

At a regular meeting of the Village Council of the Village of Sheridan, Montcalm County, Michigan, held on the 7th day of July, 1981, at 9:08 o'clock, p.m., Michigan Time.

PRESENT: _____

ABSENT: _____

It was moved by Meyers, and supported by Scott, that Ordinance No. 812 entitled:

AN ORDINANCE TO AUTHORIZE THE ACQUISITION AND CONSTRUCTION OF A SANITARY SEWAGE COLLECTION AND TREATMENT SYSTEM FOR THE VILLAGE OF SHERIDAN; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY PART OF THE COST THEREOF; TO PROVIDE FOR THE RETIREMENT AND SECURITY OF THE BONDS; AND TO PROVIDE FOR OTHER MATTERS RELATIVE TO THE SYSTEM AND THE BONDS

be adopted.

Upon roll call the vote upon the motion adopting the ordinance was as follows:

YEAS Bush, Meyers, Scott, Cawston,
Randolph, Wipkoff
NAYS None

The Village President declared the ordinance adopted.

The following is Ordinance No. 812, as adopted:

AN ORDINANCE TO AUTHORIZE THE ACQUISITION AND CONSTRUCTION OF A SANITARY SEWAGE COLLECTION AND TREATMENT SYSTEM FOR THE VILLAGE OF SHERIDAN; TO PROVIDE FOR THE ISSUANCE AND SALE OF REVENUE BONDS TO PAY PART OF THE COST THEREOF; TO PROVIDE FOR THE RETIREMENT AND SECURITY OF THE BONDS; AND TO PROVIDE FOR OTHER MATTERS RELATIVE TO THE SYSTEM AND THE BONDS

THE VILLAGE OF SHERIDAN, MICHIGAN, ORDAINS:

Section 1. Whenever used in this ordinance or in the bonds to be issued hereunder, except as otherwise indicated by the context:

- a. "Village" means the Village of Sheridan, State of Michigan.
- b. "Council" means the Village Council of the Village of Sheridan, the legislative and governing body thereof.
- c. "System" means the Village of Sheridan Sanitary Sewage Collection and Treatment System including all sanitary sewage collectors, sewage treatment plants, works, instrumentalities and properties, as the same shall from time to time exist, used or useful in connection with the collection, treatment or disposal of sewage or industrial wastes by the Village.
- d. "Revenues" and "Net Revenues" have the same meaning as defined in Section 3 of Act No. 94 of Michigan Public Acts of 1933, as amended.
- e. "FmHA" means the Farmers Home Administration of the United States Department of Agriculture, an agency of the United States government.

Section 2. The Council hereby determines that it is necessary and desirable to construct and acquire the System initially consisting of collection and trunk sewers, sewage pumping stations, a sewage treatment facility and storage lagoons, all

substantially in accordance with plans and specifications prepared by Capitol Consultants, Inc. (the "Engineers").

Section 3. The Council hereby adopts the Engineers' estimate of forty (40) years and upwards as the period of usefulness of the System, and the Engineers' estimate of \$4,737,610 as the cost of the project.

Section 4. There are hereby authorized to be issued and sold pursuant to the provisions of Act No. 94 of Michigan Public Acts of 1933, as amended, revenue bonds of the Village, aggregating the principal sum of \$1,300,000 (the "bonds") for the purpose of paying part of the cost of the System. The bonds shall be known as "Sanitary Sewage System Revenue Bonds," and shall mature serially on August 1 in each year as follows:

\$10,000 in each of the years 1984 through 1991,
\$15,000 in each of the years 1992 through 1993,
\$20,000 in each of the years 1994 through 1996,
\$25,000 in each of the years 1997 through 1999,
\$30,000 in each of the years 2000 through 2003,
\$35,000 in each of the years 2004 through 2006,
\$40,000 in each of the years 2007 through 2008,
\$45,000 in each of the years 2009 through 2011,
\$50,000 in each of the years 2012 through 2013,
\$55,000 in each of the years 2014 through 2015,
\$60,000 in the year 2016,
\$65,000 in each of the years 2017 through 2018,
\$70,000 in each of the years 2019 through 2020,
\$75,000 in the year 2021.

