

August 20, 2024

RE: Kalamazoo Lake Water & Sewer Authority governance and contract negotiations with the City of the Village of Douglas, City of Saugatuck and Saugatuck Township

Dear All,

Bendzinski & Co. Municipal Finance Advisors would like to thank you for the opportunity to serve as advisor for the above referenced governance engagement. This below will confirm the scope and terms of our engagement:

- Review and analyze historical agreements between the entities.
 - Understand past responsibilities and facilitate discussion about future responsibilities.
 - Analyze current issues in the way the systems operate, discuss possible solutions and facilitate discussion around solutions to gain consensus.
- Discussions between entities regarding the following:
 - Operations, maintenance, repair and replacement of assets.
 - Asset responsibilities between entities.
 - Capacity allocations between entities.
 - Budgeting changes based on asset responsibilities.
 - Capital improvement planning changes based on asset responsibilities.
- Review and commenting on legal documents (no drafting included).
 - Comments and facilitation of discussion regarding contract details based on past knowledge and entity desires.
 - Suggest solutions based on discussions with the entities and past experience.
- Meetings
 - In-person attendance of meetings is included.
 - Virtual attendance of Teams meetings and/or calls is included.
- Memos and Presentations
 - Detailing governance recommendations, who should be responsible for what, contract scenarios and other important aspects of utility contracts

Bendzinski & Co.

August 20, 2024

Bendzinski & Co. proposes a fee of \$45,000. The typical billing method for this service is quarterly bills until completion, but this can be negotiated with the Client. To recognize the efforts, time and processes completed thus far, Bendzinski will be billing half of the fees after the September 4, 2024 meeting. The rest of the fees will be billed quarterly over the rest of the engagement period. The above fee shall be split in the following way:

Douglas City - \$13,500

Saugatuck City - \$13,500

Saugatuck Township - \$13,500

Kalamazoo Lake Sewer & Water Authority - \$4,500

It should be noted that the above fee and scope does not include rate studies or drafting of legal documents. This engagement is intended to serve purely as a governance engagement to reach consensus and agreement on the water and sewer agreements between the entities.

Bendzinski & Co. is registered as a “municipal advisor” pursuant to Section 15B of the Securities Exchange Act and rules and regulations adopted by the SEC and the MSRB. As part of this registration Bendzinski & Co. is required to disclose to the SEC information regarding any criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations and civil litigation involving Bendzinski & Co. Pursuant to MSRB Rule G-42, Bendzinski & Co. is required to disclose any legal or disciplinary event that is material to the Issuer’s evaluation of Bendzinski & Co. or the integrity of its management or advisory personnel. Bendzinski & Co. has determined that no such event exists as there are no criminal actions, regulatory actions, investigations, terminations, judgments, liens, civil judicial actions, customer complaints, arbitrations or civil litigation involving Bendzinski & Co. that were required to be reported to the SEC.

The MSRB has made available on its website (www.msrb.org) a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the appropriate regulatory authority.

Copies of Bendzinski & Co.’s filings with the SEC can currently be found by accessing the SEC’s EDGAR system Company Search Page, which is currently available at <https://www.sec.gov/edgar/searchedgar/companysearch.html> and searching for either Bendzinski & Co. or for our CIK number which is 1614475.

It is understood and agreed that either party to this contract of employment may terminate the contract for any reason upon thirty (30) days prior written notice to the other party. If our employment on this basis is agreeable to you, please endorse your acceptance hereof on this letter which will constitute our contract of employment.

Bendzinski & Co.

August 20, 2024

Should you have any questions or require any additional information, please do not hesitate to call.

Sincerely,

BENDZINSKI & CO.
Municipal Finance Advisors



Andy Campbell, CPA
Registered Municipal Advisor

CITY OF THE VILLAGE OF DOUGLAS, STATE OF MICHIGAN

Accepted: _____, 20__

By: _____

Title: _____

Signature: _____

CITY OF SAUGATUCK, STATE OF MICHIGAN

Accepted: _____, 20__

By: _____

Title: _____

Signature: _____

SAUGATUCK TOWNSHIP, STATE OF MICHIGAN

Accepted: _____, 20__

By: _____

Title: _____

Signature: _____

Bendzinski & Co.

August 20, 2024

KALAMAZOO LAKE SEWER & WATER AUTHORITY, STATE OF MICHIGAN

Accepted: _____, 20__

By: _____

Title: _____

Signature: _____