



# GLADSTONE CITY COMMISSION REGULAR MEETING

City Hall Chambers – 1100 Delta Avenue

July 28, 2025

6:00 PM

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## MINUTES

Mayor Thompson called the meeting to order; Commissioner O'Driscoll gave the Invocation followed by the Pledge of Allegiance.

Clerk Berry called the roll:

### PRESENT

Mayor Joe Thompson  
Mayor Pro-Tem Brad Mantela  
Commissioner Robert Pontius  
Commissioner Steve O'Driscoll

### ABSENT - EXCUSED

Commissioner Judy Akkala

Mayor Thompson opened the public hearing to establish an Industrial Facilities Tax District at 103 N. 12th Street at 6:04 PM

Mr. Gary Vollmar, CEO of AMI, Industries, Inc. presented information to the Commission and public on his business and intentions at the property located at 103 N. 12th Street (Currently known as the DelFab building).

There being no further public comment, Mayor Thompson closed the public hearing at 6:15 PM.

The following preamble and resolution were offered by: Brad Mantela and supported by: Steve O'Driscoll.

### CITY OF GLADSTONE RESOLUTION NO. 2025-06

### TO ESTABLISH AN INDUSTRIAL DEVELOPMENT DISTRICT FOR AMI, INC.

### Resolution Establishing an Industrial Development District for Aggressive Manufacturing Innovations, Inc. (AMI, Inc.)

WHEREAS, pursuant to PA 198 of 1974, as amended, this Gladstone Commission has the authority to establish "Industrial Development Districts" within Gladstone; and

WHEREAS, Aggressive Manufacturing Innovations (AMI, Inc.) has petitioned this Gladstone Commission to establish an Industrial Development District on its property located in the City of Gladstone hereinafter described; and

WHEREAS, construction, acquisition, alteration, or installation of a proposed facility has not commenced at the time of filing the request to establish this district; and

WHEREAS, written notice has been given by certified mail to all owners of real property located within the district, and to the public by newspaper advertisement in the Daily Press and/or public posting of the hearing on the establishment of the proposed district; and

WHEREAS, on July 28, 2025 a public hearing was held at which all owners of real property within the proposed Industrial Development District and all residents and taxpayers of the City of Gladstone were afforded an opportunity to be heard thereon; and

WHEREAS, the Gladstone City Commission deems it to be in the public interest of the City of Gladstone to establish the Industrial Development District as proposed; and

NOW, THEREFORE, BE IT RESOLVED by the Commission of the City of Gladstone that the following described parcel of land situated in the City of Gladstone, County of Delta, and State of Michigan, to wit:

GC 21 0/2 103-7 103-8 SEC 21 T40N R22W PT OF LOTS 9,10,11&12 BLK 61; ALL OF BLK 62; PT OF LOTS 1,2,3,4,5,& 6, ALL OF LOTS 7,8,9,10,11 &12, BLK 63 OF THE FIRST ADDN TO CITY OF GLADSTONE & PT SW 1/4 OF NE 1/4 OF SEC 21 FROM E 1/4 COR OF SEC 21N 0°09'50"E ALG E LN OF SEC 772.0' TO N'RLY ROW LINE OF RAILWAY AVE; TH S 74°03' W ALG SD ROW LN 1659.08' TO W'RLY ROW LN 10TH ST & POB; TH CONT S 74°03' W ALG N'RLY ROW LN OF RAILWAY AVE F 224' TO INTR W/N'RLY EXTN OF LINE COMMON TO LOTS 8,9 OF BLK 61 OF FIRST ADDITION; TH S15° 55'40" E ALG SD LN 180' TO N'RLY ROW LN OF SUPERIOR AVE; TH S74°03' W ALG SD ROW LN 182.0' TO W'RLY ROW LN OF 11TH ST; TH S15°5'40" E ALG SD ROW LN 135.0'; TH S74°03'W PARL W/S LN OF LOTS 1-12 OF BLK 63 OF SAID FIRST ADDITION 84.0' TO LN COMMON TO LOTS 3,4 OF SAID BLK 63; TH S 15°55'40" E ALG SD LN 25"; TH S74°03'W PRL W/SD S LN 28' TO LN COMMON TO LOTS 4 & 5 OF BLK 63; TH S 15°55'40"E ALG SD LN 50' TO S LN OF LOTS 1-12 OF BLK 63; TH S 74°03' W ALG SD S LN 224' TO E ROW LN OF 12TH ST; TH N 15°5'40" W ALG SD ROW LN 390' TO N'RLY ROW LN OF RAILWAY AVE; TH S74°03' W ALG SD ROW LN 74.89' TO POINT THAT IS S 74°3'W A DIST OF 816.89' FROM POB; TH S 73°52'57" W 30'; TH N 16°07'07"W 242.53' TO A PNT THAT IS 25' S'RLY OF AND AT RGT ANGLES FROM THE C/L OF MINNPLIS, ST PAUL & SAULT SAINT MARIE RR SPUR TRACK; TH N 73°52'18" E PRL WITH AND 25' S'RLY OF SD C/L TO N'RLY EXTN OF W'RLY ROW LN\OF 10TH ST; TH S15°

