

VILLAGE OF LAKE ODESSA

MINUTES
REGULAR COUNCIL MEETING
February 15, 2016
PAGE MEMORIAL BUILDING

Meeting called to order at 7:00p.m. by President Banks.

Pledge of Allegiance.

Council present: Mike Brighton, Karen Banks, Janet Thomas, Mel McCloud, Mike Rudisill, Mike Brighton, Charles Jaquays

Absent: None

Staff present: Mark Bender, Pearl Goodemoot

Visitors present: None

Motion by McCloud, support by Jaquays approve the agenda as presented. Motion carried.

PUBLIC COMMENT

There was no public comment.

MINUTES

Motion by Caudill, support by Banks to approve minutes of the January 11, 2016 regular meeting. Motion carried.

BILLS

Motion by Rudisill, support by Caudill to approve expenditures equal to or less than \$1,500.00 for the period 1/01/2016 thru 1/31/2016. Motion carried.

Motion by McCloud, support by Thomas to approve payment of invoices in excess of \$1,500.00 items as follows:

- a) Consumers Energy - \$1,674.62 – Streetlights (*paid*)
- b) Homeworks - \$2,747.00 – Iron Removal Plant (*paid*)
- c) Fishbeck, Thompson, Carr & Huber - \$10,022.50 – Utility Upgrade Project
- d) Compass Minerals - \$3,304.85 – Road Salt
- e) Michigan Meter Technology Group - \$6,702.00 – Water Meters
- f) O'Mara Plumbing Heating & Cooling - \$2,215.00 – Water Plant Furnace
- g) Peerless Midwest - \$48,998.86 – Well No. 7 Test Production (*paid in Oct*)

Motion carried.

CONSENT AGENDA

Motion by Caudill, support by Banks to approve the consent agenda, as follows:

- a) Lake Odessa Zoning Report for January 2016
- b) Lakewood Wastewater meeting special minutes for January 20, 2016
- c) Lake Odessa Library minutes for December 16, 2015
- d) Downtown Development Authority minutes for November 12, 2015
- e) Arts Commission minutes for January 18, 2016

Motion carried.

MANAGER'S REPORT

Police Report: Bender reported that the vacancy still has not been filled but other than that everything is routine.

DPW Report: Bender reported everything was routine.

Finance Report: Bender reported everything was routine.

COMMITTEE REPORTS:

Personnel/Finance Committee: There was no update.

Recreation/Special Projects Committee: Bender discussed that estimates are being obtained for the walkway in the park, beach, pavilion, cameras and bathroom upgrades. Once more information is obtained Bender will discuss with council the grant application options.

UNFINISHED BUSINESS

There was no unfinished business.

NEW BUSINESS

Motion by McCloud, support by Thomas to approve the Resolution #2016-4 FOIA Fees. Motion carried with the following roll call vote: Yes: McCloud, Jaquays, Thomas, Brighton, Rudisill, Caudill, Banks; No: None; Absent: None. The resolution is as follows:

WHEREAS, Michigan Public Act 563 of 2014 requires that on or before July 1, 2015, public bodies shall establish a schedule of itemized costs to be charged when responding to Freedom of Information Act ("FOIA") requests; and

WHEREAS, on June 15, 2015, the Lake Odessa Village Council adopted Resolution 2015-9 which established said schedule of itemized costs; and

WHEREAS, the Lake Odessa Village Council has determined that it is necessary to amend said schedule of itemized costs.

NOW, THEREFORE, BE IT RESOLVED that the following Freedom of Information Act Request Detailed Cost Itemization is hereby adopted:

Freedom of Information Act Request Itemized Cost Worksheet

Date: _____ Prepared for Request No.: _____ Date
 Request Received: _____

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| <p>The following costs are being charged in compliance with Section 4 of the Michigan Freedom of Information Act, MCL 15.234, and the Village's FOIA Procedures and Guidelines.</p> | | |
| <p>1. Labor Cost for Copying / Duplication</p> <p>This is the cost of labor directly associated with duplication of publication, including making paper copies, making digital copies, or transferring digital public records to be given to the requestor on non-paper physical media or through the Internet or other electronic means as stipulated by the requestor.</p> <p>This shall not be more than the hourly wage of the Village's lowest-paid employee capable of necessary duplication or publication in this particular instance, regardless of whether that person is available or who actually performs the labor.</p> <p>These costs will be estimated and charged in 15-minute increments. All partial time increments must be rounded down. <i>If the number of minutes is less than one increment, there is no charge.</i></p> <p>Hourly Wage Charged: \$19.74 Charge per increment: \$4.93 OR Hourly Wage with Fringe Benefit Cost: \$23.90 Charge per increment: \$5.98</p> <p><input type="checkbox"/> Overtime rate charged as stipulated by Requestor (<i>overtime is not used to calculate the fringe benefit cost</i>)</p> | <p>To figure the number of increments, take the <i>number of minutes</i>: _____, <i>divide by 15 -minute increments, and round down. Enter below:</i></p> <p>Number of increments</p> <p>x _____</p> <p>= _____</p> | <p>1. Labor Cost</p> <p>\$ _____</p> |