The bonds shall be in the denomination of \$5,000 each; shall be dated as of the date of their delivery; shall be serial bonds numbered consecutively in order of their maturities from 1 upwards; shall be registered as to both principal and interest; and shall bear interest from their respective dates at the rate of 5% per annum, payable on February 1, 1982, and thereafter semiannually on the first days of August and February in each year. Registration of the bonds shall be recorded in the registration books of the Village to be kept by its Treasurer and noted by the Treasurer of the Village

in the registration form on the reverse side of each bond. The bonds may be transferred only by submitting the same, together with a satisfactory instrument of transfer by the registered holder or his legal representative duly authorized in writing, to the Treasurer of the Village.

No transfer of the bonds shall be valid unless and until so registered on the registration books of the Village and so noted on the reverse side of the bond. 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 as the absolute owner thereof, whether the bond is overdue or not, and any payment of principal or interest by the Village to the registered holder of any bond shall constitute a valid discharge of the Village's liability upon such bond to the extent of such payment. Registration of any bond shall not be transferred less than five (5) days prior to any interest payment date nor after the bond has been called for redemption. Both the principal of and the interest on the bonds shall be payable to the respective registered holders thereof in lawful money of the United States of America, such principal payments to be made upon presentation and surrender of the bonds at the office of the Treasurer of the Village and interest payments to the holders of bonds registered as to both principal and interest shall be made by mail addressed to the registered holders thereof at their registered addresses.

The bonds shall be subject to redemption prior to maturity in any order and in whole or in part, at the option of the Village, at any time. Notice of the redemption shall be given to holders of the bonds to be redeemed by registered mail of the United States Postal Service addressed to the registered holder thereof at the address shown on the bond registration books of the Village, which

notice shall be mailed within the State of Michigan not less than thirty (30) days prior to the date fixed for redemption. Bonds called for redemption shall not bear interest after the date fixed for redemption, provided funds are on hand with the Treasurer of the Village to redeem the same.

If the FmHA purchases all of the bonds, and the bonds are registered in the name of the FmHA both as to principal and interest, the principal of and interest on the bonds shall be paid by the Village to the FmHA Finance Office.

Section 5. The President and Clerk of the Village shall execute the bonds for and on behalf of the Village, and the Clerk shall cause the seal of the Village to be affixed thereto. The Treasurer of the Village shall deliver the bonds to the purchaser thereof, as hereafter determined by the Village, upon receipt of the purchase price therefor. If the bonds are sold to the FmHA and the FmHA requests that delivery be made in installments, such delivery and payment shall be made in accordance with the provisions of Section 2A of Chapter 3 of Act No. 202 of Michigan Public Acts of 1943, as amended.

Section 6. The acceptance by the Village of the offer by FmHA to purchase all the "Sanitary Sewage System Revenue Bonds," issued by the Village in the maximum aggregate amount of \$1,300,000 at an interest rate of five percent (5%) per annum on all maturities is hereby ratified and confirmed, and, subject to first obtaining an order of approval from the Michigan Municipal Finance Commission, the Village, as provided in Section 12 of Act No. 94 of Michigan Public Acts of 1933, as amended, hereby contracts to sell all of the bonds to the FmHA without a public offering of the bonds.

Section 7. The bonds shall not be a general obligation of the Village and shall not be an indebtedness of the Village

within any state constitutional provision or statutory limitation, or within any charter limitation. The principal of and interest on the bonds shall be payable solely from the net revenues derived from the operation of the System, including future improvements, enlargements, extensions and repairs thereto and income and revenues from sources other than the operation of the System appropriated by the Village to pay expenses of operation and maintenance of the System. To secure the payment of the principal of and interest on the bonds, and on any additional bonds of equal standing issued as permitted by the terms of this ordinance, there is hereby created in favor of the holders of the bonds a first lien (by Act No. 94 of Michigan Public Acts of 1933, as amended, made a statutory lien) upon the net revenues of the System. The net revenues so pledged by this ordinance shall be and remain subject to the lien established by this ordinance until the payment in full of the principal of and interest on all of the bonds.

Interest on the bonds in the amount of \$114,000 is to be capitalized and shall be paid from the proceeds of the bonds.

