EDWARDSBURG VILLAGE COUNCIL MINUTES
May 16, 2022

The meeting of the Edwardsburg Village Council was called to order at 7:00 pm by President Dennis Peak, those in attendance were Paula Ralph (Clerk), Meryl Christensen (Treasurer) and Trustees Sam Garwood, Terry Bidwell, Jay Penny, Laura Hughes and Kellen VanHulle.
Absent: Nancy Stoner

Approval of Agenda: Motion made by Bidwell, seconded by Hughes to approve the agenda as presented. All in favor. Motion carried.

Public Comments:

- Cass County Library Director Barbara Gordon passed out information regarding the Cass District Library Millage Renewal that will be on the August ballot.
- County Commissioner Roseann Marchetti provided the board with topics of interest within the county. A complete transcript of the minutes can be found at www.casscountymi.org.

Approval of Minutes: Motion made by Bidwell, seconded by Hughes to approve the minutes of the 04/18/22 Regular board meeting. All in favor. Motion carried.

Approval of Revenue/Expenditure Report: Motion made by VanHulle, seconded by Bidwell to approve the Revenue/Expenditure Report for the period of 04/01/2022 to 04/30/22 as presented. Roll call vote. All in favor. Motion carried.

Approval of Check Register Report: Motion made by Bidwell, seconded by Hughes to approve the Check Register Report checks #35694-35774, grand total of $80,577.36. Roll call vote. All in favor. Motion carried.

Treasurer's Report: The April 2022 (unaudited) report indicated that for the month receipts totaled $77,819.98 and the status of the certificates of deposit and savings accounts.

Public Hearing Special Assessments: At 7:15 Trustee Bidwell made a motion to close the regular meeting and open the public hearing, supported by Trustee VanHulle. All in favor. Motion carried. Treasurer Christensen listed one parcel and the amount that would be put on the tax rolls. The parcel owner was not in attendance. President Peak asked for council discussion. Being none, Trustee Bidwell made a motion to close the Special Assessment public hearing at 7:16 and open the Truth in Taxation public hearing, supported by VanHulle. All in favor. Motion carried.

UNFINISHED BUSINESS

Iron Filtration Plant: Ordinance 2022-01 an ordinance to provide for the issuance and sale of revenue bonds to pay for an iron filtration plant. (Appendix A). Motion made by VanHulle, supported by Bidwell to adopt Ordinance 2022-01. Roll call vote. All in favor. Motion carried.

COMMITTEE REPORTS

Presidents Report: None

Invoices for Approval: None

DPW Report: CDL Direct has a program that Tom Mackling can go through to get his CDL. The cost is $295.00. Motion made by Bidwell, seconded by Hughes to purchase the program. Roll call vote. All in favor. Motion carried.

Cemetery Board: Sexton's Gary & Gail Levan have resigned effective May 31, 2022. The cemetery board will meet in June and discuss how the Village will proceed.

Enforcement Officer/Zoning Administrator: A land split application has been submitted for the May Planning Commission meeting.

Building/Electrical/Plumbing/Mechanical Reports: Building Permits: 1 permit issued; $136.60 fees collected. Plumbing & Mechanical Permits: 4 permits issued; $755.00 fees collected.

Police Board: Police Chief Doug Westrick provided the statistics for the month of April 2022 within the village, they are as follows: Calls for Service totaled 164, total Traffic Crashes 1.

Ambulance Board: Ambulance Administrator Dennis Closson provided the Agency Activity Summary report for the month of April 2022. Total number of incidents was 88. Edwardsburg 24, Ontwa 34, Milton 1, Mason 3, Jefferson 2, Porter 2, Dowagiac 3, Niles Twp. 2, Cassopolis 5, Niles City 7, Sturgis 2, and St. Joseph 3.

Fire Board: A special meeting was held to approve the purchase of a new air conditioning unit.

Parks Administrator: Park benches have been power washed and sealed. The "stage" has been removed and material has been added to the parking lot and graded.

Water Commissioner:

- Nelson Tank Engineering & Consulting, Inc. sent a proposal and contract agreement for consulting services on the water tower for EGLE repair project. The fee will be $3,480.00 for their services. Motion made by Hughes, supported by Bidwell to accept the contract agreement at $3,480.00. Roll call vote. All in favor. Motion carried.
- Motion made by Penny, seconded by Bidwell to purchase water equipment/tools from USA Blue Book for $420.14. Roll call vote. All in favor. Motion carried.

