



Minutes

**YPSILANTI COMMUNITY UTILITIES AUTHORITY
BOARD OF COMMISSIONERS MEETING**
Wednesday, January 26, 2022 – 3:00 p.m.
YCUA Administration Building
2777 State Road
Ypsilanti, MI 48198-9112

Members Present: Michael Bodary, Jon R. Ichesco, Keith P. Jason, Larry J. Doe, and Gloria C. Peterson.

Members Absent: None.

1. **CALL TO ORDER:** Mr. Bodary called the meeting to order at 3:00 p.m.
2. **MINUTES OF THE PREVIOUS MEETING:** Motion by Doe to receive and file the minutes of the December 15, 2021 meeting as presented. Support by Ichesco. In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)
3. **NEW BUSINESS:** Mr. Blackburn advised the Board that he would appreciate their consideration of tabling agenda items 3.E and 3.F. He indicated that staff received notification earlier in the day that the public hearing for the bond issue was incorrectly noticed by the publication. Mr. Blackburn explained that bond counsel Tom Colis has advised that the bonds need to be public noticed again for the 45-day referendum period. He pointed out that the bond resolution is tied to the subsequent resolution regarding the award of the construction contract. Mr. Blackburn also explained that, once tabled, staff anticipates bringing the items back before the Board in February or March.

Motion by Jason to table YCUA Resolution No. 22-4 Authorizing Issuance of Not-to-Exceed \$3.125 Million 2022 Wastewater System Bonds for Wastewater Treatment Plant Primary Switchgear Replacement SRF Project No. 5719-01 (City of Ypsilanti / Charter Township of Ypsilanti) and YCUA Resolution No. 22-5 re: Tentative Award of Construction Contract re: WWTP Primary Switchgear Replacement (Restricted Funds Account No. 901-550). Support by Doe. In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

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A. YCUA Resolution No. 22-1 re: Retirement for Randy Marshall – Luther Blackburn

Motion by Ichesco to approve YCUA Resolution No. 22-1 re: Retirement for Randy Marshall. Support by Doe.

Mr. Blackburn advised the Board that Mr. Marshall began his career with YCUA in November of 2006 and that he is requesting retirement as of February 1, 2022. He indicated that Mr. Marshall spent most of his career working in the Service Center and meter departments. Mr. Blackburn explained that Mr. Marshall has been a valuable member of the YCUA team for 15 years and this resolution is fitting at the time of his retirement.

Mr. Bodary expressed the Board's appreciation to Mr. Marshall for his years of service with best wishes in his retirement.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

B. Request to Approve - YCUA Resolution No. 22-2 re: Retirement for Kevin Keeney – Luther Blackburn

Motion by Jason to approve YCUA Resolution No. 22-2 re: Retirement for Kevin Keeney. Support by Doe.

Mr. Blackburn advised the Board that Mr. Keeney began his career with YCUA in February of 1989 and that he is requesting retirement as of February 14, 2022. He indicated that Mr. Keeney spent most of his career working in the wastewater and maintenance departments. Mr. Blackburn explained that Mr. Keeney has been a valuable member of the YCUA team for 33 years and this resolution is fitting at the time of his retirement.

Mr. Bodary expressed the Board's appreciation to Mr. Keeney for his years of service with best wishes in his retirement.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

C. Request to Approve – YCUA Resolution No. 22-3 re: Amending Article VII of the Articles of Incorporation of the Authority – Luther Blackburn

Motion by Ichesco to approve YCUA Resolution No. 22-3 re: Amending Article VII of the Articles of Incorporation of the Authority. Support by Doe.

Mr. Blackburn advised the Board that this matter was taken to the Ypsilanti City Council earlier this month and was voted down. He indicated that the feedback was that there was no issue with a stipend

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increase or the removal of the \$50 stipend language in the Articles of Incorporation but that they wished to continue to have the right of approval of this and any other changes to the articles along with the Ypsilanti Township Board of Trustees.

Mr. Bodary interjected that the resulting vote would likely have been the same by the Township Board had it not been removed from their agenda after City Council rejected it. He added that city attorney John Barr has met with YCUA's counsel, and new language was drafted that provides this oversight by the governing bodies.

Mr. Blackburn then reviewed the revised language and YCUA attorney Matt Jane advised the Board in more detail. The matter was then discussed further.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

D. Contingent Request to Approve – Stipend Amount for Board of Commissioners – Luther Blackburn

Motion by Ichesco approve Contingent Request for Stipend Amount for Board of Commissioners. Support by Doe.

Mr. Blackburn advised the Board that, contingent upon the affirmative votes of the legislative bodies of the City of Ypsilanti and Charter Township of Ypsilanti regarding the previous item, staff is requesting to increase the stipend to the Board of Commissioners to \$75. He indicated that the revised language to Article VII would no longer limit the stipend to 12 meetings per year, therefore the stipend would be applicable to required Personnel and Finance Committee meetings and customer dispute hearings as well. Mr. Blackburn explained that the revised language also no longer explicitly provides additional compensation for the Secretary – Treasurer or reimbursement for commissioners' expenditures. He pointed out that the main purpose of these revisions was to clean up this process, so it is clearer and more straightforward for the Board of Commissioners and the public.

Mr. Jason commented that he understands the increase for the monthly Board meetings but that he is not in favor of additional compensation for attendance at committee meetings and customer hearings. The matter was then discussed at length.

In favor: Ichesco, Doe, Peterson, and Bodary. Opposed: Jason. (Motion carried.)

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E. Request to Approve - YCUA Resolution No. 22-4 Authorizing Issuance of Not-to-Exceed \$3.125 Million 2022 Wastewater System Bonds for Wastewater Treatment Plant Primary Switchgear Replacement SRF Project No. 5719-01 (City of Ypsilanti / Charter Township of Ypsilanti) – Tom Colis and Luther Blackburn

This item was tabled under a previous motion.

F. Request to Approve - YCUA Resolution No. 22-5 re: Tentative Award of Construction Contract re: WWTP Primary Switchgear Replacement (Restricted Funds Account No. 901-550) – Scott D. Westover

This item was tabled under a previous motion.

G. Request to Approve - YCUA Resolution No. 22-6 Authorizing Issuance of Not-to-Exceed \$11.9 Million 2022 Water Supply System Bonds for US-12 and M-17 Water System Improvements (City of Ypsilanti) – Tom Colis and Luther Blackburn

Motion by Peterson approve YCUA Resolution No. 22-6 Authorizing Issuance of Not-to-Exceed \$11.9 Million 2022 Water Supply System Bonds for US-12 and M-17 Water System Improvements (City of Ypsilanti). Support by Doe.

Mr. Colis advised the Board that a contract was previously presented between YCUA and the City of Ypsilanti that provided for the publication of a notice in the local newspaper, which was accomplished in November, and the 45-day referendum has expired with no petition being filed. He indicated that the next step is to authorize the issuance of the bonds pursuant to a public sale, which this resolution achieves. Mr. Colis explained the procedure for that public sale and the parameters of the bonds. He pointed out that, once the bids are received to the extent that the Authority accepts any of the bids, the low bid must be awarded based true interest cost.

Mr. Doe inquired as to what impact the Fed's impending increase of interest rates is likely to have. Mr. Colis responded that YCUA's financial advisor Paul Stauder would be better informed to provide that information but that, if the interest rate remains reasonable and the work needs to be done, the bonds will be issued.

Mr. Blackburn then addressed the Board and the matter was discussed further.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

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H. Request to Approve – Award of Construction Contract re: US-12 and M-17 Water Main Improvements in the Amount of \$11,080,515.74 (O & M Expense Account No. 902-263) – Scott D. Westover

Motion by Ichesco to approve Award of Construction Contract re: US-12 and M-17 Water Main Improvements in the Amount of \$11,080,515.74 (O & M Expense Account No. 902-263). Support by Peterson.

Mr. Westover advised the Board that staff is recommending the award of contract to the low, responsible bidder DiPonio Contracting, Inc. He indicated that YCUA has not worked with DiPonio in the past, but that OHM has worked with them and they have a solid reputation, therefore staff anticipates that DiPonio will get the job done sufficiently.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

I. Request to Approve – Engineering Proposal from OHM Advisors, Inc. (OHM) re: US-12 and M-17 Water Main Improvements in the Amount of \$1,750,000 (O & M Expense Account No. 902-263) – Scott D. Westover

Motion by Ichesco to approve Engineering Proposal from OHM Advisors, Inc. (OHM) re: US-12 and M-17 Water Main Improvements in the Amount of \$1,750,000 (O & M Expense Account No. 902-263). Support by Peterson.

Mr. Westover advised the Board that OHM has been providing solid engineering for the Authority on these water main projects over the years and, having done the design for this project, they know it inside and out. He indicated that this item and the previous related item will be completed over two construction seasons, wrapping up in 2023.

Mr. Bodary inquired as to how much work will be accomplished in the first and second phases and if traffic will be affected in both phases. Mr. Westover responded by outlining the details of the sequencing of construction. He added that the objective is to get everything buttoned up between the two phases with traffic moving normally during the winter of 2022 – 2023. Matt Parks of OHM concurred and advised the Board in detail.

