relationship between the Contractor and SOCRRA relating to the Design/Build of the facility at issue in this Agreement; and
- H. **WHEREAS**, the Contractor and SOCRRA, by providing signatures below, do represent and affirm that each has the legal capacity and requisite authority to enter into and be bound by the terms and provisions of this Agreement.

NOW, THEREFORE, SOCRRA and the Contractor do hereby agree as follows with full and adequate consideration acknowledged by each herein.

1. **Effective Date.** This Agreement is effective upon full execution of the Agreement by SOCRRA and the Contractor. The date of the last signature shall be the “Effective Date” for this Agreement.

2. **RFP.** The SOCRRA RFP for this Project is set forth at Exhibit 1 and is incorporated in full herein by reference. **(Exhibit 1)** SOCRRA and the Contractor agree that the RFP is part of the Agreement for all legal purposes.
3. **Contractor's RFP Response.** The Contractor's RFP Response is set forth at Exhibit 2 and is incorporated in full herein by reference. **(Exhibit 2)** SOCRRA and the Contractor agree that the RFP Response is part of the Agreement for all legal purposes. Contractor agrees, represents and warrants that Contractor has the knowledge, know how, resources and experience to conduct all of the work set forth in Contractor's response to the SOCRRA RFP as set forth herein at Exhibit 2 and as otherwise set forth in this Agreement.
4. **Project.** The Project subject to this Agreement shall, in general terms, be the redevelopment of an existing publicly-owned dual stream MRF located at 995 Coolidge Highway, Troy, Michigan, to a single stream MRF at the same location. The Project includes, not by way of limitation, the dismantling of the existing MRF equipment and building modifications as proposed by the Contractor. The Project includes certain demolition work. The Project includes the delivery and installation of certain equipment necessary to form a new process system for single stream recycling. The Project includes start-up, training and testing of the system.
5. **Communication.** The Contractor and SOCRRA agree that communication relating to all aspects of the Project is necessary, desired, mandatory and shall be as follows. The goal of this provision is to ensure that SOCRRA and the Contractor both have an identified person who is available, responsible and will be fully responsive to issues throughout the entire Project, from design to final construction to testing and operations. The Contractor acknowledges that it must communicate with SOCRRA throughout the Project.

For the Contractor:

Hugues Therrien, Project Manager
2121 Rue Olivier
Plessisville, QC G6L 3G9
(877) 362-3281

For SOCRRA:

Jeff McKeen, General Manager
SOCRRA
3910 W. Webster Road
Royal Oak, MI 48073
(248) 288-5150

6. **Cost of Project.** The Project shall have a "Cost of Project" not to exceed the figure of \$_____. SOCRRA and Contractor agree that the Cost of Project is a key component of this Agreement and shall not be altered unless otherwise allowed herein and in writing executed by SOCRRA and the Contractor. Contractor agrees to be bound by the Cost of Project. Unless modified as allowed herein, the Cost of Project shall be binding and enforceable.

All applicable Federal or State taxes, if any, are extra to the above price and shall be paid by SOCRRA in addition to the Cost of Project with every installment as herein after provided for in the Contract.

- 7. Contractor's Responsibilities for the Project.** The Contractor shall provide all services necessary as the Constructor of the Project consistent with the Cost of Project set forth herein. In doing so, the Contractor shall work with SOCRRA to ensure that the Project is completed within the Cost of Project set forth herein and in accordance with the agreed upon schedule. All services provided by the Contractor in getting the Project completed shall be within the Cost of Project. The Contractor shall maintain bonds and insurance coverages as set forth at **Exhibit 3** herein. SOCRRA shall be named as an additional insured on all applicable policies of insurance. The policies of insurance shall be effective for the duration of this Project and SOCRRA shall have an ongoing right throughout the term of this Agreement to verify the insurance coverages required herein.
- 8. Pre-construction Phase/Construction Schedule.** Within 14 days of the Effective Date, the Contractor shall develop and provide SOCRRA, in writing, a preliminary evaluation of the construction schedule. The construction schedule shall be presented to SOCRRA for review and approval. The objective of this pre-construction phase is to develop a construction schedule for the full and timely completion of the Project. Contractor shall develop the construction schedule using the best information available and the construction schedule shall be made final after Contractor meets with SOCRRA to discuss the construction schedule as a whole.
- 9. Consultation Phase.** Within 14 days of establishing the construction schedule in section 8 above, the Contractor shall meet with SOCRRA to discuss procedures, progress, coordination, and scheduling of the Project work. The Contractor shall advise SOCRRA on proposed site use and improvements, selection of materials and building systems and equipment. The Contractor shall also provide recommendations consistent with the Project requirements to SOCRRA on constructability, availability of materials and labor, time requirements for procurement, installation and construction, and factors related to construction cost including, but not limited to, costs of alternative designs or materials, preliminary budgets, life-cycle data, and possible cost reductions. At all times, the Contractor shall adhere to the Cost of Project as defined herein. At all times, the Contractor shall adhere to the construction schedule as defined herein.
- 10. Updates.** When Project requirements have been sufficiently identified, the Contractor shall prepare and periodically update the construction schedule as defined above in section 8 for SOCRRA's review and acceptance. The construction schedule shall not be updated or modified without the consent of SOCRRA. The Contractor agrees it has the requisite knowledge and know-how with respect to the constructability of the Project and the Contractor agrees and acknowledges that the Contractor is acting as the Constructor of the Project for all purposes under this Agreement.