Street Administrator: Street projects are due to begin when school is out for the summer.

Building & Grounds: None

Equipment Supervisor: Motion made by Bidwell, supported by Garwood to approve the purchase of a 20-inch chain saw from Rural King for $499.99. Roll call vote. All in favor. Motion carried.

Recycling/Refuse Administrator: None

Planning Commission: Planning Commission will meet on Tuesday, May 24th at 7:00 p.m.

Chamber of Commerce: Will host the annual Memorial Day Festival in Gunn Park.

NEW BUSINESS

Set a date for a Truth in Taxation Public Hearing: A special meeting will be held on Tuesday, Mary 24th at 6:30 for the purpose of holding a public hearing for Truth in Taxation.

Adjournment: With no objection President Peak adjourned the meeting at 8:00 p.m.

ANNOUNCEMENTS:

- **Next board meeting will be on Monday, June 20, 2022 at 7:00 p.m.**
- **The office will be closed Monday, May 30th.**

Respectfully submitted,

Paula S. Ralph, Clerk
Village of Edwardsburg

Appendix A

ORDINANCE NO. 2022-01

AN ORDINANCE TO PROVIDE FOR THE ESTABLISHMENT OF THE WATER SUPPLY SYSTEM SERVING THE VILLAGE OF EDWARDSBURG PURSUANT TO 94 PA 1933; TO PROVIDE FOR THE ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF IMPROVEMENTS TO THE WATER SUPPLY SYSTEM; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE AN ADEQUATE RESERVE ACCOUNT FOR THE REVENUE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.

THE VILLAGE OF EDWARDSBURG ORDAINS:

Section 1. Definitions. The following words and terms used in this Ordinance shall have the meanings assigned in this Section, unless the context clearly indicates otherwise.

The word "acquired," as used in this Ordinance, shall be construed to include acquisition by purchase, construction or by any other method.

"Act 94" shall mean Act 94, Public Acts of Michigan, 1933, as amended.

"Additional Bonds" shall mean additional bonds issued pursuant to Section 19 of this Ordinance.

"Authorized Officer" shall mean the President, Clerk or Treasurer of the Village, acting individually.

"Bond" or "Bonds" shall mean the Village's Water Supply System Revenue Bonds, Series 2022, in the original principal amount of not to exceed $2,600,000 authorized to be issued pursuant to this Ordinance.

"Fiscal Year" shall mean the fiscal year of the Village and the operating year of the System, commencing April 1 and ending March 31 of the subsequent year, as such year may be changed from time to time.

"Ordinance" shall mean this ordinance and any ordinance or resolution of the Village amendatory or supplemental to this ordinance, including ordinances authorizing issuance of Additional Bonds.

"Project" shall mean the acquisition, construction, furnishing and equipping additions, extensions and improvements to the water supply system, consisting generally of construction of an iron filtration water plant, including a water plant building, filtration equipment, underground piping, piping and accessories, an electrical package and an HVAC package, and a 16" diameter well and well house building, including installation of a pump and motor, piping and accessories, and electrical, together with all necessary sites, structures, equipment, interests in land, appurtenances and attachments thereto.

"Revenues" and "Net Revenues" shall mean the revenues and net revenues of the Village derived from the operation of the System and shall be construed as defined in Section 3 of Act 94, including with respect to "Revenues", the earnings derived from the investment of moneys in the various funds and accounts established by this Ordinance.

"Sale Order" means the Sales Order to be executed by an Authorized Officer of the Village respecting the sale of the Bonds.

"Sufficient Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the Village, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bonds and the principal and redemption premium, if any, on the Bonds as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the transfer agent.

"System" shall mean the Village's water supply system including such facilities thereof as are now existing, are acquired and constructed as the Project, and all enlargements, extensions, repairs and improvements thereto hereafter made.

"Village" shall mean the Village of Edwardsburg, County of Cass, State of Michigan.

"Transfer Agent" means a bank or trust company, or the Treasurer of the Village as designated in the Sale Order.