55'40"E ALG SD LN TO THE POB  
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is established as an Industrial Development District pursuant to the provisions of PA 198 of 1974, as amended, to be known as Industrial Development District No. 2025-01.

AYES:

Commissioner Mantela  
Commissioner O'Driscoll  
Commissioner Pontius  
Mayor Thompson

NAYS: None

ABSENT – EXCUSED:

Commissioner Akkala

RESOLUTION DECLARED ADOPTED.

Public Comment - No public comment.

Motion made by Commissioner O'Driscoll, Seconded by Mayor Pro-Tem Mantela to approve the consent agenda as presented.

MOTION CARRIED

Motion made by Commissioner O'Driscoll, Seconded by Mayor Pro-Tem Mantela to approve City of Gladstone Ordinance No. 2025-633 as presented:

**CITY OF GLADSTONE**  
**ORDINANCE NO. 2025-633**

AN ORDINANCE TO PROVIDE FOR THE ACQUISITION, CONSTRUCTION, FURNISHING AND EQUIPPING OF IMPROVEMENTS TO THE SEWAGE DISPOSAL SYSTEM OF THE CITY OF GLADSTONE; TO PROVIDE FOR THE ISSUANCE AND SALE OF JUNIOR LIEN REVENUE BONDS TO PAY THE COST THEREOF; TO PRESCRIBE THE FORM OF THE BONDS; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE SECURITY FOR THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE

HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR  
OTHER MATTERS RELATING TO THE BONDS AND THE SYSTEM.

THE CITY OF GLADSTONE ORDAINS:

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

- (a) "Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.
- (b) "Authority" means the Michigan Finance Authority or its successor.
- (c) "Authorized Officers" means the Mayor, the City Manager, the City Clerk and the City Treasurer of the Issuer.
- (d) "Bonds" means the Series 2025 Bonds, together with any additional bonds heretofore or hereafter issued of equal standing with the Series 2025 Bonds.
- (e) "Engineers" means C2AE, Escanaba, Michigan.
- (f) "Issuer" or "City" means the City of Gladstone, County of Delta, State of Michigan.
- (g) "EGLE" means the Michigan Department of Environment, Great Lakes and Energy, or any successor agency.
- (h) "Junior Lien Bonds" means the Series 2025 Bonds.
- (i) "Outstanding Senior Lien Bonds" means the Series 2006 Bonds and the Series 2022 Bonds.
- (j) "Prior Ordinances" means Ordinance No. 549 adopted by the City Commission of the Issuer on January 12, 2004, Ordinance No. 561 adopted by the City Commission of the Issuer on June 12, 2006, and Ordinance No. 624 adopted by the City Commission of the Issuer on April 25, 2022, authorizing the issuance of the Outstanding Bonds.
- (k) "Project" means the acquisition, construction, furnishing and equipping of improvements to the sewage disposal system of the Issuer, consisting generally of replacement of approximately 5,500 LF of 6" PVC sanitary service lead, 3,500 LF of 8" PVC sanitary sewer, 2,850 LF of 10" PVC sanitary sewer, 460 LF of 15" PVC sanitary sewer, 460 LF of 18" PVC sanitary sewer, and 163 sanitary

cleanouts and 27 manholes; installation of approximately 3,550 LF of 8" cured-in-place pipe liner, 3,550 LF of 10" cured-in-place pipe liner, and 1,690 LF of 12" cured-in-place pipe liner; together with necessary interests in land and all related sites, structures, equipment, appurtenances and attachments thereto.

