

THOMAS TOWNSHIP SPECIAL BOARD MEETING

8215 Shields Drive, Saginaw, MI 48609

January 23, 2023 @ 7:00 p.m.

1. Call to Order
2. Roll Call
3. Pledge of Allegiance
4. Approval of Agenda
5. Consent Agenda
  - A. None
6. Communications-Petitions-Citizen Comments

**It is requested that you state your name and address for the record.**
7. Public Hearing
  - A. None
8. Unfinished Business
  - A. None.
9. New Business
  - A. Approval of the State Grant Agreement with the Michigan Economic Development Corporation to fund sanitary sewer improvements to support Hemlock Semiconductor.
  - B. Approval of the Development (3-Party) Agreement with Hemlock Semiconductor and Saginaw Charter Township pertaining to the Sanitary Sewer System expansion and increased sewage treatment capacity.
  - C. Approval of the Sewer Capacity (2-Party) Agreement with Hemlock Semiconductor pertaining to HSC's temporary use of a portion of the Township's sewer capacity.
  - D. Approval of Resolution 23-01 granting Hemlock Semiconductor a 12 year Industrial Facilities Tax Exemption.
  - E. Approval to grant the Michigan Department of Transportation a temporary easement on Township land near the Tittabawassee River.
10. Executive Session
  - A. None
11. Adjournment

Thomas Township  
Board of Trustee Meeting  
Citizen Comment Instructions

Any citizen may address the Thomas Township Board of Trustees at item #6, which is the Citizen Comment Section of the Board Meeting.

Supervisor Weise will ask if there is anyone who would like to address the Board. If there are multiple people, he will invite you to speak when it is your turn.

You will be asked to stand and state your name and address for the records.

You may then address your issue to the Board Members. In the interest of time, all citizens are requested to limit their address to three minutes.



## TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** January 23, 2023
- **SUBMITTED BY:** Russ Taylor, Township Manager  
Otto Brandt, Township Attorney
- **AGENDA TOPIC:** Approval of the State Grant Agreement with the Michigan Economic Development Corporation (MEDC) to fund sanitary sewer improvements to support Hemlock Semiconductor.
- **EXPLANATION OF TOPIC:** The proposed agreement has been months in the making. Otto and I have worked with the State officials and their lawyers on numerous versions and revisions of the attached document. Several months ago, the State had been directing us to a particular draft version based upon the funding source that we were expecting to receive. Well, as things sometimes go, the legislature awarded the funding from a different source, so all for the work leading up to that point got thrown into the waste basket.

This is a very lengthy agreement as you can see. It goes into great detail about the funding, the Township's obligations, the State expectations and what happens if we fail to meet those expectations. As people say, there are strings attached to the money. I think we have done a good job keeping those strings to a minimum, especially when I look back at the original version. Otto has done a good job of representing the Township and getting wording added throughout that helps to protect the Township. The original clawback provisions are gone; however, we still have obligations that we have to meet or other actions are available to the State to encourage us. The State team have told us that the Township just has to complete the defined infrastructure work. We are not responsible for HSC constructing its proposed project. The funding was awarded to improve and expand the Township's sewer system to support HSC, as well as to provide more development opportunities in the vicinity of the new sewer line, including at the Tech Park.

All of the agreements on this evening's agenda include a list of conditions. This is necessary to try to ensure that all of the agreements and projects move forward together. They are all interrelated and necessary for both sewer projects to be successfully completed and to support HSC's expansion. Once the Township Board approves the

State Grant Agreement, we will send it on to the State for their approval. They will not release any funds to the Township until the Development (3-Party) Agreement is also signed and sent to them by both Townships. In the interim, HSC has been paying the bills for work related to the projects. Presently, they have spent over \$1.2 million of which the State funds once received will be used to reimburse HSC.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Proposed State Grant Agreement.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_, to approve the State Grant Agreement with the Michigan Economic Development Corporation (MEDC) to fund sanitary sewer improvements to support Hemlock Semiconductor upon the following conditions:
  1. Final review and approval by the Township Attorney and Township Manager of any minor changes by the State/MEDC.
  2. Approval and acceptance of both the Development Agreement and Wastewater Capacity Agreement by Hemlock Semiconductor, LLC.
  3. Approval and acceptance of the Development Agreement by Saginaw Charter Township.
  4. Approval and acceptance of the State Grant Agreement between Thomas Township and the Michigan Economic Development Corporation (MEDC) by the MEDC and the State of Michigan.
- **ROLL CALL VOTE REQUIRED:** No.



## GRANT AGREEMENT

THIS GRANT AGREEMENT (this "Agreement"), effective as of \_\_\_\_\_ (the "Effective Date"), is between the Michigan Economic Development Corporation (the "MEDC"), whose address is 300 North Washington Square, Lansing, Michigan 48913, and Thomas Township (the "Grantee"), whose address is 12334 Geddes Road, Saginaw, MI 48262. As used in this Agreement, the MEDC and the Grantee are, individually, a "Party" and, collectively, the "Parties".

## RECITALS

A. The Michigan Legislature passed, and the Governor signed into law the legislation being Public Act 194 of 2022, which in Section 411 thereunder, appropriated \$27,000,000 in unrestricted State general funding to be awarded to a township with a population of between 11,800 and 11,950 according to the most recent federal decennial census for sewer and other infrastructure improvements in that township or within the jurisdiction of another local unit of government under an agreement with that local unit of government, or both, to facilitate private investment of at least \$200,000,000 (the "Grant").

B. The Grantee is a township with a population of between 11,800 and 11,950 according to the most recent federal decennial census.

C. The Grantee intends to use the Grant for sewer and other infrastructure improvements in Thomas Township and within Saginaw Charter Township that will support capital investment and job creation at Hemlock Semiconductor and the Great Lakes Tech Park (the "Project").

In consideration of the mutual duties and obligations of the Parties, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree:

## ARTICLE I

### DEFINITIONS

**Section 1.1 Defined Terms.** Except as otherwise defined in this Agreement, all capitalized terms in this Agreement shall have the respective meanings set forth on Exhibit A, which contains the defined terms for this Agreement.

**Section 1.2 Construction of Certain Terms.** Unless the context of this Agreement otherwise requires: (i) words of any gender include each other gender; and (ii) words using the singular or plural number also include the plural or singular number.

## ARTICLE II

### GRANT

**Section 2.1 Grant Commitment.** Subject to the terms and conditions of this Agreement, and in reliance upon the representations and warranties of the Grantee set forth in this Agreement, the MEDC agrees to make, and the Grantee agrees to accept, the Grant.

**Section 2.2 Grant Manager.** The MEDC shall designate a Grant Manager to administer this Agreement and monitor the performance of the Grantee and Grant Disbursements under this Agreement. The Grant Manager may be changed at the discretion of the MEDC. The MEDC shall give

the Grantee notice of the designated Grant Manager, and any change to the Grant Manager. The initial Grant Manager is Colleen Horton.

### **Section 2.3 Grant Disbursement Procedure.**

(a) **Vendor Registration.** Payments under this Agreement will be processed by electronic funds transfer ("EFT") to the Project Funds Account. The Grantee shall register to receive payments in the Project Funds Account by EFT at the State Integrated Governmental Management Applications ("SIGMA") Vendor Self Service ("VSS") website ([www.michigan.gov/VSSLogin](http://www.michigan.gov/VSSLogin)).

(b) **Conditions to Grant Disbursements.** The MEDC's obligation to fund any portion of the Grant during the Term is subject to Grantee's satisfaction of the requirements of the corresponding Key Milestone, and the corresponding approval of the Grant Manager as set forth in Section 2.3(c) of the applicable Key Milestones, each satisfied in chronological order, and Grantee otherwise being in compliance with this Agreement, including, without limitation, satisfaction of all requirements, and approval thereof, of all prior Key Milestones.

(c) **Compliance.** On the date of each Disbursement Request, Grantee shall, in addition to complying with all other requirements of the Disbursement Request, certify as follows:

- (i) Grantee shall have complied and shall then be in compliance with the terms and conditions of this Agreement, the Budget, and the Transaction Documents.
- (ii) Except as to Key Milestone Number One, Grantee shall demonstrate in accordance with each corresponding Key Milestone that at least ninety percent (90%) of the Grant funds disbursed by the MEDC to the Grantee under the immediately preceding Key Milestone have actually been expended or obligated in accordance with the Budget. Provided however, as to the Project Completion Milestone, the Grantee shall demonstrate that one hundred percent (100%) of all Grant funds disbursed by the MSF to the Grantee under this Agreement have actually been expended by the Grantee for Eligible Activities for the Project.
- (iii) There shall exist no Default or Event of Default.
- (iv) The representations and warranties contained in Article III shall be true and correct, with the same effect as though such representations and warranties had been made on the date of such Disbursement Request, unless such representations and warranties expressly relate to a different date or time period in which case such representations and warranties shall be true and correct as of such date or time period.

(d) **Grant Manager Review.** The Grant Manager determines Grantee's compliance with the Key Milestones. The Grant Manager shall, within thirty (30) business days of receipt of a Disbursement Request and accompanying Supporting Documentation, do one or more of the following.

- (i) request to review Grantee's records, request additional information, or, upon reasonable prior written notice, request a site visit, or any combination thereof, all of which shall be determined in the sole discretion of the Grant Manager. The Grantee shall comply with the written request within thirty (30) business days, to the reasonable satisfaction of the Grant Manager, or the Grant Manager shall reject the Disbursement Request in the manner provided in Section 2.3(d)(ii).
- (ii) provide a reason, in writing, for an impending rejection of the Disbursement Request, which may be based on one or more of the following: (A) the failure of Grantee to demonstrate achievement of the applicable Key Milestone, (B) there is an outstanding



Default or Event of Default, or (C) Grantee is otherwise not in compliance with this Agreement, and Grantee shall have thirty (30) calendar days from the date of the written reason to respond.

- (iii) approve the Disbursement Request, provided there is no Default or Event of Default, Grantee is otherwise in compliance with this Agreement, and Grantee has achieved all of its then required Key Milestones to the reasonable satisfaction of the Grant Manager.

If after receipt of a Disbursement Request the Grant Manager requests to review Grantee records, requests additional information or otherwise conducts a site visit, the Grant Manager shall take the action set forth in Section 2.3(d)(ii) or Section 2.3(d)(iii), within an additional thirty (30) business days of the last to occur of: (A) the date the Grantee provides the requested records and requested additional information or (B) the date the Grant Manager completes the site visit.

(e) **Project Budget.** All Grant funds must be spent for Eligible Activities in accordance with the Budget attached as Exhibit E to this Agreement ("Budget"). The Grantee may reallocate expenditures between categories within the Budget of up to ten percent (10%) of the total Grant (the total Grant being \$27,000,000) without the prior written approval of the Grant Manager. Grantee shall provide prior written notice of such reallocation to the Grant Manager. All other changes to the Budget require the prior written approval of the Grant Manager.

(f) **Remaining Grant Funds.** In the event there are any remaining Grant funds that have been disbursed by the MEDC to the Grantee that have not been expended for Eligible Activities upon the earlier of: (i) Grantee's submission of the Final Key Milestone report or (ii) June 30, 2030, Grantee shall repay those unused Grant funds to the MEDC. Funds not paid to the MEDC under this Section 2.3(f) are subject to interest at a rate of one percent (1%) per month, prorated on a daily basis, beginning on the ninety-first (91st) calendar day of nonpayment of any amounts owed to the MEDC and continuing until all funds owed under this Agreement are paid in full to the MEDC.

### **ARTICLE III**

#### **REPRESENTATIONS AND COVENANTS OF THE GRANTEE**

The Grantee represents and warrants to the MEDC from the Effective Date through the Term:

**Section 3.1 Organization.** The Grantee is duly organized, validly existing, and otherwise in good standing in the State and has the power and authority to enter into and perform its obligations under this Agreement.

**Section 3.2 Grantee Authority.** The execution, delivery and performance by the Grantee of this Agreement has been duly authorized and approved by all necessary and proper action on the part of the Grantee and will not violate any provision of law, or result in the breach, be a default of, or require any further consent under any of the Grantee's organizational and governing documents; or any agreement or instrument to which the Grantee is a party, or by which the Grantee or its property may be bound or affected. This Agreement is valid, binding, and enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws or principles of equity affecting the enforcement of creditors' rights generally or by general principles of equity.