Section 2. Necessity; Approval of Plans and Specifications. It is hereby determined to be a necessary public purpose of the Village to acquire and construct all or a portion of the Project in accordance with the plans and specifications prepared by the Village's engineer and on file with the Village, which plans and specifications are hereby approved.

Section 3. Costs; Useful Life. The total cost of the Project is estimated to be not less than Two Million Six Hundred Thousand Dollars ($2,600,000) including the payment of engineering and other incidental expenses as specified in Section 4 of this Ordinance, which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Project is estimated to be not less than twenty (20) years.

Section 4. Payment of Cost; Bond Authorized. To pay the costs associated with the acquisition and construction the Project, including legal, financial and other expenses incident thereto and incident to the issuance and sale of the Bonds, the Village shall borrow the sum of not to exceed Two Million Six Hundred Thousand Dollars ($2,600,000), as finally determined in the Sale Order and issue the Bonds therefor pursuant to the provisions of Act 94. The remaining costs, if any, shall be defrayed from System funds on hand and legally available for such use.

Section 5. Bond Details. The Bonds shall be designated WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2022, shall be payable solely and only out of the Net Revenues, as set forth more fully herein, shall consist of bonds of the denomination of $1,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, or alternatively, may consist of a single-instrument, non-convertible bond, as shall be determined in the Sale Order. The Bonds will be dated as of the date of delivery and shall mature on June 1 in the years 2023 to 2042, inclusive, in such amounts as shall be determined in the Sale Order, and be subject to optional redemption as shall be determined in the Sale Order. The Bonds may be issued as serial or term bonds or both and may be subject to mandatory redemption prior to maturity as shall be determined in the Sale Order. The Bonds shall not be sold at a price less than 99.75% of the par amount of the Bonds.

The Bonds shall bear interest at a rate or rates determined on the sale thereof, but in any event not exceeding five percent (5.00%) per annum, payable on June 1 and December 1 of each year, commencing December 1, 2022, or such later date as determined in the Sale Order, by check by check or draft mailed by the Transfer Agent to the person or entity who or which is, as of the 15th day of the month preceding the interest payment date, the registered owner at the registered address as shown on the registration books of the Village maintained

by the Transfer Agent. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Village to conform to market practice in the future. The principal of the Bonds shall be payable at the principal office of the Transfer Agent.

Section 6. Execution and Delivery of the Bond. The Bonds shall be executed in the name of the Village with the manual or facsimile signatures of the President and the Clerk and shall have the Village's seal impressed or imprinted thereon. No Bond signed by facsimile signature shall be valid until authenticated by an authorized signer of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser thereof.

Section 7. Bond Registration and Transfer. Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Village shall execute and the transfer agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in Section 17 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part.

Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent.

Section 8. Security; Payment of Bonds. The Bonds and the interest thereon shall be payable solely from the Net Revenues, and to secure such payment, there is hereby created a statutory lien upon the whole of the Net Revenues which shall be a first lien to continue until payment in full of the principal of and interest on all bonds payable from the Net Revenues, or, until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of all Bonds of a series then outstanding, principal and interest on such Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the statutory lien shall be terminated with respect to that series of Bonds, the holders of that series shall have no further rights under this Ordinance except for payment from the deposited funds, and the Bonds of that series shall no longer be considered to be outstanding under this Ordinance.

Section 9. Bondholders' Rights; Receiver. The holder or holders of the Bonds representing in the aggregate not less than twenty percent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Village, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest on the Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Village and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Village more particularly set forth herein and in Act 94.

The holder or holders of the Bonds shall have all other rights and remedies given by Act 94 and law for the payment and enforcement of the Bonds and the security therefor.

Section 10. Management. The operation, repair and management of the System and the acquiring and constructing of the Project shall continue to be under the supervision and control of the Village. The Village may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The Village may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System.

Section 11. Rates and Charges. The rates and charges for service furnished by and the use of the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance.

Section 12. No Free Service or Use. No free service or use of the System, or service or use of the System at less than the reasonable cost and value thereof, shall be furnished by the System to any person, firm or corporation, public or private, or to any public agency or instrumentality, including the Village.