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| <p>3b. Contracted Labor Cost for Separating Exempt from Non-Exempt (Redacting): <i>(Fill this out if using a contractor, such as the attorney. If using in-house employee, use No. 3a instead.)</i></p> <p>The Village will not charge for labor directly associated with redaction if it knows or has reason to know that it previously redacted the record in question and still has the redacted version in its possession.</p> <p>This fee is being charged because failure to do so will result in unreasonably high costs to the Village that are excessive and beyond the normal or usual amount for those services compared to the Village's usual FOIA requests, because of the nature of the request in this particular instance, specifically: _____</p> <hr/> <p>As this Village does not employ a person capable of separating exempt from non-exempt information in this particular instance, as determined by the FOIA Coordinator, this is the cost of labor of a contractor (e.g.:outside attorney), including necessary review, directly associated with separating and deleting exempt information from nonexempt information. This shall not exceed an amount equal to 6 times the state minimum hourly wage rate of \$8.15.</p> <p>Name of contracted person or firm: _____</p> <p>These costs will be estimated and charged in 15-minute time increments; All partial time increments must be rounded down. <i>If the number of minutes is less than 15, there is no charge.</i></p> <p>Hourly Cost Charged: \$48.90 Charge per increment: \$12.23</p> | <p>To figure the number of increments, take the number of minutes: _____, divide by 15-minute increments, and round down to: _____ increments. Enter below:</p> <p>Number of increments</p> <p>x _____</p> <p>= _____</p> | <p>3b. Labor Cost</p> <p>\$ _____</p> |
| <p>4. Copying / Duplication Cost:</p> <p>Copying costs may be charged if a copy of a public record is requested, or for the necessary copying of a record for inspection (<i>for example, to allow for blacking out exempt information, to protect old or delicate original records, or because the original record is a digital file or database not available for public inspection</i>).</p> <p>No more than the <u>actual</u> cost of a sheet of paper, <u>up to maximum 10 cents per sheet</u> for:</p> <ul style="list-style-type: none"> • Letter (8 ½ x 11-inch, single and double-sided): 10 cents per sheet • Legal (8 ½ x 14-inch, single and double-sided): 10 cents per sheet <p>No more than the <u>actual</u> cost of a sheet of paper for <u>other</u> paper sizes:</p> <ul style="list-style-type: none"> • Other paper sizes (single and double-sided): 10 cents / dollars per sheet <p><u>Actual and most reasonably economical cost of non-paper physical digital media:</u></p> <ul style="list-style-type: none"> • <i>Circle applicable:</i> Disc / Tape / Drive / Other Digital Medium Cost per Item: Actual cost depends on daily rate. <p>The cost of paper copies must be calculated as a total cost per <u>sheet</u> of paper. The fee cannot exceed 10 cents per sheet of paper for copies of public records made on 8-1/2- by 11-inch paper or 8-1/2- by 14-inch paper. <u>A Village must utilize the most economical means available for making copies of public records, including using double-sided printing, if cost saving and available.</u></p> | <p>Number of Sheets:</p> <p>x _____</p> <p>= _____</p> <p>x _____</p> <p>= _____</p> <p>x _____</p> <p>= _____</p> <p>No. of Items:</p> <p>x _____</p> <p>= _____</p> | <p>Costs:</p> <p>\$ _____</p> <p>\$ _____</p> <p>\$ _____</p> <p>\$ _____</p> <p>4. Total Copy Cost</p> <p>\$ _____</p> |

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| <p>5. Mailing Cost:</p> <p>The Village will charge the actual cost of mailing, if any, for sending records in a reasonably economical and justifiable manner. Delivery confirmation is not required.</p> <ul style="list-style-type: none"> The Village <i>may</i> charge for the <u>least expensive form</u> of postal delivery confirmation. The Village <i>cannot</i> charge more for expedited shipping or insurance unless specifically requested by the requestor.* <p style="text-align: right;">Actual Cost of Envelope or Packaging: \$ _____</p> <p style="text-align: right;">Actual Cost of Postage: \$ _____ per stamp \$ _____ per pound \$ _____ per package</p> <p style="text-align: right;">Actual Cost (least expensive) Postal Delivery Confirmation: \$ _____</p> <p style="text-align: right;">*Expedited Shipping or Insurance as Requested: \$ _____</p> <p><input type="checkbox"/> * Requestor has requested expedited shipping or insurance</p> | <p>Number of Envelopes or Packages:</p> <p>x _____ = _____ x _____ = _____ x _____ = _____ x _____ = _____ x _____ = _____</p> | <p>Costs:</p> <p>\$ _____ \$ _____</p> <p>5. Total Mailing Cost</p> <p>\$ _____</p> |
| <p>6a. Copying/Duplicating Cost for Records Already on Village's Website:</p> <p>If the public body has included the website address for a record in its written response to the requestor, <u>and the requestor thereafter stipulates that the public record be provided to him or her in a paper format or non-paper physical digital media</u>, the Village will provide the public records in the specified format and may charge copying costs to provide those copies.</p> <p>No more than the <u>actual</u> cost of a sheet of paper, <u>up to maximum 10 cents per sheet</u> for:</p> <ul style="list-style-type: none"> Letter (8 ½ x 11-inch, single and double-sided): 10 cents per sheet Legal (8 ½ x 14-inch, single and double-sided): 10 cents per sheet <p>No more than the <u>actual</u> cost of a sheet of paper for <u>other</u> paper sizes:</p> <ul style="list-style-type: none"> Other paper sizes (single and double-sided): 10 cents / dollars per sheet <p><u>Actual and most reasonably economical cost of non-paper physical digital media:</u></p> <ul style="list-style-type: none"> <i>Circle applicable:</i> Disc / Tape / Drive / Other Digital Medium Cost per Item: Actual costs depends on daily rate <p><input type="checkbox"/> Requestor has stipulated that some / all of the requested records that are <u>already available on the Village's website</u> be provided in a paper or non-paper physical digital medium.</p> | <p>Number of Sheets:</p> <p>x _____ = _____ x _____ = _____ x _____ = _____</p> <p>No. of Items:</p> <p>x _____ = _____</p> | <p>Costs:</p> <p>\$ _____ \$ _____</p> <p>6a. Web Copy Cost</p> <p>\$ _____</p> |

