

**Melrose Township Board of Trustees Minutes
April 12, 2016**

Call to order 7:07pm V. Goodwin

Present: V. Goodwin, S. Burr, L. Stephens, P. Cotanche, R. Hissong Berry

Approval of the Agenda

Motion to approve the agenda with the assessors report being moved to the Guest portion of the agenda.

Motion: L. Stephens 2nd P. Cotanche 5/0

Approval of minutes from previous meeting:

March 15, 2016 Regular Meeting

Motion to approve the minutes of the March 15, 2016 Regular Meeting as presented.

Motion: P. Cotanche 2nd S. Burr Approved 5/0

March 22, 2016 Budget Workshop

Motion to approve the minutes of the March 22, 2016 Budget Workshop meeting.

Motion : S. Burr 2nd L. Stephens Approved 5/0

March 29, 2016 Budget Public Hearing

Motion to approve the minutes of the March 29, 2016 Budget Public Hearing.

Motion: S. Burr, 2nd P. Cotanche Approved 5/0

Guest

Steve Migda , Assessor presented a summary of the board of review proceedings, record up dates, new value added to the Township, veteran exemptions and poverty exemption for a couple of people and one case at tax tribunal.

Old Business

- **Sewer Update**

- **Land purchase from the State**

- Motion to sign and return the Land Transaction agreement with the State of Michigan for 5 acre parcel.

- Motion V. Goodwin 2nd S. Burr Approved 5/0

- **Water Update** No action expected until June

- **Hall key/ lock update**

- Motion to authorize the purchase and installation of the best door lock system for the front entry doors proposed by D. Amato.

- Motion: L. Stephens 2nd P. Cotanche Approved 5/0

- **Street Scape update**

- **Bond Resolution for Street Scape Project**

- Resolution 2016-04-12-01 Street Scape Bond Resolution** (see attached copy)

- Motion: V. Goodwin 2nd L. Stephens

- Roll Call Vote: P. Cotanche-yes, S. Burr-yes, L. Stephens-yes, V. Goodwin-yes,
R. Hissong Berry-yes Approved 5/0

- DTC Blanket registration form to be signed with this.

- Motion to recognize the obligation to pay for the Street Scape Project and that we have sufficient funds to pay for the project.

- Motion: V. Goodwin 2nd P. Cotanche Approved 5/0

- **Web Page Contract**

Motion to approve the Revize company contract for the webpage design and development with web hosting for 3 years at the price of \$700 set-up and \$600 per year for hosting.

Motion: S. Burr, 2nd L. Stephens approved 5/0

This company will migrate all our information from the old Charlevoix County Website.

- **Fire Hall Apron – Contractor contacted?** Not yet.

New Business

- **Road Millage Ballot Language (see included copy)**

Motion by L. Stephens, and seconded by S. Burr, to approve the ballot Language attached to these minutes and to submit the proposal to the electors at the August 2, 2016 primary

Financial Report

Zoning Administrators Report

Assessors Report- addressed under “Guest”

Employee Grounds Report

- **Equipment purchase recommendation**

Motion to approve the purchase and installation of running boards for the Township Dump Truck from Northern Michigan Truck and Equipment.

Motion: V. Goodwin 2nd S. Burr Approved 5/0

Motion to approve the purchase of Mower Z254i 54 inch cut from Meyer Hardware of Petoskey for \$2559.96.

Motion: L. Stephens, 2nd S. Burr Approved 5/0

Motion to approve the purchase of a new trimmer and safety equipment from Meyer Hardware of Petoskey including 2 sets of leg chaps.

Motion: S. Burr, 2nd L. Stephens Approved 5/0

Committee Reports

- **Planning Commission**

P. Cotanche presented summary of the included Planning Commission Report.

- **Zoning Board of Appeals** No meeting

- **Road Committee**

E. Lee reported the CCRC needs copy of minutes for the authorization to go to bid on our road project. Should have bids back for the May10 board meeting.

- **Park Committee** No meeting

- **Fire Department**

L. Stephens presented summary of the enclosed report.

Motion to hire Lyle Eaton as a firefighter as recommended by the fire department.

Motion: L. Stephens, 2nd P. Cotanche Approved 5/0

Motion to authorize the advertisement for bids for a new tanker truck for the fire department.

Motion: V. Goodwin, 2nd P. Cotanche Approved 5/0

- **DDA**

Passed the resolution for the Street Scape Project Funding.

