

MUSKEGON COUNTY BOARD OF COMMISSIONERS
MUSKEGON COUNTY, MICHIGAN

AGENDA

FULL BOARD

Hall of Justice

990 Terrace, Muskegon, MI

September 28, 2010 - 3:30 PM

Kenneth Mahoney, Chair

Charles Nash, Vice-Chair

-
1. Call to Order
 2. Invocation
 3. Pledge of Allegiance
 4. Roll Call
 5. Approval of Agenda
 6. Approval of Minutes of September 14, 2010 (Previously Forwarded)
 7. Presentation - Blueways and Greenways Plan & Green Infrastructure Inventory
West Michigan Shoreline Regional Development Commission
 8. Public Comment (on an agenda item)
 9. Communications
 - Oceana county Resolution: In Support of Senate Bill 449
 10. Committee Reports
 - A. Community Development/Strategic Planning Committee (Page 4)
 - B. Public Works (Page 5)
 - C. Transportation Committee (Page 6)
 - D. Ways & Means Committee (Pages 7 & 8)

Public Comment

Persons may address the Commission during the time set aside for Public Comment or at any time by suspension of the rules. All persons must address the commission and state their name for the record. Comments shall be limited to **two (2) minutes** for each participant, unless time is extended prior to the public comment period by a vote of a majority of the commission.

Full Board
Agenda
September 28, 2010

11. Chairman's Report/Committee Liaison Reports
 - A. 2nd Floor Renovation Tour: Tuesday, October 5th - 2:30 p.m.
 - B. L-3 Communications Tour: Thursday, October 7th - 1:30 p.m.
12. Administrator's Report
 - A. Adopt the Muskegon County "Mission Statement" and "Vision Statement"
 - B. Authorize Application for Lead-based Paint Hazard Control Grant Program
 - C. Adopt the Code of Conduct for Muskegon County
 - D. Approve Reallocation of Recovery Zone Bonds to Orchard View Schools
 - E. Approve Bond Refunding Contract & Resolution in PA 94 Bonds
13. Old Business
14. New Business
15. Public Comment (on a new topic)
16. Adjournment

AMERICAN DISABILITY ACT POLICY FOR ACCESS TO OPEN MEETINGS OF THE MUSKEGON COUNTY BOARD OF COMMISSIONERS AND ANY OF ITS COMMITTEES OR SUBCOMMITTEES

The County of Muskegon will provide necessary reasonable auxiliary aids and services, such as signers for the hearing impaired and audio tapes of printed materials being considered at the meeting, to individuals with disabilities who want to attend the meeting upon 24-hours notice to the County of Muskegon. Individuals with disabilities requiring auxiliary aids or services should contact the County of Muskegon by writing or calling: Administration, 990 Terrace Street, Muskegon, MI 49442 (231) 724-6520



Oceana County
BOARD OF COMMISSIONERS
County Building
P.O. Box 31
Hart, Michigan 49420



RESOLUTION IN SUPPORT OF SENATE BILL 449

Moved by Ms. Kolbe and seconded by Mr. Byl to adopt the following Resolution:

WHEREAS, the police departments through the State of Michigan depend, in part, upon part-time law enforcement officers for protection of the citizens and community; and

WHEREAS, the Michigan Commission on Law Enforcement Standards (MCOLES) adopted an administrative rule mandating that police officers must work a minimum of 520 hours to remain certified; and

WHEREAS, opposition to this 520 hour rule has been overwhelming, widespread and nearly unanimous; and,

WHEREAS, the current law (with no hourly standard) has worked for more than 45 years and the proposed 520 hour rule is being implemented with no stated legitimate or valid purpose; and

WHEREAS, an organized movement of Police Chiefs has successfully lobbied for legislation to set the minimum standard at 120 hours, as described in Senate Bill 449; and

WHEREAS, the 120 hour compromise is equal to the only other hourly certification standard in the nation, being the State of Idaho; and,

WHEREAS, Senate Bill 449 passed on June 25, 2009 on a bi-partisan and unanimous vote of 34 to 0; and,

WHEREAS, Senate Bill 449 has languished in the House Judiciary Committee since June 24, 2009 without being sent to the floor for a vote; and,

WHEREAS, failure of the House to pass Senate Bill 449 as written will cause an unfunded mandate when county sheriffs may have to fill the void of local departments cutting officers, the loss of local control as well as the loss of more police officers from our streets.

THEREFORE, BE IT RESOLVED: that the Oceana County Board of Commissioners hereby calls upon the House of Representatives to swiftly pass Senate Bill 449 as written.

BE IT FURTHER RESOLVED: that certified copies of this Resolution be sent to Representative Hansen and the Speaker of the House as well as to the other 82 county boards of commissioners.

Roll call vote: Kolbe, yes; Byl, yes; Brown, yes; Simon, yes; Powers, yes; Malburg, yes; and, Van Sickle, yes. Motion carried.

The Community Development/Strategic Planning Committee met on September 16, 2010, it was recommended and I move:

CD/SP10/09 - 07 To authorize the Muskegon County Convention and Visitors Bureau to receive bids for the completion of the Official Visitors Guide to Muskegon County for a multi-year contract.

The Board of Public Works met on September 9, 2010, recommended, and I so move:

To approve the budget for FY 2011 for the Muskegon County Regional Water System as presented (operating fund 5910 revenues of \$3,337,864 and expenditures of \$3,179,439);

To approve the Solid Waste budget for FY 2011 as presented (with Solid Waste, fund 5710 revenues of \$2,260,000 and expenditures of \$3,768,502; Fly Ash, fund 5711 with revenues of \$7,000 and expenditures of \$129,220);

The adoption of the proposed FY 2011 Wastewater Operations and Maintenance budget Fund 5920 with amended revenues and expenditures of \$9,438,410 and a gallonage rate at \$1,096.26 per million gallons, setting the debt retirement rate at \$294.51 per million gallons for the \$17M bond issue, \$200.79 per million gallons for the \$17.5M bond issue (Phase I), \$160.08 per million gallons for the \$14M Phase II bonds, \$208.72 per million gallons for the \$16.8M Segment 1 of the 66-inch pipe replacement bonds and \$217.47 per million gallons for the \$17.5M Segment 2 of the 66-inch pipe replacement bonds, the Wastewater capital budgets and the Laboratory Fee Table, all for FY 2011.

The Transportation Committee met on September 16, 2010; it was recommended, and I move:

- TR10/09-43 To approve MDOT Contract No. 2010-0504 between the County and the Michigan Department of Transportation, providing the State's 2.5% share, or \$24,000, of funding for the acquisition of three snow removal vehicles under FY2010 Airport Improvement Program Project No. 3-26-0071-3310. The Federal share (95%) is \$912,000 and the Local share (2.5%) is \$24,000. And, further authorize the Chairman to execute the contract and the Clerk to authorize the resolution.

- TR10/09-44 To approve allowing the Purchasing Department to issue an RFB on behalf of the Airport to repair the metal roof on Executive Air Transport Hangar #1.

- TR10/09-45 To approve the extension of sixteen (16) T-Hangar Lease Agreements at Muskegon County Airport expiring in the fourth quarter of 2010. Lease agreements are for a one-year period and recommend extension at same as current rate.