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| <p>Waiver: <u>Public Interest</u> A search for a public record may be conducted or copies of public records may be furnished without charge or at a reduced charge if the Village determines that a waiver or reduction of the fee is in the public interest because searching for or furnishing copies of the public record can be considered as primarily benefiting the general public. <input type="checkbox"/> All fees are waived OR <input type="checkbox"/> All fees are reduced by: _____%</p> | <p>Subtotal Fees After Waiver:</p> | <p>\$ _____</p> |
| <p>Discount: <u>Indigence</u> A public record search must be made and a copy of a public record must be furnished without charge for the first \$20.00 of the fee for each request by an individual who is entitled to information under this act and who: 1) Submits an affidavit stating that the individual is indigent and receiving specific public assistance, OR 2) If not receiving public assistance, stating facts showing inability to pay the cost because of indigence. If a requestor is ineligible for the discount, the public body shall inform the requestor specifically of the reason for ineligibility in the public body's written response. An individual is ineligible for this fee reduction if ANY of the following apply: (i) The individual has previously received discounted copies of public records from the same public body twice during that calendar year, OR (ii) The individual requests the information in conjunction with outside parties who are offering or providing payment or other remuneration to the individual to make the request. A public body may require a statement by the requestor in the affidavit that the request is not being made in conjunction with outside parties in exchange for payment or other remuneration. <input type="checkbox"/> Eligible for Indigence Discount</p> | <p>Subtotal Fees After Discount (subtract \$20):</p> | <p>\$ _____</p> |
| <p>Discount: <u>Nonprofit Organization</u> A public record search must be made and a copy of a public record must be furnished without charge for the first \$20.00 of the fee for each request by a nonprofit organization formally designated by the state to carry out activities under subtitle C of the federal Developmental Disabilities Assistance and Bill of Rights Act of 2000 and the federal Protection and Advocacy for Individuals with Mental Illness Act, if the request meets ALL of the following requirements: (i) Is made directly on behalf of the organization or its clients. (ii) Is made for a reason wholly consistent with the mission and provisions of those laws under section 931 of the Michigan Mental Health Code, 1974 PA 258, MCL 330.1931. (iii) Is accompanied by documentation of its designation by the state, if requested by the Village. <input type="checkbox"/> Eligible for Nonprofit Discount</p> | <p>Subtotal Fees After Discount (subtract \$20):</p> | <p>\$ _____</p> |
| <p>Deposit: <u>Good Faith</u> The Village may require a good-faith deposit <u>before providing the public records to the requestor</u> if the entire fee estimate or charge authorized under this section exceeds \$50.00, based on a good-faith calculation of the total fee. The deposit cannot exceed 1/2 of the total estimated fee. Percent of Deposit: _____%</p> | <p>Date Paid: _____</p> | <p>Deposit Amount Required: \$ _____</p> |

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| <p>Deposit: Increased Deposit Due to Previous FOIA Fees Not Paid In Full After a Village has granted and fulfilled a written request from an individual under this act, if the Village has not been paid in full the total amount of fees for the copies of public records that the Village made available to the individual as a result of that written request, the Village may require an increased estimated fee deposit of up to 100% of the estimated fee before it begins a full public record search for any subsequent written request from that individual if ALL of the following apply:</p> <p>(a) The final fee for the prior written request was not more than 105% of the estimated fee. (b) The public records made available contained the information being sought in the prior written request and are still in the Village's possession. (c) The public records were made available to the individual, subject to payment, within the best effort estimated time frame given for the previous request. (d) Ninety (90) days have passed since the Village notified the individual in writing that the public records were available for pickup or mailing. (e) The individual is unable to show proof of prior payment to the Village. (f) The Village calculates a detailed itemization, as required under MCL 15.234, that is the basis for the current written request's increased estimated fee deposit.</p> <p>A Village can no longer require an increased estimated fee deposit from an individual if ANY of the following apply:</p> <p>(a) The individual is able to show proof of prior payment in full to the Village, OR (b) The Village is subsequently paid in full for the applicable prior written request, OR (c) Three hundred sixty-five (365) days have passed since the individual made the written request for which full payment was not remitted to the Village.</p> | <p>Date Paid: _____</p> | <p>Percent Deposit Required: _____%</p> <p>Deposit Required: \$ _____</p> |
| <p>Late Response Labor Costs Reduction If the Village does not respond to a written request in a timely manner as required under MCL 15.235(2), the Village must do the following:</p> <p>(a) Reduce the charges for labor costs otherwise permitted by 5% for each day the Village exceeds the time permitted for a response to the request, with a maximum 50% reduction, if EITHER of the following applies:</p> <p>(i) The late response was willful and intentional, OR</p> <p>(ii) The written request included language that conveyed a request for information within the first 250 words of the body of a letter, facsimile, electronic mail, or electronic mail attachment, or specifically included the words, characters, or abbreviations for "freedom of information," "information," "FOIA," "copy", or a recognizable misspelling of such, or appropriate legal code reference for this act, on the front of an envelope, or in the subject line of an electronic mail, letter, or facsimile cover page.</p> | <p>Number of Days Over Required Response Time: _____</p> <p>Multiply by 5% = Total Percent Reduction: _____</p> | <p>Total Labor Costs \$ _____</p> <p>Minus Reduction \$ _____</p> <p>= Reduced Total Labor Costs \$ _____</p> |
| <p>The Public Summary of the Village's FOIA Procedures and Guidelines is available free of charge from: Website: _____ Email: _____ Phone: _____ Address: _____</p> <p>Request Will Be Processed, But Balance Must Be Paid Before Copies May Be Picked Up, Delivered or Mailed</p> | <p>Date Paid: _____</p> | <p>Total Balance Due: \$ _____</p> |

BE IT FURTHER RESOLVED that Resolution 2015-9 is hereby rescinded.

RESOLUTION DECLARED ADOPTED.

Motion by McCloud, support by Thomas to open public hearing at 7:14pm on the 2016-2017 Fiscal Year Budget.
Motion carried.

Council discussed how the millage rate has not been increased for tax payers since at least 1994.

There was no other public comment.

Motion by Rudisill, support by Jaquays to close public hearing at 7:15pm on the 2016-2017 Fiscal Year Budget.
Motion carried.

