

Allen Park Belleville Brownstown Twp. Dearborn Heights Ecorse Lincoln Park	Downriver Utility Wastewater Authority 25605 Northline Road • Taylor, Michigan 48180	River Rouge Riverview Romulus Southgate Taylor Van Buren Twp. Wyandotte
---	---	---

Downriver Utility Wastewater Authority Board of Commissioners

General Certificate

The undersigned hereby certified that (i) the Resolution 2019-001 regarding 'Resolution Adopting the FY 2019 Preliminary Budget' attached hereto is a true and complete copy of the Resolution duly passed by the Downriver Utility Wastewater Authority Board of Commissioners at a meeting held on January 11, 2019 at which meeting a quorum was presented and remained throughout, (ii) the original thereof is on file in the records of the Downriver Utility Wastewater Authority Board of Commissioners, (iii) the meeting was conducted, and public notice thereof was given, pursuant to and in full compliance with the Open Meetings Act (Act No. 267, Public Acts of Michigan, 1976, as amended) and (iv) Minutes of such meetings were kept and will be or have been made available as required thereby.

YES: Allen Park, Belleville, Brownstown Township, Ecorse, Lincoln Park, Riverview, Romulus, Southgate, Taylor, Van Buren Township, and Wyandotte

NO: None

ABSTAIN: None

ABSENT: Dearborn Heights, River Rouge

Dated:  January 11, 2019

By: Rick Sollars, City of Taylor
Title: DUWA Chairman

Allen Park Belleville Brownstown Twp. Dearborn Heights Ecorse Lincoln Park	Downriver Utility Wastewater Authority 25605 Northline Road • Taylor, Michigan 48180	River Rouge Riverview Romulus Southgate Taylor Van Buren Twp. Wyandotte
---	---	---

Resolution Adopting the FY 2019 Preliminary Budget

Agenda of: January 11, 2019
Item No.: 2019-001

TO: Downriver Utility Wastewater Authority
Board of Commissioners

FROM: Jason Couture, City of Taylor
DUWA Treasurer

DATE: January 11, 2019

RE: Resolution Adopting the FY 2019 Preliminary Budget

MOTION

Upon recommendation of Jason Couture (City of Taylor), DUWA's Treasurer, the Board of Commissioners (Board) of the Downriver Utility Wastewater Authority (DUWA):

- 1) Approves the attached resolution, 2019-01 adopting the FY 2019 Preliminary Budget for DUWA;
- 2) Notes that a majority vote is necessary for the approval of this resolution; and
- 3) Authorizes the Chairman, Treasurer, or Accountant to take such other action as may be necessary to accomplish the intent of this vote.

BACKGROUND

The Downriver Utility Wastewater Authority (DUWA) assumed the operation of the regional sewer system on September 27, 2018 (the 'Effective Date') pursuant to the Definitive Transfer Agreement between DUWA and Wayne County, dated September 27, 2018. DUWA's Articles of Incorporation, dated August 12, 2015, require DUWA to prepare and adopt an annual budget upon assuming exclusive control over management, administration, ownership and operation of the system. The Board has received a proposed Budget for FY 2019, and now adopts the FY 2019 Preliminary Budget for DUWA, with the goal to establish and adopt a final budget no later than May 30, 2019.

JUSTIFICATION

The Board is required each year to adopt a Budget for the following Fiscal Year. The proposed Budget was reviewed by the Board on January 11, 2019. DUWA will use this Preliminary Budget for ongoing 2019 FY tasks, as well as to establish rates in or around May of 2019.

BUDGET IMPACT

This is the adoption of the Preliminary Budget.