Mr. Bodary thanked Mr. Parks for OHM's excellent work on the Cross Street project. Mr. Parks responded that coordination, outreach, and communications on this work will be significant as well.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

**J. Request to Approve – Award of Tree Removal Construction Contract
re: Snow Road Sanitary Sewer River Crossing in the Amount of
\$173,900 (Restricted Funds Account No. 902-302) – Scott D. Westover**

Motion by Jason to approve Award of Tree Removal Construction Contract re: Snow Road Sanitary Sewer River Crossing in the Amount of \$173,900 (Restricted Funds Account No. 902-302). Support by Ichesco.

Mr. Westover advised the Board that this work must be completed before the construction of the parallel sewer under the Huron River adjacent to the Snow Road pump station so that the areas can be clear for staging and dewatering operations. He indicated that the tree removal needs to be completed prior to March 31st to comply with environmental protections associated with the Indiana bat. Mr. Westover explained that he believes YCUA has worked with E.T. MacKenzie Company at some point in the past and that they have a good reputation. He pointed out that he is confident that they will do the work in a timely manner and cost-effectively.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

**K. Request to Approve – Authorization to Seek Engineering Services
Proposals re: Metering Program for Wastewater Billing (O & M
Expense Account No. 902-164) – Scott D. Westover**

Motion by Jason to approve Authorization to Seek Engineering Services Proposals re: Metering Program for Wastewater Billing (O & M Expense Account No. 902-164). Support by Peterson.

Mr. Westover advised the Board that this request is to get proposals from OHM, Hesco, and ASI, all firms that have successfully participated in the referenced program over the last several cycles. He indicated that two-year agreements with each organization are anticipated once again, beginning the second quarter of this year through the end of the first quarter of 2024.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

**L. Request to Approve – Authorization to Seek Bids re: 2022 Road
Repairs Phase 1 (O & M Expense Account No. 902-161) – Scott D.
Westover**

Motion by Jason to approve Authorization to Seek Bids re: 2022 Road Repairs Phase 1 (O & M Expense Account No. 902-161). Support by Doe.

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Mr. Westover advised the Board that this is similar to previous authorizations for repairs that are done twice each year. He indicated that there are 44 locations included thus far but that number may go up or down by a couple. Mr. Westover explained that staff anticipates bringing a request to award a bid at the March meeting.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

M. Request to Approve - Authorization to Seek Bids re: Sand, Stone, and Cold Patch Purchase (O & M Expense Account No. 560-806) – Michael Shaffer

Motion by Jason to provide Authorization to Seek Bids re: Sand, Stone, and Cold Patch Purchase (O & M Expense Account No. 560-806). Support by Doe.

Mr. Shaffer advised the Board that these materials are used for backfilling excavations to comply with local, county, and state specifications. He indicated that the Board's approval authorizes bids to be requested in accordance with YCUA's purchasing policy.

Mr. Bodary inquired as to how much the cost is likely to be. Mr. Shaffer outlined the final costs from last year's project and indicated that he does anticipate this year's costs to be a little bit higher due to inflation and supply chain issues. He indicated that he hopes to present a request for a bid award at the March meeting.

Mr. Doe inquired as to how much material is left from last year. Mr. Shaffer responded that they are right at the limit but that they will make it until March.

In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

N. Request to Approve - Award of Contract re: Incinerator Granular Activated Carbon Adsorber (GACA) Media and Cassettes in the Amount of \$274,975 (O & M Expense Account No. 550-727) – Sreedhar Mullapudi

Motion by Doe to approve Award of Contract re: Incinerator Granular Activated Carbon Adsorber (GACA) Media and Cassettes in the Amount of \$274,975 (O & M Expense Account No. 550-727). Support by Jason.

Mr. Mullapudi advised the Board that this request is being amended for the purchase of two loads of carbon media and one set of cassettes from Plant Engineering (CPPE) in the revised amount of \$311,205.50.

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He indicated that the original purchase request in the amount of \$274,975 was based on only partial information received at the time of the Board agenda preparation. Mr. Mullapudi explained that, subsequently, additional information that included costs in the amount of \$136,230.50 for the dust protection layer was received late Friday of last week.

He pointed out that procuring this material has become increasingly difficult because YCUA is one of the original installations of this type of carbon bed and, even though the Authority has much success with it, this mix of material is no longer widely used.

Mr. Mullapudi also explained that two loads of material will supply YCUA for the next seven to eight years. He further advised that this is part of a critical emissions control device that is primarily responsible for removal of mercury and dioxins in the exhaust gases.

Mr. Bodary recommended an amended motion to approve Award of Contract re: Incinerator Granular Activated Carbon Adsorber (GACA) Media and Cassettes in the Revised Amount of \$311,205.50. Motion by Doe to approve Award of Contract re: Incinerator Granular Activated Carbon Adsorber (GACA) Media and Cassettes in the Revised Amount of \$311,205.50 (O & M Expense Account No. 550-727). Support by Jason. In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

O. Fund Balance Report – Dwayne Harrigan

Informational only; no motion from the Board required.

P. Financial Report – Authority Net Assets – Dwayne Harrigan

Mr. Doe inquired as to whether the correct 2021 debt is \$56 million. Mr. Harrigan responded affirmatively. Mr. Doe commented that the two 2022 bond issues will add \$14 million to that figure and inquired as to whether that additional debt will drop off by 2023 or if there will be a need to be increase rates to cover it. Mr. Harrigan responded that those figures do not include the \$5 million per year in debt payments that will be made, so there will only be about \$10 million added over the two- to three-year life of the project. He added that the contract communities will pay roughly half of that debt. The matter was then discussed at length.

Informational only; no motion from the Board required.

Q. Usage Report – Consumption Report – Luther Blackburn

Mr. Blackburn advised the Board that the December month-to-month comparison shows that water sales are up 1.8% and sewer sales are up 8.7%. He indicated that the Pittsfield decrease in the amount 48.7%

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reflects an as-read adjustment due to meter reading that is done quarterly and estimated monthly. Mr. Blackburn explained that the year-to-date comparison shows that water sales are up 4.3% and sewer sales are up 17.2%. He pointed out that YCUA is encouraged by these trends and that staff continues to monitor the impacts of COVID-19 on the Authority's operations.

Mr. Blackburn also explained that Mr. Harrigan has added a new ten-year trend document to the Consumption Report. Mr. Harrigan then outlined the additional data in detail.

Informational only; no motion from the Board required.

R. Attorney's Report – Matthew T. Jane

There was no Attorney's Report for the month.

S. Human Resources Report – Debra Kinde

Ms. Kinde advised the Board that, in December, 53 employees participated in one or more of trainings in cold weather stress, blood borne pathogens, safety data sheet interpretation and utilization, and environmental emergency preparedness and response. She indicated that three maintenance department employees obtained advanced maintenance Level II certifications and two wastewater employees received their wastewater C licenses.

Mr. Bodary expressed his appreciation for the cold weather training, especially for those that are working on main break repairs in the recent severe weather. He added that the Board and residents are aware of the difficulties of working in those conditions and their efforts are greatly appreciated.

Informational only; no motion from the Board required.

T. Executive Director's Report – Luther Blackburn

Mr. Blackburn advised the Board that, in line with the higher-than-normal number of main breaks, it has come to leadership's attention that communication with the community regarding main breaks and water shut offs can be improved. He indicated that a major goal of his team is to look at various resources and tools for improved communication and he will keep the Board apprised on the progress on that matter.

Mr. Bodary thanked Mr. Blackburn and indicated that precise, current information is helpful to the Board because they are the ones who usually get the calls.

Informational only; no motion from the Board required.

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4. **OLD BUSINESS:** There was no Old Business for the month.
5. **OTHER BUSINESS:** Mr. Jason advised the Board that he has reviewed YCUA's Articles of Incorporation and couldn't help but notice that, throughout the entire document, all mentions of anyone holding a position at the Authority are referred to with "he", "him", and "his". He asked that the Articles of Incorporation be amended to reflect gender-neutral pronouns.

Mr. Blackburn deferred to Mr. Jane as to the procedure to amend the Articles in this way. Mr. Bodary commented that, as is currently being learned, even the smallest change to the Articles will be a cumbersome process. Mr. Jason interjected that this would require the same process that is currently being undertaken for the Board stipend increase in that it will need to be approved by the YCUA Board and taken to the City Council and Township Board of Trustees for their approval as well and then filed with the State of Michigan. He added that staff may wish to revisit this discussion at another time to consider an overall review and update of the 1974 language. Mr. Jason concurred and added that he does not expect this to be done immediately but perhaps over the next several months. Mr. Bodary agreed.

6. **STATEMENTS AND CHECKS:** Motion by Ichesco to pay the current month's bills in the amount of \$3,573,380.62. Support by Doe. In favor: Jason, Ichesco, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)
7. **PUBLIC COMMENTS:** There were no Public Comments for the month.
8. **ADJOURNMENT:** Motion by Doe to adjourn the meeting at 4:19 p.m. Support by Ichesco. In favor: Jason, Doe, Peterson, and Bodary. Opposed: None. (Motion carried.)

Respectfully submitted,



JON R. ICHESCO, Secretary - Treasurer



YCUA RESOLUTION NO. 22-1 ANNOUNCING
THE RETIREMENT OF RANDY MARSHALL AND
COMMENDING HIM FOR HIS SERVICE

Minutes of a meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 26th day of January 2022 at 3:00 o'clock p.m., prevailing Eastern Time.

PRESENT: Commissioners Michael Bodary, Keith P. Jason, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

ABSENT: Commissioners None.