Motion by Caudill, support by Rudisill to adopt Resolution #2016-5 2016-2017 Fiscal Year Budget.
Motion carried with the following roll call vote: Yes: McCloud, Jaquays, Thomas, Brighton, Rudisill, Caudill, Banks; No: None; Absent: None. The resolution is as follows:

WHEREAS anticipated revenues for the Village of Lake Odessa (“the Village”) for the Fiscal Year 2016-17 will total \$7,030,658.00; and

WHEREAS a budget has been prepared for the expenditure, distribution and allocation of such revenues during Fiscal Year 2016-17 totaling \$7,068,278.00, as set forth in the attached Exhibit A; and

WHEREAS a public hearing with regard to said budget was duly noticed and held by the Lake Odessa Village Council (“Village Council”) on February 15, 2016, in accordance with Michigan statute, and opportunity was given to all present to comment upon the same; and

WHEREAS the Village Council is now satisfied that the Fiscal Year 2016-17 budget as originally proposed is reasonable and in the best interest of the government of the Village;

NOW, THEREFORE, BE IT HEREBY RESOLVED that the Village Council hereby adopts the aforementioned budget, subject to such changes as may subsequently be found to be necessary by the Village Council as a result of changes in anticipated receipts and/or unanticipated changes in expenditures which are either unavoidable or determined by the Village Council to be in the best interest of the Village, and which can be met out of surplus funds or a reallocation of budget expenditures.

BE IT FURTHER RESOLVED that it is the express intent of the Village Council that the aforementioned budget shall be adopted and managed by appropriation accounts.

Effective Date: This resolution shall become effective February 15, 2016.

RESOLUTION DECLARED ADOPTED.

Motion by Rudisill, support by Caudill to adopt Resolution #2016-6 General Appropriations Act. Motion carried with the following roll call vote: Yes: McCloud, Jaquays, Thomas, Brighton, Rudisill, Caudill, Banks; No: None; Absent: None. The resolution is as follows:

The Lake Odessa Village Council resolves:

Section 1: Title

This resolution shall be known as the Village of Lake Odessa General Appropriations Act.

Section 2: Chief Administrative Officer

The Lake Odessa Village Manager shall be the Chief Administrative Officer and shall perform the duties of the Chief Administrative Officer enumerated in this act.

Section 3: Fiscal Officer

The Lake Odessa Clerk/Treasurer shall be the Fiscal Officer and shall perform the duties of the Fiscal Officer enumerated in this act.

Section 4: Public Hearing on the Budget

Pursuant to MCL 141.412, notice of public hearing on the proposed Fiscal Year 2016-17 budget for the Village of Lake Odessa was published in a newspaper of general circulation, and a public hearing on said proposed budget was held by the Lake Odessa Village Council on February 15, 2016.

Section 5: Estimated Revenues

Estimated Village revenues for Fiscal Year 2016-17, including a general operating millage of 10.90270, a street repair millage of 4.88620, and various miscellaneous revenues shall total \$7,068,278.00.

Section 6: Millage Levy

The Lake Odessa Village Council shall cause to be levied and collected the general property tax on all real and personal property within the Village upon the current tax roll an amount equal to 15.78890 mills, including a general operating millage of 10.90270 and a street repair millage of 4.88620.

Section 7: Estimated Expenditures

Estimated general fund expenditures for Fiscal Year 2016-17 for the various activities of the Village shall total \$7,068,278.00.

Section 8: Adoption of Budget by Reference

The Fiscal Year 2016-17 general fund budget of the Village is hereby adopted by reference, with revenues and expenditures as indicated in Sections 5 and 7 above.

Section 9: Adoption of Budget by Account

The Lake Odessa Village Council adopts the Fiscal Year 2016-17 budget by appropriation account. The Village officials responsible for expenditures authorized in the budget may expend Village funds up to, but not to exceed, the total appropriation authorized for each appropriation account, and may make transfers among the various line items contained therein. However, no transfers of appropriations for line items related to wages or salaries may be made without Village Council approval by budget amendment.

Section 10: Appropriation not a Mandate to Spend

Appropriations will be deemed maximum authorizations to incur expenditures. The Fiscal Officer shall exercise supervision and control to ensure that expenditures are within appropriations, and shall not issue any order for expenditures that exceed appropriations.

Section 11: Transfers

Transfers of any unencumbered balance, or any portion, in any appropriation account to any other appropriation account may not be made without amendment of this resolution; except that the Chief Administrative Officer may transfer to the Local Street Fund an amount not to exceed 50% of the total appropriation authorized in the Major Street Fund, in accordance with the laws of the State of Michigan. The Village Council shall be notified at its next meeting of any such transfer made, and reserves the right to modify, amend or nullify any such transfer. Under no circumstances may the total general fund budget be changed without prior approval of the Village Council.

Section 12: Periodic Fiscal Reports

The Fiscal Officer shall make available to the Village Council at the end of each month a report of financial operations, including, but not limited to:

- a. a summary statement of the actual financial condition of the general fund at the end of the previous month;
- b. a summary statement showing the receipts and expenditures for the previous month and for the current fiscal year to the end of the previous month.

Section 13: Limit on Obligations and Payments

No obligation shall be incurred against and no payment shall be made from any appropriation account unless there is a sufficient balance in the account and sufficient funds are or will be available to meet the obligation.

Section 14: Budget Monitoring

Whenever it appears to the Chief Administrative Officer or the Village Council that the actual and probable revenues in any account will be less than the estimated revenues upon which appropriations from such account were based, and when it appears that expenditures shall exceed an appropriation, the Chief Administrative Officer shall present to the Village Council recommendations to prevent expenditures from exceeding available revenues or appropriations for the current fiscal year. Such recommendations shall include proposals for reducing appropriations, increasing revenues or both.

Section 15: Violations of this Act

Any obligation incurred or payment authorized in violation of this resolution shall be void and shall subject any responsible official(s) or employee(s) to disciplinary action as outlined in 1978 PA 621.

