



SPECIAL BOARD MEETING

December 04, 2024 at 2:00 PM

Madison Township Hall – 3804 South Adrian Hwy.

AGENDA

CALL TO ORDER (Cell Phone Reminder - Silent Prayer – Pledge)

ROLL CALL

AMENDMENTS TO THE AGENDA

PETITIONS & COMMUNICATIONS

INTRODUCTION OF SPECIAL GUESTS

LIMITED PUBLIC COMMENT (any agenda item – 3 minutes)

SPECIAL PRESENTATIONS

OLD BUSINESS / UNFINISHED BUSINESS

NEW BUSINESS

- [1.](#) Rate Study Presentation
- [2.](#) Rate Resolution
- [3.](#) Bond Resolution
- [4.](#) Award Project Bid
- [5.](#) Engineering Proposal

PUBLIC COMMENT (any topic – 3 minutes)

ANNOUNCEMENTS

ADJOURNMENT / RECESS

Charter Township of Madison, MI

Item 1.

Water and Sewer Rate Study

Township Board Presentation

December 4, 2024

Brian Rubel, P.E.

Vic Cooperwasser, P.E.

Tetra Tech



Agenda

- Cost of Water in Madison Township
- *Bolt* Opinion Compliance
- Proportionality Test
- Current Rates
 - Water
 - Sewer
- Proposed Rates
 - Water
 - Sewer
 - Total Water and Sewer Rates

Agenda (Continued)

- Total Monthly Water and Sewer Bills, Metered Customers:
 - 0 usage
 - 5,000 gallons
 - 20,000 gallons
- Community Comparison:
 - Current Rates
 - Proposed Rates
- Four Year Rates:
 - Water
 - Sewer
- Rate Increase Drivers
- Annual Rate Updates

Cost of a Gallon of...

Red Bull Energy Drink	\$27.290
Orange Juice	\$9.856
Bottled Spring Water	\$1.370
Milk	\$3.610
Coca Cola	\$6.993
Kool-Aid	\$1.920
Home-brewed Coffee	\$4.160
Madison Township Drinking Water and Disposal (Current/Proposed)	\$0.012
	\$0.015

Current Cost of a Shower in Madison Township

10-minute shower (25 Gallons)	\$0.30
Bath (45 Gallons)	\$0.54
Toilet (1.6 Gallons)	\$0.02
Dishwasher (10 Gallons)	\$0.12

Bolt Opinion Compliance

Michigan Supreme Court:

Bolt v. City of Lansing

Three-part test for valid user fee:

1. Serve a *regulatory purpose* rather than a revenue raising one
2. Be *proportional* to the necessary *cost of service*
3. Be *voluntary* – users must be able to refuse or limit use of the service

Township's rates already comply with tests 1 and 3

Rate study documents compliance with test 2

Proportionality Test

Determine revenue to be generated by user fees

Allocate expenses to user fees:

- Billing Fee
- Usage Fee

Divide through by billing units for each user fee:

- Bills per year
- Billable flow

Current Rates

Water Rate Structure: Metered Customers

Madison Township Charges:

- \$2.94/month/bill Billing Fee
- \$3.87 per 1,000 gallons Usage Fee

No changes to rate structure are proposed

Increase rates to recover expenses

Water Rate Structure: Flat Rates for Unmetered Users

Madison Township Charges:

- \$61.70/month flat rate for unmetered residential users
- \$61.70/month/REU for unmetered commercial users

No changes to rate structure are proposed

Increase rate to recover expenses

Water Rate Structure: Fairfield Township

Madison Township Charges Fairfield Township:

- \$2.94/month/bill Billing Fee
- \$3.87 per 1,000 gallons Usage Fee
- \$2.60/month/user “Operations Fee”
by contract

No changes to rate structure are proposed

Increase rates to recover expenses (except \$2.60 “Operations Fee which is per contract)

Sewer Rate Structure: Metered Customers

Madison Township Charges:

- \$2.51/month Billing Fee
- \$7.38 per 1,000 gallons Usage Fee

No changes to rate structure are proposed

Increase rates to recover expenses

Sewer Rate Structure: Flat Rates for Unmetered Users

Madison Township Charges:

- \$56.72/month flat rate for unmetered residential users
- \$56.72/month/REU for unmetered commercial users

Increase rate to recover expenses

Proposed Rates

Water Rate Structure: Metered Customers

Rate	Current	Proposed
Billing Fee/month	\$2.94	\$3.87
Usage Fee per 1,000 gallons	\$3.87	\$5.17

Example Monthly Water Bills: Metered Customers

Usage (Gallons)	Current	Proposed
0	\$2.94	\$3.87
5,000	\$22.29	\$29.72
20,000	\$80.34	\$107.27

Water Rate Structure: Flat Rates for Unmetered Users

Rate	Current	Proposed
Residential/ month	\$31.35	\$41.83
Commercial per REU/month	\$31.35	\$41.83

Water Rate Structure: Fairfield Township

Rate	Current	Proposed
Billing Fee/month	\$2.94	\$3.87
Usage Fee per 1,000 gallons	\$3.87	\$5.17
“Operations Fee” (by contract, per month per user)	\$2.60	\$2.60

Sewer Rate Structure: Metered Customers

Rate	Current	Proposed
Billing Fee/month	\$2.51	\$4.03
Usage Fee per 1,000 gallons	\$7.38	\$8.29

Example Monthly Sewer Bills: Metered Customers

Usage (Gallons)	Current	Proposed
0	\$2.51	\$4.03
5,000	\$39.41	\$45.48
20,000	\$150.11	\$169.83

Sewer Rate Structure: Flat Rates for Unmetered Users

Rate	Current	Proposed
Residential/month	\$56.72	\$64.90
Commercial per REU/month	\$56.72	\$64.90

Sewer Rate Structure: Prison Agreement

- *“...the State shall be charged at a rate equal to, or less than, that charged to commercial users of the System, and that any rate increases to the State for user charges shall be commensurate with rate increases to such commercial users.”*

Sewer Rate Structure: Prison

Rate	Current	Proposed
Billing Fee/month	\$2.51	\$4.03
Usage Fee per 1,000 gallons	\$7.38	\$8.29

Total Water and Sewer Fixed and Usage Rates: Metered Customers

Rate	Current	Proposed
Fixed/month	\$5.45	\$7.90
Usage Fee per 1,000 gallons	\$11.25	\$13.46

Example Total Monthly Water & Sewer Bills: Metered Customers

Usage (Gallons)	Current	Proposed
0	\$5.45	\$7.90
5,000	\$61.70	\$75.20
20,000	\$230.45	\$277.10

Community Comparison

Current Monthly Total Water and Sewer Bill Comparison (5,000 Gal)

Item 1.

Lansing	Current	\$124.18
Dexter	Current	\$122.81
Saline	Current	\$120.19
Ann Arbor	Current	\$97.08
Brooklyn	Current	\$96.39
Chelsea	Current	\$91.26
Jackson	Current	\$79.39
Adrian	Current	\$77.21
Battle Creek	Current	\$69.36
<i>Madison Township</i>	<i>Current, Effective Jan 1, 2022</i>	<i>\$61.70</i>

Proposed Monthly Total Water and Sewer Bill Comparison (5,000 Gal)

Item 1.

Lansing	Current	\$124.18
Dexter	Current	\$122.81
Saline	Current	\$120.19
Ann Arbor	Current	\$97.08
Brooklyn	Current	\$96.39
Chelsea	Current	\$91.26
Jackson	Current	\$79.39
Adrian	Current	\$77.21
<i>Madison Township</i>	<i>Proposed, Effective Jan 1, 2025</i>	<i>\$75.20</i>
Battle Creek	Current	\$69.36

Projected Four Year Rates

Four Year Water Rates

Year	Monthly Fixed Billing Fee	Usage Fee, per 1,000 Gallons
2025	\$3.87	\$5.17
2026	\$3.94	\$6.83
2027	\$4.02	\$7.17
2028	\$4.10	\$7.25

Four Year Sewer Rates

Year	Monthly Fixed Billing Fee	Usage Fee, per 1,000 Gallons
2025	\$4.03	\$8.29
2026	\$4.09	\$8.45
2027	\$4.16	\$8.62
2028	\$4.22	\$8.78

Rate Increase Drivers

- Water Rate: \$4.5 Million Water Bond
- Sewer Rate: Reduced Prison Billable Flow

Annual Rate Updates

- Per American Water Works Associations Manual M1 *Principles of Water Rates, Fees, and Charges*:

“...the utility should review its projections at least annually to incorporate changed conditions.”