Section 13. Fixing and Revising Rates; Rate Covenant. The rates presently in effect in the Village are estimated to be sufficient to provide for the payment of the expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the System in good repair and working order, to provide for the payment of the principal of and interest on the Bonds as the same become due and payable and to provide for all other obligations, expenditures and funds for the System required by law and this Ordinance. In addition, it is agreed that the rates shall be set from time to time so that there shall be produced each fiscal year, Net Revenues in an amount not less than 100% of the principal of and interest on the Bonds coming due in such fiscal year. The rates shall be reviewed not less than once a year and shall be fixed and revised from time to time as may be necessary to produce these amounts, and it is hereby covenanted and agreed to fix and maintain rates for services furnished by the System at all times sufficient to provide for the foregoing.

Section 14. Funds and Accounts; Flow of Funds. The Treasurer is hereby directed to create and maintain the following funds and accounts into which the Revenues from the System shall be deposited in the manner and at the times provided in this Ordinance, which accounts shall be established or continued and maintained, except as otherwise provided, so long as any Bonds remain outstanding. Commencing on the date of delivery of the Bonds, all funds belonging to the System shall be transferred as herein indicated and all Revenues of the System shall be set aside into a separate account to be designated the RECEIVING ACCOUNT (the "Receiving Account"), and moneys so deposited therein shall be transferred, expended and used only in the manner and order as follows:

(a) Operation and Maintenance Account. There is hereby established and there shall be maintained a separate account to be designated the OPERATION AND MAINTENANCE ACCOUNT (the "Operation and Maintenance Account"). Revenues shall be transferred on the first day of each quarter of the Fiscal Year from the Receiving Account to the Operation and Maintenance Account to pay the reasonable and necessary current expenses of administration and operating and maintaining the System for the ensuing quarter.

(b) Bond and Interest Redemption Account. There shall be established and maintained a separate depositary fund designated BOND AND INTEREST REDEMPTION ACCOUNT (the "Bond and Interest Redemption Account"), the moneys on deposit therein from time to time to be used solely for the purpose of paying the principal of, redemption premiums (if any) and interest on the Bonds. The moneys in the Bond and Interest Redemption Account (including the Bond Reserve Account, herein defined) shall be kept on deposit with the bank or trust company where the principal of and interest on the Bonds, or any series thereof, are payable.

Out of the Revenues remaining in the Receiving Account, after provision for the Operation and Maintenance Account, there shall be set aside on the first day of each quarter of the Fiscal Year, in the Bond and Interest Redemption Account, a sum proportionately sufficient to provide for the payment of the principal of and interest due on the Bonds

on the next succeeding principal and interest payment date, less any amounts in the Bond and Interest Redemption Account representing investment income on amounts on deposit in the Bond and Interest Redemption Account. The amount to be set aside each quarter for interest, after taking into account moneys in the Bond and Interest Redemption Account as provided above, shall be one-half (½) of the total amount of interest on the Bonds next coming due, or such greater or lesser amount in approximately equal quarterly installments necessary to accumulate the amount of interest next coming due by the date such interest is to be paid. The amount set aside each quarter for principal shall be one-quarter (¼) of the principal of the Bonds next coming due, or such greater or lesser amount in approximately equal quarterly installments necessary to accumulate the principal amount next coming due by the date such principal is to be paid. If there is any deficiency in the amounts previously set aside, that deficiency shall be added to the next succeeding quarterly requirements. The amount to be set aside in the Bond and Interest Redemption Account for the payment of principal and interest on any date shall not exceed the amount which, when added to the money on deposit in the Bond and Interest Redemption Account, including investment income thereon, is necessary to pay principal and interest due on the Bonds on the next succeeding principal payment date.

There is hereby recognized in the Bond and Interest Redemption Account a separate account designated as the BOND RESERVE ACCOUNT (the "Bond Reserve Account"). The Bond Reserve Account shall total a sum equal to the lesser of (a) the maximum annual principal and interest requirements on the Bonds outstanding after issuance of the additional, (b) 125% of the average annual debt service on the Bonds, or (c) an amount equal to 10% of the principal amount of the Bonds (the "Bond Reserve Requirement"). The Village may fund the Bond Reserve Requirement by cash, or by a surety bond, insurance policy or a letter of credit if the provider or Village thereof shall be rated by a nationally recognized bond rating agency as high or higher than the Bonds.