**Section 3.3 Consent.** No consent or approval is necessary from any governmental or other entity, except the MEDC, as a condition to the execution and delivery of this Agreement by the Grantee or the performance of any of its obligations under this Agreement.

**Section 3.4 Full Disclosure.** To the best of the Grantee's knowledge, neither this Agreement, the Application, nor any written statements or certificates furnished by the Grantee to the MEDC in connection with the making of the Grant and Agreement contain any untrue statement of material fact, or omit any material fact necessary to make the statements true. There are no undisclosed facts, which materially adversely affect or, to the best of the Grantee's knowledge, are reasonably likely to materially adversely affect the business or properties of the Grantee or the ability of the Grantee to perform its obligations under this Agreement.

**Section 3.5 Litigation or Other Proceedings.** Except as has been disclosed in writing to the MEDC, to the knowledge of the Grantee, there are no suits or proceedings pending or, to the knowledge of the Grantee, threatened by or before any court, governmental commission, board, bureau, or other administrative agency or tribunal, which, if resolved against the Grantee, would have a material adverse effect on the financial condition or business of the Grantee or impair the Grantee's ability to perform its obligations under the Agreement.

**Section 3.6 Compliance with Laws or Contracts.** To its knowledge, the Grantee is not and will not during the Term be in material violation of any laws, ordinances, regulations, rules, orders, judgments, decrees or other requirements imposed by any governmental authority, or be in material violation under any contracts, or other requirements for the Project, to which it is subject, and will not knowingly fail to obtain any licenses, permits or other governmental authorizations necessary to advance the Project consistent with the Key Milestones or to the conduct of business to support the Project, which violation or failure to obtain are reasonably likely to materially and adversely affect the Project (financially or otherwise), or impair the Grantee's ability to perform its obligations under this Agreement.

**Section 3.7 Use of Grant Disbursements.**

(a) The Grantee shall not use any Grant Disbursements for the development of a stadium or arena for use by a professional sports team or development of a casino or property associated or affiliated with the operation of a casino, or to induce the Grantee, a qualified business, or small business to leave the State of Michigan, or to contribute to the violation of internationally recognized workers' rights, of workers in a country other than the US, or to fund an entity incorporated in a tax haven country.

(b) The Grantee shall not use any Grant Disbursement to commit to, or pay, any indemnification claim by any party, whether such claims are permitted or otherwise required to be paid as a part of any otherwise Eligible Activity, or under any contract or other agreement to which the Grantee is party or may otherwise be liable thereunder.

Notwithstanding anything to the contrary, this Section 3.7 shall survive indefinitely.

**Section 3.8 Conflict of Interest.** Except as has been disclosed to the MEDC, Grantee affirms that neither the Grantee nor its affiliates or their employees has, shall have, or shall acquire any contractual, financial business, or other interest, direct or indirect, that would conflict in any manner with Grantee's performance of its obligations under this Agreement or otherwise create the appearance of impropriety with respect to this Agreement.

Grantee further affirms that neither Grantee nor any affiliates or their employees has accepted or shall accept anything of value based on an understanding that the actions of the Grantee or its affiliates or either's employees on behalf of the MEDC would be influenced. Grantee shall not attempt



to influence any MEDC employee by the direct or indirect offer of anything of value. Grantee also affirms that neither Grantee, nor its Affiliates or their employees has paid or agreed to pay any person, other than bona fide employees and consultants working solely for Grantee or its Affiliate, any fee, commission, percentage, brokerage fee, gift, or any other consideration contingent upon or resulting from the execution of this Agreement.

In the event of change in either the interests or services under this Agreement, Grantee will inform the MEDC regarding possible conflicts of interest which may arise as a result of such change. Grantee agrees that conflicts of interest shall be resolved to the MEDC's satisfaction or the MEDC may terminate this Agreement. As used in this Paragraph, "conflict of interest" shall include, but not be limited to, conflicts of interest that are defined under the laws of the State of Michigan.

**Section 3.9 MEDC Required Terms.** The Grantee shall comply with its representations, warranties, and obligations as required and set forth in Exhibit C.

**Section 3.10 Taxes.** To the extent applicable, the Grantee is current, under an approved payment plan, or otherwise contesting in good faith, all federal, State of Michigan, local and real estate taxes. Unless contested in good faith and discharged by appropriate proceedings, or under an approved payment plan, the Grantee shall, through the Term, promptly pay and discharge all such taxes, any assessments, and any governmental charges lawfully levied or imposed upon it (in each case, before they become delinquent and before penalties accrue).

**Section 3.11 Change of Legal Status.** The Grantee shall (a) give the MEDC written notice of any change in its name, its state organizational identification number, if it has one, its type of organization, its jurisdiction of organization, and (b) not make any change in its legal structure that would, as a matter of law, affect its surviving obligations under this Agreement, without the prior written consent of the MEDC, which consent shall not be unreasonably withheld.

**Section 3.12 Indemnification and Insurance by Third Party.** In connection with any third-party agreement relating to any Eligible Activities for which the Grantee requires indemnification from such third party, the Grantee shall require such third party to indemnify the Indemnified Persons. Furthermore, in connection with any third-party agreement relating to any Eligible Activities for which the Grantee requires such third party to maintain certain insurance coverages, the Grantee shall require the applicable insurance policy or policies to name the Indemnified Persons as additional insureds.

**Section 3.13 Annual Compliance Certificate.** Beginning on October 10, 2023 and continuing on October 10 of each year through the end of the Term, in addition to delivering the Progress Report set forth on Exhibit B, Grantee shall sign and deliver to the Grant Manager, an Annual Certificate in substantially the form of Exhibit D.

**Section 3.14 Key Milestones.** Grantee agrees to the Key Milestones set forth in Exhibit B. The Grant Manager determines compliance with Key Milestones in the Grant Manager's institutionally reasonable discretion.

**Section 3.15 Project Completion.** Grantee shall complete the Eligible Activities and the Project in accordance with the Budget.

**Section 3.16 Transaction Documents.** Grantee shall comply with all of its representations and warranties, covenants, duties, obligations and agreements under the memorandum of understanding between the Grantee and Saginaw Charter Township, the development agreement between the Township, Hemlock Semiconductor, and Saginaw Charter Township, and all other agreements and ancillary documents arising out of the Project, as all may be amended from time to time (collectively, the "Transaction Documents").



**Section 3.17 Criminal or Civil Matters.** The Grantee affirms that to the best of its knowledge that it or its affiliates, subsidiaries, officers, directors, managerial employees, and any person who, directly or indirectly, holds a pecuniary interest in the Grantee of Twenty percent (20%) or more: (i) do not have any criminal convictions incident to the application for or performance of a state contract or subcontract; and (ii) do not have any criminal convictions or have not been held liable in a civil proceeding, that negatively reflects on the person's business integrity, based on a finding of embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or violation of state or federal antitrust statutes.

#### **ARTICLE IV**

##### **REPRESENTATIONS AND COVENANTS OF THE MEDC**

The MEDC represents and warrants to the Grantee:

**Section 4.1 Organization.** The MEDC is a public body corporate. The MEDC has the power and authority to enter into and perform its obligations under this Agreement.

**Section 4.2 Consent.** Except as disclosed in writing to the Grantee or as otherwise provided by law, no consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this Agreement by the MEDC or the performance of any of its obligations under this Agreement. This Agreement is valid, binding, and enforceable in accordance with its terms, except as limited by applicable bankruptcy, insolvency, moratorium, reorganization or other laws or principles of equity affecting the enforcement of creditors' rights generally or by general principles of equity.

#### **ARTICLE V**

##### **DEFAULT AND REMEDY PROVISIONS**

**Section 5.1 Events of Default.** The occurrence of one or more of the following events or conditions is an "Event of Default," unless a written waiver is provided by the MEDC:

(a) any representation made by the Grantee in support of this Agreement is incorrect at the time that such representation was made in any material respect, including without limitation, any information provided in a Disbursement Request, a Progress Report, an Annual Certificate, or the representations and covenants set forth in Article III;

(b) any material failure by the Grantee to comply with any of the terms, covenants and conditions on its part to be performed under this Agreement, including without limitation, any of the terms, covenants and conditions under Article III, failure to submit an Annual Certificate, and failure to submit any required reports hereunder when due; provided if curable, the Grantee shall have the opportunity to cure this Event of Default to the reasonable satisfaction of the Grant Manager within the Cure Period;

(c) the Grantee is in default, violation, breach, or non-compliance, or has not fully repaid any funds, of any kind or nature under any other agreement with, or requirement of the MEDC or the Michigan Strategic Fund ("MSF"); provided if curable, the Grantee shall have the opportunity to cure this Event of Default to the reasonable satisfaction of the Grant Manager within the Cure Period; and

(d) any voluntary bankruptcy or insolvency proceedings are commenced by, or against, the Grantee, with any such proceedings against the Grantee not being set aside within Sixty (60) calendar days from the date of institution thereof.

(e) any voluntary abandonment of the Project by Grantee before Project Completion; provided if curable, the Grantee shall have the opportunity to cure this Event of Default to the reasonable satisfaction of the Grant Manager within the Cure Period.

**Section 5.2 Available Remedies for an Event of Default.** Upon the occurrence, and during the continuance, of an Event of Default under this Agreement:

(a) The MEDC may immediately and without prior notice suspend making any Grant Disbursements;

(b) The MEDC may immediately, after expiration of any applicable Cure Period without a cure, terminate this Agreement;

(c) In the case of an Event of Default under Section 5.1(a) (material misrepresentation), Section 5.1(b) (material failure to comply), Section 5.1(d) (bankruptcy or insolvency), and Section 5.1(e) (project abandonment) after expiration of any applicable Cure Period without a cure, based on:

(i) Section 3.11 arising out of the indemnification provisions set forth in Section C.6 of Exhibit B, the Grantee shall perform and pay all sums as required by Section C.6 of Exhibit B.

(ii) Section 3.4 (material misrepresentation), Section 3.8 (prohibited use of Grant funds), Section 3.14 (Key Milestones), Section 3.15 (Project Completion), Section 3.13 (failure to submit Annual Compliance Certificate) Section 5.1(d) (bankruptcy or insolvency), Section 5.1(e) (voluntary abandonment of the Project), or Section C.1 (failure to submit Progress Report), the Grantee shall pay the MEDC a sum equal to the full amount of all Grant Disbursements that have been made.

(d) Any amounts due to the MEDC under this Section must be paid within 90 days of notification by the MEDC and are subject to interest at a rate of one percent (1%) per month, prorated on a daily basis, beginning on the beginning on the ninety-first (91st) day of nonpayment of any amounts owed to the MEDC and continuing until all funds owed under this Agreement are paid in full to the MEDC.

(e) No remedy described in this Agreement is intended to be the sole and exclusive remedy available to the MEDC, and each remedy shall be cumulative and in addition to every other provision or remedy given herein or now or hereafter existing at law, in equity, by statute or otherwise. The Grantee shall also pay all costs and expenses, including, without limitation, reasonable attorney's fees and expenses incurred by the MEDC in successfully collecting any sums due the MEDC under this Agreement, in enforcing any of its rights under this Agreement, or in exercising any remedies available to the MEDC.

(f) All payments by the Grantee shall be applied: (i) first to reimburse permitted costs and expenses; then (ii) to satisfy outstanding interest; then (iii) to satisfy any and all other outstanding amounts owed to the MEDC.

(g) Notwithstanding anything to the contrary, the MEDC reserves the right to require the Grantee to pay the highest amount resulting from one or more of the same circumstances which give rise to more than one Event of Default; provided however, except as to any interest, costs and expenses as provided by this Agreement, in no event shall the Grantee be required to repay the MEDC any amount in excess of Grant Disbursements received by the Grantee.

**Section 5.3 Other Suspension.** In the event the MEDC becomes aware of a Default, the MEDC may immediately and without prior notice suspend making any Grant Disbursements until such time the MEDC is satisfied otherwise. The Grantee shall cooperate upon the request of the Grant Manager to provide additional information regarding the aforementioned event or circumstance.

## **ARTICLE VI**

### **MISCELLANEOUS**

**Section 6.1 Notice.** Any notice or other communication under this Agreement shall be in writing and sent by e-mail, or fax, or first-class mail, postage prepaid, or by courier to the respective Party at the address listed at the beginning of this Agreement or such other last known addresses, fax numbers or e-mail accounts, and shall be deemed delivered: (i) one business day after an e-mail, fax or courier delivery or (ii) two business days after a mailing date.