- Tetra Tech’s Excel spreadsheets allow Township staff to review water and sewer rate adequacy annually. By entering updated data Township staff can prepare annual rate adjustments.



Madison Charter township
3804 S. Adrian Hwy
Adrian, Mi 49221
517-263-9313

Schedule A
Effective Date 1/1/2025

Item 1.

WATER RATES

- RESIDENTIAL CUSTOMERS METERED: **\$3.87** BASE FEE **\$5.17** PER 1,000 GALS OF USE
- RESIDENTIAL CUSTOMERS WITHOUT METERS: **\$41.38** PER MONTH
- COMMERCIAL CUSTOMERS METERED: **\$3.87** FLAT PLUS **\$5.17** PER 1,000 GALLONS OF USE.
- COMMERCIAL CUSTOMERS WITHOUT METERS: **\$64.90** PER R.E.U PER MONTH
- TAP FEE: INDIRECT \$5,700.00** PER R.E.U. (PROPERTY OWNER MUST CONSTRUCT EXTENSION OF LINES, OR ASSESSMENT PAID).
- TAP FEE: DIRECT \$5,700.00** (PROPERTY THAT HAS NOT PAID AN ASSESSMENT).
- AUTOMATIC FIRE SPRINKLER CONNECTIONS:**
 - 6" EACH CONNECTION **\$11.07** PER MONTH
 - 8" EACH CONNECTION **\$19.57** PER MONTH
 - 10" EACH CONNECTION **\$27.55** PER MONTH
- PRIVATE FIRE HYDRANTS (FIRE USE ONLY) **\$9.60** PER MONTH
- TEMPORARY UNMETERED FIRE HYDRANTS **\$50.00** PER DAY
- BULK WATER** AT DISCHARGE POINT **\$5.40** PER 1,000 GALLONS
- TURN OFF FEE** TO BE PAID IF WATER IS SHUT OFF **\$27.00**
- TURN ON FEE** TO BE PAID IF WATER IS SHUT OFF FOR VACATION **\$27.00** NON-PAYMENT **\$50.00**

SEWER RATES

- RESIDENTIAL CUSTOMERS: FLAT RATE - **\$64.90** PER MONTH
- RESIDENTIAL CUSTOMERS BASE RATE: **\$4.03**
- RESIDENTIAL CUSTOMERS USAGE FEES: **\$8.29** PER 1,000 GALS OF WATER USE
- COMMERCIAL CUSTOMER UNMETERED – FLAT RATE – **\$ 64.90** PER R.E.U. USAGE
- COMMERCIAL CUSTOMER METERED – USAGE BASED - **\$8.29** PER 1,000 GALS OR MINIMUM OF **\$64.90** PER MONTH.
- SEWER TAP FEE: \$5,229.00** PER R.E.U. PLUS **\$55.00** INSPECTION FEE.
- MONTHLY LATE FEES: \$3.60**
- METER PURCHASE: 5/8 INCH METER \$295.00 1 INCH METER \$281.00 1 1/2 INCH METER \$460.00**
- 2 INCH METER \$616.00 ALL OTHERS CHECK WITH SUPPLIERS.**
- PRISON RATE \$8.29** PER 1,000 GALS UNLESS RATE CHANGE FROM DRAIN COMMISSION

Madison Charter Township
Lenawee County, Michigan
Water and Sewer 2025 Rate Resolution

At a special meeting of the Township Board of Trustees of Madison Charter Township, Lenawee County, Michigan, held at the Township Hall of said Township on the 4th of December, 2024, the following resolution was offered.

WHEREAS, this Board is authorized by statute and by the provisions of Township Sewer Use and Rate Ordinance #4, as well as Water Service Ordinance #13 to determine by resolution rates, fees and other charges for services and benefits by Township's sewer and water systems; and

WHEREAS, the Board completed a Water and Sewer Utility Rate Study by an independent third-party to develop a schedule of rates which equitably reflect the cost of service to each customer class, comply with Township Ordinance requirements, and recommend a rate adjustment necessary to fund operations, maintenance and improvements; and

WHEREAS, this Board after reviewing said report finds that the amended proposed schedule of rates is reasonable and necessary for the continuing operations of the Madison Township Utility System;

NOW, THEREFORE, BE IT RESOLVED, that the Madison Charter Township Board does hereby determine that the rates for water and sewer services and benefits furnished by the Township's water and sewer systems shall be amended as set forth in the attached Schedule A, and shall be effective January 1, 2025 ;

The foregoing resolution offered by Board Member _____.
Second offered by Board Member _____.

Upon roll call vote, the following voted:

"Aye": _____

"Nay": _____

The Supervisor declared the resolution adopted.

Ryan Rank, Supervisor

Janet Moden, Clerk

Madison Charter Township
Lenawee County, Michigan
Water and Sewer 2025 Rate Resolution

Item 2.

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Charter Township of Madison, County of Lenawee, State of Michigan, at a special meeting held on December 4, 2024, and that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

Janet Moden, Township Clerk
Charter Township of Madison

**RESOLUTION AUTHORIZING ISSUANCE OF
2025 CAPITAL IMPROVEMENT BONDS
(LIMITED TAX GENERAL OBLIGATION)**

CHARTER TOWNSHIP OF MADISON
County of Lenawee, State of Michigan

Minutes of a special meeting of the Township Board of the Charter Township of Madison, County of Lenawee, State of Michigan (the “Township”), held on December 4, 2024 at 2:00 p.m., Eastern Time.

PRESENT: Members: _____

ABSENT: Members: _____

The following preamble and resolution were offered by Member _____ and supported by Member _____:

WHEREAS, the Township does hereby determine that it is necessary to pay all or part of the costs to acquire, construct, furnish and equip improvements to the Township’s existing water supply system, consisting generally of improvements to the water treatment plant, together with all necessary sites, structures, equipment, interests in land, appurtenances and attachments thereto (the “Project”); and

WHEREAS, to finance the cost of the Project, the Township Board deems it necessary to borrow the principal amount of not to exceed Four Million Five Hundred Thousand Dollars (\$4,500,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended (“Act 34”), to pay part of the cost of the Project; and

WHEREAS, a notice of intent to issue bonds, along with a supplemental notice, were published in accordance with Act 34 which provides that the capital improvement bonds may be issued without a vote of the electors of the Township unless a proper petition for an election on the question of the issuance of the bonds is filed with the Township Clerk within a period of forty-five (45) days from the date of publication of either notice; and

WHEREAS, the forty-five day referendum period has expired and no petition was filed with the Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Authorization of Bonds; Bond Terms. Bonds of the Township designated 2025 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the “Bonds”) are hereby authorized to be issued in the aggregate principal sum of not to exceed Four

Million Five Hundred Thousand Dollars (\$4,500,000) or such lesser amount as shall be determined by the Township Supervisor, Clerk or Treasurer (each an “Authorized Officer”) at the time of sale of the Bonds, for the purpose of paying the costs of the Project and paying costs incidental to the issuance, sale and delivery of the Bonds. The issue shall consist of bonds in fully-registered form of the denomination of \$5,000 each, or integral multiples thereof not exceeding for each maturity the aggregate principal amount of such maturity, and numbered consecutively in order of registration. The Bonds shall bear interest, mature and be payable at the times and in the manner set forth in Sections 6 and 7 hereof.

The bonds shall bear interest at a rate or rates to be determined at the time of the sale thereof, but in any event not to exceed six percent (6%) per annum, payable on October 1, 2025 (or such date as determined at the time of the sale thereof) and semiannually thereafter. The difference between the highest and lowest interest rates bid shall not exceed two percent (2%) per annum. The Bonds shall be sold at public sale at a price not less than 99% of the principal amount thereof.

