

**TOWNSHIP OF BIRCH RUN  
SAGINAW COUNTY, MICHIGAN**

**BIRCH RUN TOWNSHIP  
RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE PROJECT  
EXPENDITURES WITH BOND PROCEEDS AND AUTHORIZING PUBLICATION OF  
NOTICE OF INTENT TO ISSUE BONDS  
NO. 2010-13**

At a Regular Meeting of the Birch Run Township Board, Township of Birch Run, Saginaw County, Michigan, held at the Township Meeting Room on the 13<sup>th</sup> day of July, 2010, at 7 o'clock Eastern Standard Time.

**PRESENT:** Kiessler, Trevino, Marr, Cook, Nelson, and Magnus

**ABSENT:** Strahm

The following resolution was made by Marr and seconded by Cook:

**WHEREAS**, the Township of Birch Run (the "Township") proposes to issue its tax-exempt bonds (the "Bonds") under Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), to finance the hereinafter described capital improvements in the Township (the "Project"); and

**WHEREAS**, it is anticipated that the Township will advance a portion of the costs of the Project prior to the issuance of the Bonds, such advance to be repaid from proceeds of the Bonds upon the issuance thereof; and

**WHEREAS**, Section 1.150-2 of the Treasury Regulations on Income Tax (the "Reimbursement Regulations") specifies conditions under which a reimbursement allocation may be treated as an expenditure of bond proceeds, and the Township intends by this resolution to qualify amounts advanced by the Township to the Project for reimbursement from proceeds of the Bonds in accordance with the requirements of the Reimbursement Regulations.

**NOW, THEREFORE, BE IT RESOLVED** by the Township Board of the Township of Birch Run, Saginaw County, Michigan, as follows:

1. The Project shall consist of the acquisition and construction of a new elevated water storage tower for the Township's water supply system.
2. The maximum principal amount of Bonds expected to be issued for the Project is \$2,200,000.
3. The Township hereby declares its official intent to issue the Bonds to finance the costs of the Project, and hereby declares that it reasonably expects to reimburse the Township's advances to the Project as anticipated by this resolution.
4. The Bonds shall be authorized by proper proceedings subsequent to this resolution.
5. The Clerk is hereby instructed to publish the notice attached hereto as Exhibit A once in a newspaper of general circulation in the Township of Birch Run, which notice shall not be less than ¼ page in size in such newspaper, with such changes as the Clerk shall deem necessary or appropriate, upon the advice of bond counsel.
6. All prior resolutions and parts of resolutions insofar as they may be in conflict with this resolution are hereby rescinded.

**RESOLUTION DECLARED ADOPTED.**

**YEAS:** Nelson, Marr, Magnus, Cook, Trevino, and Kiessler;

**NAYS:** None

**ABSTENTIONS: Strahm**

**STATE OF MICHIGAN)  
COUNTY OF SAGINAW)**

I, the undersigned, the fully qualified and acting Clerk of the Township of Birch Run, Saginaw County, Michigan, do hereby certify that the foregoing is a true and complete Copy of a resolution adopted at a regular meeting of the Township Board of the Township of Birch Run, Michigan, held on the 13th day of July, 2010, the original of said meeting was given to and in compliance with Act 267, Public Acts of Michigan, 1976.

IN WITNESS WHEREOF, I have hereunto fixed my official signature on this 14<sup>h</sup> day of July 2010.

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**Amy Cook, Clerk  
Birch Run Township**

EXHIBIT A

NOTICE OF INTENT TO ISSUE BONDS  
BY THE TOWNSHIP OF BIRCH RUN, SAGINAW  
COUNTY, MICHIGAN

TO THE ELECTORS OF THE TOWNSHIP OF BIRCH RUN, SAGINAW  
COUNTY, MICHIGAN:

NOTICE IS HEREBY GIVEN, that the Township of Birch Run, Saginaw County, Michigan, intends to issue limited tax general obligation bonds, in one or more series, in the principal amount of not to exceed \$2,200,000 for the purpose of defraying all or part of the cost of acquiring and constructing a new elevated water storage tower for the Township's water supply system (the "Water System").

The bonds of each series will be payable in annual principal installments not to exceed forty (40) in number and will bear interest at rates to be determined at a competitive or negotiated sale but in no event to exceed such rates as may be permitted by law.

The bonds will be issued under and pursuant to the provisions of Act No. 34, Public Acts of Michigan, 2001, as amended, and are expected to be paid from the revenues derived from the users of the Water System. In addition, the full faith and credit of the Township of Birch Run will be pledged to pay the principal of and interest on the bonds as the same shall become due. The Township of Birch Run will be obligated, as a first budget obligation, to advance moneys from its general funds or to levy ad valorem taxes on all taxable property within its corporate boundaries to pay the principal of and interest on the bonds as the same shall become due in the event and to the extent that the revenues derived from the users of the Water System are not sufficient to make such payments. Taxes levied by the Township of Birch Run for the payment of such principal and interest will be subject to applicable constitutional and statutory limitations.

### RIGHT TO PETITION FOR REFERENDUM

This notice is given, by order of the Township Board of the Township of Birch Run, to and for the benefit of the electors of the Township of Birch Run in order to inform them of their right to petition for a referendum upon the question of the issuance of the aforesaid bonds. The bonds will be issued, without submitting such a question to a vote of the electors, unless within 45 days after the date of publication of this notice a petition requesting a referendum upon such question, signed by not less than 10% or 15,000 of the registered electors residing within the Township of Birch Run, whichever is the lesser, shall have been filed with the undersigned Township Clerk. In the event that such a petition is filed, the bonds will not be issued unless and until the issuance thereof shall have been approved by the vote of a majority of the electors of the Township of Birch Run qualified to vote and voting thereon at a general or special election.

### FURTHER INFORMATION

Further information relative to the issuance of said bonds and the subject matter of this notice may be secured at the office of the Township Clerk of the Township of Birch Run, 8425 Main Street, Birch Run, Michigan 48415.

This notice is given pursuant to the provisions of Act 34, Public Acts of Michigan, 2001, as amended.

Amy Cook  
Township Clerk  
Township of Birch Run

Dated: July 13, 2010