- 11. Subcontractors and Suppliers.** The Contractor shall develop bidders' interest in the Project and encourage local participation in any and all bidding processes for materials and services related to the Project.
- 12. Procurement Scheduling.** The Contractor shall prepare and manage a procurement schedule for items/material/equipment that must be ordered in advance of construction in a manner that is consistent with the construction schedule. The Contractor shall expedite and coordinate the ordering and delivery of materials that must be ordered in advance of construction. Contractor represents and warrants to SOCRRA that Contractor has the knowledge and the skills required to establish a procurement process that is consistent with the construction schedule.
- 13. Notices and Compliance with Laws.** The Contractor shall comply with all applicable laws, statutes, ordinances, codes, rules and regulations, and lawful orders of public authorities applicable to its performance of all services and work under this Agreement.
- 14. Final Guaranteed Cost of Project.** At a time to be mutually agreed upon by SOCRRA and the Contractor in writing following the establishment of a construction schedule under section 8 and following the Consultation Phase in section 9, the Contractor shall prepare the Final Guaranteed Cost of Project if it is different than the Cost of Project initially defined herein at section 6. Any changes to the Cost of Project as defined herein at section 6 must be identified and approved in writing by SOCRRA and the Contractor.

The Contractor shall include with the Final Guaranteed Cost of Project a written statement of its basis, including all details and a date by which SOCRRA must accept the modified Cost of Project if it is different than the Cost of Project defined herein at section 6.

In preparing the Final Guaranteed Cost of Project, the Contractor shall include all contingencies and account for the full construction of the Project based on the most current design, the most current data and the most current information from the Consultation Phase.

The Contractor shall meet with SOCRRA to review the Final Guaranteed Cost of Project as necessary. In the event that SOCRRA discovers any inconsistencies or inaccuracies in the information presented, they shall promptly notify the Contractor, who shall make appropriate adjustments to the Final Guaranteed Cost of Project.

If SOCRRA notifies the Contractor that SOCRRA has accepted the Final Guaranteed Cost of Project, the Final Guaranteed Cost of Project shall be deemed effective based on the most current design, plans and specifications which form the Final Guaranteed Cost of Project.

- 15. SOCRRA's Responsibilities.** SOCRRA, upon request, shall furnish any available surveys to describe physical characteristics, legal limitations and utility locations for the site of the Project, and a written legal description of the site. The surveys and legal information shall include, as applicable, grades and lines of

streets, alleys, pavements and adjoining property and structures; designated wetlands; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions and necessary data with respect to existing buildings, other improvements and trees; and information concerning available utility services and lines, both public and private, above and below grade, including inverts and depths.

SOCRRA, upon request, shall furnish at its costs services of geotechnical engineers, which may include but are not limited to test borings, test pits, determinations of soil bearing values, percolation tests, evaluations of hazardous materials, seismic evaluation, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with written reports and appropriate recommendations.

16. Compensation And Payments. SOCRRA shall compensate the Contractor in accordance with the Payment Schedule on **Exhibit 4** in the amounts consistent with this Agreement.