The Bonds shall be subject to redemption prior to maturity in the manner and at the times and prices set forth in Sections 6 and 7 hereof and if term bonds are selected by the original purchaser of the Bonds, then the Bonds will be subject to mandatory redemption in accordance with the foregoing referenced maturity schedule at par.

Interest shall be payable to the registered owner of record as of the 15th day of the month prior to the payment date for each interest payment. The record date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Township to conform to market practice in the future. Interest shall be payable to the registered owner of record as of the 15th day of the month preceding the payment date for each interest payment. The principal of the Bonds shall be payable at UMB Bank, Grand Rapids, Michigan, who is hereby selected to act as transfer agent for the Bonds (the “Transfer Agent”), or such other bank or trust company selected by an Authorized Officer prior to the publication of the notice of sale for the Bonds as the transfer agent for the Bonds.

2. Execution of Bonds; Book-Entry-Only Form. The Bonds of this issue shall be executed in the name of the Township with the manual or facsimile signatures of the Township Supervisor and the Township Clerk and shall have the seal of the Township, or a facsimile thereof, printed or impressed on the Bonds. No Bond executed by facsimile signature shall be valid until authenticated by an authorized officer or representative of the Transfer Agent. The Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Township Treasurer upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted.

The Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York (“DTC”), and each Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry-only form and to make such changes in the form of the Bonds within the parameters of this resolution as may be required to accomplish the foregoing.

3. Transfer of Bonds. The Transfer Agent shall keep the books of registration for this issue on behalf of the Township. Any Bond may be transferred upon such registration books by

the registered owner of record, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Township shall execute and the Transfer Agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require the payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer.

Unless waived by any registered owner of Bonds to be redeemed, official notice of redemption shall be given by the Transfer Agent on behalf of the Township. Such notice shall be dated and shall contain at a minimum the following information: original issue date; maturity dates; interest rates; CUSIP numbers, if any; certificate numbers (and in the case of partial redemption) the called amounts of each certificate; the place where the Bonds called for redemption are to be surrendered for payment; and that interest on the Bonds or portions thereof called for redemption shall cease to accrue from and after the redemption date.

In addition, further notice shall be given by the Transfer Agent in such manner as may be required or suggested by regulations or market practice at the applicable time, but no defect in such further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed herein.

4. Limited Tax Pledge; Debt Retirement Fund; Defeasance of Bonds. The Township hereby pledges its limited tax full faith and credit for the prompt payment of the Bonds. The Township shall, each year, budget the amount of the debt service coming due in the next fiscal year on the principal of and interest on the Bonds and shall advance as a first budget obligation from its general funds available therefor, or, if necessary, levy taxes upon all taxable property in the Township subject to applicable constitutional and statutory tax rate limitations, such sums as may be necessary to pay such debt service in such fiscal year.

The Township Treasurer is authorized and directed to open a depository account with a bank or trust company designated by the Township Board, to be designated 2025 CAPITAL IMPROVEMENT BONDS DEBT RETIREMENT FUND (the "Debt Retirement Fund"), the moneys to be deposited into the Debt Retirement Fund to be specifically earmarked and used solely for the purpose of paying principal of and interest on the Bonds as they mature.

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

5. Construction Fund; Proceeds of Bond Sale. The Township Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by the Township Board, to be designated 2025 CAPITAL IMPROVEMENT BONDS

CONSTRUCTION FUND (the “Construction Fund”), and deposit into the Construction Fund the proceeds of the Bonds less accrued interest, if any, which shall be deposited into the Debt Retirement Fund. The amounts specified by an Authorized Officer at the time of sale of the Bonds from the net proceeds of sale of the Bonds (including proceeds of the good faith deposit received at the time of sale, if any) shall be deposited to the appropriate account in the Construction Fund to be used to pay for the Project and the costs of issuance of the Bonds.

6. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF LENAWEE

CHARTER TOWNSHIP OF MADISON

2025 CAPITAL IMPROVEMENT BOND
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
	April 1, _____	_____, 2025	

Registered Owner:

Principal Amount: Dollars

The Charter Township of Madison, County of Lenawee, State of Michigan (the “Township”), acknowledges itself to owe and for value received hereby promises to pay to the Registered Owner specified above, or registered assigns, the Principal Amount specified above, in lawful money of the United States of America, on the Maturity Date specified above, unless prepaid prior thereto as hereinafter provided, with interest thereon (computed on the basis of a 360-day year consisting of twelve 30-day months) from the Date of Original Issue specified above or such later date to which interest has been paid, until paid, at the Interest Rate per annum specified above, first payable on October 1, 2025 and semiannually thereafter. Principal of this bond is payable at the corporate trust office of UMB Bank, Grand Rapids, Michigan, or such other transfer agent as the Township may hereafter designate by notice mailed to the registered owner not less than sixty (60) days prior to any interest payment date (the “Transfer Agent”). Interest on this bond is payable to the registered owner of record as of the fifteenth (15th) day of the month preceding the interest payment date as shown on the registration books of the Township kept by the Transfer Agent by check or draft mailed to the registered owner of record at the registered address. For prompt payment of this bond, both principal and interest, the full faith, credit and resources of the Township are hereby irrevocably pledged.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$_____, issued for the purpose of paying the costs of certain capital improvements for the Township. This bond is issued under the provisions of Act 34, Public Acts of Michigan, 2001, as amended, and a duly adopted resolution of the Township.

Bonds of this issue maturing in the years 2026 to 2035, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds of this issue in multiples of \$5,000 maturing in the year 2036 and thereafter shall be subject to redemption prior to maturity, at the option of the Township, in any order of maturity and by lot within any maturity, on any date on or after April 1, 2035, at par and accrued interest to the date fixed for redemption.

[Insert Term Bond redemption provisions, if necessary.]

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

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the Transfer Agent to redeem the bond or portion thereof.

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

This bond, including the interest thereon, is payable as a first budget obligation from the general funds of the Township, and the Township is required, if necessary, to levy ad valorem taxes on all taxable property in the Township for the payment thereof, subject to applicable constitutional and statutory tax rate limitations.

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

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

IN WITNESS WHEREOF, the Charter Township of Madison, by its Township Board, has caused this bond to be signed in the name of the Township by the facsimile signatures of its Township Supervisor and Township Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CHARTER TOWNSHIP OF MADISON
County of Lenawee
State of Michigan

By: _____
Its: Township Supervisor

By: _____
Its: Township Clerk

(Form of Transfer Agent’s Certificate of Authentication)

DATE OF AUTHENTICATION:

CERTIFICATE OF AUTHENTICATION

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

UMB Bank,
Grand Rapids, Michigan
Transfer Agent

By: _____
Authorized Signatory

[Insert form of assignment]

7. Notice of Sale. Each Authorized Officer is individually authorized to fix a date for sale of the Bonds and to cause to be published a notice of sale for the Bonds in *The Bond Buyer*, New York, New York, which notice of sale shall be in substantially the following form, with such completions and revisions within the parameters established by this resolution as may be deemed necessary or appropriate by an Authorized Officer in consultation with the Township's bond counsel and municipal advisor:

OFFICIAL NOTICE OF SALE
\$4,500,000*
CHARTER TOWNSHIP OF MADISON
COUNTY OF LENAWEЕ, STATE OF MICHIGAN

2025 CAPITAL IMPROVEMENT BONDS
(LIMITED TAX GENERAL OBLIGATION)
**Subject to adjustment as set forth in this Notice of Sale*

Bids for the purchase of the above bonds will be received in the manner described in this Notice of Sale on _____, 2025 until _____.m., prevailing Eastern Time, at which time and place the bids will be read. The award or rejection of the bids will occur on that date.

ELECTRONIC BIDS: Bidders may submit bids for the purchase of the above bonds as follows:

Electronic bids may be submitted to the office of Bendzinski & Co. Municipal Finance Advisors at info@bendzinski.com; provided that electronic bids must arrive before the time of sale.