Except as hereinafter provided, the moneys credited to the Bond Reserve Account shall be used solely for the payment of the principal of, redemption premiums (if any) and interest on the Bonds as to which there would otherwise be a default. If at any time it shall be necessary to use the moneys or the letter of credit, surety bond or insurance policy credited to the Bond Reserve Account for such payment, then the moneys so used shall be replaced or repaid over a period of not more than 5 years, or such other period as required by the letter of credit, surety bond, or insurance policy securing the Bond Reserve Account, from the Net Revenues first received thereafter which are not required for current principal and interest requirements.

In the event that the amount in the Bond Reserve Account is greater than the Bond Reserve Requirement, such excess amount shall be transferred to the Bond and Interest Redemption Fund described herein. If it is necessary to increase the amount in the Bond Reserve Account, the Village shall deposit a sum from the moneys on hand in the System prior to delivery of the Bonds so that the Bond Reserve Account is fully funded as of the delivery of the Bonds.

(c) General Obligation Debt Account. After provision has been made for the requirements of the Operation and Maintenance Account and the Bond and Interest Redemption Account (including the Bond Reserve Account), Revenues may be transferred to a General Obligation Account established by the Village (the "G.O. Account") and utilized by the Village to pay debt service on presently existing or future general obligation bond issues or contractual obligations of the Village issued or incurred for System purposes.

(d) Repair, Replacement and Improvement Account. There is hereby established a separate account designated REPAIR, REPLACEMENT AND IMPROVEMENT ACCOUNT (the "RRI Account"). After the transfers required in (a), (b) and (c) above, there may be transferred from the Receiving Account and deposited in the RRI Account such moneys as the Village may deem advisable. Moneys in the RRI Account shall be used and disbursed

only for the purpose of paying the cost of (a) repairing any damage to and emergency maintenance of the System, (b) repairing or replacing obsolete, deteriorating, deteriorated or worn out portions of the System, (c) acquiring and constructing extensions and improvements to the System and (d) when necessary, for the purpose of making payment of principal and interest on the Bonds. If the amount in the Bond and Interest Redemption Account is not sufficient to pay the principal of and interest on the Bonds when due, the moneys in the RRI Account shall be transferred to the Bond and Interest Redemption Account and used for that purpose. Moneys in the RRI Account may be invested in accordance with Section 15 of this Ordinance.

(e) Reverse Flow of Funds; Surplus Money. In the event the moneys in the Receiving Account are insufficient to provide for the current requirements of the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account), or the RRI Account, any moneys and/or securities in the funds of the System described by this Ordinance shall be transferred, first, to the Operation and Maintenance Account, second, to the Bond and Interest Redemption Account, and third, to the G.O. Account.

All moneys remaining in the Receiving Account at the end of any Fiscal Year after satisfying the above requirements for the deposit of moneys into the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account), and the RRI Account may be transferred to the Bond and Interest Redemption Account and used to call Bonds for redemption, or at the option of the Village, transferred to the RRI Account or the G.O. Account and used for the purpose for which such accounts were established; provided, however, that if there should be a deficit in the Operation and Maintenance Account, the Bond and Interest Redemption Account (including the Bond Reserve Account), or the RRI Account, on account of defaults in setting aside therein the amounts hereinbefore required, then transfers shall be made from such moneys remaining in the Receiving Account to such accounts in the priority and order named in this section, to the extent of such deficits.

Section 15. Investments. Moneys in the funds and accounts established herein and moneys derived from the proceeds of sale of the Bonds may be invested by the legislative body of the Village on behalf of the Village in the obligations and instruments permitted for investment by Section 24 of Act 94, as the same may be amended from time to time.. Investment of moneys in the Bond and Interest Redemption Account being accumulated for payment on the next maturing principal or interest payment on the Bonds shall be limited to obligations and instruments bearing maturity dates prior to the date of the next maturing principal or interest payment on the Bonds. Investment of moneys in the Bond Reserve Account shall be limited to Bank obligations and instruments bearing maturity dates or subject to redemption, at the option of the holder thereof, not later than five (5) years from the date of the investment. Interest income earned on investment of funds in the Receiving Account, the Operation and Maintenance Account and the Bond and Interest Redemption Account, shall be deposited in or credited to the Receiving Account.

