

NORTHFIELD TOWNSHIP BOARD AGENDA

March 27, 2018 - 7:00 PM

8350 Main Street, 2nd Floor

CALL TO ORDER
INVOCATION / PLEDGE
ROLL CALL
ADOPT BALANCE OF AGENDA
CALL TO THE PUBLIC
BOARD MEMBER RESPONSE
CORRESPONDENCE AND ANNOUNCEMENTS

PRESENTATION:

1. Sewer Service Rate Study Results – TetraTech

AGENDA ITEMS

1. Review Master Plan Proposal – McKenna Associates
2. Hiring of Part-time Police Officer – Frank Wright
3. Hiring of Front Desk Clerk – Emily Hofsess
4. Northfield Church Road Culvert Repairs
 - a. Agreement for repairs to Catholic Church Horseshoe Lake Drain
 - b. Resolution 18-852: Agreement to Improvement of Catholic Church Horseshoe Lake Drain
5. People's Express Contract Renewal
6. 1st National Security Agreement Extension

2nd CALL TO THE PUBLIC
BOARD MEMBER COMMENTS
ADJOURNMENT

* Denotes previous backup; + denotes no backup in package

This notice is posted in compliance with PA 267 of 1976 as amended (Open Meetings Act) MCLA 41.72A (2) (3) and the Americans with Disabilities Act. (ADA) individuals with disabilities requiring auxiliary aids or services should contact the Northfield Township Office, (734-449-2880) seven days in advance.



TETRA TECH

Presentation

March 19, 2018

Mr. Steve Aynes
Township Manager
Northfield Township
8350 Main Street
Whitmore Lake, MI 48189

**Re: Northfield Township, Michigan
Wastewater Cost of Service Study Update**

Dear Mr. Aynes:

Tetra Tech is pleased to deliver this Wastewater Cost of Service Study Update for Northfield Township. This study:

1. Calculates wastewater rates, extra strength wastewater surcharges and new-customer system development charges (SDCs), commonly known as "connection fees" or "tap fees" to comply with the intent of the proportionality test guidance given in the December 1998 Michigan Supreme Court decision *Bolt v. City of Lansing* ("Bolt").
2. Develops a method to calculate an annual contribution to a dedicated equipment replacement fund to comply with Michigan Department of Environmental Quality (MDEQ) requirements.
3. Evaluates the impact upon rates for several wastewater capital projects that have been discussed.
4. Projects rates and SDCs fees for a five-year study period from fiscal year 2018-19 to 2022-23.

"SMARTRATE" TABLES

Attached to this report are linked financial Excel spreadsheets, which we refer to as "SmartRate" tables that calculate the projected rates, extra strength wastewater surcharges and SDCs for each year of the five-year study period. These tables are as follows:

Assumptions Table: This table includes the following assumptions included in the baseline analysis. The Board of Trustees may choose to change any of these prior to implementing rates.

- Inflation: Most of the recurring expenses included in Table 3 will increase at a rate of 3%. Hospitalization will increase at 10%.
- Capital Budget: In discussions with Township staff, an annual capital budget of \$200,000 was selected. This is a modest amount for the value of the system (less than 1% of the wastewater system

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value). The Township has not completed a major wastewater capital project in over 15 years and is currently developing a detailed capital budget as part of the asset management plan. We expect that the capital budget will need to increase in future years when the detailed capital plan is established.

- **Growth:** A growth of 5 Residential Equivalent Units (REUs) annually was assumed to reflect recent activity. Should sewer customers grow at a higher rate, the additional revenue received will be available to reduce rate increases in future years.
- **Reserve Balance:** The Township's cash reserve balance will remain relatively constant. That is, rates are derived to keep pace with expenses.
- It also presents the new customer REU projections over the five-year study period. Projected beginning and end of year unrestricted wastewater fund balances are shown for the study period.

Table 1: Current and Projected Wastewater Rates and Maximum Potential System Development Charges (SDC): This table summarizes the metered rate, flat rate per REU and SDC charge results.

Table 2: Equipment Replacement Fund Contribution: This table calculates the annual contribution to a dedicated equipment replacement fund. This fund should be established and used to pay for replacing wastewater system equipment items when they have reached their useful life and can no longer be repaired at reasonable cost.

Table 3: Wastewater System Expenditures, Other Revenue and Required Usage Fee Revenue: This table calculates wastewater system expenditures and offsetting revenues resulting in the net amount of revenue required to be raised by rates each year of the study period. It also presents the annual projected changes to the unrestricted fund balance based on annual equipment replacement fund contributions less capital outlays assignable to this fund.

Table 4: Adjusted REU Projections: This table presents the number of historical, current and projected flat-rate customer REUs.

Table 5: Projected Metered Customer Billable Flows: This table calculates the estimated metered billable flows for the last two years and projects same for FY 2018-19 based on nominal growth projections.

Table 6: Wastewater Rate Calculations: This table calculates the metered customer wastewater rates and flat-rate customer rate per REU. The operation, maintenance and replacement (OM&R) and debt



service portions of the rates are shown. **The current rates will not generate the revenue required in FY 2018-19.**

RATE SCENARIOS

The following scenarios were developed and are summarized in a summary table. The summary table shows calculated rates for both a system where annual adjustments are made and a system where a constant rate is set for multiple years. The Board can decide which system best meets its needs.

- **Baseline:** This scenario assumes the Township’s annual budget is implemented with the above assumptions of growth and capital spending. The analysis shows that the Township should consider a nominal \$3.00 per/REU/quarter increase from the current rate of \$84.00/REU/quarter as shown in the following excerpt from Table 1 using the annual adjustment approach. If the constant rate approach is used then a one-time increase of \$6.20 to \$90.20 would be implemented effective July 1, 2018. There would be no additional increases for the next four years based on currently assumed future expense and user data.

Baseline

Budget Year:	Current	Projected (Effective July 1, 2018) FY 2018-19	Projected (Effective July 1, 2019) FY 2019-20	Projected (Effective July 1, 2020) FY 2020-21	Projected (Effective July 1, 2021) FY 2021-22	Projected (Effective July 1, 2022) FY 2022-23	Constant Rate for Five Years (Effective July 1, 2018) FY 2018-19 to FY 2022-23)
Metered Rates (per 1,000 gallons):							
All flow per quarterly period, OM&R		\$5.56	\$5.69	\$5.83	\$5.97	\$6.12	\$5.83
All flow per quarterly period, Debt Service		\$0.24	\$0.23	\$0.22	\$0.21	\$0.00	\$0.18
All flow per quarterly period, Total	\$5.60	\$5.80	\$5.92	\$6.05	\$6.18	\$6.12	\$6.01
						<i>% change</i>	<i>7%</i>
Flat Rates (per Billed Residential Equivalent Unit):							
OM&R per quarterly period		\$83.40	\$85.35	\$87.31	\$89.46	\$91.70	\$87.51
Debt Service per quarterly period		\$3.60	\$3.45	\$3.29	\$3.14	\$0.00	\$2.69
Total per quarterly period	\$84.00	\$87.00	\$88.80	\$90.60	\$92.60	\$91.70	\$90.20
						<i>% change</i>	<i>7%</i>

- **Capital Projects:** In recent years the Township has studied a capital project for constructing a wet weather storage tank at the wastewater treatment plant (WWTP) and a trunk sewer improvement. Each of these projects has a cost of approximately \$3 million. The excerpts from Table 1 for each of these alternatives show the impact on rates (using the annual adjustment approach) for constructing only one or constructing both projects. If the Township constructed one project the increase would be \$17.60/REU/quarter over today’s rate. If both projects are implemented, the increase would be \$32.30/REU/quarter. If the



constant rate approach were to be used the one-time increases would be \$20.70 and \$35.20, respectively. There would be no additional increases for the next four years based on currently assumed future expense and user data.

If \$3 Million Storage Tank is Built

Budget Year:	Current	Projected (Effective July 1, 2018) FY 2018-19	Projected (Effective July 1, 2019) FY 2019-20	Projected (Effective July 1, 2020) FY 2020-21	Projected (Effective July 1, 2021) FY 2021-22	Projected (Effective July 1, 2022) FY 2022-23	Constant Rate for Five Years (Effective July 1, 2018) FY 2018-19 to FY 2022-23)
Metered Rates (per 1,000 gallons):							
All flow per quarterly period, OM&R		\$5.56	\$5.69	\$5.82	\$5.97	\$6.12	\$5.83
All flow per quarterly period, Debt Service		\$1.22	\$1.20	\$1.19	\$1.17	\$0.96	\$1.15
All flow per quarterly period, Total	\$5.60	\$6.78	\$6.89	\$7.01	\$7.14	\$7.08	\$6.98
					% change		25%
Flat Rates (per Billed Residential Equivalent Unit):							
OM&R per quarterly period		\$83.37	\$85.29	\$87.39	\$89.52	\$91.72	\$87.50
Debt Service per quarterly period		\$18.23	\$18.01	\$17.81	\$17.58	\$14.38	\$17.20
Total per quarterly period	\$84.00	\$101.60	\$103.30	\$105.20	\$107.10	\$106.10	\$104.70
					% change		25%

If \$3 Million Storage Tank and \$3 Million Trunk Sewer are Built

Budget Year:	Current	Projected (Effective July 1, 2018) FY 2018-19	Projected (Effective July 1, 2019) FY 2019-20	Projected (Effective July 1, 2020) FY 2020-21	Projected (Effective July 1, 2021) FY 2021-22	Projected (Effective July 1, 2022) FY 2022-23	Constant Rate for Five Years (Effective July 1, 2018) FY 2018-19 to FY 2022-23)
Metered Rates (per 1,000 gallons):							
All flow per quarterly period, OM&R		\$5.56	\$5.69	\$5.83	\$5.97	\$6.12	\$5.84
All flow per quarterly period, Debt Service		\$2.19	\$2.17	\$2.15	\$2.13	\$1.92	\$2.11
All flow per quarterly period, Total	\$5.60	\$7.75	\$7.86	\$7.98	\$8.10	\$8.04	\$7.95
					% change		42%
Flat Rates (per Billed Residential Equivalent Unit):							
OM&R per quarterly period		\$83.42	\$85.32	\$87.31	\$89.48	\$91.74	\$87.50
Debt Service per quarterly period		\$32.88	\$32.58	\$32.29	\$32.02	\$28.76	\$31.70
Total per quarterly period	\$84.00	\$116.30	\$117.90	\$119.60	\$121.50	\$120.50	\$119.20
					% change		42%

WWTP Expansion: One board member requested a ballpark evaluation of the cost of expanding the WWTP. Tetra Tech does not believe this project is needed until approximately 1,500 REUs are added to the system. The WWTP expansion was last evaluated in 2005 and current cost data is not available. In 2005, the cost for this improvement was estimated at \$12.7 million which represents approximately \$20 million in today's dollars. The analyses suggests that a WWTP expansion and addition of 1,000 REUs will add approximately \$61.10/REU/Quarter to the existing rates effective July 1, 2018. The



analysis assumes that 1,000 REUs will be added in the first two years. This evaluation should only be considered approximate as further study of the actual costs is needed before making any decision.