17. Delivery. Contractor shall not be liable for delays in delivery or failure to manufacture due to force majeure or causes beyond its reasonable control such as Acts of God, acts of omissions of the buyer, acts or omissions of civil or military authority, priorities, fire, strikes, floods, epidemics, quarantines, restrictions, riot, war, act of terrorism, delays in transportation, transportation vehicle/vessel shortages and inability to perform due to inability to obtain necessary labor, materials or manufacturing facilities. In the events of any delay such as above described, the date of delivery shall be extended for a period equal to the time lost by such delay.

18. Warranty. All machinery and equipment is covered with a warranty of 12 months (2,200 hours) whichever comes first against manufacturer's equipment defaults (material) while in normal use.

The warranty will be in force from the in service date of the machinery and equipment.

The warranty will lapse if the equipment is repaired or altered by personnel that have not been authorized by Contractor to carry out repairs, or if operation and maintenance instructions for the machine have not been followed and approved.

Contractor will not be responsible for liquidated damages of any kind, or from any cause, to any person or property of any person, or for loss of revenue or profit, or for any other special, incidental or consequential damages.

Any parts or equipment which Contractor supplies and does not manufacture shall be subject only to the warranties of Contractor's vendors to the extent Contractor can enforce such warranties.

The warranty covers replacement parts only, and does not include labor and consequential damages.

SOCRRA shall notify Contractor in writing within fifteen (15) days of discovery, within the warranty period, of any alleged defect in order to allow Contractor or its representative to make such investigation, examination and tests as it seems appropriate. If requested by Contractor, SOCRRA will return the alleged defective product to Contractor's factory for examination and testing. If Contractor determines the product defective, Contractor will either repair or replace such product with a similar item of Contractor's manufacture, F.O.B. Contractor's factory or allow SOCRRA credit for an amount equal to the one invoiced for the said product.

Any action for breach of warranty or other action under this Agreement must be commenced one (1) year after such cause of action arises.

This limited warranty is in lieu of all other warranties, expressed or implied, including any implied warranty of merchantability or fitness.

- 19. SOCRRA Insurance.** SOCRRA is responsible for the insurance of the equipment after arrival on site, as well as during unloading from trucks or containers. All agreed insurance requirements contained in Exhibit 3, for the installation period, is under Contractor's responsibility.

SOCRRA shall obtain and maintain Builder's Risk Property Insurance including Work and Products, upon the entire Project for the full replacement cost and including Value Added Taxes at the time of loss. The policy shall insure against direct risk of physical loss or damage including flood or other water damage, earthquake, act of terrorism, transit, off premises storage, boiler & machinery, faulty workmanship or materials. The coverage shall be maintained continuously until 10 Days after the date of the final certificate for payment (or after the date of start-up testing and commissioning).

Evidence of coverage as shown in a certificate of Insurance will have to be presented to Contractor before beginning of work. In addition, the policy or policies will have to be endorsed with an undertaking by the Insurer to provide Contractor with not less than Thirty (30) days advance written notice of cancellation, change or amendment restricting coverage.

- 20. Claims And Disputes.** SOCRRA and Contractor shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the other arising out of or related to this Agreement in accordance with the requirements of the method of binding dispute resolution selected in this Agreement within the period specified by applicable law, but in any case not more than 6 years after the date of the Project completion.

To the extent damages are covered by property insurance, SOCRRA and Contractor waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance. SOCRRA or the Contractor, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

The Contractor shall indemnify and hold SOCRRA and SOCRRA's officers, elected officials, appointed officials, boards, committees and employees harmless from and against damages, losses and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Contractor, its employees, subcontractors, agents and its consultants in the performance of services under this Agreement.

The Contractor and SOCRRA waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party's termination of this Agreement.

Mediation

Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding "dispute resolution". If such matter relates to or is the subject of a lien arising out of the Contractor's services, the Contractor may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

SOCRRA and Contractor shall endeavor to resolve claims, disputes and other matters in question between them by mediation with the following mediator:

Peter M. Ruggirello Ruggirello Velardo Novara & Ver Beek PC 65 Southbound Gratiot Avenue Mt. Clemens, MI 48043

The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

If the parties do not resolve a dispute through mediation, the method of binding "dispute resolution" shall be litigation in a court of competent jurisdiction.

21. Miscellaneous Provisions. This Agreement shall be governed by Michigan law and shall be deemed to be mutually drafted.