(l) "Purchase Contract" means the Purchase Contract to be entered into between the Authority and the Issuer relating to the purchase by the Authority of the Series 2025 Bonds.

(m) "Revenues" and "Net Revenues" means the revenues and net revenues of the System and shall be construed as defined in Section 3 of Act 94, including with respect to "Revenues" the earnings derived from the investment of moneys in the various funds and accounts established by the Prior Ordinances and this Ordinance, and other revenues derived from or pledged to operation of the System.

(n) "Series 2006 Bonds" means the Issuer's Sewage Disposal System Revenue Bonds, Series 2006, dated December 14, 2006, issued pursuant to Ordinance No. 561.

(o) "Series 2022 Bonds" means the Issuer's Sewage Disposal System Revenue Bonds, Series 2022, dated June 6, 2022, issued pursuant to Ordinance No. 624.

(p) "Series 2025 Bonds" means the Issuer's Sewage Disposal System Junior Lien Revenue Bonds, Series 2025, in the principal amount of not to exceed \$8,200,000 authorized pursuant to this Ordinance.

(q) "Sufficient Government Obligations" means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the issuer, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bonds and the principal and redemption premium, if any, on the Bonds as it comes due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the paying agent.

(r) "Supplemental Agreement" means the supplemental agreement among the Issuer, the Authority and EGLE relating to the Series 2025 Bonds.

(s) "System" means the Sewage Disposal System of the Issuer, including such facilities thereof as are now existing, are acquired and constructed as the Project, and all enlargements, extensions, repairs and improvements thereto hereafter made.

Section 2. Necessity; Approval of Plans and Specifications. It is hereby determined to be a necessary public purpose of the Issuer to acquire and construct the Project in accordance with the plans and specifications prepared by the Engineers, which plans and specifications are hereby approved. The Project qualifies for the Clean Water State Revolving Fund financing program being administered by EGLE and the Authority, whereby bonds of the Issuer are sold to the Authority and bear interest at a fixed rate of two percent (2.00%) per annum.

Section 3. Costs; Useful Life. The cost of the Project is estimated to be not less than Eight Million Two Hundred Thousand Dollars (\$8,200,000), including the payment of incidental expenses as specified in Section 4 of this Ordinance, which estimate of cost is hereby approved and confirmed, and the period of usefulness of the Project is estimated to be not less than thirty (30) years.

Section 4. Payment of Cost; Bond Authorized. To pay part of the cost of acquiring and constructing the Project, including payment of legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2025 Bonds, the Issuer shall borrow the sum of not to exceed Eight Million Two Hundred Thousand Dollars (\$8,200,000), or such lesser amount as shall have been advanced to the Issuer pursuant to the Purchase Contract and the Supplemental Agreement, and issue its Series 2025 Bonds therefor pursuant to the provisions of Act 94. The remaining cost of the Project, if any, shall be defrayed from Issuer funds on hand and legally available for such use.

Except as amended by or expressly provided to the contrary in this Ordinance, all the provisions of the Prior Ordinances shall apply to the Series 2025 Bonds issued pursuant to this Ordinance, the same as though each of said provisions were repeated in this Ordinance in detail; the purpose of this Ordinance being to authorize the issuance of additional revenue bonds of equal standing and priority of lien as to the Net Revenues with the Outstanding Bonds to finance the cost of acquiring, constructing, furnishing and equipping improvements to the System; such purpose being authorized by the provisions of the Prior Ordinances, upon the conditions therein stated, which conditions have been fully met.

Section 5. Issuance of Series 2025 Bonds; Details. The Series 2025 Bonds of the Issuer, to be designated **SEWAGE DISPOSAL SYSTEM JUNIOR LIEN REVENUE BONDS, SERIES 2025**, are hereby authorized to be issued in the aggregate principal amount of not to exceed Eight Million Two Hundred Thousand Dollars (\$8,200,000), or such lesser amount as finally determined by order of EGLE for the purpose of paying the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Series 2025 Bonds. The Series 2025 Bonds shall be payable solely and only out of the Net Revenues as set forth more fully in Section 7 hereof.

