



CITY OF PONTIAC
EMERGENCY MANAGER
47450 Woodward Avenue
Pontiac, Michigan 48342
(248) 758-3133
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Louis H. Schimmel
Emergency Manager

Dated: March 1, 2012

ORDER NO. S-161

**RE: Adoption of Resolution, Designation of Authorized Project
Representative – Grant 5408-03**

**TO: Allan Feys, Director, Department of Public Works
Sherikia Hawkins, City Clerk**

The **Local Government and School District Fiscal Accountability Act (Act 4 of 2011)** in **Section 17(1)** empowers an Emergency Manager to issue the orders the Manager considers necessary to accomplish the purposes of the Act and any such orders are binding on the local officials or employees to whom they are issued. **Section 19(1)** provides that an Emergency Manager may take on one or more additional actions with respect to a local government in receivership: “**(dd)** Exercise solely, for and on behalf of the local government, all other authority and responsibilities of the chief administrative officer and governing body concerning the adoption, amendment, and enforcement of ordinances or resolutions of the local government...; and **19(2)** ... the authority of the chief administrative officer and governing body to exercise power for and on behalf of the local government under law, charter, and ordinance shall be suspended and vested in the Emergency Manager.”

It is hereby ordered:

WHEREAS, Part 52 (strategic water quality initiatives) of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (“Part 52”), provides at MCL 324.5204a that the Michigan Finance Authority (the “MFA”) in consultation with the Michigan Department of Environmental Quality (the “DEQ”) shall establish a strategic water quality grant program; and

WHEREAS, in accordance with the provisions of 2010 PA 231, which provides grants to assist municipalities in completing loan application requirements under MCL 324.5308 or completing loan application requirements for other sources of financing for sewage treatment works projects, storm water treatment projects or nonpoint source projects; and

WHEREAS, in accordance with the provisions of 1985 PA 227, as amended, Part 52, and other applicable provisions of law, the MFA, the DEQ, and the Municipality that is a grant recipient shall enter into a grant agreement (the "S2 Grant Agreement") that requires the Municipality to repay the grant under certain conditions set forth in MCL 324.5204a, as amended; and

WHEREAS, the Municipality does hereby determine it necessary to undertake planning, revenue system development, and/or design activities related to a project for which it intends to seek financing for construction; and

WHEREAS, it is the determination of the Municipality that at this time, a grant in the aggregate principal amount not to exceed \$557,996 ("Grant") be requested from the MFA and the DEQ to pay for the planning and/or design activities; and

WHEREAS, the Municipality shall obtain this Grant by entering into the S2 Grant Agreement with the MFA and the DEQ.

NOW, THEREFORE BE IT RESOLVED THAT:

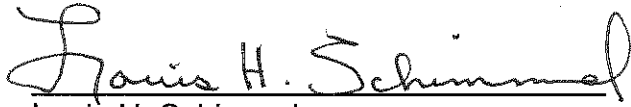
1. Director, Department of Public Works, a position currently held by Allan Feys is designated as the Authorized Representative for purposes of the S2 Grant Agreement.
2. The proposed form of the S2 Grant Agreement between the Municipality, the MFA and DEQ (attached to the Grant Agreement as Appendix I) is hereby approved and the Authorized Representative is authorized and directed to execute the S2 Grant Agreement with such revisions as are permitted by law and agreed to by the Authorized Representative.
3. The Municipality shall repay the Grant, within 90 days of being informed to do so, with interest at a rate not to exceed 8 percent per year, to the Authority if any of the following conditions occur:
 - (a) The Municipality fails to submit an administratively complete loan application for assistance from the SRF, the SWQIF or other source of financing for the project within 3 years of the Grant award;
 - (b) The project has been identified as being in the fundable range or is approved for funding from another source and the Municipality declines loan assistance for 2 consecutive fiscal years unless the Municipality proceeds with funding from another source; or
 - (c) The Municipality is unable to, or decides not to, proceed with construction the project.

4. The Grant, if repayable, shall be a first budget obligation from the general funds of the Municipality, and the Municipality is required, if necessary, to levy ad valorem taxes on all taxable property in the Municipality tax rate limitations.
5. The Municipality shall not invest, reinvest or accumulate any moneys deemed to be Grant funds, nor shall it use Grant funds for the general local government administration activities or activities performed by municipal employees.
6. The Authorized Representative is hereby jointly or severally authorized to take any actions necessary to comply with the requirements of the MFA and the DEQ in connection with the issuance of the Grant. The Authorized Representative is hereby jointly or severally authorized to execute and deliver such other contracts, certificates, documents, instruments, applications and other papers as may be required by the MFA or the DEQ or as may be otherwise necessary to effect the approval and delivery of the Grant.
7. The Municipality acknowledges that the S2 Grant Agreement is a contract between the Municipality, the MFA and the DEQ.
8. All resolutions and parts of resolutions insofar as they conflict with the provisions of this Resolution are rescinded.

The Order shall be effective immediately.

Copies of the documents referenced in this Order are to be maintained in the office of the City Clerk and may be reviewed and/or copies may be obtained upon submission of a written request consistent with the requirements of the Michigan Freedom of Information Act and subject to any exemptions contained in that state statute and subject to any exemptions allowed under that statute (**Public Act 442 of 1976, MCL 15.231, et. seq.**).

This Order is necessary in order to carry out the duties and responsibilities required of the Emergency Manager as set forth in the **Local Government and School District Fiscal Accountability Act (Public Act 4 of 2011)** and the contract between the Local Emergency Financial Assistance Loan Board and the Emergency Manager.

A handwritten signature in black ink that reads "Louis H. Schimmel". The signature is written in a cursive style with a horizontal line underneath the name.

Louis H. Schimmel
City of Pontiac
Emergency Manager

cc: State of Michigan Department of Treasury
Debra Foye, State of Michigan Department of Natural Resources and Environment
Mayor Leon B. Jukowski
Pontiac City Council