EXTRA STRENGTH WASTEWATER SURCHARGES

Projected surcharges to customers discharging extra strength wastewater are calculated in Tables 7 to 9. Surcharges for Biochemical Oxygen Demand (BOD), Suspended Solids (SS), Phosphorus (P) and Ammonia are calculated and these are expressed in dollars per pound above normal domestic strength.

SYSTEM DEVELOPMENT CHARGES (SDCs)

An SDC is a one-time charge to new users of the wastewater system. “System development charge” is the proper name for a sewer “connection fee”, or a sewer “tap fee”. Existing customers have provided equity in the system through the payment of their SDCs as well as their ongoing rates which recover bond repayment expenses. The SDC recovers the cost for new customers to “buy into” the wastewater system, which, of necessity, has been sized to include them. An SDC does not recover the cost of making the necessary physical connection from the new user to the wastewater system. Projected new customer maximum SDCs are based on calculations shown in Tables 10 to 13.

Table 10 calculates the gross replacement value of the wastewater system by escalating the costs of wastewater system assets from the year they were put into service to a more current value based on the annual increase in the Engineering News Record (ENR) construction cost indices. Table 11 calculates the gross SDC (based solely on replacement costs) per REU.

However, because there are outstanding bonds that new customers will be repaying from their ongoing quarterly bills, Table 12 is prepared which shows how much credit each new customer should receive to account for future bond principal expenses collected from them through the quarterly rates.

Table 13 subtracts the credit from the gross SDC per REU to arrive at a net maximum SDC per REU. This prevents the SDC from “double-dipping” to recover outstanding principal payments. The analysis suggests that a charge of up to \$6,255 per REU for FY 2018-19 and increasing to \$6,286 per REU for FY 2021-22 (as well as FY 2022-23) could be justified.



The table shows that the \$5,973 SDC adopted by the Township Board in 2017 is still representative of the maximum charge justified. The current \$5,973 SDC is maintained each year of the five year study period for the purpose of this rate study. **The Township could consider raising the fees to the maximum value shown for the baseline conditions of \$6,255. However, we do not recommend raising the fees to those listed for the capital projects unless the Township commits to implementing one of the capital projects.**

UPDATES

The estimates, projections, assumptions, and conclusions generated by these tables reflect expectations as to future activities and events. Some of these assumptions inevitably will not materialize and unanticipated events related to expenses and usage could occur which might significantly change the results shown herein.

The linked spreadsheets can be updated by Township staff to re-set the wastewater rates, extra strength wastewater surcharges and SDCs based on updated data in order to address such changes as quickly as possible.

We look forward to presenting the results to the Township Board. We appreciate the time and effort that you and your staff have taken to provide us with the data needed to complete this project.

Sincerely,

Brian Rubel, P.E.
Vice President

Vic Cooperwasser, P.E.
Senior Project Manager

Copy: Mr. Dan Willis, Wastewater Treatment Plant Superintendent (1 copy)
Ms. Marlene Chockley, Supervisor (1 copy)

Northfield Township

Wastewater Cost of Service Study Update Executive Summary

March 27, 2018

Vic Cooperwasser, PE

Brian Rubel, PE



TETRA TECH

Agenda

- *Bolt Opinion*
- Cost of Service Rate Study
- Customer Types
- Assumptions
- Calculated Baseline Rates:
 - Assumptions
 - Annual Adjustment
 - One-time Adjustment
- Calculated Baseline Rates plus \$3 Million Storage Tank
- Calculated Baseline Rates plus \$3 Million Storage Tank and \$3 Million Trunk Sewer
- System Development Charge (SDC)
- Potential Decisions to be Made
- Questions?

Bolt Opinion

- Michigan Supreme Court: *Bolt v. City of Lansing*
- User fee v. tax
- Three-part test for valid user fee:
 1. Serve a *regulatory purpose* rather than a revenue raising one
 2. Be *proportional* to the necessary *cost of service*
 3. Be *voluntary* – users must be able to refuse or limit use of the service
- Most rates and SDCs already comply with tests 1 and 3
- Cost of service rate study documents compliance with test 2

Cost of Service Rate Study

- Covers FY 2018-19 to 2022-23
- Determines revenue required:
 - O & M
 - Equipment Replacement Contribution
 - Capital Outlays not Debt-Financed
 - Debt Service
- Estimates total billable flow
- Calculates rates for metered customers
- Calculates quarterly fixed charge per REU for unmetered customers
- Looks at rate impacts of funding discussed capital improvements

Customer Types

- Metered (14 Customers):
 - Billed per 1,000 Gallons used

- Unmetered (3,416 Customers):
 - Flat Rate per REU per Quarter

Calculated Baseline Rates

Assumptions

- Growth, REUs: 5 per year
- No loss of existing customers
- Inflation:
 - 3%, general
 - 10%, hospitalization
- No major capital projects

Calculated Flat Rate (per REU per Quarter) with Annual Adjustment

Current	\$84.00
July 1, 2018	\$87.00
July 1, 2019	\$88.80
July 1, 2020	\$90.60
July 1, 2021	\$92.60
July 1, 2022	\$91.70

Calculated Metered Rate (per 1,000 Gallons) with Annual Adjustment

Current	\$5.60
July 1, 2018	\$5.80
July 1, 2019	\$5.92
July 1, 2020	\$6.05
July 1, 2021	\$6.18
July 1, 2022	\$6.12

Calculated Flat Rate (per REU per Quarter) with One-time Adjustment

Current	\$84.00
July 1, 2018	\$90.20
July 1, 2019	\$90.20
July 1, 2020	\$90.20
July 1, 2021	\$90.20
July 1, 2022	\$90.20

Calculated Metered Rate (per 1,000 Gallons) with One-time Adjustment

Current	\$5.60
July 1, 2018	\$6.01
July 1, 2019	\$6.01
July 1, 2020	\$6.01
July 1, 2021	\$6.01
July 1, 2022	\$6.01

Calculated Baseline Rates plus \$3 Million Storage Tank

Calculated Flat Rate (per REU per Quarter) with Annual Adjustment

Current	\$84.00
July 1, 2018	\$101.60
July 1, 2019	\$103.30
July 1, 2020	\$105.20
July 1, 2021	\$107.10
July 1, 2022	\$106.10

Calculated Metered Rate (per 1,000 Gallons) with Annual Adjustment

Current	\$5.60
July 1, 2018	\$6.78
July 1, 2019	\$6.89
July 1, 2020	\$7.01
July 1, 2021	\$7.14
July 1, 2022	\$7.08

Calculated Flat Rate (per REU per Quarter) with One-time Adjustment

Current	\$84.00
July 1, 2018	\$104.70
July 1, 2019	\$104.70
July 1, 2020	\$104.70
July 1, 2021	\$104.70
July 1, 2022	\$104.70

Calculated Metered Rate (per 1,000 Gallons) with One-time Adjustment

Current	\$5.60
July 1, 2018	\$6.98
July 1, 2019	\$6.98
July 1, 2020	\$6.98
July 1, 2021	\$6.98
July 1, 2022	\$6.98

Calculated Baseline Rates plus \$3 Million Storage Tank and \$3 Million Trunk Sewer

Calculated Flat Rate (per REU per Quarter) with Annual Adjustment

Current	\$84.00
July 1, 2018	\$116.30
July 1, 2019	\$117.90
July 1, 2020	\$119.60
July 1, 2021	\$121.50
July 1, 2022	\$120.50

Calculated Metered Rate (per 1,000 Gallons) with Annual Adjustment

Current	\$5.60
July 1, 2018	\$7.75
July 1, 2019	\$7.86
July 1, 2020	\$7.98
July 1, 2021	\$8.10
July 1, 2022	\$8.04

Calculated Flat Rate (per REU per Quarter) with One-time Adjustment

Current	\$84.00
July 1, 2018	\$119.20
July 1, 2019	\$119.20
July 1, 2020	\$119.20
July 1, 2021	\$119.20
July 1, 2022	\$119.20

Calculated Metered Rate (per 1,000 Gallons) with One-time Adjustment

Current	\$5.60
July 1, 2018	\$7.95
July 1, 2019	\$7.95
July 1, 2020	\$7.95
July 1, 2021	\$7.95
July 1, 2022	\$7.95

System Development Charge (SDC)

- AKA “Tap Fee” or “Connection Charge”
- Promote equity between new and existing customers
- Calculate original cost
- Calculate replacement value
- Divide by system capacity in REUs
- Deduct credit for outstanding bond principal to be paid by quarterly rates

Maximum Calculated SDC

Current	\$5,973
Maximum Calculated	\$6,255

SDC could be higher if Township commits to a capital project

Potential Decisions to be Made

- When will the Township decide on rate adjustments?
- Should the usage rates be adjusted?
- Should the usage rates be adjusted annually or use a constant value for 5 years?
- Should a capital improvement be included within adjustment?
- Should the connection fee be increased to the maximum defensible number?

Questions?

Item 1

TO: Northfield Township Board
FROM: Steve Aynes, Township Manager
RE: Master Plan Development
DATE: 3/22/2018

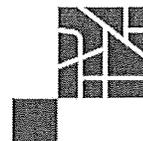
It was mentioned that the Master Plan Update should be brought back to the Board for review.

It has now been about 90 days by the time the process could start from that time if the Board now approves this.

I would recommend that the Board authorize this in order to facilitate development in the corridor along U.S. 23 in certain areas.

The proposal was originally allocating \$ 19,500 each for two fiscal years for a total of \$ 39,000.

I would recommend the cost be split $\frac{1}{4}$ this fiscal year (\$ 9,750) and $\frac{3}{4}$ next fiscal year (\$ 29,250) for a total of \$ 39,000.



MCKENNA

December 11, 2017

Steven Aynes
Township Manager
Northfield Township
8350 Main Street – P.O. Box 576
Whitmore Lake, MI 48189

Subject: Authorization to Update the Northfield Township Master Plan and Zoning Ordinance:

Mr. Aynes,

At your request, we have outlined a process to work with Township stakeholders to update the Township Master Plan and Zoning Ordinance. This authorization is consistent with the Planning Commission workplan and the current priorities of the Board of Trustees, as communicated and discussed at recent Planning Commission and Board meetings.