**Section 6.2 Entire Agreement.** This Agreement, together with the Exhibits, sets forth the entire agreement of the Parties with respect to the subject matter, and supersedes all prior agreements, understandings and communications, whether written or oral, with respect to the subject matter of this Agreement.

**Section 6.3 Counterparts; Facsimile/Pdf Signatures.** This Agreement may be signed in counterparts and delivered by fax or in .pdf form or other electronic format, and in any such circumstances, shall be considered one document and an original for all purposes.

**Section 6.4 Severability.** All of the clauses of this Agreement are distinct and severable and, if any clause shall be deemed illegal, void, or unenforceable, it shall not affect the validity, legality, or enforceability of any other clause or provision of this Agreement. To the extent possible, the illegal, void, or unenforceable provision shall be revised to the extent required to render the Agreement enforceable and valid, and to the fullest extent possible, the rights and responsibilities of the Parties shall be interpreted and enforced to preserve the Agreement and the intent of the Parties. Provided, if application of this section should materially and adversely alter or affect a Party's rights or obligations under this Agreement, the Parties agree to negotiate in good faith to develop a structure that is as nearly the same structure as the original Agreement (as may be amended from time to time) without regard to such invalidity, illegality, or unenforceability.

**Section 6.5 Captions.** The captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any provisions or sections of this Agreement.

**Section 6.6 Governing Law.** This Agreement is a contract made under the laws of the State, and for all purposes shall be governed by, and construed in accordance with, the laws of the State.

**Section 6.7 Relationship between Parties.** The Grantee and its officers, agents and employees shall not describe or represent themselves as agents of the State, the MEDC, or the MEDC to any individual person, firm, or entity for any purpose.

**Section 6.8. Successors and Assigns.** The MEDC may at any time assign its rights in this Agreement. The Grantee may not assign its rights or obligations under this Agreement without the prior written consent of the MEDC. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and permitted assigns.

**Section 6.9 Waiver.** A failure or delay in exercising any right under this Agreement will not be presumed to operate as a waiver unless otherwise stated in this Agreement, and a single or partial



exercise of any right will not be presumed to preclude any subsequent or further exercise of that right or the exercise of any other right.

**Section 6.10 Termination of Agreement.** Except as to this Article VI and the terms of Exhibit A which shall survive indefinitely, and except as to other terms and conditions which shall survive as provided in this Agreement, this Agreement shall terminate at the end of the Term. Provided however, any claims arising out of an Event of Default which event occurred during the Term, shall be brought within three (3) years after the end of the Term, and available remedies thereon and the provisions of Section 3.13 and 5.2 shall survive until all amounts due the MEDC are paid in full.

**Section 6.11 Amendment.** This Agreement may not be modified or amended except pursuant to a written instrument signed by the Grantee and the MEDC.

**Section 6.12 Publicity.** At the request and expense of the MEDC, the Grantee will cooperate with the MEDC to promote the Project through one or more of the placement of a sign, plaque, media coverage or other public presentation at the Project or other location acceptable to the Parties.

**Section 6.13 Force Majeure; Impossibility of Performance.** If Grantee shall be prevented from performing its obligations under this Agreement by any act of God, strike, pandemic or regional health emergency (including COVID-19 or similar iteration), war, terrorist acts, civil disturbances, shortages of labor or materials or other reason of a like nature not attributable to the act or omission of the Grantee, then upon written request of the Grantee, the MEDC may, in its reasonable discretion, extend the date for the Grantee to perform its obligations under this Agreement. If any Force Majeure as described above or any other condition makes it impossible for the Grantee to perform its obligations under this Agreement, the Grantee shall return any unobligated funds to the MEDC but shall not be liable to the MEDC or any other party to return any funds either expended or obligated on the Project before any such impossibility.

*(remainder of page intentionally left blank)*

Execution Copy

The Parties have executed this Agreement effective on the Effective Date. The signatories below warrant that they are empowered to enter into this Agreement.

**THOMAS TOWNSHIP**

\_\_\_\_\_  
By:  
Township Supervisor

\_\_\_\_\_  
By:  
Township Clerk

**MICHIGAN ECONOMIC DEVELOPMENT CORPORATION**

\_\_\_\_\_  
By:  
Its:



## EXHIBIT A

### DEFINED TERMS

- (a) **"Agreement"** means this Agreement, including the Exhibits to this Agreement.
- (b) **"Annual Certificate"** means the written compliance certification to be submitted by the Grantee on an annual basis in substantially the same form as Exhibit D.
- (c) **"Auditor General"** means the auditor general of the State of Michigan.
- (d) **"Budget"** has the meaning set forth in Section 2.3(e).
- (e) **"Cure Period"** means within twenty (20) calendar days after written notice by the MEDC, or within such longer period of time as determined in writing and at the sole reasonable discretion of the Grant Manager.
- (f) **"Default"** means an event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default.
- (g) **"Disbursement Request"** means a written request from Grantee for a Grant Disbursement in support of the applicable Key Milestone, in the form and substance set forth in Exhibit B-1.
- (h) **"Effective Date"** has the meaning set forth in the preamble.
- (i) **"Eligible Activities"** means activities related to the design, construction, and installation of infrastructure necessary to increase the wastewater treatment capacity, including costs related to securing easements or rights of way necessary to support the public infrastructure in both Thomas Township, Michigan and Saginaw Charter Township, Michigan.
- (j) **"Eligible Expenses"** means the actual expenditure of funds by the Grantee on or after February 1, 2022, for Eligible Activities in accordance with the Budget, provided however, that in no event shall any Eligible Expenses that are paid with funds from the \$10,000,000 grant authorized to Saginaw Charter Township under Section 1094m(18) of Public Act 166 of 2022 be reimbursed under this Agreement.
- (k) **"Event of Default"** means any one or more of those events described in Section 5.1.
- (l) **"Exhibit"** means each of the documents or instruments attached to this Agreement.
- (m) **"Final Milestone Certificate"** means the written certification of Grantee in support of the Project Completion Milestone, in the form and substance set forth in Exhibit B-2.
- (n) **"Grantee"** means the Grantee as identified in the preamble.
- (o) **"Grant"** has the meaning set forth in Recital A.
- (p) **"Grant Disbursement"** means Grant funds paid to the Grantee by the MEDC under this Agreement.
- (q) **"Grant Manager"** means that individual person designated by the MEDC from time to time to provide administrative services for the MEDC under this Agreement.

- (r) **"Indemnified Persons"** has the meaning set forth in Section C.5 of Exhibit C.
- (s) **"Key Milestone"** means achievements of the Grantee as described in Exhibit B.
- (t) **"Maximum Grant"** means Twenty-Seven Million Dollars (\$27,000,000).
- (u) **"MEDC"** has the meaning set forth in the preamble.
- (v) **"MSF"** means the Michigan Strategic Fund, an agency of the State of Michigan.
- (w) **"Party"** or **"Parties"** has the meaning set forth in the preamble.
- (x) **"Progress Report"** means the annual report submitted no later than October 10th of each year during the Term of the Grant that consists of the quantitative or numerical data more particularly described in Section C.1 of Exhibit C.
- (y) **"Project"** the has the meaning set forth in Recital C.
- (z) **"Project Completion Milestone"** is the final Key Milestone set forth on Exhibit B.
- (aa) **"State"** means the State of Michigan.
- (bb) **"Supporting Documentation"** means invoices, receipts, copies of contracts for Eligible Activities, and any other relevant documents arising out of the Eligible Activities.
- (cc) **"Term of the Grant"** or **"Term"** means from the Effective Date and, unless earlier terminated as provided by this Agreement, through the earlier of: (i) December 31, 2030; (ii) the Grant Manager's approval of the Project Completion Milestone; or (iii) when the Parties agree in writing.
- (dd) **"Transaction Documents"** has the meaning set forth in Section 3.16.

## EXHIBIT B

### KEY MILESTONES\*

**\*Subject to the terms and conditions of the Agreement, including the terms and conditions of Section 2.3 of the Agreement which include the required submission of a Disbursement Request and any other information as may be required under Section 2.3, the following Grant Disbursements may be requested by the Grantee:**

#### **Key Milestone Number One:**

Grant Disbursement: Not to exceed \$13,500,000

The Grantee must demonstrate to the reasonable satisfaction of the Grant Manager all of the following, and must otherwise be in compliance with the Agreement:

1. The Disbursement Request in the form and substance set forth in Exhibit B-1, signed by Grantee; and
2. Copies of written agreements between the Grantee and any contractor engaged to perform Eligible Activities for the Project;
3. A copy of the memorandum of understanding or other written agreement with Saginaw Township on the Project scope and anticipated Eligible Activities involving Saginaw Charter Township property; and
4. A copy of the development agreement between the Grantee, Saginaw Charter Township, and Hemlock Semiconductor for the Project.

#### **Key Milestone Number Two:**

Grant Disbursement: Not to exceed \$3,200,000

The Grantee must demonstrate to the reasonable satisfaction of the Grant Manager all of the following, and must otherwise be in compliance with the Agreement:

1. The Disbursement Request in the form and substance set forth in Exhibit B-1, signed by Grantee; and
2. A spreadsheet describing and itemizing the actual Eligible Expenses for Eligible Activities of Grant Disbursements received under Key Milestone Number One. The spreadsheet shall include the corresponding category of the Budget, the name of actual vendor or recipient of each expenditure, and be accompanied by Supporting Documentation;
3. A narrative describing in detail the Eligible Activities to be completed with the Grant Disbursement received under Key Milestone Two.

#### **Key Milestone Number Three:**

Grant Disbursement: Not to exceed \$7,605,000

The Grantee must demonstrate to the reasonable satisfaction of the Grant Manager all of the following, and must otherwise be in compliance with the Agreement:

1. The Disbursement Request in the form and substance set forth in Exhibit B-1, signed by Grantee; and
2. A spreadsheet describing and itemizing the actual Eligible Expenses for Eligible Activities of Grant Disbursements received under Key Milestone Number Two. The spreadsheet shall include the corresponding category of the Budget, the name of actual vendor or recipient of each expenditure, and be accompanied by Supporting Documentation;
3. A narrative describing in detail the Eligible Activities to be completed with the Grant Disbursement received under Key Milestone Three.

**Project Completion Milestone:**

Grant Disbursement: Not to exceed the greater of 1) \$2,695,000 or 2) the remaining balance of the Grant funds not previously disbursed.

On or before June 30, 2030, the Grantee must provide to the reasonable satisfaction of the Grant Manager all the following and must otherwise be in compliance with the Agreement:

1. The Final Milestone Certificate, in the form and substance as set forth in Exhibit B-2, signed by Grantee.
2. A spreadsheet describing and itemizing the actual expenditure of all Grant Disbursements for all Eligible Activities completed during the Term. The spreadsheet shall include the corresponding reference category of the Budget, identify the name of actual vendor or recipient of each expenditure, and be accompanied by Supporting Documentation.
3. Documentation satisfactory to the Grant Manager that the wastewater improvements provide the necessary capacity to support both the expansion of polysilicon manufacturing capacity for Hemlock Semiconductor and solar power industries at Hemlock Semiconductor and expanded growth opportunities for the Great Lakes Tech Park in Saginaw County, Michigan.



## EXHIBIT B-1

### DISBURSEMENT REQUEST

This Disbursement Request is submitted on \_\_\_\_\_ (the "Submission Date"), pursuant to Section 2.3(b) of the Grant Agreement, between the Michigan Economic Development Corporation ("MEDC") and Thomas Township (the "Grantee"), Case No. 362757, dated \_\_\_\_\_ as may be amended, restated, modified, substituted, extended and renewed from time to time) (the "Agreement"). Capitalized terms used herein and not otherwise defined herein have the meanings set forth in the Agreement. The undersigned, in the name and on behalf of Grantee, hereby certifies, represents and warrants that as of the date of signing:

1. The Grantee has complied and is in compliance with all the terms, covenants and conditions of the Agreement, except for such noncompliance, if any, described on Schedule I attached (which disclosure will not constitute MEDC's waiver or acceptance thereof). *[If any are described, state the nature and status thereof and actions proposed to be taken with respect thereto.]*
2. No Event of Default or an event or circumstance, which, with the giving of notice or passage of time or both, would reasonably constitute an Event of Default, exists under the Agreement, except for such defaults or events of defaults, if any, described on Schedule II attached (which disclosure will not constitute MEDC's waiver or acceptance thereof). *[If any are described, state the nature and status thereof and actions proposed to be taken with respect thereto.]*
3. The representations and covenants of the Grantee set forth in Article III of the Agreement are true, with the same effect as though such representations and warranties were made on the date hereof, except for breaches of such representations and warranties, if any, described on Schedule III attached (which disclosure will not constitute MEDC's waiver or acceptance thereof). *[If any are described, state the nature and status thereof and actions proposed to be taken with respect thereto.]*
4. Attached hereto is the Supporting Documentation required by Section 2.3(d) in support of the Eligible Expenses set forth below.
5. Each of the Eligible Expenses listed below were incurred and paid on or before the Submission Date and have not previously been included in a prior Disbursement Request.