Electronic bids will also be received on the same date and until the same time by Bidcomp/Parity as agent of the undersigned. Further information about Bidcomp/Parity, including any fee charged, may be obtained from Bidcomp/Parity, Anthony Leyden or CLIENT SERVICES, 1359 Broadway, Second Floor, New York, New York 10018, (212) 849-5021. IF ANY PROVISION OF THIS OFFICIAL NOTICE OF SALE SHALL CONFLICT WITH INFORMATION PROVIDED BY BIDCOMP/PARITY, AS THE APPROVED PROVIDER OF ELECTRONIC BIDDING SERVICES, THIS OFFICIAL NOTICE OF SALE SHALL CONTROL.

Bidders may choose any means to present bids but a bidder may not present a bid by more than one means. Each bidder bears all risks associated with the submission, transmission and delivery of its bid.

BOND DETAILS: The bonds will be registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated as of the date of initial delivery, numbered in order of registration, and will bear interest from their date payable on October 1, 2025 and semiannually thereafter.

The bonds will mature on the 1st day of April in each of the years as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2026	\$125,000	2036	\$225,000
2027	160,000	2037	230,000
2028	165,000	2038	240,000
2029	175,000	2039	250,000
2030	180,000	2040	260,000
2031	185,000	2041	275,000
2032	190,000	2042	285,000
2033	200,000	2043	300,000

2034	205,000	2044	310,000
2035	215,000	2045	325,000

*ADJUSTMENT OF TOTAL PAR AMOUNT OF BONDS AND PRINCIPAL MATURITIES: The Township reserves the right to increase or decrease the aggregate principal amount of the bonds after receipt of the bids and prior to final award, if necessary, so that the purchase price of the bonds will provide an amount determined by the Township to be sufficient to construct the Project and to pay costs of issuance of the bonds. The adjustments, if necessary, will be in increments of \$5,000. The purchase price will be adjusted proportionately to the increase or decrease in issue size, but the interest rates specified by the successful bidder for all maturities will not change. The successful bidder may not withdraw its bid as a result of any changes made within these limits.

*ADJUSTMENT TO PURCHASE PRICE: Should any adjustment to the aggregate principal amount of the bonds be made by the Township, the purchase price of the bonds will be adjusted by the Township proportionally to the adjustment in principal amount of the bonds. The adjusted purchase price will reflect changes in the dollar amount of the underwriter’s discount and original issue discount/premium, if any, but will not change the per-bond underwriter’s discount as calculated from the bid and initial reoffering prices.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at rate or rates not exceeding six percent (6%) per annum, to be fixed by the bids therefor, expressed in any fraction of 1%. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rates bid shall not exceed two percent (2%) per annum. No proposal for the purchase of less than all of the bonds or at a price less than 99% of their par value will be considered.

PRIOR REDEMPTION OF BONDS: Bonds maturing in the years 2026 to 2035 inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2036 and thereafter shall be subject to redemption prior to maturity, at the option of the Township, in any order of maturity and by lot within any maturity, on any date on or after April 1, 2035, at par and accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption, the transfer agent, upon presentation of the bond called for redemption, shall register, authenticate and deliver to the registered owner of record a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given to the registered owner of any bond or portion thereof called for redemption by mailing of such notice not less than thirty (30) days prior to the date fixed for redemption to the registered address of the registered owner of record. A bond or portion thereof so called for redemption shall not bear interest after the date fixed for redemption provided funds are on hand with the transfer agent to redeem the bond or portion thereof.

TERM BOND OPTION: The initial purchaser of the bonds may designate any one or more maturities from April 1, 2026 through the final maturity as term bonds and the consecutive maturities on or after the year 2026 which shall be aggregated in the term bonds. The amounts of the maturities which are aggregated in a designated term bond shall be subject to mandatory

redemption on April 1 of the years and in the amounts set forth in the above maturity schedule at a redemption price of par, plus accrued interest to the date of mandatory redemption. Term bonds or portions thereof mandatorily redeemed shall be selected by lot. Any such designation must be made at the time bids are submitted and must be listed on the bid.

BOOK-ENTRY ONLY: The bonds will be issued in book-entry-only form as one fully registered bond per maturity and will be registered in the name of Cede & Co., as bondholder and nominee for The Depository Trust Company (“DTC”), New York, New York. DTC will act as securities depository for the bonds. Purchase of the bonds will be made in book-entry-only form, in the denomination of \$5,000 or any multiple thereof. Purchasers will not receive certificates representing their interest in bonds purchased. It will be the responsibility of the purchaser to obtain DTC eligibility. Failure of the purchaser to obtain DTC eligibility shall not constitute cause for a failure or refusal by the purchaser to accept delivery of and pay for the bonds.

TRANSFER AGENT AND REGISTRATION: Principal shall be payable at the principal corporate trust office of UMB Bank, Grand Rapids, Michigan, or such other transfer agent as the Township may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to an interest payment date. Interest shall be paid by check mailed to the registered owner of record as shown on the registration books of the Township as of the 15th day prior to an interest payment date. The bonds will be transferred only upon the registration books of the Township kept by the transfer agent.

PURPOSE AND SECURITY: The bonds are authorized for the purpose of paying the cost of acquiring and constructing various capital improvements for the Township. The bonds will be a first budget obligation of the Township, payable from the general funds of the Township including the collection of ad valorem taxes on all taxable property in the Township subject to applicable constitutional and statutory tax rate limitations. The rights or remedies of bondholders may be affected by bankruptcy, insolvency, fraudulent conveyance or other laws affecting creditors’ rights generally now existing or hereafter enacted and by the application of general principles of equity including those relating to equitable subordination.

AWARD OF BONDS – TRUE INTEREST COST: The bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on October 1, 2025 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to the closing date, in an amount equal to the price bid, excluding accrued interest. Each bidder shall state in its bid the true interest cost to the Township, computed in the manner specified above.

TAX MATTERS: In the opinion of Miller, Canfield, Paddock and Stone, P.L.C., bond counsel, under existing law, assuming compliance with certain covenants, interest on the bonds is excludable from gross income for federal income tax purposes as described in the opinion, and the bonds and interest thereon are exempt from all taxation by the State of Michigan or any taxing authority within the State of Michigan except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

“QUALIFIED TAX-EXEMPT OBLIGATIONS”: The Township has designated the bonds as “qualified tax-exempt obligations” for purposes of the deduction of interest expense by

financial institutions pursuant to the Internal Revenue Code of 1986, as amended.

ISSUE PRICE: The winning bidder shall assist the Township in establishing the issue price of the bonds and shall execute and deliver to the Township at closing an “issue price” or similar certificate setting forth the reasonably expected initial offering price to the public or the sales price or prices of the bonds, together with the supporting pricing wires or equivalent communications, substantially in the form attached either as Appendix _-1 or Appendix _-2 to the Preliminary Official Statement for the bonds, with such modifications as may be appropriate or necessary, in the reasonable judgment of the winning bidder, the Township and bond counsel.

The Township intends that the provisions of Treasury Regulation Section 1.148-1(f)(3)(i) (defining “competitive sale” for purposes of establishing the issue price of the bonds) will apply to the initial sale of the bonds (the “Competitive Sale Requirements”) because:

- a. the Township is disseminating this Notice of Sale to potential underwriters in a manner that is reasonably designed to reach potential underwriters;
- b. all bidders shall have an equal opportunity to bid;
- c. the Township anticipates receiving bids from at least three underwriters of municipal bonds who have established industry reputations for underwriting new issuances of municipal bonds; and
- d. the Township anticipates awarding the sale of the bonds to the bidder who submits a firm offer to purchase the bonds at the lowest true interest cost, as set forth in this Notice of Sale.

Any bid submitted pursuant to this Notice of Sale shall be considered a firm offer for the purchase of the bonds, as specified in the bid.

In the event that all of the Competitive Sale Requirements are not satisfied, the Township shall so advise the winning bidder. The Township will not require bidders to comply with the “hold-the-offering-price rule” (as described below), and therefore does not intend to use the initial offering price to the public as of the sale date of any maturity of the bonds as the issue price of that maturity, though the winning bidder, in consultation with the Township, may elect to apply the “hold-the-offering-price rule.” Bids will not be subject to cancellation in the event the Competitive Sale Requirements are not satisfied. Unless a bidder intends to apply the “hold-the-offering-price rule” (as described below), bidders should prepare their bids on the assumption that all of the maturities of the bonds will be subject to the 10% Test (as described below). The winning bidder must notify the Township of its intention to apply either the “hold-the-offering-price rule” or the 10% Test at or prior to the time the bonds are awarded.

