

2006-32

CHARTER TOWNSHIP OF EAST BAY  
County of Grand Traverse, State of Michigan

Minutes of a Regular meeting of the Township Board of the Charter Township of East Bay, County of Grand Traverse, State of Michigan, held at the Township Hall in said Township on October 9, 2006, at 6:30 p.m., Eastern Daylight Savings Time.

PRESENT: Strait, LaRose, Bartlett, Courtade, Friend, Lile

ABSENT: McAllister

The following preamble and resolution were offered by Strait and supported by Friend:

RESOLUTION APPROVING THE  
CAPITALIZATION OF ADDITIONAL INTEREST

WHEREAS, the Charter Township of East Bay, County of Grand Traverse, State of Michigan (the "Township") has determined that it is necessary for the public health, safety and welfare of the Township to construct a septage treatment facility to serve the Township among others (the "Project") all as described in the Contract between the Township (among others) and the County of Grand Traverse (the "County") dated as of July 1, 2003 and an Amendment to Contract between the Township (among others) and the County dated as of December 1, 2003; and

WHEREAS, the County has established a Department of Public Works (the "DPW") under the terms of Act No. 185, Public Acts of Michigan, 1957, as amended ("Act 185") and the County has proceeded to issue two series of bonds described in Appendix 1 (the "Bonds") for the purpose of financing the Project; and

WHEREAS, because of a serious problem which developed during the construction of the Project the completion of the Project has been substantially delayed and the projected revenues from the Project which were to be used, in part, to pay principal and interest on the Bonds have been, for the time being, greatly reduced; and

WHEREAS, all of the Townships are responsible to make pro-rata payments to the County to retire the Bonds if revenues are not sufficient to make such payments; and

WHEREAS, the following total interest payments are due on the Bonds on November 1, 2006:

<u>Bond Issue</u>	<u>Interest Date</u>	<u>Amount</u>
Septage Treatment Facility Project Bonds, Series 2003	November 1, 2006	\$114,568.75
Septage Treatment Facility Project Bonds, Series 2004	November 1, 2006	\$ <u>26,525.00</u>
	Total	\$141,093.75

hereafter referred to as the "November 1, 2006 Interest Payments"; and

WHEREAS, some money remains in the bond proceeds account which is not needed to construct the Project but which could be used to make the interest payments due on the Bonds described above on November 1, 2006; and

WHEREAS, it is in the best interest of the Township to authorize the use of such of the remaining bond proceeds as may be necessary to make the November 1, 2006 Interest Payments.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWNSHIP BOARD OF THE CHARTER TOWNSHIP OF EAST BAY as follows:

1. The Township hereby consents to the County's use of any amount of remaining bond proceeds up to \$141,093.75 to be used to pay the November 1, 2006 Interest Payments.

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

APPENDIX 1

\$6,500,000 GRAND TRAVERSE COUNTY - SEPTAGE TREATMENT FACILITY  
PROJECT BONDS, SERIES 2003, DATED JANUARY 1, 2004

\$1,300,000 GRAND TRAVERSE COUNTY - SEPTAGE TREATMENT FACILITY  
PROJECT BONDS, SERIES 2004, DATED JULY 1, 2004

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