

CITY OF CHARLEVOIX
REGULAR CITY COUNCIL MEETING MINUTES
Monday, July 21, 2014 – 7:00 p.m.
210 State Street, City Hall, Council Chambers, Charlevoix, MI

The meeting was called to order at 7:00 p.m. by Mayor Norman Carlson.

I. Pledge of Allegiance

II. Roll Call of Members Present

Mayor: Norman Carlson
City Manager: Absent
Executive Assistant: Linda Weller
City Clerk: Joyce Golding
Members Present: Councilmembers Peggy Brennan, Shane Cole, Lyle Gennett, Shirley Gibson, Leon Perron, and Jeff Porter

III. Inquiry Regarding Possible Conflicts of Interest

None.

IV. Consent Agenda

The following items were approved and filed:

- A. Approval of Minutes – July 7, 2014 Regular Meeting Minutes
- B. Accounts Payable Check Registers – July 22, 2014
- C. ACH Payments – July 7, 2014 – July 18, 2014
- D. Payroll Check Register – July 18, 2014
- E. Payroll Transmittal – July 18, 2014
- F. Certificates of Appreciation Mary Chavez and Susan Wilson for the rehabilitation of the Bridge Street Wine and Spirits Garden

V. Public Hearings

None.

VI. Reports

Executive Assistant Weller stated that there were no additional items above and beyond the City Manager's Report dated July 17, 2014.

VII. Requests, Petitions and Communications and Actions Thereon

- A. Consideration to Approve a Resolution to Tentatively Award a Contract to DeVere Construction Company for Improvements to the Wastewater Treatment Plant

Mark Prein of Prein and Newhof, the project consultant and engineer, stated that the City has received seven bids for improvements to the Wastewater Treatment Plant. The low bidder was DeVere Construction Company from Alpena with a bid of \$8,548,000. The engineer's estimate was \$8,395,000 (-1.8% variance). Mr. Prein and the contractor recommend an alternative blower deduct of \$34,000, making the final bid \$8,514,000.

Project engineers, City Staff, and DeVere representatives have agreed to substitute two subcontractors. Subcontractor Johnson & Wood will be substituted with Northwest Kent Mechanical and CHG Smith will be replaced with Harbor Springs Excavating.

Mayor Carlson opened the item to public comment.

Robert Anderson, Business Manager of United Association Local 85, discussed the qualifications of US Local 85 and requested that Council consider the Local be part of the bid.

Mr. Prein cleared up confusion regarding Johnson & Wood not being the low bidder: DeVere is the low bidder and the company selects its own subcontractors. Prein and Newhof is recommending DeVere as the general contractor. Johnson & Wood (subcontractor) did not indicate on their resume that they had large wastewater plant experience; therefore DeVere selected another more qualified subcontractor. The City's contract documents include a qualifications and experience clause.

Action by Resolution.

- B. Consideration to Approve an Ordinance to Authorize the Issuance of Sewage Disposal System Junior Lien Revenue Bonds, Series 2014 for the State Revolving fund (SRF) Sewer Project

Patrick McGow, Bond Counsel with Miller Canfield, spoke regarding the issuance of Sewage Disposal System Junior Lien Revenue Bonds for the SRF Sewer Project in an amount not to exceed \$10,900,000. The Bonds are to be sold through the Michigan Finance Authority's (MFA) 4th Quarter State Revolving Fund Program scheduled to close on September 17, 2014. The Ordinance authorizes the issuance of the Bonds, which are payable from the new revenues of the city's sewage disposal system and provides flexibility for the size of the bond issue to be reduced prior to closing, based on actual construction bids and final approved costs. The Bonds will be sold to the MFA and payable in 20 annual principal installments at an interest rate of 2.5%.

Pursuant to the Revenue Bond Act, the Ordinance may be adopted at the meeting it is introduced without a public hearing, regardless of any contrary provision in the City's ordinance adoption procedures. After adoption, the Ordinance is required to be published once, in full, in the newspaper of record.

Mayor Carlson opened the item to public comment. There was no public comment and the item was closed.

Further action under Ordinances.

C. Discussion About Disc Golf Course at McSauba Recreation Area

The disc golf course and design were approved by City Council in 2012. The course is in the City's Recreation Plan as well as the City's Master Plan, which were approved by City Council. McSauba is a multi-use recreational area. City Staff ensures safety for guests who use the McSauba Recreation Area. Signage is posted to educate all users about sharing the area with hikers and disc golfers as well as specific signage at holes adjacent to the day camp area. The course was designed to minimize conflict with other trail users.

The course went through an extensive DEQ permitting process in 2012, including a site inspection, and was approved without issue. Some erosion control measures have already been taken, and a few new areas of concern are scheduled to be remediated. State of Michigan Department of Human Services (DHS) was called out to Camp McSauba by a concerned party. A DHS representative visited the camp and had no concern with any perceived conflicts of disc golf and the camp. He indicated that adequate signage was present on the holes near camp and counselors were supervising the children.

Councilmember Gibson toured the golf course with Charlevoix Township resident Dean Mikulski on June 9, 2014 and wanted City Council to discuss concerns brought forth by Mr. Mikulski.

Mayor Carlson opened the item to public comment.

Kathleen Stengas, Charlevoix Twp., expressed her concern regarding the desecration of the natural area. She stated she is not comfortable walking on the trails due to safety concerns. She experienced a disc crossing her path while walking on the street. Ms. Stengas stated that placement of some holes is dangerous to the public and she is concerned with the safety of the children at Camp McSauba.

Debbie Durker has been picking up trash at Mt. McSauba for nine years and stated that she collects a bag a week on the golf course, including beer cans and whiskey bottles.

Dean Mikulski, Charlevoix Twp., frequents the walking trails. He stated that there is little respect for the historic use of the property. Mr. Mikulski met with the City Manager and Recreation Director to discuss safety issues related to hole placement and lack of signage. Mr. Mikulski stated that there was an agreement that these issues would be addressed. Mr. Mikulski cited several areas that are dangerous and he believes ten holes on the course should be closed immediately.

Bo Boss, General Manager Mt. McSauba Recreation Area, stated that Mt. McSauba contains 42 acres of primary and secondary sand dunes and in 1983 the City took steps to protect these dunes. He believes that the current situation is a little out of control: lights have been damaged at the ice rink and erosion has become a problem. Mr. Boss is concerned with regards to who will pay for damage or remediation. He recommends removing the concrete and redesigning the course. Mr. Boss indicated that the hiking trails are used year-round.

Rick Evans of the Chain O'Lakes Disc Golf Club designed and installed the new disc golf course. He stated that the DEQ approved the use of cement on some tee boxes to prevent erosion. Hikers and bikers are causing some erosion on several trails. Trees removed when building the course were four inches in diameter or less, which surpassed the DEQ's requirement of six inches or less. Camp McSauba is reporting that there have been no incidents with golfers and those golfers are respectful toward the Camp Director. Directional signage to the first tee will be installed at the lodge. Mr. Evans feels that the issues presented are not insurmountable. He also stated that he has played numerous rounds of golf at busy multi-recreational areas in Northern Michigan and that these courses function effectively for both hikers and golfers.

Councilman Gennett questioned whether the course could be redesigned with fewer holes. Mr. Evans stated that could be considered, but there are no funds in the budget at this time.

Councilman Gibson would like to see the cement on the course removed. She also asked who will be responsible for the damaged lights or broken windows and believes that the City shouldn't have to pay for the damage. Councilmember Gibson would like to review the DEQ permit.

Mayor Carlson stated that the day-to-day issues at Mt. McSauba should not be addressed to Council. Day-to-day questions and issues should be forwarded to the City Manager for resolution. He also recommended follow up regarding previous agreements that were made between the City Manager and Mr. Mikulski. Mayor Carlson suggests investigating alternative cement products for the

tee boxes and whether removal of the cement would cause more harm than good. He stated that McSauba should be safe for both hikers and golfers.

Pat Duffy, City resident, stated that there is enough room at McSauba for everyone to enjoy. Ms. Duffy believes that it is her responsibility to be cautious when using the hiking trails and that there is always risk involved at a multi-use recreational area. She is in favor of disc golf and takes offense with people stereotyping disc golfers. She believes that if we work together we can come up with a solution to accommodate both hikers and golfers.