Section 16. Bond Proceeds. The proceeds of the sale of the Bonds as received by the Village shall be deposited in an account separate from other money of the Village and held in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of Section 24 of Act 94 designated CONSTRUCTION FUND (the "Construction Fund"). Moneys in the Construction Fund shall be applied solely in payment of the cost of the Project including any engineering, legal and other expenses incident thereto and to the financing thereof.

Section 17. Bond Form. The Bonds shall be in substantially the following form with such changes as may be required to conform the Bond to the final terms established by the Sale Order:

[THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE MICHIGAN UNIFORM SECURITIES ACT, AS AMENDED, IN RELIANCE UPON EXEMPTIONS THEREUNDER. ANY RESALE OR OTHER TRANSFER OF THIS BOND MAY BE MADE ONLY UPON REGISTRATION UNDER SUCH ACTS OR IN AN EXEMPT TRANSACTION UNDER SUCH ACTS AND UPON COMPLIANCE WITH THE CONDITIONS SET FORTH HEREIN AND MAY BE OFFERED AND SOLD ONLY IF REGISTERED PURSUANT TO THE PROVISIONS OF THOSE ACTS OR IF AN EXEMPTION FROM REGISTRATION IS AVAILABLE.]

UNITED STATES OF AMERICA

STATE OF MICHIGAN

COUNTY OF CASS

VILLAGE OF EDWARDSBURG

WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2022

Interest Rate	Maturity Date	Date of Original Issue
%	_____, 20__	_____, 2022

REGISTERED OWNER: _____

PRINCIPAL AMOUNT: _____ Dollars

The Village of Edwardsburg, County of Cass, State of Michigan (the "Village"), acknowledges itself to owe and for value received hereby promises to pay, primarily out of the hereinafter described Net Revenues of the Village's System (hereinafter defined), the Principal Amount shown above in lawful money of the United States of America to the Registered Owner shown above, or registered assigns, on the Maturity Date [specified above] [set forth in Exhibit A attached hereto and made a part hereof], unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on December 1, 2022 and semiannually thereafter. Principal of this bond is payable [at the _____ office of _____, _____, Michigan,] [by the Treasurer of the Village] (the "Transfer Agent"), or such other Transfer Agent as the Village may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date. Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is, as of the fifteenth (15th) day of the month

preceding the interest payment date, the registered owner of record, at the registered address as shown on the registration books of the Village kept by the Transfer Agent. For prompt payment of principal and interest on this bond, the Village has irrevocably pledged the revenues of the Water Supply System of the Village (the "System"), including all appurtenances, extensions and improvements thereto, after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory first lien thereon is hereby recognized and created.

This bond is [a single, fully-registered, non-convertible bond][one of a series of bonds] of even Date of Original Issue [in][aggregating] the principal sum of $_____, issued pursuant to Ordinance No. ____ of the Village, duly adopted by the Village Council of the Village (the "Ordinance"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of paying part of the cost to acquire, construct, furnish and equip water supply system improvements. For a complete statement of the revenues from which, and the conditions under which, this bond is payable, a statement of the conditions under which additional bonds of equal standing may hereafter be issued, and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinance.

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of equal standing as to the Net Revenues may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the above-described Ordinance.

[Principal installments of this bond] [Bonds of this issue] maturing on June 1 in the years 2023 to 2027, inclusive, are not subject to redemption prior to maturity. [Principal installments or portions of principal installments of this bond][Bonds or portions of bonds of this issue] in multiples of $1,000 maturing June 1 in the years 2028 to 2042, inclusive, may be redeemed at the option of the Village, in such order as the Village shall determine and within any maturity by lot, on any date on or after June 1, 2027 at par and accrued interest to the date fixed for redemption.

[Insert mandatory redemption provisions.]

In case less than the full amount of an outstanding bond is called for redemption the Transfer Agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner Additional Bonds in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption of any bond or portion thereof shall be given by the Transfer Agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the Transfer Agent. Bonds shall be called for redemption in multiples of $1,000 and any bond of a denomination of more than $1,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by $1,000 and such bond may be redeemed in part. Notice of redemption for a bond redeemed in part shall state that upon surrender of the bond to be redeemed Additional Bonds or bonds in aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bond or portion thereof.

This bond is solely a self-liquidating bond, payable, both as to principal and interest, solely from the Net Revenues of the System. The principal of and interest on this bond are secured by the statutory lien hereinbefore mentioned.

