



THOMAS TOWNSHIP SPECIAL BOARD MEETING
8215 Shields Drive, Saginaw, MI 48609
August 28, 2024 @ 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. Approve the Strategic Site Readiness Program Grant Agreement.
 - B. Approve the Pledge and Assignment of Project Funds Accounts.
 - C. Approve the Second Addendum to the Water Services Agreement between the City of Saginaw and Thomas Township.
 - D. Approve the Second Amendment to the Water Services Agreement between the City of Saginaw and Thomas Township.
 - E. Approve the Capacity Agreement between Thomas Township and the City of Saginaw.
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:** August 28, 2024
- **SUBMITTED BY:** Deidre Frollo, Township Manager
- **AGENDA TOPIC:** Approve the Strategic Site Readiness Program Grant Agreement in the amount of up to \$29 million for multiple infrastructure improvements to support Corning, Inc.'s project on North Orr Road.
- **EXPLANATION OF TOPIC:** This agreement has been a long time coming as we have been working on it for several months now as it has progressed through the State legislature and the MEDC staff, as well as our reviews. This is the document that outlines the funds provided to the Township, the projects that will be completed with these funds, how they are to be handled and how they will be distributed. It is fairly straightforward and is very much like the one we signed a couple years ago to support HSC's expansion. Thus, we are quite comfortable with the requirements and procedures. In fact, our experience with the MEDC staff has been very positive once all of the agreements are in place and its just a matter of submitting invoices and any other required documentation. In this case, the money will be made available in advance versus the typical reimbursement grants we normally receive from the State.

In accordance with this Agreement, the Township will receive funds in two tranches of \$14.5 million each. With the first deposit, we will be refunding Corning the funds that they have fronted thus far for the various projects we've already undertaken. Also, once we receive the grant funds, we will no longer be reliant upon reimbursements by Corning. Then once we are close to using up the initial deposit, we can then request the second tranche.

Otto has reviewed this document several times just as we have. We are comfortable with the wording and the expectations of the State noted therein. Our only issue is indirectly related to the proposed agreement. That issue is the fact that we still do not have a path forward to expand the Saginaw Township Wastewater Treatment Plant. We feel that this places our Township in a very difficult predicament and therefore we are recommending approval of the proposed agreement with the condition that an acceptable/fully funded path to expanding the plant and increasing Thomas Township's treatment capacity by 0.6 MGD be in place before the SSRP Agreement is signed. We regret having to make this an issue, but the fact is it is only an issue because HSC is not fulfilling its obligation. The details of this situation are lengthy and many; however, the fact is that without the Wastewater Treatment Plant expansion, there isn't any additional treatment capacity to provide HSC and therefore, there isn't any treatment capacity to assign to Corning. At this point, the contract should have already been awarded and construction started this month. The design has been completed, contractors have bid on the work and two contractors are awaiting further word if they are going to receive the project award. The hold up is that the bid

amounts significantly exceeded the original estimate. The additional cost was supposed to be paid by HSC; however, they are not willing to approve the increase. There have been several meetings in an attempt to resolve the issue or to redefine the project scope to get the total costs down, though no agreement has been reached and it does not seem as though we are close to finding a resolution. As such, we feel that enough is enough. We have played well throughout the process of supporting the region and our neighboring community, but without an acceptable and approved plan to get the plant built, we cannot advise that we continue. Thus, we are recommending that the SSRP Agreement be approved contingent upon a resolution to this situation.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Strategic Site Readiness Grant Agreement.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by _____, supported by _____, to approve the Strategic Site Readiness Program Grant Agreement in the amount of up to \$29 million for multiple infrastructure improvements to support Corning, Inc.'s project on North Orr Road contingent upon an acceptable plan and funding source(s) are in place to assure the Township that the Saginaw Twonship Wastewater Treatment Plant will be expanded as expected to increase Thomas Township wastewater treatment by 0.6 MGD.
- **ROLL CALL VOTE REQUIRED:** No

STRATEGIC SITE READINESS PROGRAM
GRANT AGREEMENT

THIS GRANT AGREEMENT (this “Agreement”), effective as of **August 15, 2024** (the “Effective Date”), is between the Michigan Strategic Fund (the “MSF”), whose address is 300 North Washington Square, Lansing, Michigan 48913, and Thomas Township, a Michigan township (the “Grantee”), whose address and principal office is 249 North Miller Road, Saginaw, Michigan 48609. As used in this Agreement, the MSF and the Grantee are, individually, a “Party” and, collectively, the “Parties”.

RECITALS

A. The Michigan Strategic Fund Act (MCL 125.2001 et seq.), as amended, includes Section 88t (MCL 125.2088t), to enable the MSF to provide grants, loans, and other economic assistance for eligible applicants to conduct Eligible Activities for the purpose of creating investment-ready sites to attract and promote investment in this State for Eligible Activities on, or related to, strategic sites and mega-strategic sites.

B. Under the control and direction of the MSF Board, staff of the Michigan Economic Development Corporation, a public body corporate (the “MEDC”), provides administrative services for the MSF.

C. On January 11, 2022, the MSF Board established the Strategic Site Readiness Program (the “SSRP”) and associated guidelines to govern the SSRP, which may be amended from time to time.

D. On January 11, 2022, the MSF Board also established the Critical Industry Program (the “CIP”) and associated guidelines to govern the CIP, which may be amended from time to time.

E. The SSRP and CIP are to be funded through the Strategic Outreach and Attraction Reserve created by PA 137 of 2021 (“SOAR”).

F. The Grantee submitted to the MEDC an application for incentive assistance under the SSRP dated December 1, 2023, which application was supplemented by the request of Grantee on April 25, 2024 (collectively, the “Application”).

G. The Grantee desires to obtain the Grant to conduct Eligible Activities including substantial upgrades to the water and wastewater treatment system and necessary road improvements to support the development and operation of a new solar component manufacturing facility by the Company in Richland Township, consistent with this Agreement (the “Project”).

H. On February 27, 2024, the MSF approved a SSRP grant award to the Grantee in the amount of up to Twenty-Nine Million and 00/100 Dollars (\$29,000,000.00) to be disbursed under the terms of this Agreement (the “Grant”), subject to the transfer of SOAR funds necessary to fund the Grant.

I. On February 27, 2024, the MSF also approved a CIP grant award to the Company in the amount of up to Sixty-Eight Million and 00/100 Dollars (\$68,000,000.00) for eligible activities to support the Project, subject to the transfer of SOAR funds necessary to fund the Grant.

J. On or about the Effective Date of this Agreement, the Company and the MSF will enter into a Michigan Critical Industry Program grant agreement in the amount of up to Sixty-Eight Million and 00/100 Dollars (\$68,000,000.00) ("CIP Agreement") for eligible activities to support the Project.

K. On or about June 24, 2024, SOAR funds were transferred to the SSRP to fund the Grant, and on or about June 24, 2024, SOAR funds were transferred to the CIP to fund the CIP Agreement.

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 MSF agrees to make, and the Grantee agrees to accept, the Grant.

Section 2.2 Grant Manager. The MSF Fund Manager 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 MSF Fund Manager. The MSF Fund Manager shall give Grantee notice of the designated Grant Manager, and any change to the Grant Manager. The initial Grant Manager is Colleen Horton and her email address is hortonc@michigan.org.

Section 2.3 Grant Disbursement Procedure.

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

(b) **Conditions to Grant Disbursements.** The MSF'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 as set forth in Exhibit B, and the corresponding approval of the Grant Manager as set forth in Section 2.3(d) 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.

- (i) Following the Effective Date of this Agreement, Grantee may submit a Disbursement Request in form and substance of Exhibit B-1 for Key Milestone One in accordance with the terms and conditions set forth in Exhibit B.
- (ii) Grantee may submit one or more additional Disbursement Requests in form and substance of Exhibit B-1 in accordance with the terms and conditions set forth in Exhibit B for Subsequent Disbursement Requests:
 - (1) no more frequently once each month through the earlier of December 31, 2027, or until the entirety of the Grant has been disbursed to the Grantee;
 - (2) at least thirty (30) calendar days prior to when the associated Grant Disbursement funds are reasonably expected to be needed to meet the corresponding funding commitments of the Grantee;
 - (3) after at least seventy-five percent (75%) of the Grant funds previously disbursed have been expended, encumbered, or committed in accordance with the Budget; and
 - (4) so long as no other Disbursement Request is pending review or approval.

(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 and the Project Completion Milestone, Grantee shall demonstrate in accordance with each Subsequent Disbursement Request that at least seventy-five percent (75%) of the Grant funds previously disbursed by the MSF to the Grantee under this Agreement have been expended, encumbered, or committed for Eligible Activities for the Project by the Grantee in accordance with the Budget. Provided, however, as to the Project Completion Milestone, the Grantee shall demonstrate that one hundred percent (100%) all of the Grant funds disbursed by the MSF to the Grantee under this Agreement have actually been expended (both incurred and fully paid) for Eligible Activities for the Project by the Grantee in accordance with the Budget.

- (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, in writing, to review Grantee's records, request additional information, 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 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 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.

Section 2.4 Project Budget. All Grant funds must be spent in accordance with the budget attached as Exhibit C to this Agreement (the "Budget") first for the completion of Primary Eligible Activities and, in the event that Grant funds remain unspent upon substantial completion of Primary Eligible Activities, for the completion of Secondary Eligible Activities. The Grantee may reallocate expenditures between categories within the Budget of up to ten percent (10%) of the total Grant 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.

Section 2.5 Remaining Grant Funds. In the event there is any remaining balance in the Deposit Account upon the earlier of: (i) Grantee's submission of the Project Completion Certificate, or (ii) December 31, 2028, Grantee shall pay the MSF the balance of funds in the

Deposit Account. Funds owed to the MSF under this Section 2.5 must be paid within 90 days of notification by the MSF and 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 MSF and continuing until all funds owed under this Agreement are paid in full to the MSF.

Section 2.6 Infrastructure Contracts. As applicable, each of Saginaw Township, the City of Saginaw, Richland Township, Saginaw County Road Commission, or any other municipality performing Eligible Activities (collectively, the "Municipalities"), shall enter into a memorandum of understanding or other written agreement with Grantee relative to each party's performance of Eligible Activities in accordance with the Budget surrounding infrastructure improvements for the Project (collectively, the "Municipal Contracts"). The Municipal Contracts shall require that each party provide Grantee with the necessary documentation to demonstrate substantial completion of all the critical components of its portion of the Project to be performed by each applicable party, as more particularly described in the Project Completion Milestone set forth on Exhibit B.