Eligible Expenses for Eligible Activity Categories	Amount Spent	Vendor Name
Sewer and Wastewater Infrastructure Improvements		
<b>TOTAL AMOUNT REQUESTED</b>		

The undersigned has the authority to sign on behalf of Grantee:

**THOMAS TOWNSHIP**

By:  
Its:



## EXHIBIT B-2

### Final Milestone Certificate

This Final Milestone Certificate ("Certificate") is being delivered pursuant to the Grant Agreement dated as of \_\_\_\_\_ (the "Agreement"), by and between the Michigan Economic Development Corporation ("MEDC"), and the Thomas Township ("Grantee"), Case No. 362757. Capitalized terms in this Certificate and not otherwise defined in this Certificate shall have the meanings ascribed to them in the Agreement.

The undersigned, in the name and on behalf of Grantee (and not in an individual capacity), hereby certifies, represents and warrants that as of the date of signing this Certificate:

1. The Project has been completed in accordance with the Budget.
2. Grantee has complied and is in compliance with all the terms, covenants and conditions of the Agreement.
3. No Default or Event of Default exists.
4. The representations and warranties of Grantee contained in Article III of the Agreement are true and correct.

The undersigned has the authority to sign this Certificate on behalf of Grantee and signs this Certificate as of \_\_\_\_\_.

**THOMAS TOWNSHIP**

\_\_\_\_\_  
By:  
Its:

## EXHIBIT C

### MEDC REQUIRED TERMS

**Section C.1 Progress Reports.** The Grantee shall submit a quarterly progress report on each January 15, April 15, July 15, and October 15 during the Term. The first quarterly progress report is due on April 15, 2023. The Progress Report shall be an all-encompassing report of the preceding quarter ending before the applicable progress report due date and shall include the following information:

- (a) the amount of financial support other than State resources;
- (b) a narrative of Eligible Activities completed during the reporting period.

**Section C.2 Access to Records and Inspection Rights.** During the Term, there will be frequent contact between the Grant Administrator and the Grantee. Until the end of the Term, to enable the MEDC to monitor and ensure compliance with the terms of this Agreement, the Grantee shall permit the MEDC to visit the Grantee upon reasonable prior written notice and during regular business hours, and any other location where books and records of the Grantee are normally kept, to inspect the books and records, including financial records and all other information and data relevant to the terms of this Agreement, including the expenditure of the Grant disbursements; provided, however, that such audit right shall survive the end of the Term by three (3) years. At such visits, the Grantee shall permit any employee or agent of the MEDC to make copies or extracts from information and to discuss the affairs, finances, and accounts of the Grantee related to this Agreement with its officers, employees, or agents. The MEDC shall have the right to remove, photocopy, photograph, or otherwise record in any way any part of such books and records with the prior written consent of the Grantee, which consent shall not be unreasonably withheld.

**Section C.3 Termination of Funding.** In the event that the State Legislature or the State Government fails to provide or terminates the funding necessary for the MEDC to fund the Grant, the MEDC may terminate this Agreement by providing notice to the Grantee not less than thirty (30) calendar days before the date of cancellation provided, however, that in the event the action of the State Legislature or State government results in an immediate absence or termination of funding, this Agreement may be terminated effective immediately upon delivery of written notice to the Grantee. In the event of termination of funding, the MEDC has no further obligation to make Grant Disbursements beyond the date of termination of this Agreement.

**Section C.4 Non-Discrimination and Unfair Labor Practices.** In connection with this Agreement, the Grantee agrees not to discriminate against any employee or applicant for employment, with respect to their hire, tenure, terms, conditions or privileges of employment, or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex (including sexual orientation and gender identity or expression as defined in Executive Directive 2019-09), height, weight, marital status, partisan considerations, physical or mental disability, or genetic information (as defined in Executive Directive 2019-09) that is unrelated to the individual's ability to perform the duties of the particular job or position. The Grantee further agrees that every subcontract or sub-recipient agreement entered into for performance of this Agreement will contain a provision requiring nondiscrimination in employment, as specified in this Agreement, binding upon each subcontractor. This covenant is required, as applicable under the Elliot Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, and is consistent with Executive Directive 2019-09, and any breach thereof may be regarded as a material breach of this Agreement.

Under 1980 PA 278, MCL 423.321, *et seq.*, the State shall not award a contract or subcontract to an employer whose name appears in the current register of employers failing to correct an unfair

labor practice compiled under MCL 423.322. The United States Labor Relations Board compiles this information. The Grantee shall not enter into a contract with a subcontractor, manufacturer, or supplier whose name appears in this register. Under MCL 423.324, the State may void any contract if, subsequent to the award of the contract, the name of the Grantee as an employer, or the name of a subcontractor, manufacturer, or supplier of the Grantee appears in the register.

**Section C.5 Indemnification and Hold Harmless.** Except for their respective obligations to process or disburse Grant Disbursements as required in this Agreement, the State, the MEDC, its Executive Committee and their respective directors, participants, officers, agents and employees (collectively, the "Indemnified Persons") shall not be liable to the Grantee for any reason. The Grantee shall indemnify and hold the State, the MEDC, and other Indemnified Person harmless against all claims asserted by or on behalf of any individual person, firm or entity (other than an Indemnified Person), arising or resulting from, or in any way connected with this Agreement or any act or failure to act by the Grantee under the Agreement, including all liabilities, costs and expenses, including reasonable counsel fees, incurred in any action or proceeding brought by reason of any such claim. The Grantee shall also indemnify the MEDC and other Indemnified Person from and against all costs and expenses, including reasonable counsel fees, lawfully incurred in enforcing any obligation of the Grantee under this Agreement.

The Grantee shall have no obligation to indemnify an Indemnified Person under this Section if a court with competent jurisdiction finds that the liability in question was solely caused by the willful misconduct or gross negligence of the MEDC or other Indemnified Person, unless the court finds that despite the adjudication of liability, the MEDC or other Indemnified Person is fairly and reasonably entitled to indemnity for the expenses the court considers proper. The MEDC and the Grantee agree to act cooperatively in the defense of any action brought against the MEDC or another Indemnified Person to the greatest extent possible.

Performance of the Grantee's obligations contemplated under this Agreement is within the sole control of the Grantee and its employees, agents and contractors, and an Indemnified Person shall have no liability in tort or otherwise for any loss or damage caused by or related to the actions or failures to act, products and processes of the Grantee, its employees, agents or contractors. This Section shall survive indefinitely.

**Section C.6 Jurisdiction.** The parties shall make a good faith effort to resolve any controversies that arise regarding this Agreement. If a controversy cannot be resolved, the parties agree that any legal actions concerning this Agreement shall be brought in the Ingham County Circuit Court in Ingham County, Michigan. The Grantee acknowledges by signing this Agreement that it is subject to the jurisdiction of this court and agrees to service by first class or express delivery wherever the Grantee resides, in or outside of the United States. This Section shall survive indefinitely.



EXHIBIT D

ANNUAL COMPLIANCE CERTIFICATE

OCTOBER 15, 20\_\_<sup>1</sup>

This compliance certificate is being delivered pursuant to Section 3.13 of the Grant Agreement (the "Certificate"), by and between the Michigan Economic Development Corporation (the "MEDC"), Case No. 362757, and the Thomas Township (the "Grantee"), as may be amended, restated, modified, substituted, extended and renewed from time to time) (the "Grant Agreement"). Capitalized terms used herein and not otherwise defined herein have the meanings set forth in the Grant Agreement. The undersigned, in the name and on behalf of Grantee (and not in an individual capacity), hereby certifies, represents and warrants that as of the date of this Certificate:

1. The Grantee has complied and is in compliance with all the terms, covenants and conditions of the Grant Agreement, except for such noncompliance, if any, described on Schedule I attached (which disclosure will not constitute MEDC's waiver or acceptance thereof). *[If any are described, state the nature and status thereof and actions proposed to be taken with respect thereto.]*
2. No Event of Default or an event or circumstance, which, with the giving of notice or passage of time or both, would reasonably constitute an Event of Default, exists under the Grant Agreement, except for such defaults or events of defaults, if any, described on Schedule II attached (which disclosure will not constitute MEDC's waiver or acceptance thereof). *[If any are described, state the nature and status thereof and actions proposed to be taken with respect thereto.]*
3. The representations and covenants of the Grantee set forth in Article III of the Grant Agreement are true, with the same effect as though such representations and warranties were made on the date hereof, except for breaches of such representations and warranties, if any, described on Schedule III attached (which disclosure will not constitute MEDC's waiver or acceptance thereof). *[If any are described, state the nature and status thereof and actions proposed to be taken with respect thereto.]*

The undersigned has the authority to sign this Certificate on behalf of the Grantee and signs this Certificate as of \_\_\_\_\_, 20\_\_.

THOMAS TOWNSHIP

\_\_\_\_\_  
By:  
Its:

<sup>1</sup> To be delivered on October 15, 2023 and on October 15 of each year of the Term thereafter.

**EXHIBIT E**  
**PROJECT BUDGET**

Activity	Cost	MEDC	Saginaw Twp. - State App.	HSC Reimbursement
<b>Thomas Township</b>				
Equipment	\$ 3,500,000	\$ 3,500,000		\$ 3,500,000
Property purchase and easements	\$ 800,000	\$ 800,000		\$ 580,000
Reimbursement to HSC for engineering expenses				\$ 1,000,000
Design	\$ 1,000,000	\$ 1,000,000		
Bidding	\$ 35,000	\$ 35,000		
Construction Administration	\$ 750,000	\$ 750,000		
Construction	\$ 8,000,000	\$ 7,415,000		
<b>Saginaw Township</b>				
Design	\$ 935,000		\$ 935,000	
Bidding	\$ 20,000		\$ 20,000	
<b>SUBTOTAL TOTAL DESIGN DISBURSEMENT</b>	<b>\$ 15,040,000</b>	<b>\$ 13,500,000</b>		
<b>Thomas Township</b>				
Construction Admin	\$ 250,000	\$ 250,000		
Project Construction	\$ 2,365,000	\$ 2,950,000		
<b>Saginaw Township</b>				
Construction Admin	\$ 825,000		\$ 825,000	
Project Construction	\$ 8,000,000		\$ 8,000,000	
<b>SUBTOTAL CONSTRUCTION DISBURSEMENT</b>	<b>\$ 11,440,000</b>	<b>\$ 3,200,000</b>		
<b>Saginaw Township</b>				
Construction Admin	\$ 825,000	\$ 605,000	\$ 220,000	
Project Construction	\$ 7,000,000	\$ 7,000,000		
<b>SUBTOTAL UPGRADE DISBURSEMENT</b>	<b>\$ 7,825,000</b>	<b>\$ 7,605,000</b>		
<b>Saginaw Township</b>				
Construction Admin	\$ 275,000	\$ 275,000		
Project Construction	\$ 2,420,000	\$ 2,420,000		
<b>SUBTOTAL WRAPUP DISBURSEMENT</b>	<b>\$ 2,695,000</b>	<b>\$ 2,695,000</b>		
<b>TOTAL</b>	<b>\$ 37,000,000</b>	<b>\$ 27,000,000</b>	<b>\$ 10,000,000</b>	<b>\$ 5,080,000</b>





## TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** January 23, 2023
- **SUBMITTED BY:** Russ Taylor, Township Manager  
Otto Brandt, Township Attorney
- **AGENDA TOPIC:** Approval of the Development (3-Party) Agreement with Hemlock Semiconductor and Saginaw Charter Township pertaining to the Sanitary Sewer System expansion and increased sewage treatment capacity.
- **EXPLANATION OF TOPIC:** We have been working with the HSC team to create this document so that it is acceptable to the MEDC, the State, Saginaw Township, HSC and of course our community. While all of the parties have a sincere interest in seeing the projects that this agreement references be successful, there are a lot of unavoidable risks that go along with such a large effort. We have tried to minimize the risk to our Township in as much as we can. This particular agreement outlines that the two Townships are working together to complete their respective infrastructure projects to support HSC's growth.