Effective Date: This resolution shall take immediate effect.

RESOLUTION DECLARED ADOPTED.

Motion by McCloud, support by Caudill to approve the Capital Improvement plan as presented. Motion carried.

Motion by McCloud, support by Rudisill to approve the 2016-2017 Fiscal Year Fire Department budget as presented. Motion carried.

Motion by Caudill, support by Brighton to approve the 2016-2017 Fiscal Year Arts Commission budget as presented. Motion carried.

Motion by McCloud, support by Thomas to adopt Resolution 2016-7 Authorizing Issuance of General Obligation Limited Tax Refunding Bonds. Motion carried with the following roll call vote: Yes: McCloud, Jaquays, Thomas, Brighton, Rudisill, Caudill, Banks; No: None; Absent: None. The resolution is as follows:

WHEREAS, the Village of Lake Odessa (the "Village") issued its Capital Improvement Bonds, Series 2006 (Limited Tax General Obligation), dated June 1, 2006, in the original aggregate principal amount of \$550,000 (the "2006 Capital Improvement Bonds") pursuant to Act 34, Public Acts of Michigan, 2001, as amended, ("Act 34"), for the purpose of financing certain street, streetscape, sidewalk, water supply, sanitary sewer, and other capital improvements in the Village (the "Improvements"); and

WHEREAS, the Village issued its Michigan Transportation Fund Bonds, Series 2006 (Limited Tax General Obligation) dated June 1, 2006, in the original aggregate principal amount of \$900,000 (the "2006 MTF Bonds"), pursuant to Act 175, Public Acts of Michigan, 1952, as amended ("Act 175") for the purpose of financing certain street improvements in the Village (also the "Improvements"); and

WHEREAS, the 2006 Capital Improvement Bonds and the 2006 MTF Bonds (together, the "Prior Bonds") maturing on and after May 1, 2017, are subject to redemption prior to maturity at the option of the Village, on any date on or after May 1, 2016; and

WHEREAS, Act 34 permits the Village to refund all or part of the Prior Bonds; and

WHEREAS, the Village has been advised that refunding a portion of the Prior Bonds may provide a savings in interest costs to the Village; and

WHEREAS, the Village will request proposals from financial institutions for the purchase of refunding bonds to refund the Prior Bonds; and

WHEREAS, the Village Council has determined that it is in the best interest of the Village to refund all or a portion of the Prior Bonds and to authorize an officer of the Village to award the sale of the Bonds to a financial institution and take all actions necessary to issue refunding bonds in the amount of not to exceed \$990,000 (the "Bonds") and refund all or a portion of the Prior Bonds.

NOW, THEREFORE, BE IT HEREBY RESOLVED as follows:

NECESSITY. The Village Council (the “Council”) determines that it is a necessary public purpose of the Village to refund the portion of the Prior Bonds maturing on and after May 1, 2017.

ISSUANCE OF BONDS. The Bonds, designated General Obligation Limited Tax Refunding Bonds, Series 2016 are authorized to be issued in the aggregate principal amount not to exceed \$990,000 for the purpose of refunding the portion of the Prior Bonds maturing on and after May 1, 2017 (the “Refunded Bonds”), or such other portion of the Prior Bonds as determined by the Authorized Officer (defined below) in an order signed by the Authorized Officer (the “Sale Order”) and to pay the legal and financial expenses and all other expenses incidental to the issuance of the Bonds.

PERIOD OF USEFULNESS. The estimated remaining period of usefulness of the Improvements is determined to be in excess of eleven (11) years.

BOND TERMS. The Bonds shall be issued in fully registered form as to both principal and interest, in any denomination. The Bonds shall be numbered consecutively in the order of their registration, shall be dated the date of delivery or such other date as determined by the Authorized Officer in the Sale Order and shall mature serially or as term bonds subject to mandatory redemption as determined by the Authorized Officer in the Sale Order.

The final maturity shall be no later than May 1, 2026. The Bonds shall bear interest at a rate or rates not exceeding 5.00% per annum as determined by the Authorized Officer payable semiannually on the dates determined by the Authorized Officer in the Sale Order.

PAYMENT OF PRINCIPAL AND INTEREST. Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America to the person appearing on the Bond registration books as the registered owner thereof. Payment of principal on the Bonds shall be made at or through the office of the Paying Agent (defined below). Payment of interest on the Bonds shall be paid to the registered owner at the address as it appears on the registration books as of the Determination Date. Initially, the Determination Date shall be the date as of the fifteenth (15th) day of the month prior to the payment date for each interest payment; however, the Determination Date may be changed by the Village to conform to market practice.

PLEDGE OF FULL FAITH AND CREDIT, GENERAL OBLIGATION. The Village intends to pay the principal of and interest on the portion of the Bonds used to refund the 2006 MTF Bonds from state-collected taxes returned to the Village for road purposes pursuant to law. The Village hereby pledges its limited tax, full faith and credit, general obligation for the prompt payment of the principal of and interest on the Bonds as and when due. In the event there are insufficient moneys for the payment of principal of and interest on the Bonds, the Village shall levy a tax on all taxable property in the Village for the prompt payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable constitutional and statutory limitations on the taxing power of the Village. The pledge by the Village shall be a first budget obligation.

PRIOR REDEMPTION. The Bonds shall be subject to optional redemption prior to maturity as determined by the Authorized Office in the Sale Order.

PAYING AGENT AND REGISTRATION:

Appointment of Paying Agent. The Authorized Officer shall, from time to time, designate and appoint a paying agent, which may also act as transfer agent and bond registrar (the “Paying Agent”). In the event of a change in the Paying Agent, notice shall be given in writing, by certified mail, to each Registered Owner not less than sixty (60) days prior to the next interest payment date. The Paying Agent shall keep the official books for the recordation of the Registered Owners of the Bonds.