ARTICLE III

REPRESENTATIONS AND COVENANTS OF THE GRANTEE

The Grantee represents and warrants to the MSF 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 MSF, 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 except for the Municipal Contracts required by Section 2.6, above, or any Primary Contract.

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 or the MSF 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. Through the Term, no written statements, Progress Reports, materials, certificates,

or Disbursement Requests furnished by the Grantee to the MEDC or the MSF in connection with this Agreement shall, to the best of Grantee's knowledge, contain any untrue statement of material fact or omit any material fact necessary to make the statements true, or fail to include any undisclosed facts, which materially adversely affect or, to the best of the Grantee's knowledge, are reasonably likely to materially adversely affect the Project or the ability of the Grantee to perform its obligations under this Agreement.

Section 3.5 Litigation or Other Proceedings. To the best of Grantee's knowledge, 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 or the Project, would have a material adverse effect on the Project or the performance of Grantee's obligations under this Agreement or any of the Transaction Documents when executed. During the Term, to the knowledge of the Grantee, there shall be no suits or proceedings pending before any court, governmental commission, board, bureau, or other administrative agency or tribunal which would reasonably be expected to have a material adverse effect on the Project or the Grantee's performance of its obligations under this Agreement or any of the Transaction Documents.

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 Transaction Documents. The Grantee is as of the Effective Date in compliance with, and shall during the Term comply with, all of its representations and warranties, covenants, duties, and obligations under the Transaction Documents.

Section 3.8 Prohibited Use of Grant Disbursements.

(a) The Grantee shall not use any Grant Disbursements (i) 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 as prohibited by the Act (see MCL 125.2088c(3)(a) and (b)); or to (ii) induce qualified businesses or small businesses to leave the State of Michigan, contribute to the violation of internationally recognized workers' rights, of workers in a country other than the US, or fund an entity incorporated in a tax haven country, as prohibited by the Act (see MCL 125.2088c(4)(c), (d), and (e)).

(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.

(c) The Grantee shall not use any Grant Disbursements to commit to, or pay, any claim for indemnification by any party, whether such claims are permitted or otherwise required to be paid under the Transaction Documents or any other agreement to which the Grantee is a party, or to which the Grantee may otherwise be liable thereunder.

(d) The provisions of Section 3.8(b) and (c), above, shall not prevent Grantee from transferring disbursed Grant funds to the Company pursuant to Section 3.15.

Notwithstanding anything to the contrary, this Section 3.8 shall survive indefinitely.

Section 3.9 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.

Section 3.10 Conflict of Interest. The Grantee affirms that there exists no actual or potential conflict of interest between the Grantee, the Grantee's Key Personnel or its Key Personnel's family, its business, or any financial interest and the performance by the Grantee under this Agreement. Grantee further affirms that it has an internal conflicts of interest policy in place to discover and avoid current or future conflicts of interest of the nature described in this Section that may arise.

The Grantee affirms that there exists no actual or potential conflict of interest between the Grantee and its owners, officers, directors, managers, members, or employees and any of the Indemnified Persons and the performance by the Grantee of its obligations under this Application. The Grantee further affirms that neither the Grantee, nor its owners, officers, directors, managers, members, or employees, have accepted, shall accept, have offered, or shall offer, directly or indirectly, anything of value to influence the Indemnified Persons.

Section 3.11 State Required Terms. The Grantee shall comply with its representations, warranties, and obligations as required and set forth in Exhibit D.

Section 3.12 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 3.13 Change of Legal Status. The Grantee shall (a) give the MSF 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 MSF, which consent shall not be unreasonably withheld.

Section 3.14 Security Interest. As required pursuant to Section 88t(4)(d) of the Act, as security for the obligations arising under this Agreement and for the performance and observance by the Grantee of the Agreement, Grantee shall, on or prior to the Effective Date hereof, establish and maintain with Huntington National Bank a deposit account (the "Deposit Account") in Grantee's name, for the benefit of the MSF, which account shall be subject to the Pledge Agreement and the Deposit Account Control Agreement (collectively, the "Collateral Documents"). The Deposit Account may not contain monies or securities unrelated to the Grant

funds. The Deposit Account, Collateral Documents, and security granted and held as a result thereof shall remain in effect through the Term of the Agreement, unless earlier terminated as permitted by the respective agreements. For the sake of clarity, all Grant funds received must remain in the Deposit Account until expended.

Section 3.15 Collaboration with the Company. Pursuant to that certain Memorandum of Understanding between Grantee and Company dated as of April 1, 2024 (the "MOU"), Company will advance to Grantee funds to be used solely for the purpose of paying for Eligible Expenses incurred by Grantee prior to its receipt of Grant funds. Grantee shall, within thirty (30) calendar days of its receipt of Grant funds, repay Company an amount equal to the amount of funds advanced to Grantee by Company. For the sake of clarity, Eligible Expenses paid with funds advanced and subsequently repaid in accordance with the terms of the MOU are not considered to be expenses that have been reimbursed to or paid for on behalf of the Grantee.

Section 3.16 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 3.17 Annual Compliance Certificate. Beginning on October 10, 2024, 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 D, Grantee shall sign and deliver to the Grant Manager, an Annual Compliance Certificate in substantially the form of Exhibit E. Grantee shall also provide an Annual Compliance Certificate in substantially the form of Exhibit E upon request of the Grant Manager at any time during the Term.

Section 3.19 Key Milestones. Grantee agrees to the Key Milestones set forth in Exhibit B and acknowledges that the Grant Manager determines compliance with Key Milestones in the Grant Manager's institutionally reasonable discretion.

Section 3.20 Project Completion. Grantee shall complete the Eligible Activities and the Project in accordance with the Budget attached as Exhibit C to this Agreement and comply with the requirements of Project Completion Milestone no later than December 31, 2028.

Section 3.21. Grantee Duties. In addition to all other Grantee obligations under this Agreement, the Grantee agrees that, to the satisfaction of the Grant Manager:

- (a) Grant funds are to be used, as near as possible, in accordance with the Budget;
- (b) Grantee shall provide each of the following to the Grant Manager:
 - (i) the Progress Reports as required by the State Required Terms set forth in Exhibit D;
 - (ii) Grantee's final Disbursement Request no later than December 31, 2027;
 - (iii) the Project Completion Certificate no later than December 31, 2028, in the form and substance set forth on Exhibit C-3;

- (iv) Beginning October 10, 2024, and on an annual basis due each subsequent October 10 through the end of the Term, or upon request of the Grant Manager, the Annual Compliance Certificate in substantially the form of Exhibit E.

ARTICLE IV

REPRESENTATIONS AND COVENANTS OF THE MSF

The MSF represents and warrants to the Grantee:

Section 4.1 Organization. The MSF is a public body corporate and politic within the Department of Labor and Economic Opportunity of the State of Michigan created under the Act. The MSF 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 MSF 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 MSF:

(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 the Application, a Disbursement Request, a Progress Report, an Annual Compliance Certificate, the Project Completion 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 Compliance 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 satisfaction of the MSF Fund 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, the MSF, or any department or agency within the State; provided if curable, the Grantee shall have the opportunity to cure this Event of Default to the satisfaction of the MSF Fund Manager within the Cure Period;

(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; and

(f) any default, violation, breach, or non-compliance, of any kind or nature under any of the Transaction Documents; provided if curable, the Grantee shall have the opportunity to cure this Event of Default to the satisfaction of the MSF Fund 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 MSF may immediately and without prior notice suspend making any Grant Disbursements.

(b) The MSF may pursue any and all of its rights under the Collateral Documents.

(c) The MSF may immediately, after expiration of any applicable Cure Period without a cure, terminate this Agreement.

(d) The MSF may, after expiration of any applicable Cure Period without a cure, require the Grantee to pay the MSF the amount equal to the Grant funds then disbursed to Grantee less any Grant funds already expended or otherwise committed for the payment of Eligible Expenses or to the Company pursuant to Section 3.15, except for violations of Section 3.8, which violation shall require the repayment of all Grant funds then disbursed to Grantee.

(e) No remedy described in this Agreement is intended to be the sole and exclusive remedy available to the MSF, 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 MSF in successfully collecting any sums due the MSF under this Agreement, in enforcing any of its rights under this Agreement, or in exercising any remedies available to the MSF.

(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 MSF.

(g) Notwithstanding anything to the contrary, the MSF Fund Manager 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 MSF any amount in excess of Grant Disbursements received by the Grantee.

Section 5.3 Other Suspension. In the event the MSF becomes aware of a Default, the MSF may immediately and without prior notice suspend making any Grant Disbursements and/or issue an MSF Notice of Disposition (as defined in the Deposit Account Control Agreement) to effectuate a freeze of the Deposit Account, in each case until such time the MSF is satisfied

otherwise. The Grantee shall cooperate upon the request of the Grant Manager to provide additional information regarding the aforementioned event or circumstance.

Section 5.4 Recovery of Grant Funds by Grantee, Remaining Grant Funds.

(a) In the event Grantee receives repayment for any reason, voluntarily or involuntarily, of any portion of any Grant funds from or on behalf of any vendor, or any subgrantee, the amount received by Grantee, less any reasonable costs of collection incurred by the Grantee, shall be repaid to the MSF within thirty (30) calendar days of receipt by the Grantee. This Section 5.4 shall survive the end of Term. For the sake of clarity, Grant funds returned to Grantee by a subgrantee or vendor that are reallocated to another subgrantee or vendor for Eligible Activities are not required to be repaid to the MSF.

(b) In the event that Grantee has possession or control of any remaining Grant funds upon the earlier of: (i) Grantee's submission of the Project Completion Certificate or (ii) the end of the Term, Grantee shall immediately pay the MSF the balance of such funds.

Section 5.5 Interest. Any amounts due to the MSF under this Agreement must be paid within 90 days of notification by the MSF and are subject to interest at a rate of one percent (1%) per month, prorated on a daily basis, beginning on the ninety-first (91st) day of nonpayment of any amounts owed to the MSF and continuing until all funds owed under this Agreement are paid in full to the MSF. This Section shall survive the end of Term.

ARTICLE VI

MISCELLANEOUS

Section 6.1 Notice. Any notice or other communication under this Agreement shall be in writing and sent by e-mail, 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 or e-mail accounts, and shall be deemed delivered: (i) one business day after an e-mail 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; Electronic Signatures. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall be deemed one and the same instrument. The Parties may execute this Agreement by electronic signatures, and agree that such electronic signatures shall be valid and binding to the same extent as original signatures.