The Series 2025 Bonds shall be in the form of a single fully-registered, nonconvertible bond of the denomination of the full principal amount thereof, dated as of the date of delivery, payable in principal installments serially as finally determined by the order of EGLE at the time of sale of the Series 2025 Bonds and approved by the Authority and an Authorized Officer. Final determination of the principal amount of the Series 2025

Bonds, the payment dates and amounts of principal installments of the Series 2025 Bonds and the dates for payment of interest on the Series 2025 Bonds shall be evidenced by execution of the Purchase Contract, and each Authorized Officer is hereby individually authorized and directed to execute and deliver the Purchase Contract when it is in final form and to make the determinations set forth above; provided, however, that the first principal installment shall be due no earlier than October 1, 2026, the total number of principal installments shall not exceed thirty (30), and the total principal amount shall not exceed \$8,200,000.

The Series 2025 Bonds shall bear interest at a rate of not to exceed two percent (2.00%) per annum on the par value thereof or such other rate as evidenced by execution of the Purchase Contract, but in any event not to exceed the rate permitted by law, payable semiannually on the dates as finally determined in the Purchase Contract.

The Series 2025 Bonds principal amount is expected to be drawn down by the Issuer periodically, and interest on the principal amount shall accrue from the date such principal amount is drawn down by the Issuer.

The Series 2025 Bonds shall not be convertible or exchangeable into more than one fully-registered bond. Principal of and interest on the Series 2025 Bonds shall be payable as provided in the Series 2025 Bond form in this Ordinance.

The Series 2025 Bonds or principal installments thereof will be subject to prepayment prior to maturity with the prior written approval of the Authority in the manner and at the times as provided in the bond form in this Ordinance.

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

Upon payment by the Issuer of all outstanding principal of and interest on the Series 2025 Bonds, the Authority shall deliver the Series 2025 Bonds to the Issuer for cancellation.

Section 6. Execution of Series 2025 Bonds. The Series 2025 Bonds shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk and shall have the corporate seal of the Issuer or a facsimile thereof impressed thereon. The Series 2025 Bonds bearing the manual

signatures or facsimile signatures of the Mayor and the City Clerk sold to the Authority shall require no further authentication.

Section 7. Registration and Transfer. Any Bond or Junior Lien Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond or Junior Lien Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the

transfer agent. Whenever any Bond or Junior Lien Bond shall be surrendered for transfer, the Issuer shall execute and the transfer agent shall authenticate and deliver a new Bond or Junior Lien Bond, for like aggregate principal amount. The transfer agent shall require payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The transfer agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption as described in the form of Series 2025 Bonds contained in Section 14 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The Issuer shall give the transfer agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The transfer agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Series 2025 Bonds, which shall at all times be open to inspection by the Issuer; and, upon presentation for such purpose, the transfer agent shall, under such reasonable regulations as it may prescribe, transfer or cause to be transferred, on said books, Bonds as hereinbefore provided.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bond, shall execute, and the transfer agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the transfer agent of the mutilated Bond. If any Bond issued under this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the transfer agent and, if this evidence is satisfactory to both and indemnity satisfactory to the transfer agent shall be given, and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), being sections 129.131 to 129.135, inclusive, of the Michigan Compiled Laws have been met, the Issuer, at the expense of the owner, shall execute, and the transfer agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond the transfer agent may pay the same without surrender thereof.

Section 8. Payment of Series 2025 Bonds; Security; Priority of Lien. The Series 2025 Bonds and the interest thereon shall be payable solely and only from the Net Revenues, and to secure such payment, there is hereby created a statutory lien upon the whole of the Net Revenues which shall be a second lien that is junior in standing and priority with the lien of the Outstanding Bonds created by the Prior Ordinances, to continue until payment in full of the principal of and interest on the Series 2025 Bonds, or until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of the Series 2025 Bonds then outstanding, principal and interest on such Series 2025 Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the

statutory lien shall be terminated with respect to the Series 2025 Bonds, the holders of the Series 2025 Bonds shall have no further rights under this Ordinance except for payment from the deposited funds, and the Series 2025 Bonds shall no longer be considered to be outstanding under this Ordinance.

Section 9. Management; Fiscal Year. The operation, repair and management of the System and the acquiring and constructing of the Project shall continue to be under the supervision and control of the City Commission. The City Commission may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The City Commission may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. The System shall be operated on the basis of an operating year which shall coincide with the Issuer's fiscal year.