We have included provisions to define the treatment capacity increase and the timing of when the improvements will likely be completed with the exception that the final completion date for the Saginaw Township Wastewater Treatment Plant expansion is left blank pending Saginaw Township's direction of what that date should be. Our project has a completion date of June 30<sup>th</sup>, 2024. However, our organizational goal is to be done by January 1, 2024. We are opening bids this afternoon on the first two divisions of the project, so we should be able to report on Monday if this goal is still achievable or not.

The Development Agreement also includes provisions for multiple progress and informational meetings as the projects progress. Auditing provisions are in the agreement as is the process for addressing costs that exceed the authorized funding. This agreement is required by the State in order to receive the project funding. Otto has worked on this agreement alongside me throughout its evolution. Saginaw Township will not be approving the agreement until later in January, possibly early February. For this reason, one of the conditions of approval provides for Otto and I to amend it slightly if Saginaw Township's legal team finds something that needs to be changed. The other suggested conditions are in order to tie all of the agreements together.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Proposed Development (3-Party) Agreement.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_, to approve the Development (3-Party) Agreement with Hemlock Semiconductor and Saginaw Charter Township pertaining to the Sanitary Sewer System expansion and increased sewage treatment capacity upon the following conditions:
  1. Final review and approval by the Township Attorney and Township Manager of any minor changes by Saginaw Charter Township.
  2. Approval and acceptance of both the Development Agreement and Wastewater Capacity Agreement by Hemlock Semiconductor, LLC.
  3. Approval and acceptance of the Development Agreement by Saginaw Charter Township.
  4. Approval and acceptance of the State Grant Agreement between Thomas Township and the Michigan Economic Development Corporation (MEDC) by the MEDC and the State of Michigan.
- **ROLL CALL VOTE REQUIRED:** No.

## DEVELOPMENT AGREEMENT

This Development Agreement (“**Agreement**”) is made on \_\_\_\_\_, 2023, by and among Hemlock Semiconductor Operations, LLC, a Michigan limited liability company, whose address is 12334 Geddes Road, Hemlock, MI 48626 (“**Hemlock**”); Thomas Township, a Michigan municipal corporation, whose address is 249 North Miller Road, Saginaw, MI 48609 (“**Thomas**”); and Saginaw Charter Township, a Michigan municipal corporation, whose address is 4870 Shattuck Rd., Saginaw, MI 48603 (“**Saginaw**”), Thomas and Saginaw are collectively referred to as the “**Townships**” and each individually as a “**Township**.” Hemlock, Thomas, and Saginaw are collectively referred to as the “**Parties**” and each individually as a “**Party**.”

### RECITALS

A. Hemlock is expanding its operations by constructing a Next Gen Finishing line and a solar expansion project that in total will require up to a \$375 million capital investment (the “**Hemlock Project**”).

B. Thomas has received cost estimates for the wastewater infrastructure improvements and accompanying roadway improvements to increase its capacity flow to 1 million gallons per day (“**Thomas Project**”). The cost estimates for the Thomas Project are contained in Attachment 1 and total approximately \$16,700,000.

C. Saginaw received initial cost estimates to expand the capacity of its wastewater treatment plant by 600,000 gallons per day (“**Saginaw Project**”). The cost estimates for the Saginaw Project are \$19,850,000.

D. On July 1, 2022, the Michigan legislature passed House Bill 5783, which, among other things, appropriates \$10 million to Saginaw for improvements to the township’s wastewater treatment plant to assist with economic development and expansion in the region (“**Saginaw Grant**”). On July 20, 2022, the Governor signed the bill, which was assigned Public Act 166 of 2022 (“**PA 166**”). As part of the Saginaw Grant, the Michigan Economic Development Corporation (“**MEDC**”) required Saginaw to enter into a grant agreement (“**Saginaw Grant Agreement**”).

E. On October 4, 2022, Governor Whitmer signed Senate Bill 844, which was assigned Public Act 194 of 2022 (“**PA 194**”). PA 194 included a \$27 million workforce and infrastructure grant (“**Workforce and Infrastructure Grant**”) awarded to Thomas Township for the Thomas Project and the Saginaw Project (collectively, the “**Projects**”). Of the \$27 million, \$10,300,000 is budgeted for the Saginaw Project, and \$16,700,000 is budgeted for the Thomas Project.

F. The Saginaw County Road Commission has applied for a \$630,000 grant under the Transportation Economic Development Fund (the “**TEDF Grant**”) administered by the Michigan Department of Transportation (“**MDOT**”) for improvements to the Geddes Road corridor.



G. As part of the Workforce Infrastructure Grant, the MEDC required Thomas to enter into a grant agreement (the “**Thomas Grant Agreement**”).

H. The Thomas Grant Agreement budget includes a contingency of approximately 18%, and the Saginaw Grant Agreement includes a contingency of approximately 20% (individually, “**Contingency**”, and collectively, “**Contingencies**”). In addition, under the Thomas Grant Agreement and the Saginaw Grant Agreement, the Townships may reallocate expenditures between categories within the budgets (“**Reallocation**”) of up to 10% of the total amount of each grant without the approval of the MEDC grant manager. If a proposed Reallocation exceeds 10% of the total amount of each grant, the MEDC grant manager must approve the Reallocation. Also, the Thomas Grant Agreement and the Saginaw Grant Agreement require the Townships to complete the “eligible activities” and the “project”, as those terms are defined in those agreements, in accordance with the budget.

I. The Thomas Grant Agreement and the Saginaw Grant Agreement require the Townships to be in compliance with the terms and conditions of this Agreement and also require the Townships to provide a copy of this Agreement to the MEDC.

## **AGREEMENT**

Therefore, the Parties agree as follows:

### **1. Sources to fund Township activities.**

**1.1. Workforce and Infrastructure Grant.** Thomas will use the Workforce and Infrastructure Grant to fund the Thomas Project and the Saginaw Project according to PA 194 and the terms of the Thomas Grant Agreement.

**1.2. MEDC Saginaw Grant.** Saginaw will use the Saginaw Grant to fund the Saginaw Project according to PA 166 and the terms of the Saginaw Grant Agreement.

**1.3. TEDF Grant.** The TEDF Grant will be used to fund the improvements to the Geddes corridor as described in the application materials submitted to MDOT.

### **2. Townships’ responsibilities.**

**2.1. Increase capacity flow.** Thomas will use reasonable efforts to complete the Thomas Project on or before June 30, 2024, in a manner that increases the flow capacity to 1 million gallons per day.

**2.2. Expansion of WWTP.** Thomas and Saginaw will use reasonable efforts to complete the Saginaw Project on or before June 30, 20\_\_, in a manner that increases the capacity of the wastewater treatment plant by 600,000 gallons per day.

**2.3. EGLE permit limits.** Saginaw will use reasonable efforts to obtain an increase in the final effluent limitations in its permit to accommodate the Saginaw Project.



**2.4. Deadline adjustments.** The Parties acknowledge that the deadlines in Sections 2.1 and 2.2 are necessary to meet the timelines for the Hemlock Project. Accordingly, if the Townships become aware that the deadlines in Sections 2.1 and 2.2 may not be met, the Townships must, at the next quarterly meeting under Section 3.1, inform Hemlock and discuss potential strategies for the Townships to meet the deadlines.

### **3. Rights of Hemlock.**

**3.1. Quarterly meetings.** During the term of this Agreement, the Townships will hold quarterly planning meetings that will include the Thomas Township Manager, the Saginaw Charter Township Manager, and the Senior Vice President of Manufacturing for Hemlock or their designees. The Townships will call the meetings—which must be held within 7 days of March 31, June 30, September 30, and December 31 of each calendar year—at a time and location that is convenient for all three individuals. At these quarterly meetings, the Thomas Township Manager or his designee and the Saginaw Charter Township Manager or his designee must provide a detailed update on the status of the Thomas Project and the Saginaw Project, including but not limited to, the progress relative to the deadlines under Section 2 and the key milestones in the Thomas Grant Agreement. In connection with these quarterly meetings, the Townships will allow Hemlock access to all information related to the Thomas Project and the Saginaw Project.

**3.2. Progress stage meetings.** The Townships will hold update meetings at 30%, 60%, and 90% completion stages during both the detailed-engineering and construction phases of the Thomas Project and the Saginaw Project respectively. The Townships will include a Hemlock representative in these update meetings.

**3.3. Third-party validation of Townships' activities.** Hemlock may hire a third party to validate cost estimates, invoices, reports, and other information related to the Thomas Project and the Saginaw Project. The Townships will cooperate with Hemlock and Hemlock's agents in connection with any validation effort in a manner that does not unreasonably interfere with the daily operations of the Townships.

**3.4. Financial audit.** Hemlock may hire a third party to conduct a financial audit related to the Thomas Project, the Saginaw Project, or both. The Townships will cooperate with Hemlock and Hemlock's agents in connection with any such financial audit in a manner that does not unreasonably interfere with the daily operations of the Townships.

**3.5. Discharge levels.** The Parties acknowledge that Hemlock has not made any commitments to the Townships regarding the wastewater discharge levels that will result after the Hemlock Project is completed. Accordingly, the Townships agree that, when the Projects are completed, Hemlock may discharge at any level up to 1 million gallons per day of the resulting effluent subject to the surge limitations and other obligations contained in the HSC Wastewater Capacity Agreement between Hemlock and Thomas entered into simultaneous with this Agreement and Hemlock's discharge permit as issued by Thomas and Saginaw.

#### **4. Reallocations, cost overrides, and assessments.**

**4.1. Reallocations.** During the term of this Agreement, if the Townships become aware that a Reallocation requiring the approval of the MEDC grant manager may be necessary, the Townships must inform Hemlock and discuss the potential Reallocation at the next quarterly meeting under Section 3.1. If Thomas, Saginaw, and Hemlock agree that the potential Reallocation is necessary, the Townships may proceed with seeking approval of the Reallocation from the MEDC grant manager. If Hemlock does not agree to a proposed cost increase for one or both projects, the Parties will meet in good faith to discuss any potential wastewater capacity constraints.

**4.2. Cost overrides.** If the Townships become aware that cost increases for the Projects may be necessary that would create an exceedance of the “maximum grant” under the Thomas Grant Agreement or the Saginaw Grant Agreement, the Townships must inform Hemlock and discuss any potential cost increases at the next quarterly meeting under Section 3.1. If Thomas, Saginaw, and Hemlock agree that the potential cost increase is necessary, the Parties will proceed as follows:

**4.2.1.** The Parties will work cooperatively to seek additional state or federal public funding to fund the cost increase.

**4.2.2.** If state or federal public funding under Section 4.2.1 is unavailable, Hemlock will fund the cost increase within thirty (30) days of being notified in writing via mail or email. This does not prohibit any Party seeking other funding sources to offset or reimburse Hemlock’s obligation.

**4.2.3.** The Townships will seek an amendment to the respective grant agreement with the MEDC to allow for the cost increase to complete the project and the method of funding the cost increase.

**4.3. No assessments to fund grant activities.** The Townships will not assess or otherwise require Hemlock to pay any amount that in any manner will be used to pay or reimburse for the costs of the Thomas Project and the Saginaw Project that have been funded by the sources identified in Section 1.

**5. Term.** The term of this Agreement begins when the Agreement is fully executed and ends on the date that the MEDC grant manager approves the Project Completion Milestone under the Thomas Grant Agreement and the completion of the Saginaw Grant under the Saginaw Grant Agreement.

#### **6. General provisions.**

**6.1. Successors and assigns.** This Agreement is binding upon and inures to the benefit of the Parties and their respective successors and assigns. Neither Hemlock, Thomas, nor Saginaw



may assign any of its respective rights and obligations under this Agreement without the written consent of the other Parties.

**6.2. Binding effect.** This Agreement is binding upon the parties hereto and inure to the benefit of the parties, their respective heirs, administrators, executors, successors and assigns.