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 MSF, or the MEDC to any individual person, firm, or entity for any purpose.

Section 6.8. Successors and Assigns. The MSF 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 MSF. 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 3.14 and Article V shall survive until all amounts due the MSF 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 MSF Fund Manager. As required under Section 88t of the Act, the MSF will provide written notice to the Legislature of any requests to modify the fully executed written Agreement and will otherwise comply with requirements of Section 88t prior to taking any action on such amendment request.

Section 6.12 Publicity. At the request and expense of the MSF or the MEDC, the Grantee will cooperate with the MSF or 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. The Grantee shall be excused from performing its obligations under the Agreement, in whole or in part, as necessitated based on the circumstances, to the extent that Grantee's performance under this Agreement is reasonably affected by any act of God, strike, pandemic or regional health emergency (including COVID 19 or similar iteration), war, failure of one or more of the Municipalities to perform their respective obligations under the

Municipal Contracts through no fault of Grantee, or other reason of a like nature not attributable to the act or omission of the Grantee. If the Grantee reasonably determines that its obligations under this Agreement can be completed with an extension of time, Grantee shall make a written request to the MSF for additional time to perform such obligations. The MSF may, in its reasonable discretion, grant Grantee's request.

(Signatures on following page.)

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: Robert Weise
Its: Township Supervisor

MICHIGAN STRATEGIC FUND

By: Matthew Casby
Its: Fund Manager

EXHIBIT A

DEFINED TERMS

- (g) **"Act"** means the Michigan Strategic Fund Act, MCL 125.2001 et seq., including, in particular, MCL 125.2088t which authorized the creation of the SSRP.
- (h) **"Agreement"** means this Agreement, including the Exhibits to this Agreement.
- (i) **"Annual Compliance Certificate"** means the written compliance certification to be submitted by the Grantee on an annual basis in substantially the same form as Exhibit E.
- (j) **"Application"** has the meaning set forth in Recital F.
- (k) **"Auditor General"** means the auditor general of the State of Michigan.
- (l) **"Budget"** has the meaning set forth in Section 2.4.
- (m) **"Collateral Documents"** has the meaning set forth in Section 3.14.
- (n) **"Company"** means Corning Incorporated and any of its subsidiaries, including but not limited to Solar Technology LLC and its successors and assigns.
- (o) **"Confidential Information"** has the meaning set forth in Section D.2 of Exhibit D.
- (p) **"Contract Management Fee"** means an amount of up to three percent (3%) of the Grant. The Contract Management Fee may only be used by the Grantee for the purpose of administering this Agreement and/or the redistribution of the applicable Grant funds pursuant to the terms of the Primary Contracts.
- (q) **"Corning"** has the meaning set forth in Section 3.15(a).
- (r) **"Cure Period"** means within twenty (20) calendar days after written notice by the MSF Fund Manager, or within such longer period of time as determined in writing and at the sole discretion of the MSF Fund Manager.
- (s) **"Default"** means an event which, with the giving of notice or the passage of time, or both, would constitute an Event of Default.
- (t) **"Deposit Account"** means the depository account in Grantee's name and ending in [REDACTED], held at Huntington National Bank.
- (u) **"Deposit Account Control Agreement"** means the agreement among the MSF, Grantee, and Huntington National Bank, dated [REDACTED] MONTH XX, 20XX, where the Deposit Account is located.
- (v) **"Development Agreement"** has the meaning set forth in Section 3.15(b).
- (w) **"Disbursement Request"** means a written request from Grantee for a Grant Disbursement in form and substance of Exhibit B-1 in accordance with the terms and conditions set forth in Section 2.3 and Exhibit B
- (x) **"Effective Date"** has the meaning set forth in the preamble.

(y) **"Eligible Activities"** means activities related to infrastructure improvements that directly benefit the Project, including electrical infrastructure, sewer infrastructure, water and wastewater infrastructure, and project management and related costs and fees, including, but not limited to, the Contract Management Fee.

(z) **"Eligible Expenses"** means the actual expenditure of funds by the Grantee on or after November 6, 2023, for Eligible Activities in accordance with the Budget and timeline. For the sake of clarity, in no event shall Eligible Expenses include expenses paid for by another entity (e.g., MDOT, Saginaw County Road Commission, etc.) except for those expenses paid using Grant funds in accordance with the Municipal Contracts.

(aa) **"Event of Default"** means any one or more of those events described in Section 5.1.

(bb) **"Exhibit"** means each of the documents or instruments attached to this Agreement.

(cc) **"Grant"** has the meaning set forth in Recital H.

(dd) **"Grant Disbursement"** means Grant funds paid to the Grantee by the MSF under this Agreement.

(ee) **"Grantee"** means the Grantee as identified in the preamble.

(ff) **"Grant Manager"** means that individual person designated by the MSF Fund Manager from time to time to provide administrative services for the MSF under this Agreement.

(gg) **"Indemnified Persons"** has the meaning set forth in Section D.6 of Exhibit D.

(hh) **"Key Milestone"** means achievements of the Grantee as described in Exhibit B, including the Key Milestone Number One, a Subsequent Distribution Request, and the Project Completion Milestone.

(ii) **"Key Personnel"** means the Grantee or its affiliates, subsidiaries, officers, directors, managerial employees, and any person who, directly or indirectly, holds a pecuniary interest in the Grantee of 20% or more.

(jj) **"Maximum Grant"** means Twenty-Nine Million and 00/100 Dollars (\$29,000,000.00).

(kk) **"MEDC"** has the meaning set forth in Recital B.

(ll) **"MOU"** has the meaning set forth in Section 3.15(a).

(mm) **"MSF"** has the meaning set forth in the preamble.

(nn) **"MSF Fund Manager"** means the person designated by the Board of Directors of the MSF from time to time to serve as the manager for the MSF programs.

(oo) **"Municipalities"** has the meaning set forth in Section 2.6.

(pp) **"Municipal Contracts"** has the meaning set forth in Section 2.6.

(qq) **"Party"** or **"Parties"** has the meaning set forth in the preamble.

(rr) **"Pledge Agreement"** means that certain Pledge and Assignment of Deposit Account Agreement of even date herewith between the MSF and Grantee.

(ss) **"Primary Contracts"** means the Municipal Contracts and any other memorandum of understanding or other written agreement between Grantee and the following: (i) the Company including, but not limited to the MOU and the Development Agreement; and (ii) any engineer, designer, consultant, contractor or entity, or vendor engaged to perform the Eligible Activities for the Project, as applicable.

(tt) **"Primary Eligible Activities"** means those activities identified as such in Table C-1 of Exhibit C.

(uu) **"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 required by the Act, as more particularly described in Section D.1 of Exhibit D, and otherwise in form and substance required from time to time by the SSRP.

(vv) **"Project"** the has the meaning set forth in Recital G.

(ww) **"Project Completion Certificate"** means the written certification of Grantee in support of the Project Completion Milestone, in the form and substance set forth in Exhibit B-3.

(xx) **"Project Completion Milestone"** is the final Key Milestone set forth on Exhibit B.

(yy) **"Secondary Eligible Activities"** means those activities identified as such in Table C-2 of Exhibit C.

(zz) **"SOAR"** has the meaning set forth in Recital E.

(aaa) **"SSRP"** has the meaning set forth in Recital C.

(bbb) **"State"** means the State of Michigan.

(ccc) **"Subsequent Distribution Request"** means any Distribution Request that is submitted following the initial Disbursement Request.

(ddd) **"Supporting Documentation"** means invoices, receipts, copies of contracts for Eligible Activities, and any other relevant documents arising out of the Eligible Activities.

(eee) **"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) June 30, 2029; (ii) the Grant Manager's approval of the Project Completion Milestone; or (iii) when the Parties agree in writing.

(fff) **"Transaction Documents"** means this Agreement, the CIP Agreement, the Primary Contracts, and all such other agreements and ancillary documents arising out of the Project, as each may be amended or restated from time to time.

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 \$14,500,000.

The Grantee must demonstrate to the 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 consented to by Company;
2. Copies of all currently executed Primary Contracts and any updates, modifications, amendments, restatements thereto; and
3. A spreadsheet describing in detail the projected Eligible Activities to be completed with the grant disbursement received under Key Milestone One, in accordance with the Budget.

Subsequent Distribution Requests:

Grant Disbursement: Amount to be requested by the Grantee in each Disbursement Requests, but cannot, combined with all other Grant Disbursements, exceed the Maximum Grant.

Each time the Grantee requests a Subsequent Grant Disbursement, the Grantee must demonstrate to the 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 consented to by Company;
2. Copies of all currently executed Primary Contracts not previously provided and any updates, modifications, amendments, restatements thereto;
3. A spreadsheet describing and itemizing the actual Eligible Expenses for Eligible Activities of all cumulative grant disbursements received to date, indicating whether the Eligible Expenses have been committed, incurred, or fully paid, all of which must meet the 75% threshold set forth in Section 2.3(b)(ii)(3). The spreadsheet shall include the corresponding category of the Budget, identify the name of actual vendor or recipient of each expenditure, and be accompanied by Supporting Documentation; and
4. To the extent Company advanced funds to Grantee for Eligible Expenses pursuant to Section 3.15, written documentation that Company was reimbursed in accordance with the MOU;

5. A spreadsheet describing in detail the Eligible Activities to be completed with each grant disbursement being requested, in accordance with the Budget.
6. The first time that Grantee seeks Grant funds for the completion of Secondary Eligible Activities, Certification of Completion of Primary Eligible Activities in the form and substance set forth in Exhibit B-2, signed by the Company.

Project Completion Milestone:

Grant Disbursement: \$0

On or before December 31, 2028, the Grantee must provide to the satisfaction of the Grant Manager all the following and must otherwise be in compliance with the Agreement:

1. The Project Completion Certificate, in the form and substance as set forth in Exhibit B-3, signed by Grantee.
2. Copies of all currently executed Primary Contracts not previously provided and any updates, modifications, amendments, restatements thereto;
3. A spreadsheet describing and itemizing the actual expenditure of all Grant Disbursements for all Eligible Expenses for 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;
4. Demonstrated verification that one hundred percent (100%) of the funds disbursed have been expended for Eligible Activities; and
5. Documentation satisfactory to the Grant Manager that the Project is complete.