If the winning bidder does not request that the “hold-the-offering-price rule” apply to determine the issue price of the bonds, then the following two paragraphs shall apply:

- a. The Township shall treat the first price at which 10% of a maturity of the bonds (the “10% Test”) is sold to the public as the issue price of that maturity, applied on a maturity-by-maturity basis. The winning bidder shall advise the Township if any

maturity of the Bonds satisfies the 10% Test as of the date and time of the award of the bonds; and

- b. Until the 10% Test has been satisfied as to each maturity of the bonds, the winning bidder agrees to promptly report to the Township the prices at which the unsold bonds of that maturity have been sold to the public. That reporting obligation shall continue, whether or not the closing date has occurred, until either (i) all bonds of that maturity have been sold or (ii) the 10% Test has been satisfied as to the bonds of that maturity, provided that, the winning bidder's reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the Township or bond counsel.

If the winning bidder does request that the "hold-the-offering-price rule" apply to determine the issue price of the bonds, then following three paragraphs shall apply:

- a. The winning bidder, in consultation with the Township, may determine to treat (i) pursuant to the 10% Test, the first price at which 10% of a maturity of the bonds is sold to the public as the issue price of that maturity and/or (ii) the initial offering price to the public as of the sale date of any maturity of the bonds as the issue price of that maturity (the "hold-the-offering-price rule"), in each case applied on a maturity-by-maturity basis. The winning bidder shall advise the Township if any maturity of the bonds satisfies the 10% Test as of the date and time of the award of the bonds. The winning bidder shall promptly advise the Township, at or before the time of award of the bonds, which maturities of the bonds shall be subject to the 10% Test or shall be subject to the hold-the-offering-price rule or both.
- b. By submitting a bid, the winning bidder shall (i) confirm that the underwriters have offered or will offer the bonds to the public on or before the date of the award at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in the bid submitted by the winning bidder, and (ii) if the hold-the-offering-price rule applies, agree, on behalf of the underwriters participating in the purchase of the bonds, that the underwriters will neither offer nor sell unsold bonds of any maturity to which the hold-the-offering-price rule shall apply to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:
 - a. the close of the fifth (5th) business day after the sale date; or
 - b. the date on which the underwriters have sold at least 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public;

The winning bidder shall promptly advise the Township when the underwriters have sold 10% of that maturity of the bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

- c. The Township acknowledges that, in making the representation set forth above, the

winning bidder will rely on (i) the agreement of each underwriter to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds, as set forth in an agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter or dealer who is a member of the selling group is a party to a third-party distribution agreement that was employed in connection with the initial sale of the bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds, as set forth in the third-party distribution agreement and the related pricing wires. The Township further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds, and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement to comply with its corresponding agreement to comply with the requirements for establishing issue price of the bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the bonds.

By submitting a bid, each bidder confirms that:

- a. any agreement among underwriters, any selling group agreement and each third-party distribution agreement (to which the bidder is a party) relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such third-party distribution agreement, as applicable, (A)(i) to report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

- b. any agreement among underwriters or selling group agreement relating to the initial sale of the bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter or dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the bonds to the public to require each broker-dealer that is a party to such third-party distribution agreement to (i) report the prices at which it sells to the public the unsold bonds of each maturity allocated to it, whether or not the closing date has occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder or such underwriter that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder or such underwriter, and (ii) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder or the underwriter and as set forth in the related pricing wires.
- c. sales of any bonds to any person that is a related party to an underwriter shall not constitute sales to the public for purposes of this Notice of Sale.

Further, for purposes of this Notice of Sale:

- a. “public” means any person other than an underwriter or a related party;
- b. “underwriter” means (A) any person that agrees pursuant to a written contract with the Township (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the bonds to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the bonds to the public);
- c. a purchaser of any of the bonds is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and
- d. “sale date” means the date that the bonds are awarded by the Township to the winning bidder.

LEGAL OPINION: Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Detroit, Michigan, a copy of which opinion will be furnished without expense to the purchaser of the bonds at the delivery thereof. The fees of

Miller, Canfield, Paddock and Stone, P.L.C. for services rendered in connection with such approving opinion are expected to be paid from bond proceeds. Except to the extent necessary to issue its approving opinion as to validity of the above bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

DELIVERY OF BONDS: The Township will furnish bonds ready for execution at its expense. Bonds will be delivered without expense to the purchaser through DTC in New York, New York, or such other place to be agreed upon. The usual closing documents, including a certificate that no litigation is pending affecting the issuance of the bonds, will be delivered at the time of delivery of the bonds. If the bonds are not tendered for delivery by twelve o'clock noon, prevailing Eastern Time, on the 45th day following the date of sale, or the first business day thereafter if the 45th day is not a business day, the successful bidder may on that day, or any time thereafter until delivery of the bonds, withdraw its proposal by serving notice of cancellation, in writing, on the undersigned in which event the Township shall promptly return the good faith deposit, if any. Payment for the bonds shall be made in Federal Reserve Funds.

CUSIP NUMBERS: It is anticipated that CUSIP identification numbers will be printed on the bonds, but neither the failure to print such numbers on any bonds nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the bonds in accordance with terms of the purchase contract. All expenses in relation to the printing of CUSIP numbers on the bonds shall be paid for by the Township; provided, however, that the CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser.

OFFICIAL STATEMENT: A preliminary Official Statement that the Township deems to be final as of its date, except for the omission of information permitted to be omitted by Rule 15c2-12 of the Securities and Exchange Commission, has been prepared and may be obtained from Bendzinski & Co. Municipal Finance Advisors, financial advisors to the Township, at the address and telephone listed under REGISTERED MUNICIPAL ADVISOR below. Bendzinski & Co. Municipal Finance Advisors will provide the winning bidder with an electronic version of the final Official Statements within 7 business days from the date of sale to permit the purchaser to comply with Securities and Exchange Commission Rule 15c2-12. Copies of the Official Statement will be supplied by Bendzinski & Co. Municipal Finance Advisors, upon request and agreement by the purchaser to pay the cost of the copies. Requests for copies should be made to Bendzinski & Co. Municipal Finance Advisors within 24 hours of the time of sale.

BOND INSURANCE AT PURCHASER'S OPTION: If the bonds qualify for issuance of any policy of municipal bond insurance or commitment therefor at the option of the bidder/purchaser, the purchase of any such insurance policy or the issuance of any such commitment shall be at the option and expense of the purchaser of the bonds. Any and all increased costs of issuance of the bonds resulting from such purchase of insurance shall be paid by the purchaser, except that if the Township has requested and received a rating on the bonds from a rating agency, the Township shall pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser. FAILURE OF THE MUNICIPAL BOND

INSURER TO ISSUE THE POLICY AFTER THE BONDS HAVE BEEN AWARDED TO THE PURCHASER SHALL NOT CONSTITUTE CAUSE FOR FAILURE OR REFUSAL BY THE PURCHASER TO ACCEPT DELIVERY OF THE BONDS FROM THE TOWNSHIP.

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the Township has agreed to provide or cause to be provided, in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, on or prior to the sixth month after the end of each fiscal year commencing with the fiscal year ended December 31, 2024, (i) certain annual financial information and operating data, including audited financial statements for the preceding fiscal year, generally consistent with the information contained or cross-referenced in the Official Statement relating to the bonds, (ii) timely notice of the occurrence of certain material events with respect to the bonds and (iii) timely notice of a failure by the Township to provide the required annual financial information on or before the date specified in (i) above.

BIDDER CERTIFICATION: NOT “IRAN-LINKED BUSINESS”: By submitting a bid, the bidder shall be deemed to have certified that it is not an “Iran-Linked Business” as defined in Act 517 Michigan Public Acts of 2012, being MCL 129.311 et. seq.