Working on the Boat sign project and considering future efforts including marketing.

Correspondence None

Public Comment

G. Lasater is working on scheduling the Memorial Dedication program with the Scout troop.

Adjournment 8:21pm

MELROSE TOWNSHIP

Proposal to Renew Road Millage

This proposal reestablishes the 1 mill road millage previously approved by the electors that expired after the December, 2015 levy. Specifically, the proposal renews the current .9946 mills that was last levied and restores the .0054 mills previously rolled back by the Headlee Amendment.

Shall the limitation on the amount of ad valorem taxes which may be levied by the Township of Melrose, Charlevoix County, Michigan, against taxable property in the Township be increased by up to 1 mill (\$1.00 per \$1,000 of taxable value) for a period of four (4) years, 2016 through 2019, inclusive, for the purpose of providing funds for road construction and maintenance, and shall the Township levy such millage for these purposes? If approved and levied in its entirety, this millage would raise an estimated \$144,609 for the Township in 2016.

Yes

No

**RESOLUTION AUTHORIZING
2016 DOWNTOWN DEVELOPMENT BONDS
(LIMITED TAX GENERAL OBLIGATION)**

**TOWNSHIP OF MELROSE
COUNTY OF CHARLEVOIX, STATE OF MICHIGAN
RESOLUTION NUMBER 2016-04-12-01**

Minutes of a regular meeting of the Board of Trustees of the Township of Melrose, County of Charlevoix, State of Michigan, held on the 12th day of April, 2016, at 7:00 p.m. prevailing Eastern Time.

PRESENT: Members___ V. Goodwin, S. Burr, L. Stephens, P. Cotanche_____

_____ R. Hissong Berry_____

ABSENT: Members__None_____

The following preamble and resolution were offered by Member _V. Goodwin_____ and supported by Member _L. Stephens_____:

WHEREAS, this Board of Trustees of the Township of Melrose, County of Charlevoix, State of Michigan (the "Township"), has previously approved the Development Plan and Tax Increment Financing Plan (the "Plan"), for the Development Area (the "Development Area"), of the Melrose Township Downtown Development Authority (the "DDA"), pursuant to Act 197, Public Acts of Michigan, 1975, as amended (the "Act"); and

WHEREAS, the DDA has requested the Township to issue its limited tax general obligation bonds to pay part of the cost of street reconstruction and streetscape enhancements in the Development Area (the "Project"); and

WHEREAS, the DDA has advised the Township that the DDA anticipates that it will have available the projected annual tax increment revenues derived from the captured assessed value of the Development Area set forth on Exhibit A hereto; and

WHEREAS, this Board of Trustees determines that it is necessary and appropriate at this time to issue limited tax general obligation bonds pursuant to Section 16 of the Act to finance all or part of the cost of the Project; and

WHEREAS, it is the determination of the Board of Trustees that at this time limited tax general obligation bonds in the principal amount of Five Hundred and Fifty Thousand Dollars (\$550,000) should be issued for the purpose of paying all or part of the cost of the Project; and

WHEREAS, the Township desires to negotiate the sale of the Bonds to CFC Capital, Midland, Michigan ("Chemical Bank") based on their attached bid as set forth in Exhibit B attached hereto and within the parameters established by this Resolution.

NOW, THEREFORE, BE IT RESOLVED THAT:

Section 1. Estimate of Tax Increment Revenues. The DDA has estimated that the estimated tax increment revenues of the Development Area will be as shown in Exhibit A attached hereto and by this reference made a part hereof, which estimate is hereby approved and adopted by this Board of Trustees.

Section 2. Declaration of Public Purpose. The Board of Trustees hereby finds that the accomplishment and completion of the Project is in the best interest of the health and welfare of the Township and is in furtherance of the purposes of the Act, and the Board of Trustees expressly approves obtaining and using funds derived from the proceeds of the Bonds to finance the activities of the DDA as described in the Plan.

Section 3. Authorization of Bonds; Bond Details. Bonds of the Township designated 2016 DOWNTOWN DEVELOPMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the “Bonds”) are authorized to be issued in the aggregate principal sum of Five Hundred and Fifty Thousand Dollars (\$550,000) for the purpose of paying all or part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds.