Mark Cousins, Charlevoix Twp., is a runner and hiker and plays disc golf. He believes that hiking and golfing is about sharing the environment and that McSauba is a vital part of the community.

Mayor Carlson closed the item to public comment.

Mayor Carlson proposed a meeting with Mr. Boss, Mr. Evans, Councilmembers Gibson and Gennett, and the City Manager to discuss and resolve concerns and bring recommendations to Council and acknowledged that eliminating holes on the course may be a solution. Mayor Carlson stated that McSauba is a large enough area for hikers and golfers to coexist.

Councilmember Porter stated that he is not opposed to disc golf, but there is a compatibility issue with hiking. He spoke with Joan MacGillvary who donated a portion of the area and indicated that Ms. MacGillvary was horrified that the forest was cut and cleared for fairways. Councilmember Porter said Ms. MacGillvary's intentions were to keep the area natural. He also read excerpts from the 2011 Master Plan regarding the protection and preservation of the area.

Councilmember Perron toured the course in May and believes that there are serious safety issues that need to be addressed quickly.

D. Engineering Proposal to Assess the Water Treatment Plant for Reliability

WTP Superintendent Steve Teunis reported that the City's Water Treatment Plant and equipment have been in service since 1987. Given the age of the plant, the building and plant processes should be evaluated for repair and/or replacement. City Staff is requesting the engineer's input to create a capital improvement plan to replace/repair critical processes, such as pumps, filters, control circuits, intake maintenance, future growth needs, and water reservoir needs. The capital improvement plan will assist Staff to create realistic budgets that will accomplish these goals.

Mayor Carlson opened the item to public comment. There was no public comment and the item was closed.

Motion by Councilmember Gennett, second by Councilmember Brennan, to accept the proposal from Prein & Newhof [for \$14,500] to perform an assessment of the Water Treatment Plant and its equipment and processes and to make recommendations for future capital planning.

Yeas: Brennan, Cole, Gennett, Gibson, Perron, Porter
Nays: None
Absent: None

E. Consideration to Purchase Slip-in Sander Body.

The purchase of a slip-in sander body was approved in the 2014/2015 budget for \$14,000. This piece of equipment is the large sander that the city uses during the winter months for spreading sand and salt on City streets. The purchase is for the sander body alone which has corroded beyond repair, not the replacement of the entire truck. Two quotes were received for this piece of equipment.

Mayor Carlson opened the item to public comment. There was no public comment and the item was closed.

Motion by Councilmember Brennan, second by Councilmember Cole, to accept the quote as provided by Truck and Trailer Specialties in the amount of \$11,724 and place an order with them.

Yeas: Brennan, Cole, Gennett, Gibson, Perron, Porter
Nays: None
Absent: None

F. Downtown US-31 Road Closure Scheduled for July 26, 2014

On July 7, 2014, Police Chief Doan presented City Council with an agenda item for the closure of US-31 between Hurlbut St. and Park Ave. on Saturday, July 26, 2014 between the hours of 7:00 p.m. and midnight. During the discussion it was recommended to move forward with the road closure if the proper MDOT permits and signage were obtained. City Council directed Venetian president Dan Barron to approach the Venetian Committee to inquire about payment for the signage and to solicit local businesses and concerned citizens to help defray the cost of the signage. Venetian agreed to pay \$4100. After another meeting with MDOT, a few additional signs were added, increasing the cost to \$5650.

Councilmembers Gennett, Brennan, and Perron indicated that they would like to move forward with the plan to close the street. Chief Doan stated that there was no way to minimize the signage required by MDOT. Councilmember Gibson believes that the City is nickel-and-dimed continuously for miscellaneous expenses, and does not have enough money to pay City non-union employees fairly.

Treasurer Zielinski stated that the City has donated \$12,000 to Venetian as well as many City services for the event. The extra \$1,550 would have to come out of the General Fund.

Councilmember Perron suggested that the City and the Venetian Committee could purchase some signage in the future. Councilmember Porter suggested that a consortium of communities which hold festivals could come together to purchase and share the signage.

Dan Barron, Venetian President, stated that downtown businesses/stakeholders donated a total of \$1,200.

Mayor Carlson opened the item to public comment.

Don Axleby, summer resident, stated that the City should consider contacting the insurance underwriter for a possible reduction in premium due to the reduced risk by closing the street.

Motion by Councilmember Brennan, second by Councilmember Cole, to proceed forward and obtain the proper MDOT permits and signal lighting for the road closure on July 26, 2014 [7:00 p.m. to midnight], with the understanding that Venetian will be supplying \$4,100 leaving \$1,550 [paid by the City].

Yeas: Brennan, Cole, Gennett, Gibson, Perron, Porter
Nays: None
Absent: None

VIII. Introduction and Initial Actions Relating to Ordinances or to Resolutions That Require Publication or Hearings Prior to Final or Further Action

None.

IX. Resolutions

A. Consideration to Approve a Resolution to Tentatively Award a Contract To DeVere Construction Company for Improvements to the Wastewater Treatment Plant

Motion by Councilmember Cole, second by Councilmember Gennett, to adopt a resolution to Tentatively Award a Contract to DeVere Construction Company for Improvements to the Wastewater Treatment Plant, as follows:

**CITY OF CHARLEVOIX
RESOLUTION NO. 2014-07-05**

TENTATIVELY AWARD A CONSTRUCTION CONTRACT FOR WASTEWATER SYSTEM IMPROVEMENTS

WHEREAS, the City of Charlevoix wishes to construct improvements to its existing wastewater treatment and collection system; and

WHEREAS, the wastewater system improvements project formally adopted on June 17, 2013 will be funded through Michigan's SRF Program; and

WHEREAS, the City of Charlevoix has sought and received construction bids for the proposed improvements and has received a low bid in the amount of \$8,514,000.00 from DeVere Construction Company; and

WHEREAS, the project engineer, Prein & Newhof, has recommended awarding the contract to the low bidder.

NOW THEREFORE BE IT RESOLVED, that the City of Charlevoix tentatively awards the contract for construction of the proposed wastewater system improvements project to DeVere Construction Company, contingent upon successful financial arrangements with the SRF Program.

RESOLVED this 21st day of July, A.D. 2014.

Resolution was adopted by the following yea and nay vote:

Yeas: Gennett, Brennan, Cole, Perron, Gibson, Porter
Nays: None
Absent: None

X. Ordinances

A. Consideration to Approve an Ordinance to Authorize the Issuance of Sewage Disposal System Junior Lien Revenue Bonds, Series 2014 for the State Revolving Fund (SRF) Sewer Project

Motion by Councilmember Brennan, second by Councilmember Cole, to approve an Ordinance No. 766 of 2014 to Authorize the Issuance of Sewage Disposal System Junior Lien Revenue Bonds, Series 2014 for the State Revolving Fund (SRF) Sewer Project, as follows:

**CITY OF CHARLEVOIX
Ordinance No. 766 of 2014**

AN ORDINANCE TO PROVIDE FOR THE ACQUISITION, CONSTRUCTION, INSTALLATION, FURNISHING AND EQUIPPING OF ADDITIONS AND IMPROVEMENTS TO THE SEWAGE DISPOSAL SYSTEM OF THE CITY; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY THE COST THEREOF; 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 FOR THE SEGREGATION AND DISTRIBUTION OF SYSTEM REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; TO ESTABLISH SEPARATE SERIES OF BONDS OF SENIOR AND SUBORDINATE STATUS WITH RESPECT TO THE NET REVENUES OF THE SYSTEM; TO PRESCRIBE THE FORM OF THE BONDS; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.

THE CITY OF CHARLEVOIX ORDAINS:

Section 1. Definitions. Whenever used in this Ordinance, except when otherwise indicated by the context, the following terms shall have the following meanings:

(a) "Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.

(b) "Adjusted Net Revenues" means for any operating year the excess of revenues over expenses for the System determined in accordance with generally accepted accounting principles, to which shall be added depreciation, amortization, interest expense on Bonds and payments to the City in lieu of taxes, to which may be made the following adjustments.