Section 8. The holder or holders of any of the bonds shall have all the rights and remedies given by law and particularly by Act No. 94 of Michigan Public Acts of 1933, as amended, for the collection and enforcement of the bonds and the security therefor, including the right to have a receiver appointed for the System in event of default on the part of the Village in performance of the terms of the bond contract.

Section 9. The System shall be operated upon the basis of a fiscal year beginning on March 15 of each year and ending on March 14 of the succeeding year.

Section 10. The operation, maintenance, and management of the System shall be under the immediate supervision and control

of the Council or of such officer or board as shall be designated or created by the Council and subject to its control. The Village Treasurer shall be responsible for the handling and accounting of the revenues of the System and shall obtain and file with the Village Clerk a fidelity bond or bonds required by FmHA and such fidelity bond or bonds shall remain in effect until all of the bonds have been retired.

Section 11. The charges for services furnished by the System to occupants of single family residences shall consist of a total monthly charge of \$22.40, comprised of a debt service charge of \$17.80 and an operations and maintenance charge of \$4.60, to be billed each and every quarter. The monthly charge for services furnished to occupants of other than single family residences shall be as determined by the Council and shall be related to the quantity of sewage expected to be generated by the different type of use of the property as compared with a single family residence.

Section 12. No free service shall be furnished by the System to the Village or to any person, firm or corporation, public or private, or to any public agency or instrumentality. Charges for services furnished by the System shall be billed and collected monthly.

Section 13. Charges for services furnished by the System to any premises shall be a lien thereon as of the due date thereof, and on March 1 of each year the person or agency charged with the management of the System shall certify any such charges which have been delinquent 6 months or more, to the proper tax assessing officer who shall enter the same upon the next tax roll against the premises to which such services shall have been rendered, and the charges shall be collected and the lien shall be enforced in

the same manner as provided in respect to taxes assessed upon such roll.

Section 14. The rates hereinbefore established are estimated to be sufficient to provide for the payment of the principal of and interest on the bonds as and when the same shall become due and payable and such other expenditures and funds for the System, except for operation and maintenance of the System, as are required by this ordinance. Such rates are estimated to be sufficient to provide for payment of the expenses of administration and operation of the System and such expenses for the maintenance and use of the System as may be necessary to preserve the System in good repair and working order; to provide for the payment of the principal of and interest on the bonds, as and when the same shall become due and payable; and to provide for such other expenditures and funds for the System as are required by this ordinance. Rates shall be fixed and revised from time to time by the Council and income and revenues derived from sources other than the operation of the System shall be appropriated by the Village to pay expenses of operation and maintenance of the System so as to produce the amounts sufficient to pay the expenses of administration and operation of the System and such expenses thereof as may be necessary to preserve the same in good repair and working order; to provide for the payment of the principal of and interest on the bonds, as and when the same shall become due and payable; and to provide for such other expenditures and funds for the System as are required by this ordinance. The Village covenants and agrees to maintain at all times such rates for services furnished by the System, which together with revenues from sources other than the operation of the System, if any, to pay the expenses of operation and maintenance of the System as shall be sufficient to provide for the foregoing.

Section 15. The revenues of the System and income and revenues derived from sources other than the operation of the System appropriated by the Village to pay the expenses of the operation and maintenance of the System are hereby pledged for the purposes of the following funds, and as collected shall be set aside into a fund to be known as the "Receiving Fund" of the System, and shall be transferred therefrom periodically into separate and special funds, as follows:

a. Operation and Maintenance Fund - Out of the revenues in the Receiving Fund there shall be first set aside quarter-annually into a fund to be designated "Operation and Maintenance Fund" all revenues and income from sources other than the operation of the System which have been appropriated by the Village to pay expenses of operation and maintenance of the System together with such other revenues as shall be sufficient to provide for the payment for the next quarter of all current expenses of administration and operation of the System and such current expenses for the maintenance thereof as may be necessary to preserve the System in good repair and working order.

b. Bond and Interest Redemption Fund - Out of the remaining revenues in the Receiving Fund there shall be placed in a fund to be designated "Bond and Interest Redemption Fund," a sum proportionately sufficient to provide for the payment as the same become due of the next maturing principal and interest on each issue of bonds then payable from the revenues of the System; provided, that the amount so set aside for interest on the bonds herein authorized in each month shall not be less than one-sixth (1/6) of the total amount of interest maturing on the next interest payment date and the amount so set aside for principal on the bonds herein authorized in each month shall not be less than one-twelfth