A. SCOPE OF WORK FOR MASTER PLAN UPDATE

1. **General Updates.** The general updates to the Master Plan would include the following, as well as assistance with noticing requirements, including preparing the required "Notice of Intent to Plan" letters and public notices:
 - **Data.** Much of the data in the Plan is prior to the 2010 Census and should be updated. Also, SEMCOG has updated population forecasts to 2040.
 - **Maps.** The maps in the Plan should be updated to include new information and other important map features. The most important update will be the Future Land Use map and to ensure its consistency with Township policies as expressed in the Master Plan.
 - **New Policies.** This includes new policies based on activities in the Township over the last 5+ years.
 - **Removal of Outdated Policies.** This includes removal of recommendations where action has already been taken or policies may be outdated.
 - **Area Plan Changes.** Currently, the Master Plan has five (5) large subareas, the smallest of which is roughly 4 square miles. We recommend consolidating Subareas that share similar characteristics while shrinking other Subareas to address a unique characteristic of the area. For example, current Subareas 1, 2, and 3 are predominantly rural residential and agricultural and could be consolidated into a single Subarea. On the other hand, current Subarea 5 includes both lakes, downtown Whitmore Lake, and 3 expressway interchanges and could be broken up into a Lakes Subarea, a Downtown Subarea, and Interchange Subarea(s). While the adopted Whitmore Lake Downtown Strategic Action Plan and Design Framework can serve as a Subarea to address downtown, nearby interchanges at Barker Road and Eight Mile Road, and part of Whitmore Lake, additional Subareas can address other lakes areas and the interchanges at N. Territorial Rd. and Six Mile Road.

HEADQUARTERS
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Communities for real life.

- **Zoning Plan.** The Michigan Planning Enabling Act requires that a zoning plan be included in a master plan that explains how the land use categories of the future land use map relate to the districts on the Zoning Map. The Master Plan currently has a Zoning Plan; however, with the recent repeal of the Enterprise Service (ES) District and Highway Commercial (HC) District, the Township should eliminate references to these districts in the Zoning Plan. Additionally, there are some inconsistencies between the Future Land Use Map and the Zoning Plan that must be corrected. For example, while the Zoning Plan includes a “C, Commercial” future land use classification, this category is not on the Future Land Use Map. Because the “C, Commercial” future land use classification is the only classification that recommended the General Commercial (GC) zoning district, this discrepancy must be corrected. Finally, the Future Land Use Map should be reviewed for consistency with the Zoning Map.
 - **Implementation Matrix.** The implementation matrix will be at the end of the document and will list each of the projects necessary to implement the Plan, as well as a timeframe, priority, and responsible body. For example, the commercial development section may include certain Zoning Ordinance updates to be initiated by the Planning Commission within the next 1-2 years.
2. **Non-Motorized Plan.** With the adoption of Complete Streets legislation in Michigan, it is important for Northfield Township to plan for the appropriate interconnectivity of its current and future non-motorized and motorized transportation systems. While the Master Plan supports a non-motorized (e.g., pedestrian and bicycle) transportation system in the township and includes a map from the 2006 Non-Motorized Plan for Washtenaw County developed by the Washtenaw Area Transportation Study (WATS), the Master Plan should include a non-motorized inventory (including sidewalks) and include specific policies for how that non-motorized network will be developed. There are major considerations for a non-motorized system, which include the following:
- Update the WATS information, which should include any recommendations from WATS’ proposed 2040 Long Range Transportation Plan for Washtenaw County where appropriate.
 - Locations of opportunities to link to existing systems in adjacent communities (e.g., Lyon Township, Hamburg Township, Ann Arbor Township, etc.).
 - Locations of high priority corridors within Northfield Township, including context sensitive conceptual designs.
 - Potential outside funding sources.

A new map will be included in the Master Plan showing priorities for future non-motorized transportation and the design recommendations. Please note that the Master Plan is a document that plans for 20-30 years, so much of the development of a non-motorized system would not be imminent.

3. **Open Space Preservation Plan.** The Master Plan includes goals for preserving farmland and natural areas, but can be improved to have a stronger implementation plan. Additionally, we recommend including more policies that promote open space, such as Transfer of Development Rights (TDR), the Ann Arbor Greenbelt Program and other Purchase of Development Rights

(PDR) programs, and available grants. TDR is where the development rights of a “sending zone” (e.g., a high quality agricultural or natural area) are transferred to a “receiving zone” (e.g., a targeted development area that is planned for higher densities where infrastructure is available). Receiving zones would be carefully identified areas where limited higher densities would not compromise the character of the area or the community’s ability to provide services.

For TDR and cluster development that considers potential density bonuses for preserving open space, we will include realistic illustrations (a layout plan and graphics) that show how these policies can be successfully implemented. We find that providing graphic illustrations whenever possible makes it much easier to communicate to developers and amend the Zoning Ordinance, if necessary.

If a TDR program is considered, we will identify criteria for receiving zones (e.g., areas with infrastructure that can support a fixed amount of additional density) and sending zones (e.g., agricultural land with high quality soils and sensitive environmental areas).

4. Whitmore Lake Downtown Strategic Action Plan and Design Framework and the North Village Plan. With the recently completion of the Downtown Strategic Action Plan and Design Framework and the North Village Master Plan, this is an excellent opportunity to incorporate these plans into a 2018 Township Master Plan. The Strategic Action Plan and Design Framework and the North Village Plan continues the Township’s work in downtown and creates vision for future development. Both projects included relevant public collaboration, consideration of real-life design scenarios, a design and connectivity framework, downtown design guidelines, and implementation activities. Incorporating these plans into the 2018 Master Plan will immediately increase the value of the Master Plan and reinforce the Township policies for Downtown by formally incorporating them into the Master Plan.

5. Public Participation. Much of the public input in the current Master Plan was obtained in 2010, which include a survey and two (2) planning fairs. Although the public input yielded excellent feedback, we recommend updating the public participation in the Master Plan with new data. Methods of public participation include surveys (online and paper), visioning sessions, and focus groups. We propose the following:

- **Workshops.** One (1) or more public workshops can be held to solicit feedback on specific planning objectives as well as on the proposed subareas of the Township. McKenna will give an introductory presentation to inform attendees and give them all a shared base of knowledge about the process and findings to date (including the survey results). The McKenna facilitators will introduce the purpose and desired outcomes of the planning process, and will continue with a summary of the analysis of existing conditions of each Subarea. Possible focus areas include: expressway interchange areas, lakes areas, agricultural and natural features preservation, and non-motorized transportation.

McKenna will lead several exercises to encourage participation by all attendees, which could include one or more of the following: small group discussions, visual preference survey to stimulate ideas and illustrate potentials for consideration, “One Big Idea” or inspiration boards.

Next there will be discussion and prioritization of the issues, assets and visions identified during the small group sessions. Information gathered during the small group discussions will be shared with the larger audience to build consensus around planning

B. SCOPE OF WORK FOR ZONING ORDINANCE UPDATE

1. **Technical Review.** Review of the current Zoning Ordinance an article-by-article summary of potential and known problems with the Ordinance in terms of format, consistency with enabling legislation and case law, and our experience in other communities. We will review the following topics for compliance with federal and state law, as well as sound planning and zoning practices:
 - Permitted and Conditional Uses by District
 - Standards for Specific Land Uses
 - Administrative Procedures and Standards
 - Development Standards
2. **Submit Zoning Technical and Minor Amendments to Review with Planning Commission.** Currently, Planning Commission, with the advice of the Township Board, Planner, and Zoning Administrator have already identified several Zoning Amendments that are consistent with the 2014 Township Master Plan. We anticipate that the Technical Review will identify additional amendments that are consistent with the 2014 Master Plan. McKenna will prepare technical and minor amendments for approval following the Technical Review.
3. **Definitions, Inconsistencies and Conflicts and Other Township Codes and Standards.** Recommend new or revised definitions for contemporary uses and issues. Consult with Administration for procedures and enforcement issues and problems. Review other codes and regulations provided by the Township, such as fire or engineering design standards, and identify drainage, pavement, road widths, and parking standards that need to be referenced or which may subtract from the Township's character.
4. **Zoning Board Appeals (ZBA) Decisions.** Review with Township Manager and Planning Commission recent ZBA variance applications that identify recurring problems (accessory building size, lot areas, setbacks, etc.) from ZBA minutes provided by Township Administration.
5. **Current Legal Issues.** Review with the Township Attorney potential revisions generated by any relevant zoning litigation involving the Township that might be beneficial, plus revisions resulting from recent Michigan state law and new case law.
6. **Goals of the 2018 Master Plan Update.** Incorporate any new recommendations for regulations to facilitate implementing the Township's 2018 Master Plan update, including identification of priority items for implementing the Township's Future Land Use plan and Zoning Plan.
7. **Submit Zoning Ordinance Draft and Review with Planning Commission.** Draft and review recommendations for Definitions, Off-Street Parking, District articles, General Provisions and Schedule of Regulations to facilitate implementing the Township's 2018 Master Plan, including identification of existing provisions that may conflict with the Plan.

8. Review / Revise Draft with Planning Commission. Review the draft Zoning Ordinance with the Planning Commission at one regularly scheduled meeting and make one revision based on consolidated comments and / or comments noted in the meeting minutes.

9. Planning Commission Public Hearing and Board Review. For efficiency, we recommend considering adoption of the Zoning Ordinance revisions during the adoption of the 2018 Master Plan. The fee is based on review being conducted at regularly scheduled PC and Board meetings.

C. END PRODUCTS

Upon adoption of the Master Plan, McKenna will deliver 10 copies of the bound Master Plan document along with 1 electronic copy (PDF) for your use. McKenna will deliver 1 electronic copy of the revised Zoning Ordinance for codification.

D. SCHEDULE

If approved, we propose to complete the Master Plan and Zoning Ordinance Updates within 9-14 months depending on the scope and the participation schedule of stakeholder groups.

E. FEES

McKenna's fee for the complete Master Plan Work Plan, as outlined above, is \$24,500 (see table below), which includes (1) public workshop. The fee for the Zoning Ordinance Update Workplan is \$14,500. We recommend completing the Master Plan and Zoning Ordinance update in 2018 over two fiscal cycles budgeted at \$19,500 per fiscal year.

The fees are based on completing Planning Commission and Board collaboration at regularly scheduled meetings and includes one substantive review and revision of the final draft documents. Additional revision and meetings will be billed according to McKenna's contract with the Township.