EXHIBIT B-1

DISBURSEMENT REQUEST

This Disbursement Request is submitted on _____ (the "Submission Date"), pursuant to Section 2.3(b) of the Strategic Site Readiness Grant Agreement, between the MSF and Thomas Township (the "Grantee"), Case No. 408566, dated August 15, 2024 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 signing:

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 MSF'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 MSF'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 MSF'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 are copies of all currently executed Primary Contracts not previously provided and any updates, modifications, amendments, restatements thereto.
5. Attached hereto is the Supporting Documentation in support of the Eligible Expenses set forth below.
6. 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:

Table 1: Summary of Eligible Expenses incurred:

Eligible Expenses for Eligible Activity Categories	Cost	Committed/ Encumbered ? (Yes / No)	Fully Paid? (Yes / No)	Vendor Name
PRIMARY ELIGIBLE ACTIVITIES				
1. Road Improvements				
(i) Orr Road				
(ii) Thomas Road				
(iii) Geddes Road				
(iv) O'Hara Road				
(v) Gratiot at Orr Traffic Signal				
(vi) ROW Acquisition				
2. Sewer Improvements				
3. Water Improvements				
(i) Boost Station / Check Valves				
(ii) Gratiot Road Pump Station Improvements				
(iii) Orr Road Water Main Loop				
TOTAL SPENT:				
PREVIOUSLY DISBURSED:				
SECONDARY ELIGIBLE ACTIVITIES				
1. Pump Station 1 Replacement				
2. N. Gleaner Road 10" Force Main Repair Investigation				
3. Geddes Road (Fordney to Hemlock Road)				
4. Graham Road (Sunshine Drive/Tech Park to Frost Road)				
TOTAL SPENT:				
PREVIOUSLY DISBURSED:				

7. [As applicable: To date, Company has advanced a total of _____ and 00/100 Dollars (\$_____.00) to Grantee for the completion of Eligible Expenses pursuant to the terms of the MOU. To date, Company has been reimbursed

in the total amount of _____ and 00/100 Dollars (\$_____.00) in accordance with the MOU. Attached hereto is written documentation not previously provided demonstrating such reimbursement.]

8. Grantee is requesting _____ and 00/100 Dollars (\$_____.00) in this Disbursement Request for the completion of the following Eligible Activities:

Table 2: Summary of Expected Eligible Activities:

	Eligible Activity	Budget Amount
1		
2		
3		
4		
5		
6		
7		
TOTAL AMOUNT REQUESTED:		

9. **[Include with the initial request for Grant funds that will be used for Secondary Eligible Activities:** To the extent that the requested Grant funds will be used for completion of Secondary Activities: Attached hereto is the Certification of Completion of Primary Eligible Activities signed by the Company demonstrating Company's agreement that the Primary Eligible Activities have been substantially complete, and thereby Grant funds to be used for the completion of Secondary Eligible Activities.]

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

THOMAS TOWNSHIP

By:
Its:

COMPANY CONSENT TO DISBURSEMENT

The undersigned, in the name and on behalf of Corning Incorporated and its subsidiaries (and not in an individual capacity), hereby consents to the requested distribution of Grant funds in the amount of _____ and 00/100 Dollars (\$_____.00) for the completion of those Eligible Activities as set forth above.

CORNING INCORPORATED

By:
Its:

EXHIBIT B-2

CERTIFICATION OF COMPLETION OF PRIMARY ELIGIBLE ACTIVITIES

This Certification of Completion of Primary Eligible Activities ("Certificate") is being delivered pursuant to the Strategic Site Readiness Program ("SSRP") Agreement dated August 15, 2024 (the "SSRP Grant Agreement"), by and between the Michigan Strategic Fund ("MSF"), and Thomas Township, Case No. 408566. Capitalized terms in this Certificate and not otherwise defined in this Certificate shall have the meanings ascribed to them in the SSRP Grant Agreement.

The undersigned, in the name and on behalf of Corning Incorporated and its subsidiaries (and not in an individual capacity), hereby certifies, represents and warrants that as of the date of signing this Certificate, all Primary Eligible Activities have been substantially completed such that the Primary Eligible Activities are:

1. Fit for its intended use;
2. Appropriate to serve the Project; and
3. Acceptable to Corning Incorporated and its subsidiaries.

The undersigned has the authority to sign this Certificate on behalf of Corning Incorporated and its subsidiaries and signs this Certificate as of _____.

CORNING INCORPORATED

By:

Its:

EXHIBIT B-3

PROJECT COMPLETION CERTIFICATE

This Project Completion Certificate ("Certificate") is being delivered pursuant to the Strategic Site Readiness Program ("SSRP") Agreement dated August 15, 2024 (the "SSRP Grant Agreement"), by and between the Michigan Strategic Fund ("MSF"), and Thomas Township, Case No. 408566. Capitalized terms in this Certificate and not otherwise defined in this Certificate shall have the meanings ascribed to them in the SSRP Grant Agreement.

The undersigned, in the name and on behalf of Thomas Township (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. Thomas Township has complied and is in compliance with all the terms, covenants and conditions of the SSRP Grant Agreement.
3. No Default or Event of Default exists.
4. The representations and warranties of Thomas Township contained in Article III of the SSRP Grant Agreement are true and correct.
5. The amount remaining in the Deposit Account is _____.
6. **If there is a remaining balance in the Deposit Account add:** [Included with this Certificate, Thomas Township hereby submits payment of the balance of the Deposit Account to the MSF in the amount of _____.]

If there is no remaining balance in the Deposit Account add: [Attached to this Certificate is a spreadsheet itemizing the actual expenditure of the entirety of the Deposit Account on permitted Eligible Activities as required by the Project Completion Milestone].

The undersigned has the authority to sign this Certificate on behalf of Thomas Township and signs this Certificate as of _____.

THOMAS TOWNSHIP

By:
Its:

EXHIBIT C
PROJECT BUDGET

Table C-1: Primary Eligible Activities

	<u>Cost</u>
<u>Road Improvements</u>	
1. Orr Road	\$ 378,268
2. Thomas Road	\$ 863,389
3. Geddes Road	\$ 446,573
4. O'Hara Road	\$ 462,376
5. Gratiot at Orr Traffic Signal	\$ 150,000
6. Right of Way Acquisition	\$ 10,000
Road Improvements Total:	\$ 2,310,606
<u>Sewer Improvements</u>	\$ 7,728,671
<u>Water Improvements</u>	
1. Boost Station/Check Valves	\$ 7,339,331
2. Gratiot Rd. Pump Station Improvements	\$ 3,725,000
3. Orr Road Water Main Loop	\$ 1,458,692
Water Improvements Total:	\$12,523,023
<u>Contract Management Fee</u> (3% of Grant)	\$ 870,000
TOTAL:	\$23,432,300

Table C-2: Secondary Eligible Activities

	<u>Cost</u>
1. Pump Station 1 Replacement	\$ 1,500,000
2. N. Gleaner Road 10" Force Main Repair Investigation	\$ 750,000
3. Geddes Road (Fordney to Hemlock Road)	\$ 1,000,000
4. Graham Road (Sunshine Drive/Tech Park to Frost Road)	\$ 800,000
TOTAL:	\$ 4,050,000

EXHIBIT D

STATE REQUIRED TERMS

Section D.1 Progress Reports. Beginning October 10, 2024, and continuing no later than October 10th of each calendar year during the Term, the Grantee shall submit to the Grant Manager an annual Progress Report relative to the Project. The Progress Report shall be an all-encompassing report of the preceding twelve (12) months ending September 30, and submission of all data required for the MSF to comply with its annual reporting requirements to the Michigan legislature under the Act (see MCL 125.2009); including reporting for the previous twelve (12) months ending September 30:

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

Section D.2 Confidentiality. In connection with the transactions contemplated by this Agreement, the MSF, the MEDC or their representatives may obtain, or have access to all information or data concerning the business, operations, assets or liabilities of the Grantee. Under MCL 125.2005(9), the MSF Board has authority, upon the Grantee's request, to acknowledge financial or proprietary Grantee information as confidential. If the MSF acknowledges Grantee information as confidential (the "Confidential Information"), the MEDC and the MSF agree that they and their representatives will use the Confidential Information solely for the purpose of administering this Agreement, and that the Confidential Information will be kept strictly confidential and that neither the MEDC, the MSF, nor any of their representatives will disclose any of the Confidential Information in any manner whatsoever. However, the MSF or the MEDC may disclose Confidential Information: (i) to such of its representatives who need such information or data for the sole purpose of administering the SSRP and the transactions contemplated by this Agreement; (ii) to the extent required by applicable law (including, without limitation, the Michigan Freedom of Information Act); (iii) if, before the Effective Date, such information or data was generally publicly available; (iv) if after the Effective Date, such information or data becomes publicly available without fault of or action on the part of the MSF, the MEDC or its representatives; and (v) in all other cases, to the extent that the Grantee gives its prior written consent to disclosure. This Section shall survive indefinitely.

Section D.3 Access to Records and Inspection Rights. During the Term, there will be frequent contact between the Grant Manager, or other MEDC, MSF or State representatives, and the Grantee. Until the end of the Term of the Grant, to enable the Auditor General, the Department of Technology, Management and Budget, the Chief Compliance Officer, the MSF, the MEDC, or any employee or agent thereof (collectively, the "State Parties") to monitor and ensure compliance with the terms of this Agreement, the Grantee shall permit the State Parties to visit the office of Grantee, 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. In connection with any such audit, the Grantee shall cooperate with the Chief Compliance Officer, if contacted, as provided in MCL 125.2088i(6)(h). At such visits, the Grantee shall permit the State Parties 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. Notwithstanding anything to the contrary, any information and data that the Grantee reasonably determines is Confidential Information shall be reviewed by the State Parties at the offices of the

Grantee and the State Parties 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. The Grantee may redact private or proprietary information contained in any records removed, copied, photographed, or recorded by the State Parties. The MEDC and MSF agree to provide the Grantee thirty (30) days written notice in the event either the MEDC or the MSF wishes to access records of the Grantee related to this Agreement.

Section D.4 Termination of Funding. In the event that the State Legislature or the State Government fails to provide or terminates the funding necessary for the MSF to fund the Grant, the MSF 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 MSF has no further obligation to make Grant Disbursements beyond the date of termination of this Agreement.