- TR10/09-46 To award the bid to sell four surplus MATS buses to Houghton Enterprises for the sum of \$2,285.

The Ways and Means Committee met on September 21, 2010, it was recommended, and I move:

- WM10/09 - 158 To approve payment of the accounts payable of \$7,643,151.43 covering the period of August 25, 2010 through September 14, 2010 as presented by the County Clerk.
- WM10/09 - 159 To adopt the resolution initiating Public Act 423 for the 2011 fiscal year and authorize the Board Chair to sign it.
- WM10/09 - 160 To approve the First Amendment to the Memorandum of Understanding between the County of Muskegon and the Lakeshore Coordinating Council with an expiration date of September 30, 2011, unless terminated by either party with 30 days written notice, and authorize the Board Chair to sign the agreement.
- WM10/09 - 161 To support the application by the Muskegon County Department of Public Health to the Department of Housing and Urban Development (CFDA 14.900) for funding not to exceed \$2,100,000 with a minimum of a 10% match using in-kind leveraged and donated services.
- WM10/09 - 162 To accept the 2010 Congressionally Mandated grant from the Bureau of Justice Assistance in the amount of \$150,000 and to issue a Request for Proposal to obtain the assessment services.
- WM10/09 - 163 To adopt the FY2011 County of Muskegon Appropriate Ordinance including the Budget Amendments, position changes, FY2011 Equipment Items and FY2011 Capital Projects, which collectively represent the implementation of the County of Muskegon's FY2011 Operating Budget.
- WM10/09 - 164 To authorize intergovernmental transfers to the State of Michigan of General Fund dollars with other qualifying dollars, with the total not to exceed \$241,000, and to commit those funds to increase health care funding in the community to support Indigent Care Agreements-based DSH payments to community hospitals. This is the State of Michigan Disproportionate Share Hospital Program (DSH).
- WM10/09 - 165 To authorize Human Resources/Employment and Training to solicit proposals for a one year contract renewable for up to two additional years based upon performance and the availability of funding, for consulting services to provide financial and operational monitoring services.

- WM10/09 - 166 To appoint Mr. Lee Coggin to the Muskegon/Oceana Consortium Workforce Development Board of Directors for a term to expire on December 31, 2011.
- WM10/09 - 167 To appoint Mr. Mark Inglis to the Muskegon/Oceana Consortium Workforce Development Board of Directors for a term to expire on December 31, 2011.
- WM10/09 - 168 To authorize the Prosecutor to accept the FY2011 VOCA Funding Agreement in the amount of \$75,916 from the Department of Community Health and to affix the signature of the Chairman of the Board to two copies of the Agreement.
- WM10/09 - 169 To waive the hiring freeze to allow Public Health to immediately recruit Public Health Nurse position #H05019.
- WM10/09 - 170 To authorize staff to solicit bids for six Automated External Defibrillator Units for installation on all six floors of the Hall of Justice with costs to be paid for from the Equipment Revolving Fund (6660) to be charged to the Hall of Justice building (1010-0265-942010) over five years.
- WM10/09 - 171 To authorize staff to prepare and issue a Request for Proposal (RFP) for county copiers.
- WM10/09 - 172 To approve the contract settlement with the Sheriff Teamsters Deputy Unit and authorize the County Board Chair and County Clerk to sign the labor agreement subsequent to signatures beings obtained from union representatives.

REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

COMMITTEE Full Board		BUDGETED <input type="checkbox"/>	NON-BUDGETED <input type="checkbox"/>	PARTIALLY BUDGETED <input type="checkbox"/>
REQUESTING DEPARTMENT Administration		COMMITTEE DATE September 28 , 2010		REQUESTOR SIGNATURE Bonnie B. Hammersley
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)				
<p>The County Board of Commissioners participated in Strategic Planning sessions on February 23rd, and February 24th, 2010. The revision of the Muskegon County "Mission Statement" was identified as a priority. The mission statement is a brief statement that expresses the primary objective of Muskegon County government. The mission statement should guide the actions of the organization, spell out its overall goal, provide a sense of direction, and guide decision-making.</p> <p>On April 27, 2010 a committee made up of (2) Commissioners, (2) Elected Officials and (2) Department Heads facilitated by the MSU Extension Director completed the revision of the mission statement (see attached). In addition, the Committee created a vision statement that represents the core values of the county and describes a preferred future. The mission statement and vision statement is a part of the county-wide plan to serve the residents of Muskegon County and will be inserted into Muskegon County communications.</p>				
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)				
Move to adopt the attached as the Muskegon County "Mission Statement" and "Vision Statement".				
ADMINISTRATIVE ANALYSIS (AS APPLICABLE)				
<u>HUMAN RESOURCES ANALYSIS:</u>		<u>FINANCE & MANAGEMENT ANALYSIS:</u>		
		<i>Recommend approval</i> <i>BD</i>		
<u>CORPORATE COUNSEL ANALYSIS:</u>		<u>ADMINISTRATOR RECOMMENDATION:</u>		
		<i>approval</i> <i>BBH</i>		
AGENDA DATE:	AGENDA NO.:	BOARD DATE: <i>9/28/10</i>	PAGE NO.	

REVISED DRAFT

MISSION STATEMENT

Muskegon County government serves all its citizens by promoting a high quality of life through the process of representation with the highest standard of conduct and service.

VISION STATEMENT

To provide the citizens of Muskegon County the highest quality of life by promoting:

- Economic Development
- Culture and Diversity
- Health, Public Safety and Education
- Preservation of Natural Resources



PRIOR MISSION STATEMENT

Muskegon County government serves the community interests of its citizens through the process of representation and proactive local government. The county delivers its many services with fiscal responsibility and appreciation of the community's rich diversity, while protecting its environmental resources and promoting the quality of life. Muskegon County government strives to maintain the highest standard of conduct and service in its county-wide leadership role.

Mission/Vision Statement Team Members:

Commissioner Buzzell, Commissioner Mahoney, Commissioner McMurray,
Commissioner Snider, Bonnie Hammersley, Kathy Hoogstra, Ken Kraus,
Tony Moulatsiotis

REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

COMMITTEE Board of Commissioners		BUDGETED NON-BUDGETED PARTIALLY BUDGETED N/A	
REQUESTING DEPARTMENT Administration	COMMITTEE DATE September 28, 2010	REQUESTOR SIGNATURE Judith Kell	
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)			
Approval is requested to allow the Chairman of the County Board of Commissioners to sign HUD Form 2991 indicating that the Department of Public Health Lead-based Paint Hazard Reduction Project is consistent with the Muskegon County Consolidated Plan. The Certification of Consistency (HUD Form 2991) is required to be included with the grant application being submitted to the Department of Housing and Urban Development (HUD). Funding will be sought to conduct lead risk assessments and perform lead abatement of 200 homes throughout the County over a three-year period. The County of Muskegon is requesting \$2,100,000 from the Department of Housing and Urban Development. The match consists of leveraged funds using the County of Muskegon's CDBG Homeowner Rehabilitation grant as well as through the use of the City of Muskegon's CDBG funds.			
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)			
Move to authorize Kenneth Mahoney as the Chairman of the Muskegon County Board of Commissioners to sign on behalf of Muskegon County that the application by County of Muskegon for funding under the Lead-based Paint Hazard Control grant program, CFDA 14.900 is consistent with Muskegon County's Consolidated Plan.			
ADMINISTRATIVE ANALYSIS (AS APPLICABLE)			
<u>HUMAN RESOURCES ANALYSIS:</u>		<u>FINANCE & MANAGEMENT ANALYSIS:</u> <i>Recommend approval</i> <i>BD</i>	
<u>CORPORATE COUNSEL ANALYSIS:</u>		<u>ADMINISTRATOR RECOMMENDATION:</u> <i>approval</i> <i>JKK</i>	
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**Certification of Consistency
with the Consolidated Plan**