The following preamble and resolution were offered by Commissioner Ichesco and supported by Commissioner Doe.

WHEREAS, Randy Marshall, an employee of the Ypsilanti Community Utilities Authority, has completed fifteen (15) years of service to the Authority; and

WHEREAS, Randy Marshall has requested retirement as of February 1, 2022.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority commends Randy Marshall for his accomplishments and years of service to the Authority and expresses its appreciation to him.

BE IT FURTHER RESOLVED THAT a suitably inscribed copy of this Resolution of Retirement be sent to Randy Marshall as an expression of the Board's sincere appreciation for his years of service and the desire to convey its best wishes for good health and happiness in his retirement.

AYES: Commissioners Michael Bodary, Keith P. Jason, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

NAYS: Commissioners None.

RESOLUTION DECLARED ADOPTED.




JON R. ICHESCO, Secretary - Treasurer

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, State of Michigan, at a meeting held on the 26th day of January 2022 and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or have been made available as required by said Act.



Jon R. Ichesco

JON R. ICHESCO, Secretary - Treasurer

YCUA RESOLUTION NO. 22-2 ANNOUNCING
THE RETIREMENT OF KEVIN KEENEY AND
COMMENDING HIM FOR HIS SERVICE

Minutes of a meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 26th day of January 2022 at 3:00 o'clock p.m., prevailing Eastern Time.

PRESENT: Commissioners Michael Bodary, Keith P. Jason, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

ABSENT: Commissioners None.

The following preamble and resolution were offered by Commissioner Jason and supported by Commissioner Doe.

WHEREAS, Kevin Keeney, an employee of the Ypsilanti Community Utilities Authority, has completed thirty-three (33) years of service to the Authority; and

WHEREAS, Kevin Keeney has requested retirement as of February 14, 2022.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Commissioners of the Ypsilanti Community Utilities Authority commends Kevin Keeney for his accomplishments and years of service to the Authority and expresses its appreciation to him.

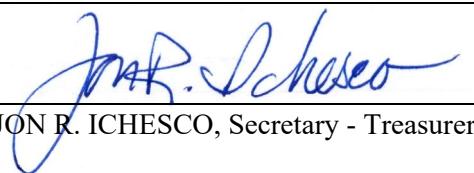
BE IT FURTHER RESOLVED THAT a suitably inscribed copy of this Resolution of Retirement be sent to Kevin Keeney as an expression of the Board's sincere appreciation for his years of service and the desire to convey its best wishes for good health and happiness in his retirement.

AYES: Commissioners Michael Bodary, Keith P. Jason, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

NAYS: Commissioners None.

RESOLUTION DECLARED ADOPTED.





JON R. ICHESCO, Secretary - Treasurer

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, State of Michigan, at a meeting held on the 26th day of January 2022 and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or ~~have been~~ made available as required by said Act.





JON R. ICESCO, Secretary - Treasurer

**YCUA RESOLUTION NO. 22-3 AMENDING ARTICLE VII OF THE
ARTICLES OF INCORPORATION OF THE AUTHORITY**

Minutes of a meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, Michigan, held in the Authority, on the 26th day of January 2022 at 3:00 o'clock p.m., prevailing Eastern Time.

PRESENT: Commissioners Michael Bodary, Keith P. Jason, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

ABSENT: Commissioners None.

The following preamble and resolution were offered by Commissioner Ichesco and supported by Commissioner Doe.

WHEREAS, following is a resolution of the Board of Commissioners (the "Board") of the Ypsilanti Community Utilities Authority (the "Authority") unanimously adopted and binding on the Authority pursuant to Article IX of the Authority's Articles of Incorporation; and

WHEREAS, the undersigned, constituting the entire Board of the Authority, find it to be in the best interest of the Authority to adopt the following resolution to amend Article VII of the Authority's Articles of Incorporation regarding compensation paid to Commissioners for attending meetings of the Authority.

NOW, THEREFORE, BE IT RESOLVED THAT the undersigned hereby approve the proposed Amendment to Article VII of the Authority's Articles of Incorporation, attached hereto as **Exhibit A** (the "Proposed Amendment") regarding compensation paid to Commissioners for attending meetings of the Authority, and authorize that the Proposed Amendment be presented to the legislative body of each constituent municipality of which the Authority is composed, that being the City of Ypsilanti ("City") and the Township of Ypsilanti ("Township"), for consideration. If the Proposed Amendment is adopted, the fact of the adoption shall be endorsed by the signatures of the Township's Supervisor and Clerk, and the City's Mayor and Clerk, respectively, and the signed/endorsed Amendment shall be published at

least once in the Washtenaw County Legal News, and one printed copy of the Amendment certified as a true copy by the recording officer of the Authority, with the date and place of publication, shall be filed with the secretary of the State of Michigan and the clerk of Washtenaw County.

AYES: Commissioners Michael Bodary, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

NAYS: Commissioners Keith P. Jason.

RESOLUTION DECLARED ADOPTED.



Jon R. Ichesco
JON R. ICHESCO, Secretary - Treasurer

I hereby certify that the attached is a true and complete copy of a resolution adopted by the Board of Commissioners of the Ypsilanti Community Utilities Authority, County of Washtenaw, State of Michigan, at a meeting held on the 26th day of January 2022 and that public notice of said meeting was given pursuant to and in full compliance with Act No. 267, Public Acts of Michigan, 1976 and that minutes of the meeting were kept and will be or have been made available as required by said Act.



Jon R. Ichesco
JON R. ICHESCO, Secretary - Treasurer

**AMENDMENT TO ARTICLE VII OF THE ARTICLES OF INCORPORATION OF
THE YPSILANTI COMMUNITY UTILITIES AUTHORITY**

WHEREAS, on September 3, 1974, the Articles of Incorporation of the Ypsilanti Community Utilities Authority (“Authority”) were adopted by the Township of Ypsilanti and the City of Ypsilanti, a true and correct copy of which is attached hereto as **Exhibit A**;

WHEREAS, the last paragraph of Article VII of the Articles of Incorporation (**Exhibit A**, pg. 4) provides that the Commissioners serving on the Authority’s Commission shall serve without compensation except that each Commissioner shall be paid the sum of Fifty (\$50.00) Dollars for each meeting which he may attend not in excess of twelve (12) meetings per year, and except that if any Commissioner shall serve as Secretary or Treasurer, or Secretary-Treasurer, he may receive for such services such reasonable compensation as may be fixed by the Commission, and further provided that each Commissioner shall be entitled to reimbursement for all expenditures made by him in carrying out his official duties, including a reasonable allowance for traveling expenses;

WHEREAS, pursuant to Article IX of the Articles of Incorporation, the Board of Commissioners of the Authority has approved, at a regular meeting of the Commission, a resolution to amend the foregoing provisions of Article VII of the Articles of Incorporation to change how Commissioners are to be paid for serving on the Commission so that the Commissioners may now be compensated in amounts approved by an affirmative vote of a majority of the Commissioners, provided that any such compensation also is approved by the Township Board of the Township of Ypsilanti and the City Council of the City of Ypsilanti;

WHEREAS, pursuant to Article XIX of the Articles of Incorporation, the above-mentioned amendment may be made to Article VII of the Articles of Incorporation if adopted by the legislative body of each constituent municipality of which the Authority is composed.

NOW, THEREFORE, it is hereby provided that the last paragraph of Article VII of the Authority’s Articles of Incorporation (**Exhibit A**, p.4), which states as follows, is deleted in its entirety:

The Commissioners shall serve without compensation except that each Commissioner shall be paid the sum of Fifty (\$50.00) Dollars for each meeting which he may attend not in excess of twelve (12) meetings per year, and except that if any Commissioner shall serve as Secretary or Treasurer, or Secretary-Treasurer, he may receive for such services such reasonable compensation as may be fixed by the Commission. Each Commissioner shall be entitled to reimbursement for all expenditures made by him in carrying out his official duties, including a reasonable allowance for traveling expenses.

and is replaced with the following:

The Commissioners may be compensated for their service on the Commission in amounts approved by an affirmative vote of a

majority of the Commissioners, provided that any such compensation is also approved by the City Council of the City of Ypsilanti and by the Township Board of the Township of Ypsilanti.

It is further provided that all other remaining provisions of Article VII of the Articles of Incorporation shall remain in full force and effect;

The foregoing Amendment to Article VII of the Authority's Articles of Incorporation was adopted by the Township Board of the Township of Ypsilanti, Washtenaw County, Michigan, at a regular meeting duly held on the _____ day of _____, 2022.

TOWNSHIP OF YPSILANTI

By: _____
Supervisor

By: _____
Township Clerk

The foregoing Amendment to Article VII of the Authority's Articles of Incorporation was adopted by the City Council of the City of Ypsilanti, Washtenaw County, Michigan, at a regular meeting duly held on the _____ day of _____, 2022.

CITY OF YPSILANTI

By: _____
Mayor

By: _____
City Clerk

OF

YPSILANTI COMMUNITY UTILITIES AUTHORITY

These Articles of Incorporation are adopted by the incorporating municipal corporations for the purpose of creating an Authority under the provisions of Act 233, Public Acts of Michigan, 1955, as amended.

ARTICLE I

The name of this Authority is "Ypsilanti Community Utilities Authority." The principal office of the Authority will be located at 7200 S. Huron River Drive, Ypsilanti, Michigan, 48197.