Allen Park Belleville Brownstown Twp. Dearborn Heights Ecorse Lincoln Park	<h1 style="text-align: center;">Downriver Utility Wastewater Authority</h1> <p style="text-align: center;">25605 Northline Road • Taylor, Michigan 48180</p>	River Rouge Riverview Romulus Southgate Taylor Van Buren Twp. Wyandotte
---	---	---

Downriver Utility Wastewater Authority

Resolution 2019-001

Resolution Adopting the FY 2019 Preliminary Budget

By Board Member: Rick Sollars, City of Taylor

WHEREAS The Downriver Utility Wastewater Authority (DUWA) assumed the ownership of the regional sewer system on September 27, 2018 (the 'Effective Date') and operation of the system on September 28, 2018, pursuant to the Definitive Transfer Agreement between DUWA and Wayne County, dated September 27, 2018.

WHEREAS In accordance with the by-laws of DUWA, the Board shall adopt a one-year operating budget for the Downriver Sewage Disposal System (DSDS); and

WHEREAS The budgeted expenses for each such Fiscal Year shall equal the sum of the projected expenses and revenue requirements for the DSDS for each such Fiscal Year; and

WHEREAS The budgeted revenues, debt service, operations and maintenance, and amounts necessary to pay principal of and interest of all system bonds and to restore any reserves therefore reestablished in the Master Bond ordinance for the DSDS for FY 2019 is shown on 'Schedule A – Budget Report for DUWA, 590 Sewer Fund' of the budget document; and

WHEREAS When a quorum is present, a majority of the quorum will be required for an affirmative vote for adoption of this Resolution,

NOW THEREFORE BE IT:

RESOLVED That the DUWA Board approves the preliminary budget for Fiscal Year 2019; and be it finally

RESOLVED That DUWA's Chairman, Treasurer, or Accountant are authorized to take such other action as may be necessary to accomplish the intent of this resolution.

Allen Park Belleville Brownstown Twp. Dearborn Heights Ecorse Lincoln Park	Downriver Utility Wastewater Authority 25605 Northline Road • Taylor, Michigan 48180	River Rouge Riverview Romulus Southgate Taylor Van Buren Twp. Wyandotte
---	--	---

RESOLUTION ADOPTING THE FY 2019 PRELIMINARY BUDGET (cont.)

Schedule A – Budget Report for DUWA, 590 Sewer Fund

BUDGET REPORT FOR DOWNRIVER WASTEWATER UTILITY AUTHORITY
Fund: 590 SEWER FUND

GL NUMBER	DESCRIPTION	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ACTIVITY THRU 12/31/18	2018 PROJECTED ACTIVITY	2019 REQUESTED BUDGET
Dept 000 - Revenues						
590-000-632.410	Sewage Disposal Charges	0	2,685,475	0	0	11,171,570
590-000-632.440	Excess Flow Charges	0	1,879,830	1,879,827	0	7,820,090
590-000-632.450	Industrial Surcharges	0	150,000	0	0	500,000
590-000-632.480	IPP Surveillance Permit Fees	0	0	0	0	100,000
590-000-664.000	Interest Earnings	0	5,000	0	0	250,000
590-000-671.000	Misc Revenues	0	17,000	0	0	10,000
590-000-674.200	Community Assessments	150,000	210,000	81,147	105,000	0
590-000-674.300	SRF Billings to Communities	0	0	0	0	5,010,473
590-000-676.000	Reimbursement - Allen Park	0	(125,000)	0	0	(500,000)
590-000-687.000	Refunds / Wayne County	500,000	1,000,000	500,000	500,000	0
NET OF REVENUES/APPROPRIATIONS - 000 - Revenues		650,000	5,822,305	2,460,974	605,000	24,362,133
Dept 300 - Debt Service						
590-300-991.200	Debt - Principal - SRF Revenue Bonds	0	0	0	0	3,595,000
590-300-992.100	Debt - Interest - 2018 Revenue Bonds	0	0	0	0	2,791,931
590-300-992.200	Debt - Interest - SRF Revenue Bonds	0	0	0	0	1,415,473
NET OF REVENUES/APPROPRIATIONS - 300 - Debt Service		0	0	0	0	(7,802,404)
Dept 536 - Sewer System						
590-536-753.000	Chemicals and Oxygen	0	337,005	0	0	0
590-536-754.000	Office Expenses	0	4,600	0	0	0
590-536-801.000	Professional Services	5,000	0	0	0	0
590-536-802.000	Banking Fees	25	0	10	0	0
590-536-803.000	Attorney Fees	150,000	300,000	305,327	344,520	300,000
590-536-804.000	Engineering Services	225,000	840,000	851,836	838,130	150,000
590-536-804.100	System Administrator Services	0	90,000	42,975	62,176	300,000
590-536-804.200	Accounting Services	0	15,000	10,155	11,075	42,000
590-536-804.300	Audit Fees	0	0	0	0	20,000
590-536-805.000	Financial Services	50,000	57,000	51,657	61,650	75,000
590-536-806.000	Outside Consulting services	0	30,000	0	0	0
590-536-807.000	Southgate - Wyandotte Drainage District	0	43,750	0	0	175,000
590-536-808.000	Wyandotte Nuisance Fee	0	0	33,000	33,000	33,000
590-536-810.000	Veolia O&M Services	0	1,026,430	3,007,291	3,007,292	11,713,900
590-536-811.000	Sludge Hauling / Disposal	0	692,044	0	0	0
590-536-812.000	Flow Metering	0	75,000	25,074	0	303,906
590-536-813.000	Interceptor Cleaning and Inspection	0	88,650	0	0	0
590-536-815.000	Operator Management Fees	0	286,465	0	0	0
590-536-820.000	Operating Permits	0	0	20,000	20,000	20,000