MASTER PLAN FEE SUMMARY

ITEM	TASK	FEE
1	General Updates: Update all formatting, data, and maps, Subarea Plans, policies, and include an implementation matrix.	\$19,000.00
2	Non-Motorized Plan: Including specific policies and a non-motorized plan map.	\$2,500.00
3	Open Space Preservation Plan: Including a conceptual residential development layout and graphics for TDR and cluster developments.	\$2,000.00
4	Whitmore Lake Downtown Strategic Action Plan and Design Framework: Incorporate into Master Plan.	Included
5	Public Participation:	\$1,000.00
	<ul style="list-style-type: none"> 1 Workshop: Including preparation, materials, staffing, and production of finished products. 	
	PROFESSIONAL FEE	\$24,500.00
		<i>plus \$1,000 per workshop for additional workshops</i>

ZONING ORDINANCE FEE SUMMARY

ITEM	TASK	FEE
1	Technical Review: Conduct a comprehensive review of the Zoning Ordinance to identify issues and inconsistencies.	\$2,750.00
2	Minor Amendments: Prepare minor amendments and technical revisions for immediate consideration.	\$2,000.00
3	Definitions: Revise and update definitions to be consistent with current development processes and activities.	\$500.00
4	ZBA Cases: Review and address ZBA decisions.	\$1,200.00
5	Current Legal Issues: Work with the Township Attorney to incorporate and current legal issues.	\$1,300.00
6	Goals of the 2018 Master Plan: Incorporate substantive changes from the Master Plan update, including Downtown and North Village plans, into the Zoning Ordinance.	\$3,500.00
7	Submit Draft to PC: Prepare Draft Zoning Ordinance Amendments.	\$2,000.00
8	Revise Draft: Incorporate one round of revisions and additional revisions as requested.	\$1,250.00
9	PC Public Hearing and Board Review: Review will be consistent with Township policy and the State Zoning Enabling Act.	Regular Meeting Schedule
	PROFESSIONAL FEE	\$14,500.00

If you are satisfied with the Work Plan described, then please return one signed copy of this letter for our files and initial the scope of work to authorize McKenna to proceed. Thank you.

Respectfully submitted,

McKENNA ASSOCIATES



Paul Lippens, AICP
 Director of Transportation and Urban Design

NORTHFIELD TOWNSHIP, WASHTENAW COUNTY, MICHIGAN

 Signature Title Date

 Name (printed)

AUTHORIZATION FOR MASTER PLAN SCOPE OF WORK: _____
 Initial

AUTHORIZATION FOR ZONING ORDINANCE SCOPE OF WORK: _____
 Initial

Item 2

**Northfield Township
Police Department**

Memo

To: Township Board of Trustees

From: Bill Wagner

cc:

Date: March 27, 2018

Re: Hire of Part Time Police Officer Frank Wright

I am requesting approval to hire Frank Wright as a Part Time Police Officer. Frank has recently moved to southeast Michigan from Mannington West Virginia where he was a Police Officer for the Mannington City Police Department. Frank comes highly recommended from his co-workers in Mannington as well as the Mayor there.

NORTHFIELD TOWNSHIP

MEMO

To: Northfield Township Board
From: Steve Aynes & Jennifer Carlisle
Date: 3/22/2018
Re: Front Desk Clerk/ Building Department Assistant Recommendation

Dear Township Board,

The open Front Desk Clerk/ Building Department Assistant position was posted in multiple places on-line on March 2nd, and in the Ann Arbor News March 4th Sunday paper. Since that time we received 211 resumes. Jennifer reviewed the resumes, phone screened 16 candidates, and together we selected 4 candidates to bring in for a face-to-face interview.

This past week, Jennifer and I interviewed 3 high quality candidates for the Front Desk position (the fourth candidate did not get back with us to schedule an interview). An offer was extended to Emily Hofsess at \$15.00 per hour, 30 hours per week. She has accepted the position, and should the board agree with our recommendation, will be expected to begin in the office on Monday, April 9th. Jennifer and I both agree that Emily seems like she will fit in well with the office staff, and appears to have the skills necessary to be successful in this position.

Sincerely,

Steve Aynes
Northfield Township Manager

NORTHERN TOWNSHIP
MICHIGAN

8350 Main St.
Whitmore Lake, MI 48189

Phone: 734-449-2880
Fax: 734-449-0123

Employment Application

Prospective employees will receive consideration without discrimination based on religion, race, color, sex, age, national origin, height, weight, marital status, disability, or veteran status.

Last Name Hofsess		First Name Emily		M. I. A	Today's Date 03/16/18
Street Address [REDACTED]		City Howell		State MI	Zip 48855
E-mail [REDACTED]		Home Phone —		Cell Phone [REDACTED]	
Are you eligible to work in the United States? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Are you 18 years of age or older? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Social Security Number XXX-XX-[REDACTED]	
Do you currently have a valid Driver's License? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		License Number: [REDACTED]		State: MI	Expiration Date: 12/21/20
Have you been convicted of a felony in the past seven years? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, please explain:					
What position are you applying for? Front Desk Clerk / Building Dept. Clerk			How did you hear about this position? indeed.com		
Expected/Desired Pay Rate \$15.00 / Hr		Date Available Two weeks after accepted offer		Have you ever applied with us before? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	

Name & Location	Last Year Completed	Major & Degree earned
High School Hartland High School	9 10 11 (12)	Diploma
College or University Eastern Michigan University	1 2 3 (4)	Bachelors Business Admin.
Trade School —		
Other Washtenaw Com. College		Associates in Business
List any Relevant Certifications you currently hold —		
List any other applicable training, skills or proficiencies —		

Employment History

(Please list your last 10 years of employment starting with your current or most recent position. Attach the relationship letter if available.)

Employer Name South University	Type of Business College
Address 41555 W. Twelve Mile Rd Novi MI 48377	Phone Number 248 675 0200
Job Title Assistant Director of Admissions	Supervisor's Name Jessica Reed
Employment Dates From: 06/17 To: current	Starting Salary \$52000 Ending Salary
Duties: • Answer phones • Interview students • Help communicate w/ students in different dept. • Assist in Application process • Conduct tours	
Reason For Leaving: USS Hours	
May we contact this employer for a reference? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If no, please explain: Currently employed / They don't know I'm looking	

Employer Name Mercedes Benz of Ann Arbor	Type of Business Dealership
Address 570 Auto Mall Dr. Ann Arbor MI 48103	Phone Number 734. 1113. 3300
Job Title Accts Payable / Receivable	Supervisor's Name Diana Stock
Employment Dates From: 03/13 To: 02/17	Starting Salary \$10/HR Ending Salary \$13/HR
Duties: • Answer phones • Bring Accts. current • Ordering supplies • inventory • Set Service Appts • Cash handling / Sales • Expense Reports • ^{Keep} schedules Current	
Reason For Leaving: Graduated College	
May we contact this employer for a reference? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain:	

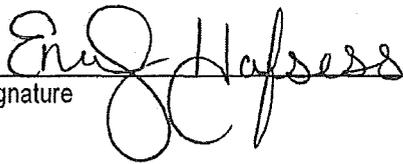
Employer Name Advance Medical Solutions	Type of Business Durable Medical Equip.
Address 100 W. Grand River Ave Howell MI 48843	Phone Number 517 548 1443
Job Title Customer Service	Supervisor's Name
Employment Dates From: 08/12 To: 03/13	Starting Salary \$10/HR Ending Salary \$10/HR
Duties: • Contact insurance companies for coverage • Customer satisfaction • Delegate tasks • Sell + train customers on Durable Medical Equip.	
Reason For Leaving: New Opportunity at Mercedes Benz	
May we contact this employer for a reference? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If no, please explain: * My supervisor no longer works here	

Name	Phone Number	How do you know this person?	How long have you known this person?
Diana Stock		Dealership	~6 yrs
Mark Wade		Dealership	~5 yrs
Ashley VanSlembrouck		Personal / am their babysitter	~5 yrs

Disclaimer & Signature

I hereby authorize the Township of Northfield to contact, obtain, and verify the accuracy of information contained in this application from all previous employers, educational institutions, and references except where I have indicated they may not be contacted. I also hereby release the Township of Northfield and its representatives from all liability for seeking, gathering, and using such information to make employment decisions, and all other persons or organizations for providing such information.

By signing, I certify that the facts set forth in my application for employment are true, correct and complete to the best of my knowledge. I understand that if employed, any false statement on the application may result in my dismissal. I further understand that this application is not nor is it intended to be a contract of employment, nor does this application obligate the Township of Northfield in any way if the township decides to employ me. I understand and agree that my employment is at-will, and can be terminated by either party with or without notice, at any time, for any reason.


Signature

03/16/18
Date

Emily Hofsess

Howell, MI 48855 –

Objective

To obtain a position in the business field, to use skills I have learned throughout my education and past career opportunities, and to gain skills and experience to move towards a management position in the future.

Experience

Assistant Director of Admissions (ADA)

South University, Novi, MI

June 2017-Present

- Help students through the admissions process
- Conduct tours of the campus
- Interview & Evaluate prospective students
- Assist with application process
- Coordinate student schedule
- Coordinate communication between student and financial aid, registrar, and other departments
- Answer phone calls of prospective students and answer questions and invite students to campus

Accounts Payable/Accounts Receivable

Mercedes-Benz, Ann Arbor, MI

March 2013 – February 2017

- Bring all past due accounts current while maintaining positive customer satisfaction and interactions
- Cash handling/sales
- Expense Reports
- Physical inventory
- Ordering supplies
- Reynolds & Reynolds Software
- Cash Disbursements & Receipts
- Handle tire and insurance claims
- Keeping all schedules current
- Head of Making Strides Against Breast Cancer team fundraising May 2015-February 2017
- Answer phones, take service appointments, to be able to fill in for receptionists

Customer Service

Advanced Medical Solutions, Ann Arbor, MI

August 2012 – March 2013

- Contact Insurance companies for coverage

- Delegate tasks to fellow colleagues for distribution
- Sell to and train customers on Durable Medical Equipment usage
- Achieve customer satisfaction corporate goals through the cohesive strategizing of my team

Assistant Manager

MJR Digital Cinemas, Brighton, MI

June 2011 – August 2013

- Handle money (Bank deposits, secure delivers, cashier tills)
- Resolve customer inquiries and issues
- Manage a staff from 6-30 employees per shift
- Work directly with management staff

Education

Bachelors in Business Administration

Eastern Michigan University, Ypsilanti, MI

Graduated: April 2017

Associates in Business

Washtenaw Community College, Ann Arbor, MI

December 2015

- MACRAO Certificate

References

References Available Upon Request

NORTHFIELD TOWNSHIP
MICHIGAN

Northfield Township
8350 Main St.
Whitmore Lake, MI 48189

March 21, 2018

Emily Hofsess
[REDACTED]
Howell, MI 48855

Dear Emily,

Congratulations! Northfield Township is pleased to offer you the position of Front Desk Clerk/Building Department Assistant. A detailed job description is attached to this letter for your reference. We trust that this offer will meet your approval.

Reporting to Steven Aynes, Township Manager, your starting salary will be \$15.00 per hour. This position is a part-time position of approximately 30 hours per week. All items contained in this offer letter are contingent upon Board approval.

Please sign the enclosed copy of this letter and return it to me within one (1) business day to indicate your acceptance of this offer.

We look forward to working with you.

Sincerely,


Steven Aynes
Northfield Township Manager

Emily Hofsess
Employee Name


Employee Signature

3/21/18
Date

Item 4

Memo

To: Northfield Township Board of Trustees
From: Marlene Chockley, Supervisor
RE: Northfield Church Road Culvert Replacement
Date: March 22, 2018

Trustees,

Steve and I contacted Roy Townsend, director of the Washtenaw County Road Commission, after the last meeting to see if we could expedite replacement of the Northfield Church Road culvert. They promptly replied with a \$20,000 estimate of costs which would have been split half and half between the Road Commission and Northfield Township.