The issue shall consist of bonds fully-registered as to principal and interest of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity. The Bonds will be dated as of the date of delivery, or such other date as determined by the Township Supervisor, Clerk, or Treasurer (each, an “Authorized Officer”), be payable on May 1 in the years and in the annual amounts as follows, and bear interest at the rates as follows, first payable on November 1, 2016, and semi-annually or annually thereafter:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
2017	\$30,000	1.10%	2025	\$35,000	2.40%
2018	30,000	1.30	2026	35,000	2.55
2019	35,000	1.40	2027	40,000	2.70
2020	35,000	1.50	2028	40,000	2.85
2021	35,000	1.60	2029	40,000	2.95
2022	35,000	1.80	2030	45,000	3.05
2023	35,000	2.05	2031	45,000	3.15
2024	35,000	2.20			

The Bonds shall be subject to prepayment prior to maturity in whole or in part at any time in the manner provided in the form of the Bonds set forth in Section 9.

Section 4. Bond Registration and Transfer. 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 Township 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 Huntington National Bank, Grand Rapids, Michigan who is hereby selected to act as the transfer agent for the bonds (the “Transfer Agent”).

The Authorized Officers are each hereby authorized to execute one or more agreements with the Transfer Agent on behalf of the Township. The Township reserves the right to replace the Transfer Agent at any time upon written notice to the registered owners of record of the Bonds not less than sixty (60) days prior to any interest payment date.

The Bonds shall be issued in book-entry only form through The Depository Trust Company in New York, New York (“DTC”), and the Authorized Officers are each 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 5. Execution of Bonds. The Bonds of this issue shall be executed in the name of the Township with the manual or facsimile signatures of the Township Supervisor and Clerk and shall have the seal of the Township, or a facsimile thereof, printed or impressed on the Bonds. No Bond executed by facsimile signature shall be valid until authenticated by an authorized officer or representative 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 or other person in accordance with instructions from an Authorized Officer upon payment of the purchase price for the Bonds.

Section 6. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the Township. Any Bond may be transferred upon such registration books by the registered owner of record, 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 Township 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.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the Township. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

Section 7. Security for Bonds; Limited Tax Pledge; Defeasance. The Bonds shall be issued in anticipation of and payable in the first instance from payments required to be made by the DDA from tax increment revenues (the “Tax Increment Revenue Payments”), pursuant to the Plan and a resolution adopted by the DDA. In addition, the Township hereby pledges its full faith and credit for the prompt payment of the Bonds. Should the Tax Increment Revenue Payments, at any time, be insufficient to pay principal of and interest on the Bonds as the same become due, then the Township shall advance as a first budget obligation from its general funds available therefor, or, if necessary, levy taxes upon all taxable property in the Township subject to applicable constitutional and statutory tax rate limitations, such sums as may be necessary to pay said principal and interest. The Township shall be reimbursed for any such advance by the DDA from tax increment revenues or other revenues of the DDA.

The Township is authorized and directed to open a separate depository account to be known as 2016 DOWNTOWN DEVELOPMENT BONDS DEBT RETIREMENT FUND (the “Debt Retirement Fund”), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature. Into said fund there shall be placed the accrued interest and premium, if any, received at the time of delivery of the Bonds. In addition, there shall be paid into the Debt Retirement Fund the Tax Increment Revenue Payments or other revenues as received from the DDA.

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 8. Project Fund. The accrued interest and premium, if any, received upon sale of the Bonds shall be deposited in the Debt Retirement Fund and the balance of the proceeds shall be deposited in the 2016 DOWNTOWN DEVELOPMENT BONDS PROJECT FUND (the “Project Fund”) which shall be established by the Township for the Project. Money in the Project Fund shall be used by the Township solely for payment of costs of the Project or payment or redemption of the Bonds.

Section 9. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF CHARLEVOIX

TOWNSHIP OF MELROSE

2016 DOWNTOWN DEVELOPMENT BOND
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
2.59420_%	May 31, 2031_	_May 3_, 2016	

Registered Owner: Melrose Township

Principal Amount: _\$550,000.00_ Dollars

The TOWNSHIP OF MELROSE, County of Charlevoix, State of Michigan (the “Township”), acknowledges itself to owe and 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, 2016 and semiannually thereafter. Principal of this bond is payable at the _Township_ office of __Melrose__, or such other Transfer Agent as the Township 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 15th day of the month preceding each interest payment date, the registered owner, at the registered address.