(1/12) of the amount of principal maturing on the next August 1, and if there shall be any deficiency in the amount previously set aside, then the amount of such deficiency shall be added to the current requirements.

c. Debt Service Reserve Fund - Out of the remaining revenues in the Receiving Fund, there shall be next set aside annually in a fund to be designated the "Debt Service Reserve Fund" a sum aggregating not less than \$7,700 per year commencing with the fiscal year commencing March 15, 1984, until the Debt Service Reserve Fund shall total \$77,000. If at any time thereafter the Debt Service Reserve Fund shall be less than \$77,000, then there shall be set aside a sum sufficient to restore such fund to at least \$77,000 at the earliest possible time.

In the event moneys in the Bond and Interest Redemption Fund, after the transfer of all moneys, if any, from the Surplus Fund to the Bond and Interest Redemption Fund, shall be insufficient to pay all or part of the principal of and interest on the bonds herein authorized as they become due, an amount sufficient to pay such principal and interest, or all of the Debt Service Reserve Fund if such fund is insufficient to pay such principal and interest, shall be transferred from the Debt Service Reserve Fund to the Bond Interest and Redemption Fund to be used to pay principal of and interest on the bonds herein authorized. Notwithstanding the foregoing, at such time as the moneys in the Bond and Interest Redemption Fund and the Debt Service Reserve Fund are sufficient to pay all of the principal of and interest on all of the bonds herein authorized as then due and to become due, the moneys in the Debt Service Reserve Fund shall be transferred to the Bond and Interest Redemption Fund and shall be used for such purpose, and the transfer of moneys from the Receiving Fund to the

Bond and Interest Redemption Fund and the Debt Service Reserve Fund shall thereafter be suspended.

d. Surplus Fund - Revenues remaining in the Receiving Fund at the end of any fiscal year after all periodic transfers have been made therefrom as above required shall be deemed to be surplus and may be left in the Receiving Fund or may be transferred to a fund to be designated "Surplus Fund." Moneys in the Surplus Fund from time to time may be transferred to one or more of the foregoing funds or may be used for any purpose related to the System; provided, however, that if at any time there shall exist any default in making any periodic transfer to any of the above mentioned funds, then such default shall be rectified so far as possible by the transfer of moneys from the Surplus Fund. If any such default shall exist as to more than one fund at any one time, then such transfers shall be made in the order in which such funds are listed above. Moneys in the Surplus Fund may be used to redeem the bonds authorized to be issued hereunder.

No disbursements shall be made from the Receiving Fund except to the special funds pursuant to the provisions of this ordinance.

Section 16. All moneys in the several funds of the System shall be deposited with the Montcalm Central Bank, in Sheridan, Michigan. Moneys in the several funds of the System may be invested in the manner provided in Section 24 of Act No. 94 of the Michigan Public Acts of 1933, as amended. In the event of an investment of funds of the System, any securities representing the same shall be kept on deposit with the Montcalm Central Bank, in Sheridan, Michigan, and the income therefrom shall become a part of the fund from which such investment was made.

Section 17. The Village hereby covenants and agrees with

the holder or holders, from time to time, of the bonds herein authorized to be issued, that it will punctually perform all duties required by the Constitution and laws of the State of Michigan and the Charter of the Village and by this ordinance with reference to the System and the bonds herein authorized; that it will complete the project herein provided for in substantial accordance with the plans and specifications of the Engineers, and will have the project completed at the earliest possible time; that it will not sell, lease, mortgage or in any manner dispose of any of its rights in the System, or any substantial part hereof, until all bonds payable from the revenues thereof shall have been paid in full, or payment of the principal of and interest on such bonds has been secured by the deposit of funds sufficient therefor in the Bond and Interest Redemption Fund. The Village further covenants and agrees with the holders of the bonds herein authorized that it will maintain the System in good condition and operate the same in an efficient manner and at a reasonable cost as long as any of the bonds herein authorized are outstanding; that it will maintain insurance on the System for the benefit of the holders of the bonds herein authorized in an amount which usually would be carried by private companies engaged in a similar type of business; that it will prepare, keep and file such records, statements and accounts as may be required by Act No. 94 of Michigan Public Acts of 1933, as now or hereafter amended; that it will promptly file with the original purchasers of the bonds a copy of an annual statement of the operations of the System which shall be the annual statement filed with the Municipal Finance Commission if required to do so and at least every other year it will also file with such purchasers a copy of the annual audit of the System certified by a Certified Public Accountant, both within ninety (90) days after the