However, because this 4-foot diameter culvert serves a portion of the Catholic Church-Horseshoe Lake Drain, we are able to have a three-way split with the Water Resources Commission. Water Resources Commissioner Evan Pratt and his staff immediately responded to the need and provided the Act 425 agreement that you see in your packet. This agreement is a routine intergovernmental agreement.

Thank you for your consideration of the proposal. Our attorneys have reviewed it and I recommend approval so we can meet this critical need of our residents in the area.

Thank you for your consideration of the proposal.

Marlene Chockley

NORTHFIELD TOWNSHIP

PROPOSED 2018 LOCAL ROAD PROJECT

- NORTHFIELD CHURCH ROAD AT CATHOLIC CHURCH-HORSESHOE LAKE DRAIN

Work to include installation of soil erosion and sedimentation controls, excavation and removal of existing, failed 48" x 30' crossroad culvert, construction of culvert bedding, installation of new 48" x 30' corrugated metal pipe, backfilling of trench excavation, placement of 23a limestone road resurfacing, and associated project restoration.

Estimated project cost:

\$ 20,000

**AGREEMENT
CATHOLIC CHURCH HORSESHOE LAKE DRAIN**

THIS AGREEMENT, made and entered into this 27th day of March 2018, by and between the Catholic Church Horseshoe Lake Drain Drainage District (“Drainage District”), a public corporation, by and through the Washtenaw County Water Resources Commissioner (“Commissioner”), whose address is 705 N. Zeeb Rd., Ann Arbor, MI 48103, Northfield Township, a public corporation, whose address is 8350 Main Street, Whitmore Lake, MI 48189 (“Township”), and the Washtenaw County Road Commission, whose address is 555 N. Zeeb Rd., Ann Arbor, MI 48103 (“Road Commission”).

WITNESSETH:

WHEREAS, the Catholic Church Horseshoe Lake Drain (“Drain”) is a county drain established pursuant to Act 40 of the Public Acts of 1956 (“Drain Code”), as amended; and

WHEREAS, the Road Commission and Township have requested that certain work be performed on the Drain (“Work”), with proposed plans of the Work prepared by the Drainage District depicted in the attached Exhibit A (“Work Plans”); and

WHEREAS, the Road Commission and Township have agreed to pay for all costs relating to the Work performed on the Drain by the Road Commission.

NOW THEREFORE, the parties agree as follows:

1. The Work will be performed consistent with best management practices, including for soil erosion and sedimentation control. The Drainage District shall perform the inspections of the Work during construction. The contractor utilized by the Drainage District to perform the Work shall meet the Road Commission’s insurance requirements.
2. The Drainage District has the permission of the Road Commission to perform the Work within any affected road right-of-way.
3. The Road Commission and the Township shall pay all related costs incurred by the Drainage District, including all engineering, inspection, easement acquisition,

recording, permitting, legal and administrative expenses and costs attendant to this Agreement. The Work has not been bid as of the date of execution of this agreement, but the costs are estimated to total approximately \$20,000.00.

4. In the event that the related costs to be incurred by the Drainage District exceed the amount set forth once the Work is bid out, none of the Work shall be performed unless all parties hereto agree, in writing, to such increase in cost.
5. The contractor obtained to perform the Work, shall provide to all parties hereto, before any work is begun pursuant to this Agreement, and at its sole cost and expense, a Certificate of Commercial General Liability Insurance for the duration of the Work with a per occurrence/aggregate limit of, at minimum, \$1,000,000.00. Such insurance policies shall list the parties hereto as an additional named insureds. All parties hereto shall provide to each other a Certificate of Commercial General Liability Insurance for the duration of the Work with a per occurrence/aggregate limit of, at minimum, \$1,000,000.00, showing the other parties as additional named insureds.
6. The Township shall pay 33 1/3% of the total cost, and the Road Commission shall pay 66 2/3%. Payment of the Township's and the Road Commission's share of the total costs of the Work shall be due to the Drainage District upon receipt of invoices. **In the event that the Road Commission and/or the Township request in writing that the total costs be paid over more than one year, the date each payment is due, the amount of each payment, and the total amount of interest to be paid by the Road Commission and/or the Township.**
7. Each party hereto represents and warrants to the other that it has full power and authority to enter into this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed by their duly authorized officers as of the day and year first above written.

WASHTENAW COUNTY ROAD COMMISSION

By: Roy Townsend
Its: Managing Director

NORTHFIELD TOWNSHIP

By: Marlene Chockley
Its: Supervisor

**CATHOLIC CHURCH HORSESHOE LAKE DRAIN
DRAINAGE DISTRICT**

Evan N. Pratt
Washtenaw County Water Resources Commissioner

STATE OF MICHIGAN)
)ss.
COUNTY OF)

On this _____ day of _____, 2018, before me, a Notary Public, personally appeared Roy Townsend on behalf of the Washtenaw County Road Commission, to me known to be the person described in and who executed the foregoing instrument and acknowledged the same to be his free act and deed.

Notary Public
State of Michigan, County of _____
My Commission Expires: _____
Acting in the County of _____

STATE OF MICHIGAN)
)ss.
COUNTY OF)

On this _____ day of _____, 2018, before me, a Notary Public, personally appeared Marlene Chockley on behalf of Northfield Township, to me known to be the person described in and who executed the foregoing instrument and acknowledged the same to be his free act and deed.

Notary Public
State of Michigan, County of _____
My Commission Expires: _____
Acting in the County of _____

STATE OF MICHIGAN)
)ss.
COUNTY OF WASHTENAW)

On this _____ day of _____, 2018, before me, a Notary Public in and for said County, personally appeared Evan N. Pratt, Washtenaw County Water Resources Commissioner, on behalf of the Catholic Church Horseshoe Lake Drain Drainage District, to me known to be the person described in and who executed the foregoing instrument and acknowledged the same to be his free act and deed.

Scott Miller, Notary Public
State of Michigan, County of Washtenaw
My Commission Expires: August 4, 2021
Acting in the County of Washtenaw

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**RESOLUTION FOR
425 AGREEMENT FOR IMPROVEMENT OF A DRAIN
NORTHFIELD TOWNSHIP**

CATHOLIC CHURCH HORSESHOE LAKE DRAIN

At a meeting of the Northfield Township Board, held in Washtenaw County, State of Michigan on the 27th day of March, 2018, at 7:00 a.m./(p.m.)

PRESENT: _____

ABSENT: _____

The following resolution was offered by _____ and seconded by _____
_____.

WHEREAS, the Township requests the improvement of a drain, located in Washtenaw County, pursuant to Chapter 18 of Public Act 40 of 1956, as amended; and

WHEREAS, the Township has determined that the improvement of the drain is necessary for the public health in the Township; and

WHEREAS, the Township will be liable for 1/3 of the cost relating to the Work performed on the Drain by the Drainage District.

NOW, THEREFORE BE IT RESOLVED THAT, the Township Board does authorize the filing of a 425 Agreement for improvement of the drain.

BE IT FURTHER RESOLVED THAT the Supervisor is authorized to execute the agreement for improvement of the drain.

BE IT FURTHER RESOLVED that the Clerk shall forward to the Washtenaw County Water Resources Commissioner a copy of this Resolution for the 425 Agreement for improvement of the drain.

NORTHFIELD TOWNSHIP

Dated: _____

By: _____
Its: Marlene Chockley
Supervisor

Yeas:
Nays:
Abstain:
Absent:

Resolution No. 18-582

I, the undersigned, being duly qualified and acting Clerk of Northfield Township, do hereby certify that the foregoing is a true and complete copy of certain proceedings taken by the Township Board for the Township of Northfield at a regular meeting held on the 27th day of March, 2018 and that notice of said meeting was given in accordance with the Open Meetings Act.

_____, Clerk
Northfield Township

Date

Item 5



LAW OFFICE OF PAUL E. BURNS

Attorneys at Law
133 West Grand River
Brighton, Michigan 48116
(810) 227-5000 FAX (810) 220-5895

Paul E. Burns
Bradford L. Maynes
Heather K. Kitson

ATTORNEY-CLIENT PRIVILEGED CONFIDENTIAL COMMUNICATION

March 22, 2018

VIA ELECTRONIC MAIL

Northfield Township Board of Trustees
Township of Northfield
8350 Main Street
Whitmore Lake, Michigan 48189

Re: People's Express Contract

Dear Trustees,

Our office was asked to perform a legal review of the People's Express Contract, a copy of which is attached hereto. Please be advised that the People's Express Contract is in a legally acceptable form for execution.

Please contact our office with any questions in this regard.

Very truly yours,

Bradford L. Maynes

cc: Mr. Steve Aynes

CONTRACT

Northfield Township/People's Express inc.

Duration of contract January 1, 2018 through December 31, 2018

This contract is entered into by Northfield Township (hereinafter referred to as Township) and People's Express of 10 Jennings Road, Whitmore Lake, MI, a non-profit corporation (hereinafter referred to as PEX). This contract begins January 1st, 2018 and expires December 31th, 2018.

1. Purpose

The purpose of this contract is to provide transportation assistance to citizens of Northfield Township and provide a system for payment for services by users and to provide a mechanism by which the Township can provide assistance to citizens of Northfield Township who require low-cost transportation.

2. Scope and Description of Services

PEX will perform in a timely fashion for the benefit of the Township, transportation services with an area shown on Exhibit A to this agreement and made part hereof.

PEX will at all times maintain its equipment in good mechanical condition in conformity with all applicable safety regulations, and will keep all vans and/or buses in clean condition, subject to inspection by the Township at all times. PEX warrants that it now has and will continue to have during the term of this Agreement all necessary licenses, certification, or other documents required by any governmental agency, federal, state, which authorize or permit the operation of a public transportation service, including, but not limited to , inspection and certification by the Michigan Department of Transportation.

PEX will provide copies of certificates from the Michigan Department of Transportation for all vehicles that operate within the Township.

PEX will utilize drivers for this service who are properly qualified and lawfully licensed for the service provided in the vehicles used, and have received appropriate safety training. Drivers shall display proper courtesy toward passengers and maintain a neat and clear appearance.

PEX shall maintain upon its vans and/or buses appropriate signage or markings indicating that the services "People's Express" is to be identified by users of the service. PEX will abide by the policies and statements set forth in this Agreement and this policy shall not be revised without the written consent of the Township.

3. Terms of Payment Services

The Township shall pay to PEX the sum of \$10,000.00 annually. With this contract, PEX can leverage an additional \$10,000.00 in federal funds, bringing Township-funded transportation to \$20,000.00 annually. The Ann Arbor Area Transportation Authority (AAATA) has provided 2 grants to PEX. The first grant is for medical rides reserved for seniors or persons with disabilities. The second grant is for anyone going to work. These trips may only go to the Ann Arbor-Ypsilanti Urban Area. The cost for these rides will cost Township residents between \$5 and \$7 each way. There is no cost to the Township for these rides.