Principal of and interest on this bond are payable in the first instance from tax increment revenues (the “Tax Increment Revenues”), received by the Township from the Melrose Township Downtown Development Authority (the “Authority”). In addition, for prompt payment of this bond, both principal and interest, the full faith, credit and resources of the Township are irrevocably pledged. In case of insufficiency of the Tax Increment Revenues for the payment of the principal of and interest on this bond, the Township is obligated to pay the same as a first budget obligation from its legally available funds or from any taxes which it may levy within applicable constitutional and statutory tax rate limitations.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$550,000, issued pursuant to Act 197, Public Acts of Michigan, 1975, as amended, and a resolution duly adopted by the Board of Trustees of the Township, for the purpose of defraying all or part of the cost of street reconstruction and streetscape enhancements

in the Development Area in the Township as described in the Development Plan and Tax Increment Financing Plan of the Authority. The Township reserves the right to issue additional bonds payable from Tax Increment Revenues of equal standing and priority of lien with the bonds of this issue as to the Tax Increment Revenues received from the Authority to the extent permitted by law.

Bonds of this issue shall be subject to redemption at the option of the Township in such order of maturity as the Township shall determine and within a single maturity by lot on any date at par plus 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 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 to the holders of bonds 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 Township. No further interest on bonds called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided the Township has money available for such redemption.

This bond is transferable only upon the registration books of the Township kept by the Transfer Agent by the registered owner of record 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 resolution authorizing this bond, 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 to be done, precedent to and in the issuance of this bond and the series of bonds of which this is one, exist and have been done and performed in regular and due form and time as required by law, and that the total indebtedness of the Township, including this bond and the series of bonds of which this is one, does not exceed any constitutional or statutory debt 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.

IN WITNESS WHEREOF, the Township, by its Board of Trustees, has caused this bond to be signed in the name of the Township with the facsimile signatures of its Township Supervisor and its Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

TOWNSHIP OF MELROSE
County of Charlevoix
State of Michigan

By _____

Township Supervisor

(SEAL)

By _____

Township Clerk

Section 10. Useful Life of Project. The estimated period of usefulness of the proposed Project is hereby declared to be not less than sixteen (16) years and its total cost is estimated to be not less than Five Hundred Fifty Thousand Dollars (\$550,000).

Section 11. Negotiated Sale. The Township has considered the option of selling the Bonds through a competitive sale and a negotiated sale and, pursuant to the requirements of Act 34, Public Acts of Michigan, 2001, as amended, has determined to proceed with the sale of the Bonds by means of a negotiated sale to Chemical Bank because of the flexibility provided by a negotiated sale to select and adjust the terms of for the Bonds to best achieve the most advantageous interest rates and obtain the lowest issuance costs and interest costs for the Township.

Section 12. Tax Covenant; Qualified Tax Exempt Obligations. The Township agrees, to the extent permitted by law, to 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, including but not limited to actions relating to the rebate of arbitrage earnings and the expenditure and investment of Bond proceeds and money deemed to be Bond proceeds. The Bonds are designated as “qualified tax exempt obligations” for the purpose of deduction of interest expense by financial institutions.

Section 13. Authorization of Other Actions. The Authorized Officers and other officers, agents and employees of the Township are authorized to execute such additional documents and certificates and to take all further steps and actions necessary and convenient to effect the sale, issuance and delivery of the Bonds as contemplated by this resolution.

Section 14. Bond Counsel Representation. Miller, Canfield, Paddock and Stone, P.L.C. is hereby approved as bond counsel with respect to the Bonds.

Section 15. Act 34 Notice Posting. The Township hereby confirms that the posting required pursuant to Act 34 as set forth in Exhibit C attached hereto, was done in due time and form as required by Act 34.

Section 16. Conflict; Rescission. 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__P. Cotanche, S . Burr, L. Stephens,

 V. Goodwin, R. Hissong Berry____

NAYS: Members_____

RESOLUTION DECLARED ADOPTED.

Township Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Board of Trustees of the Township of Melrose, County of Charlevoix, State of Michigan, at a regular meeting held on April 12, 2016, 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.