**6.3. Amendment.** This Agreement may be modified or amended only by a written instrument signed by all of the Parties.

**6.4. Entire Agreement.** This Agreement constitutes the entire agreement of the Parties, and supersedes any and all prior or contemporaneous written or oral negotiations, correspondence, discussions, understandings, and agreements between the Parties with respect to the subject matter of this Agreement and represents the full understanding of the Parties with respect to such subject matter. No provision of this agreement shall be construed by any court or other judicial authority against any party by reason of such parties being deemed to have drafted such provision.

**6.5. Governing Law.** This Agreement shall be governed and construed under the laws of the State of Michigan, without giving regard to conflict of laws principles.

**6.6. Notices.** Any written notice, report or communication required or permitted under this Agreement shall be deemed sufficient if delivered personally, by first class mail or nationally recognized express courier service to the respective addresses set forth above (unless a Party has notified the other Parties in writing of a different address, in which case the different address shall be used). Notification via email shall also be permitted, provided that the Party providing notice by email shall assume the risk that the notice has been delivered to the other Party or Parties, and in the event of a dispute, shall bear the burden of proving that the notice was in fact delivered.

**6.7. Counterparts; Electronic Signatures.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which will be deemed to constitute one and the same instrument. A facsimile, electronic scan, pdf, or other electronic signature of any Party shall be considered to have the same binding legal effect as an original manual signature.

**6.8. Severability.** If any terms of this Agreement are determined to be invalid or unenforceable, the remaining terms of this Agreement shall remain in full force and effect and be binding on the Parties. The Parties will use their best effort to replace any invalid or unenforceable term with a term that closely reflects the original.

**6.9. Relationship of Parties.** The relationship of the Parties is defined solely by the express terms of this Agreement. Neither the cooperation of the Parties nor anything expressly or implicitly contained in this Agreement shall be deemed or construed to create a partnership, limited or general, or joint venture between the Parties, nor shall any Party or any Party's agent be deemed to be an agent or employee of any other Party to this Agreement. Without limiting the generality of the foregoing, each Party is acting independently, is obligated to separately account for its respective activities, and expressly disclaims any fiduciary duty to the other Parties.

**6.10. No third-party beneficiaries.** The terms and conditions, obligations, and benefits of this Agreement are intended solely for the Parties. No third party is an intended beneficiary of this Agreement nor is entitled to enforce the Agreement's provisions.

**6.11. Authorization.** The Parties each warrant and represent to the other Parties that this Agreement has been duly authorized and approved by, in the case of the Townships, all governmental bodies whose approval may be required as a precondition to the Agreement's effectiveness, and as to Hemlock, by the appropriate officers of the company, and that the individuals who have executed this Agreement below have been duly authorized to do so.

**6.12. Waiver.** No waiver is binding unless executed in writing by the Party making the waiver. No waiver of any term of this Agreement shall be deemed a waiver of any other term.

**6.13. Force Majeure Events.** No Party shall be liable to each other for any failure of performance under this Agreement due to causes beyond its control, including, but not limited to, strikes, acts of God, shortages of labor or materials, war, terrorist acts, pandemics, or civil disturbances (each a "Force Majeure Event"), provided however, to the extent the Parties have agreed to a cost override pursuant to Section 4.2, this provision shall not apply to costs reasonably incurred prior to such Force Majeure Event.

**6.14. Non-Waiver of Governmental Immunity.** The Parties agree that this Agreement is not a waiver and shall not be construed in any way so as to waive governmental immunity provided by state law which immunity is expressly reserved.

**6.15. Hold Harmless and Indemnity.** Hemlock shall indemnify and hold harmless the Townships and their officers, employees, agents, and contractors from and against any and all damages and liability of any kind or nature whatsoever including attorney fees resulting directly or indirectly from Hemlock's failure to fund an increase under Section 4.2.2 that Hemlock and the Townships have approved under Section 4.2.



The Parties have executed this Agreement by their duly authorized representatives as of the date first written above.

**THOMAS TOWNSHIP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**SAGINAW CHARTER TOWNSHIP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**HEMLOCK SEMICONDUCTOR OPERATIONS, LLC**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





## TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** January 23, 2023
- **SUBMITTED BY:** Russ Taylor, Township Manager  
Otto Brandt, Township Attorney
- **AGENDA TOPIC:** Approval of the Wastewater Capacity (2-Party) Agreement with Hemlock Semiconductor pertaining to HSC's temporary use of a portion of the Township's sewer capacity.
- **EXPLANATION OF TOPIC:** I have lost track of the number of revisions to this particular agreement. This agreement was specifically challenging as it is very unusual and there really is not anything to use as a template or example. Other than the standard legal language at the end, we created the format and text completely. The essence of the agreement is to provide the parameters within which the Township will permit HSC to use some of the Township's contracted capacity for wastewater treatment at Saginaw Township.

I do not believe that our community has ever done this in the past and the circumstances that motivated us to allow it this time are rare to say the least. The agreement starts with reciting a short list of facts pertaining to the sewer system projects and HSC's sewer treatment needs to support its expansion. From there, it defines the incremental increases in sewer flows that are expected. Presently, the contract with HSC limits flows to 420,000 gallons per day. In 2024, they would like to use 460,000 GPD. We will not be obligated to support that amount, but we are committed to trying. DPW Director, Rick Hopper, believes that we can support flows at that rate with our current system. Once the Geddes Road Sewer Transmission System is built, we will allow up to 1,0 MGD. This is the point at which HSC will be effectively renting the township's capacity until the Saginaw Township Treatment Plan upgrade is complete and the Township has a new capacity contract for 2.65 MGD with Saginaw Township.

During the rental period, the proposed Agreement has language that outlines the rental fee that HSC will have to pay. Based upon HSC's projected flows and when we expect the Treatment Plant upgrades to be completed, we estimate that this fee will generate about \$1 million for the Sewer Fund. In addition, the Agreement includes a lot of language regarding peak flows from the plant, surge controls, metering, and

consequences for exceeding those allowable flow amounts. We have worked very hard and cooperatively with the HSC team to create a document that will guide us over the next several years until both Thomas and Saginaw Township sewer projects are done.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Proposed HSC Wastewater Capacity Agreement.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_, to approve the Wastewater Capacity (2-Party) Agreement with Hemlock Semiconductor pertaining to HSC's temporary use of a portion of the Township's sewer capacity upon the following conditions:
  1. Final review and approval by the Township Attorney and Township Manager of any minor changes by the State/MEDC.
  2. Approval and acceptance of both the Development Agreement and Wastewater Capacity Agreement by Hemlock Semiconductor, LLC.
  3. Approval and acceptance of the Development Agreement by Saginaw Charter Township.
  4. Approval and acceptance of the State Grant Agreement between Thomas Township and the Michigan Economic Development Corporation (MEDC) by the MEDC and the State of Michigan.
- **ROLL CALL VOTE REQUIRED:** No.



## HSC WASTEWATER CAPACITY AGREEMENT

This Wastewater Capacity Agreement ("Agreement") entered as of the \_\_\_\_\_ day of \_\_\_\_\_, 2023 by and between Hemlock Semiconductor Operations, LLC, a Michigan limited liability company of 12334 Geddes Road, Hemlock, Michigan 48626 ("HSC"), and Thomas Township, a Michigan municipal corporation of 249 N. Miller Road, Saginaw, Michigan 48609 ("Township"). HSC and the Township are collectively referred to as the "**Parties**" and each individually as a "**Party**."

### RECITALS

A. HSC is expanding its operations by constructing a Next Gen Finishing line and a solar expansion project that in total will require up to a \$375 million capital investment ("Project") and additional wastewater capacity from the Township.

B. Township desires to expand its wastewater capacity system to accommodate HSC's additional wastewater needs subject to the terms of this Agreement.

C. HSC has a current agreement with Township to treat up to 420,000 gallons per day of sanitary sewer effluent.

D. HSC desires to increase their flows up to 1.0 million gallons per day over the next four (4) years.

E. Township is pursuing wastewater infrastructure improvements and accompanying roadway improvements to increase its capacity flow to at least 1.0 million gallons per day ("**Thomas Project**"). Saginaw Charter Township ("**Saginaw**") is expanding the capacity of its wastewater treatment plant by 600,000 gallons per day ("**Saginaw Project**"). Township has been awarded a \$27 million grant from the State of Michigan of which \$16,700,000 is budgeted for the Thomas Project.

F. HSC and Township have entered into a Development Agreement ("**Development Agreement**") simultaneous with this Agreement that contains rights and obligations related to the Thomas Project and the Saginaw Project.

### AGREEMENT

In consideration of the mutual promises herein and other good and valuable consideration, the parties agree as follows:

1. **Wastewater discharge capacity.** Township will provide HSC with wastewater discharge capacity into Township's system at a rate not to exceed 1.0 million gallons per day according to the Development Agreement and the following time periods and flow amounts, which shall be subject to the surge limitations in Section 3:

- a. Up to 420,000 gallons per day until January 1, 2024.
- b. Although the Township is not contractually bound to provide such additional capacity above 420,000 gallons per day until Township's engineer certifies |

[RH1]that the Thomas Project is ready for service according to Section (2.1) of the Development Agreement, Township will ~~make an earnest effort to use~~ reasonable efforts [HP2]to meet HSC's desire to increase the discharges to a maximum amount of 460,000 gallons per day if necessary from January 2, 2024, until Township's engineer certifies that the Thomas Project is ready for service [RH3]according to Sections (2.1) ~~and (2.2)~~ of the Development Agreement, provided that:

i. HSC will ~~use~~ employ their reasonable efforts ~~employ their best efforts~~ [HP4]to limit manufacturing related abnormal surge events and such surge control systems shall be in operation as approved by Township by January 2, 2024. [RH5]

ii. ~~The Township may charge~~ HSC ~~may incur added for~~ reasonable direct expenses associated with handling any amount of effluent above the ~~the added 40,000 gallons per day effluent above the 420,000 gallons per day.~~

iii. All parties recognize that the existing system was built to meet HSC's initial 420,000 gallons per day contractual amount and that there is no assurance that the desired, additional flow rates can be routinely accommodated because of other operational and maintenance limitations, including weather events. [RH6]

c. Up to ~~1.50 million~~ 000,000 gallons per day after Township's engineer certifies that the Thomas Project is complete according to Sections (2.1) ~~and (2.2)~~ of the Development Agreement. [RH7]

d. Up to 1.0 million gallons per day ~~thereafter~~ after Township's engineer certifies that the Thomas Project and Saginaw Project are completed in accordance with Sections 82.1 and 2.2 of the Development Agreement.

## **2. Temporary wastewater discharge exceedances.**

a. If at any time, HSC needs to exceed the applicable flow amounts set forth in Section 1 per day, except as set forth in Section (2.b), HSC will make its request in writing to Township at which time Township will arrange for a meeting to discuss in good faith options available at that point in time, if any. If there are options that will allow HSC to exceed the applicable flow amount per day, a surcharge equal to an added 25% of Township's then current commodity rate will be applied to the excess amount in the next billing cycle for the first exceedance event as measured on a monthly basis. Thereafter, for each subsequent exceedance event, the surcharge will increase at the rate of an additional 5% of the then current commodity rate for each event. [RH8]

b. HSC may temporarily exceed ~~the~~ a flow amount of 420,000 gallons per day within the time frames in Sections (1.b) and (1.c) according to the following conditions:

(1) At the end of each calendar year or twelve-month cycle if agreed upon by both Parties, Township will provide meter readings to determine the total amount of effluent originating from HSC for that particular calendar year or twelve-month cycle. The total annual amount of effluent generated from the HSC



site will then be divided by 365 days to determine the average daily flow. 420,000 gallons per day will be subtracted from this total to arrive at the exceedance [RH9] amount that was used in the preceding twelve months from Township's capacity. That figure will then be divided by 250 gallons (representative of one residential equivalency unit or "REU") to arrive at the total number of REU's used that year. Township presently charges \$2,000/REU for any new connections. For purposes of this Agreement only, the Parties agree to consider an REU to have a lifespan of ten (10) years. Accordingly, an REU would have a monetary value of \$200/year. Thus, \$200 will be applied to the number of REU's used each year.

(2) To illustrate the calculation in Subdivision (1) above, if HSC uses an average of 600,000 gallons per day in 2025, then the difference between 600,000 gallons per day and 420,000 gallons per day would be 180,000 gallons per day, which would then be divided by 250 gallons to arrive at the total REU's it represents. In that case, there would be 720 REU's. The 720 REUs would then be multiplied by \$200 to arrive at the rental cost for using the Township's capacity for the previous twelve months, which would be \$144,000. [RH10]

(3) Any amount owed under Subdivision (1) will be billed to HSC by the end of January with payment due within 30 days.