REGISTERED MUNICIPAL ADVISORS: Bendzinski & Co. Municipal Finance Advisors, Grosse Pointe, MI (the “Municipal Advisor”) is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Board (“MSRB”). The Municipal Advisor has been retained by the Township to provide certain financial advisory services relating to the planning, structuring and issuance of the bonds. The Municipal Advisor is not engaged in the business of underwriting, trading, marketing or the distribution of securities or any other negotiable instruments. The Municipal Advisor’s duties, responsibilities and fees arise solely as a Registered Municipal Advisor to the Township and it has no secondary obligation or other responsibility.

FURTHER INFORMATION relating to the bonds may be obtained from Bendzinski & Co. Municipal Finance Advisors, 17000 Kercheval Ave., Suite 230, Grosse Pointe, MI 48230. Telephone (313) 961-8222.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Janet Moden, Township Clerk
Charter Township of Madison

8. Useful Life of Project. The estimated period of usefulness of the Project is hereby declared to be not less than twenty (20) years.

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

10. Official Statement; Qualification for Insurance; Ratings. Each Authorized Officer is individually authorized and directed to: (a) cause the preparation and circulation of a Preliminary Official Statement with respect to the Bonds and to deem the Preliminary Official Statement “final” for purposes of Rule 15c2-12 of the U.S. Securities and Exchange Commission, and to approve circulation of a final Official Statement with respect to the Bonds; (b) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds if deemed economically advantageous to the Township based on the advice of the Township’s municipal advisor; and (c) apply for ratings on the Bonds.

11. Continuing Disclosure. The Township agrees to enter into a continuing disclosure undertaking for the benefit of the holders and beneficial owners of the Bonds in accordance with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, and each Authorized Officer is hereby authorized to execute such undertaking prior to delivery of the Bonds.

12. Authorization of Other Actions. Each Authorized Officer is hereby individually 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 are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, series designation, the place of delivery and payment, and other matters within the parameters described in this resolution. Each Authorized Officer is hereby authorized and directed to take all other actions necessary or advisable, and to make such other filings with any parties, including the Michigan Department of Treasury, to enable the sale and delivery of the Bonds as contemplated herein.

13. Award of Sale of Bonds. Each Authorized Officer is hereby individually authorized on behalf of the Township, without further authorization or approval of this Township Board, to award the sale of the Bonds to the bidder whose bid meets the requirements of law and which produces the lowest true interest cost to the Township computed in accordance with the terms of the Official Notice of Sale as published.

14. Bond Counsel. Miller, Canfield, Paddock and Stone, P.L.C. is hereby approved as bond counsel for the Bonds, notwithstanding Miller Canfield’s periodic representation in unrelated

matters of parties or potential parties to the transaction contemplated by this resolution.

15. Municipal Advisor. Bendzinski & Co. Municipal Finance Advisors is retained as the registered municipal advisor to the Township in connection with the issuance of the Bonds.

16. Rescission. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.

AYES: Members: _____

NAYS: Members: _____

RESOLUTION DECLARED ADOPTED.

Janet Moden, Township Clerk
Charter Township of Madison

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Charter Township of Madison, County of Lenawee, State of Michigan, at a special meeting held on December 4, 2024, and that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, as amended, and that the minutes of the meeting were kept and will be or have been made available as required by the Act.

Janet Moden, Township Clerk
Charter Township of Madison

43014757.2/105749.00006



November 14, 2024

Mr. Tim Watterson
Madison Township DPW Supervisor
S. Adrian Highway
Adrian, MI 49221

Re: Water Treatment Plant Improvements Bid Award Recommendation

Dear Mr. Watterson:

On November 8, 2024, construction bids were received for the above referenced project. Four (4) bids were received and are summarized on the attached tabulation.

The lowest bid was received from Monroe Plumbing & Heating Company, of Monroe with an Adrian office. Monroe Plumbing is proposing to use numerous subcontractors from the Adrian area which we feel will offer value for the project. The bid was below Tetra Tech's cost opinion. Our research has indicated that the iron filter vendor priced their equipment below the preliminary budget provided and the difference is almost entirely explained by this pricing. We feel the lowest bid is a competitive and fair price for the work.

Alternate bids were received for deleting portions of the project should the bids come in unaffordably high. We feel that the base bid received offers extraordinary value and Madison will best be served by proceeding with the base bid.

Tetra Tech has worked with this firm previously and have found them to reliably complete their contracts. We have also called references and received the same feedback, although one reference suggested that Monroe was not as experienced at managing subcontractors and that the engineering consultant would incur additional time to ensure this occurs.

Tetra Tech recommends the bid be awarded to Monroe Plumbing & Heating Company in the amount of \$3,570,000. This award would be contingent upon the Township satisfactorily selling bonds in February. The bidder has posted a bond that will hold this bid through February 5, 2025. This work will involve complex construction. Unforeseen conditions may occur requiring adjustment to the approach. For these reasons, we suggest the Township budget for a contingency of 5 to 10% of this bid amount.

Tetra Tech will be present at a future board meeting to answer any questions about this recommendation. It will be important that the board provide direction on the bids so the pending bond sale can continue.

Sincerely,

Tetra Tech

1136 Oak Valley, Ann Arbor, MI 48108

Tel 734.665.6000 Fax 734.213.3003 www.tetrattech.com



Brian M. Rubel

Brian M. Rubel, P.E.
Sr. Vice President

Bid Tab Lump Sum

Client Name: **Madoson Charter Township**

Contract Title: **WWTP Improvements**

Contract Number: **200-35639-23001-W-2**

Bid Date: **11/7/2024**

Time of Bid Opening: **2pm**

BIDDER	Monroe Plumbing & Heating	A.Z. Shmina, Inc.	Weiss Construction	Grand River Construction, Inc.	
	121 N. Tecumseh St. Adrian, MI 49221	11711 Grand River Ave. Brighton, MI 48116	41001 Grand River Ave. Novi, MI 48375	5025 40th Avenue Hudsonville, MI 49426	
	Phone	517-280-5511	810-227-5100	313-567-4500	616-669-5611
ITEM					
Lump Sum Bid Price for Base Bid	\$3,570,000.00	\$3,687,000.00	\$3,707,580.00	\$4,197,600.00	
Lump Sum Bid Price for Project Minus Alternative 1	\$3,085,000.00	\$3,227,000.00	\$3,107,580.00	\$3,624,400.00	
Addendum No. 1 Acknowledge	yes	yes	yes	yes	
Addendum No. 2 Acknowledge	yes	yes	yes	yes	
Bid Bond	yes	yes	yes	yes	

BIDDER	Monroe Plumbing & Heating	A.Z. Shmina, Inc.	Weiss Construction	Grand River Construction, Inc.	
	121 N. Tecumseh St. Adrian, MI 49221	11711 Grand River Ave. Brighton, MI 48116	41001 Grand River Ave. Novi, MI 48375	5025 40th Avenue Hudsonville, MI 49426	
	Phone	517-280-5511	810-227-5100	313-567-4500	616-669-5611
ITEM					



November 20, 2024

Mr. Tim Watterson
Madison Township DPW Supervisor
3804 S. Adrian Highway
Adrian, MI 49221

**Re: Water Treatment Plant Improvements
Engineering Services During Construction**

Dear Mr. Watterson:

On November 7, 2024, construction bids were received for the above referenced project. The project will soon proceed to construction. From discussions with the low bidder, we believe the next 6 to 8 months will consist of procuring equipment with active construction occurring over a 6-month period thereafter (completing work in early 2026).

Tetra Tech appreciates the opportunity to perform design and bidding services for Madison Township. This letter will serve as Tetra Tech's proposal to assist Madison Township during construction.

SCOPE OF SERVICES

We propose the following scope of services:

1. Prepare issued for construction documents
2. Lead a preconstruction and monthly progress meetings
3. Review product submittals for conformance with the contract documents
4. Review contractor pay applications and recommend payment to Madison Township
5. Interpret the contract and respond to contractor requests for information
6. Perform on-site resident project representation during the active parts of the construction to observe that the work is completed in accordance with the contract. We have assumed 1,000 hours on-site.
7. Prepare record drawings documenting the completed work.