(i) Revenues may be augmented by the amount of any rate increases adopted prior to the issuance of additional Bonds or to be placed into effect before the time principal or interest on the additional Bonds becomes payable from Revenues as applied to quantities of service furnished during the operating year or portion thereof that the increased rates were not in effect.

(ii) Revenues may be augmented by amounts which may be derived from rates and charges to be paid by new customers of the System.

(c) "Authority" means the Michigan Finance Authority or its successor.

(d) "Authorized Officers" means the Mayor, the City Manager, the City Clerk and the Finance Director of the City.

(e) "Bonds" or "Senior Lien Bonds" means any Bonds or series of Bonds so designated and payable from Net Revenues, which are secured by a statutory first lien on the Net Revenues established by this Ordinance and which are senior and superior in all respects with respect to the Net Revenues to any Junior Lien Bonds secured by the statutory second lien established by this Ordinance, together with any additional Bonds of equal standing thereafter issued.

(f) "City" means the City of Charlevoix, County of Charlevoix, State of Michigan.

(g) "Engineers" means Prein & Newhof, registered engineers of Grand Rapids, Michigan.

(h) "Junior Lien Bonds" means any Bonds or series of Bonds (including the Series 2014 Bond) payable from Net Revenues, after satisfaction of any requirements for funding the Redemption Account, and which are secured

by a statutory second lien on the Net Revenues and are junior and subordinate in all respects with respect to the Net Revenues to any Bonds hereafter issued secured by the statutory first lien established by this Ordinance.

(i) "DEQ" means the Department of Environmental Quality, or its successor.

(j) "Project" means the acquisition, construction, furnishing and equipping of improvements to the City's Sewage Disposal System, including improvements to the Charlevoix Wastewater Treatment Plant, together with all related appurtenances and attachments thereto, as described in the plans prepared by the Engineers and approved herein.

(k) "Purchase Contract" means the Purchase Contract to be entered into between the Authority and the City relating to the purchase by the Authority of the Bonds.

(l) "Revenues" and "Net Revenues" shall mean the revenues and net revenues of the City 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.

(m) "Series 2014 Bond" means the Sewage Disposal System Junior Lien Revenue Bond, Series 2014, of the City in the principal amount of not to exceed \$10,900,000 authorized by this Ordinance.

(n) "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 issuer, 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 or Junior Lien Bonds and the principal and redemption premium, if any, on the Bonds or Junior Lien 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 or Junior Lien Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the paying agent.

(o) "Supplemental Agreement" means the supplemental agreement among the City, the Authority and the DEQ relating to the Series 2014 Bond.

(p) "System" means the Sewage Disposal System of the City, including the Project and all additions, extensions and improvements hereafter acquired.

Section 2. Necessity; Approval of Plans and Specifications. It is hereby determined to be a necessary public purpose of the City to acquire and construct the Project in accordance with the plans and specifications prepared by the Engineers, which plans and specifications are hereby approved. The Project qualifies for the State Revolving Fund financing program being administered by the DEQ and the Authority, whereby bonds of the City are sold to the Authority and bear interest at a fixed rate of two and one-half percent (2.50%) per annum.

Section 3. Costs; Useful Life. The cost of the Project is estimated to be Eleven Million Fourteen Thousand Dollars (\$11,014,000), including the payment of incidental expenses as specified in Section 4 of this Ordinance, which estimate of cost is hereby approved and confirmed. The period of usefulness of the Project is estimated to be not less than twenty-five (25) years.

Section 4. Payment of Cost; Bonds Authorized. To pay part of the cost of acquiring the Project, legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2014 Bond, the City shall borrow the sum of not to exceed Ten Million Nine Hundred Thousand Dollars (\$10,900,000), and issue the Series 2014 Bond therefor pursuant to the provisions of Act 94. The remaining cost of the Project, if any, shall be defrayed from grant funds and City funds on hand and legally available for such use.

Section 5. Issuance of Series 2014 Bond; Details. The Series 2014 Bond of the City, to be designated SEWAGE DISPOSAL SYSTEM JUNIOR LIEN REVENUE BOND, SERIES 2014 is authorized to be issued in the aggregate principal sum of not to exceed Ten Million Nine Hundred Thousand Dollars (\$10,900,000) or such lesser amount as finally determined by order of the DEQ for the purpose of paying part of the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Series 2014 Bond. The Series 2014 Bond shall be payable out of the Net Revenues, as set forth more fully in Section 8 hereof, provided that said Series 2014 Bond shall be junior and subordinate to the prior lien with respect to the Net Revenues of any Bonds hereafter issued pursuant to this Ordinance.

The Series 2014 Bond shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the full principal amount thereof, dated as of the date of delivery, payable in principal installments as finally determined by the order of the

DEQ at the time of sale of the Series 2014 Bond and approved by the Authority and an Authorized Officer. Principal installments of the Series 2014 Bond shall be payable on October 1 of the years 2016 through 2035, inclusive, or such other payment dates as hereinafter provided. Interest on the Series 2014 Bond shall be payable on April 1 and October 1 of each year, commencing April 1, 2015 or on such other interest payment dates as hereinafter provided. Final determination of the principal amount of and interest on the Series 2014 Bond and the payment dates and amounts of principal installments of the Series 2014 Bond shall be evidenced by execution of the Purchase Contract and each of the Authorized Officers is authorized and directed to execute and deliver the Purchase Contract when in final form and to make the determinations set forth above; provided, however, that the first principal installment shall be due no earlier than October 1, 2015 and the final principal installment shall be due no later than October 1, 2038 and that the total principal amount shall not exceed \$10,900,000.

The Series 2014 Bond shall bear interest at a rate of two and one-half percent (2.50%) per annum on the par value thereof or such other rate as evidenced by execution of the Purchase Contract, but in any event not to exceed the rate permitted by law, and any Authorized Officers as shall be appropriate shall deliver the Series 2014 Bond in accordance with the delivery instructions of the Authority.

The principal amount of the Series 2014 Bond is expected to be drawn down by the City periodically, and interest on principal amount shall accrue from the date such principal amount is drawn down by the City.

The Series 2014 Bond shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Series 2014 Bond shall be payable as provided in the Series 2014 Bond form in this Ordinance.

The Series 2014 Bond shall be subject to optional redemption by the City with the prior written approval of the Authority and on such terms as may be required by the Authority.

The Treasurer shall record on the registration books payment by the City of each installment of principal or interest or both when made and the cancelled checks or other records evidencing such payments shall be returned to and retained by the Treasurer.

Upon payment by the City of all outstanding principal of and interest on the Series 2014 Bond, the Authority shall deliver the Series 2014 Bond to the City for cancellation.

Section 6. Execution of Series 2014 Bond. The Series 2014 Bond shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk and shall have the corporate seal of the City or facsimile thereof impressed thereon. The Series 2014 Bond bearing the manual or facsimile signatures of the Mayor and the City Clerk sold to the Authority shall require no further authentication.

Section 7. Registration and Transfer. Any Bond or Junior Lien 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 or Junior Lien 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 Junior Lien Bond shall be surrendered for transfer, the City shall execute and the transfer agent shall authenticate and deliver a new Bond or Junior Lien Bond, 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 City shall not be required (i) to issue, register the transfer of or exchange any Bond or Junior Lien 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 Series 2014 Bond contained in Section 18 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 or Junior Lien Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds or Junior Lien Bonds being redeemed in part. The City shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The transfer agent shall keep or cause to be kept at its principal office sufficient books for the registration and transfer of the Bonds or Junior Lien Bond, which shall at all times be open to inspection by the City; and upon presentation for such purpose the transfer agent shall under such reasonable regulations as it may prescribe transfer or cause to be transferred on said books Bonds or Junior Lien Bond as hereinbefore provided.