Section D.5 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 D.6 Indemnification and Hold Harmless. Except for their respective obligations to process or disburse Grant Disbursements as required in this Agreement, the MSF, 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 MSF, and 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 MSF, 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 MSF, the MEDC or other Indemnified Person, unless the court finds that despite the adjudication of liability, the MSF, the MEDC or other Indemnified Person is fairly and reasonably entitled to indemnity for the expenses the court considers proper. The MSF, the MEDC and the Grantee agree to act cooperatively in the defense of any action brought against the MSF, 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 D.7 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 Michigan Court of Claims or, as appropriate, 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 E

ANNUAL COMPLIANCE CERTIFICATE

OCTOBER 10, 20__¹

This compliance certificate is being delivered pursuant to Section 3.17 of the Strategic Site Readiness Program Grant Agreement (the "Certificate"), by and between the Michigan Strategic Fund (the "MSF"), Case No. 408566, and 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 MSF'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 MSF'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 MSF's waiver or acceptance thereof). *[If any are described, state the nature and status thereof and actions proposed to be taken with respect thereto.]*

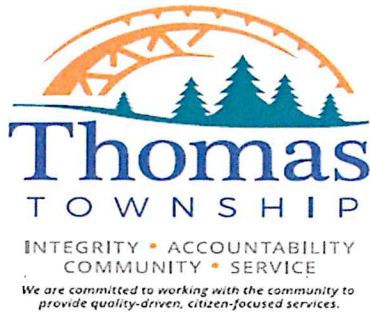
The undersigned has the authority to sign this Certificate on behalf of the Grantee and signs this Certificate as of _____, 20__.

THOMAS TOWNSHIP

By:

Its:

¹ To be delivered on October 10 each year of the Term.



TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** August 28, 2024
- **SUBMITTED BY:** Deidre Frollo, Township Manager
- **AGENDA TOPIC:** Approve the State-Required Pledge and Assignment Agreement pertaining to the SSRP grant funds for infrastructure improvements to support Corning, Inc.'s investment.
- **EXPLANATION OF TOPIC:** As all of us know, there seems to be an endless number of agreements that we have had to negotiate and process relative to Corning's investment in Richland Township. This particular one came rather late in the game, but as we are told, the grant funds from the State made available through the SSRP program will not be distributed without this agreement in place. Frankly, even though we have very little say as to the content of the agreement, it would have been preferable to have had an opportunity to review it under less urgent circumstances.

The proposed agreement further enhances the State's control of the funds that they are awarding through the SSRP grant program. This agreement goes beyond the DACA that the Board approved previously to further strengthen the State's ability to step in should the Township fail in its commitment or engages in some inappropriate action. Otto has reviewed the document and several changes were made based upon his input. Ultimately, if we want to acquire the funds, we are forced to approve this additional agreement.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Proposed Pledge and Assignment Agreement as amended with the Township Attorney's input.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by _____ supported by _____ to approve the State required Pledge and Assignment Agreement pertaining to the SSRP grant funds for the infrastructure improvements to support Corning, Inc.'s investment.
- **ROLL CALL VOTE REQUIRED:** No

PLEDGE AND ASSIGNMENT OF PROJECT FUNDS ACCOUNT

This Pledge and Assignment of Project Funds Account ("Pledge Agreement") is made is effective as of August 15, 2024 (the "Effective Date"), is between the Michigan Strategic Fund (the "MSF"), whose address is 300 North Washington Square, Lansing, Michigan 48913, and Thomas Township, a Michigan township (the "Grantee"), whose address and principal office is 249 North Miller Road, Saginaw, Michigan 48609. As used in this Agreement, the MSF and the Grantee are, individually, a "Party" and, collectively, the "Parties". Capitalized terms used herein and not otherwise defined herein have the respective meanings set forth in the SSRP Grant Agreement (as defined herein).

RECITALS

A. The Michigan Strategic Fund Act (MCL 125.2001 et seq.), as amended, includes Section 88s (MCL 125.2088s), to enable the MSF to create and operate the critical industry program to provide qualified investments to qualified businesses in the State of Michigan for deal-closing, gap financing, or other economic assistance to create or retain qualified jobs as a result of a technological shift in product or production or make capital investment, or both.

B. Under the control and direction of the MSF Board, staff of the Michigan Economic Development Corporation, a public body corporate (the "MEDC"), provides administrative services for the MSF.

C. On January 11, 2022, the MSF Board established the Strategic Site Readiness Program (the "SSRP") and associated guidelines to govern the SSRP, as amended, and which may be amended from time to time.

D. The SSRP is to be funded through the Strategic Outreach and Attraction Reserve created by PA 137 of 2021 ("SOAR").

E. On February 27, 2024, the MSF approved a SSRP grant award to the Grantee in the amount of up to Twenty-Nine Million and 00/100 Dollars (\$29,000,000.00) ("Grant") to be disbursed under the terms of a Strategic Site Readiness Grant Agreement dated on or about the Effective Date (the "SSRP Grant Agreement"), subject to the transfer of SOAR funds necessary to fund the Grant.

F. Under the terms and conditions of the SSRP Grant Agreement, the Grantee shall use the grant disbursements to be reimbursed for Eligible Expenses for Eligible Activities for the Project.

G. Grantee has established a certain deposit account at Huntington National Bank, [INSERT ADDRESS] (the "Bank"). As required under the SSRP Grant Agreement, and as further described herein, the MSF has required that the Grantee pledge its interest in the Grantee's Bank account to the MSF, as security under the SSRP Grant Agreement.

H. Pursuant to the SSRP Grant Agreement, Grantee has agreed to execute such instruments as the MSF may reasonably request to confirm such pledge as described in the SSRP Grant Agreement.

NOW THEREFORE, in consideration of the Recitals, the SSRP Grant Agreement and the promises in this Pledge Agreement, the Parties agree:

1. **Account.** Grantee has established with the Bank a separate special, segregated, and irrevocable cash account in the form of an interest-bearing account which is and shall remain maintained at the Bank in the name of Grantee ("Account"). The account number of the Account is XXXXXXXXXXXX. The Grantee, the MSF and the Bank have entered into a Control Agreement with respect to the Account ("Deposit Account Control Agreement") dated on or about the Effective Date, which among other things, and together with this Pledge Agreement, perfects the MSF's security interest in the Account.
2. **Account Registration.** Pursuant to the SSRP Grant Agreement, Grantee acknowledges that the Account is the only account of Grantee registered with the State of Michigan to receive Grant Disbursements under the terms and conditions of the SSRP Grant Agreement.
3. **Grant Disbursements.** Pursuant to the SSRP Grant Agreement, and except as otherwise agreed to in writing by MSF and the Grantee, all Grant Disbursements from MSF to the Grantee shall be deposited into the Account and used therefrom only as permitted under the SSRP Grant Agreement. For the avoidance of doubt, so long as such funds are used as permitted under the SSRP Grant Agreement, no consent or other action from MSF shall be necessary to use the funds in the Account, subject to Section 6 below.
4. **Pledge of Account.** As collateral security for the Grant to the Grantee under the SSRP Grant Agreement, the Grantee hereby pledges, assigns, hypothecates and transfers to the MSF a lien and security interest in and to the Account and all cash, investments, investment property, securities or other property at any time on deposit in or credited to the Account, including all income or gain earned thereon and any proceeds thereof (collectively, the "Account Collateral"). This Pledge Agreement shall terminate in accordance with the terms of the SSRP Grant Agreement or otherwise upon the termination of the SSRP Grant Agreement.
5. **Grantee Representations and Warranties.** Grantee represents and warrants to the MSF that (a) except as to the interest of the Bank in connection with the Bank's customary fees and charges and reversal of provisional credits, no prior lien or encumbrance exists on the Account Collateral, and the Grantee will not grant or suffer to exist any such lien or encumbrance in the future, other than in favor of the MSF; (b) the Grantee is the legal owner of the Account Collateral and has the right to pledge and grant a security interest in the Account Collateral without the consent of any other party; and (c) this Pledge Agreement has been duly authorized, executed and delivered by the Grantee and is the legal, valid, binding and enforceable obligation of such party, subject to bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and subject to general equitable principles.
6. **Event of Default/Bank Termination.**
 - a. **Event of Default.** In addition to any other rights given to MSF under this Pledge Agreement and applicable law, if any Default or Event of Default under the SSRP Grant Agreement occurs and continues, the MSF may issue an Exclusive Access Notice (as defined in the Deposit Account Control Agreement) to effectuate a freeze of the Account, and declare any and all of the amounts then owed to the MSF as permitted under the SSRP Grant Agreement to be immediately due and payable without notice and the MSF shall have and may exercise, in addition to all other rights and remedies granted to it in the SSRP Grant Agreement and the

Collateral Documents, including this Pledge Agreement, and in any other instrument or agreement securing, evidencing, or relating to the Account Collateral, all the rights and remedies on default, in forfeiture, and otherwise available to secured parties under the Uniform Commercial Code and other applicable law, and all funds then in the Account shall be held by the Grantee, as the case may be, in trust for MSF, and shall immediately be turned over to MSF.

- b. Bank Termination of the Deposit Account Control Agreement. Prior to termination of the SSRP Grant Agreement, in the event there is a Bank notice of termination, or other termination by the Bank, under the Deposit Account Control Agreement, the MSF may issue an Exclusive Access Notice (as defined in the Deposit Account Control Agreement) to effectuate a freeze of the Account, and provide written instructions to the Bank for further disposition of any funds in the Account, for the sole purpose of carrying out the terms of this Pledge Agreement, to exercise any of the rights and remedies granted to MSF herein, and to take any and all other appropriate action and to execute any and all documents and instruments that may be reasonably necessary or desirable to maintain the MSF's security interest in the Account Collateral and to maintain and/or effectuate MSF's rights and remedies under this Pledge Agreement.
7. MSF's Appointment as Attorney-in-Fact. If any Default or Event of Default under the SSRP Grant Agreement, occurs and continues, or if there is a Bank notice of termination, or other termination by the Bank of the Deposit Account Control Agreement under the Deposit Account Control Agreement, the Grantee irrevocably appoints MSF, with full power of substitution, as its true and lawful attorney-in-fact with full irrevocable power and authority in its respective place and stead and in its name or in its own name, from time to time in MSF's sole discretion, for the sole purpose of carrying out the terms of this Pledge Agreement, to exercise any of the rights and remedies granted to MSF herein, and to take any and all other appropriate action and to execute any and all documents and instruments that may be reasonably necessary or desirable to maintain and/or effectuate MSF's rights and remedies under this Pledge Agreement.
8. Powers Coupled with an Interest. All powers, authorizations, and agencies contained in this Pledge Agreement with respect to the Account Collateral are irrevocable during the period that this Pledge Agreement is in effect, and such powers are coupled with an interest. The Grantee ratifies all that the MSF, as attorney-in-fact hereunder, shall lawfully do or cause to be done by virtue of the MSF's exercise of its rights under Section 7 of this Pledge Agreement.
9. Voluntary Waiver by the Grantee. The Grantee knowingly, voluntarily, and intelligently waives any and all causes of action and claims that it may have against MSF or its contractors, or agents, as a result of the exercise by MSF, of any of MSF's rights and remedies hereunder, and MSF and its' contractors and agents shall have no duty with respect to the Grantee except as otherwise provided herein or in the SSRP Grant Agreement. The Grantee further knowingly, voluntarily, and intelligently waives any and all defenses it may have in connection with the Account Collateral or the exercising by the MSF of its rights and remedies in accordance with the terms of this Pledge Agreement. The waivers contained herein are freely, knowingly, and voluntarily given by the Grantee, without any duress or coercion, and the Grantee has carefully and completely read all of the terms and provisions of this Pledge Agreement. No Party shall be deemed to have relinquished these waivers except by a writing signed by the Party to be charged without

having relinquished any such waiver. All such waivers contained in this Section 9 are given to the extent permissible under applicable law.