ASSUMPTIONS

- Work not specifically listed will not be performed.
- Should the contractor not complete the work in the contract duration, additional time may be needed



TETRA TECH

COMPENSATION

Compensation will be based on our standard hourly rates. We request a budget of \$360,000 to complete these services. This budget will not be exceeded without Madison Township’s prior written authorization. Engineering services are eligible for reimbursement through the Township’s pending bond.

EXECUTION

Please sign in the specie provided to indicate Madison Township’s authorization to proceed. This authorization can be contingent upon the bond sale in January/February.

Tetra Tech appreciates the opportunity to provide this proposal and continue our long history of service to Madison Township.

Sincerely,

Brian M. Rubel, P.E.
Sr. Vice President

PROPOSAL ACCEPTED BY _____

TITLE: _____ **DATE:** _____

Tetra Tech of Michigan, PC

Engineering Services Standard Terms & Conditions

Item 5.

Services Consultant will perform services for the Project as set forth in Attachment A and in accordance with these Terms & Conditions. Consultant has developed the Project scope of service, schedule, and compensation based on available information and various assumptions. The Client acknowledges that adjustments to the schedule and compensation may be necessary based on the actual circumstances encountered by Consultant in performing their services. Consultant is authorized to proceed with services upon receipt of an executed Agreement.

Compensation In consideration of the services performed by Consultant, the Client shall pay Consultant in the manner set forth above. The parties acknowledge that terms of compensation are based on an orderly and continuous progress of the Project. Compensation shall be equitably adjusted for delays or extensions of time beyond the control of Consultant. Where total project compensation has been separately identified for various tasks, Consultant may adjust the amounts allocated between tasks as the work progresses so long as the total compensation amount for the project is not exceeded.

Fee Definitions The following fee types shall apply to methods of payment:

- **Salary Cost** is defined as the individual's base salary plus customary and statutory benefits. Statutory benefits shall be as prescribed by law and customary benefits shall be as established by Consultant employment policy.
- **Cost Plus** is defined as the individual's base salary plus actual overhead plus professional fee. Overhead shall include customary and statutory benefits, administrative expense, and non-project operating costs.
- **Lump Sum** is defined as a fixed price amount for the scope of services described.
- **Standard Rates** is defined as individual time multiplied by standard billing rates for that individual.
- **Subcontracted Services** are defined as Project-related services provided by other parties to Consultant.
- **Reimbursable Expenses** are defined as actual expenses incurred in connection with the Project.

Payment Terms Consultant shall submit invoices at least once per month for services performed and Client shall pay the full invoice amount within 30 days of the invoice date. Invoices will be considered correct if not questioned in writing within 10 days of the invoice date. Client payment to Consultant is not contingent on arrangement of project financing or receipt of funds from a third party. In the event the Client disputes the invoice or any portion thereof, the undisputed portion shall be paid to Consultant based on terms of this Agreement. Invoices not in dispute and unpaid after 30 days shall accrue interest at the rate of one and one-half percent per month (or the maximum percentage allowed by law, whichever is the lesser). Invoice payment delayed beyond 60 days shall give Consultant the right to stop work until payments are current. Non-payment beyond 70 days shall be just cause for termination by Consultant.

Additional Services The Client and Consultant acknowledge that additional services may be necessary for the Project to address issues that may not be known at Project initiation or that may be required to address circumstances that were not foreseen. In that event, Consultant shall notify the Client of the need for additional services and the Client shall pay for such additional services in an amount and manner as the parties may subsequently agree.

Site Access The Client shall obtain all necessary approvals for Consultant to access the Project site(s).

Underground Facilities Consultant and/or its authorized subcontractor will conduct research and perform site reconnaissance in an effort to discover the location of existing underground facilities prior to developing boring plans, conducting borings, or undertaking invasive subsurface investigations. Client recognizes that accurate drawings or knowledge of the location of such facilities may not exist, or that research may reveal as-built drawings or other documents that may inaccurately show, or not show, the location of existing underground facilities. In such events, except for the sole negligence, willful misconduct, or practice not conforming to the Standard of Care cited in this Agreement, Client agrees to indemnify and hold Consultant and/or its Subcontractor harmless from any and all property damage, injury, or economic loss arising or allegedly arising from borings or other subsurface penetrations.

Regulated Wastes Client is responsible for the disposal of all regulated wastes generated as a result of services provided under this Agreement. Consultant and Client mutually agree that Consultant assumes no responsibility for the waste or disposal thereof.

Contractor Selection Consultant may make recommendations concerning award of construction contracts and products. The Client acknowledges that the final selection of construction contractors and products is the Client's sole responsibility.

Ownership of Documents Drawings, specifications, reports, programs, manuals, or other documents, including all documents on electronic media, prepared under this Agreement are instruments of service and are, and shall remain, the property of Consultant. Record documents of service shall be based on the printed copy. Consultant will retain all common law, statutory, and other reserved rights, including the copyright thereto. Consultant will furnish documents electronically; however, the Client releases Consultant from any liability that may result from documents used in this form. Consultant shall not be held liable for reuse of documents or modifications thereof by the Client or its representatives for any purpose other than the original intent of this Agreement, without written authorization of and appropriate compensation to Consultant.

Standard of Care Services provided by Consultant under this Agreement will be performed in a manner consistent with that degree of care and skill ordinarily exercised by members of the same profession currently practicing under similar circumstances. Consultant makes no warranty or guaranty, either express or implied. Consultant will not be liable for the cost of any omission that adds value to the Project.

Period of Service This Agreement shall remain in force until completion and acceptance of the services or until terminated by mutual agreement. Consultant shall perform the services for the Project in a timely manner consistent with sound professional practice. Consultant will strive to perform its services according to the Project schedule set forth in the provisions for Scope of Work/Fee/Schedule in Attachment A. The services of each task shall be considered complete when deliverables for the task have been presented to the Client. Consultant shall be entitled to an extension of time and compensation adjustment for any delay beyond Consultant control.

Insurance and Liability Consultant shall maintain the following insurance and coverage limits during the period of service. The Client will be named as an additional insured on the Commercial General Liability and Automobile Liability insurance policies.

Worker's Compensation – as required by applicable state statute

Commercial General Liability - \$1,000,000 per occurrence for bodily injury, including death and property damage, and \$2,000,000 in the aggregate

Automobile Liability –\$1,000,000 combined single limit for bodily injury and property damage

Professional Liability (E&O) - \$1,000,000 each claim and in the aggregate

The Client shall make arrangements for Builder's Risk, Protective Liability, Pollution Prevention, and other specific insurance coverage warranted for the Project in amounts appropriate to the Project value and risks. Consultant shall be a named insured on those policies where Consultant may be at risk. The Client shall obtain the counsel of others in setting insurance limits for construction contracts.

Indemnification Consultant shall indemnify and hold harmless the Client and its employees from any liability, settlements, loss, or costs (including reasonable attorneys' fees and costs of defense) to the extent caused solely by the negligent act, error, or omission of Consultant in the performance of services under this Agreement. If such damage results in part by the negligence of another party, Consultant shall be liable only to the extent of Consultant's proportional negligence.

Dispute Resolution The Client and Consultant agree that they shall diligently pursue resolution of all disagreements within 45 days of either party's written notice using a mutually acceptable form of mediated dispute resolution prior to exercising their rights under law. Consultant shall continue to perform services for the Project and the Client shall pay for such services during the dispute resolution process unless the Client issues a written notice to suspend work. Causes of action between the parties to this Agreement shall be deemed to have accrued and the applicable statutes of repose and/or limitation shall commence not later than the date of substantial completion.

Suspension of Work The Client may suspend services performed by Consultant with cause upon fourteen (14) days written notice. Consultant shall submit an invoice for services performed up to the effective date of the work suspension and the Client shall pay Consultant all outstanding invoices within fourteen (14) days. If the work suspension exceeds thirty (30) days from the effective work suspension date, Consultant shall be entitled to renegotiate the Project schedule and the compensation terms for the Project.