ARTICLE II

The names of the municipal corporations creating this Authority are: The Township of Ypsilanti, and the City of Ypsilanti, which are located in the County of Washtenaw, Michigan, which are hereby designated as the constituent municipalities.

ARTICLE III

The purpose of this Authority is to acquire, own, improve, enlarge, extend and operate a sewage disposal system and a water supply system in accordance with the authorization of Act 233, Public Acts of Michigan, 1955, as amended. Further, that it is the foremost purpose of this Authority to serve residents of the Township and City efficiently, economically, and to reduce costs where reasonably possible, with a good quality and uniform system for water and wastewater treatment that will adequately serve their needs.

ARTICLE IV

This Authority is a body corporate with power to sue or to be sued in any court of this State. It shall be comprised of all of the territory embraced within the corporate boundaries of its constituent municipalities. It shall possess all of the powers granted by statute and by these Articles, and those incident thereto. The enumeration of any powers herein shall not be construed as a limitation upon its general powers unless the context shall clearly indicate otherwise. It shall have a corporate seal.

ARTICLE V

This Authority shall continue in existence perpetually or until dissolved by act of the parties or by law. Provided, However, that such Authority shall not be dissolved if such dissolution could operate as an impairment of any of its contracts.

ARTICLE VI

The fiscal year of the Authority shall commence on the first day of September in each year and end on the 31st day of August of the following year.

ARTICLE VII

The governing body of the Authority shall be a Commission, which shall be made up of three representatives from the Township of Ypsilanti and two representatives from the City of

Ypsilanti. Each Commissioner after the first Commission shall be appointed to serve for a term of three years beginning with the first day of January next following his respective appointment. Each Commissioner shall qualify by taking the constitutional oath of office and filing it with his respective Township or City Clerk. The first Commission shall be appointed by the legislative bodies of the constituent municipalities within twenty days after the effective date of the incorporation of this Authority and the terms thereof shall be staggered as follows: The first Ypsilanti Township representative and the first Ypsilanti City representative shall serve for initial terms of office expiring December 31, 1975; the second Ypsilanti Township representative and the second Ypsilanti City representative shall serve for initial terms of office expiring December 31, 1976; and the third Ypsilanti Township representative shall serve for initial terms of office expiring December 31, 1977. Successor Commissioners shall be appointed by the legislative bodies of the respective constituent municipalities on or before the 15th day of December of each year that a term of office expires. Within thirty days after the effective date of the incorporation of the Authority the members of the first Commission shall qualify by taking the constitutional oath of office and shall meet for the purpose of organization. At such organizational

meeting the Commission shall select a Chairman and Vice Chairman, who shall be members of the Commission, and a Secretary and a Treasurer, or a combined Secretary-Treasurer, who shall be members, or a member, of the Commission. Such officers shall serve until the organizational meeting of the following year, which shall be held annually on the first business day of February of each year, or until their respective successors shall be selected and qualify. No appointment to the Commission and no selection of an officer of the Commission shall be deemed to be invalid because it was not made within or at the time specified in these Articles.

Any Commissioner may be removed at any time without cause and at the will of the legislative body of the municipality which such Commissioner represents.

The Commissioners shall serve without compensation except that each Commissioner shall be paid the sum of Fifty (\$50.00) Dollars for each meeting which he may attend not in excess of twelve (12) meetings per year, and except that if any Commissioner shall serve as Secretary or Treasurer, or Secretary-Treasurer, he may receive for such services such reasonable compensation as may be fixed by the Commission. Each Commissioner shall be entitled to reimbursement for all expenditures made by him in carrying out his official duties, including a reasonable allowance for traveling expenses.

ARTICLE VIII

In the event of a vacancy on the Commission the legislative body of the municipality selecting such representative shall fill the vacancy for the unexpired term. In event of a vacancy in any office of the Commission, such vacancy shall be filled by the Commission for the unexpired term. In case of the temporary absence or disability of any officer, the Commission may appoint some person temporarily to act in his stead except that in the event of the temporary absence or disability of the Chairman, the Vice Chairman shall so act.

ARTICLE IX

Meetings of the Commission shall be held at least monthly at such time and place as shall be prescribed by resolution of the Commission. Special meetings of the Commission may be called by the Chairman or any three Commissioners, by serving written notice of the time, place and purpose thereof, upon each Commissioner, personally, or by leaving it at his place of residence, at least twenty-four hours prior to the time of such meeting, or by depositing the same in a United States Post Office or mail box within the limits of the Authority, at least seventy-two hours prior to the time of such meeting, enclosed in a sealed envelope properly addressed to him at his home or office address, with postage fully prepaid. Special meetings of the Commission at which all members are present, or which all absent members receive

notice, shall be deemed to be valid even though no written notice thereof may be given as above specified. At least three members of the Commission shall be required for a quorum. The Commission shall act by motion, resolution or ordinance. For the passage of any resolution or ordinance providing for the issuance of bonds, or the execution of any contract wherein contractual payments are to be pledged as security for bonds, there shall be required a favorable vote of 3 Commissioners. For all other matters, a vote of a majority of the Commissioners present shall be sufficient for passage. The Commission shall have the right to adopt rules and by-laws governing its procedure which are not in conflict with the terms of any statute or of these Articles. The Commission shall keep a journal of its proceedings, which shall be signed by the Chairman. All votes shall be "yeas" and "nays", except that where the vote is unanimous it shall only be necessary to so state.

ARTICLE X

The Chairman of the Commission shall be the presiding officer thereof. Except as herein otherwise provided, he shall not have any executive or administrative functions other than as a member of said Commission. In the absence or disability of the Chairman, the Vice Chairman shall perform the duties of the Chairman. The Secretary-Treasurer shall be the recording officer of the Commission and shall

be custodian of the funds of the Authority and shall give to it a bond conditioned upon the faithful performance of the duties of his office. The cost of said bond shall be paid by the Authority. All monies shall be deposited in a bank or banks, to be designated by the Commission. The officers of the Commission shall have such other powers and duties as may be conferred upon them by the Commission.

The Commission shall prepare, adopt, and submit to the legislative bodies of the constituent municipalities an annual budget covering the proposed expenditures to be made for the organizing and operation of such Authority, and for the necessary funds required from each municipality for the next fiscal year beginning September 1st, such budget to be submitted on or before August 1st of each calendar year.

ARTICLE XI

The Authority shall possess all the powers necessary to carry out the purposes thereof and those incident thereto. It may acquire private property by purchase, lease, gift, devise or condemnation, either within or without its corporate limits, and may hold, manage, control, sell, exchange or lease such property. For the purpose of condemnation it may proceed under the provisions of Act

149, Public Acts of Michigan, 1911, as now or hereafter amended, or any other appropriate statute.

ARTICLE XII

The Authority and its constituent municipalities may enter into a contract or contracts providing for the acquisition, purchase, construction, improvement, enlargement, extension, operation and financing of a sewage disposal system and/or a water supply system, as authorized and provided in Act 233, Public Acts of Michigan, 1955, as amended. The Authority may enter into contracts with any non-constituent municipality, as authorized and provided in said Act, for the furnishing of sewer or water service from any facilities owned or operated by the Authority, which contract shall provide for reasonable charges or rates for such service furnished. No contracts shall be for a period exceeding forty years.

ARTICLE XIII

For the purpose of obtaining funds for the acquisition, construction, improving, enlarging or extending of a sewage disposal system and/or a water supply system, the Authority may, upon ordinance or resolution duly adopted by it, issue its negotiable bonds, secured by the contractual full faith and credit pledges of each contracting municipality, in accordance with and subject to the provisions of Act 233, Public Acts of Michigan, 1955, as amended.

ARTICLE XIV

The Authority may issue self-liquidating revenue bonds in accordance with the provisions of Act 94, Public Acts of Michigan, 1933, as amended, being Sections 141.101 to 141.139, inclusive, of the Compiled Laws of 1948, or any other act providing for the issuance of revenue bonds, which bonds shall be payable solely from the revenues of the sewage disposal and/or water supply system. The charges specified in any contract or contracts securing said bonds shall be subject to increase by the Authority at any time if necessary in order to provide funds to meet its obligations. Any contract authorized herein shall be for a period of not exceeding forty years.

ARTICLE XV

The Authority may employ such personnel and employees as it may consider desirable, and may retain from time to time the services of attorneys and engineers, and fix the compensation therefor.

ARTICLE XVI

The Authority shall cause an annual audit to be made of its financial transactions by a certified public accountant and shall furnish at least three copies thereof to each constituent municipality.

ARTICLE XVII

These Articles shall be published once in The Ypsilanti Press, which newspaper has general circulation within the limits of the Authority. One printed copy of such Articles of Incorporation, certified as a true copy thereof, with the date and place of publication shall be filed with both the Secretary of State and the County Clerk of the County of Washtenaw within thirty days after the execution thereof has been completed.

The Township Clerk of the Township of Ypsilanti, Michigan, is hereby designated as the person to cause these Articles to be published, certified and filed as aforesaid. In the event he shall be unable to act or shall neglect to act, then the City Clerk of the City of Ypsilanti, Michigan, shall act in his stead.

ARTICLE XVIII

This Authority shall become effective upon the filing of certified copies of these Articles, as provided in the preceding Article.