BUDGET REPORT FOR DOWNRIVER WASTEWATER UTILITY AUTHORITY

Fund: 590 SEWER FUND

GL NUMBER	DESCRIPTION	2018 ORIGINAL BUDGET	2018 AMENDED BUDGET	2018 ACTIVITY THRU 12/31/18	2018 PROJECTED ACTIVITY	2019 REQUESTED BUDGET
Dept 536 - Sewer System						
590-536-840.000	Insurance Premiums	0	625,000	524,392	476,080	510,500
590-536-900.000	Printing and Publishing	5,000	9,800	10,936	11,285	3,600
590-536-917.000	Utilities - Sewage	0	50,500	0	0	0
590-536-918.000	Utilities - Water	0	50,500	0	0	0
590-536-920.000	Utilities - Electric	0	701,670	498,573	337,630	3,588,600
590-536-921.000	Utilities - Natural Gas	0	68,750	0	0	0
590-536-932.000	Spare Parts, Vehicles, Equipment Maint	0	199,770	0	0	0
590-536-933.000	Software Maintenance	0	0	0	0	6,000
590-536-955.000	Miscellaneous Expenditures	0	110,135	0	0	0
590-536-973.001	Sewer Rehabilitation - Alkali Avenue	0	0	7,402	0	0
590-536-978.001	Capital Outlay - Centrifuge	0	0	11,623	0	0
590-536-984.000	Software	0	0	33,775	35,785	0
NET OF REVENUES/APPROPRIATIONS - 536 - Sewer System		(435,025)	(5,702,069)	(5,434,026)	(5,238,623)	(17,241,506)
ESTIMATED REVENUES - FUND 590		650,000	5,822,305	2,460,974	605,000	24,362,133
APPROPRIATIONS - FUND 590		435,025	5,702,069	5,434,026	5,238,623	25,043,910
NET OF REVENUES/APPROPRIATIONS - FUND 590		214,975	120,236	(2,973,052)	(4,633,623)	(681,777)

MICHIGAN DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF COMMERCIAL SERVICES
CORPORATION DIVISION
P. O. Box 30054
Lansing, Michigan 48909

MICHIGAN NONPROFIT CORPORATION FILING INFORMATION

After the Articles of Incorporation are filed, additional documents may be required, under the Michigan Nonprofit Corporation Act, Act 162, P.A. of 1982, to implement the corporation's intended changes.