10. **No Waiver by MSF, Cumulative Remedies.** MSF shall not by any act, delay, omission, or otherwise be deemed to have waived any of its rights or remedies hereunder, and no waiver by MSF shall be valid unless in writing, signed by MSF, and then only to the extent therein set forth. A waiver by MSF of any right or remedy hereunder on any one occasion shall not be construed as a bar to any right or remedy that MSF would otherwise have had on any future occasion. No single or partial exercise of any right, power, or privilege hereunder by MSF shall preclude any other or future exercise thereof or the exercise of any other right, power, or privilege. These rights and remedies are cumulative and may be exercised singly or concurrently and are not exclusive of any rights and remedies provided by law.
11. **Notices:** Any notice or other communication under this Agreement shall be in writing and shall be deemed properly given and received (a) as of the second business day after deposit with Federal Express or a similar overnight courier service, delivery charges prepaid; or (b) on the same day as the transmission of an e-mail, or of a PDF or similar file attached to an email, so long as such email is sent before 5:00 p.m. EST on such business day (and timely transmission thereof is evidenced by such email appearing in sender's "sent" e-mail box before such time), or (c) the business day after transmission of an e-mail, or of a PDF or similar fail attached to an email, sent after 5:00 p.m. EST on such business day (with evidence of time of transmission thereof by such email appearing in sender's "sent" e-mail box after such time):

If to Grantee:

GRANTEE
XXXXXXXXXX
XXXXXXXXXX
XXXXXXXXXX
Email: XXXXXXXX

If to the MSF:

Michigan Strategic Fund
c/o Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913
Attention: Colleen Horton
Email: hortonc@michigan.org

With a copy to:

Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913
Attention: MEDC Legal
Email: medclegal@michigan.org

Michigan Economic Development Corporation
300 North Washington Square
Lansing, Michigan 48913
Attention: MEDC Contracts and Grants
Email: ContractsandGrants@michigan.org

12. **Severability**: All the clauses of this Pledge 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 Pledge 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.
13. **Successors and Assigns**: The MSF may at any time assign its rights in this Agreement with the Grantee's consent, which may not be unreasonably conditioned or delayed; except however, the MSF may at any time, without consent of Grantee, assign its rights in this Agreement to any State entity (including, but not limited to, any department, agency, public body corporate, or other entity established as otherwise directed in an executive order or executive directive). The Grantee may not assign its rights or obligations under this Agreement without the prior written consent of the MSF Fund Manager. 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.
14. **Counterparts; PDF Signatures**. This Pledge Agreement may be signed in counterparts and delivered in PDF or other electronic format, and in any such circumstances, shall be considered one document and an original for all purposes.
15. **Jurisdiction**. The Parties agree that they shall make a good faith effort to resolve any controversies that arise regarding this Pledge Agreement. If a controversy cannot be resolved, the Parties agree that any legal actions concerning this Pledge Agreement shall be brought in the Michigan Court of Claims or, as appropriate, Ingham County Circuit Court in Ingham County, Michigan.
16. **Amendment**. This Pledge Agreement may not be modified or amended except pursuant to a written instrument signed by the Grantee and the MSF Fund Manager.
17. **Michigan Law**: This Pledge Agreement shall be interpreted, and the rights of the Parties hereunder shall be determined under the laws of the State of Michigan.

(Signature page follows.)

The Parties sign this Pledge Agreement effective as of the Effective Date. The individuals signing below certify that they have been duly authorized to execute this Agreement on behalf of their respective Party.

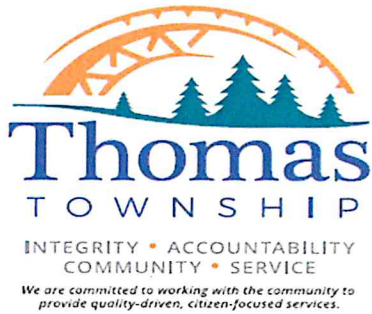
THOMAS TOWNSHIP

By: Robert Weise
Its: Township Supervisor

MICHIGAN STRATEGIC FUND

By: Matthew Casby
Its: Fund Manager

(Signature page to Pledge Agreement)



TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** August 28, 2024
- **SUBMITTED BY:** Deidre Frollo, Township Manager
- **AGENDA TOPIC:** Approve Second Addendum to the Water Services Agreement Between the City of Saginaw and Thomas Township.
- **EXPLANATION OF TOPIC:** The Second Addendum to the Water Services Agreement Between the City of Saginaw and Thomas Township allows for the improvements to the Gratiot Road Booster Station. We've discussed the limitations of the Boster Station with the Board in the past as we have worked through all f the infrastructure challenges that Corning's new plant has created for our community. The Gratiot Road Booster Station one of the more significant challenges as it had a n approximate maximum pumping capacity of 9 MGD. Once Corning comes on line, the combined water demands of Thomas Township, St. Charles and Swan Creek will approach that 9 million figure. The proposed improvements to the Booster Station will increase its capacity to roughly 11 MGD. This will maintain the same amount of available capacity within the station as currently exists.

The City has been very cooperative in our efforts to improve the Station to its maximum capacity. Once these improvements are completed, something much more significant will have to be done to increase the available water capacity. This project will essentially consist of changing the pumps out to larger ones. The improvements are being fully funded through the SSRP grant and are at no cost to the Township or the City.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Second Addendum to the Water Services Agreement Between the City of Saginaw and Thomas Township.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by _____ supported by _____ to approve the Second Addendum to the Water Services Agreement between the City of Saginaw and Thomas Township to upgrade the Gratiot Road Booster Station.
- **ROLL CALL VOTE REQUIRED:** No

**SECOND ADDENDUM TO THE WATER SERVICE AGREEMENT
BETWEEN
THE CITY OF SAGINAW AND THOMAS TOWNSHIP**

THIS SECOND ADDENDUM to the Water Service Agreement dated June 27, 2005, as amended, is made this _____ day of _____, 2024, by and between the CITY OF SAGINAW, MICHIGAN, a municipal corporation, organized and existing under the laws of the State of Michigan, hereinafter referred to as CITY, and THOMAS TOWNSHIP, a municipal corporation, organized and existing under the laws of the State of Michigan, hereinafter referred to as TOWNSHIP.

WHEREAS, CITY and TOWNSHIP entered into a Water Service Agreement on June 27, 2005, as amended on November 5, 2007 (hereinafter collectively referred to as the Agreement); and

WHEREAS, the Agreement provides the TOWNSHIP with set Maximum Allowable Daily Use and Maximum Allowable Annual Use rates; and

WHEREAS, the Agreement may need to be amended in the future to allow for increases in the daily and annual use rates to accommodate certain industrial development occurring in TOWNSHIP; and

WHEREAS, prior to such amendment of the Agreement, improvements must be made to certain CITY water infrastructure, specifically increasing the capacity of the Gratiot Road Booster Station;

WHEREAS, the CITY and the TOWNSHIP wish to come to an agreement relating to the design and construction of the Gratiot Road Booster Station improvements, and the costs related to same.

NOW, THEREFORE, in consideration of the mutual benefits set forth herein, CITY and TOWNSHIP mutually agree as follows:

1. CITY shall manage and administer all aspects of the design and construction of improvements necessary to increase the capacity of the Gratiot Road Booster Station, hereinafter referred to as the PROJECT.
2. The parties have completed the design phase of the PROJECT and now agree to proceed with the construction phase of the PROJECT pursuant to the bidding documents and related specifications developed by Spicer Group, Inc. and proposed agreements to be entered into with the awarded contractors.
 - a. A portion the construction phase of the PROJECT was put out to bid and is being awarded to John E. Green Company as the lowest and best bidder. Such work shall be performed

under and pursuant to an agreement between CITY and John E. Green Company, dated August 26, 2024. TOWNSHIP shall be responsible for the payment of all costs to John E. Green Company which shall be billed pursuant to that agreement in the amount of \$1,307,000.00, as well as any approved overages that may arise during the course of the PROJECT. TOWNSHIP shall pay such costs promptly upon being invoiced for same by either CITY or Spicer Group, Inc.

- b. A second portion of the construction phase of the PROJECT relating to the variable frequency drives will be put out to bid and awarded to the lowest and best bidder. Such work shall be performed under and pursuant to an agreement between CITY or Spicer Group, Inc. and the awarded bidder. TOWNSHIP shall be responsible for the payment of all costs to the awarded bidder which shall be billed pursuant to that agreement in the approximate amount of \$1,000,000.00, as well as any approved overages that may arise during the course of the PROJECT. TOWNSHIP shall pay such costs promptly upon being invoiced for same by either CITY or Spicer Group, Inc.
- c. TOWNSHIP shall additionally pay Spicer Group, Inc., \$300,000, for construction administration relating to the PROJECT.
- d. TOWNSHIP shall additionally pay the CITY an 8.5% fee on the total cost of the construction phase of the PROJECT for administration costs incurred by the CITY relating to same.

In all other respects, the terms and conditions of the Agreement shall continue unchanged and in full force and effect.

The parties have caused this Second Addendum to be executed by their respective duly authorized officers as of the day and year first written above.

THOMAS TOWNSHIP

By: _____
Bob Weise, Township Supervisor

By: _____
Ed Brosowski, Township Clerk

CITY OF SAGINAW

By: _____
Timothy Morales, City Manager

City of Saginaw
Water and Wastewater Treatment Services Department
Water Treatment Division

CC-36 Proposal

PROPOSAL NO. 2024-004

PROJECT TITLE: Gratiot Road Booster Station CA&I

SPICER GROUP PROJECT NUMBER: 1135993SG2024

This proposal is for services to be provided by Spicer Group, Inc. for the City of Saginaw, Water and Wastewater Treatment Services Department, Water Treatment Division under the approved Council Communication #36 (CC-36) of June 17, 2024 for construction administration, inspection and engineering services.