(4) If the Saginaw Project is completed before the end of a calendar year or twelve-month cycle, the same calculation used in Subdivision (1) will be used to calculate the amount owed for an exceedance except that the number of days after the beginning of the calendar year or twelve-month cycle will be used instead of 365 days.

(5) The calculation under this Subsection (b) does not apply to any flow amounts after the Thomas Project and the Saginaw Project are completed according to sections 2.1 and 2.2 of the Development Agreement.

### **3. Surge limitations.**

a. Notwithstanding any limits on gallon-per-day flow amounts in Sections (1) and (2), HSC's wastewater discharge shall not exceed 350 gallons per minute for any 240 consecutive minutes until Township's Engineer certifies in writing that the Thomas Project is completed. Thereafter, HSC shall not exceed 1,000 gallons per minute for any period of 240 consecutive minutes. HSC will ~~use reasonable will~~ employ best reasonable efforts to limit manufacturing related abnormal surge events so as to not exceed the above discharge limits into the Township's sewer system. [RH11] [HP12]

b. The surge limitations in Subsection (3)(a) apply notwithstanding greater surge limitations in HSC's Non-Domestic Sewer User Permit issued by Saginaw Charter Township and Township; the Saginaw Charter Township Sewer Ordinance; or the Township's Sewer Ordinance.

### **4. Billing.**

a. The official billing method for wastewater discharges shall be determined by Township. Township's meters installed in Township's Pump Station #12 system shall be used for all flow measurements and considered the official flow volumes and rates measuring devices. Township shall check for calibration of said meters every three years at Township expense. Each Township meter shall be maintained with a measurement accuracy of +/-4%. Should a Township meter be unable to maintain its accuracy, Township shall repair or replace said meter at Township's expense unless such interferences in accuracy and measurement are caused by material damage or internal scaling attributed to HSC's discharge.

b. HSC shall monitor all wastewater discharge rates and daily volumes by HSC-owned flow meters. Such meters shall be calibrated as directed by Township, or every three years to assure an accuracy of least +/-4%. Calibration shall be at HSC expense. If an HSC meter is not able to reliably measure rates and volumes, the meter shall be replaced at HSC's expense. Such information generated by the flow meters shall be transmitted to the Township's Supervisory Control and Data Acquisition (SCADA) unit located on site and regularly displayed on the Township's SCADA system. HSC shall pay for all SCADA fees associated with the in-plant flow measurement system.

c. HSC's bill is based on the flow measurement from Township's Pump Station #12 system, minus the actual metered water uses from the domestic users, and the calculated sewer discharge from DuPont HIMS.

**5. Conditions to flow amounts and time periods.** All the flow amounts and time periods in Section (1) are subject to all the following:

a. HSC's compliance with Section (3).

b. The ability of Saginaw to accept all such flow amounts within its permit limitations.

c. Saginaw and Township entering into any necessary agreement to receive and process Township's wastewater.

d. HSC being current and up to date in paying Township's billings for wastewater service.

e. Township receiving the \$27 million grant from the State of Michigan identified in the Development Agreement.

f. Saginaw and Township issuing a permit to HSC allowing the stated wastewater discharge levels.

**6. Compliance with laws, permits, and agreements.** HSC shall abide by all local, state, and federal ordinances, laws, and regulations applicable to its wastewater and any



discharge permit issued to HSC by Saginaw and Township. Township will comply with the Development Agreement.

7. **Cleaning.** Once every calendar year, HSC shall pay the costs of cleaning the sewer force main servicing HSC including the interior sewer force main coating and all related equipment, including but not limited to, pumps and generators within 30 days after receipt of Township's billing. If other Township sewer customers use said force main and contribute 10% or more of the total flow thereof, HSC's respective share of the annual cleaning costs specified above shall be equal to its percentage of the total flow thereof.

8. **Termination.** This Agreement shall terminate upon completion of the Thomas Project and the Saginaw Project or sooner if stated in a written agreement approved and signed by both Parties.

9. **General provisions.**

a. Indemnification. HSC shall indemnify and hold harmless Township and its officers, employees, agents, and contractors from and against any and all damages and liability of any kind or nature whatsoever including attorney fees resulting directly or indirectly from HSC's failure to comply with this Agreement.

b. Force Majeure. No Party shall be liable to each other for any failure of performance under this Agreement due to causes beyond its control, including, but not limited to, strikes, acts of God, shortages of labor or materials, war, terrorist acts, pandemics, or civil disturbances.

c. Successors and assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties and their respective successors and assigns. Neither HSC nor Township may assign any of its respective rights and obligations under this Agreement without the written consent of the other Party.

d. Binding effect. This Agreement shall be binding upon the Parties hereto and inure to the benefit of the Parties, their respective heirs, administrators, executors, successors and assigns.

e. Amendment. This Agreement may be modified or amended only by a written instrument signed by both Parties.

f. Entire Agreement. This Agreement constitutes the entire agreement of the Parties and supersedes any and all prior or contemporaneous written or oral negotiations, correspondence, discussions, understandings, and agreements between the Parties with respect to the subject matter of this Agreement and represents the full understanding of the Parties with respect to such subject matter. No provision of this Agreement shall be construed by any court or other Judicial authority against any party by reason of such party's being deemed to have drafted such provision.

g. Governing Law. This Agreement shall be governed and construed under the laws of the State of Michigan, without giving regard to conflict of laws principles.

h. Notices. Any written notice, report or communication required or permitted under this Agreement shall be deemed sufficient if delivered personally, by first class mail or nationally recognized express courier service to the respective addresses set forth above (unless a Party has notified the other Parties in writing of a different address, in which case the different address shall be used). Notification via email shall also be permitted, provided that the Party providing notice by email shall assume the risk that the notice has been delivered to the other Party, and in the event of a dispute, shall bear the burden of providing that the notice was in fact delivered.

i. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which will be deemed to constitute one and the same instrument.

j. Severability. If any terms of this Agreement are determined to be invalid or unenforceable, the remaining terms of this Agreement shall remain in full force and effect and be binding on the Parties. The Parties will replace any invalid or unenforceable term within a term that closely reflects the original.

k. Relationship of Parties. The relationship of the Parties is defined solely by the express terms of this Agreement. Neither the cooperation of the Parties nor anything expressly or implicitly contained in this Agreement shall be deemed or construed to create a partnership, limited or general, or joint venture between the Parties, nor shall any Party or any Party's agent be deemed to be an agent or employee of any other Party to this Agreement. Without limiting the generality of the foregoing, each Party is acting independently, is obligated to separately account for its respective activities, and expressly disclaims any fiduciary duty to the other Party.

l. No Third-Party Beneficiaries. The terms and conditions, obligations, and benefits of this Agreement are intended solely for the Parties. No third party is an intended beneficiary of the Agreement nor is entitled to enforce the Agreement's provisions except as otherwise provided herein.

m. Authorization. The Parties each warrant and represent to the other Party that this Agreement has been duly authorized and approved by, in the case of the Township, all governmental bodies whose approval may be required as a precondition to the Agreement's effectiveness, and as to HSC, by the appropriate officers of the company, and that the individuals who have executed this Agreement below have been duly authorized to do so.

n. Waiver. No waiver is binding unless executed in writing by the Party making the waiver. No waiver of any term of this Agreement shall be deemed a waiver of any other term.

o. Non-waiver of Governmental Immunity. The Parties agree that this agreement is not a waiver and shall not be construed in any way to waive Township's governmental immunity provided by state law which immunity is expressly reserved.



The Parties have executed this Agreement by their duly authorized representatives as of the date of first written above.

THOMAS TOWNSHIP

By: \_\_\_\_\_

Name: Robert Weise

Title: Supervisor

By: \_\_\_\_\_

Name: Michael Thayer

Title: Clerk

HEMLOCK SEMICONDUCTOR OPERATIONS, LLC

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_





## **TOWNSHIP BOARD AGENDA ITEM**

- **MEETING DATE:** January 23, 2023
- **SUBMITTED BY:** Russ Taylor, Township Manager
- **AGENDA TOPIC:** Approve Resolution 23-01 granting Hemlock Semiconductor a twelve (12) year Industrial Facilities Tax Exemption.
- **EXPLANATION OF TOPIC:** Everyone is well aware of the activity at HSC to expand their operations and production. We have been talking about it for nearly two years now. They are investing up to \$375 million at the site, aside from all of the infrastructure support projects that both Thomas and Saginaw Townships are working on. As is the case, with most of the industrial builds or expansions that we have seen in our community through the years, HSC is asking for an Industrial Facilities Tax Exemption (IFT). They are asking for \$99,490,000.00 of their investment to be considered for an IFT. Not all of their total investment is eligible.

Several years ago, the Board developed a scoring system to try to fairly evaluate these requests. The Township Board Policy Committee conducted the scoring and based upon the results, is recommending a twelve (12) year IFT. HSC continues to be an excellent business partner to the Township and supports our community in numerous ways. With an IFT, HSC would receive a 50% reduction in the taxes that they pay relative to \$99+ million investment that qualifies. Over the twelve (12) year period, the company will save roughly \$10.4 million. However, it's important to remember that an equal amount will be paid to all of the relevant taxing entities during that time period as well that they would not have received otherwise.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Resolution 23-01.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_, to approve Resolution 23-01 granting Hemlock Semiconductor a twelve (12) year Industrial Facilities Tax Exemption.
- **ROLL CALL VOTE REQUIRED:** Yes.



RESOLUTION 23-01  
THOMAS TOWNSHIP  
SAGINAW COUNTY MICHIGAN  
RESOLUTION FOR APPROVING  
INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE

At a special meeting of the Board of Trustees of the Township of Thomas, held on the 23rd day of January, 2023 at 7 o'clock p.m. Michigan Time.

PRESENT:

ABSENT:

The following preamble and resolution were offered by \_\_\_\_\_ and supported by \_\_\_\_\_

RESOLUTION APPROVING AN APPLICATION (2023-1) FROM HEMLOCK SEMICONDUCTOR 12334 GEDDES ROAD FOR AN INDUSTRIAL FACILITIES EXEMPTION CERTIFICATE FOR NEW BUILDING IN THE AMOUNT OF \$99,490,000 OF REAL PROPERTY.

WHEREAS, Hemlock Semiconductor, 12334 Geddes Road, Hemlock, MI 48623, has filed an application for an Industrial Facilities Exemption Certificate with respect to a new building to be constructed within the Industrial Development District, which was created by Board approval on December 3, 1979.

WHEREAS, before acting on said application, the Thomas Township Board held a public hearing on January 9, 2023, at the Thomas Township Office, at the Public Safety Building, 8215 Shields Drive, Saginaw, MI 48609, at 7:00 p.m., at which hearing the Applicant, the Assessor and a representative of the affected taxing units were given written notice and were afforded an opportunity to be heard on said application; and

WHEREAS, construction of the facility and installation of new machinery and equipment had not begun earlier than six (6) months before January 3, 2023, the date of the acceptance of the application for the Industrial Facilities Exemption Certificate; and

WHEREAS, completion of the facility is calculated to and will at the time of issuance of the certificate have the reasonable likelihood to create sixty (60) new jobs in Thomas Township; and

WHEREAS, the aggregate SEV of real and personal property exempt from ad valorem taxes within Thomas Township, after granting this certificate, *will exceed 5%* of an amount equal to the sum of the SEV of the unit, plus the SEV of personal and real property thus exempted.



NOW, THEREFORE, BE IT RESOLVED BY the Township Board of the Township of Thomas that:

1. The Township Board finds and determines that the granting of the Industrial Facilities Exemption Certificate considered together with the aggregate amount of certificates previously granted and currently in force under Act No. 198 of the Public Acts of 1974 and Act No. 255 of the Public Acts of 1978, shall not have the effect of substantially impeding the operation of Thomas Township, or impairing the financial soundness of a taxing unit which levies ad valorem property taxes in Thomas Township.
2. The application of Hemlock Semiconductor, 12334 Geddes Road, Hemlock, MI 48626 for an IFT Certificate with respect to a new constructed on the following described parcels of real property situated within the Hemlock Semiconductor Industrial Development District as established by Township Board action on December 3, 1979, to wit:

**COMMON LOCATION**

Hemlock Semiconductor Operations, LLC, 12334 Geddes Road, Hemlock, Michigan 48626

**LEGAL DESCRIPTION**

SW 1/4 OF NW FRL 1/4 EXC E 330 FT OF W 1320 FT OF S 330 FT -- 39.49 ACRES SEC 19  
T12N R3E

Property number: 28-12-3-19-2002-000

NW 1/4 OF NW 1/4 EXC W 132 FT OF N 660 FT ALSO EXC S 317.8 FT OF W 306 FT  
THEREOF 35.77 ACRES SEC 19 T12N R3E

Property number: 28-12-3-19-2001-000

Be and the same is hereby approved.