Any substantive questions regarding legal rights and responsibilities in connection with the corporation should be discussed with your private legal counsel.

When Articles of Incorporation are filed, the Bureau assigns the corporation a six-digit file number and this number is included on the document. Please use this number on any correspondence or documents submitted to this office.

ANNUAL REPORT: When to File, Fees, and Penalties

Due: On or before October 1 of each year beginning the year after incorporation. Required by section 911 of the Act, MCL 450.2911.

Fee: \$20.00. Enclose check or money order payable to the "State of Michigan" when submitting report by mail, or pay with credit card when filing online.

Forms: A pre-printed annual report, BCS/CD-2000, Information Update, is mailed to the corporation's resident agent at the registered office approximately three months prior to the due date. Online filing is available about 90 days before the report's due date. Contact the Bureau if an additional preprinted annual report is needed. Retain a copy of the completed report for your records.

Filing: The report can be filed online at www.michigan.gov/fileonline or mail the annual report with the \$20 fee to PO Box 30767 Lansing MI 48909. Annual reports may also be delivered in person to our office located at 2501 Woodlake Circle, Okemos, MI.

Penalty: If a corporation fails to submit their annual report or pay the related fee within two years of the due date of the report, the corporation automatically dissolves by operation of law. To renew the corporation's existence the corporation must complete and submit the reports for the last 5 years, or lesser number of years in which reports were not filed and paying the annual fee for all the years for which they were not paid plus a penalty of \$5.00 for each delinquent report.

BOARD OF DIRECTORS

Public Act 222 of 2008, effective July 16, 2008, amended the Nonprofit Corporation Act. The amendment requires the board of directors to consist of three or more individuals. The board of a nonprofit corporation in existence on July 16, 2008 must have a board consisting of three or more directors by January 16, 2009. For nonprofit corporations formed after July 16, 2008, the initial board of directors and subsequent boards must consist of three or more directors.

In addition, section 922 of the act was amended to require a "charitable purpose corporation" to provide notice to the Attorney General within 60 days of an automatic dissolution under section 922. Prior to disposing of any of its assets, a dissolved charitable purpose corporation must obtain written approval from the Attorney General. "Charitable purpose corporation" is defined in section 106(1) of the Act.

CHARITABLE SOLICITATIONS AND HOLDING CHARITABLE ASSETS

Corporations formed for charitable purposes may need to be licensed to solicit donations and/or if holding charitable assets to be registered as a charitable trust with the Michigan Attorney General, Charitable Trust Section. Professional Fund Raisers must also be licensed.

Charitable purposes include such things as benefiting the poor, caring for the sick, supporting education or libraries, erecting public buildings, or otherwise lessening the burdens of government, supporting civic organizations to perform good works, promoting the welfare of the community or some class forming a part of the community.

Corporations exempt from licensing and/or registration may include ecclesiastical corporations, certified schools, and licensed hospitals.

For further information and application or registration forms contact the Michigan Department of Attorney General, Charitable Trust Section, P.O. Box 30214, Lansing, MI 48909 or visit their web site at www.michigan.gov/ag or call (517) 373-1152.

Certificate of Change of Registered Office and/or Change of Resident Agent

All corporations are required to continuously maintain a registered office and resident agent in Michigan. Annual report forms, notices, and other official communications are directed to the corporation's resident agent and registered office. Resident agent and/or registered office changes can be made on a Certificate of Change of Resident Agent and/or Registered Office, **BCS/CD-520**, or on an annual report. A document must be filed in order to change the resident agent or registered office, permitted by section 242 of the Act, MCL 450.2242. The fee for a Certificate of Change is \$5.00. No additional fee is required for a change made on an annual report.

Additional documents

After incorporation you may wish to make changes to the corporation's name or purposes, adopt an assumed name, or dissolve the corporation.

Certificate of Assumed Name, BCS/CD-541, permitted by section 217 of the Act, MCL 450.2217

Fee - \$10.00.