ARTICLE XIX

These Articles of Incorporation may be amended at any time so as to permit any municipality, as defined in the Act, to become a member of this Authority, if such amendment to and the Articles of Incorporation are adopted by

the legislative body of such municipality proposing to become a member, and if such amendment is adopted by the legislative body of each constituent municipality of which the Authority is composed. Other amendments may be made to these Articles of Incorporation at any time if adopted by the legislative body of each constituent municipality of which the Authority is composed. Any such amendment shall be endorsed, published, and certified, and printed copies thereof filed in the same manner as the original Articles of Incorporation, except that the filed and printed copies shall be certified by the recording officer of the Authority.

These Articles have been adopted by the several incorporating municipalities, as hereinafter set forth in the following endorsements, and in witness whereof the Supervisor and Township Clerk of the Township of Ypsilanti and the Mayor and City Clerk of the City of Ypsilanti have endorsed thereon the statement of such adoption.

The foregoing Articles of Incorporation were adopted by the Township Board of the Township of Ypsilanti, Washtenaw County, Michigan at a regular meeting duly held on the 3rd day of September, 1974.

TOWNSHIP OF YPSILANTI

BY: Willa P. Mayr
Supervisor

BY: Anna L. Stenzl
Township Clerk

The foregoing Articles of Incorporation were adopted by the City Council of the City of Ypsilanti, Washtenaw County, Michigan, at a regular meeting duly held on the third day of September, 1974.

CITY OF YPSILANTI

BY:

George D. Goodman

Mayor

BY:

James E. Ashby

City Clerk

BE IT HEREBY RESOLVED by the Township of Ypsilanti
that the attached Articles of Incorporation of the
Ypsilanti Community Utilities Authority be declared
adopted.

FURTHER BE IT RESOLVED, that the Supervisor and
Clerk are hereby authorized to endorse hereon the
statement of said adoption on behalf of the Township
of Ypsilanti.

RESOLUTION DECLARED ADOPTED.

Anna J. Stepp

Anna J. Stepp
Ypsilanti Township Clerk

I hereby certify that the foregoing resolution
was duly adopted by the Ypsilanti Township Board at
a Regular Meeting held on September 3, 1974, at 7200
South Huron River Drive, Ypsilanti, Michigan.

Anna J. Stepp

Anna J. Stepp
Ypsilanti Township Clerk

YCUA RESOLUTION No. 22-6 AUTHORIZING THE ISSUANCE OF
NOT TO EXCEED \$11,900,000
WATER SUPPLY SYSTEM BONDS, SERIES 2022
(CITY OF YPSILANTI)

Minutes of a regular meeting of the Board of Commissioners of the Ypsilanti Community Utilities Authority held on the 26th day of January, 2022, at 3:00 p.m., prevailing Eastern Time.

PRESENT: Commissioners Michael Bodary, Keith P. Jason, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

ABSENT: Commissioners None.

The following preamble and resolution were offered by Commissioner Peterson and supported by Commissioner Doe:

WHEREAS, the Ypsilanti Community Utilities Authority (the "Authority") has been incorporated under the provisions of Act 233, Public Acts of Michigan, 1955, as amended (the "Act"), for the purposes set forth in the Act; and

WHEREAS, the Authority and the City of Ypsilanti (the "Local Unit") have each approved and executed a Contract dated November 17, 2021 (the "Contract") for the acquisition, construction and installation of various water supply system improvements, consisting of the acquisition, construction and installation of various water main and related improvements on Washtenaw Avenue between West Cross Street and Hamilton Street, Hamilton Street between Washtenaw Avenue and I-94, Huron Street between I-94 and West Cross Street, and Michigan Avenue between Huron Street and Hamilton Street, together with all necessary appurtenances and attachments thereto, to serve the Local Unit (the "Project"); and

WHEREAS, the Local Unit has published a notice of intent to enter into the Contract, which provides that the Contract shall become effective upon the expiration of a forty-five day referendum period beginning on the date of publication thereof (the "Referendum Period"), provided that during such period no petition for a referendum is signed by at least ten percent of the registered electors of the Local Unit and properly filed with the clerk of the Local Unit; and

WHEREAS, plans, specifications and estimates of cost for the System have been prepared by the Authority's consulting engineers (the "Consulting Engineers"), and are hereby granted the approval of the Authority; and

WHEREAS, under the provisions of the Contract, the Local Unit has obligated itself to pay the cost of the System to be financed by the issuance of bonds of the Authority by paying the installments plus interest thereon, as specified in Section 10 of the Contract, and the Local Unit has further obligated itself to levy taxes annually to the extent necessary for the purpose of meeting said installments plus interest thereon, subject, however, to applicable constitutional, statutory and charter tax rate limitations, all as provided in Section 11 of the Contract; and

WHEREAS, the use of the water supply system improvements will be made available to

the Local Unit, and citizens thereof, in return for annual payments which will be applied to offset the payment obligations of the Authority; and

WHEREAS, the Authority now proposes to issue its bonds, as authorized by Section 9 of the Act, in anticipation of and secured solely by the contractual obligations of the Local Unit to provide the necessary funds to pay the Local Unit's share of the cost of acquiring and constructing improvements to the System (hereinafter defined), and all things necessary to the authorization and issuance of the Authority's bonds under the Act having been done and the Authority being now empowered to issue, and desirous of authorizing the issuance of, the bonds.

THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE AUTHORITY AS FOLLOWS:

Section 1. Definitions. Wherever used in this resolution or in the Bonds to be issued hereunder, except where otherwise indicated by the context:

- (a) "Authority" means the Ypsilanti Community Utilities Authority.
- (b) "Authorized Officer" means any of the Director, Chair, Secretary and Treasurer of the Authority.
- (c) "Bonds" means the \$11,900,000 Water Supply System Bonds, Series 2022 (City of Ypsilanti), authorized by Section 4 hereof.
- (d) "Contract" means the Contract, dated as of November 17, 2021 between the Authority and the Local Unit which has been approved by the Local Unit and which the Authority hereby approves and authorizes its Chair and Secretary to execute.
- (e) "Contractual Payments" means the debt service installment payments required to be made by the Local Unit to the Authority pursuant to the provisions of Section 10 of the Contract and pledged to the payment of the principal of and interest on the Bonds authorized by the provisions of this resolution.
- (f) "Depository Bank" means the Michigan bank or trust company selected by the Board of Commissioners of the Authority or an Authorized Officer, which is a member of the Federal Deposit Insurance Corporation.
- (g) "System" means the Ypsilanti Community Utilities Authority Water Supply System (City of Ypsilanti), consisting of the water supply system in the Local Unit, including the acquisition, construction and installation of various water main and related improvements on Washtenaw Avenue between West Cross Street and Hamilton Street, Hamilton Street between Washtenaw Avenue and I-94, Huron Street between I-94 and West Cross Street, and Michigan Avenue between Huron Street and Hamilton Street, together with all necessary appurtenances and attachments thereto, as more particularly described in the Contract, together with all necessary appurtenances and rights in land thereto, being defrayed from the proceeds of the Bonds.
- (h) "Transfer Agent" means a bank or trust company qualified and approved

by an Authorized Officer the Authority to serve as transfer agent for the Bonds.

Section 2. Plans and Specifications; Necessity. The plans, specifications and cost estimates for the System as prepared by the Consulting Engineers are hereby accepted and approved, and it is hereby determined to be advisable and necessary for the public health of citizens of the Local Unit to complete the acquiring, constructing and completing of the System as provided in said plans and specifications.

Section 3. Estimated Cost; Useful Life of System. The total estimated cost of acquiring and constructing improvements to the System, including payment of incidental expenses as specified in Section 4 of this resolution, in the amount of approximately \$11,900,000 and the Local Unit's share thereof (100%) is hereby approved and confirmed. The cost of the System shall be defrayed from bonds to be issued by the Authority under the Contract in an amount not to exceed \$11,900,000. The estimated period of usefulness of the System is determined to be not less than twenty-five (25) years.

Section 4. Authorization of Bonds. For the purpose of defraying the Local Unit's share of the cost of the System, including payment of engineering, legal and financing expenses, including a bond discount, and other expenses incident thereto and incident to the issuance of the Bonds, there shall be borrowed the sum of \$11,900,000, and in evidence thereof Bonds of the Authority shall be issued in an equivalent aggregate principal amount.

Section 5. Details of Bonds. The Bonds shall be designated Water Supply System Bonds, Series 2022 (City of Ypsilanti), the principal of and interest thereon to be payable solely out of the Contractual Payments required to be paid by the Local Unit pursuant to the Contract, shall be in fully-registered form in the denomination of \$5,000 or multiples of \$5,000 not exceeding for each maturity the principal amount of such maturity, dated as of the date of delivery, or such other date as shall be determined by an Authorized Officer at the time of sale, numbered consecutively in order of registration and mature on May 1 in the years and amounts as follows:

\$225,000	2024;	\$675,000	2034;
325,000	2025;	695,000	2035;
350,000	2026;	710,000	2036;
570,000	2027;	730,000	2037;
585,000	2028;	745,000	2038;
600,000	2029;	760,000	2039;
615,000	2030;	775,000	2040;
630,000	2031;	795,000	2041;
645,000	2032;	810,000	2042;
660,000	2033;		

The Bonds shall bear interest at a rate or rates to be determined on public sale thereof, but in any event not exceeding 6% per annum, payable on November 1, 2022 (or such date as determined at the time of the sale thereof) and semiannually thereafter. The Bonds shall be sold at public sale at a price not less than 105% nor more than 110% of the principal amount thereof.