The Village has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest on and the principal of the bonds of this issue and any additional bonds of equal standing as and when the same shall become due and payable, and to create

and maintain a bond redemption fund therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance.

[This][Any]bond is transferable only upon the books of the Village kept for that purpose at the office of the Transfer Agent by the registered owner hereof in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Ordinance authorizing the bonds and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond [and the series of bonds of which this is one] have been done and performed in regular and due time and form as required by law.

[This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.]

IN WITNESS WHEREOF, the Village, by its Village Council, has caused this bond to be executed with the [manual/facsimile] signatures of its President and its Clerk and its corporate seal [or a facsimile thereof] to be [impressed/printed] hereon, all as of the Date of Original Issue.

VILLAGE OF EDWARDSBURG

By _____

Its President

(Seal)

Countersigned:

By _____

Its Clerk

[CERTIFICATE OF AUTHENTICATION

This bond is one of the bonds described in the within-mentioned Ordinance.

_____

_____, Michigan

Transfer Agent

By_____

Authorized Signatory

Date of Registration: _____]

Section 18. Covenants. The Village covenants and agrees with the holders of the Bonds that so long as any of the Bonds remain outstanding and unpaid as to either principal or interest:

(a) The Village will maintain the System in good repair and working order and will operate the same efficiently and will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Michigan and this Ordinance.

(b) The Village will keep proper books of record and account separate from all other records and accounts of the Village, in which shall be made full and correct entries of all transactions relating to the System. The Village shall have an annual audit of the books of record and account of the System for the preceding operating year made each year by an independent certified public accountant, and a copy of the audit shall be mailed to the manager of each syndicate or account originally purchasing any issue of the Bonds. The auditor shall comment on the manner in which the Village is complying with the requirements of the Ordinance with respect to setting aside and investing moneys and meeting the requirements for acquiring and maintaining insurance. The audit shall be completed and so made available not later than six (6) months after the close of each operating year.

(c) The Village will maintain and carry, for the benefit of the holders of the Bonds, insurance on all physical properties of the System and liability insurance, of the kinds and in the amounts normally carried by municipalities engaged in the operation of similar sanitary sewer systems, including self-insurance. All moneys received for losses under any such insurance policies shall be applied solely to the replacement and restoration of the property damaged or destroyed, and to the extent not so used, shall be used for the purpose of redeeming or purchasing Bonds.

(d) The Village will not sell, lease or dispose of the System, or any substantial part, until all of the Bonds have been paid in full, both as to principal and interest or provision made thereof as herein provided. The Village will operate the System as economically as possible, will make all repairs and replacements necessary to keep the System in good repair and working order, and will not do or suffer to be done any act which would affect the System in such a way as to have a material adverse effect on the security for the Bonds.

(e) The Village will not grant any franchise or other rights to any person, firm or corporation to operate a System that will compete with the System and the Village will not operate a system that will compete with the System.

(f) The Village will cause the Project to be acquired and constructed promptly and in accordance with the plans and specification therefor.

Section 19. Additional Bonds. The Village may issue additional bonds of equal standing and priority of lien with the Bonds for the following purposes and on the following conditions:

(a) For the purpose of making reasonable replacement or extension of the System or refunding the Bonds or any additional bonds of equal standing with the Bonds if:

(i) The augmented net revenues (hereinafter defined) of the System for the Fiscal Year preceding the year in which such additional bond is to be issued were 100% of the average annual debt service requirements on the Bonds and any bonds of equal standing then outstanding and those proposed to be issued net of any bonds to be refunded by the new issue; or

(ii) The holders of at least 75 percent of the Bonds consent to such issue in writing.

For purposes of this section the term "augmented net revenues" shall mean the Net Revenues of the System for a year, adjusted to reflect the effect of any rate increase placed in effect during that year (but not in effect for the whole year), placed in effect subsequent to the year or scheduled, at the time the Additional Bonds are authorized, to be placed in effect before principal of and interest on the Additional Bonds become payable from Revenues of the System, and augmented by any increase in Revenues or decrease in expenses estimated to accrue from the improvements to be acquired from the Additional Bonds. The adjustments and augmentations provided for in the preceding sentence shall be established by certificate of an independent consulting engineer filed with the Clerk of the Village. If Additional Bonds are issued within 4 months of the end of a Fiscal Year, the determination made in subsection (b)(i) of this section may be based upon the results of a Fiscal Year ending within 16 months of the date of issuance of the Additional Bonds.