Termination The Client or Consultant may terminate services on the Project upon seven (7) days written notice without cause or in the event of substantial failure by the other party to fulfill its obligations of the terms hereunder. Consultant shall submit an invoice for services performed up to the effective date of termination and the Client shall pay Consultant all outstanding invoices, together with all costs arising out of such termination, within fourteen (14) days. The Client may withhold an amount for services that may be in dispute provided that the Client furnishes a written notice of the basis for their dispute and that the amount withheld represents a reasonable value.

Authorized Representative The Project Manager assigned to the Project by Consultant is authorized to make decisions or commitments related to the project on behalf of Consultant. Only authorized representatives of Consultant are authorized to execute contracts and/or work orders on behalf of Consultant. The Client shall designate a representative with similar authority. Email messages between Client and members of the project team shall not be construed as an actual or proposed contractual amendment of the services, compensation or payment terms of the Agreement.

Project Requirements The Client shall confirm the objectives, requirements, constraints, and criteria for the Project at its inception. If the Client has established design standards, they shall be furnished to Consultant at Project inception. Consultant will review the Client design standards and may recommend alternate standards considering the standard of care provision.

Independent Consultant Consultant is and shall be at all times during the term of this Agreement an independent consultant and not an employee or agent of the Client. Consultant shall retain control over the means and methods used in performing Consultant's services and may retain subconsultants to perform certain services as determined by Consultant.

Compliance with Laws Consultant shall perform its services consistent with sound professional practice and endeavor to incorporate laws, regulations, codes, and standards applicable at the time the work is performed. In the event that standards of practice change during the Project, Consultant shall be entitled to additional compensation where additional services are needed to conform to the standard of practice.

Permits and Approvals Consultant will assist the Client in preparing applications and supporting documents for the Client to secure permits and approvals from agencies having jurisdiction over the Project. The Client agrees to pay all application and review fees.

Limitation of Liability In recognition of the relative risks and benefits of the project to both the Client and Consultant, the risks have been allocated such that the Client agrees, to the fullest extent permitted by law, to limit the liability of Consultant and its subconsultants to the Client and to all construction contractors and subcontractors on the project for any and all claims, losses, costs, damages of any nature whatsoever or claims expenses from any cause or causes, so that the total aggregate liability of Consultant and its subconsultants to all those named shall not exceed \$50,000 or the amount of Consultant's total fee paid by the Client for services under this Agreement, whichever is the greater. Such claims and causes include, but are not limited to negligence, professional errors or omissions, strict liability, breach of contract or warranty.

Consequential Damages Notwithstanding any other provision of this Agreement, and to the fullest extent permitted by law, neither the Client nor Consultant, their respective officers, directors, partners, employees, contractors or subconsultants shall be liable to the other or shall make any claim for any incidental, indirect or consequential damages arising out of or connected in any way to the project or to this Agreement. This mutual waiver of consequential damages shall include, but is not limited to, loss of use, loss of profit, loss of business, loss of income, loss of reputation or any other consequential damages that either party may have incurred from any cause of action including negligence, strict liability, breach of contract and breach of strict or implied warranty. Both the Client and Consultant shall require similar waivers of consequential damages protecting all the entities or persons named herein in all contracts and subcontracts with others involved in this project or with this Agreement.

Waiver of Subrogation Consultant shall endeavor to obtain a waiver of subrogation against the Client, if requested in writing by the Client, provided that Consultant will not increase its exposure to risk and Client will pay the cost associated with any premium increase or special fees.

Environmental Matters The Client warrants that they have disclosed all potential hazardous materials that may be encountered on the Project. In the event unknown hazardous materials are encountered, Consultant shall be entitled to additional compensation for appropriate actions to protect the health and safety of its personnel, and for additional services required to comply with applicable laws. The Client shall indemnify Consultant from any claim related to hazardous materials encountered on the Project except for those events caused by negligent acts of Consultant.

Cost Opinions Consultant shall prepare cost opinions for the Project based on historical information that represents the judgment of a qualified professional. The Client and Consultant acknowledge that actual costs may vary from the cost opinions prepared and that Consultant offers no guarantee related to the Project cost.

Contingency Fund The Client acknowledges the potential for changes in the work during construction and the Client agrees to include a contingency fund in the Project budget appropriate to the potential risks and uncertainties associated with the Project. Consultant may offer advice concerning the value of the contingency fund; however, Consultant shall not be liable for additional costs that the Client may incur beyond the contingency fund they select unless such additional cost results from a negligent act, error, or omission related to services performed by Consultant.

Safety Consultant shall be responsible solely for the safety precautions or protocols for its employees and no other party.

Information from Other Parties The Client and Consultant acknowledge that Consultant will rely on information furnished by other parties in performing its services under the Project. Consultant shall not be liable for any damages that may be incurred by the Client in the use of third party information.

Force Majeure Consultant shall not be liable for any damages caused by any delay that is beyond Consultant's reasonable control, including but not limited to unavoidable delays that may result from any acts of God, strikes, lockouts, wars, acts of terrorism, riots, acts of governmental authorities, extraordinary weather conditions or other natural catastrophes, or any other cause beyond the reasonable control or contemplation of either party.

Waiver of Rights The failure of either party to enforce any provision of these terms and conditions shall not constitute a waiver of such provision nor diminish the right of either party to the remedies of such provision.

Warranty Consultant warrants that it will deliver services under the Agreement within the standard of care. No other expressed or implied warranty is provided by Consultant.

Severability Any provision of these terms later held to be unenforceable shall be deemed void and all remaining provisions shall continue in full force and effect. In such event, the Client and Consultant will work in good faith to replace an invalid provision with one that is valid with as close to the original meaning as possible.

Survival All obligations arising prior to the termination of this Agreement and all provisions of these terms that allocate responsibility or liability between the Client and Consultant shall survive the completion or termination of services for the Project.

Assignments Neither party shall assign its rights, interests, or obligations under the Agreement without the express written consent of the other party.

Governing Law The terms of Agreement shall be governed by the laws of the state where the services are performed provided that nothing contained herein shall be interpreted in such a manner as to render it unenforceable under the laws of the state in which the Project resides.

Collection Costs In the event that legal action is necessary to enforce the payment provisions of this Agreement if Client fails to make payment within sixty (60) days of the invoice date, Consultant shall be entitled to collect from the Client any judgment or settlement sums due, reasonable attorneys' fees, court costs, and expenses incurred by Consultant in connection therewith and, in addition, the reasonable value of Consultant's time and expenses spent in connection with such collection action, computed at Consultant's prevailing fee schedule and expense policies.

Equal Employment Opportunity Consultant will comply with federal regulations pertaining to Equal Employment Opportunity. Consultant is in compliance with applicable local, state, and federal regulations concerning minority hiring. It is Consultant's policy to ensure that applicants and employees are treated equally without regard to race, creed, sex, color, religion, veteran status, ancestry, citizenship status, national origin, marital status, sexual orientation, or disability. Consultant expressly assures all employees, applicants for employment, and the community of its continuous commitment to equal opportunity and fair employment practices.

Attorney Fees Should there be any suit or action instituted to enforce any right granted in this contract, the substantially prevailing party shall be entitled to recover its costs, disbursements, and reasonable attorney fees from the other party. The party that is awarded a net recovery against the other party shall be deemed the substantially prevailing party unless such other party has previously made a bona fide offer of payment in settlement and the amount of recovery is the same or less than the amount offered in settlement. Reasonable attorney fees may be recovered regardless of the forum in which the dispute is heard, including an appeal.

Third Party Beneficiaries Nothing in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Client or the Consultant. The Consultant's services under this Agreement are being performed solely for the Client's benefit, and no other entity shall have any claim against the Consultant because of this Agreement or the performance or nonperformance of services hereunder. The Client agrees to include a provision in all contracts with contractors and other entities involved in this project to carry out the intent of this paragraph.

Lien Rights Consultant may file a lien against the Client's property in the event that the Client does not make payment within the time prescribed in this Agreement. The Client agrees that services by Consultant are considered property improvements and the Client waives the right to any legal defense to the contrary.

Captions The captions herein are for convenience only and are not to be construed as part of this Agreement, nor shall the same be construed as defining or limiting in any way the scope or intent of the provisions hereof.