4. Legal Standing of the Parties

The parties of this Agreement mutually agree that PEX, as of the date of the Agreement, is not a mass transportation authority as provided under Act 55 of 1963

MCLA 5.3475 eq. seq. It is further agreed, that in the event PEX becomes a regional transportation authority, which expands service to communities bordering the Township with Salem Township, Green Oak Township, Ann Arbor Township, etc., that upon the date of such expansion this Agreement will be renegotiated by the parties to reflect efficiency and reduce the annual costs of the Township by an amount up to twenty (20%) percent dependent upon the size of the Michigan Department of Transportation grant received. In the event the parties are unable to reach a modified agreement, either party may terminate this Agreement upon ninety (90) days notice to the other.

5. Fares Charged to the General Public

The parties agree that PEX shall charge any resident of the Township utilizing its services \$2.00 for each one-way trip within the Township, and no more than \$4.00 per round-trip. Seniors and persons with disabilities will pay \$1.00 each way for service.

6. Unavoidable Delay

In the event of severe weather conditions, road conditions, strikes or conditions totally beyond PEX's reasonable control, PEX shall notify the Township and its appropriate local officials in as much advance as possible of the effect of such conditions on service. PEX shall provide substitute vehicles, which are adequate in its judgment, in the event of mechanical problems or other inability to provide service.

7. Insurance

PEX shall carry and keep in force a comprehensive general liability insurance policy covering the use, maintenance, and operation of its vehicles in amounts not less than

the following:

Five Million (\$5,000,000.00) Dollars combined single limit of liability for each occurrence for Bodily Injury Liability and Property Damage Liability.

Such policy shall be in a form reviewed and approved by the Township. Upon execution of this Agreement, PEX shall have the Township named as an additionally insured on its policies. PEX, its successors, assigns, officers, directors, employees, and agents shall hold the Township and its employees and legal officials harmless from any liabilities, obligations, losses, damages, claims, or costs, including legal fees and expenses incurred by or asserted against PEX resulting from any of the following:

1. Failure of PEX to operate bus service and conformance with law or this contract;
2. Violation of PEX of any of the provisions of this Agreement;
3. Any act or failure by any officers, director, employee, or agent of PEX; and
4. Any injury to a person, loss of life, or loss of destruction of property rising out of or relating to the operation of this service.

PEX will promptly notify the Township in writing of any claim or liability which PEX believes to be covered under this paragraph. PEX shall properly accept tender of defense in connection with any claim or liability which PEX has herein agreed to identify and the Township shall be kept properly informed of the status of the proceedings and shall properly be furnished with copies of all documents filed or service upon Plaintiff's and shall be furnished in advance with copies of all documents for proposed to be filed and served by his defense counsel. In the event of

suit, PEX shall not without first obtaining approval of the Township, settle or compromise any claims, suit, or action proceeding in respect to which PEX has agreed in writing in the event there is any prospect that the Township shall be named as Defendant or looked to for any payment of any sum arising out of litigation.

PEX hereby waives any and all right to indemnification and subrogation from the Township for any and all claims, and will obtain a waiver of indemnification and subrogation for any and all claims with respect to the Township from its insurance carrier. PEX will provide a copy of both its waiver and its insurance carrier's waiver to the Township.

8. Prohibited Interests

The parties to this Agreement certify that no member, officer, or employee of PEX or the Township, having direct or indirect control over this Agreement, shall, during his/her employment or in tenure with the Township, and two (2) years thereafter, shall have any interest direct or indirect in this Agreement or the proceeds of it.

9. Equal Employment Opportunity

In the event of PEX's violation of Federal or State civil rights laws, or allegations of noncompliance with any civil rights regulation shall permit the Township to void this Agreement, and sanctions or penalties if imposed upon the Township shall be the

responsibility of PEX. During the performance of this contract, PEX agrees as follows:

1. That it will not discriminate against any employees or applicant for employment because of race, color, religion, sex, national origin, ancestry, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service; and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization.
2. That if it hires additional employees to perform this contract or any portion of it, it will determine the availability, in accordance with the state law, minorities and women in the area(s) from which it may reasonably recruit and it will hire for each job classification for which employees are hired in such a way that minorities and women are not underutilized.
3. That in all solicitations or advertisements for employees placed by it or on its behalf, it will state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, national origin, ancestry, physical or mental handicap unrelated to ability, or an unfavorable discharge from military service.
4. That it will send to each labor organization or representative of workers, if bound by a collective bargaining or other agreement or understanding, a notice advising such labor organization or representative of the contractor's obligation under the Department of Human Rights and the Department's Rule and Regulations for the

State of Michigan. If any such labor organization or representative fails or refuses to cooperate with the contractor in its efforts to comply with such Act and Rules and Regulations, the contractor will promptly so notify the Department of Human Rights and the contracting agency will recruit employees from other sources when necessary to fulfill its obligations under this Agreement.

5. That it will submit reports as required by the State authorizing, furnish all relevant information as may from time to time be requested and all respects comply with the Elliot Larson Act, Rules and Regulations of the Equal Opportunity Commission of the Federal Government.
6. That it will permit access to all relevant books, records, accounts, and work sites by personnel of the City or State of Michigan, for purposes of investigation to ascertain compliance with State law.

10. Independent Contractor.

PEX's relationship with Township under this Agreement is that of independent contractor and not that of employee, partner, or joint venture. PEZ shall be responsible for payment of any and all expenses associated with PEX's activities under this Agreement. PEZ shall be responsible for payment of its own federal, state, and local taxes. PEZ shall not participate in Township's fringe benefit plans or programs, PEZ shall not enter into any agreement or commitment on behalf of Township nor hold itself out as having such authority.

11. Notices

All notices required pursuant to this Agreement shall be in writing and shall be served upon the parties at the address listed in this Agreement. Delivery to an officer authorized to receive

notices or the mailing of the notice by registered mail, return receipt requested, shall be sufficient notice.

12. Governing Laws

This Agreement shall be interpreted under and governed by the laws of the State of Michigan.

13. Compliance with Laws

PEX agrees to comply with all applicable statutes, ordinances, and regulations of the United States and State of Michigan, and units of local government.

14. Headings

The section headings of this Agreement are for convenience and reference only and in no way define, limit, or describe the scope of intent of this Agreement.

In witness, the parties have executed this Agreement on the dates recited below:

PEOPLE'S EXPRESS

By: Douglas Anderson

Its: DIRECTOR

Date: _____

NORTHFIELD TOWNSHIP

By:

Its: SUPERVISOR

Date: _____

By:

Its: MANAGER

Date: _____

Item 6

MEMO

To: Northfield Township Board
From: Lenore Zelenock, Treasurer
Date: 03/22/2018
Re: Security Agreement Between First National Bank in Howell and
Northfield Township

I am requesting approval of the Security Agreement between First National Bank in Howell and Northfield Township.

This is the same agreement the Board approved on February 27, 2018 except for the dates. The dates are now from April 2018 to June 30, 2018. This agreement has been reviewed by our attorneys.

SECURITY AGREEMENT

THIS SECURITY AGREEMENT ("Agreement") dated as of April 1, 2018 (the "Effective Date"), by and between First National Bank in Howell (the "Grantor") Northfield Township a Michigan municipality (together with its successors and assigns, the "Secured Party").

WITNESSETH:

WHEREAS, the Secured Party and Grantor are parties to a certain Account Agreements, copies of which are attached as Exhibit A (as amended, restated, supplemented or otherwise modified from time to time, and collectively, and individually, referred to as the "Account Agreement") whereby Secured Party has deposited with Grantor certain public moneys; and

WHEREAS, the Grantor has agreed that its obligations under the Account Agreement, in excess of the amount insured by the Federal Deposit Insurance Corporation ("FDIC"), shall be secured by the security interests contemplated by this Agreement in favor of the Secured Party

NOW, THEREFORE, in order to induce the Secured Party to enter into the transactions contemplated by the Account Agreement, the Grantor and the Secured Party hereby covenant and agree as follows:

Section 1. Definitions. All terms defined in this Agreement in the singular form shall have the same meanings when used in the plural and vice versa. The words "hereof," "herein," and "hereunder" and words of similar import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement, and section, subsection, schedule and exhibit references are to this Agreement unless otherwise specified. All terms defined in this Agreement shall have the defined meanings when used in any certificate or other document made or delivered pursuant hereto. In addition, as used herein:

"Business Day" shall mean a day other than a Saturday, a Sunday, an official holiday in Detroit, Michigan or any other day on which banks in Detroit, Michigan are generally closed for business to the public.

"Collateral Value" has the meaning specified in Section 4.01 of this Agreement.

"Deposit Balance" shall mean Secured Party's balance of deposits with Grantor, not to exceed the amount of four-million, five-hundred-thousand dollars (\$4,500,000).

"Event of Default" has the meaning specified in Section 4.07 of this Agreement.

"Minimum Collateral Value" has the meaning specified in Section 4.01 of this Agreement.

"Obligations" shall mean, collectively, all obligations of every kind and character now or hereafter existing (whether matured or unmatured, contingent or liquidated) of the Grantor under the Account Agreement.

"Permitted Investments" has the meaning specified in Section 4.02 of this Agreement.

"Pledge Agreement" means the Pledgor/Pledgee Authorization of even date herewith among the Grantor, the Secured Party and the Securities Intermediary, as amended or otherwise modified from time to time in accordance with the terms thereof.

"Pledged Collateral" has the meaning specified in Section 2 of this Agreement.

"Proceeds" has the meaning specified in Section 9-102 or as renumbered or amended from time to time of the UCC as in effect on the date hereof.

"Securities Account" has the meaning specified in Section 2 of this Agreement.

"Securities Intermediary" shall mean The Federal Home Loan Bank and any successor thereto.

"Term" shall mean the intervening dates between the Agreement Date and expiration dates as entered in this Agreement.

"UCC" means the Uniform Commercial Code as in effect in the State of Michigan.

Section 2. Pledged Collateral. For the purpose of securing the repayment of the uninsured funds deposited by Secured Party with Grantor and during the term of this Agreement, the Grantor hereby grants to the Secured Party a security interest

in and lien upon all of the rights, title and interest, whether now existing or hereafter acquired or arising, in, to and under the following (collectively, the "Pledged Collateral"):

(a) the securities listed in attached Attachment I held in account number 100639002 maintained with the Securities Intermediary (such account, including without limitation any sub-accounts thereof and any successor account thereto, the "Securities Account");

(b) all cash, securities, dividends and credit balances from time to time deposited in or credited to the Securities Account and identified in updates to Attachment I; and

(c) all payments, Proceeds, remedies and other rights in respect of the foregoing.

Section 3. Representations and Warranties.

The Grantor represents and warrants to the Secured Party as follows:

(a) This Agreement is the legal, valid and binding obligation of the Grantor, enforceable against the Grantor in accordance with its terms, except to the extent enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting creditor's rights generally and by equitable principles (regardless of whether enforcement is sought in equity or at law).