The Bonds shall be subject to redemption prior to maturity in the manner and at the times and prices set forth in Sections 11 and 17 hereof and if term bonds are selected by the original purchaser of the Bonds, then the Bonds will be subject to mandatory redemption in accordance with the foregoing referenced maturity schedule at par.

Interest shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Authority to conform to market practice in the future. Interest shall be payable to the registered owner of record as of the 15th day of the month preceding the payment date for each interest payment. The principal of the Bonds shall be payable at the designated office of a bank or trust company to be selected by the Authority prior to the publication of the notice of sale for the Bonds as the transfer agent for the Bonds (the "Transfer Agent").

The Bonds may be issued in book-entry only form through The Depository Trust Company in New York, New York ("DTC") and any Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form and to make such changes in the Bond Form within the parameters of this resolution as may be required to accomplish the foregoing.

Section 6. Execution and Delivery of Bonds; Transfer Agent Duties. The Bonds shall be signed with the facsimile signature of the Chair of the Authority and countersigned by the facsimile signature of the Secretary of the Authority. The Bonds shall have the corporate seal, or a facsimile thereof, of the Authority impressed or imprinted thereon. No Bond of this series shall be valid until authenticated by an authorized officer of the Transfer Agent, if necessary. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent 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 duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Authority shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

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

Each Authorized Officer is hereby authorized to execute an agreement with the Transfer Agent regarding the duties and responsibilities of the Transfer Agent.

Section 7. Source of Payment; Pledge; Remedies. The Bonds and the interest thereon

shall be payable solely from the Contractual Payments received by the Authority, for the payment of which the Local Unit has, in the Contract, pledged its limited tax full faith and credit pursuant to the provisions of the Act, in the amounts set forth in the Contract. The Local Unit has covenanted and agreed to provide annually general or special funds in amounts sufficient to meet when due its Contractual Payments in anticipation of which the Bonds are issued, or, if necessary, to levy ad valorem taxes on all taxable property within its boundaries for such purpose, subject to applicable constitutional, statutory and charter tax rate limitations. All of such Contractual Payments are hereby pledged solely and only for the payment of principal of and interest on the Bonds. The holder or holders of the Bonds, representing in the aggregate not less than twenty percent (20%) of the entire issue then outstanding, may, by suit, action or other proceedings, protect and enforce the aforesaid pledge and enforce and compel the performance of all duties of the officials of the Authority, including, but not limited to, compelling the Local Unit, by proceedings in a court of competent jurisdiction or other appropriate forum, to make the Contractual Payments, appropriate general funds, and levy and collect appropriate taxes as herein authorized and as may be required under the Contract to be so appropriated, certified, levied and collected by the Local Unit for the Contractual Payments.

Section 8. Custody of Funds. The Treasurer of the Authority shall be custodian of all funds of the Authority belonging to or associated with the System, and such funds shall be deposited in the Depository Bank.

Section 9. Establishment of the Debt Retirement Fund; Defeasance of Bonds. The Authority shall, after the adoption of this resolution and the delivery of the Bonds herein authorized, open a special depository account with the Depository Bank to be designated DEBT RETIREMENT FUND – YPSILANTI COMMUNITY UTILITIES AUTHORITY 2022 WATER SUPPLY SYSTEM (CITY OF YPSILANTI) (the “Debt Retirement Fund”), into which the Authority shall deposit the proceeds of the Bonds representing any accrued interest paid at the time of delivery of the Bonds, if any, and all Contractual Payments as received. The moneys from time to time on hand in the Debt Retirement Fund shall be used solely and only for the payment of the principal of and interest on the Bonds.

In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this resolution shall be defeased and the owners of the Bonds shall have no further rights under this resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange Bonds as provided herein.

Section 10. Operation and Maintenance. The operation, maintenance and administration of the System, and the acquisition and construction thereof, shall be under the overall jurisdiction and control of the Authority.

Section 11. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF MICHIGAN
COUNTY OF WASHTENAW

YPSILANTI COMMUNITY UTILITIES AUTHORITY
Water Supply System Bonds, Series 2022
(City of Ypsilanti)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	May 1, _____	_____, 2022	

Registered Owner:

Principal Amount: Dollars

YPSILANTI COMMUNITY UTILITIES AUTHORITY, a public corporation of the State of Michigan (the "Issuer"), for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on November 1, 2022, and semiannually thereafter. Principal of this bond is payable upon presentation and surrender thereof at the principal corporate trust office of _____, _____, Michigan, or such other transfer agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the "Transfer Agent"). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who is as of the fifteenth (15) day of the month prior to each interest payment date, the registered owner, at the registered address as shown on the registration books of the Issuer maintained by the Transfer Agent.

The bonds of this issue are payable solely from the proceeds of contractual payments to be paid by the City of Ypsilanti, Washtenaw County, Michigan (the "Local Unit") to the Issuer pursuant to a certain contract dated as of November 17, 2021 (the "Contract"), between the Local Unit and the Issuer, whereby the Issuer is to assist in the financing of the cost of acquiring and constructing water supply system improvements and appurtenances and attachments thereto in the Local Unit, said system being designated as Ypsilanti Community Utilities Authority Water Supply System (City of Ypsilanti) (the "System"). By the provisions of the Contract and pursuant to the authorization provided by law, the Local Unit has pledged its limited tax full faith and credit for the payment of its contractual payments, and the Local Unit is obligated to pay such amounts from its general funds, including collections of ad valorem taxes on all taxable property within its boundaries, subject to applicable constitutional, statutory and charter tax rate limitations. The Issuer has irrevocably pledged to the payment of this issue of bonds the total contractual payments, which said total payments are established in the amount required to pay the principal of and interest on the bonds of this issue when due.

This bond is one of a series of bonds of even Date of Original Issue, aggregating the principal sum of \$11,900,000, issued under and in pursuance of a resolution duly adopted by the Board of Commissioners of the Issuer under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 233, Public Acts of Michigan, 1955, as amended, for the purpose of paying the cost of constructing the System.

Bonds maturing in the years 2024 to 2032, inclusive, shall not be subject to redemption prior to maturity.

Bonds or portions of bonds of this issue in multiples of \$5,000 maturing in the year 2033 and thereafter shall be subject to redemption prior to maturity, at the option of the Issuer, in any order of maturity and by lot within

any maturity, on any date on or after May 1, 2032, at par and accrued interest to the date fixed for redemption.

[Insert term bond provisions, if applicable]

Notice of redemption shall be given to the registered owner of any bond to be redeemed by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the Authority kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000 shall be treated as representing the number of bonds obtained by dividing the denominations of the bond by \$5,000 and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the registered owner thereof with the same interest rate and maturity. No further interest shall accrue on bonds called for redemption after the date fixed for redemption, whether or not presented for redemption, provided funds are on hand with the Transfer Agent to redeem the bond or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver, a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the registered owner requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required to issue, register the transfer of or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

It is hereby certified and recited that all acts, conditions and things required to be done, exist and happen, precedent to and in the issuance of said bonds, in order to make them valid and binding obligations of said Issuer, have been done, exist and have happened in regular and due form and time as provided by law, and that the total indebtedness of said Local Unit does not exceed any constitutional, statutory or charter limitation.

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

For a complete statement of the funds from which and the conditions under which this bond is payable and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Contract and the resolution of the Issuer authorizing the issuance of the bonds.

IN WITNESS WHEREOF, YPSILANTI COMMUNITY UTILITIES AUTHORITY, by its Board of Commissioners, has caused this bond to be signed in the name of said Issuer by the facsimile signature of its Chair and to be countersigned by the facsimile signature of its Secretary and a facsimile of its corporate seal to be hereunto imprinted, all as of the Date of Original Issue.



By:

Jon R. Ichesco

JON R. ICHESCO, Secretary - Treasurer

Michael Bodary

MICHAEL BODARY, Chair

[FORM OF TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION]
Certificate of Authentication

This bond is one of the bonds described in the above- referenced resolution.

_____, Michigan
Transfer Agent

By: _____
Authorized Signature

Date of Registration: _____

[End of Bond Form]

Section 12. Additional Bonds. Nothing contained in this resolution or the Contract shall be construed to prevent the Authority from issuing additional bonds under the provisions of the Act, but any such additional bonds shall in no way have any lien on or be payable out of the Contractual Payments pledged to the payment of the Bonds, except such additional bonds as may be necessary may be issued to complete the System.

Section 13. Construction Fund. The proceeds of sale of the Bonds, other than proceeds for accrued interest described below, shall be deposited in a special depository account in the Depository Bank designated "YPSILANTI COMMUNITY UTILITIES AUTHORITY WATER SUPPLY SYSTEM (CITY OF YPSILANTI) CONSTRUCTION FUND" (the "Construction Fund"). Proceeds of the Bonds representing accrued interest, if any, paid at the time of delivery of the Bonds shall be deposited into the Debt Retirement Fund established under the provisions of Section 9 of this resolution. The moneys in the Construction Fund shall be used solely and only to pay costs of the improvements authorized in this resolution and any engineering, legal, bond insurance, financing or other expenses incidental thereto on authorization of the Authority, in accordance with the provisions of the Contract. Any unexpended balance remaining in the Construction Fund after completion of the System may be used for the improvement or enlargement of the System or for other projects of the Authority undertaken on behalf of the Local Unit, if such use be approved by the Local Unit. Any balance remaining after such use, if any, shall be paid into the Debt Retirement Fund, and the Local Unit shall receive a credit for the amount of such balance against the Contractual Payment next due.