Section 10. Rates and Charges. The rates and charges for service furnished by the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance.

Section 11. Fixing and Revising Rates. The rates presently in effect in the Issuer are estimated to be sufficient to provide for the payment of the expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the System in good repair and working order, to provide for the payment of the principal of and interest on the Series 2025 Bonds as the same become due and payable, and the maintenance of the reserve therefor and to provide for all other obligations, expenditures and funds for the System required by law and this Ordinance. In addition, the rates shall be set from time to time so that there shall be produced Net Revenues in an amount equal to 100% of the principal of and interest on the Bonds coming due in each fiscal year. The rates shall be reviewed not less than once a year and shall be fixed and revised from time to time as may be necessary to produce these amounts, and it is hereby covenanted and agreed to fix and maintain rates for services furnished by the System at all times sufficient to provide for the foregoing.

Section 12. Funds and Accounts; Flow of Funds; Junior Lien Bond and Interest Redemption Fund. The funds and accounts established by the Outstanding Ordinance

are hereby continued, provided that a Junior Lien Bond and Interest Redemption Fund shall be established as follows:

There shall be established and maintained a separate depository fund designated "Junior Lien Bond and Interest Redemption Fund" (the "Junior Lien Fund"), the moneys on deposit therein from time to time to be used solely for the purpose of paying the principal of, redemption premiums (if any) and interest on the Series 2025 Bonds, and any bonds of equal standing with the Series 2025 Bonds.

Out of the Net Revenues remaining in the Receiving Fund after provision has been made for the Operation and Maintenance Fund and only after provision has been made for the Redemption Fund, there shall be set aside monthly in the Junior Lien Fund a sum proportionately sufficient to provide for the payment when due of the current principal of and interest on the Series 2024 Bond, less any amount in the Junior Lien Fund representing accrued interest on the Series 2024 Bond. Commencing on September 1, 2025, the amount set aside each month for interest on the Series 2025

Bonds shall be 1/6 of the total amount of interest on the Series 2025 Bonds next coming due. The amount set aside each month for principal on the Series 2025 Bonds, commencing September 1, 2025, shall be 1/12 of the amounts of principal next coming due. If there is any deficiency in the amounts previously set aside, that deficiency shall be added to the next succeeding months' requirements.

No moneys shall be set aside and credited to the Junior Lien Fund unless and until the Issuer is current with respect to all required transfers to all other funds under the Outstanding Ordinance and there is no default in any payments or requirements under the Outstanding Ordinance.

If for any reason there is a failure to make such quarterly deposit in the amounts required, then the entire amount of the deficiency shall be set aside and deposited in the Junior Lien Bond Redemption Account out of the Revenues first received thereafter which are not required by this Ordinance to be deposited in the Operation and Maintenance Account or the Bond and Interest Redemption Fund or the Junior Lien Bond Redemption Account, which amount shall be in addition to the regular monthly deposit required during such succeeding month or months.

Section 13. Bond Proceeds. The proceeds of the sale of the Series 2025 Bonds as received by the Issuer shall be deposited in a separate account in a bank or banks qualified to act as depository of the proceeds of sale under the provisions of Section 15 of Act 94 designated 2025 SEWAGE DISPOSAL SYSTEM JUNIOR LIEN REVENUE BOND CONSTRUCTION FUND (the "Construction Fund"). Moneys in the Construction Fund shall be applied solely in payment of the cost of the Project including any engineering, legal and other expenses incident thereto and to the financing thereof.

Section 14. Bond Form. The Series 2025 Bonds shall be in substantially the following form with such changes or completion as necessary or appropriate to give effect to the intent of this Ordinance and further subject to such modifications which may be required by the Michigan Attorney General and the Authority and approved by bond counsel:

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

REGISTERED OWNER: Michigan Finance Authority  
PRINCIPAL AMOUNT: \_\_\_\_\_ Dollars  
(\$\_\_\_\_\_,000)

DATE OF ORIGINAL ISSUE: \_\_\_\_\_, 2025

The CITY OF GLADSTONE, County of Delta, State of Michigan (the "Issuer"), acknowledges itself to owe and for value received hereby promises to pay, but only out of the hereinafter described Net Revenues of the Issuer's Sewage Disposal System (hereinafter defined), to the Michigan Finance Authority (the "Authority"), or registered assigns, the Principal Amount shown above, or such portion thereof as shall have been

advanced to the Issuer pursuant to a Purchase Contract between the Issuer and the Authority and a Supplemental Agreement by and among the Issuer, the Authority and the State of Michigan acting through the Department of Environment, Great Lakes and Energy, in lawful money of the United States of America, unless prepaid or reduced prior thereto as hereinafter provided.