(b) The execution, delivery and performance by the Grantor of this Agreement do not contravene any law or contractual restriction binding or affecting the Grantor.

(c) Except as otherwise contemplated hereby, no authorization or approval or other action by, and no notice to or filing with, any governmental authority or regulatory body is required for the due execution, delivery and performance by the Grantor of this Agreement or for the consummation of the transactions contemplated hereby.

(d) The Grantor is the sole beneficial owner of the Pledged Collateral, and the Pledge Collateral is free and clear of any liens, encumbrances, security interests or other charges or rights of third parties whatsoever. None of the Pledged Collateral is in the possession of any person (other than the Grantor) asserting any claim thereto or security interest therein that is not permitted hereunder, except that the Secured Party or its designee or the Securities Intermediary may have

possession of Pledged Collateral as contemplated hereby.

(e) The Grantor shall not in any event change its principal place of business or its jurisdiction of organization if such change would cause the security interest in such Pledged Collateral to lapse or cease to be perfected unless prior to taking such action it shall have taken such actions as may be necessary to prevent such lapse in perfection or failure to be perfected.

Section 4. Maintenance of Pledged Collateral.

4.01 Addition of Pledged Collateral; Withdrawal of Pledged Collateral.

(a) Addition of Pledged Collateral. The market value of the Pledged Collateral maintained in the Securities Account (the "Collateral Value"), will be provided to Secured Party by Grantor monthly. The market value shall be obtained from a securities pricing service, a primary dealer in securities, or a publication recognized as a reliable source of securities valuation. The Grantor hereby covenants and agrees that the Collateral Value shall at all times be equal to or greater than Secured Party's Deposit Balance, including accrued interest, that is in excess of the prevailing FDIC-insured limit on deposit accounts (the "Minimum Collateral Value"), and to update Attachment I with additions to and subtractions therefrom. Grantor shall have the right to withdraw and add securities from and to the Securities Account, provided that the Collateral Value equals or exceeds the Minimum Collateral Value and such changes are made to Attachment I. In the event that the Grantor receives notice or obtains knowledge that the Collateral Value is less than the Minimum Collateral Value, the Grantor shall, within one Business Day, deposit to the Securities Account cash or Permitted Investments such that, immediately after such delivery, the Collateral Value of the Pledged Collateral is not less than the Minimum Collateral Value and identify any changes to Attachment I.

(b) Use of Pledged Collateral. If on any date on which the Grantor is required to make a payment in respect of the Obligations any portion of such payment is not made in whole or in part, the Secured Party may, in its discretion, sell, redeem or liquidate all or any portion of the Pledged Collateral and cause the proceeds of such sale, redemption or liquidation, net of expenses incident thereto, to be applied to make such payment.

(c) Withdrawal of Excess Pledged Collateral. If the Collateral Value exceeds the Minimum Collateral Value (such excess being "Excess Pledged Collateral"), the Grantor may direct the Securities Intermediary to withdraw any Pledged Collateral from the Securities Account in an amount sufficient to reduce the Collateral Value to an amount not less than the Minimum Collateral Value and identify any changes to Attachment I. Subject to the confirmation by the Secured Party of the amount of such Excess Pledged Collateral, the Securities Intermediary shall make such withdrawal in accordance with the written instructions of the Grantor. The Pledged Collateral to be withdrawn shall be selected by Grantor.

4.02 Permitted Investments. All funds on deposit in the Securities Account may be invested in such Permitted Investments as shall be specified by the Grantor in writing to the Secured Party from time to time; provided, that if the Grantor shall fail to specify such Permitted Investments in a timely manner or if an Event of Default has occurred, the Secured Party may (but shall have no obligation to) specify Permitted Investments. All such investments shall be redeemable upon demand or shall mature within 30 days of the date such investment is made. The Secured Party shall not be liable for any loss incurred in connection with any investment in the Securities Account. All interest and other income earned in respect of the investments held in or credited to the Securities Account shall be credited to the Securities Account.

4.03 For purposes of this Agreement, "Permitted Investments" means those investments set forth in MCL 129.91, as amended, and in the manner in which they are directed to be made therein

4.04 Other Financing Statements and Liens. Without the prior written consent of the Secured Party, the Grantor shall not pledge, assign or otherwise encumber the Pledged Collateral, sell the Pledged Collateral, or grant any option (except as otherwise provided herein) in the Pledged Collateral nor file or suffer to be on file, or authorize or permit to be filed or to be on file, in any jurisdiction, any financing statement or like instrument with respect to the Pledged Collateral in which the Secured Party is not named as the sole secured party.

4.05 Preservation of Rights. The Secured Party shall not be required to take steps necessary to preserve any rights against prior parties to any of the Pledged Collateral. The Secured Party's sole duty with respect to the custody, safekeeping and physical preservation of the Pledged Collateral in its possession, under Article 9 of the UCC or otherwise,

shall be to deal with it in the same manner as the Secured Party deals with similar property for its own account. Neither the Secured Party, nor any of its officers, employees or agents shall be liable for failure to demand, collect or realize upon all or any part of the Pledged Collateral or for any delay in doing so or shall be under any obligation to sell or otherwise dispose of any Pledged Collateral upon the request of the Grantor or otherwise.

4.06 Special Provisions Relating to the Pledged Collateral.

(a) The Grantor will indemnify the Secured Party, and save the Secured Party harmless, from any and all liabilities, costs and expenses (including, without limitation, legal fees and expenses) (i) with respect to, or resulting from, any delay in paying, any and all excise, sales or other taxes which may be payable or determined to be payable with respect to any of the Pledged Collateral, (ii) with respect to, or resulting from, any delay in paying any and all filing, registration and recording fees and refiling, re-registration and re-recording fees, and all expenses incident to the execution and acknowledgment of this Agreement, any agreements supplemental hereto and any instrument of further assurance, and any and all federal, state, county and municipal stamp taxes and other taxes, duties, imposts, assessments and charges arising out of or in connection with the execution and delivery of this Agreement, any agreement supplemental hereto, any security filing referred to above and any instruments of further assurance, (iii) with respect to, or resulting from, any delay in complying with any law or governmental approval applicable to any of the Pledged Collateral or (iv) arising out of or in connection with any of the transactions contemplated by this Agreement. In any suit, proceeding or action brought by the Secured Party under any Pledged Collateral for any sum owing thereunder, or to enforce any provisions of any Pledged Collateral, the Grantor will save, indemnify and keep the Secured Party harmless from and against all expenses, losses or damages suffered by reason of any defense, set off, counterclaim, recoupment or reduction of liability whatsoever of the account debtor or obligor thereunder, arising out of a breach by the Grantor of any obligation thereunder or arising out of any other agreement, indebtedness or liability at any time owing to or in favor of such account debtor or obligor or its successors from the Grantor.

(b) The Grantor will do nothing to impair the rights of the Secured Party in the Pledged Collateral. The Grantor assumes all liability and responsibility in connection with the Pledged Collateral acquired by it and the liability of the

Grantor to pay its Obligations shall in no way be affected or diminished by reason of the fact that such Pledged Collateral may be lost, destroyed, stolen, damaged or for any reason whatsoever unavailable to the Grantor.

4.07 Events of Default. Any one of the following shall be an "Event of Default" hereunder:

(a) the Grantor shall fail to pay when due any amount payable by it under the Account Agreement, whether at stated maturity, by acceleration or otherwise;

(b) the Grantor shall fail to make when due any addition required to be made by it pursuant to Section 4.01;

(c) the Grantor shall fail to observe or perform any of the other covenants contained in this Agreement, which failure continues uncured for a period of 10 days after the date on which the Secured Party sends notice to Grantor;

(d) a case or other proceeding shall be commenced in any court without the application or consent of the Grantor, seeking the liquidation, reorganization, debt arrangement, dissolution, winding up or composition or readjustment of debts of the Grantor, the appointment of a trustee, receiver, custodian, liquidator, assignee, sequestrator or the like for the Grantor or any substantial part of their assets, or any similar action with respect to the Grantor under any law (foreign or domestic) relating to bankruptcy, insolvency, reorganization, winding up or composition or adjustment of debts and such case or proceeding shall continue undismissed or unstayed and in effect for a period of 30 days; or an order for relief with respect to the Grantor shall be entered in an involuntary case under any applicable bankruptcy, insolvency, reorganization, debt arrangement, dissolution or other similar law now or hereafter in effect of any jurisdiction; or

(e) the Grantor commences a voluntary case or other proceeding under any applicable bankruptcy, insolvency, reorganization, debt arrangement, dissolution or other similar law now or hereafter in effect of any jurisdiction or shall consent to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or other similar official) for, the Grantor or for any substantial part of its property, or shall make any general assignment for the benefit of creditors, or shall admit in writing its inability to, pay its debts generally as they become due.

4.08 Remedies, Etc. At any time an Event of Default has occurred and is continuing:

(a) the Secured Party shall have all of the rights and remedies with respect to the Pledged Collateral of a secured party under the UCC and such additional rights and remedies to which a secured party is entitled under the laws in effect in any jurisdiction where any rights and remedies hereunder may be asserted, including, without limitation, the right, to the maximum extent permitted by law, to exercise all voting, consensual and other powers of ownership pertaining to the Pledged Collateral as if the Secured Party were the sole and absolute owner thereof (and the Grantor agrees to take all such action as may be appropriate to give effect to such right);

(b) the Secured Party in its discretion may, in its name or in the name of the Grantor or otherwise, demand, sue for, collect or receive any money or property at any time payable or receivable on account of or in exchange for any of the Pledged Collateral, but shall be under no obligation to do so; and

(c) the Secured Party shall have the right to sell, redeem or otherwise liquidate all or any portion the Pledged Collateral in its sole discretion, it being expressly understood and agreed that the Pledged Collateral is of a type customarily sold in a recognized market and that no prior notice of any such sale, redemption or other liquidation is required.

Instead of exercising the power of sale, redemption or liquidation provided in the preceding clauses of this Section 4.08, the Secured Party may proceed by a suit or suits at law or in equity to foreclose the security interest under this Agreement and sell the Pledged Collateral or any portion thereof under judgment or decree of a court or courts of competent jurisdiction.

The Secured Party as attorney-in-fact pursuant to Section 4.11 hereof may, in the name and stead of the Grantor, make and execute all conveyances, assignments and transfers of the Pledged Collateral sold pursuant to this Section 4.08, and the Grantor hereby ratifies and confirms all that the Secured Party, as said attorney-in-fact, shall do by virtue hereof. Nevertheless, the Grantor shall, if so requested by the Secured Party, ratify and confirm any sale or sales by executing and delivering to the Secured Party, or to such purchaser or purchasers, all such instruments as may, in the judgment of the Secured Party, be advisable for the purpose.