Section 14. Investment of Funds. Moneys in any funds and accounts of the Authority may be invested by the Authority in United States government obligations, the principal of and interest on which are guaranteed by the United States government, or in interest-bearing time deposits, as shall from time to time be determined by the Authority. In the event such investments are made, the securities representing the same shall be kept on deposit with the depository or depositories of the fund or funds from which such investments are made and such securities and the income therefrom shall become part of the Debt Retirement Fund, to the extent necessary to pay amounts owing on the Bonds.

Section 15. Resolution and Contract. The provisions of this resolution, together with the Contract, shall constitute a contract between the Authority and the holder or holders from time to time of the Bonds, and after the issuance of the Bonds, no change, variation or alteration of the provisions of this resolution and the Contract may be made which would materially lessen the security for the Bonds.

Section 16. Covenants with Bondholders. The Authority covenants and agrees with the successive holders of the Bonds, so long as any of the Bonds remain outstanding and unpaid as to either principal or interest, as follows:

- (a) The Authority will punctually perform all of its obligations and duties under this resolution and the Contract, including the collection, segregation and application of the Contractual Payments in the manner required by the provisions of this resolution.
- (b) The Authority will apply and use the proceeds of sale of the Bonds for the

purposes and in the manner required by the Contract and this resolution.

(c) The Authority will maintain and keep proper books of record and account relative to the application of funds for the construction of the System and the Contractual Payments received pursuant to the Contract. Not later than six (6) months after the end of each year, the Authority shall cause to be prepared a statement in reasonable detail, sworn to by its chief accounting officer, showing the application of the proceeds of sale of the Bonds, the cash receipts from the Contractual Payments during such year and the application thereof, and such other information as may be necessary to enable any taxpayer or any holder or owner of the Bonds, or anyone acting in their behalf, to be fully informed as to all matters pertaining to the construction of the System and application of funds therefor or for the payment of the Bonds during such year. A certified copy of said statement shall be filed with the Clerk of the Local Unit and a copy shall also be sent to the manager or managers of the account purchasing the Bonds. The Authority shall also cause an annual audit of the books of record and account for the preceding operating year to be made by a recognized independent certified public accountant and shall mail such audit to the manager or managers of the account purchasing the Bonds and the Department of Treasury. The aforesaid audit may be submitted to said manager(s) in place of the aforesaid statement.

Section 17. Notice of Sale. The Secretary shall fix a date for sale of the Bonds and cause notice of sale of the Bonds (the "Notice of Sale") to be published in ***The Bond Buyer***, New York, New York, at least seven (7) full days before the date fixed for sale of the Bonds. The Notice of Sale shall be in substantially the following form, with such changes as may be authorized by this resolution:

OFFICIAL NOTICE OF SALE

\$11,900,000*

YPSILANTI COMMUNITY UTILITIES AUTHORITY
COUNTY OF WASHTENAW, STATE OF MICHIGAN
WATER SUPPLY SYSTEM BONDS, SERIES 2022
(CITY OF YPSILANTI)

**Subject to adjustment as set forth in this Notice of Sale*

Bids for the purchase of the above bonds will be received in the manner described in this Official Notice of Sale on _____, _____, 2022 until ____:____.m., prevailing Eastern Time, at which time and place said bids will be opened and read. The award or rejection of bids will occur on the same date.

ELECTRONIC BIDS: Bidders may submit bids for the purchase of the above bonds as follows:

Electronic bids may be submitted to the Municipal Advisory Council of Michigan at munibids@macmi.com; provided that electronic bids must arrive before the time of sale and the bidder bears all risks of transmission failure.

Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or CLIENT SERVICES, 1359 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. IF ANY PROVISION OF THIS NOTICE OF SALE SHALL CONFLICT WITH THE INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS NOTICE OF SALE SHALL CONTROL.

Bidders may choose any means or location to present bids but a bidder may not present a bid in more than one location or by more than one means.

BOND DETAILS: The bonds will be registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated as of the date of delivery, numbered in order of registration, and will bear interest from their date payable on November 1, 2022 and semiannually thereafter.

The bonds will mature on the 1st day of May of each of the years, as follows:

\$225,000	2024;	\$675,000	2034;
325,000	2025;	695,000	2035;
350,000	2026;	710,000	2036;
570,000	2027;	730,000	2037;
585,000	2028;	745,000	2038;
600,000	2029;	760,000	2039;
615,000	2030;	775,000	2040;
630,000	2031;	795,000	2041;
645,000	2032;	810,000	2042;
660,000	2033;		

***ADJUSTMENT OF TOTAL PAR AMOUNT OF BONDS AND PRINCIPAL MATURITIES:** The Authority reserves the right to adjust the aggregate principal amount of the bonds after receipt of the bids and prior to final award, if necessary, so that the purchase price of the bonds will provide an amount determined by the Authority to be sufficient to construct the projects and to pay costs of issuance of the bonds. The adjustments, if necessary, will be in increments of \$5,000. The purchase price will be adjusted proportionately to the increase or decrease in issue size, but the interest rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

***ADJUSTMENT TO PURCHASE PRICE:** Should any adjustment to the aggregate principal amount of the bonds be made by the Authority, the purchase price of the bonds will be adjusted by the Authority proportionally to the adjustment in principal amount of the bonds. The adjusted purchase price will reflect changes in the dollar amount of the underwriter's discount and original issue discount/premium, if any, but will not change the per-bond underwriter's discount as calculated from the bid and initial reoffering prices.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at a rate or rates not exceeding 6% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/100 of 1%, or both. Interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest rates on the bonds shall not exceed 3%. No proposal for the purchase of less than all of the bonds or at a price less than 105% or greater than 110% of their par value will be considered. THE INTEREST RATE FOR EACH SERIAL OR TERM BOND MATURITY SHALL BE EQUAL TO OR GREATER THAN THE INTEREST RATE FOR THE PRECEDING SERIAL OR TERM BOND MATURITY.

PRIOR REDEMPTION: Bonds of this issue maturing in the years 2024 to 2032, inclusive, shall not be subject to redemption prior to maturity. Bonds or \$5,000 portions thereof maturing in the years 2033 and thereafter, shall be subject to redemption prior to maturity, at the option of the Authority, in such order of maturity as the Authority may determine, and by lot within any maturity, on any date on or after May 1, 2032, at par accrued interest to the date fixed for redemption.

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

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

TERM BOND OPTION: The initial purchaser of the bonds may designate any one or more maturities as term bonds and the consecutive maturities shall be aggregated in the term bonds. The amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on May 1 of the years and in the amounts set forth in the above maturity schedule at a redemption price of par, plus accrued interest to the date of mandatory redemption. Term bonds or portions thereof mandatorily redeemed shall be selected by lot. Any such designation must be made within 24 hours of the sale.

BOOK-ENTRY ONLY: Unless otherwise requested by the purchaser, the bonds will be issued in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company ("DTC"), New York, New York. DTC will act as securities depository for the bonds. Purchase of the bonds will be made in book-entry-only form, in the denomination of \$5,000 or any multiple thereof. Purchasers will not receive certificates representing their interest in bonds purchased. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds.

TRANSFER AGENT AND REGISTRATION: Principal shall be payable at the corporate trust office of _____, Michigan, or such other transfer agent as the Authority may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to an interest payment date. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day prior to an interest payment date. The bonds will be transferred only upon the registration books of the Authority kept by the transfer agent.

PURPOSE AND SECURITY: The bonds of this issue are payable solely from the proceeds of contractual payments to be paid by the City of Ypsilanti (the "City") to the Issuer pursuant to a certain contract (the "Contract"),

between the City and the Issuer, whereby the Issuer is to assist in the financing of the cost of the acquisition and construction of water supply system improvements, said system being designated as the Ypsilanti Community Utilities Authority Water Supply System (City of Ypsilanti) (the "System"). By the provisions of the Contract and pursuant to the authorization provided by law, the City has pledged its limited tax full faith and credit for the payment of its contractual payments, and the City is obligated to pay such amounts from its general funds, including collections of ad valorem taxes on all taxable property within its boundaries, subject to applicable constitutional, statutory and charter tax rate limitations. The Issuer has irrevocably pledged to the payment of this issue of bonds the total contractual payments, which said total payments are established in the amount required to pay the principal of and interest on the bonds of this issue when due. The rights or remedies of bondholders may be affected by bankruptcy laws or other creditors' rights legislation now existing or hereafter enacted.

GOOD FAITH: A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of \$119,000 (1% of the par amount of the bonds) payable to the order of the Treasurer of the Authority will be required of the successful bidder. The successful bidder is required to submit its good faith deposit to the Authority as instructed by the Authority or the financial advisor to the Authority not later than Noon, prevailing Eastern Time, on the next business day following the sale. The good faith deposit will be applied to the purchase price of the bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the Authority. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

AWARD OF BONDS-TRUE INTEREST COST: The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on November 1, 2022 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to _____, 2022 (the anticipated delivery date), in an amount equal to the bid price, excluding accrued interest, if any.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of Miller, Canfield, Paddock and Stone, P.L.C. for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials. In submitting a bid for the bonds, the bidder agrees to the representation of the Authority by Miller, Canfield, Paddock and Stone, P.L.C., as bond counsel.