Book Entry Eligible: At the option of the initial purchaser of the Bonds, the Bonds will be issued in book-entry only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York; if this option is selected, DTC will act as securities depository for the Bonds, purchase of the Bonds will be made in book-entry only form, in denominations of \$1,000 or any integral multiple of that amount, and purchasers will not receive certificates representing their interest in Bonds purchased.

Discontinuance of Book-Entry-Only. In the event the book-entry-only system is not selected or is discontinued, the following provisions would apply to the Bonds. Registration of the Bonds shall be recorded in the registration books of the Village to be kept by the Paying Agent. Bonds may be transferred only by submitting the same to the Paying Agent, together with a satisfactory instrument of transfer signed by the Registered Owner or his or her legal

representative duly authorized in writing, after which a new Bond or Bonds shall be issued by the Paying Agent to the transferee (new registered owner) in denominations of \$1,000 or any integral multiple of that amount, in the same aggregate principal amount as the Bond submitted for transfer. No transfer of Bonds shall be valid unless and until recorded on the bond registration books in accordance with the foregoing. The person in whose name any bond is registered may for all purposes, notwithstanding any notice to the contrary, be deemed and treated by the Village and the Paying Agent as the absolute owner thereof, and any payment of principal and interest on any Bond to the Registered Owner thereof shall constitute a valid discharge of the Village's liability upon such Bond to the extent of such payment. No Bond shall be transferred less than fifteen (15) days prior to an interest payment date nor after the Bond has been called for redemption. So long as the Bonds are registered to DTC or another bond depository, the Paying Agent, acting as bond registrar, shall have no responsibility with respect to such transfers.

BOND FORM. The Bonds shall be substantially in the form attached hereto as Exhibit A, and incorporated herein, with such changes as are recommended by the Village's Bond Counsel and approved by the officers of the Village signing the Bonds, and whose signatures thereon shall be conclusive evidence of such approval.

EXECUTION OF BONDS. The President or the President Pro Tempore and the Clerk or the Deputy Clerk of the Village are hereby authorized and directed to sign the Bonds, either manually or by facsimile signature, on behalf of the Village. Upon execution, the Bonds shall be delivered to the purchaser thereof upon receipt of the purchase price.

BOND PAYMENT FUND. For payments of principal of and interest on the Bonds, there shall be established and maintained a debt service fund for the Bonds (the "Bond Payment Fund"). The accrued interest, if any, and capitalized interest, if any, received at the time of delivery of the Bonds shall be placed into the Bond Payment Fund. All proceeds from taxes levied for the payment of the principal of and interest on the Bonds shall also be deposited into the Bond Payment Fund. Moneys in the Bond Payment Fund shall be expended solely for payment of principal and interest on the Bonds. The Village hereby pledges to set aside each year from the taxes levied for this purpose a sum sufficient to pay the principal of and interest on the Bonds coming due prior to the next collection of taxes.

INVESTMENT OF FUNDS. Moneys in the funds and accounts established herein may be invested by the Village as allowed by law and subject to the limitations imposed by arbitrage regulations and Section 148 of the Code (defined below).

DEPOSITORY AND FUNDS ON HAND. Monies in the several funds and accounts maintained pursuant to this Resolution may be kept in one or more accounts at financial institutions designated by resolution of the Village and, if kept in one account, the monies shall be allocated on the books and records of the Village in the manner and at the times provided in this Resolution.

BOND PROCEEDS; ESCROW AGREEMENT. The proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds and to secure payment of the Refunded Bonds, as follows:
Any accrued interest received upon delivery of the Bonds shall be deposited in the Bond Payment Fund. Proceeds of the Bonds in the amount designated by the Authorized Officer at the time of delivery of the Bonds, together with any monies transferred by the Village from the debt retirement fund for the Prior Bonds and any other available funds of the Village at the time of sale of the Bonds, all as determined by the Authorized Officer, shall be deposited in an escrow fund (the "Escrow Fund"), to be used pursuant to the terms of an escrow agreement (the "Escrow Agreement") to be executed between the Village and an escrow trustee selected by the Authorized Officer (the "Escrow Trustee"), providing for the deposit of the proceeds of the Bonds with the Escrow Trustee for the purposes of investment and administration.

The Escrow Fund shall be held in trust by the Escrow Trustee pursuant to the Escrow Agreement, which agreement shall irrevocably direct the Escrow Trustee to take all necessary steps to call for redemption the Refunded Bonds, including publication and mailing of redemption notices, on the first call date on which the Refunded Bonds may be called for redemption. The proceeds of the Bonds to be deposited in the Escrow Fund shall be invested in deposits of cash and/or any bonds or other obligations not callable at the option of the Issuer thereof, which as to principal and interest constitute direct obligations of the United States of America, or obligations the principal of and interest on which is fully guaranteed by the United States of America, including U. S. Treasury Trust Receipts, or any other obligations permitted under the terms of the Escrow Agreement. The investments held in the Escrow Fund shall be

such that the principal will be sufficient, without reinvestment, to pay the principal and interest on the Refunded Bonds as they become due at their maturity or at the call for redemption required by this section. The Escrow Trustee shall serve as Trustee under the Escrow Agreement. The Authorized Officer is hereby authorized and directed to negotiate, approve and execute the Escrow Agreement for and on behalf of the Village.

The balance of the proceeds of the sale of the Bonds shall be deposited in a costs of issuance fund established under the Escrow Agreement (or be used directly) to be used to pay legal, financing or other expenses incidental to issuance of the Bonds.

ADDITIONAL BONDS. In accordance with the provisions of Act 34, the Village reserves the right to issue additional bonds, which shall be of equal standing and priority with the Bonds.

CONTRACT WITH BONDHOLDERS. The provisions of this Resolution shall constitute a contract between the Village and the holder or holders of the Bonds from time to time (the "Bondholders"), and after the issuance of any of such Bonds, no change, variation or alteration of the provisions of this Resolution may be made that would lessen the security for the Bonds. The provisions of this Resolution shall be enforceable by appropriate proceedings taken by such Bondholders, either at law or in equity.