If any Bond or Junior Lien Bond shall become mutilated, the City, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond or Junior Lien Bond of like tenor in exchange and substitution for the mutilated Bond or Junior Lien Bond, upon surrender to the transfer agent of the mutilated Bond or Junior Lien Bond. If any Bond or Junior Lien Bond issued under this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), being sections 129.131 to 129.135, inclusive, of the Michigan Compiled Laws have been met, the City, at the expense of the owner, shall

execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond or Junior Lien Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond or Junior Lien Bond so lost, destroyed or stolen. If any such Bond or Junior Lien Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond or Junior Lien Bond the transfer agent may pay the same without surrender thereof.

Section 8. Payment of Series 2014 Bond; Security; Priority of Lien. Any Bonds hereafter issued 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.

Any Junior Lien Bonds issued hereunder, including the Series 2014 Bond, and the interest thereon shall be payable 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 second lien, subject only to the statutory first lien established with respect to the Bonds, to continue until payment in full of the principal of and interest on all Junior Lien 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 Junior Lien Bonds of a series then outstanding, principal and interest on such Junior Lien Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. The statutory lien on the Net Revenues created with respect to the Junior Lien Bonds (including the Series 2014 Bond) shall at all times be and remain subordinate and inferior to the pledge of Net Revenues and the statutory first lien thereon authorized to be granted to secure any Bonds hereafter issued.

Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentences, the statutory lien shall be terminated with respect to that series of Bonds or Junior Lien Bonds, the holders of that series shall have no further rights under this Ordinance except for payment from the deposited funds, and the Bonds or Junior Lien 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 or Junior Lien 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 City, 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 or the Junior Lien Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the City 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 City more particularly set forth herein and in Act 94.

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

Section 10. Management; Fiscal Year. The operation, repair and management of the System and the acquisition and construction of the Project shall be under the supervision and control of the City Council. The City Council, in accordance with the relevant provisions of the City Charter, 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 City Council may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. The fiscal year of the System shall be the fiscal year of the City.

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 cost, shall be furnished by the System to any person, firm or corporation, public or private, or to any public agency or instrumentality, including the City.

Section 13. Fixing and Revising Rates; Rate Covenant. The rates now in effect 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 and the Junior Lien Bonds as the same become due and payable, and the maintenance of the reserve therefor 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 110% of the principal of and interest on all Bonds coming due in each fiscal year and not less than 100% of the principal of and interest on all Junior Lien Bonds coming due in each fiscal year. The rates 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. Commencing on September 1, 2014, all funds belonging to the System shall be transferred as herein indicated and all Revenues of the System shall be set aside as collected and credited to a fund to be designated SEWAGE DISPOSAL SYSTEM RECEIVING FUND (the "Receiving Fund"). In addition, on September 1, 2014, all Revenues in any accounts of the System shall be transferred to the Receiving Fund and credited to the funds and accounts as provided in this section. The Revenues credited to the Receiving Fund are pledged for the purpose of the following funds and shall be transferred or debited from the Receiving Fund periodically in the manner and at the times and in the order of priority hereinafter specified:

A. OPERATION AND MAINTENANCE ACCOUNT:

Out of the Revenues credited to the Receiving Fund there shall be first set aside in, or credited to, a fund designated OPERATION AND MAINTENANCE ACCOUNT (the "Operation and Maintenance Account"), monthly a sum sufficient to provide for the payment of the next month's expenses of administration and operation of the System and such current expenses for the maintenance thereof as may be necessary to preserve the same in good repair and working order.

A budget, showing in detail the estimated costs of administration, operation and maintenance of the System for the next ensuing operating year, shall be prepared by the City at least 30 days prior to the commencement of each ensuing operating year. No payments shall be made to the City from moneys credited to the Operation and Maintenance Account except for services directly rendered to the System by the City or its personnel.

B. BOND AND INTEREST REDEMPTION ACCOUNT:

There shall be established and maintained a separate depository fund designated BOND AND INTEREST REDEMPTION ACCOUNT (the "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 Redemption Account 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 Fund, after provision for the Operation and Maintenance Account, there shall be set aside in the Redemption Account each month, commencing with the date of issue of a series of Bonds, a sum proportionately sufficient to provide for the payment when due of the then current principal of and interest on the Bonds, less any amount in the Redemption Account representing accrued interest on the Bonds or investment income on amounts on deposit in the Redemption Account. Commencing with the date of issue of a series of Bonds, the amount set aside each month for interest on the Bonds shall be the fractional amount of the total amount of interest on the Bonds next coming due derived from the number of months from the date of issue of the Bonds to the first interest payment date. Commencing with the first interest payment date, the amount set aside each month for interest on the Bonds shall be 1/6 of the total amount of interest on the Bonds next coming due. The amount set aside each month for principal, commencing with the date of issue of a series of Bonds, shall be the fractional amount of the total amount of principal on the Bonds next coming due by maturity or sinking fund redemption derived from the number of months from the date of issue of the Bonds to the first principal payment date. The amount set aside each month for principal payment commencing with the first principal payment date shall be 1/12 of the amount of principal next coming due by maturity or sinking fund redemption. If there is any deficiency in the amount previously set aside, that deficiency shall be added to the next succeeding monthly requirements. The amount to be set aside 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 Redemption Account, including investment income thereon, is necessary to pay principal and interest due on the Bonds on the next succeeding principal payment date.

C. JUNIOR LIEN BOND AND INTEREST REDEMPTION ACCOUNT:

There is hereby established and there shall be maintained a separate depository account designated JUNIOR LIEN BOND AND INTEREST REDEMPTION ACCOUNT (the "Junior Lien Redemption Account"). Except as otherwise provided herein, the moneys on deposit therein from time to time shall be used for the purpose of paying the principal or Redemption Price of and interest on any Junior Lien Bonds.

Out of the Revenues remaining in the Revenue Fund, after transfer, if required, for deposit into the Operation and Maintenance Account and the Redemption Account, there shall be set aside monthly in the Junior Lien Redemption Account a sum sufficient to provide for the next payment when due of the principal of and interest on the Junior Lien Bonds, less any amount in the Junior Lien Redemption Account representing accrued interest on the Junior Lien Bonds, and less the sum of any funds actually on deposit in the Junior Lien Redemption Account. The amount set aside and transferred to the Junior Lien Redemption Account each month for interest on the Junior Lien Bonds shall be 1/6 of the total amount of interest on the Junior Lien Bonds next coming due or such greater or lesser amount as is necessary to

assure that the amount set aside in the Junior Lien Redemption Account as of the first of such month is not less than the product of (a) 1/6 of the amount of interest next due on the Junior Lien Bonds times (b) the number of months elapsed since and including the last interest payment date. For the month immediately prior to each interest payment date the amount set aside and transferred to the Junior Lien Redemption Account to pay interest shall be reduced by amounts, including investment earnings, available in the Junior Lien Redemption Account which are available for such purpose. The amount set aside and transferred to the Junior Lien Redemption Account each month for principal commencing twelve months prior to the first maturity or mandatory sinking fund redemption date shall be 1/12 of the amount of principal next coming due on the Junior Lien Bonds by maturity or as a mandatory redemption requirement or such greater or lesser amount as is necessary to assure that the amount set aside in the Junior Lien Redemption Account as of the first of such month is not less than the product of 1/12 of the amount of principal next due on the Junior Lien Bonds times (b) the number of months elapsed since and including the last principal payment date. If there is any deficiency in the amount previously set aside, that deficiency shall be added to the next succeeding month's requirement. No further payments need be made into the Junior Lien Redemption Account after enough of the principal installments of the Junior Lien Bonds have been retired so that the amount then held in the Junior Lien Redemption Account (including a bond reserve account, if any), is equal to the entire amount of principal and interest which will be payable at the time of maturity of all the principal installments of the Bond then remaining outstanding.

D. REPLACEMENT AND IMPROVEMENT FUND:

There shall next be established and maintained a fund, separate depository account, designated SEWAGE DISPOSAL SYSTEM REPLACEMENT ACCOUNT or such other designation determined by the Treasurer (the "Replacement Account"), the money credited thereto to be used solely for the purpose of making repairs and replacements to the System. Out of the Revenues and moneys of the System remaining in the Receiving Fund each month after provision has been made for the deposit of moneys in the Operation and Maintenance Account, the Redemption Account and the Junior Lien Redemption Account, there may be deposited in the Replacement Account such additional funds as the City may deem advisable. If at any time it shall be necessary to use moneys in the Replacement Account for the purpose for which the Replacement Account was established, the moneys so used shall be replaced from any moneys in the Receiving Fund which are not required by this Ordinance to be used for the Operation and Maintenance Account, the Redemption Account, or the Junior Lien Redemption Account.