**U.S. Department of Housing
and Urban Development**

I certify that the proposed activities/projects in the application are consistent with the jurisdiction's current, approved Consolidated Plan.
(Type or clearly print the following information:)

Applicant Name: County of Muskegon

Project Name: Muskegon County Lead-Based Paint Hazard Control Program

Location of the Project: Muskegon County, Michigan

Name of the Federal Program to which the applicant is applying: HUD Lead-Based Paint Hazard Control Grant Program, CFDA # 14.900

Name of Certifying Jurisdiction: County of Muskegon


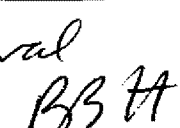
Certifying Official of the Jurisdiction Name: Kenneth Mahoney

Title: Chairman, Muskegon County Board of Commissioners

Signature: _____

Date: September 28, 2010

REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

COMMITTEE Board of Commissioners		BUDGETED NON-BUDGETED PARTIALLY BUDGETED Not applicable	
REQUESTING DEPARTMENT Administration		COMMITTEE DATE September 28, 2010	REQUESTOR SIGNATURE Judith Kell
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)			
<p>The Public Health Department is requesting approval to act as the lead agency and fiduciary for submission for a grant to the Department of Housing and Urban Development (CFDA 14.009). Funds will be used to identify and control lead based paint hazards in eligible privately owned rental or owner occupied housing. The grant will target lead hazard control efforts in housing in which children are at greatest risk of lead poisoning in order to reduce elevated blood lead levels in children less than six years of age. The grant will also be used to re-vitalize the Lead Coalition and to promote collaboration, data sharing and targeting between health and housing departments. In addition we are requesting funds to assist in the promotion and development of programs to concurrently address multiple housing-related health hazards with lead hazard control intervention work. The County will be seeking \$2,100,000 for 36 months. There is a minimum of a 10% match with the ability to reach a 25% match through donations, third party-in-kind contributions, as well as leveraged funds such as the County's CDBG Homeowner Rehabilitation Assistance program and through other CDBG programs in Muskegon County.</p> <p>In order for the County of Muskegon to apply and receive HUD funds it must submit a Code of Conduct that has been approved by the County Board of Commissioners. There are specific items that must be included in the Code of Conduct and they are included in the attached Code of Conduct. CMHS of Muskegon County receives HUD funding and has an approved Code of Conduct that was approved by the CMHS Board of Directors and then by HUD. Rather than have each department of Muskegon County have its own Code of Conduct approved by the Board of Commissioners, we are recommending that the attached Code of Conduct be approved and submitted by any department of the County of Muskegon when applying for funding from the Department of Housing and Urban Development.</p>			
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)			
I move to adopt the Code of Conduct for Muskegon County.			
ADMINISTRATIVE ANALYSIS (AS APPLICABLE)			
<u>HUMAN RESOURCES ANALYSIS:</u>		<u>FINANCE & MANAGEMENT ANALYSIS:</u>	
		<i>Recommend approval</i> 	
<u>CORPORATE COUNSEL ANALYSIS:</u>		<u>ADMINISTRATOR RECOMMENDATION:</u>	
		<i>Approval</i> 	
AGENDA DATE:	AGENDA NO.:	BOARD DATE: 9/28/10	PAGE NO.

CODE OF CONDUCT

The County of Muskegon is committed to a continuing effort to maintain principles of ethical business conduct. To accomplish this, the County of Muskegon has developed and implemented a Code of Conduct that will be enforced related to all federal and state grant applications and awards. The specific requirements of the Code of Conduct are:

1. No employee, officer, or agent of the County of Muskegon shall participate in the award of administration of a contract supported by federal or state funds if a *real or apparent* conflict of interest would be involved. A *real or apparent* conflict of interest would arise when any of the following has a financial or other interest in the firm selected for an award: (a) an employee, officer or agent involved in the selection, award, or administration of a contract supported by federal or state funds; (b) members of that person's immediate family; (c) that person's partner (either spouse or domestic partner); (d) that person's current (or soon-to-be) employer of that person's partner;
2. No officer, employee or agent of the County of Muskegon may solicit or accept gifts or favors from contractors, potential contractors, or parties to sub-agreements;
3. The County of Muskegon will provide training related to the Code of Conduct to elected officials, its employees and agents of the County. It will also place the Code of Conduct on its website and include it in the new employee orientation packet.
4. Administrative and disciplinary actions for violations of the Code of Conduct will be in compliance with the County of Muskegon's Personnel Rules and appropriate union contracts.



Adopted by the Muskegon County Board of Commissioners

September 28, 2010

Kenneth Mahoney, Chairman, Muskegon County Board of Commissioners

(must be placed on letterhead when signed)

REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

COMMITTEE Board of Commissioners		BUDGETED <input type="checkbox"/>	NON-BUDGETED <input type="checkbox"/>	PARTIALLY BUDGETED <input type="checkbox"/>
REQUESTING DEPARTMENT Fin. And Mgt. Services/Accounting		COMMITTEE DATE September 28, 2010		REQUESTOR SIGNATURE .
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)				
<p>On September 8, 2009, the Board approved a resolution (2009-496) to designate the entire County as a "Recovery Zone" for the use of Federal Stimulus funds. On October 20, 2009 the Board approved an allocation of \$7,400,000 for the Honeywell project. We only needed \$7,140,000 of the allocation. Oakridge schools has requested the remainder of the public facility allocation for school buildings. The Recovery Zone designation allows for the issuance of recovery zone bonds, which results in the issuer receiving a 45% reimbursement of all interest costs from the Federal government. The total amount of Recovery Zone bonds that are available is now \$6,750,000. Staff recommends that \$6,750,000 be allocated to the Oakridge Schools to be used on their building construction and renovation projects.</p>				
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)				
<p>Move to approve the reallocation of \$260,000 of recovery zone bonds from Muskegon County to Oakridge Schools and an additional \$6,490,000 of the remaining Muskegon County's Recovery Zone bond allocation for a total of \$6,750,000 to be used for the building construction and renovation for their school buildings.</p>				
ADMINISTRATIVE ANALYSIS (AS APPLICABLE)				
<u>HUMAN RESOURCES ANALYSIS:</u>		<u>FINANCE & MANAGEMENT ANALYSIS:</u>		
		<i>Recommend approval</i> 		
<u>CORPORATE COUNSEL ANALYSIS:</u>		<u>ADMINISTRATOR RECOMMENDATION:</u>		
		<i>approval</i> 		
AGENDA DATE:	AGENDA NO.:	BOARD DATE:	PAGE NO.	
		9/28/10		

The following motion was approved by the Muskegon County Board of Commissioners:

Move to approve the reallocation of \$260,000 of recovery zone bonds from Muskegon County to Oakridge Schools and an additional \$6,490,000 of the remaining Muskegon County's Recovery Zone bond allocation for a total of \$6,750,000 to be used for the building construction and renovation for their school buildings.