The rights and powers of the Secured Party contained in the preceding clauses of this Section

4.08 shall be in addition to, and not a limitation upon, any rights and powers of the Secured Party given by law, the UCC (whether or not the UCC applies to the affected Pledged Collateral) and under the Uniform Commercial Code as from time to time in effect in the state in which the Pledged Collateral is located, and shall be enforceable to the maximum extent then permitted at law or in equity.

4.09 Deficiency. If the Proceeds of sale, collection or other realization of or upon the Pledged Collateral pursuant to Section 4.08 hereof are insufficient to cover the reasonable costs and expenses of such realization and the payment in full of the Obligations, the Grantor shall remain liable for any deficiency.

4.10 Application of Proceeds. Except as otherwise herein expressly provided, the proceeds of any collection, sale or other realization of all or any part of the Pledged Collateral pursuant hereto, and any other cash at the time held by the Secured Party under Section 2 hereof or this Section 4, may, in the discretion of the Secured Party, be held by the Secured Party as collateral for, and/or then or at any time thereafter applied in whole or in part by the Secured Party against, all or any part of the Obligations in such order as the Secured Party shall elect.

4.11 Attorney-in-Fact. The Grantor irrevocably appoints any officer of the Secured Party with full power of substitution as the attorney-in-fact of the Grantor, effective on the date hereof and terminating upon the payment in full of the Obligations and the termination of this Agreement, for the purpose of carrying out the provisions of this Agreement and taking any action and executing any instruments that such attorney-in-fact may deem necessary or advisable to accomplish the purposes hereof, which appointment as attorney-in-fact is irrevocable and coupled with an interest. Without limiting the generality of the foregoing, the Grantor hereby gives the Secured Party the power and right, on behalf of the Grantor, without notice to or assent by the Grantor, to do the following:

(a) upon the occurrence and during the continuance of any Event of Default, to pay or discharge taxes and liens levied or placed on or threatened against the Pledged Collateral; and

(b) upon the occurrence and during the continuance of any Event of Default, (A) to direct any notices and other documents in connection with any of the Pledged Collateral; (B) to deliver a notice of exclusive control to the Securities Intermediary as contemplated by the Pledgor/Pledge Authorization

and otherwise assume exclusive dominion and control over the Securities Account; (C) to commence and prosecute any suits, actions or proceedings at law or in equity in any court of competent jurisdiction to collect the Pledged Collateral or any party thereof and to enforce any other right in respect of any Pledged Collateral; (D) to defend any suit, action or proceeding brought against the Grantor with respect to any Pledged Collateral; (E) to settle, compromise or adjust any suit, action or proceeding described in clause (D) above and, in connection therewith, to give such discharges or releases as the Secured Party may deem appropriate; (F) to assign, sell, transfer, pledge and make any agreement with respect to or otherwise deal with any of the Pledged Collateral for all purposes, and to do, at the Secured Party's option and the Grantor's expense, at any time, or from time to time, all acts and things that the Secured Party reasonably deems necessary to protect, preserve or realize upon the Pledged Collateral and the Secured Party's liens thereon and to effect the intent of this Agreement, all as fully and effectively as the Grantor might do.

The powers conferred on the Secured Party under the preceding clause of this Section 4.11 are solely to protect the Secured Party's interests in the Pledged Collateral and shall not impose any duty upon the Secured Party to exercise any such powers. The Secured Party shall be accountable only for amounts that it actually receives as a result of the exercise of such powers, and neither it nor any of its officers, employees, affiliates or agents shall be responsible to the Grantor for any act or failure to act hereunder, except solely for their direct own gross negligence or willful misconduct, and the Secured Party hereby specifically disclaims any liability for negligence.

4.12 Maintenance of Account Control Agreement. The Grantor shall cause the Securities Account to be subject at all times to the Pledgor/Pledge Authorization.

4.15 Further Assurances. The Grantor hereby covenants and agrees that it shall, at its sole expense, at any time and from time to time, promptly execute and deliver all further instruments and documents and take all further action that may be necessary or desirable or that the Secured Party may request in order to (i) perfect and protect the security interest created hereby, (ii) enable the Secured Party to exercise and enforce its rights and remedies hereunder in respect of the Pledged Collateral or (iii) otherwise effect the purposes of this Agreement, including, without limitation, the execution and delivery of such UCC-1 financing statements as the Secured Party may request. The Grantor hereby

authorizes the Secured Party to file one or more financing statements under the Uniform Commercial Code of any applicable jurisdiction naming Grantor as debtor and the Secured Party as secured party and indicating therein the types or describing the items of Collateral, without the signature of the Grantor. The Grantor will pay any applicable filing fees and related expenses. A carbon, photographic or other reproduction of this Agreement shall be sufficient as a financing statement for filing in any jurisdiction.

4.17 FDIC Insurance Coverage. The Pledge of securities by Grantor to secure the deposits of the Secured Party shall be in addition to, and shall in no way eliminate or diminish the insurance coverage to which Secured Party may be entitled under the rules and regulations of the FDIC or any private insurance carried by Grantor for purposes of protecting the claims and rights of its depositors.

4.18 Termination of Account Agreement and this Agreement. The parties agree that upon the earlier of (a) the expiration of the Term of this Agreement, (b) termination of the Account Agreement, (c) the failure of Secured Party to maintain the Minimum Account Balances or at such time that Grantor has paid and accounted for all of the funds of Secured Party that were deposited with Grantor, or (d) the Secured Party's notice to Grantor, as provided in this Section 4.18, that it wishes to cause an early termination of this Agreement, then and in that event any and all securities pledged as collateral under this Agreement shall be released from the security interest created hereby, and the Secured Party and Grantor shall take whatever actions that may be necessary to cause a transfer of such securities to the Grantor free and clear of any liens created hereunder or a full and complete release of the Pledged Collateral. Notwithstanding anything in this Agreement to the contrary Secured Party may, upon thirty (30) days' prior notice to Grantor, elect to terminate this Agreement at any time, for any or no reason, upon which event Grantor shall have the right to terminate and close all accounts maintained under the Account Agreements without premium or penalty.

Section 5. Miscellaneous.

5.01 No Waiver; Cumulative Remedies. The Secured Party shall not by an act (except by a written instrument pursuant to Section 5.04 hereof), delay, indulgence, omission or otherwise be deemed to have waived any right or remedy hereunder or to have acquiesced in any Default or Event of Default or in any breach of any of the terms and conditions hereof. No failure to exercise, nor any delay in exercising, on the part of the Secured Party, any right, power or privilege hereunder shall operate as a

waiver thereof. No single or partial exercise of any right, power or privilege hereunder shall preclude any other or further exercise thereof or the exercise of any other right, power or privilege. A waiver by the Secured Party of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy which the Secured Party would otherwise have on any future occasion. The rights and remedies herein provided are cumulative, may be exercised singly or concurrently and are not exclusive of any rights or remedies provided by law or by this Agreement or otherwise and shall be enforceable to the maximum extent then permitted at law or in equity.

5.02 Notices. All notices and other communications to any party provided for hereunder shall be in writing (including telegraphic communication) and mailed, sent by telecopier or hand delivered to such party at its address for notices provided in this Agreement or to such other address as shall be designated by such party from time to time.

5.03 Amendments, Etc. No amendment or waiver of any provision of this Agreement nor consent to any departure by the Grantor herefrom, shall in any event be effective unless the same shall be in writing and signed by the Secured Party, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given.

5.04 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the Grantor, the Secured Party and each holder of any of the Obligations; provided, however, that the Grantor shall not assign or transfer its rights hereunder without the prior written consent of the Secured Party.

5.05 Captions. The captions and section headings appearing herein are included solely for convenience of reference and are not intended to affect the interpretation of any provision of this Agreement.

5.06 Counterparts. This Agreement may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument and any of the parties hereto may execute this Agreement by signing any such counterpart.

5.07 Governing Law and Venue. THIS AGREEMENT SHALL BE GOVERNED BY, AND

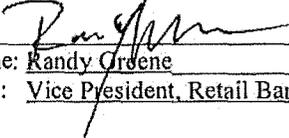
CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF MICHIGAN.

5.8 Severability. If any provision hereof is invalid and unenforceable in any jurisdiction, then, to the fullest extent permitted by law, (i) the other provisions hereof shall remain in full force and effect in such jurisdiction and shall be liberally construed in favor of the Secured Party in order to carry out the intentions of the parties hereto as nearly as may be possible and (ii) the invalidity or unenforceability of any provision hereof in any jurisdiction shall not affect the validity or enforceability of such provision in any other jurisdiction.

5.9 Continuing Security Interest. This Agreement shall create a continuing security interest in the Pledged Collateral and shall (a) remain in full force and effect until payment in full of the Obligations (subject to the prior expiration of the Term of this Agreement), (b) be binding upon the Grantor, its successors, and assigns, and (c) inure to the benefit of the Secured Party and its successors, transferees and assigns.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

FIRST NATIONAL BANK IN HOWELL

By: 
Name: Randy Grdene
Title: Vice President, Retail Banking Administrator

SECURED PARTY: Northfield Township

By: _____
Name: Lenore Zelnock
Title: Township Treasurer

Expiration: June 30, 2018

EXHIBIT A

ATTACHED ACCOUNT AGREEMENT

Accounts included in this Security Agreement are:

DDA 8103921 (MIF)
DDA 8103947 (Trust & Agency)
DDA 8103954 (Police Narcotics)
DDA 81032970 (Federal Drug Forfeiture)
DDA 8103996 (Payroll)
DDA 8104044 (Health)
DDA 8104226 (Police Officers Assn)
CD 11007499

**LIST OF PLEDGED SECURITIES
NORTHFIELD TOWNSHIP**

ATTACHMENT I

CUSIP	PLEDGEE	DESCRIPTION	SAFEKEEPING LOCATION	2/28/2018	Rating	
				AMT PLEDGED	Moody's	S & P
3138EJRR1	NORTHFIELD TWP	FNMA Pool #AL2295	FHLB	\$964,080.78		
3138EJKA5	NORTHFIELD TWP	FNMA Pool #AL2088	FHLB	1,387,008.78		
36202FJC1	NORTHFIELD TWP	GNMA II Pool #4759	FHLB	217,721.15		
3128PUHK1	NORTHFIELD TWP	FHLMC Pool #J14734	FHLB	367,509.00		
651075AY9	NORTHFIELD TWP	NEWCASTLE WA	FHLB	82,127.70	NA	AAA
774836FA3	NORTHFIELD TWP	ROCORI MN AREA SCHS INDEP SCHD	FHLB	192,945.90	Aa2	NA
28209NB7	NORTHFIELD TWP	EFFINGHAM CNTY GA INDL DEV AUT	FHLB	181,355.85	A1	NA
3138EMEUI	NORTHFIELD TWP	FNMA Pool #AL4646	FHLB	1,304,376.26		
TOTAL SECURITIES PLEDGED-NORTHFIELD TOWNSHIP				<u><u>\$4,697,125.42</u></u>		

Rating Code:
NR= not rated or never rated
WR= withdrew rating

Minimum Pledge amount- \$4,500,000.00