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

The Principal Amount shall be payable on the dates and in the annual principal installment amounts set forth in Schedule A attached hereto and made a part hereof, as such Schedule may be adjusted if less than \$\_\_\_\_\_ is disbursed to the Issuer or if a portion of the Principal Amount is prepaid as provided below, with interest on said principal installments from the date each said installment is delivered to the holder hereof until paid at the rate of two percent (2.0%) per annum. Interest is first payable on \_\_\_\_\_ 1, 202\_, and semiannually thereafter and principal is payable on the first day of \_\_\_\_\_ commencing \_\_\_\_\_ 1, 202\_ (as identified in the Purchase Contract) and annually thereafter.

This bond may be subject to redemption prior to maturity by the Issuer only with the prior written consent of the Authority and on such terms as may be required by the Authority.

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

#### Additional Interest

In the event of a default in the payment of principal or interest hereon when due, whether at maturity, by redemption or otherwise, the amount of such default shall bear interest (the "additional interest") at a rate equal to the rate of interest which is two percent above the Authority's cost of providing funds (as determined by the Authority) to make payment on the bonds of the Authority issued to provide funds to purchase this bond but in no event in excess of the maximum rate of interest permitted by law. The

additional interest shall continue to accrue until the Authority has been fully reimbursed for all costs incurred by the Authority (as determined by the Authority) as a consequence of the Issuer's default. Such additional interest shall be payable on the interest payment date following demand of the Authority. In the event that (for reasons other than the default in the payment of any municipal obligation purchased by the Authority) the investment of amounts in the reserve account established by the Authority for the bonds of the Authority issued to provide funds to purchase this bond fails to provide sufficient available funds (together with any other funds which may be made available for such purpose) to pay the interest on outstanding bonds of the Authority issued to fund such account, the Issuer shall and hereby agrees to pay on demand only the Issuer's pro rata share (as determined by the Authority) of such deficiency as additional interest on this bond.

For prompt payment of principal and interest on this bond, the Issuer has irrevocably pledged the revenues of its Sewage Disposal System, including all appurtenances, extensions and improvements thereto (the "System"), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory lien thereon is hereby recognized and created which is of junior standing and priority of lien as to the prior lien of the Issuer's Sewage Disposal System Revenue Bonds, Series 2006, dated December 14, 2006 (the "Series 2006 Bonds") and Issuer's Sewage Disposal System Revenue Bonds, Series 2022, dated June 6, 2022 (the "Series 2022 Bonds," together with the Series 2006 Bonds, the "Outstanding Bonds").

This bond is a single, fully- registered, non- convertible bond in the principal sum indicated above issued pursuant to Ordinance No. \_\_\_\_, duly adopted by the City Commission of the Issuer (the "Ordinance") and the prior ordinances authorizing issuance of the Outstanding Bonds (the "Prior Ordinances"), and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purpose of paying the cost of acquiring and constructing improvements to the System.

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of equal standing may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinance and the Prior Ordinances.

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

The Issuer has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest upon and the principal of this bond, and any bonds of equal standing with this bond, the Outstanding Bonds, and any additional bonds of equal standing with the Outstanding Bonds, as and when the same shall become due and payable, and to maintain a bond redemption account therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance and the Prior Ordinance.

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

It is hereby certified and recited that all acts, conditions and things required by law to be done precedent to and in the issuance of this bond have been done and performed in regular and due time and form as required by law.

IN WITNESS WHEREOF, the Issuer, by its City Commission, has caused this bond to be executed with the manual signatures of its Mayor and its City Clerk and the corporate seal to be impressed hereon, all as of the Date of Original Issue.

