

**AN ORDINANCE AMENDING ORDINANCE NO. 5
OF THE COUNTY OF JACKSON, MICHIGAN**

ORDINANCE NO. 5A

WHEREAS, the Board of Commissioners did on December 11, 1986, adopt Ordinance No. 5 of the County entitled:

AN ORDINANCE AUTHORIZING THE ISSUANCE OF RESOURCE AND ENERGY CONVERSION SYSTEM FULL FAITH AND CREDIT REVENUE BONDS BY THE COUNTY OF JACKSON, MICHIGAN, FOR THE PURPOSE OF CONSTRUCTING SAID SYSTEM FOR SAID COUNTY; PRESCRIBING THE FORM OF BONDS; PROVIDING FOR THE COLLECTION OF REVENUE FROM SAID SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE THEREOF; PROVIDING FOR THE PAYMENT OF SAID BONDS; PROVIDING A SECONDARY PLEDGE OF COUNTY FULL FAITH AND CREDIT; PROVIDING FOR THE SEGREGATION AND DISTRIBUTION OF SAID REVENUES; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS IN ENFORCEMENT THEREOF; AND PROVIDING FOR OTHER MATTERS RELATIVE TO SAID BONDS AND SAID SYSTEM.

AND WHEREAS, it has now become necessary to amend said Ordinance No. 5 to implement the possible sale of the Bonds authorized by that Ordinance to the Michigan Municipal Bond Authority and to revise tipping fee charges.

NOW, THEREFORE, THE COUNTY OF JACKSON ORDAINS:

Section 1. Amendments. The following Sections of Ordinance No. 5 shall be amended to provide as follows:

Section 15. Rates; Covenant to Fix. Certain rates have been fixed pursuant to contract entitled Energy Purchase Agreement between the Issuer and the State of Michigan dated February 4, 1986. In addition the Issuer does hereby fix for the fiscal year commencing January 1, 1987, the tipping fee for the disposal of solid waste through the System at \$4.00 per cubic yard of waste disposed, such fee to be increased effective October 1, 1987, to such an amount, presently estimated to be \$32.00 per ton,

as will meet, with other revenues of the System, all requirements of the System. The Issuer will review such tipping fee annually and will revise such fee as necessary to provide sufficient funds to meet all requirements of the System, such review and revision to occur not later than December of each fiscal year for the next succeeding fiscal year. The Issuer will prior to sale of Bonds establish such other rates as shall be necessary in connection with the operation of the System. Such rates will be established pursuant to this Ordinance in amounts sufficient to pay the costs of operating, maintaining and administering the System, to pay the principal of and interest on the Bonds and to meet the requirements for replacement and improvement and all other requirements provided herein, and otherwise comply with the covenants herein provided. The Issuer hereby covenants and agrees to fix and maintain at all times while any of the Bonds shall be outstanding such rates as shall be sufficient to provide for the foregoing expenses, requirements and covenants, and to create and maintain a bond and interest redemption fund for all bonds payable from revenues of the System. The rates shall be reasonable and just, taking into consideration the cost and value of the System and the cost of maintaining, repairing, and operating the same and the amounts necessary for the payment of all obligations of the System, and there shall be charged such rates as shall be adequate to meet the requirements of this Section and Section 12 of this Ordinance.

Section 23. Alternative Method of Sale. In addition to the other provisions of this Ordinance, and as an alternative method of sale of the Bonds, the Bonds herein authorized may be sold to the Michigan Municipal Bond Authority pursuant to Act No. 227, Public Acts of Michigan, 1985, as amended, and other applicable statutory

provisions, and if such alternative sale method is chosen, the Bonds shall bear an original issue date, be payable in amounts and on dates, bear interest at rates, be subject to redemption and otherwise be in such form as shall be determined in the resolution of the Board awarding the Bonds to said Authority. Specifically the Board may provide:

(a) For sale of the Bonds to the Authority at par or a discount not exceeding a specified percentage as required by the Authority, in each case with a net interest cost not exceeding a specified percentage, and for delegating to the County Controller the power to subsequently approve specific interest rates.

b) That the following provision be reflected in each Bond delivered to the Authority:

Notwithstanding any other provision of this Bond, so long as the Michigan Municipal Bond Authority (the "Authority") is the owner of this Bond,

(a) this Bond is payable as to principal, premium, if any, and interest at the principal corporate trust office of Comerica Bank-Detroit, Detroit, Michigan, or at such other place as shall be designated in writing to the Issuer by the Authority (the "Authority's Depository"); (b) the Issuer agrees that it will deposit with the Authority's Depository payments of the

principal of, premium, if any, and interest on this Bond in immediately available funds at least two business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; and (c) written notice of any redemption of this Bond shall be given by the Issuer to the Authority's Depository at least 35 days prior to the date on which such redemption is to be made.

(c) That the redemption provisions for the Bonds read substantially as follows:

The Bonds are subject to optional redemption prior to maturity in whole or in part, in such order as the Issuer shall determine, in integral multiples of \$5,000, on any interest payment date on or after November 1, 1996, at the following redemption prices (expressed as percentages of their principal amounts), plus accrued interest to the redemption date:

<u>Period During Which Redeemed</u>	<u>Redemption Price</u>
November 1, 1996 to October 31, 1997, inclusive	102%
November 1, 1997 to October 31, 1998, inclusive	101 – ½%
November 1, 1998 to October 31, 1999, inclusive	101%
November 1, 1999 to October 31, 2000, inclusive	100 – ½%
November 1, 2000 and thereafter	100%

(d) For payment of Authority issuance costs and bond insurance premiums and related costs.

(e) That Bond principal shall mature on November 1st of the years indicated, with first Bond interest to be due on November 1, 1987 and semiannually thereafter.

- (f) That the amount and duration of capitalized interest on the Bonds be adjusted accordingly.
- (g) That the County Treasurer or such other appropriate agency be designated as registrar/transfer agent for the Bonds.
- (h) That any and all other changes in the Bonds consistent with the intent of Ordinance No. 5 be effectuated.

Section 2. Conflict and Severability. All ordinances, resolutions and orders or parts thereof in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed, and each Section of this Ordinance and each Subsection of any Section hereof is hereby declared to be independent, and the finding or holding of any Section or Subsection thereof to be invalid or void shall not be deemed or held to affect the validity of any other Section or Subsection of this Ordinance.

Section 3. Section Headings. The Section headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this Ordinance.

Section 4. Publication and Recordation. This Ordinance shall be published in full in the Jackson Citizen Patriot, a newspaper of general circulation in the Issuer, qualified under State law to publish legal notices, promptly after its adoption, and the same shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Chairman of the Legislative Body and the County Clerk.

Section 5. Effective Date. This Ordinance is hereby determined by the Legislative Body to be immediately necessary for the preservation of the health, safety and welfare of the Issuer and shall be in full force and effect from and after its passage and publication as required by law.

Passed and adopted by the Board of Commissioners of the County of Jackson, Michigan, on March 10, 1987, and approved by me on March 10, 1987.

Chairman, Board of Commissioners
County of Jackson, Michigan
Gerald J. McDevitt

Attest:

Jackson County Clerk
Jean S. Kahn

Yeas: Ratchford, Barham, Miller, Lacinski,
Day, Cowing, Maino, Hammond,
Webster, Videto, Ulbin, Hurst, McDevitt

Nays: _____
Absent: Brigham, Hurula