close of each fiscal year. Any such audit shall be in such reasonable detail as will present the full financial condition of the System to the holder of bonds and shall include auditors' comments on the manner in which the System's management has complied with the provisions of this ordinance in respect to the several funds of the System. The Village further covenants that each of the officials or employees having control of System funds during acquisition, construction and development of the project and during the operation of the System shall be covered by fidelity bonds with a company or companies authorized to do business in the State of Michigan, the fidelity bonds to be in amounts at least equal to the total funds in the control of each such official or employee at any one time.

Section 18. While any of the bonds herein authorized to be issued shall be outstanding, no additional bonds payable from the revenues of the System shall be issued which shall have a prior or equal standing therewith, except as hereinafter provided. The Village shall have the right to issue additional bonds of equal standing for the completion of the project herein described in the event the bonds herein authorized shall prove to be insufficient therefor. The Village shall have the right to issue additional bonds payable from the net revenues of the System for the purpose of improving, enlarging, extending or repairing the System, which bonds when issued shall have equal standing with the bonds herein authorized, provided, that no such additional bonds of equal standing shall be issued unless net revenues for the fiscal year preceding the fiscal year in which the additional bonds are issued together with the estimated net revenues from the improvements, enlargements, extensions and repairs for the first fiscal year of the System following installation of such improvements, enlarge-

ments, extensions and repairs shall be equal to at least 100 percent of the largest amount of principal and interest thereafter maturing in any fiscal year on the bonds then outstanding payable from the revenues of the System and on such additional bonds then being issued; provided, however, that this limitation may be waived or modified by the written consent of the bondholders representing 75 percent of the then outstanding principal indebtedness. Junior and subordinate bonds may be issued without restriction. No such additional bonds shall be issued if the Village shall then be in default in making payments to the Bond and Interest Redemption Fund under this ordinance. Permission by the Municipal Finance Commission of the State of Michigan (or such other state commission or agency as shall have jurisdiction over the issuance of municipal bonds) to issue such additional bonds shall constitute a conclusive presumption of the existence of conditions permitting the issuance thereof.

Section 19. The bonds herein authorized to be issued shall be substantially in the following form:

STATE OF MICHIGAN
 COUNTY OF MONTCALM

VILLAGE OF SHERIDAN

Number _____

\$5,000

SANITARY SEWER SYSTEM REVENUE BOND

The Village of Sheridan (the "Village"), Montcalm County, Michigan, hereby acknowledges that it is indebted and for value received promises to pay to the Registered Holder the sum of

FIVE THOUSAND DOLLARS

on the first day of _____, A.D. 19____, and to pay to the registered holder hereof interest thereon at the rate of five per centum (5%) per annum, from the date of the first registration hereof until paid, the interest being payable on _____ and thereafter semiannually on the first days of _____ and _____ in each year, which principal and interest are to be paid solely out of the revenues hereinafter specified. Interest shall be mailed to the registered holder at the address specified in the registration book of the Village. Upon maturity the principal will be payable at the office of the Treasurer of the Village of Sheridan, upon presentation and surrender of this bond.

This bond is one of a series of bonds of like date and tenor except as to maturity, numbered consecutively in the direct order of their maturities from 1 to 260, in the aggregate principal amount of One Million Three Hundred Thousand Dollars (\$1,300,000) issued by the Village of Sheridan under and pursuant to and in full conformity with the Constitution and statutes of the State of Michigan (especially Act No. 94 of the Michigan Public Acts of 1933, as amended), and Ordinance No. _____ duly approved by the Village Council of the Village of Sheridan on the _____ day of _____, 1981 (the "Ordinance"), for the purpose of paying part of the cost of acquiring the Village of Sheridan sanitary sewage system (the "System").