CITY OF GLADSTONE  
County of Delta

By

\_\_\_\_\_

—  
Its Mayor

(Seal)

Countersigned:

Its \_\_\_\_\_

City Clerk

EGLE Project No.: \_\_\_\_\_

EGLE Approved Amt: \$ \_\_\_\_\_ \*

#### SCHEDULE A

Based on the schedule provided below unless revised as provided in this paragraph, repayment of the principal of the bond shall be made until the full amount advanced to the Issuer is repaid. In the event the Order of Approval issued by the Department of Environment, Great Lakes, and Energy (the "Order") approves a principal amount of assistance less than the amount of the bond delivered to the Authority, the Authority shall only disburse principal up to the amount stated in the Order. In the event (1) that the payment schedule approved by the Issuer and described below provides for payment of a total principal amount greater than the amount of assistance approved by

the Order or (2) that less than the principal amount of assistance approved by the Order is disbursed to the Issuer by the Authority, the Authority shall prepare a new payment schedule which shall be effective upon receipt by the Issuer.

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

\*Not to exceed amount. Loan reductions at close out will result in a proportional decrease.

Section 15. Bondholders' Rights; Receiver. The holder or holders of the Series 2025 Bonds representing in the aggregate not less than twenty percent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Issuer, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest on the Series 2025 Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth herein and in Act 94.

The holder or holders of the Series 2025 Bonds shall have all other rights and remedies given by Act 94 and law, for the payment and enforcement of the Series 2025 Bonds and the security therefor.

Section 16. Additional Bonds. The Issuer may issue additional bonds of equal standing with the Series 2025 Bonds for the following purposes and subject to the following conditions:

- (a) To complete the Project in accordance with the plans and specifications therefor. Such bonds shall not be authorized unless the engineers in charge of construction shall execute a certificate evidencing the fact that additional funds are needed to complete the Project in accordance with the plans and specifications therefor and stating the amount that will be required to complete the Project. If such certificate shall be so executed and filed with the Issuer, it shall be the duty of the Issuer to provide for and issue additional revenue bonds in the amount stated in the certificate to be necessary to complete the Project in accordance with the plans and specifications plus an amount necessary to issue such bonds or to provide for part or all of such amount from other sources.
- (b) For subsequent repairs, extensions, enlargements and improvements to the System or for subsequent repairs, extensions, enlargements and improvements to the System and for the purpose of refunding part or all of the Junior Lien Bonds then outstanding and paying costs of issuing such additional Junior Lien Bonds. Junior Lien Bonds for such purposes shall not be issued pursuant to this subparagraph (b) unless the Adjusted Net Revenues of the System for the then last two (2) preceding twelve-month operating years or the Adjusted Net Revenues for the last preceding twelve-month operating year, if the same shall be lower than the average, shall be equal to at least one hundred percent (100%) of the maximum amount of principal and interest thereafter maturing in any operating year on the then outstanding Senior Lien Bonds, Junior Lien Bonds and on the additional Bonds then being issued. If the additional

Junior Lien Bonds are to be issued in whole or in part for refunding outstanding Junior Lien Bonds, the annual principal and interest requirements shall be determined by deducting from the principal and interest requirements for each operating year the annual principal and interest requirements of any Junior Lien Bonds to be refunded from the proceeds of the additional Junior Lien Bonds. For purposes of this subparagraph (b) the Issuer may elect to use as the last preceding operating year any operating year ending not more than sixteen months prior to the date of delivery of the additional Junior Lien Bonds and as the next to the last preceding operating year, any operating year ending not more than twenty-eight months prior to the date of delivery of the additional Junior Lien Bonds. Determination by the Issuer as to existence of conditions permitting the issuance of additional Junior Lien Bonds shall be conclusive. No additional Junior Lien Bonds of equal standing as to the Net Revenues of the System shall be issued pursuant to the authorization contained in this subparagraph if the Issuer shall then be in default in making its required payments to the Operation and Maintenance Fund or the Redemption Fund.