Township Clerk

EXHIBIT A
ESTIMATE OF TAX INCREMENT REVENUES

ESTIMATED TAX INCREMENT REVENUES AVAILABLE TO PAY DEBT SERVICE

Year	Current Taxable Value ¹	March 2016 Estimate		Tax Increment Revenues ²
		Base Taxable Value	Captured Taxable Value	
2016	\$11,282,367	\$4,622,494	\$6,659,873	\$77,588
2017	11,508,014	4,622,494	6,885,520	80,216
2018	11,738,175	4,622,494	7,115,681	82,898
2019	11,972,938	4,622,494	7,350,444	85,633
2020	12,212,397	4,622,494	7,589,903	88,422
2021	12,456,645	4,622,494	7,834,151	91,268
2022	12,705,778	4,622,494	8,083,284	94,170
2023	12,959,893	4,622,494	8,337,399	97,131
2024	13,219,091	4,622,494	8,596,597	100,150
2025	13,483,473	4,622,494	8,860,979	103,230
2026	13,753,142	4,622,494	9,130,648	106,372
2027	14,028,205	4,622,494	9,405,711	109,577
2028	14,308,769	4,622,494	9,686,275	112,845
2029	14,594,945	4,622,494	9,972,451	116,179
2030	14,886,844	4,622,494	10,264,350	119,580
2031	15,184,581	4,622,494	10,562,087	123,048

¹ Assumed annual increase of 2%.

² Assumed millage rate of 11.65 mills.

**EXHIBIT B
CFC CAPITAL BID**



CFC CAPITAL

235 E. MAIN STREET | PO BOX 569 | MIDLAND, MI 48640
T: 800.867.9757 | W: ChemicalBankMI.com

April 12, 2016

Melrose Township
04289 M75 North
Walloon Lake, Michigan 49796

Dear Township Board:

With respect to your Request for Proposal for \$550,000 – Melrose Township DDA – County of Charlevoix, State of Michigan - 2016 Capital Improvement Bonds (GO-LT), please be advised as follows:

For the entire issue, as described in your Request for Proposal, we will bid par, plus accrued interest from the dated date to the date of delivery to us for bonds maturing as follows:

5/1/2017	\$30,000	1.10%	5/1/2022	\$35,000	1.80%	5/1/2027	\$40,000	2.70%
5/1/2018	\$30,000	1.30%	5/1/2023	\$35,000	2.05%	5/1/2028	\$40,000	2.85%
5/1/2019	\$35,000	1.40%	5/1/2024	\$35,000	2.20%	5/1/2029	\$40,000	2.95%
5/1/2020	\$35,000	1.50%	5/1/2025	\$35,000	2.40%	5/1/2030	\$45,000	3.05%
5/1/2021	\$35,000	1.60%	5/1/2026	\$35,000	2.55%	5/1/2031	\$45,000	3.15%

The indication is for all or none of the bonds. This bid is subject to the following conditions:

- A. That the bonds be exempt from federal and state income tax and further be declared to be a "Qualified Tax-Exempt Obligation" for the purpose of deduction of interest expense by financial institutions;
- B. That the bonds be a general obligation of Melrose Township;
- C. That the bonds be structured in accordance with Michigan statutes pertaining to the authority of Townships to borrow;
- D. That the Township provides bond documents and a legal opinion acceptable to bank counsel; and
- E. That the issuer will provide a third party paying agent, CUSIP numbers will be provided at the expense of the Bank, and the issue will close via DTC.

The rate commitments stated above will expire 45 days from the date of this letter unless extended by the Bank in writing. The bonds will be subject to redemption prior to maturity with 30 calendar days' notice from the issuer. We are pleased to be of service to you.

Respectfully submitted,

Pavel Konecny
Senior Vice President
Senior Investment Officer

The following is a computation of the true interest cost on the above bid from May 10, 2016. This computation is not to be considered part of this bid and is subject to verification:

Gross Interest Cost	\$121,702.19
Premium (Discount)	0.00
Net Interest Cost	<u>\$121,702.19</u>
Net Interest Rate	<u>2.59420%</u>

EXHIBIT C
MEETING NOTICE

Board of Trustees
Township of Melrose, County of Charlevoix, State of Michigan

At the regular meeting of the Board of Trustees of the Township of Melrose, County of Charlevoix, State of Michigan to be held on Tuesday, April 12, 2016 at 7:00 o'clock p.m. prevailing Eastern Time, at 04289 M-75 North, Walloon Lake MI 49796, the Board will discuss the issuance of the Township's \$550,000 2016 Downtown Development Bonds (Limited Tax General Obligation) which will contain a limited tax full faith and credit pledge of the Township.

This notice is given pursuant to the requirements of Section 308, Act 34, Public Acts of Michigan, 2001, as amended.

Robin Hissong Berry
Township Clerk

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