3. The Industrial Facilities Exemption Certificate when issued shall be and remain in force and effect for a period of 12 years after completion.

AYES:

NAYS:

ABSTAINED:

ABSENT:

The Supervisor declared the resolution adopted.

---

Robert Weise, Supervisor

#### **CERTIFICATE**

**I, Michael Thayer, the duly elected and acting Clerk of Thomas Township, hereby, certify that the foregoing resolution was adopted by the Township Board of said Township at the special meeting of said Board held on January 23, 2023, at which meeting a quorum was present, by a roll call vote of said members as hereinbefore set forth; that said resolution was ordered to take immediate effect.**

---

Michael Thayer, Clerk







## TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** January 23, 2023
- **SUBMITTED BY:** Russ Taylor, Township Manager
- **AGENDA TOPIC:** Approve granting the Michigan Department of Transportation (MDOT) a temporary easement on Township land along the Tittabawassee River near the Gratiot Road bridge.
- **EXPLANATION OF TOPIC:** MDOT officials tell us that there is some scouring going on in front of the Gratiot Road bridge that could undermine the foundation structure that supports it. They want to install some concrete pieces and concrete to prevent it from continuing. The area where they will be working is part of the Township Nature Center parcel. They indicate that they will access it from the bridge or under the bridge; however, the proposed easement does not limit them and permits them to cross the Township property. I am very concerned about this aspect as we are very protective of our property, including the trees that are on it. As such, the easement should be amended to note that the appropriate Township representative must sign off on any plan, methods of access and impact upon the trees before they can proceed.

We are referring to the document as an easement, but MDOT calls it a "Consent to Grade". The Township would receive \$900 in compensation. I have also told them that they would have to pay the legal fees, roughly \$200, related to approving the document, which they have verbally agreed to.

Furthermore, the proposed easement is very open ended in terms of when it may or may not expire. There needs to be a specific end date; otherwise, MDOT will use it forever and there is likely going to be a time when we do not want them to be able to drive construction vehicles across the front. Additionally, our attorney has had limited time to review the document. He has looked it over and spoken with MDOT, but the proposed document is written in standard MDOT form that essentially lets them do whatever they want, which is not necessary and typically gives them more authority than we are comfortable with.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Letter from MDOT, Proposed Consent to Grade document and map.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by \_\_\_\_\_, supported by \_\_\_\_\_, to approve granting the Michigan Department of Transportation (MDOT) a temporary easement on Township land along the Tittabawassee River near the Gratiot Road bridge upon the following conditions:
  1. Township attorney's review and approval.
  2. Provide a sunset date after this work is completed.
  3. Township Manager must sign off on all plans, any tree/shrub removal and any impact upon the visible bank.
  4. No construction vehicles are to be driven across Township property without the Manager's authorization.
  5. Easement will not be effective until sign permit is received for Township Nature Center.
- **ROLL CALL VOTE REQUIRED:** No.



GRETCHEN WHITMER  
GOVERNOR

STATE OF MICHIGAN  
DEPARTMENT OF TRANSPORTATION  
LANSING

PAUL C. AJEGBA  
DIRECTOR

**Good Faith Offer**

December 20, 2022

Thomas Township  
249 N Miller Road  
Saginaw, Michigan 48609

CS: 73062, JN: 212037, Parcel: 7003, Address: 660 Gratiot Rd Saginaw, MI 48609, Township: Saginaw, County: Saginaw

Dear Owner(s):

The Michigan Department of Transportation (MDOT) has an upcoming project along Countywide. We have reviewed your property as it relates to the needs of the project and are interested in acquiring Consent to Grade rights to your property as set forth in the attached Addendum(a). In accordance with state and federal regulations governing the acquisition of property by MDOT, this letter is MDOT's Good Faith Offer, to purchase these rights based on the terms and conditions contained herein. Please note that MDOT is not making this offer under the threat of condemnation. If an agreement regarding the purchase cannot be reached, MDOT will discontinue negotiations and cease this transaction. If in the future your property is needed for a transportation project, MDOT will contact you at that time.

If you agree, MDOT will purchase aforementioned rights to your property described as set forth in the attached Addendum(a).

This Good Faith Offer is based upon the valuation set forth in the enclosed market study report. This report is to be considered part of this Good Faith Offer. It outlines the items for which you are entitled to be paid, based on the facts known at this time, along with the state of the market and condition of the property as the date of the valuation.

MDOT's Good Faith Offer for the property rights to be purchased is itemized below:

Type	Amount
Consent to Grade	\$900.00
<b>TOTAL</b>	<b>\$900.00</b>



Accordingly, the total amount that MDOT is offering to you is \$900.00. Please note that this offer is valid only until 01/19/2023.

Please review all the materials carefully and let us know in writing if you believe anything of significance has been omitted with respect to the amount of money you should be paid. MDOT will review the items you identify and will respond accordingly if any changes will be made to its Good Faith Offer. We are also available to discuss this offer with you.

This Good Faith Offer is for the property rights for all individuals and entities that may have a property interest in the parcel. If there is more than one person or entity with an interest in the property, you can decide amongst yourselves how to divide the amount MDOT is offering you, or you can request a court to decide.

If you are willing to accept MDOT's offer and, also agree to the terms and conditions set forth in the following Addendum(a), please sign and date the Acceptance of the Good Faith Offer and enclosed instruments in the presence of a witness. Be sure the witness also signs and dates the Acceptance. Please return this letter, signed Acceptance page and enclosed instrument(s) back to my attention.

Also included in this packet are instructions to register with us to have your compensation sent to you via electronic funds transfer (EFT). Please contact me if you are unable to register.

Thank you in advance for your consideration of our Good Faith Written Offer. If you have any questions, please contact me at 989-297-0593 or [WilliamsK34@michigan.gov](mailto:WilliamsK34@michigan.gov).

Sincerely,



Kelcy Williams  
Property Analyst  
Michigan Department of Transportation

Attachments: Acceptance of Good Faith Offer, Addendum(a), Instrument(s), Legal Description(s), EFT Instructions, Market Study, Plan Sheets, and PR&PP Book

## Acceptance of Good Faith Offer

The undersigned accept(s) the Michigan Department of Transportation's (MDOT's) Good Faith Offer of \$900.00 for the property described in MDOT's Good Faith Offer dated 12/20/2022. Furthermore, the undersigned agree(s) to the following terms and conditions set forth in the attached Addendum(a):

Signature: \_\_\_\_\_

Signed Date: \_\_\_\_\_

Signatory Name: \_\_\_\_\_

Signatory Title: \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Witness Date: \_\_\_\_\_

Witness Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Signed Date: \_\_\_\_\_

Signatory Name: \_\_\_\_\_

Signatory Title: \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Witness Date: \_\_\_\_\_

Witness Name: \_\_\_\_\_

Control Section 73062	Job ID 212037	Parcel 7003
Owner Of Record THOMAS TOWNSHIP		
Property Tax Code 28-12-4-30-2022-000		

## Addendum for Consent(s)

**PRICE:** The owner(s) agree(s) to grant the property described in the attached legal description(s) to the Michigan Department of Transportation for the sum of \$900.00 via the appropriate instrument(s).

**CONSENT TYPE(S):** Consent to Grade

**OCCUPANCY:** The owner(s) agree(s) to grant the Michigan Department of Transportation occupancy of the described property upon payment of the price listed above effective from 12/20/2022 through completion of project.

**CONVEYANCE:** The owner(s) agree to deliver to MDOT the above cited consents subject to the following provision: This conveyance includes, but is not limited to, the right to any drainage structure replacement or repair; the right to remove trees, shrubs, and vegetation as necessary in the judgement of the Michigan Department of Transportation and the right of temporary occupancy by public utilities.

**SPECIAL PROVISIONS:** NONE

Control Section 73062	Job ID 212037	Parcel 7003
Owner Of Record THOMAS TOWNSHIP		
Property Tax Code 28-12-4-30-2022-000		



Control Section 73062	Job ID 212037	Parcel 7003
Owner Of Record THOMAS TOWNSHIP		
Property Tax Code 28-12-4-30-2022-000		

Michigan Department  
of Transportation  
0640C (07/21)

## CONSENT

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The Grantor(s) Thomas Township, for the sum of Nine Hundred dollars and 00/100 (\$900.00) grant to the Michigan Department of Transportation, whose address is 425 W. Ottawa Street, P.O. Box 30050, Lansing, Michigan 48909 the right to Consent to Grade, for transportation purposes, in over, and upon the real estate located in the Township of Saginaw, County of Saginaw, State of Michigan, as described on the attached Legal Description; commonly known as 660 Gratiot Rd Saginaw, MI 48609, including, but not limited to, the right to any drainage structure replacement or repair, the right to remove trees, shrubs, and vegetation as necessary in the judgment of the Michigan Department of Transportation and the right of temporary occupancy by public utilities; effective from 12/20/2022 to completion of project.

CONTROL SECTION 73062	JOB ID 212037	PARCEL 7003
OWNER OF RECORD THOMAS TOWNSHIP		
PROPERTY TAX CODE 28-12-4-30-2022-000		

Station #

See attached sketch

Signature: \_\_\_\_\_

Signed Date: \_\_\_\_\_

Signatory Name: \_\_\_\_\_

Signatory Title: \_\_\_\_\_

Witness Signature: \_\_\_\_\_

Witness Date: \_\_\_\_\_

Witness Name: \_\_\_\_\_

Signature: \_\_\_\_\_

Signed Date: \_\_\_\_\_

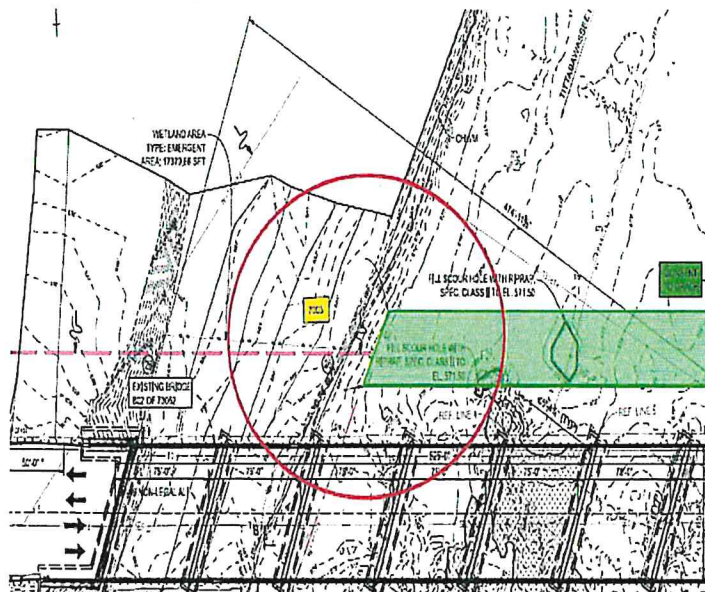
Signatory Name: \_\_\_\_\_

Signatory Title:

Witness Signature: \_\_\_\_\_

Witness Date: \_\_\_\_\_

Witness Name: \_\_\_\_\_



CONTROL SECTION 73062	JOB ID 212037	PARCEL 7003
OWNER OF RECORD THOMAS TOWNSHIP		
PROPERTY TAX CODE 28-12-4-30-2022-000		



# COMPENSATION SUMMARY

	Area (Sqft)	Price/Sqft	Subtotal	Factor	Line Total	EJC Amount
Consent to Grade	3,167 X	\$2.84 =	\$8,995.00 X	10% =	\$900	\$900

Total \$900

Total Estimated Just Compensation \$900

Parcel: 7003 CS: 73062  
 Owner of Record: THOMAS TOWNSHIP

Job ID: 212037