This bond is not a general obligation of the Village of Sheridan. The principal of and interest on the bonds of this series, and on any other bonds of equal standing therewith, are payable solely from the revenues of the System (including future improvements, enlargements, extensions and repairs thereof). The payment of both the principal of and interest on the bonds of this series and on any additional bond of equal standing which may be issued pursuant to the terms of the Ordinance, is secured by a statutory first lien on the net revenues of the System.

The bonds of this series may be redeemed prior to maturity

at the par value thereof and accrued interest at any time, in any order, in whole or in part, at the option of the Village.

Notice of redemption shall be given to the registered holder of this bond by registered mail addressed to the holder at the address shown on the bond registration books of the Village of Sheridan, which notice shall be mailed within the State of Michigan not less than thirty (30) days prior to the date fixed for redemption. Bonds so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Treasurer of the Village of Sheridan to redeem the same.

The Village of Sheridan hereby covenants and agrees that at all times while any of the bonds of this issue shall be outstanding it will maintain such rates for services furnished by the System as shall be sufficient, when combined with income and revenues derived from sources other than the operation of the System, to provide for the payment of the expenses of administration and operation of the System and such expenses for the maintenance thereof as may be necessary to preserve the same in good repair and working order; to provide for the payment of the principal of and interest on all bonds payable therefrom, as and when the same become due and payable; to establish and maintain the Debt Service Reserve Fund as required by the Ordinance; and to provide for such other expenditures and funds for the System as are required by any applicable ordinance. Rates shall be fixed and revised from time to time by the Council of the Village of Sheridan so as to produce the foregoing amounts.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed, precedent to and in the issuance of the bonds of this series, existed, have happened and have been performed in due time, form and manner as required by law.

IN WITNESS WHEREOF, the Village of Sheridan, Montcalm County, Michigan, by its Council, has caused this bond to be signed in its name by its President and its Village Clerk, and its corporate seal to be affixed hereto, all as of the _____ day of _____, A.D., 19__.

VILLAGE OF SHERIDAN

By _____
Village Clerk

By _____
President

(SEAL)

PROVISIONS OF REGISTRATION

Upon presentation, this bond shall be registered on the books of the Treasurer of the Village of Sheridan kept in his possession as bond registrar which registrar shall make notation of such registration in the registration form below. This bond may be transferred only upon an assignment duly executed by the registered holder or his attorney, such transfer to be made on the registration books and endorsed hereon.

REGISTRATION

<u>Date</u>	<u>Name of Registrant</u>	<u>Signature of Treasurer of Village of Sheridan</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Section 20. The proceeds of the sale of the bonds herein authorized to be issued shall be deposited in the Montcalm Central Bank, in Sheridan, Michigan. Such proceeds shall be paid into an account to be known as the Construction Account and shall be used solely to pay the cost of the project hereinbefore described, capitalized interest on the bonds and any engineering, legal and other expenses incident thereto, and shall be paid only upon authorization of the Council; provided, that the Council shall not authorize the payment of any such moneys for construction work until there shall have been first filed with it by the Engineers in charge of such work a written statement to the effect that the same so to be paid is in full or partial payment of a contract obligation in connection with the project and that the Village has received the consideration for such payment. The statement of the Engineers shall also show the amount of construction estimates which have been theretofore approved by them for payment and the amount of the balance which will be required for the completion of the project. If the bonds are purchased by the FmHA, the Construction Account shall be established as a supervised bank account, if required by FmHA. Funds in such account in excess of Federal Deposit Insurance Corporation coverage shall be secured as provided in Treasury Circular No. 176.

Section 21. The bonds herein authorized shall not be issued until the Municipal Finance Commission of the State of Michigan has approved such issuance and the Village Clerk is hereby authorized and directed to make application to the Commission for such approval.

Section 22. Any balance of the proceeds of the sale of the bonds herein authorized remaining in the Construction Account after the completion of the project shall be paid immediately into

the Bond and Interest Redemption Fund and the same shall be used only for the redemption of the bonds. Any bonds so retired shall be cancelled and shall not be reissued.