A corporation may conduct its affairs under any assumed name or names other than its corporate name, if the assumed name is not precluded by section 212 of the act. The Certificate of Assumed Name is effective when endorsed "filed" by the Bureau.

Certificate of Amendment to the Articles of Incorporation, BCS/CD-515, permitted by section 631 of the Act, MCL 450.2631. Fee - \$10.00.

Certificate of Amendment for Ecclesiastical Corporations, BCS/CD-516, permitted by section 182 of the General Corporation Act, MCL 450.182. Fee - \$10.00.

A corporation may amend its Articles of Incorporation to change its corporate name, to change its corporate purposes, to change the duration of the corporation, or to otherwise amend its Articles of Incorporation if the amendment contains only such provisions as might lawfully be contained in the original Articles of Incorporation. A corporation cannot add, remove, or otherwise change the incorporators by amending the Articles of Incorporation.

Restated Articles of Incorporation, BCS/CD-511, permitted by section 642 of the Act, MCL 450.2642. Fee - \$10.00.

Restated Articles of Incorporation for Ecclesiastical Corporations, BCS/CD-512, permitted by section 642 of the Nonprofit Corporation Act and section 182 of the General Corporation Act, MCL 450.182. Fee - \$10.00.

A corporation may integrate into a single document the provisions of its Articles of Incorporation and at the same time may also further amend its Articles of Incorporation by adopting Restated Articles of Incorporation. When the Restated Articles become effective, the corporation's original Articles of Incorporation, as amended, are superseded, and the Restated Articles shall be the Articles of Incorporation of the corporation.

Certificate of Correction, BCS/CD-518, permitted by section 133 of the Act, MCL 450.2133

Fee - \$10.00.

A Certificate of Correction may be filed to correct any previously filed document if the document being corrected was an inaccurate record of the corporate action referred to in the document or was defectively or erroneously executed, or if the document was electronically transmitted and the electronic transmission was defective.

Certificate of Merger/Consolidation, BCS/CD-550, permitted by section 707 of the Act, MCL 450.2707. Fee - \$50.00 per Michigan Corporation.

Two or more corporations can merge into one corporation or combine themselves into a new corporation by adopting a Plan of Merger or Consolidation and filing the appropriate form BCS/CD-550.

Certificate of Dissolution

A corporation is dissolved whenever any of the following occurs:

- (a) A Certificate of Dissolution is filed. Fee - \$10.00.

BCS/CD-530, permitted by section 803 of the Act, MCL 450.2803. By incorporators or directors before commencement of affairs and issuance of shares if the corporation has no debts or other liabilities.

BCS/CD-531, permitted by section 804 of the Act, MCL 450.2804. By directors, members, or shareholders. Within 60 days after submitting the Certificate of Dissolution, tax clearance must be requested from the Michigan Department of Treasury, Tax Clearance Division, Lansing, MI 48922, (517) 636-5260.

BCS/CD-532, permitted by section 805 of the Act, MCL 450.2805. By directors, members, or shareholders upon the occurrence of a specified event other than a term expiration as provided for in the Articles of Incorporation. Within 60 days after submitting the Certificate of Dissolution, tax clearance must be requested from the Michigan Department of Treasury, Tax Clearance Division, Lansing, MI 48922, (517) 636-5260.

The Certificate of Dissolution for a nonprofit charitable purpose corporation must be accompanied by a consent from the Department of the Attorney General. To obtain the consent, contact the Department of Attorney General, Charitable Trust Section, P.O. Box 30214, Lansing, MI 48909 or call (517) 373-1152.

- (b) The period of duration stated in the Articles of Incorporation expires.
(c) Failure to file an annual report or pay any fee thereon for a period of two years from the due date.
(d) A judgment of dissolution is entered by a court.