I hereby certify that the foregoing constitutes a true and complete copy of an Board Motion 2010-___ duly adopted by the Board of Commissioners of the County of Muskegon, Michigan, at a Regular Meeting held on the 28th day of September, 2010, 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.

I further certify that the following Members were present at said meeting:

_____ and that the following Members were absent:

_____.

I further certify that Member _____ moved adoption of motion, and that said motion was supported by Member _____.

I further certify that the following Members voted for adoption of said motion:

_____ and that the following Members voted against adoption of said motion: _____

_____.

I further certify that said motion has been recorded in the minutes of the County Board of Commissioners and that such recording has been authenticated by the signatures of the Chairman of the County Board of Commissioners and County Clerk.

County Clerk

REQUEST FOR BOARD CONSIDERATION-COUNTY OF MUSKEGON

COMMITTEE Board of Commissioners	BUDGETED NON-BUDGETED PARTIALLY BUDGETED <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>		
REQUESTING DEPARTMENT Fin. And Mgt. Services/ Accounting	COMMITTEE DATE September 28, 2010	REQUESTOR SIGNATURE	
SUMMARY OF REQUEST (GENERAL DESCRIPTION, FINANCING, OTHER OPERATIONAL IMPACT, POSSIBLE ALTERNATIVES)			
The 2002 bonds for the limited tax obligation for the Wastewater system have a call date of July 1, 2012. Current bond interest rates make it feasible to refund these bonds and save the taxpayers about \$1,700,000 per year over the next fifteen years. Staff would like to pursue the refunding with an expected decision date of October 30, 2010. If interest rates hold, we would exercise the option to call these bonds and issue new bonds for the remainder of the term.			
SUGGESTED MOTION (STATE EXACTLY AS IT SHOULD APPEAR IN THE MINUTES)			
Move to approve a Bond refunding contract and resolution to issue up to \$13,600,000 in PA 94 bonds to refund the Wastewater 2002 bonds for the Wastewater system.			
ADMINISTRATIVE ANALYSIS (AS APPLICABLE)			
<u>HUMAN RESOURCES ANALYSIS:</u>	<u>FINANCE & MANAGEMENT ANALYSIS:</u>		
	<i>Recommend approval BD</i>		
<u>CORPORATE COUNSEL ANALYSIS:</u>	<u>ADMINISTRATOR RECOMMENDATION:</u>		
	<i>approval BBA</i>		
AGENDA DATE:	AGENDA NO.:	BOARD DATE: 9/28/10	PAGE NO.

County of Muskegon
State of Michigan

NOTICE OF SALE RESOLUTION
MUSKEGON COUNTY WASTEWATER MANAGEMENT
SYSTEM No. TWO REVENUE REFUNDING BONDS , SERIES 2010
(GENERAL OBLIGATION LIMITED TAX)

Minutes of a regular Meeting of the County Board of Commissioners of the County of Muskegon, State of Michigan, held on the 28th day of September, 2010.

PRESENT: Members _____

ABSENT: Members _____

WHEREAS, the County of Muskegon, State of Michigan (the "Issuer"), has by an Ordinance duly adopted on date even herewith, authorized the issuance and sale of not to exceed Thirteen Million Six Hundred Thousand Dollars (\$13,600,000) principal amount of Muskegon County Wastewater Management System No. Two Revenue Refunding Bonds, Series 2010 (General Obligation Limited Tax) (the "Bonds");

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Muskegon County Board of Public Works (the "Board") is hereby authorized and directed to fix the date for the sale of the Bonds.
2. The Board shall cause a Notice of Sale of the Bonds to be published in either the Detroit Legal News, published in Detroit, Michigan, or in the Bond Buyer, published in New York, New York, at least fourteen (14) full days before the date fixed for sale.
3. The Notice of Sale of the Bonds shall be in substantially the following form:

OFFICIAL NOTICE OF SALE

\$13,235,000

COUNTY OF MUSKEGON, STATE OF MICHIGAN
MUSKEGON COUNTY WASTEWATER MANAGEMENT
SYSTEM NO. TWO REVENUE REFUNDING BONDS,
SERIES 2010 (GENERAL OBLIGATION LIMITED TAX)

SEALED BIDS for the purchase of the above bonds will be received by the undersigned at the office of the County Administrator/Controller located at the Muskegon County Office Building 990 Terrace Street, Muskegon, Michigan 49442, on _____, the ____ day of _____, 2010, until 11:30 o'clock a.m., Eastern _____ Time, at which time and place said bids will be publicly opened and read. Sealed bids for the purchase of the above bonds will also be received until the same time on the same date members of the Municipal Advisory Council of Michigan at the offices of the Municipal Advisory Council of Michigan, 535 Griswold, Suite 1850, Detroit, Michigan 48226, at which time and place said bids will be simultaneously opened and read. The Board of Public Works of the County of Muskegon (the "Board") acting in behalf of the County of Muskegon (the "Issuer") will meet at ___ o'clock __.m., on that date, to consider the award or rejection of bids.

FAXED BIDS: Signed bids may be submitted by fax to the Board at fax number (231) 724-3588, Attention: _____, to Stauder, Barch & Associates, Inc. at fax number (734) 668-6723; by members of the Municipal Advisory Council of Michigan to the Municipal Advisory Council of Michigan at fax number (313) 963 0943 **provided that** faxed bids must arrive before the time of sale and the bidder bears all risks of transmission failure, and the GOOD FAITH DEPOSIT MUST BE MADE AND RECEIVED as described in the section captioned "GOOD FAITH" below.

ELECTRONIC BIDS: 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, 1395 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. NO ELECTRONIC BID WILL BE ACCEPTED UNLESS THE BIDDER HAS SUBMITTED A FINANCIAL SURETY BOND IN THE AMOUNT DESCRIBED IN THE SECTION CAPTIONED "GOOD FAITH" BELOW.

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 issued in fully-registered form, of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the aggregate principal amount of that maturity, dated the date of delivery, numbered in order of registration, and will bear interest from their date payable on January 1, 2011, and semiannually thereafter.

The bonds will mature on the 1st day of July of the years as follows:

2012 through 2019;	\$880,000
2020 through 2026	885,000

TERM BOND OPTION: Bidders shall have the option of designating bonds maturing on and after July 1, 2020, as serial bonds or term bonds, or both. The bid must designate whether each of the principal amounts shown above for the years 2020 through 2026, inclusive, represents a serial maturity or a mandatory redemption requirement for a term bond maturity. A bidder may designate more than one term bond maturity. Any such designation must be made within twenty four hours of the time bids are submitted.

PRIOR REDEMPTION: Serial Bonds of this issue maturing in the years 2012 to 2020, inclusive, are not subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2021 and thereafter may be redeemed at the option of the Issuer, in such order as the Issuer shall determine and within any maturity by lot, on any date on or after July 1, 2020 at par and accrued interest to the date fixed for redemption.

Amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory redemption on July 1 of the years and in the amounts set forth in the maturity schedule a redemption price of par, plus accrued interest to the date of mandatory redemption.