Section 23. The Village Clerk is hereby authorized and directed to cause the following notice to be published and prominently displayed once in the Reminder News:

VILLAGE OF SHERIDAN
COUNTY OF MONTCALM
STATE OF MICHIGAN

NOTICE OF INTENTION OF THE VILLAGE OF SHERIDAN
OF THE COUNTY OF MONTCALM TO ISSUE REVENUE BONDS
AND NOTICE OF RIGHT TO PETITION FOR REFERENDUM
THEREON

TO ALL ELECTORS AND TAXPAYERS
OF THE VILLAGE OF SHERIDAN AND
INTERESTED PARTIES:

NOTICE IS HEREBY GIVEN, that the Council of the Village of Sheridan, County of Montcalm, Michigan, intends to authorize the sale, issuance and delivery of its SANITARY SEWAGE SYSTEM REVENUE BONDS (the "Bonds") for the purpose of paying part of the cost of acquiring and constructing a sanitary sewage system for the Village of Sheridan.

The net revenues of the sanitary sewage system of the Village of Sheridan will be pledged to the payment of principal and interest on the Bonds.

The estimated cost of the sanitary sewage system to be acquired and constructed is \$4,737,610 of which \$3,437,610 will be paid by state and federal grants.

The maximum amount of the Bonds to be issued is \$1,300,000.

The Bonds will mature in not to exceed 40 annual installments with interest at a rate not to exceed 5% per annum on the unpaid principal balance of the Bonds from time to time remaining outstanding.

RIGHT TO PETITION FOR REFERENDUM

This notice is given to and for the benefit of the electors and taxpayers of the Village of Sheridan, and interested parties, in order to inform them of the intention of the Village of Sheridan to sell, issue and deliver the Bonds, and also to inform them of their right to petition for referendum upon the question of

selling, issuing and delivering the Bonds. The Village of Sheridan intends to sell, issue and deliver the Bonds without a vote of the electors thereon, but the Village of Sheridan will not sell, issue and deliver the Bonds until 45 days after publication of this notice. If, within the 45-day period, a petition for referendum requesting an election on the sale, issuance and delivery of the Bonds, signed by not less than 10 percent or 15,000 of the registered electors of the Village of Sheridan, residing within the Village of Sheridan, whichever is less, has been filed with the Village Clerk, the Village of Sheridan will not sell, issue or deliver the Bonds unless approved by a majority of the electors of the Village of Sheridan voting thereon at a general or special election.

This notice is given by order of the Council of the Village of Sheridan pursuant to Act 94 of the Public Acts of Michigan, 1933, as amended. Further information may be obtained at the office of the undersigned Village Clerk.

Dated: _____, 1981.

Village Clerk

It is hereby determined that the aforesaid notice provides information to adequately inform the taxpayers and electors of the Village of Sheridan of the nature of the bonds to be issued, the obligation to be undertaken by the Village of Sheridan of their right to file a petition for a referendum requesting an election on the issuance of the bonds.

It is hereby found and determined that the Reminder News has general circulation in the Village of Sheridan and is the newspaper reaching the largest number of persons to whom the notice is directed.

Section 24. This ordinance shall be recorded in the minutes of the meeting of the Council at which it was adopted, as soon as practicable after its passage, which record shall be authenticated by the signatures of the President and Clerk of the Village, and shall be published once within twenty days of its adoption in the Reminder News, a newspaper of general circulation within the Village. This ordinance shall become effective ten days from the date hereof, if the publication has been completed; otherwise, this ordinance shall become effective as of the date of publication.

Section 25. If any section, paragraph, sentence, clause or phrase of this ordinance shall be held invalid, the same shall not affect any other part of this ordinance.

Section 26. All ordinances and 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 of any bond contract.

Village Clerk

President

STATE OF MICHIGAN)
) ss.
COUNTY OF MONTCALM)

I, the undersigned, the duly qualified and acting Clerk of the Village of Sheridan, Montcalm County, Michigan, do hereby certify that the foregoing is a true and complete copy of proceedings adopted at a regular meeting of the Council of the Village held in the Village on the _____ day of _____, 1981. The original of these proceedings is on file in my office, and the meeting was held and the minutes therefor filed in compliance with Act 267 of the Public Acts of 1976. I further certify that after adoption by the Council the ordinance was authenticated by the signatures of the Village President and Clerk and was recorded in the official minutes of the Village.

IN WITNESS WHEREOF, I have hereunto affixed my official signature this _____ day of _____, 1981.

Village Clerk