HOW TO SUBMIT DOCUMENTS FOR FILING TO THE BUREAU

MICH-ELF Filer: To obtain a Mich-Elf filer account, the MICH-ELF Application, BCS/CD 901, must be submitted by fax to (517) 241-6445. This fax number is only for Mich-Elf Applications.

Fax and Email

Customers with a MICH-ELF filer account may submit documents by fax to (517) 636-6437 or by email to cdfilings@michigan.gov.

Mail

Mail to Michigan Department Licensing and Regulatory Affairs, Bureau of Commercial Services, Corporation Division, P.O. Box 30054, Lansing, MI 48909-7554.

In person

Submit in person at 2501 Woodlake Circle, Okemos, MI. Office is open 8 a.m. to 5 p.m. daily, Monday through Friday, except holidays.

Contact information

Corporation Division, Bureau of Commercial Services

PO Box 30054

Lansing, Michigan 48909-7554

Corporation Division Phone Number..... (517) 241-6470

Corporation Division Fax Numbers

Mich-Elf to submit documents (Must have Mich-Elf Filer account) (517) 636-6437

Mich-Elf Application (To establish or update Mich-Elf Filer account) (517) 241-6445

Orders for Certificates, Copies, or Information Requests..... (517) 241-0538

24-HOUR, SAME DAY, 2-HOUR, AND 1-HOUR EXPEDITED SERVICE FOR DOCUMENTS

Public Acts 217-220, effective January 1, 2006, signed by Governor Granholm on November 21, 2005, follows Delaware and permits the customer to obtain review and filing of their document, if fileable, within the time frame that best suits the customer's needs. Expedited service is available for all documents for profit corporations, limited liability companies, limited partnerships and nonprofit corporations. First time MICH-ELF user requesting expedited service must obtain a MICH-ELF filer number prior to submitting a document for expedited service.

Complete a separate Expedited Service Request, form BCS/CD 272, for each document for which expedited service is being requested.

24-hour service: Any document concerning an existing entity\$100

Formation documents and applications for certificate of authority.....\$50

Same day, other than 1 or 2 hour, must be received by 1 p.m. EST or EDT

Existing domestic entity or qualified foreign entity\$200

Formation documents and applications for certificate of authority.....\$100

2 hour on same day as request, must be received by 3 p.m. EST or EDT\$500

1 hour on same day as request, must be received by 4 p.m. EST or EDT\$1000

RESOURCES/CONTACT INFORMATION

SUBJECT	DEPARTMENT/AGENCY	PHONE NUMBER	WEB ADDRESS
State Taxes	Michigan Department of Treasury	(517) 373-3200	www.michigan.gov/treasury
Federal Taxes, Employer Identification Numbers (EIN), Tax Exempt Status – 501(c)(3)	Internal Revenue Service	(800) 829-1040	www.irs.gov
Unemployment Insurance	Department of Energy, Labor & Economic Growth, Unemployment Insurance Agency	(800) 638-3994	www.michigan.gov/uia
Workers Compensation	Department of Energy, Labor & Economic Growth, Workers Compensation Agency	(888) 396-5041	www.michigan.gov/wca
Doing Business with the State of Michigan	Michigan Department of Management and Budget	(517) 373-6227	www.bid4michigan.com
State License Search	Michigan Economic Development Corporation	(888) 522-0103	www.michigan.org/medc/services/license
Guide to Starting a Small Business			www.michiganadvantage.org/Start-a-Business/Default.aspx
State Trademarks & Service Marks	Department of Licensing and Regulatory Affairs, Bureau of Commercial Svcs, Corporation Division	(517) 241-6470	www.michigan.gov/corporations
Federal Trademarks & Service Marks	United States Patent & Trademark Office (USPTO)	(800) 786-9199	www.uspto.gov
License to Solicit Funds/Registration as Charitable Trust	Michigan Attorney General, Charitable Trust Section	(517) 373-1152	www.michigan.gov/ag

LARA is an equal opportunity employer/program. Auxiliary aids, services and other reasonable accommodations are available upon request to individuals with disabilities.