Notice of redemption of any bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. Bonds shall be called for redemption in multiples of \$5,000 and any bond of a denomination of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000 and such bond may be redeemed in part. Notice of redemption for a bond redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem the bond or portion thereof.

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 1/20 of 1%, or both. The 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 INTEREST RATE BORNE BY BONDS MATURING IN ANY ONE YEAR SHALL NOT BE LESS THAN THE INTEREST RATE BORNE BY BONDS MATURING IN THE PRECEDING YEAR. No proposal for the purchase of less than all of the bonds or at a price less than 99% nor more than 101% of their par value will be considered.

BOOK-ENTRY ONLY: 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 certificate representing their interest in bonds purchased. The book-entry-only system is described further in the preliminary official statement for the bonds.

TRANSFER AGENT AND REGISTRATION: Principal and interest shall be payable at the principal corporate trust office of U.S. Bank National Association, Grand Rapids, Michigan, or such other transfer agent as the Issuer may thereafter designate by notice mailed to the registered owners of the bonds not less than 60 days prior to any interest payment date. Interest shall be paid by check or draft mailed to the registered owners of the bonds as shown by the registration books of the Issuer on the 15th day of the month preceding the interest payment date. The bonds will be transferable only upon the registration books of the Issuer kept by the transfer agent.

PURPOSE AND SECURITY: The bonds are issued under the provisions of Act 94, Public Acts of Michigan, 1933, as amended, Act 185, Public Acts of Michigan, 1957, as amended and Ordinance No. ___ of the Issuer, for the purpose of paying the cost of refunding the Issuer's Muskegon County Wastewater Management System No. Two Revenue Bonds Series 2002 (General Obligation Limited Tax). The bonds are payable primarily from the net revenues of the System and any additions thereto, and a statutory first lien on said revenues has been established by said Ordinance which lien is of equal standing as to priority and payment with the Issuer's Wastewater Management System No. Two Revenue Bond, Series 2006. The Issuer has covenanted and agreed to fix and maintain at all times while any of such bonds shall be outstanding such rates for service furnished by the System as shall be sufficient to provide for payment of the necessary expenses of operation, maintenance and administration of the System, of the principal and interest on all of said bonds when due and to provide for such other expenditures and funds for the System as are required by said Ordinance. The Issuer has also pledged its Limited Tax Full Faith and Credit to the payment of the Series 2010 Bonds. In the event the Net Revenues of the System (as defined in Ordinance No. ___) are insufficient to pay the principal of and interest on the Bonds the Issuer shall pay such principal and interest from its general funds lawfully available therefore including ad valorem taxes levied within constitutional and statutory limits.

The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors' rights generally now existing or hereafter enacted and by the application of general principles of equity including those relating to equitable subordination.

ADDITIONAL BONDS: For the terms upon which additional bonds of equal standing with the bonds of this issue as to revenues of the System may be issued reference is made to the above described Ordinance.

GOOD FAITH: A certified or cashier's check drawn upon an incorporated bank or trust company or a financial surety bond, in the amount of \$265,000 and payable to the order of the Treasurer of the Issuer, must accompany each bid as a guarantee of good faith on the part of the bidder, to be forfeited as liquidated damages if such bid be accepted and the bidder fails to take up and pay for the bonds. If a check is used, it must accompany each bid. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of Michigan and such Bonds must be submitted to the Issuer's financial advisor prior to the opening of the bids. The financial surety bond must identify each bidder whose good faith deposit is guaranteed by such financial surety bond. If the bonds are awarded to a bidder utilized a financial surety bond, then that purchaser (the "Purchaser") is required to submit its good faith deposit to the Issuer or its financial advisor in the form of a cashier's check (or wire transfer such amount) as instructed by the Issuer or its financial advisor in the form of a cashier's check not later than Noon, Eastern Time, on the next business day following the award. If such good faith deposit is not received by that time, the financial surety bond may be drawn by the Issuer to satisfy the good faith deposit requirement. 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 Issuer. No interest shall be allowed on the good faith checks and checks of the unsuccessful bidders will be promptly returned. The good faith check of the successful bidder may be deposited immediately by the Issuer and payment for the balance of the purchaser price of the bonds shall be made at the closing.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the Issuer has agreed to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 (the "Rule") promulgated by the Securities and Exchange Commission, (i) on or prior to the last day of the sixth month after the end of the fiscal year of the Issuer, commencing with the fiscal year ended September 30, 2010, 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, or unaudited financial statements, if audited financial statements are unavailable (ii) timely notice of the occurrence of certain material events with respect to the Bonds and (iii) timely notice of a failure by the Issuer to provide the required annual financial information on or before the date specified in (i) above.

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 January 1, 2011 and semi annually thereafter) necessary to discount the debt service payments from their respective payment date to _____, 2010, in an amount equal to the price bid, excluding accrued interest. _____, _____, 2010 is the anticipated date of delivery of the Bonds. Each bidder shall state in its bid the true interest cost to the Issuer, computed in the manner specified above.

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 printed on the reverse side of each bond, and the original of which 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 their 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.

DELIVERY OF BONDS: The Issuer will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser at Detroit, Michigan or such other location as may be mutually acceptable to the Issuer and the purchaser. 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 the delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, 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 his proposal by serving notice of cancellation, in writing, on the undersigned in which event the Issuer shall promptly return the good faith deposit. Payment for the bonds shall be made in immediately available funds. Accrued interest to the date of delivery of the bonds shall be paid by the purchaser at the time of delivery. Unless the purchaser furnishes the transfer agent with a list giving the denominations and names in which it wishes to have the certificates issued at least 5 business days prior to delivery of the bonds, the bonds will be delivered in the form of a single certificate for each maturity registered in the name of the purchaser.

TAX EXEMPTION: In the opinion of bond counsel, the bonds will be exempt from taxation in the State of Michigan and from federal income tax subject, in both cases, to certain exceptions described in bond counsel's opinion.

CUSIP NUMBERS: CUSIP identification numbers will be printed on the bonds, but neither the failure to print the numbers nor any error with respect thereto shall constitute cause for refusal by the purchaser to accept delivery of the bonds. All expenses in relation to the printing of CUSIP numbers shall be paid for by the Issuer except that the CUSIP Service Bureau charge for the assignment of numbers shall be the responsibility of and paid for by the purchaser.

OFFICIAL STATEMENT: A copy of the Official Statement may be obtained by contacting Stauder, Barch & Associates, Inc., 3989 Research Park Drive, Ann Arbor, Michigan 48108, Telephone No. (734) 668-6688. The Official Statement is in a form deemed final as of its date by the Issuer for purposes of SEC Rule 15c2-12(b)1, but is subject to revision, amendment and completion of a final Official Statement. The successful bidder shall supply to the Issuer, within twenty-four hours after the award of the bonds, all pricing information and any underwriter identification determined by the Issuer to be necessary to complete the Official Statement.

The Issuer will furnish to the successful bidder, at no cost, a reasonable number of copies of the final Official Statement within seven business days after the award of the bonds. Additional copies will be supplied upon the bidder's agreement to pay the cost of the City for those additional copies.