Proposal:

1. Coordinate and conduct a preconstruction meeting.
2. Review shop drawings with assistance from Tetra Tech.
3. Perform part time onsite inspection during construction (up to 500 hours).
4. Schedule and host progress meetings throughout construction. It is assumed that we will have a minimum of 1 meeting per month for the project.
5. Schedule and host shut down coordination meetings for this project. It is assumed that we will have 4 total meetings, one prior to each shutdown.
6. Prepare field orders, bulletins and change orders, as necessary.
7. Review Contractor's certificates for payment for City approval.
8. Work with the City to develop a final punchlist.
9. Meet with you in your office to deliver the final files and assist you with working with the files in your version of AutoCAD.
10. Work with Tetra-Tech as a subconsultant to provide programming and control work necessary for the Gratiot Road Booster Station control panel and updates to the station. Tetra Tech will:
 - a. Participate in the pre-construction meeting.
 - b. Assist with shop drawing review.
 - c. Assist with inspection of the construction related to instrumentation elements.
 - d. Modify instrumentation drawings to conform to construction records at the conclusion of the project.
 - e. Convert/upgrade PLC program to newer Rockwell Logix based programs.
 - i) Update the PLC logic to include new Add On Instruction (AOI) blocks to replace the existing manual control logic.
 - f. Modify the Gratiot control logic to rearrange the pump orientation to match the pump upgrades being made as part of the station upgrades project.
 - i) Enhance the pressure control logic.

- g. Modify the existing PanelView Plus graphics to incorporate the pump orientation changes as well as adding the ability to fully control the station from the PanelView.
- h. Update the existing WTP Wonderware application to allow communication to the updated (new) PLC.
 - i) Update the Wonderware Historian tag-name database to communicate to the new ControlLogix PLC.
 - ii) Update the Wonderware Gratiot related control pop-ups with new standardized pop-ups.
 - iii) Update the Gratiot Wonderware HMI graphics and incorporate the new HMI standards.
- i. Update as-built drawings.
- j. Provide 8 hours of follow-up onsite support time to resolve issues after system commissioning.
- k. Assist Spicer Group with onsite contractor assistance with startup of instrumentation.
- l. Tetra Tech will provide an electrical engineer for five 1-day site visits and two programmers for five 1-day site visits for a total of 15 1-day site visits to assist the contractor with installation of equipment and commissioning of PLC logic and Wonderware graphics.
- m. Provide onsite system startup including the following tasks:
 - i) Items below (*italics*) are assumed to be completed by the Contractor with oversight from Tetra Tech.
 1. *Install the PLC-5 conversion mounting assembly base plate (Completed and procured by City)*
 2. *Install the PLC-5 conversion modules (Completed and procured by City)*
 3. *Install the PLC-5 pre-wired conversion cables (Completed and procured by City)*
 4. *Install the PLC conversion assembly cover plate (Completed and procured by City)*
 5. *Install ControlLogix Chassis (Completed and procured by City)*
 6. *Install ControlLogix Processor and associated IO cards (Completed and procured by City)*
 7. *Update PLC hardware to the latest firmware revision.*
 8. *Provide PLC software commissioning.*
 9. *Provide PanelView software commissioning.*
- n. Assist Spicer Group with onsite training. Provide one (1) electrical engineer for 4-hours of onsite training to occur during startup.

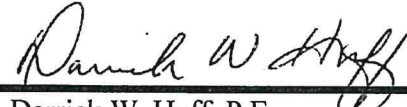
Method of Payment for this work shall be based on the most current edition of Spicer Group's Standard Hourly Rates. Tetra Tech will be a sub-contractor to Spicer Group throughout this project.

The fee for the work provided under this proposal shall be, not to exceed, **\$300,000.00** at our standard hourly rates.

Authorized by: CITY OF SAGINAW

Proposed by: SPICER GROUP, INC.

Mike Grenier
Water and Wastewater Treatment Services
Department Director



Darrick W. Huff, P.E.
Principal In Charge

Dated: _____

Dated: __7/16/2024__

From: Timothy Morales, City Manager
Subject: Gratiot Road Booster Station Improvements (C-1702)
Prepared by: Mike Grenier, Water & Wastewater Treatment Services Department

Manager's Recommendation:

I recommend the approval of the contract with John E. Green Company for \$1,307,000.00 for the Gratiot Road Booster Station Improvements project for the Water and Wastewater Treatment Services Department, Water Treatment Division.

Justification:

Due to the proposed development in Thomas Township, improvements are required for the Gratiot Road Booster Station to accommodate the additional water needs of this community.

On July 30, 2024, the City of Saginaw received two qualified bids for the Gratiot Road Booster Station Improvements project (C-1702). The project includes removing and replacing drinking water booster pumps, removing and replacing water piping, valves, meters, and other components. Constructing water piping, tees, elbow, and valves. Painting and coating all water appurtenances in the station. Performing upgrades to controls and electrical configurations in alignment with Spicer Group's sub-contractor. Contractor shall furnish all labor, tools, equipment, and materials required to perform the work specified in the contract documents. All work associated with this project will be paid for by Thomas Township. A separate agreement for payment to the City of Saginaw from Thomas Twp will be brought to City Council at a future meeting. All contractors submitting qualified bids were vetted by the project architect and approved. The following is a tabulation of the bids received:

<u>Vendor</u>	<u>Cost</u>
John E. Green Saginaw, MI (out-city)	\$1,307,000.00
William E. Walter, Inc. Saginaw, MI (out-city)	\$1,432,000.00

This vendor meets all requirements of §14.33, "Vendors," of "Purchasing, Contracting, and Selling Procedure," of Chapter 14, "Finance and Purchasing," of Title I, "Administrative Code," of the Saginaw Code of Ordinances, O-204.

Funds are budgeted in the Water Operations and Maintenance Fund, Surplus Division, Construction Projects Account No. 591-4740-822.000.

I have approved the contract as to substance and the City Attorney as to form.

Council Action:

Motion to approve the recommendation of the City Manager.

Bid Opening - Tuesday July 30th, 2024

William E. Walter, Inc.
1917 Howard Ave
Flint, Mi 48503
trose@williamewalter.com
810-232-7459

ITEM #	ITEMS OF WORK	Quantity	Units	Out-City		Out-City		Cost	Amount	Cost	Amount
				Cost	Amount	Cost	Amount				
	TOTAL			1,307,000.000		\$1,432,000.00					
	Project includes upgrades to the		Bid Bond		X		X				
	Gratiot Road Pump Station		Addendum #1		X		X				
			Addendum #2		X		X				
			Copy of Original Bid		X		X				

Bid Opening - Tuesday July 30th, 2024

[illegible]



TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** August 28, 2024
- **SUBMITTED BY:** Deidre Frollo, Township Manager
- **AGENDA TOPIC:** Approve Second Amendment to Water Service Agreement Between the City of Saginaw and Thomas Township.
- **EXPLANATION OF TOPIC:** The Water Services Agreement between the City of Saginaw and Thomas Township dated June 27, 2005 is being amended to include Corning Incorporated in Section 4.15. The original agreement between the Township and the City was for a term of 35 years. This has not changed.

The primary change proposed with this amendment is to reset the Township's reserved water capacity as the City in years past had not really tracked it in accordance with the agreement. With Thomas Township likely becoming the largest wholesale water customer of the City once Corning is up and running fully, tracking our usage and not over estimating our needs will be more important than ever as the City's "Ready To Serve" charges are largely based upon these quantities.

Additionally, this amendment includes Corning in the same context as HSC when it refers to our ability to request a one-time reduction in reserved capacity in the event there is a major reduction in production. The original paragraph was amended to allow the Township to request a reduction in the Maximum Allowable Annual Use and/or Maximum Allowable Daily Use due to a substantial reduction of usage directly related to Hemlock Semiconductor. The updated language includes Corning Incorporated substantial reduction in usage for the request of a reduction in our Maximum Allowable Annual Use and/or Maximum Allowable Daily Use.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Second Amendment to Water Service Agreement.
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by _____ supported by _____ to approve the Second Amendment to the Water Service Agreement Between the City of Saginaw and Thomas Township.
- **ROLL CALL VOTE REQUIRED:** No

TO: Deidre Frollo
Thomas Township Manager

FROM: Otto W. Brandt
Thomas Township Attorney

SUBJECT: Second Amendment To Water Service Agreement Between the City of Saginaw
and Thomas Township

DATE: July 31, 2024

The proposed amendment to Section (Article) 4.15 appears acceptable except it is suggested that the City be obligated to make a decision on a request for a reduction of the Maximum Allowable Annual Use and/or the Maximum Allowable Daily Use within a certain amount of time and transmit the decision in writing to the Township along with any reasons for the decision if denied.

Also, suggest that the City's signature line be that of the Mayor and Clerk, unless the City Manager, Timothy Morales, has been given specific written authority to sign or bind the City of Saginaw.

Please contact me if you have further questions regarding this matter.

**SECOND AMENDMENT TO WATER SERVICE AGREEMENT
BETWEEN THE CITY OF SAGINAW AND THOMAS TOWNSHIP**

This Second Amendment is made this ____ day of _____, 2024, between the CITY OF SAGINAW, MICHIGAN, hereinafter referred to as CITY, and THOMAS TOWNSHIP, hereinafter referred to as TOWNSHIP.

WHEREAS, CITY and TOWNSHIP entered into a Water Service Agreement on June 27, 2005, as amended on November 5, 2007, hereinafter referred to as the Agreement; and

WHEREAS, CITY and TOWNSHIP desire to make additional amendments to the Agreement as more fully described here.

NOW, THEREFORE, the parties mutually agree as follows:

Section 4.15 shall be amended to read as follows, in its entirety:

TOWNSHIP shall be entitled to request a reduction in the Maximum Allowable Annual Use and/or Maximum Allowable Daily Use by an amount not to exceed ten percent (10%) in any year. Said request must be accompanied by technical documentation and/or data to support the reduction being requested, the purpose of which must be directly related to Hemlock Semiconductor Corporation's or Corning Incorporated's substantial reduction in water consumption which, in turn, results in a substantial reduction in TOWNSHIP's water consumption. TOWNSHIP shall notify CITY of such a request, if one is to be submitted, on or before March 1 during any year. Requests submitted after March 1 shall be denied. In the event TOWNSHIP submits a request pursuant to this Section, CITY shall consider said request and shall, in its sole discretion, determine whether to grant the request for reduction and, if granted, over what period of time such reduction shall occur. Notwithstanding the granting of any request for reduction pursuant to this Section, TOWNSHIP shall remain responsible for all costs and affirmative duties allocated to TOWNSHIP through the normal rate-making process, inclusive of capital improvements to the Water System, as determined by CITY pursuant to Article 6.