SALE OF BONDS. The Authorized Officer is hereby authorized to circulate a request for proposals to purchase the Bonds and to negotiate the sale of the Bonds to such financial institution as the Authorized Officer shall determine. The Village determines that a negotiated sale is in the best interest of the Village because its relationship with local banking institutions will provide a low interest rate while also saving on the costs of issuance for the Bonds and will provide flexibility to time such sale to market conditions as advantageously as possible.

AUTHORIZED OFFICER. The President and the Manager of the Village, or either one of them acting alone (the "Authorized Officer"), is hereby designated, for and on behalf of the Village, to do all acts and to take all necessary steps required to effectuate the sale, issuance and delivery of the Bonds to the selected institution or underwriter. Notwithstanding any other provision of this Resolution, the Authorized Officer is authorized within the limitations of this Resolution to determine the specific interest rate or rates to be borne by the Bonds, the principal amount, denominations, interest payment dates, dates of maturities, and the amount of maturities, the amount of good faith deposit, if any, the purchase price for the Bonds, provided the price is not less than 99.75%, optional and mandatory redemption rights, term bond options, the title of the Bonds, date of issuance, and other terms and conditions relating to the Bonds and the sale thereof. The Authorized Officer's approval of the terms shall be evidenced by the Authorized Officer's signature in the Sale Order or on the document or agreement stating such terms. The Authorized Officer is hereby authorized for and on behalf of the Village, without further Council approval, to award or reject proposals for the sale of the Bonds and to do all acts and take all necessary steps required to effectuate the sale, issuance, and delivery of the Bonds, including to: (a) to negotiate, approve and execute the Escrow Agreement with the escrow trustee; (b) apply to rating agencies for a rating on the Bonds; (c) execute a Bond Purchase Agreement or otherwise award the sale of the Bonds; and (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds. The Authorized Officer, together with the Clerk, Treasurer, and Finance Director, are authorized to execute any orders, receipts, agreements, pledge agreements, documents or certificates necessary to complete the transaction, including, but not limited to, any issuers certificate, any certificates relating to federal or state securities laws, rules or regulations, and any applications to the Michigan Department of Treasury, including the Application for State Treasurer's Approval to Issue Long-Term Securities.

The Authorized Officer is hereby authorized to select and retain, on behalf of the Village, the Escrow Trustee to serve under the Escrow Agreement, a Paying Agent to serve pursuant to this Resolution, and a Verification Agent to review calculations and verify savings resulting from issuance of the Bonds. The Authorized Officer is authorized to approve, put in place, and implement such policies for the Village with respect to post issuance arbitrage and tax compliance and securities laws compliance.

DEFEASANCE. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, shall be deposited in trust, this Resolution shall be defeased and the owners of the Bonds shall have no further rights under this Resolution except to receive payment of the principal of, premium, if any, and interest on the Bonds from the cash or securities deposited

in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein.

INTERNAL REVENUE CODE. The Village has consulted with its attorney and understands that the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code") contains certain requirements on (i) the expenditure of proceeds from the sale of the Bonds and the Prior Bonds, (ii) the investment of the proceeds from the issuance of the Bonds and the Prior Bonds and (iii) the rebate of interest earned on the investment of the proceeds of the Bonds and the Prior Bonds under certain circumstances. The Village hereby covenants to comply with such requirements.

BONDS MUTILATED, LOST OR DESTROYED. If any Bond shall become mutilated, the Village, at the expense of the holder of the Bond, shall execute, and the Paying Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Paying Agent of the mutilated Bond. If any Bond issued under this Resolution shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the Paying Agent and, if this evidence is satisfactory to both the Village and the Paying Agent and indemnity satisfactory to the Paying Agent shall be given, the Village, at the expense of the owner, shall execute, and the Paying Agent shall thereupon authenticate and deliver, a new Bond of like tenor, which shall bear the statement required by Act 354, Public Acts of Michigan, 1972, as amended, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond, the Paying Agent may pay the same without surrender thereof.

QUALIFIED TAX-EXEMPT OBLIGATION. The Village reasonably anticipates that the amount of qualified tax-exempt obligations that will be issued by the Village and all subordinate entities during the calendar year 2016 shall not exceed \$10,000,000. The Village hereby designates the Bonds as "qualified tax-exempt obligations" for purposes of Code Section 265(b)(3)(B).

BOND COUNSEL. Dickinson Wright PLLC, Grand Rapids, Michigan, is hereby employed to act as bond counsel for the Bonds.

RESOLUTION SUBJECT TO MICHIGAN LAW. The provisions of this Resolution are subject to the laws of the State of Michigan.

SECTION HEADINGS. The section headings in this Resolution are furnished for convenience of reference only and shall not be considered to be a part of this Resolution.

SEVERABILITY. If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Resolution.

CONFLICT. Except as provided above, all resolutions or parts thereof, insofar as the same may be in conflict herewith, are hereby repealed; provided, that the foregoing shall not operate to repeal any provision thereof, the repeal of which would impair the obligation on the Bonds.

EFFECTIVE DATE OF RESOLUTION. This Resolution is determined by the Council to be immediately necessary for the preservation of the peace, health and safety of the Village and shall be in full force and effect from and after its passage.

THIS BOND HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, IN RELIANCE UPON EXEMPTIONS UNDER SUCH ACT. ANY RESALE OR OTHER TRANSFER OF THIS BOND MAY BE MADE ONLY UPON REGISTRATION UNDER SUCH ACT OR IN AN EXEMPT TRANSACTION UNDER SUCH ACT AND UPON COMPLIANCE WITH THE CONDITIONS SET FORTH HEREIN

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF IONIA

VILLAGE OF LAKE ODESSA
GENERAL OBLIGATION LIMITED TAX REFUNDING BONDS,
SERIES 2016

Interest Rate

Maturity Date

Date of Original Issue

Registered Owner:

Principal Amount:

The Village of Lake Odessa, Ionia County, Michigan (the "Village"), acknowledges itself indebted and, for value received, hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Date of Maturity specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon 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 the first day of May and November of each year, beginning November 1, 2016.