The Issuer shall deliver, at closing, an executed certificate to the effect that as of the date of delivery the information contained in the Official Statement, including revisions, amendments and completions as necessary, relating to the Issuer and the bonds is true and correct in all material respects, and that such Official Statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

{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 sole option and expense of the purchaser of the Bonds. Any increased costs of issuance of the Bonds resulting from such purchase of insurance shall be paid by the purchaser, except that, if the Issuer has requested and received a rating on the Bonds from a rating agency, the Issuer will 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 ISSUER.}

CERTIFICATION: The successful bidder will be required to furnish, prior to the delivery of the bonds, a certificate in a form acceptable to bond counsel as to the "issue price" of the bonds within the meaning of Section 1273 of the Internal Revenue Code of 1986, as amended.

FINANCIAL CONSULTANT: Additional information may be obtained from Stauder, Barch & Associates, Inc. at the hereinbefore stated address.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

ENVELOPES containing the bids should be plainly marked "Proposal for Revenue Bonds".

Secretary, Muskegon County
Board of Public Works

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

AYES: Members _____

NAYS: Members _____

RESOLUTION DECLARED ADOPTED.

County Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Commissioners of the County of Muskegon, State of Michigan, at a regular meeting held on September 28, 2010, 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.

County Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

18,380,554.1\063688-00064

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST OF REFUNDING THE COUNTY'S WASTEWATER MANAGEMENT SYSTEM NO. 2 REVENUE BONDS, SERIES 2002 (GENERAL OBLIGATION LIMITED TAX); TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND CERTAIN OUTSTANDING BONDS; TO PROVIDE AN ADEQUATE RESERVE FUND FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.

THE COUNTY OF MUSKEGON ORDAINS:

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

- (a) "Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.
- (b) "Act 185" means Act 185, Public Acts of Michigan, 1957, as amended.
- (c) "Adjusted Net Revenues" means for any operating year the excess of revenues over expenses for the System determined in accordance with generally accepted accounting principles, to which shall be added depreciation, amortization, interest expense on Bonds and payments to the Issuer in lieu of taxes, to which may be made the following adjustments.
 - (i) Revenues may be augmented by the amount of any rate increases adopted prior to the issuance of additional Bonds or to be placed into effect before the time principal or interest on the additional Bonds becomes payable from

Revenues as applied to quantities of service furnished during the operating year or portion thereof that the increased rates were not in effect.

(ii) Revenues may be augmented by amounts which may be derived from rates and charges to be paid by new customers of the System.

The adjustment of revenues and expenses by the factors set forth in (i) and (ii) above shall be reported upon by professional engineers or certified public accountants or other experts not in the regular employment of the Issuer.

(d) "Bonds" mean the Series 2010 Bonds, together with any additional Bonds of equal standing hereafter issued.

(e) "Issuer" means the County of Muskegon, State of Michigan.

(f) "Project" means the additions, extensions and improvements to the System together with appurtenances and attachments thereto.

(g) "Ordinance No. 2006-418" means the ordinance of the Issuer adopted August 10, 2006 authorizing the issuance of the Series 2006 Bonds.

(h) "Prior Ordinance" means the ordinance of the Issuer adopted October 11, 2001 authorizing the Series 2002 Bonds.

(i) "Refunded Bonds" means the Series 2002 Bonds maturing in the years 2011 through 2026.

(j) "Revenues" and "Net Revenues" mean the revenues and net revenues of the System and shall be construed as defined in Section 3 of Act 94, including with respect to "Revenues", the earnings derived from the investment of moneys in the various funds and accounts established by this Ordinance.

(k) "Series 2002 Bonds" means the Muskegon County Wastewater Management System No. Two Bonds, Series 2002 (General Obligation Limited Tax) of the Issuer dated January 15, 2002 in the principal amount of \$17,000,000.

(l) "Series 2010 Bonds" means the Muskegon County Wastewater Management System No. Two Revenue Refunding Bonds, Series 2010 (General Obligation Limited Tax), of the Issuer in the principal amount of not to exceed \$13,600,000 authorized by this Ordinance.

(m) "Series 2006 Bonds" or "Outstanding Bonds" means the Muskegon County Wastewater Management System No. Two Revenue Bonds, Series 2006 (General Obligation Limited Tax), of the Issuer dated September 21, 2006 and authorized by Ordinance 2006-418.

(n) "Sufficient Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the issuer, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bonds and the principal and redemption premium, if any, on the Bonds as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the paying agent.

(o) "System" means the Issuer's Wastewater Management System No. Two, including such facilities thereof as are now existing, are acquired and constructed as the Project, and all enlargements, extensions, repairs and improvements thereto hereafter made.

(p) "Transfer Agent" means US Bank National Association, Grand Rapids, Michigan or such other bank or financial institution qualified to act as a paying and transfer agent and designated as such in the Official Notice of Sale published in connection with the sale of the Series 2010 Bonds.

Section 2. Necessity; Public Purpose. It is hereby determined to be a necessary public purpose of the Issuer to refund the Refunded Bonds.

Section 3. Bonds Authorized. To pay the cost of refunding the Refunded Bonds and other expenses to the issuance and sale of the Series 2010 Bonds, the Issuer shall borrow the sum of not to exceed Thirteen Million Six Hundred Thousand Dollars (\$13,600,000) and issue the Series 2010 Bonds therefor pursuant to the provisions of Act 94 and Act 185. The remaining cost of the refunding, if any shall be defrayed from Issuer funds on hand and legally available for such use. The amount of bonds issued shall be in an amount necessary to refund the Refunded Bonds and pay the costs of issuance of the Series 2010 Bonds which amount may be adjusted at the time of sale provided that the par amount of the Series 2010 Bonds may not exceed the amount of bonds authorized in Section 3 hereof.

Except as changed by the provisions of this Ordinance, all of the provisions of Ordinance No. 2006-418 and the Prior Ordinance shall apply to the Series 2010 Bonds, the same as though each of said provisions were repeated in this Ordinance, the purpose of this Ordinance being to

authorize the issuance of additional bonds to finance the cost of refunding the Refunded Bonds and to pay the costs of issuance of the 2010 Bonds.

Section 4. Bond Details, Issuance in Series, Registration and Execution. The Series 2010 Bonds hereby authorized shall be designated MUSKEGON COUNTY WASTEWATER MANAGEMENT SYSTEM NO. TWO REVENUE REFUNDING BONDS, SERIES 2010 (GENERAL OBLIGATION LIMITED TAX) , shall be payable primarily out of the Net Revenues, as set forth more fully in Section 7 hereof, shall consist of bonds of the denomination of \$5,000, or integral multiples of \$5,000 not exceeding in any one year the amount maturing in that year, dated as of the date of their delivery to the original purchaser thereof, numbered in order of registration, and shall mature on July 1st in the years 2012 through and including 2026 as set forth in the Official Notice of Sale published in connection with the Sale of the Series 2010 Bonds.. The Series 2010 Bonds shall bear interest at a rate or rates to be determined on public sale thereof, but in any event not exceeding the lesser of 6% per annum, or the maximum rate permitted by law, payable on January 1 and July 1 of each year, commencing January 1, 2011, by check or draft mailed by the transfer agent selected by the Issuer to the person or entity which is, as of the 15th day of the month preceding the 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 date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Issuer to conform to market practice in the future. The principal of the Series 2010 Bonds shall be payable at the bank or trust company designated by the Issuer as registrar and transfer agent for this issue. The Series 2010 Bonds shall be sold at not less than 99% nor more than 101% of their par value.