E. GENERAL OBLIGATION DEBT ACCOUNT:

Out of the remaining Revenues in the Receiving Fund, there may be next set aside in or credited to monthly after meeting the requirements of the foregoing Account, to an account designated General Obligation Debt Account (the "G.O. Fund"), or from other available moneys such sums as shall be necessary to pay debt service on presently existing or future general obligation bond issues of the City or general obligations or contractual obligations of the City incurred or to be incurred for System purposes.

F. SURPLUS MONEYS:

Thereafter, any Revenues in the Receiving Fund after satisfying all the foregoing requirements of this Section may, at the discretion of the City, be used for any of the following purposes:

1. Transferred to the Replacement Account.
2. Transferred to the Redemption Account and used for the purchase of Bonds on the open market at not more than the fair market value thereof or used to redeem Bonds prior to maturity pursuant to this Ordinance.
3. Any other use permitted by law.

Section 15. Priority of Funds. In the event the moneys in the Receiving Fund are insufficient to provide for the current requirements of the Operation and Maintenance Account, the Redemption Account, or the Junior Lien Redemption Account, any moneys or securities in other funds of the System, except the proceeds of sale of the Bonds, shall be credited or transferred, first, to the Operation and Maintenance Account, and second to the Redemption Account.

Section 16. 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 City in United States of America obligations or in obligations the principal of and interest on which is fully guaranteed by the United States of America and any investments now or hereafter permitted by Act 94 or other controlling law. Investment of moneys in the Redemption Account or the Junior Lien Redemption Account being accumulated for payment of the next maturing principal or interest payment of the Bonds or of the Junior Lien Bonds shall be limited to obligations bearing maturity dates prior to the date of the next maturing principal or interest payment on the Bonds or the Junior Lien Bonds. In

the event investments are made, any securities representing the same shall be kept on deposit with the bank or trust company having on deposit the fund or funds or account from which the purchase was made. Profit realized or interest income earned on investment of funds in the Funds established hereunder shall be deposited in or credited to the Fund having realized the profit or earned the interest (unless otherwise expressly provided in this Ordinance or as determined by the City), such deposit or credit to occur periodically but not less often than at the end of each fiscal year.

Section 17. Bond Proceeds. From the proceeds of the sale of the Series 2014 Bond there shall be immediately deposited in the Junior Lien Redemption Account an amount equal to the accrued interest and premium, if any, received on the delivery of the Series 2014 Bond. The balance of the proceeds of the sale of the Series 2014 Bond shall be deposited in a bank or banks, designated by the City, qualified to act as depository of the proceeds of sale under the provisions of Act 94, in an account designated 2014 SEWAGE DISPOSAL SYSTEM PROJECT 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. Payments for construction, either on account or otherwise, shall not be made unless the registered engineer in charge of such work shall file with the City a signed statement to the effect that the work has been completed in accordance with the plans and specifications therefor; that it was done pursuant to and in accordance with the contract therefor (including properly authorized change orders), that such work is satisfactory and that such work has not been previously paid for.

Any unexpended balance of the proceeds of sale of the Series 2014 Bond remaining after completion of the Project in the Construction Fund may, at the discretion of the City, be used for further improvements, enlargements and extension to the System, if, at the time of such expenditures, such use is approved by the Michigan Department of Treasury, if such permission is then required by law. Any remaining balance after such expenditure shall be paid to the Redemption Account and may be used for the purpose of purchasing the Series 2014 Bond on the open market at not more than the fair market value thereof, but not more than the price at which the Series 2014 Bond may next be called for redemption, or used for the purpose of paying principal of the Series 2014 Bond upon maturity or calling the Series 2014 Bond for redemption.

Section 18. Bond Form. The Series 2014 Bond shall be in substantially the following form with such changes or completion as necessary or appropriate to give effect to the intent of this Ordinance:

**UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF CHARLEVOIX**

**CITY OF CHARLEVOIX
SEWAGE DISPOSAL SYSTEM JUNIOR LIEN REVENUE BOND, SERIES 2014**

REGISTERED OWNER: Michigan Finance Authority
PRINCIPAL AMOUNT: Ten Million Nine Hundred Thousand Dollars (\$10,900,000)
DATE OF ORIGINAL ISSUE: September 17, 2014

The CITY OF CHARLEVOIX, County of Charlevoix, State of Michigan (the "City"), for value received, hereby promises to pay, but only out of the hereinafter described Net Revenues of the City's Sewage Disposal System (hereinafter defined), to the Michigan Finance Authority (the "Authority"), or registered assigns, the Principal Amount shown above, or such portion thereof as shall have been advanced to the City pursuant to a Purchase Contract between the City and the Authority and a Supplemental Agreement by and among the City, the Authority and the State of Michigan acting through the Department of Environmental Quality, in lawful money of the United States of America, unless prepaid or reduced prior thereto as hereinafter provided.

During the time funds are being drawn down by the City under this Bond, the Authority will periodically provide the City a statement showing the amount of principal that has been advanced and the date of each advance, which statement shall constitute prima facie evidence of the reported information; provided that no failure on the part of the Authority to provide such a statement or to reflect a disbursement or the correct amount of a disbursement shall relieve the City of its obligation to repay the outstanding principal amount actually advanced, all accrued interest thereon, and any other amount payable with respect thereto in accordance with the terms of this Bond.

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth on Schedule A attached hereto and made a part hereof, as such Schedule may be adjusted if less than \$10,900,000 is disbursed to the City or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of two and one-half percent (2.50%) per annum. Interest is first payable April 1, 2015 and semiannually thereafter and principal is payable on the first day of October commencing October 1, 2016 (as identified in the Purchase Contract) and annually thereafter.

Principal installments of this bond are subject to prepayment by the City prior to maturity only with the prior written consent of the Authority and on such terms as may be required by the Authority.

Notwithstanding any other provision of this bond, so long as the Authority is the owner of this bond, (a) this bond is payable as to principal, premium, if any, and interest at The Bank of New York Mellon Trust Company, N.A. or at such other place as shall be designated in writing to the City by the Authority (the "Authority's Depository"); (b) the City agrees that it will deposit with the Authority's Depository payments of the principal of, premium, if any, and interest on this bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise; in the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment; and (c) written notice of any redemption of this bond shall be given by the City and received by the Authority's Depository at least 40 days prior to the date on which such redemption is to be made.

Additional Interest

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the City's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the City shall and hereby agrees to pay on demand only the City's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

For prompt payment of principal and interest on this bond, the City has irrevocably pledged the revenues of the Sewage Disposal System of the City, including all appurtenances, extensions and improvements thereto (the "System"), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory second lien thereon is hereby recognized and created, subject to the senior lien of any additional Bonds of the City hereafter issued by the City, as set forth in the Ordinance (hereinafter defined). The City has reserved the right to issue such additional Bonds which shall be superior and senior in all respects to the bonds of this issue as to the Net Revenues.

Purchasers of the bonds of this issue, by their acceptance of the bonds of this issue or a beneficial ownership interest therein, shall be deemed to have consented to the subordination of their interest in and lien upon the Net Revenues upon the issuance of Bonds subsequent to the delivery of the bonds of this issue.

This bond is a single, fully-registered, non-convertible bond in the principal sum indicated above issued pursuant to Ordinance No. 766 of 2014 (the "Ordinance") duly adopted by the City Council of the City, 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 of acquiring and constructing additions, extensions and improvements to the System.

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 superior and equal standing 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.

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

The City 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 upon and the principal of the bonds of this issue, any additional Bonds, and any additional Junior Lien Bonds, as and when the same shall become due and payable, and to maintain a bond redemption fund (including a bond reserve account, if any) 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 said Ordinance.

This bond is transferable only upon the books of the City by the registered owner in person or 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 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, and upon 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 have been done and performed in regular and due time and form as required by law.