This Bond is one of a total authorized series of bonds of even date and like tenor, except as to date of maturity, amount, and interest rate, numbered in order of registration aggregating the principal sum of \$_____ issued in accordance with the provisions of Act 34, Public Acts of Michigan, 2001, and a Resolution duly adopted by the Village Council on February 15, 2016, for the purpose of refunding Capital Improvement Bonds, Series 2006 (Limited Tax General Obligation), which were issued to defray the cost of acquiring and constructing certain streetscape, sidewalk, water supply, sanitary sewer, and other capital improvements in the Village and the Village's Michigan Transportation Fund Bonds, Series 2006 (Limited Tax General Obligation), which were issued to defray the cost of acquiring and constructing street improvements in the Village.

The Village has pledged the limited tax, full faith, credit and resources of the Village for the prompt payment of the principal of and interest on the Bonds, in which event the Village may levy a tax on all taxable property in the Village for the payment of principal and interest on the Bonds, which tax shall be limited as to rate and amount by applicable constitutional and statutory limitations on the taxing power of the Village. The Village reserves the right to issue additional bonds in accordance with the provisions of Act 34 that shall be of equal standing and priority with the Bonds.

_____ shall act as initial paying agent, bond registrar, and transfer agent (the "Paying Agent"). The Village may hereafter designate an alternate Paying Agent by notice mailed to the Registered Owner not less than sixty (60) days prior to the next interest payment date. Interest on this Bond is payable to the Registered Owner of record as of the fifteenth (15th) day of the month preceding the payment date as shown on the registration books of the Village maintained by the Paying Agent. Payments of principal and interest shall be made to the Registered Owner, by check or draft, preauthorized debit or such other manner of payment acceptable to the Registered Owner.

Portions of the Bond maturing on May 1, ____ (the "Term Bond"), are subject to mandatory redemption prior to maturity in part, by lot and will be redeemed at the par value thereof plus accrued interest to the redemption date as follows:

Redemption Date

Principal Amount

(maturity)

The Bonds shall be subject to optional redemption prior to maturity as follows.

This Bond shall be registered in the name of the Registered Owner on the registration books kept by the Paying Agent and such registration noted hereon and, thereafter, no transfer shall be valid unless made upon the registration books and likewise noted hereon. This Bond is exchangeable at the request of the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the office of the Paying Agent, but only in the manner, subject to the limitations and at his sole expense, for other bonds of an equal aggregate amount, upon surrender of this Bond to the Paying Agent. Upon such transfer, a new registered bond or bonds of the same series and the same maturity of authorized denomination will be issued to the transferee in exchange therefor.

The Village has designated the Bonds as qualified tax-exempt obligations for the purposes of Section 265(b)(3)(B) of the Internal Revenue Code of 1986, as amended.

It is hereby certified and recited that all acts, conditions and things required by law, precedent to and in the issuance of this Bond, exist and have been done and performed in regular and due time and form as required by law and that the total indebtedness of the Village including this Bond, does not exceed any constitutional or statutory limitation.

IN WITNESS WHEREOF, Village of Lake Odessa, Ionia County, Michigan, by its Village Council has caused this Bond to be signed, by the manual or facsimile signatures of its President and its Clerk, all as of the ____ day of _____, 2016.

Karen Banks, President

Pearl R. Goodemoot, Clerk

CERTIFICATE OF REGISTRATION AND AUTHENTICATION

This Bond is one of the Village of Lake Odessa \$_____ General Obligation Limited Tax Refunding Bonds, Series 2016, and has been registered in the name of the Registered Owner designated on the face thereof in the bond register maintained for the Village.

Authentication Date: _____ As Paying Agent/Bond Registrar/Transfer Agent

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____

(please print or type social security number or taxpayer identification number and name and address of transferee)

the within bond and all rights thereunder, and does hereby irrevocably constitute and appoint _____ attorney to transfer the within bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____ Signed: _____

In the presence of: _____

Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever. When assignment is made by a guardian, trustee, executor or administrator, an officer of a corporation, or anyone in a representative capacity, proof of his Village to act must accompany the bond.

Signature(s) must be guaranteed by an eligible guarantor institution participating in a Securities Transfer Association recognized signature guaranty program.

Signature Guaranteed: _____

Bender informed council that the attorney was still reviewing the DPW contract so the contract will be tabled until the next council meeting.

Motion by McCloud, support by Thomas to approve the budget amendments as presented. Motion carried.

Council reviewed the minutes of the 2/2/2016 Trail Authority Steering Committee meeting. Banks asked for input from council. Discussion followed. Consensus was that the membership of the proposed Trail Authority be seven members; i.e., one elected official from each governmental entity (Odessa Twp., Woodland Twp. and Village of Lake Odessa), three members from the current Jordan Lake Trail Board, and one at-large member. Discussion was held regarding appointment of a clerk/treasurer from one of the municipalities to assist the new authority board with legal and financial requirements. Village Clerk/Treasurer Pearl Goodemoot stated she was unable to accept the invitation to due to time constraints and family responsibilities.

MISCELLANEOUS CORRESPONDENCE

There was no miscellaneous correspondence.

TRUSTEE COMMENTS

McCloud had no comment.

Jaquays had no comment.

Thomas had no comment.

Brighton had no comment.

Rudisill had no comment.

Caudill had no comment.

Banks had no comment.

PUBLIC COMMENT

There was no public comment.

Motion by McCloud, support by Jaquays to adjourn. Motion carried; meeting adjourned at 7:57 p.m.

Respectfully submitted,

Pearl Goodemoot
Village Clerk / Treasurer