The Series 2010 Bonds may be issued as book-entry-only forms through The Depository Trust Company of New York, New York.

The Series 2010 Bonds or portions thereof maturing on or after July 1, 2021, may be subject to redemption prior to maturity at the times and prices and in the manner and with notice as set forth in the form of the Series 2010 Bonds in Section 18 of this Ordinance. In case less than the full amount of an outstanding Bond is called for redemption, the transfer agent upon presentation of the Bond called in part for redemption shall register, authenticate and deliver to the registered owner a new bond in the principal amount of the portion of the original bond not called for redemption. Notice of redemption shall be given in the manner specified in the form of the Series 2010 Bonds contained in Section 18 of this Ordinance.

The Series 2010 Bonds shall be executed in the name of the Issuer with the facsimile signatures of the Chairman of the Issuer's Board of Commissioners and the County Clerk and shall have the Issuer's seal printed on them. No Bond shall be valid until authenticated by an authorized signer of the transfer agent. The Bonds shall be delivered to the transfer agent for authentication and be delivered by the transfer agent to the purchaser in accordance with instructions from the Treasurer of the Issuer upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted. 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.

Section 6. Registration and Transfer. 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 the registered owner's 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 Issuer 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 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 not be required (i) 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 giving of a notice of redemption of Bonds selected for redemption as described in the form of Series 2010 Bonds contained in Section 18 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The Issuer shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

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 Issuer; and, 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.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the transfer agent of the mutilated Bond. If any Bond issued under this Ordinance shall be lost, destroyed or stolen,

evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), being sections 129.131 to 129.135, inclusive, of the Michigan Compiled Laws have been met, the Issuer, at the expense of the owner, shall execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond the transfer agent may pay the same without surrender thereof.

Section 7. Payment of Bonds, Pledge of Limited Tax Full Faith and Credit. The Series 2010 Bonds and the interest thereon shall be payable primarily from the Net Revenues, and to secure such payment, there is hereby created a statutory lien upon the whole of the Net Revenues which shall be a first lien to continue until payment in full of the principal of and interest on all bonds payable from the Net Revenues, or, until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of all Bonds of a series then outstanding, principal and interest on such Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the statutory lien shall be terminated with respect to that series of Bonds, the holders of that series shall have no further rights under this Ordinance except for payment from the

deposited funds, and the Bonds of that series shall no longer be considered to be outstanding under this Ordinance.

Pursuant to Section 11(2) of Act 185 and a three-fifths vote of the Issuer's Board of Commissioners the Issuer does hereby pledge its limited tax full faith and credit to the payment of the Bonds. In the case of the insufficiency of Net Revenues to pay the principal of and interest on the Bonds said principal and interest shall be payable from the general funds of the Issuer lawfully available for such purposes including ad valorem taxes subject to constitutional and statutory limitations.

Section 8. Bondholders' Rights; Receiver. The holder or holders of the Bonds representing in the aggregate not less than twenty percent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Issuer, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest on the Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth herein and in Act 94 and Act 185.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

The holder or holders of the Bonds shall have all other rights and remedies given by Act 94 and law, for the payment and enforcement of the Bonds and the security therefor.

Section 9. Management; Fiscal Year. The operation, repair and management of the System and the acquiring of the Project shall continue to be under the supervision and control of the Issuer's Board of Public Works (the "Board") subject to the superintending control of the Issuer's Board of Commissioners. The Board may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The Board may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System.

Section 10. Rates and Charges. The rates and charges for service furnished by and the use of the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance.

Section 11. No Free Service or Use. No free service or use of the System, or service or use of the System at less than cost, shall be furnished by the System to any person, firm or corporation, public or private, or to any public agency or instrumentality, including the Issuer.

Section 12. Fixing and Revising Rates; Rate Covenant. The rates now in effect are estimated to be sufficient to provide for the payment of the expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the System in good repair and working order, to provide for the payment of the principal of and interest on the Bonds as the same become due and payable, and the maintenance of the reserve therefor and to provide for all other obligations, expenditures and funds for the System required by law and this Ordinance. The rates shall be fixed and revised from time to time as may be

necessary to produce these amounts and shall be maintained in such amounts so that Net Revenues annually shall be equal to no less than 105% of the average annual debt service on the Bonds, and it is hereby covenanted and agreed to fix and maintain rates for services furnished by the System at all times sufficient to provide for the foregoing.

Section 13. Bond Reserve Account. The Bond Reserve Account in the Bond and Interest Redemption Fund established by Section 13, subsection B of the Prior Ordinance shall be further increased in amount as the County Board of Commissioners shall annually determine to be sufficient to fund the Reserve Amount specified in Section 13, subsection B of the Prior Ordinance. All of the provisions relative to the use of said Bond Reserve Account, its maintenance and other details relative thereto, shall remain as specifically set forth in the Prior Ordinance.

Section 14. Depository and Funds on Hand. Moneys in the several funds and the accounts established pursuant to this Ordinance, except moneys in the Redemption Fund (including the Bond Reserve Account) and moneys derived from the proceeds of sale of the Bonds, may be kept in one or more bank accounts at a bank or banks designated by resolution of the Issuer or the Board, and if kept in one bank account the moneys shall be allocated on the books and records of the Issuer in the manner and at the times provided in this Ordinance.

Section 15. Investments. Moneys in the funds and accounts established herein and moneys derived from the proceeds of sale of the Bonds, may be invested by the Board or the Issuer in United States of America obligations or in obligations the principal of and interest on which is fully guaranteed by the United States of America and any investments hereafter permitted by law, and moneys derived from the proceeds of sale of the Bonds may also be

invested in certificates of deposit of any bank whose deposits are insured by the Federal Deposit Insurance Corporation. Investment of moneys in the Redemption Fund being accumulated for payment of the next maturing principal or interest payment of the Bonds shall be limited to obligations bearing maturity dates prior to the date of the next maturing principal or interest payment on the Bonds. Investment of moneys in the Bond Reserve Account shall be limited to obligations bearing maturity dates or subject to redemption, at the option of the holder thereof, not later than five years from the date of the investment. In the event investments are made, any securities representing the same shall be kept on deposit with the bank or trust company having on deposit the fund or funds or account from which the purchase was made. Profit realized or interest income earned on investment of funds in the Receiving Fund, Operation and Maintenance Fund and Improvement Fund shall be deposited in or credited to the Receiving Fund at the end of each fiscal year. Profit realized on interest income earned on investment of moneys in the Redemption Fund including income derived from the Bond Reserve Account shall be credited as received to the Redemption Fund.

Section 16. Bond Proceeds. From the proceeds of the sale of the Bonds there shall be immediately deposited in the Redemption Fund an amount equal to the accrued interest and premium, if any, received on the delivery of the Bonds. The balance of the proceeds of the sale of the Bonds and, if deemed necessary or advisable by the Issuer, moneys on hand in the outstanding Bond Reserve Account allocated to the Refunded Bonds, shall be deposited in an escrow fund or funds (the "Escrow Fund") consisting of cash and or investments in direct obligations of or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America and are not redeemable at the option of the Issuer in

amounts fully sufficient to pay the principal and interest on all of the Refunded Bonds, which are to be refunded hereunder and shall be used only for such purposes. The Escrow Fund shall be held by US National Association of Grand Rapids, Michigan as Refunded Bonds Transfer Agent (the "Agent") pursuant to instructions of the Board (as hereinafter defined) which shall irrevocably direct the Agent to take all necessary steps to pay the principal and interest on the Refunded Bonds on January 1, 2011. The remaining proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds. Any proceeds in excess of the proceeds deposited in the Escrow Fund or required to pay the costs of issuance shall be deposited in the Redemption Fund and used to pay interest on the Bonds on January 1, 2011.