IN WITNESS WHEREOF, the City of Charlevoix, County of Charlevoix, State of Michigan, by its City Council has caused this bond to be executed with the manual or facsimile signatures of its Mayor and its City Clerk and the corporate seal of the City to be impressed or imprinted hereon, all as of the Date of Original Issue.

CITY OF CHARLEVOIX

By _____
 Mayor

(Seal)

Countersigned:

By _____
 City Clerk

DEQ Project Number: 5572-01
 DEQ Approved Amt: \$10,900,000

SCHEDULE A

Based on the schedule provided below unless revised as provided in this paragraph, repayment of the principal of the bond shall be made until the full amount advanced to the City is repaid. In the event the Order of Approval issued by the Department of Environmental Quality (the "Order"), approves a principal amount of assistance less than the amount of the bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the City and described below provides for payment of a total principal amount greater than the amount of assistance approved by the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the City by the Authority, or (3) that any portion of the principal amount of assistance approved by the Order and disbursed to the City is forgiven pursuant to the Order, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the City.

<u>Maturity Date</u>	<u>Principal Amount</u>
October 1, 2016	\$425,000
October 1, 2017	435,000
October 1, 2018	450,000
October 1, 2019	460,000
October 1, 2020	470,000
October 1, 2021	480,000
October 1, 2022	495,000
October 1, 2023	505,000
October 1, 2024	520,000
October 1, 2025	535,000
October 1, 2026	545,000
October 1, 2027	560,000
October 1, 2028	575,000
October 1, 2029	590,000
October 1, 2030	605,000
October 1, 2031	620,000
October 1, 2032	635,000
October 1, 2033	650,000
October 1, 2034	665,000
October 1, 2035	680,000

Interest on the bond shall accrue on that portion of principal disbursed by the Authority to the City which has not been forgiven pursuant to the Order from the date such portion is disbursed, until paid, at the rate of 2.50% per annum, payable April 1, 2015, and semi-annually thereafter.

The City agrees that it will deposit with the Authority's Depository, or such other place as shall be designated in writing to the City by the Authority payments of the principal of, premium, if any, and interest on this bond in immediately available funds by 12:00 noon at least five business days prior to the date on which any such payment is due whether by maturity, redemption or otherwise. In the event that the Authority's Depository has not received the City's deposit by 12:00 noon on the scheduled day, the City shall immediately pay to the Authority as invoiced by the Authority an amount to recover the Authority's administrative costs and lost investment earnings attributable to that late payment.

Section 19. General Covenants. The City 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 City 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, the City's Charter and this Ordinance.

(b) The City will keep proper books of record and account separate from all other records and accounts of the City, in which shall be made full and correct entries of all transactions relating to the System. The City 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. The auditor shall comment on the manner in which the City 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 except as such period may be extended in conformance with the rules of the Michigan Department of Treasury.

(c) The City 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 water supply and sewage disposal system, 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 City will not sell, lease or dispose of the System, or any substantial part, until all of the Bonds and Junior Lien Bonds have been paid in full, both as to principal and interest or provision made thereof as herein provided. The City 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 and the Junior Lien Bonds.

(e) The City 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 City will not operate a system that will compete with the System.

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

Section 20. Additional Bonds. Except as hereinafter provided, the City shall not issue additional Bonds of equal or prior standing with any initial series of Bonds issued hereunder.

The right is reserved in accordance with the provisions of Act 94, to issue additional Bonds or Junior Lien Bonds payable from the Revenues of the System which shall be of equal standing and priority of lien on the Net Revenues of the System with the Bonds or Junior Lien Bonds but only for the following purposes and under the following terms and conditions:

(a) To complete the Project in accordance with the plans and specifications therefor. Such bonds shall not be authorized unless the engineers in charge of construction shall execute a certificate evidencing the fact that additional funds are needed to complete the Project in accordance with the plans and specifications therefor and stating the amount that will be required to complete the Project. If such certificate shall be so executed and filed with the City, it shall be the duty of the City to provide for and issue additional revenue bonds in the amount stated in said certificate to be necessary to complete the Project in accordance with the plans and specifications plus an amount necessary to issue such bonds or to provide for part or all of such amount from other sources.

(b) For subsequent repairs, extensions, enlargements and improvements to the System or for the purpose of refunding part or all of the Bonds or Junior Lien Bonds then outstanding and paying costs of issuing such additional Bonds or Junior Lien Bonds. Bonds or Junior Lien Bonds for such purposes shall not be issued pursuant to this subparagraph (b) unless the Adjusted Net Revenues of the System for the preceding twelve-month operating year shall be equal to at least one hundred percent (100%) of the maximum amount of principal and interest thereafter maturing in any operating year on the then outstanding Bonds or Junior Lien Bonds and on the additional Bonds then being issued. If the additional Bonds or Junior Lien Bonds are to be issued in whole or in part for refunding outstanding Bonds or Junior Lien Bonds, the annual principal and interest requirements shall be determined by deducting from the principal and interest requirements for each operating year the annual principal and interest requirements of any Bonds or Junior Lien Bonds to be refunded from the proceeds of the additional Bonds or Junior Lien Bonds. For purposes of this subparagraph (b) the City may elect to use as the last preceding operating year any operating year ending not more than sixteen months prior to the date of delivery of the additional Bonds or Junior Lien Bonds and as the next to the last preceding operating year, any operating year ending not more than twenty-eight months prior to the date of delivery of the additional Bonds or Junior Lien Bonds. Determination by the City as to existence of conditions permitting the issuance of additional Bonds or Junior Lien Bonds shall be conclusive. No additional Bonds or Junior Lien Bonds of equal standing as to the Net Revenues of the System shall be issued pursuant to the authorization contained in this subparagraph if the City shall then be in default in making its required payments to the Operation and Maintenance Account or the Redemption Account.

(c) For refunding a part or all of the Bonds or Junior Lien Bonds then outstanding and paying costs of issuing such additional Bonds or Junior Lien Bonds including deposits which may be required to be made to a bond reserve account (if any) for such Bonds or Junior Lien Bonds. No additional Bonds or Junior Lien Bonds shall be issued pursuant to this subsection unless the maximum amount of principal and interest maturing in any operating year after giving effect to the refunding shall be less than the maximum amount of principal and interest maturing in any operating year prior to giving effect to the refunding.

Section 21. Negotiated Sale; Application to DEQ and Authority; Execution of Documents. The City determines that it is in the best interest of the City to negotiate the sale of the Series 2014 Bond to the Authority because the State Revolving Fund financing programs provide significant interest savings to the City compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to the DEQ for placement of the Series 2014 Bond with the Authority. The actions taken by the Authorized Officers with respect to the Series 2014 Bond prior to the adoption of this Ordinance are ratified and confirmed. The Authorized Officers are authorized to execute and deliver the Purchase Contract, the Supplemental Agreement and the Issuer's Certificate. Any Authorized Officers is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Series 2014 Bond for the State Revolving Fund. Prior to the delivery of the Series 2014 Bond to the Authority, any Authorized Officer is hereby authorized to make such changes to the form of the Series 2014 Bond contained in Section 18 of this Ordinance as may be necessary to conform to the requirements of Act 227, Public Acts of Michigan 1985, as amended ("Act 227"), including, but not limited to changes in the principal maturity and interest payment dates and references to additional security required by Act 227.

Section 22. Covenant Regarding Tax Exempt Status of the Bonds. The City shall, to the extent permitted by law, take all actions within its control necessary to maintain the exemption of the interest on the Series 2014 Bond from general federal income taxation (as opposed to any alternative minimum or other indirect taxation) 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 expenditure and investment of Series 2014 Bond proceeds and moneys deemed to be Bond proceeds.

Section 23. Approval of Bond Counsel. The representation of the City by Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield"), as bond counsel is hereby approved, notwithstanding the representation by Miller Canfield of the Authority in connection with its financing programs and borrowings.

Section 24. Approval of Bond Details. The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing is authorized to exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including but not limited to determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, provided that the principal amount of Series 2014 Bond issued shall not exceed the principal amount authorized in this Ordinance, the interest rate per annum on the Series 2014 Bond shall not exceed two and one-half percent (2.50%) per annum, and the Series 2014 Bond shall mature in not more than twenty (20) annual installments.