This Second Amendment is being made in consideration of TOWNSHIP's and CITY's mutual agreement to provide water services for the operation of an industrial development in Richland Township at 1881 N. Orr Drive, Hemlock, Michigan 48626. Such water services shall be provided pursuant to the terms of the Agreement and contingent upon the 2007 PA 425 Agreement entered into between the City and Richland Township dated _____, 2024, remaining in full force and effect.

All other terms and conditions of the Agreement shall remain unchanged and in full effect.

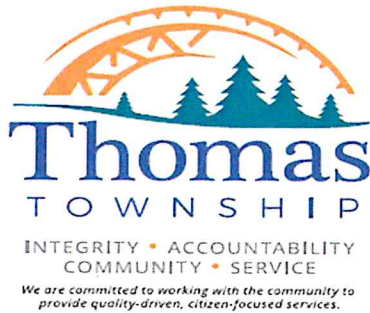
IN WITNESS WHEREOF, the parties hereto have executed this Second Amendment on the date first written above by authority of the respective City Council and Township Board.

City of Saginaw:

Thomas Township

By: _____
Timothy Morales, City Manager

By: _____
By:
Its:



TOWNSHIP BOARD AGENDA ITEM

- **MEETING DATE:** August 28, 2024
- **SUBMITTED BY:** Deidre Frollo, Township Manager
- **AGENDA TOPIC:** Approve Capacity Agreement between Thomas Township, the City of Saginaw and Solar Technology LLC.
- **EXPLANATION OF TOPIC:** The current Water Services Agreement with the City of Saginaw allows the City to enter into a revenue sharing agreement for each commercial, industrial or manufacturing development resulting in employment of ten (10) or more full-time employees. The City may impose their income tax on the employees or agree to an alternate form of revenue sharing. Solar Technology LLC, (Corning Incorporated) negotiated with the City and agreed to a payment in lieu of the income tax as listed on the Agreement. The capacity agreement between the Township, City of Saginaw and Solar Technology LLC defines the payment in lieu of income taxes along with allowing Thomas to provide water to the development. This agreement is contingent upon a 425 agreement between the City of Saginaw and Richland Township.

This agreement in no way commits the Township to bear any responsibility for the payments in the event Solar Technologies fails to make them. The agreement has been reviewed multiple times by Otto. He communicated with the City of Saginaw's attorney and his recommended amendments have been incorporated into the agreement.

- **MATERIALS ATTACHED AS SUPPORTING INFORMATION:** Proposed Capacity Agreement between Thomas Township, City of Saginaw and Solar Technology, LLC (Corning).
- **POSSIBLE COURSES OF ACTION:** Approve, Amend, Deny or Table.
- **SUGGESTED/REQUESTED MOTION:** Motion by _____ supported by _____ to approve the Capacity Agreement between Thomas Township, City of Saginaw and Solar Technology, LLC
- **ROLL CALL VOTE REQUIRED:** No

AGREEMENT

This AGREEMENT is made this ____ day of _____, 2024, between THOMAS TOWNSHIP, a Michigan municipal corporation, whose address is 249 N. Miller Road, Saginaw, Michigan 48609 ("Thomas Township"), the CITY OF SAGINAW, a Michigan municipal corporation, with offices at 1315 S. Washington Avenue, Saginaw, Michigan 48601 ("City"), and SOLAR TECHNOLOGY LLC, a foreign limited liability company, with a registered address of 3410 Belle Chase Way, Suite 600, Lansing, Michigan 48911, and with facilities to be located at 1881 N. Orr Road, Hemlock, Michigan 48626 ("Solar Technology");

WHEREAS, Solar Technology will be developing and operating manufacturing facilities within a part of Richland Township, Michigan, which is the subject of an agreement executed in 2024 for the conditional transfer of property pursuant to 1984 PA 425; and

WHEREAS, Solar Technology intends to expand its operations, make improvements to its real property, acquire new capital equipment, and create employment within the area; and

WHEREAS, Solar Technology needs to secure the availability of water service at its location; and

WHEREAS, Richland Township does not presently operate a water system that can connect to Solar Technology's facility, but Thomas Township does; and

WHEREAS, Thomas Township and City, pursuant to the terms of a Water Service Agreement, agree to provide such necessary water capacity as identified in, and pursuant to the terms of, the Water Service Agreement originally entered into between Thomas Township and the City on June 27, 2005, and amended on November 5, 2007, contingent upon the 2007 PA 425 Agreement entered into between the City and Richland Township dated _____

_____, 2024, remaining in full force and effect; and

WHEREAS, Article 8 of the Agreement provides for a revenue sharing component related to any expansion of Thomas Township's water system; and

WHEREAS, Article 8.1.5 of the Agreement provides that for certain commercial, industrial, or manufacturing development resulting in an expansion of Thomas Township's water system, the City shall receive a payment of \$2,000.00 per connection and, pursuant to an appropriately authorized revenue sharing agreement, imposition of the City's non-residential income tax on the employees of the new development; and

WHEREAS, Article 8.4 of the Agreement allows for the City and Thomas Township to mutually agree to an alternative form of revenue sharing other than what is delineated in the Agreement; and

WHEREAS, Solar Technology has specifically requested that the parties agree to an alternative form of revenue sharing with regard to the property Solar Technology is developing for its operations in lieu of the imposition of the City's non-residential income tax on Solar Technology's employees; and

WHEREAS, Solar Technology agrees to pay a water capacity fee as provided herein as an alternative to the imposition of the City's non-residential income tax on Solar Technology's employees, and the City agrees to accept such payments for its performance in supplying water to meet the future needs of Solar Technology;

NOW, THEREFORE, in consideration of the mutual benefits contained herein, and to provide water capacity to Solar Technology, the parties warrant and agree as follows:

1. The recitals set forth above are incorporated into the terms of this Agreement as though fully set forth herein.

2. The terms of this Agreement apply to development at the following property located in Richland Township that is receiving water from Thomas Township through an expansion of Thomas Township's water system:

N 1/2 OF NE 1/4 OF SEC 24 T12N R2E - APPROX 80 ACRES SPLIT/COMBINED ON 12/14/2023 FROM 22-12-2-24-1002-000, 22-12-2-24-1001-000, 22-12-2-24-1004-001, 22-12-2-24-1004-002, 22-12-2-24-1004-003;***NEW FOR 2024

Commonly known as 1881 N. Orr Road, Hemlock, Michigan 48626.
Parcel No. 22-12-2-24-1002-001.

3. Solar Technology will pay to the City the water capacity fee in accordance with and in such amounts referenced in the Schedule of Payments attached hereto as Exhibit A. In no event shall Thomas Township be liable for any amounts in the Schedule of Payments.

4. The amounts set forth in Exhibit A were proposed by Solar Technology in lieu of the imposition of the City's non-residential income tax on Solar Technology's employees. In signing this Agreement, Solar Technology acknowledges that it is voluntarily entering into same, and entry into this Agreement is not being required by either the City or Thomas Township.

5. Thomas Township and City shall use reasonable efforts to provide such quantities of water as necessary to meet the current needs of Solar Technology, subject to the terms and conditions in this Agreement and the Water Service Agreement between Thomas Township and the City, as amended.

6. The effect of a force majeure event will, upon prompt notice to the other party,

suspend the obligations of the affected party to the extent made necessary by the event and during its continuance. The affected party will act promptly to minimize the duration of any suspended or reduced performance due to a force majeure event.

The term "force majeure" as used herein shall mean any cause beyond the control of the City or Thomas Township, such as acts of God, acts of the public enemy, earthquakes, insurrections, riots, labor disputes, labor or material shortages, fires, explosions, violent storms, washouts, floods, droughts, pandemics, presence of abnormal levels of radiation and biological, chemical, or viral contaminants, breakdowns of or damage to the water system beyond the control of the City or Thomas Township, and orders or acts of civil or military authority which prevent or restrict the operation of the water system or the delivery of water.

7. The City and Thomas Township shall use reasonable diligence and care to provide a regular and uninterrupted supply of water to Solar Technology and to avoid any shortage or interruption of delivery of water. Neither the City nor Thomas Township shall be liable for any failure, interruption, or shortage of water, or any loss or damage resulting therefrom. Further, nothing herein shall be construed to be a waiver of each unit's governmental immunity as it pertains to the provision of water to its customers, and specifically, nothing herein shall be construed as a waiver of the provisions of 1964 PA 170, as amended, being MCL 691.1401, *et seq.*

8. The obligation of Solar Technology to make payments under this Agreement is contingent upon the 2007 PA 425 Agreement entered into between the City and Richland Township dated _____, 2024, remaining in full force and effect.

9. The obligation of Solar Technology to make payments under this Agreement will

not be negated should Richland Township expands its water system in such a manner as it may directly supply water to Solar Technology.

10. Solar Technology may terminate this Agreement, for any reason or no reason, by providing the parties with notice of its intent to terminate at any time. Such termination shall become effective at 11:59:59 p.m. on December 31st of the year in which such notice was provided by Solar Technology. On January 1st of the year immediately following such termination, the City's non-residential income tax shall be imposed on Solar Technology's employees.

11. The term of this Agreement shall run concurrent to the term of the 2007 PA 425 Agreement entered into between the City and Richland Township dated _____, 2024.

12. Solar Technology is duly organized, validly existing, and in good standing and has by proper corporate proceedings, duly authorized the execution and delivery of this Agreement.

13. This Agreement shall be effective as of the date indicated above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first written above by authority of their respective councils and boards.

City of Saginaw:

Thomas Township

By: _____
Timothy Morales, City Manager

By: _____
Bob Weise, Township Supervisor

Solar Technology LLC:

By: _____
Mike Thayer, Township Clerk

By: _____
Its:

EXHIBIT A
SCHEDULE OF PAYMENTS

For the duration of this Agreement, commencing on its effective date and running concurrent to the term of the 2007 PA 425 Agreement entered into between the City of Saginaw and Richland Township dated _____, 2024, Solar Technology agrees to pay the City the following:

For years one and two - \$125,000.00.

For years three, four, and five - \$150,000.00.

For year six and each year thereafter - \$175,000.00

Such payments shall be due on the execution of this Agreement and each anniversary thereafter.