TAX MATTERS: In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation by the State of Michigan or any taxing authority within the State of Michigan except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

ISSUE PRICE: The winning bidder shall assist the Authority in establishing the issue price of the bonds and shall execute and deliver to the Authority at closing an "issue price" or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached either as Appendix ___ or Appendix ___ of the preliminary Official Statement, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Authority and bond counsel.

The Authority intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining "competitive sale" for purposes of establishing the issue price of the bonds) will apply to the initial sale of the bonds (the "Competitive Sale Requirements") because:

- a. the Authority is disseminating this Notice of Sale to potential underwriters in a manner that is

- reasonably designed to reach potential underwriters;
- b. all bidders shall have an equal opportunity to bid;
- c. the Authority anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- d. the Authority anticipates awarding the sale of the bonds to the bidder who submits a firm offer to purchase the bonds at the lowest true interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the bonds, as specified in the bid.

In the event that all of the Competitive Sale Requirements are not satisfied, the Authority shall so advise the winning bidder. The Authority will not require bidders to comply with the “hold-the-offering price rule” (as described below), and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the bonds as the issue price of that maturity, though the winning bidder, in consultation with the Authority, may elect to apply the “hold-the-offering price rule” (as described below). Bids will not be subject to cancellation in the event the Competitive Sale Requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering price rule” (as described below), bidders should prepare their bids on the assumption that all of the maturities of the bonds will be subject to the 10% Test (as described below). The winning bidder must notify the Authority of its intention to apply either the “hold-the-offering price rule” or the 10% Test at or prior to the time the bonds are awarded.

If the winning bidder does not request that the “hold-the-offering price rule” apply to determine the issue price of the bonds, the following two paragraphs shall apply:

- a. The Authority shall treat the first price at which 10% of a maturity of the bonds (the “10% Test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the Authority if any maturity of the Bonds satisfies the 10% Test as of the date and time of the award of the bonds; and
- b. Until the 10% Test has been satisfied as to each maturity of the bonds, the winning bidder agrees to promptly report to the Authority the prices at which the unsold bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all bonds of that maturity have been sold or (ii) the 10% Test has been satisfied as to the bonds of that maturity, provided that, the winning bidder’s reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Authority or bond counsel.

If the winning bidder does request that the “hold-the-offering price rule” apply to determine the issue price of the bonds, then the following three paragraphs shall apply:

- a. The winning bidder, in consultation with the Authority, may determine to treat (i) pursuant to the 10% Test, the first price at which 10% of a maturity of the bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the bonds as the issue price of that maturity (the “hold-the-offering price rule”), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Authority if any maturity of the bonds satisfies the 10% Test as of the date and time of the award of the bonds. The winning bidder shall promptly advise the Authority, at or before the time of award of the bonds, which maturities of the bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering price rule or both.
- b. By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the bonds to the public on or before the date of the award at the offering price or prices (the “initial offering price”), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder, and (ii) if the hold-the-offering price rule applies, agree, on behalf of the underwriters

participating in the purchase of the bonds, that the underwriters will neither offer nor sell unsold bonds of any maturity to which the hold-the-offering price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- i. the close of the fifth (5th) business day after the sale date; or
- ii. the date on which the underwriters have sold at least 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public;

The winning bidder shall promptly advise the Authority when the underwriters have sold 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

- c. The Authority acknowledges that, in making the representation set forth above, the winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Authority further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering price rule, if applicable to the bonds.

By submitting a bid, each bidder confirms that:

- a. any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A)(i) to report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

- b. any agreement among underwriters or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (i) report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (ii) comply with the hold-the-offering price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.

Sales of any bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale.

Further, for purposes of this Notice of Sale:

- a. “public” means any person other than an underwriter or a related party,
- b. “underwriter” means (A) any person that agrees pursuant to a written contract with the Authority (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the bonds to the public);
- c. a purchaser of any of the bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
- d. “sale date” means the date that the bonds are awarded by the Authority to the winning bidder.

BOND INSURANCE AT PURCHASER’S OPTION: If the bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the bonds. Any and all increased costs of issuance of the bonds resulting from such purchase of insurance shall be paid by the purchaser, except that if the Authority has requested and received a rating on the Bonds from a rating agency, the Authority shall pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE AUTHORITY.

DELIVERY OF BONDS: The Authority will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC in New York, New York. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of delivery of the bonds. If the bonds are not tendered for delivery by Noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if said 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned. Payment for the bonds shall be made in Federal

Reserve Funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds. Application for CUSIP identification numbers will be made by PFM Financial Advisors LLC, registered municipal advisor to the Authority. The CUSIP Service Bureau's charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

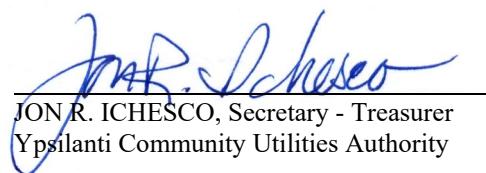
CONTINUING DISCLOSURE: As described in greater detail in the Official Statement, the City will provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, on or prior to the sixth month following the end of each fiscal year, commencing with the fiscal year ended June 30, 2022, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the bonds, (ii) timely notice of the occurrence of certain material events with respect to the bonds and (iii) timely notice of a failure by the City to provide the required annual financial information on or before the date specified in (i) above.

OFFICIAL STATEMENT: A preliminary Official Statement that the Authority deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared and may be obtained from PFM Financial Advisors LLC, municipal advisor to the Authority, at the address and telephone listed under MUNICIPAL ADVISOR below. The Authority will provide the winning bidder with an electronic version of the final Official Statement within 7 business days from the date of sale to permit the purchaser to comply with Securities and Exchange Commission Rule 15c2-12. Copies of the Official Statement will be supplied by PFM Financial Advisors LLC, upon request and agreement by the purchaser to pay the cost of the copies. Requests for copies should be made to PFM Financial Advisors LLC within 24 hours of the time of sale.

BIDDER CERTIFICATION: NOT “IRAN-LINKED BUSINESS”. By submitting a bid, the bidder shall be deemed to have certified that it is not an “Iran-Linked Business” as defined in Act 517, Public Acts of Michigan, 2012, as amended, being MCL 129.311 et. seq.

MUNICIPAL ADVISOR: Further information relating to the bonds may be obtained from PFM Financial Advisors LLC, 555 Briarwood Circle, Suite 333, Ann Arbor, Michigan, 48108. Telephone: (734) 994-9700, Facsimile: (734) 994-9710.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.



JON R. ICHESCO, Secretary - Treasurer
Ypsilanti Community Utilities Authority

[End Notice of Sale Form]

Section 18. Tax Covenant. The Authority shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditure and investment of Bond proceeds and moneys deemed to be Bond proceeds.

Section 19. Approval of Sale; Execution of Sale Order. Each Authorized Officer is

hereby authorized to take all necessary procedures required to effectuate the sale, issuance and delivery of the Bonds including executing an order awarding the sale of the Bonds according to the Notice of Sale.

Section 20. Authorization of Other Actions. The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, Public Acts of Michigan, 2001, as amended, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters within the parameters described in this resolution. The Authorized Officers are each authorized and directed to take all other actions necessary or advisable, and to make such other filings with any parties, including filing any applications and paying any related fees to the Michigan Department of Treasury, to enable the sale and delivery of the Bonds as contemplated herein; provided that the principal amount of Bonds issued shall not exceed the principal amount authorized in this resolution, the true interest cost shall not exceed 5.00%, and the purchase price on the Bonds shall not be less than 105%.

Section 21. Official Statement; Qualification for Insurance; Ratings. Any Authorized Officer is hereby authorized and directed to (a) approve the circulation of a preliminary official statement describing the Bonds and to deem the preliminary official statement "final" for purposes of Rule 15c2-12 of the SEC; (b) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds, if deemed economically advantageous to the Authority; (c) apply for ratings on the Bonds; and, (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

Section 22. Continuing Disclosure. If deemed necessary, the Authority agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and any Authorized Officer are each hereby authorized to execute such undertaking prior to delivery of the Bonds.

Section 23. Bond Counsel. The representation of the Authority by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel ("Bond Counsel") is hereby confirmed, notwithstanding Miller Canfield's periodic representation in unrelated matters of other potential parties to the Bonds transaction.

Section 24. Municipal Advisor. PFM Financial Advisors LLC is retained as the municipal advisor to the Authority in connection with the issuance of the Bonds.

Section 25. Section Headings. Section headings are for convenience only and do not constitute a part of this resolution.

Section 26. Repealer. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are repealed.

Section 27. Effective Date. This Resolution shall become effective immediately upon its adoption.

The foregoing resolution was offered by Commissioner Peterson and supported by Commissioner Doe and adopted by the following roll call vote:

AYES: Commissioners Michael Bodary, Keith P. Jason, Jon R. Ichesco, Larry J. Doe,
and Gloria C. Peterson.

NAYS: Commissioners None.

RESOLUTION DECLARED ADOPTED.


JON R. ICHESCO, Secretary - Treasurer

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Commissioners of the Ypsilanti Community Utilities Authority, at a regular Meeting held on January 26, 2022, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.


JON R. ICHESCO, Secretary - Treasurer

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