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

Section 17. Negotiated Sale; Application to EGLE and Authority; Execution of Documents. The City Commission has considered the option of selling the Series 2025

Bonds through a competitive sale and a negotiated sale and determines that it is in the best interest of the Issuer to negotiate the sale of the Series 2025 Bonds to the Authority because the Clean Water State Revolving Fund financing program provides significant savings to the Issuer compared to competitive sale in the municipal bond market. The Authorized Officers are hereby authorized to make application to the Authority and to EGLE for placement of the Series 2025 Bonds with the Authority. The actions taken by the Authorized Officers with respect to the Series 2025 Bonds prior to the adoption of this Ordinance are ratified and confirmed. The Authorized Officers are authorized to approve, execute and deliver the Purchase Contract, the Supplemental Agreement and the Issuer's Certificate. Any Authorized Officer is further authorized to execute and deliver such contracts, documents and certificates as are necessary or advisable to qualify the Series 2025 Bonds for the Clean Water State Revolving Fund. Prior to the delivery of the Series 2025 Bonds to the Authority, any Authorized Officer is hereby authorized to make such changes to the form of the Series 2025 Bonds contained in Section 14 of this Ordinance as may be necessary to conform to the requirements of Act 227, Public Acts of Michigan 1985, as amended ("Act 227"), including, but not limited to changes in the principal maturity and interest payment dates and references to additional security required by Act 227.

Section 18. Covenant Regarding Tax Exempt Status of the Series 2025 Bonds. The Issuer shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Series 2025 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 expenditure and investment of Series 2025 Bond proceeds and moneys deemed to be Bond proceeds, and to prevent the Series 2025 Bonds from being or becoming "private activity bonds" as that term is used in Section 141 of the Code.

Section 19. Approval of Bond Details. The Authorized Officers are each hereby authorized to adjust the final bond details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 7a(1)(c) of Act 94, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, provided that the principal amount of bond issued shall not exceed the principal amount authorized in this Ordinance, the interest rate per annum on the Series 2025 Bonds shall not exceed two percent (2.00%) per annum, and the Series 2025 Bonds shall mature in not more than thirty (30) annual installments.

Section 20. Approval of Bond Counsel. The representation of the Issuer by Miller, Canfield, Paddock and Stone, P.L.C. ("Miller Canfield"), as bond counsel is hereby approved, notwithstanding the representation by Miller Canfield of the Authority in connection with its financing programs and borrowings.

Section 21. Repeal, Savings Clause. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are, to the extent of such conflict, repealed.

Section 22. Severability; Paragraph Headings; and Conflict. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.

Section 23. Publication and Recordation. This Ordinance shall be published in full in the *Daily Press*, a newspaper of general circulation in the Issuer qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Mayor and the City Clerk.

Section 24. Effective Date. This Ordinance shall be effective upon its adoption and publication.

Adopted and signed this 28th day of July, 2025.

Signed \_\_\_\_\_  
Mayor

Signed \_\_\_\_\_  
City Clerk

Commissioner O'Driscoll	Yes
Commissioner Pontius	Yes
Commissioner Akkala	Absent Excused
Commissioner Mantela	Yes
Mayor Thompson	Yes

MOTION CARRIED

Motion made by Mayor Pro-Tem Mantela, Seconded by Mayor Thompson to appoint Commissioner Steve O'Driscoll as the City of Gladstone Voting Delegate for the Michigan Municipal League (MML) Annual Convention on September 17-19 in Grand Rapids, MI.  
MOTION CARRIED

Motion made by Mayor Thompson, Seconded by Commissioner Pontius to appoint Mr. Parker Gryzbowski to the Gladstone Downtown Development Authority (DDA) with a term expiration of May 2026.  
MOTION CARRIED

Motion made by Mayor Thompson, Seconded by Commissioner Pontius to authorize Gladstone Public Safety to purchase the Lemur 2 Drone from Brinc Drones in the amount of \$16,999.15 with donated funding.  
MOTION CARRIED

Motion made by Mayor Pro-Tem Mantela, Seconded by Mayor Thompson to authorize City Manager Eric Buckman to sign the Contract for the Provision of School Resource Offer Services with the Gladstone School District from August 26, 2025 to August 26, 2026.  
MOTION CARRIED

Manager Buckman presented the year-to-date financial report.

Clerk Berry reported:

The following candidates have been certified to be on the November 4, 2025 ballot for three City Commission seats:

Joe Thompson

Steve O'Driscoll

Whitney Maloney

Mike O'Connor

There being no further business before the Commission, Mayor Thompson adjourned the meeting at 6:42 PM.

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Mayor Joe Thompson

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Clerk Kimberly Berry