The funds herein established shall be applied to all additional bonds issued pursuant to this section as if said bonds were part of the original bond issue and all Revenue from any such extension or replacement constructed by the proceeds of an additional bond issue shall be paid to the Receiving Fund mentioned in this Ordinance.

Except as otherwise specifically provided herein, so long as the Bonds herein authorized are outstanding, no additional bonds or other obligations pledging any portion of the Revenues of the System shall be incurred or issued by the Village unless the same shall be junior and subordinate in all respects to the Bonds herein authorized. The Village reserves the right to issue, without limit, bonds of junior and subordinance standing and priority of lien as to the Net Revenues with the Bonds and any Additional Bonds then outstanding.

Section 20. Negotiated Sale. The Village Council has considered the option of selling the Bonds through a competitive sale and a negotiated sale, and, pursuant to the requirements of Act 34, hereby determines that a negotiated sale of the Bonds will result in the most efficient and expeditious means of selling the Bonds and will result in the lowest interest cost to the Village.

Section 21. Placement of Bonds; Delegation to Authorized Officer; Sale Order. Each Authorized Officer is hereby authorized to solicit proposals through a private placement with a qualified bank or other sophisticated institutional investor as purchaser thereof (the "Purchaser"). Each Authorized Officer is individually authorized to negotiate and execute a sale order specifying the final terms of the Bonds with the Purchaser and take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds, subject to the parameters set forth in this Ordinance.

Section 22. Adjustment of Bond Terms. The Authorized Officers are each hereby authorized to adjust the final bond details as set forth herein to the extent necessary or convenient to complete the sale of the Bonds and in pursuance of the foregoing is each authorized to exercise the authority and make the determinations pursuant to Sections 7a(1)(c)(i) and (v) of Act 94, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, date of issuance, interest payment dates, redemption rights, and other matters within the parameters established by this Ordinance, *provided* the interest rate or rates on the Bonds shall not exceed five percent (5.00%) per annum and the purchase price shall not be less than 99.75% of the par amount of the Bonds.

Section 23. Tax Covenant; Qualified Tax Exempt Obligations. The Village shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on each issue of the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds. The Village hereby designates the Bonds as "qualified tax exempt obligations" for purposes of deduction of interest expense by financial institutions pursuant to the Code.

Section 24. Authorization of Other Actions. The Authorized Officers and other officers, agents and employees of the Village are each authorized and directed to take all other necessary actions required to effectuate the sale, issuance and delivery of the Bonds within the parameters authorized in this Ordinance. The Authorized Officers are authorized to file applications or request for waivers with respect to the Bonds with the Michigan Department of Treasury, and to take all other actions necessary or advisable to enable the issuance, sale and delivery of the Bonds as contemplated herein.

Section 25. Appointment of Bond Counsel. The representation of the Village by Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel is hereby approved.

Section 26. Appointment of Municipal Advisor. The Village hereby appoints Baker Tilly Municipal Advisors, LLC as registered municipal advisor with respect to the Bonds.

Section 27. Severability; Paragraph Headings; and Conflict. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.

Section 28. Publication and Recordation. This Ordinance shall be published in full in a newspaper of general circulation in the Village, qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Village and such recording authenticated by the signatures of the President and the Clerk.

Section 29. Effective Date. Pursuant to the provisions of Section 6 of Act 94, this Ordinance shall be approved on the date of first reading and accordingly this Ordinance shall immediately be effective upon its adoption.

Adopted and signed this 16th day of May, 2022.

Signed _____

President

Signed _____

Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the Village Council of the Village of Edwardsburg, County of Cass, State of Michigan, at a regular meeting held on the 16th day of May, 2022, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

I further certify that the following Trustees were present at said meeting: _____ _____ ____ and that the following Trustees were absent: _____.

I further certify that Member _____ moved adoption of said Ordinance, and that said motion was supported by Member _____.

I further certify that the following Member voted for adoption of said Ordinance: _____ and that the following Trustees voted against adoption of said Ordinance: _____.

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the President and the Clerk.

_____

Clerk