Section 17. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF MICHIGAN

COUNTY OF MUSKEGON

WASTEWATER MANAGEMENT SYSTEM NO. TWO REVENUE REFUNDING BOND

SERIES 2010

(GENERAL OBLIGATION LIMITED TAX)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

THE COUNTY OF MUSKEGON, State of Michigan (the "Issuer"), for value received, hereby promises to pay, out of the hereinafter described Net Revenue of the Issuer's Wastewater Management System (hereinafter defined) the Principal Amount shown above in lawful money of the United States of America to the Registered Owner shown above, or registered assigns, on the Maturity Date shown above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue shown above or such later date to which interest has been paid, until paid, at the Interest Rate per annum shown above, payable on January 1, 2011, and semiannually thereafter. Principal of this bond is payable upon surrender of this bond at the office of the US Bank National Association, in Grand Rapids, Michigan or such other transfer agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than 60 days prior to the date of any change in 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 ___ day of the month preceding the interest payment date, the registered owner of record, at the registered address as shown on the registration books of the Issuer kept by the transfer agent. For prompt payment of principal and interest on this bond, the Issuer has irrevocably pledged the revenues of the Wastewater Management System of the Issuer (the "System"), including all appurtenances, extensions and improvements thereto, after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory first lien thereon is hereby recognized and created. In addition pursuant to Act 185, of the Public Acts of Michigan, 1957, as amended ("Act 185") and a three fifths vote of the Issuer's Board of Commissioners, the Issuer has pledged its limited tax full faith and credit to the payment of the Bonds. In the event of the insufficiency of Net Revenues

the principal of and interest of the Bonds shall be payable from the general funds of the Issuer including ad valorem taxes levied within constitutional and statutory limitations.

This bond is one of a series of bonds of even date of original issue aggregating the principal sum of \$1____,000, issued pursuant to Ordinance No. ____, duly adopted by the Board of Commissioners of the Issuer, and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, and Act 185 for the purpose of paying the cost of refunding the Issuer's Muskegon County Wastewater Management System No. 2 Revenue Bonds, Series 2002 (General Obligation Limited Tax)..

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of equal standing may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the above-described Ordinance.

Bonds of this issue maturing in the years 2012 to 2020, inclusive, are not subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2021 and thereafter may be redeemed at the option of the Issuer, in such order as the Issuer shall determine and within any maturity by lot, on any date on or after July 1, 2020 at par and accrued interest to the date fixed for redemption.

Notice of redemption of any bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. Bonds shall be called for redemption in multiples of \$5,000 and any bond of a denomination of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000 and such bond may be redeemed in part. Notice of redemption for a bond redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem the bond or portion thereof.

This bond is a self-liquidating bond and is a general obligation of the Issuer and constitutes an indebtedness of the Issuer payable, both as to principal and interest, primarily from the Net Revenues of the System. The principal of and interest on this bond are secured by the statutory lien hereinbefore mentioned.

The Issuer has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest on and the principal of the bonds of this issue and any additional bonds of equal standing as and when the same shall become due and payable, and to create and

maintain a bond redemption fund therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance.

This bond is transferable only upon the books of the Issuer kept for that purpose at the office of the transfer agent by the registered owner hereof in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the transfer agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance authorizing the bonds, and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law precedent to and in the issuance of this bond and the series of bonds of which this is one have been done and performed in regular and due time and form as required by law.

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.

IN WITNESS WHEREOF, the County of Muskegon, State of Michigan, by its Board of Commissioners, has caused this bond to be executed with the facsimile signatures of its Chairman of its Board of Commissioners and its County Clerk and its corporate seal to be printed on this bond, all as of the Date of Original Issue.

COUNTY OF MUSKEGON

By _____
Chairman

(Seal)

Countersigned:

County Clerk

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Certificate of Authentication

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

Transfer Agent

By _____
Authorized Signatory

Date of Registration:

Section 18. Sale of Bonds; Designation of Transfer Agent; Insurance. The Board shall receive bids for the Series 2010 Bonds in accordance with the notice of sale approved by the Issuer, award sale of the Series 2010 Bonds to the successful bidder determined in accordance with Act 94 and this Ordinance, and take all further necessary steps to issue and deliver the Series 2010 Bonds. If advisable, the Board is authorized to: select a transfer agent for the Series 2010 Bonds and to make appropriate changes to the Notice of Sale, if necessary. The Board is authorized to purchase municipal bond insurance if such purchase is determined to be necessary to sell the Bonds at advantageous rates of interest.

Section 19. Covenant Regarding Tax Exempt Status of the Bonds. The Issuer 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, and to prevent the Bonds from being or becoming "private activity bonds" as that term is used in Section 141 of the Code.

Section 20. Defeasance. 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 options redemption, the principal of, premium, if any, and interest on the bonds, shall be deposited in trust, this Ordinance shall be defeased and the owners of the bonds shall have no further rights under this Ordinance 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 21. Covenant re Undertaking. The Issuer hereby covenants to comply with Securities and Exchange Commission Rule 15c2-12 (the "Rule") and appoints the Secretary of the Board or his or her designee as "Disclosure Representative" in accordance with the Rule. The Disclosure Representative be and is hereby directed to provide the appropriate disclosure as required by the Rule

Section 22. Applicability of Prior Ordinance and Lien. The Prior Ordinance authorized the issuance of the Series 2006 Bonds which were purchased by the Michigan Municipal Bond Authority in accordance with the State of Michigan Revolving Loan Fund (the "Fund"). Provisions set forth in the Prior Ordinance relating to the requirements of the Fund shall not be effective with respect to the Series 2010 Bonds. The Series 2006 Bonds and Series 2010 shall have equal priority of lien respecting Net Revenues. The Series 2010 Bonds shall be additionally secured by the Issuer's pledge of its limited tax full faith and credit.

Section 23. Repeal, Savings Clause. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, repealed.

Section 24. Severability; Paragraph Headings, and Conflict. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.

Section 25. Publication and Recordation. This Ordinance shall be published in full in the Muskegon Chronicle, a newspaper of general circulation in the Issuer qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Chairman of the County Board of Commissioners and the County Clerk.

Section 26. Effective Date. This Ordinance shall be effective upon its adoption.

Adopted and signed this __ day of September, 2010.

Signed _____
Chairman

Signed _____
County Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the Board of Commissioners of the County of Muskegon, Michigan, at a Regular Meeting held on the 28th day of September, 2010, 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.

I further certify that the following Members were present at said meeting:

_____ and that the following Members were absent:

I further certify that Member _____ moved adoption of said Ordinance, and that said motion was supported by Member _____.

I further certify that the following Members voted for adoption of said Ordinance: _____ and that the following Members voted against adoption of said Ordinance: _____

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the Chairman of the County Board of Commissioners and County Clerk.

County Clerk