SOCRRA and Contractor, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither SOCRRA nor Contractor shall assign this Agreement without the written consent of the other, except that SOCRRA may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume SOCRRA's rights and obligations under this Agreement.

If SOCRRA requests the Contractor to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If SOCRRA requests the Contractor to execute consents reasonably required to facilitate assignment to a lender, the Contractor shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to Contractor for review at least 14 days prior to execution. The Contractor shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of this Agreement.

Nothing contained in this Agreement shall create a contractual relationship with, or a cause of action in favor of a third party, against either SOCRRA or Contractor.

Unless otherwise required in this Agreement, the Contractor shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

If the Contractor or SOCRRA receives information specifically designated by the other party as “confidential” or “business proprietary,” the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except to (1) its employees, (2) those who need to know the content of such information in order to perform services or construction solely and exclusively for the Project, or (3) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.

Contractor and SOCRRA agree and acknowledge that SOCRRA is governed and bound by the Michigan Freedom of Information Act and may, from time to time, be required to disclose documents relating to this Agreement and this Project that otherwise qualify as non-exempt public records under the law.

- 22. Cost of Project and Final Guaranteed Cost of Project.** For purposes of this Agreement, the Cost of Project (which includes the Final Guaranteed Cost of Project) shall be the total cost to SOCRRA for the Contractor to design, implement and construct all elements of the Project (including the delivery, installation and testing of all applicable equipment) and shall include the Contractor fee, all Contractors’ general conditions costs, overhead and profit. The Cost of Project includes the compensation of all of the Contractor as the constructor of the Project, and the compensation of the Contractor’s contractors and sub-contractors. The Cost of Project includes the Project as a whole from design to full operating occupancy. The Cost of Project does not include the costs of the land, rights-of-way, financing, contingencies for changes in the work or other costs that are the responsibility of SOCRRA as set forth herein.
- 23. Changes in the Project.** SOCRRA may, without invalidating the Contract, order changes in the Project within the general scope of the Contract consisting of additions, deletions or other revisions. SOCRRA shall issue such changes in writing.

Adjustments to the Cost of Project on account of changes in the Project subsequent to the execution of the Cost of Project, must be clearly identified as to cost and activity and approved in writing by SOCRRA and the Contractor.

24. Cost Of Project Accounting and Records. The Contractor shall keep full and detailed records and accounts related to the Cost of the Project and exercise such controls as may be necessary for proper financial management under this Agreement and to substantiate all costs incurred. The accounting and control systems shall be reasonably satisfactory to SOCRRA. SOCRRA and SOCRRA's auditors shall, during regular business hours and upon reasonable notice, be afforded access to, and shall be permitted to audit and copy, the Contractor's records and accounts, including complete documentation supporting accounting entries, books, correspondence, instructions, drawings, receipts, subcontracts, Subcontractor's proposals, purchase orders, vouchers, memoranda and other data relating to this Agreement. The Contractor shall preserve these records for a period of three (3) years after final payment, or for such longer period as may be required by law.

25. Termination Or Suspension. SOCRRA may terminate this Agreement at any time and for any reason with seven (7) days written notice to the Contractor. The Contractor may terminate this Agreement at any time and for any reason with fourteen (14) days written notice to SOCRRA. For any termination or suspension by SOCRRA, the Contractor shall be compensated for all costs incurred by it arising out of, or in connection with the order, determined on a basis consistently observed by the Contractor and in accordance with sound accounting principles, subject to any claims SOCRRA may have as a result of the Contractor not complying with its obligations under this Agreement. Any payment disputes arising from any termination under this provision shall first be referred to the Architect for review and resolution. If not resolved, then the dispute shall be subject to the Claims and Disputes provisions herein.

26. Entire Agreement. The Contractor agrees and acknowledges that this Agreement is fully integrated, including the exhibits hereto, and represents the entire Agreement between SOCRRA and the Contractor. This Agreement shall be deemed to be mutually drafted.

This Agreement is entered into as of the day and year first written above.

SOCRRA *(Signature)*

Jeff McKeen, General Manager

(Printed name and title)

CONTRACTOR *(Signature)*

(Printed name and title)

EXHIBIT 3 -- INSURANCE REQUIREMENTS

The Contractor shall comply with each and every condition contained herein. The Contractor shall provide and maintain the insurance coverages set forth below during the term of Construction Services Agreement.