Section 25. Savings Clause. All ordinances, resolutions or orders, or part thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, repealed.

Section 26. 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 27. Publication and Recordation. This Ordinance shall be published in full in the *Charlevoix Courier*, a newspaper of general circulation in the City qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the City and such recording authenticated by the signatures of the Mayor and the City Clerk.

Section 28. Effective Date. This Ordinance shall be effective upon its adoption and publication.

ADOPTED AND SIGNED THIS 21st day of July, 2014.

By _____
 Mayor

By _____
 City Clerk

Ordinance No. 766-2014 was adopted on the 21st day of July, A.D. 2014, by the Charlevoix City Council as follows:

Motion by: Councilmember Brennan
 Seconded by: Councilmember Cole

 Yeas: Brennan, Cole, Gennett, Gibson, Perron, Porter
 Nays: None
 Absent: None

XI. Miscellaneous Business

Councilmember Cole passed along kudos from Larry Bingham at the boat dock for the repairs that the Street Department performed. Mayor Carlson expressed his appreciation for day-to-day efforts made by the Street Department as well.

XII. Audience - Non-agenda Input (written requests take precedent)

Jerry Puhl discussed a resolution passed unanimously by Charlevoix Township to protect Bell's Bay Road and Fisherman's Island State Park. He recommended that the City and Township need to work together to protect the park. He would like to revisit a resolution to be voted on at the next Council meeting. Independent committee meetings are being held to discuss and potentially resolve issues brought forth from both sides.

Councilmembers Gennett and Brennan stated that they would like to wait on a resolution until such time the committee makes a firm proposal. A copy of the Charlevoix Township resolution that was passed will be included in the next Council meeting agenda packet.

XIII. Adjourn

The Mayor stated that, barring any objections, the meeting would adjourn.
 There were no objections.
 Meeting adjourned at 8:54 p.m.

 Joyce M. Golding City Clerk

 Norman L. Carlson, Jr. Mayor

Accounts Payable – 07/22/2014

ABRAMOWSKI, DWAIN	25.00	AUTO VALUE	1,295.33
ACE HARDWARE	2,695.96	AVFUEL CORPORATION	107,608.93
AIRGAS USA LLC	867.25	B & L SOUND INC	179.93
AMERICAN WASTE INC.	65.00	BEAUVAIS, PAUL	75.00
AMSTUTZ, LINDA	131.08	BERG, REBECCA	28.00
APX INC.	51.71	BIANCHI, KERRIE PAUL	109.00
ARROW UNIFORM-TAYLOR L.L.C.	1,000.19	BIOTECH AGRONOMICS INC	28,589.35
ASPEN MILLS	493.45	BLACK PEARL PLATINUM BRAND	18.00
AT YOUR SERVICE PLUS INC	143.70	BRADFORD'S	73.60
AT&T	539.03	BRADY'S CARPET CLEANING	315.00

BRIDGE STREET BLOOMS	200.00	MOSORYAK, JOHN MATTHEW	32.00
BSN SPORTS INC.	184.74	MURRAY'S CREATIONS	65.00
BY THE BAY WINDOW CLEANING SVCS	357.00	MUTUAL OF OMAHA	7.30
CARQUEST OF CHARLEVOIX	929.26	NETSOURCE ONE INC.	24.00
CHARLEVOIX COUNTY TREASURER	814.09	NFPA	106.15
CHARLEVOIX SCREEN MASTERS INC	1,957.92	NORTH COAST FASTENERS LLC	116.40
CHEMSEARCH	988.22	NORTHERN CREDIT BUREAU	420.08
CHICAGO CLUB	340.00	NORTHERN FIRE & SAFETY INC.	103.00
CINTAS CORPORATION	133.48	NORTHERN MICHIGAN JANITORIAL	218.50
CIVIC SYSTEMS	8,779.00	NORTHERN MICHIGAN REVIEW INC.	1,627.77
COOK FAMILY FARMS	119.00	OLESON'S FOOD STORES	402.00
COVEYOU FARMS LLC	42.00	OSTLUND PEST CONTROL LLC	425.00
CUMMINS BRIDGEWAY LLC	122.94	OTEC	355.84
DITCH WITCH SALES OF MICHIGAN	1,095.74	PERFORMANCE ENGINEERS INC	1,842.50
DUERKSEN, RICK	79.00	PETRIE, TOM	350.00
EJ USA INC.	1,458.24	PLUNKETT & COONEY	540.00
ELLSWORTH FARMER'S EXCHANGE	498.20	POLLARDWATER.COM - EAST	677.16
EMMET BRICK & BLOCK	404.59	POND HILL FARM LLC	162.00
FAMILY FARM & HOME	452.97	POWER LINE SUPPLY	5,946.30
FARMER WHITE'S	88.00	PREFERRED WASTE 2 LLC	425.00
FASTENAL COMPANY	325.71	PRO WEB MARKETING LLC	60.00
FOX CHARLEVOIX FORD	2,181.24	PURITY CYLINDER GASES INC	333.09
FREEDOM MAILING SERVICES INC.	2,361.79	RAMMACHER, KITTY	95.00
GALLIMORE, SARAH	57.00	RELLINGER, EMILY	15.00
GBS INC.	42.28	RILEY, CASEY	62.54
GERBER HOMEMADE SWEETS	26.00	ROAD WEASEL ENTERPRISES LLC	98.00
GLIKIN, SUSIE	67.00	SCHMUCKAL OIL CO	70.31
GOLDING, JOYCE	201.60	SCIENTIFIC BRAKE & EQUIP CO	187.78
GORDON FOOD SERVICE	359.39	SECURITY SANITATION INC.	380.00
GRAND TRAVERSE DIESEL INC.	402.45	SHINDORF BUILDERS	1,120.00
GRIFFIN BEVERAGE CO	40.00	SIEGRIST, DAVID	66.00
GUNTZVILLER, RHONDA	315.00	SPARTAN DISTRIBUTORS INC	234.46
HACH COMPANY	100.76	STANDARD ELECTRIC CO	917.36
HARRELL'S	540.00	STATE OF MICHIGAN	70.00
HERZOG ELECTRIC	843.60	STATE OF MICHIGAN	225.00
HOGARTH'S PEST CONTROL INC.	225.00	STATE OF MICHIGAN	180.62
HOLIDAY COMPANIES	191.03	SYSTEMS SPECIALISTS INC	50.00
HYDE SERVICES LLC	51.20	T & R ELECTRIC	1,062.00
HYDRO DESIGNS INC.	515.00	TIME EMERGENCY EQUIPMENT	6,219.35
ISLANDS INSURANCE CENTER	393.00	TRAVERSE REPRODUCTION	64.02
JACK DOHENY SUPPLIES INC	232.99	UP NORTH PROPERTY SERVICES LLC	4,753.00
JAQUA, ERIC	25.00	UPPER CASE PRINTING INK.	367.35
KIWANIS CLUB OF CHARLEVOIX	39.00	USA BLUE BOOK	2,730.88
KORTHASE FLINN	15.30	USA MOBILITY WIRELESS INC.	9.99
KSS ENTERPRISES	1,210.81	VILLAGE GRAPHICS INC.	179.00
KUSTOM SIGNALS INC.	96.00	WARD BROTHERS BOATS INC	305.99
LAKESHORE TIRE & AUTO SERVICE	12.50	WASHBURNE, BRENDA	66.00
LEESE, M. CHRIS	12.58	WATERWAY OF MICHIGAN	2,781.25
LOTTIE'S BAGELS	163.00	WESCOTT, MIKE	102.97
MAXX SUNGLASSES	240.00	WEST SHORE FIRE INC	1,608.80
MDC CONTRACTING LLC	8,464.82	WOOD SHOP, THE	500.00
METTLER TOLEDO INC	787.42	WRIGHT, NATHAN	41.00
MICHIGAN OFFICEWAYS INC	1,539.73	ZIPP, DON	75.00
MICHIGAN RURAL WATER ASSN	590.00		
MIDWEST GOLF & TURF	166.88	TOTAL	226,093.10
MITCHELL GRAPHICS INC.	1,031.36		