1. Commercial General Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence and \$2,000,000 general aggregate for bodily injury and property damage, which coverage shall include products/completed operations (\$2,000,000 products/completed operations aggregate), and XCU (Explosion, Collapse, Underground) hazards. Coverage for products/completed operations must be maintained for at least two (2) years after the construction work has been completed. Coverage must be amended to provide for an each- project aggregate limit of insurance. An alternative would be to have separate limits for all lines of General Liability coverage for each project. Contractual Liability coverage must be included.
2. Workers Compensation insurance at statutory limits, including Employers Liability coverage a minimum limits of \$1,000,000 each-occurrence each accident/\$1,000,000 by disease each- occurrence/\$1,000,000 by disease aggregate.
3. Commercial Automobile Liability insurance at minimum combined single limits of \$1,000,000 per-occurrence for bodily injury and property damage, including owned, non- owned, and hired car coverage.
4. A payment and performance bond must be maintained in the amount of the Cost of Project as defined in the Construction Services Agreement.
5. Umbrella Liability at minimum limits of \$1,000,000 each-occurrence/\$1,000,000 aggregate with respect to primary Commercial General Liability, Automobile Liability, and Employers Liability policies.

Any Subcontractor(s) hired by the Contractor shall maintain insurance coverage equal to that required of the Contractor. It is the responsibility of the Contractor to assure compliance with this provision. SOCRRA accepts no responsibility arising from the conduct, or lack of conduct, of the Subcontractor.

A Comprehensive General Liability insurance form may be used in lieu of a Commercial General Liability insurance form. In this event, coverage must be written on an occurrence basis, at limits of \$1,000,000 each-occurrence, combined single limit, and coverage must include a broad form Comprehensive General Liability Endorsement, products/completed operations, XCU hazards, and contractual liability.

With reference to the foregoing insurance requirement, Contractor shall specifically endorse applicable insurance policies as follows:

1. SOCRRA shall be named as an additional insured with respect to General Liability, Automobile Liability and
2. All liability policies shall contain no cross liability exclusions or insured versus insured restrictions.
3. A waiver of subrogation in favor of SOCRRA shall be contained in the Workers Compensation and all liability policies.
4. All insurance policies shall be endorsed to require the insurer to immediately notify SOCRRA of any material change in the insurance coverage.

5. All insurance policies shall be endorsed to the effect that SOCRRA will receive at least sixty-(60) days' notice prior to cancellation or non-renewal of the insurance.
6. All insurance policies, which name SOCRRA as an additional insured, must be endorsed to read as primary coverage regardless of the application of other insurance.
7. Required limits may be satisfied by any combination of primary and umbrella liability insurances.
8. Contractor may maintain reasonable and customary deductibles, subject to approval by SOCRRA.
9. Insurance must be purchased from insurers that are financially acceptable to SOCRRA.

All insurance must be written on forms filed with and approved by the applicable State of Michigan agency. Certificates of Insurance shall be prepared and executed by the insurance company or its authorized agent and shall contain provisions representing and warranting the following:

1. Sets forth all endorsements and insurance coverages according to requirements and instructions contained herein.
2. Shall specifically set forth the notice-of-cancellation or termination provisions to SOCRRA.

Upon request, Contractor shall furnish SOCRRA with certified copies of all insurance policies.

EXHIBIT 4 – TERMS OF PAYMENT

1. Contract Price

The Contract Price is _____ \$ (insert number in letters).

2. Breakdown of the Contract Price options (If needed)

Refer appendix to this schedule with agreed breakdown of Contract price.

3. Taxes Payment

All applicable Federal or State taxes are extra to the above price and shall be paid by SOCRRA in addition to the «Cost of Project» with every installment as herein after provided for in the Contract.

4. Milestone Payment Schedule

<i>Milestone</i>	<i>Description</i>	<i>Payment (as %)</i>	<i>Payment amount</i>	<i>Cumulative Payment (as %)</i>	<i>Cumulative Payment amount</i>
1	Contract Signature	10%		10%	
2	Approval of general layout	15%		25%	
3	Proof of main orders (main building)	20%		45%	
4	Prior to first shipment of equipment (FOB Plessisville)	45%		90%	
5	With completion of installation	5%		95%	
6	Upon startup and commissioning	5%		100%	