ACH Payments -07/07/2014 - 07/18/2014

MI PUBLIC POWER AGENCY	8,703.10	STATE OF MI (WITHHOLDING TAX)	6,170.57
PAYMENT SERVICE NETWORK	98.50	VANTAGEPOINT (401 ICMA PLAN)	728.06
STATE OF MI (SALES TAX)	19,316.52	VANTAGEPOINT (457 ICMA PLAN)	13,554.50
MI PUBLIC POWER AGENCY	9,833.80	MERS (DEFINED BENEFIT PLAN)	27,380.68
IRS (PAYROLL TAX DEPOSIT)	42,409.27		
ALERUS FINANCIAL (HCSP)	280.00	TOTAL	128,475.00

PAYROLL: NET PAY

Pay Period Ending 07/12/2014 - Paid 07/18/2014

BROWN, STEPHANIE C.	423.96	STRAEBEL, ROBERT J.	2,186.47
WELLER, LINDA JO	1,439.39	GOLDING, JOYCE M.	1,020.25

DEROSIA, PATRICIA E.	871.03	WILKIN, AMANDA J.	885.68
LOY, EVELYN R.	1,017.15	KLOOSTER, SUSAN E.	64.38
KLOOSTER, ALIDA K.	1,404.26	STEBE, LAURA A.	272.35
SPENCER, MICHAEL D.	1,579.30	AMSTUTZ, LINDA J.	990.18
PANOFF, ZACHARY R.	667.96	FAUST, DESIREA L.	677.82
MILLER, FAITH G.	301.71	HALL, CHASE D.	617.49
PEARSON, BETHANY S.	1,248.39	PETERS, MEGAN M.	625.79
ZIELINSKI, JOSEPH A.	1,735.63	FAUST, ERICKA N.	708.94
LEESE, MERRI C.	217.98	RUDOLPH, TRISTAN M.	467.75
DOAN, GERARD P.	1,418.18	GOLOVICH, SAWYER P.	439.79
SHRIFT, PETER R.	1,294.71	ECKHARDT, LOGAN R.	478.68
UMULIS, MATTHEW T.	1,544.98	WEBB, MICHAEL B.	163.79
ORBAN, BARBARA K.	1,709.48	ELLIOTT, ASHLIE D.	653.39
TRAEGER, JASON A.	1,302.87	PARKER-DROST, HERO	552.36
WARNER, JANINE M.	956.66	HOLECHECK, JENNACA R.	552.36
EVANS JR, HALBERT K.	1,424.26	WELLS, IVY L.	467.93
KLOOSTER, PATRICK H.	647.27	ROCKAFELLOW, SARAH C.	555.37
HUMBLE, NATHAN C.	761.52	HEID, THOMAS J	1,273.19
FLICKEMA, ANDREW M.	732.19	WESCOTT, DENNIS M.	231.84
BINGHAM, LARRY E.	803.99	STEIN, DONNA E.	245.65
LABELLE, DAVIS B.	405.27	CURTIS, DENNIS E.	919.50
KLINGER, LUCAS D.	578.07	BOOTHE, STEVEN A.	216.21
BRANDI, MAURA E.	301.24	GRUNCH, RONALD J.	255.48
SPEGELE, GREYSON H.	374.03	DURRENBERGER, LARRY J	313.77
VANLOO, JORDAN C.	556.75	RYPSTRA III, BART	216.59
GLENNY, GRACE A.	537.45	DAVIS, RONALD L.	220.29
ACHARYA, VARUN R.K.	271.07	GILL, DAVID R.	928.40
GREYERBIEHL, KELLY M.	527.51	MACLEOD, SAMUEL R.	330.62
IVAN, PAUL M.	1,694.28	STEIN, MARK G.	31.72
SCHWARTZFISHER, JOSEPH L.	1,154.33	TODD, RICHARD D.	391.10
ROLOFF, ROBERT P.	2,255.64	WOODY, SCOTT R.	1,549.80
BRODIN, WILLIAM C.	1,789.15	VANLOO, JOSEPH G.	659.58
RILEY, DENISE M.	614.37	SEAMAN, HEATHER K.	911.23
WURST, RANDALL W.	1,569.04	BAGINSKI, JORDAN R.	180.47
HILLING, NICHOLAS A.	1,630.67	TABER, HOLLY S.	394.48
MEIER III, CHARLES A.	1,423.81	WYMAN, MATTHEW A.	1,249.24
ZACHARIAS, STEVEN B.	1,307.32	SCHRADER, LOU ANN	301.89
NISWANDER, JOSEPH F.	1,282.32	HUESING, HENRY A.	255.48
FRYE, EDWARD J.	958.86	STEVENS, JEFFREY W.	450.39
JONES, TERRI L.	951.80	FUNKEY, KRAIG R.	83.11
SWEM, DONALD L.	1,667.40	ROLOFF, AUDREY M.	1,038.03
WILSON, TIMOTHY J.	1,888.62	MATTER, DAWSON K.	561.55
LAVOIE, RICHARD L.	1,285.73	MARSH JR., JAMES D.	15.70
STEVENS, BRANDON C.	1,387.23	RILEY, TIMOTHY C.	118.93
WHITLEY, ANDREW T.	1,507.93	RAMSEY, KYLE J.	72.67
DRAVES, MARTIN J.	1,576.52	RILEY, CASEY W.	718.76
MORRISON, KEVIN P.	1,223.44	THORMAN, MIKAYLA R.	147.97
HODGE, MICHAEL J.	1,089.24	JONES, LARRY M.	791.04
WELLS JR., DONALD E.	1,251.64	OCHS, THOMAS F	62.33
BRADLEY, KELLY R.	1,434.86	TRAVERS, MANUEL J.	290.99
WILSON, RICHARD J.	1,244.59	SCOTT JR., WINFIELD	99.11
HART II, DELBERT W.	707.28	KITELEY, FISHER L.	13.21
JOHNSON, STEVEN P.	1,350.58	COLLINS, CHAD M.	408.86
JONES, ROBERT F.	1,241.73	RILEY, DANIEL A.	1,016.05
DORAN, JUSTIN J.	1,543.87	BERGMANN, DOUGLAS M.	105.72
BISHAW, JAMES H.	557.97	WHITLEY, ADAM	316.51
MARTINEZ, STANLEY A.	455.25	SCHOOF, WILLIAM R.	586.34
MANKER JR, DAVID W.	351.49	DRAVES, MICHAEL J.	686.51
MANKER SR, DAVID W.	638.28	TEUNIS, STEVEN L.	1,942.53
NEUMANN, DANA L.	462.26	MAYER, SHELLEY L.	1,917.36
BECKER, MICHAEL S.	540.06	EATON, BRAD A.	1,844.67
HERRIMAN, COBY M.	451.49	ELLIOTT, PATRICK M.	1,732.19
SHEPARD, ZACHARY N.	411.51	SCHWAGER, EDWARD J.	466.59
COLE, STEVEN D.	480.25	SPENCLEY, PATRICIA L.	1,187.04
NICHOLS, RUSSELL N.	454.78	BROWN, STEPHANIE C.	1,264.81
HAWKINS, JAMES S.	337.56	SCHLAPPI, JAMES L.	1,163.63
MCGHEE, ROBERT R.	910.80	HANKINS, SCOTT A.	1,448.29
STANTS, JACOB W.	510.48		
BLOOMER, GABRIELLE J.	409.81	TOTAL	115,066.69

PAYROLL: TRANSMITTAL
07/18/2014

AMERICAN FAMILY LIFE	182.40	CHARLEVOIX STATE BANK	1,050.00
AMERICAN FAMILY LIFE	269.17	COMMUNICATION WORKERS OF AMER	529.31
BAY WINDS FEDERAL CREDIT UNION	110.00	MI STATE DISBURSEMENT UNIT	546.29
BAY WINDS FEDERAL CREDIT UNION	600.00	NORTHWESTERN BANK	150.00
CHAR EM UNITED WAY	82.04	PRIORITY HEALTH	1,489.42
CHARLEVOIX STATE BANK	1,041.16	TOTAL	6,049.79