

**MINUTES
ST. CLAIR SHORES CITY COUNCIL MEETING
MARCH 15, 2021**

Regular Meeting of the City Council, held in the Council Chambers, located at 27600 Jefferson Avenue., St. Clair Shores, Michigan.

Present: Mayor Kip C. Walby, Council Members Peter Accica, John Caron, Ron Frederick, David Rubello, Candice Rusie and Chris Vitale

Also Present: City Manager Matthew Coppler, Assistant City Manager William Gambill, City Clerk Mary Kotowski, Director Chris Rayes and City Attorney Robert Ihrle

1. CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Mayor Walby called the meeting to order at 7:00 p.m. Ms. Kotowski, City Clerk, called the roll, and a quorum was present. The Pledge of Allegiance was recited.

2. PROCLAMATIONS & PRESENTATIONS – CITY COMBAT AGAINST COVID VACCINE CLINIC SUCCESS

Mayor Walby presented the following proclamations to Dr. Andrew Staricco for McLaren Health Care and Dave Jarvie for Walgreens:

PROCLAMATION TO MCLAREN HEALTH CARE

WHEREAS, the Mayor and Council of the City of St. Clair Shores deem it fitting and proper to publicly recognize those corporate business residents and their employees whose caring heroic qualities are exemplified in their concern for others in our community; and

WHEREAS, as we neared the one-year mark of the Corona Virus worldwide pandemic, a time when so many lives had been changed forever, people were tired, over stressed, and one civic minded resident's action to aid our residents in this time of crisis prompted him to make a phone call to the Mayor to bring together **City Administration, Walgreens, and McLaren Health Care** to jointly sponsor a COVID-19 vaccination clinic in three days; and

WHEREAS, the City of St. Clair Shores partnering with Walgreens and **McLAREN HEALTH CARE** sponsored a "*City Combat Against COVID Vaccine Clinic*" on February 26-28, 2021 for our eligible frontline workers and residents to be vaccinated at the St. Clair Shores Senior Center with team goals to vaccinate seven people every five minutes, and they more than exceeded this goal by administering 2,415 COVID-19 vaccinations; and

WHEREAS, **McLAREN HEALTH CARE** secured the doses, Walgreens provided their pharmacy staff to administer the vaccines, City Staff from the Senior Center, Fire Department, Police Department, Department of Public Works, Parks and Recreation and Civic Arena, all worked together to accomplish this significant undertaking; and

WHEREAS, the City is thankful to **McLAREN HEALTH CARE** for their assistance in securing enough vaccinations to provide the initial dose and the follow up doses;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of St. Clair Shores, on behalf of all our residents, wish to recognize and commend **McLAREN HEALTH CARE** for their willingness to partner with Walgreens to help St. Clair Shores residents fight the fight to eradicate this viral pandemic one vaccine at a time and we say thank you for a job well done.

Presented this 15th day of March 2021.

PROCLAMATION TO DAVE JARVIE WALGREENS DISTRICT MANAGER

WHEREAS, the Mayor and Council of the City of St. Clair Shores deem it fitting and proper to publicly recognize those corporate business residents and their employees whose caring heroic qualities are exemplified in their concern for others in our community; and

Item 2 (Cont'd):

WHEREAS, as we neared the one-year mark of the Corona Virus worldwide pandemic, a time when so many lives had been changed forever, people were tired, over stressed, and one civic minded resident's action to aid our residents in this time of crisis prompted him to make a phone call to the Mayor to bring together **City Administration, Walgreens, and McLaren Health Care** to jointly sponsor a COVID-19 vaccination clinic in three days; and

WHEREAS, the City of St. Clair Shores partnering with **WALGREENS** and McLaren Health Care sponsored a "City Combat Against COVID Vaccine Clinic" on February 26-28, 2021 for our eligible frontline workers and residents to be vaccinated at the St. Clair Shores Senior Center with team goals to vaccinate seven people every five minutes, and they more than exceeded this goal by administering 2,415 COVID-19 vaccinations; and

WHEREAS, McLaren secured the doses, **WALGREENS** provided their pharmacy staff to administer the vaccines, City Staff from the Senior Center, Fire Department, Police Department, Department of Public Works, Parks and Recreation and Civic Arena, all worked together to accomplish this significant undertaking; and

WHEREAS, the City is thankful for the help of the **WALGREENS** Local District Manager **DAVE JARVIE**, and the following St. Clair Shores **WALGREENS**: Store Manager Jennifer Davis and Pharmacy Staff at 21211 Harper Avenue; Store Manager Erica Gudenau and Pharmacy Staff at 25015 Little Mack Avenue; Store Manager Todd Driskell and Pharmacy Staff at 29520 Harper Avenue; and Store Manager Jason Najor and Pharmacy Staff at 32201 Harper Avenue;

NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of St. Clair Shores, on behalf of all our residents, wish to recognize and commend **DAVE JARVIE** for committing and organizing Walgreens staff time to help St. Clair Shores residents fight the fight to eradicate this viral pandemic one vaccine at a time and we say thank you for a job well done.

Presented this 15th day of March 2021.

PROCLAMATIONS to WALGREENS

21211 Harper Avenue; 25015 Little Mack Avenue; 29520 Harper Avenue; 32201 Harper Avenue

WHEREAS, the Mayor and Council of the City of St. Clair Shores deem it fitting and proper to publicly recognize those corporate business residents and their employees whose caring heroic qualities are exemplified in their concern for others in our community; and

WHEREAS, as we neared the one-year mark of the Corona Virus worldwide pandemic, a time when so many lives had been changed forever, people were tired, over stressed, and one civic minded resident's action to aid our residents in this time of crisis prompted him to make a phone call to the Mayor to bring together **City Administration, Walgreens, and McLaren Health Care** to jointly sponsor a COVID-19 vaccination clinic in three days; and

WHEREAS, the City of St. Clair Shores partnering with **WALGREENS** and McLaren Health Care sponsored a "City Combat Against COVID Vaccine Clinic" on February 26-28, 2021 for our eligible frontline workers and residents to be vaccinated at the St. Clair Shores Senior Center with team goals to vaccinate seven people every five minutes, and they more than exceeded this goal by administering 2,415 COVID-19 vaccinations; and

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NOW, THEREFORE, BE IT RESOLVED that the Mayor and City Council of the City of St. Clair Shores, on behalf of all our residents, wish to recognize and commend **WALGREENS** for their willingness to give their time to help St. Clair Shores residents fight the fight to eradicate this viral pandemic one vaccine at a time and we say thank you for a job well done.

Presented this 15th day of March 2021.

- 3. **AUDIENCE PARTICIPATION ON AGENDA ITEMS (2 MINUTE TIME LIMIT)** - None
- 4. **REQUEST FOR ADOPTION OF A RESOLUTION AUTHORIZING THE 2021 CAPITAL IMPROVEMENT BONDS (FROM 3/1/21)**

Background: It was recommended to approve the Resolution authorizing the issuance of Capital Improvement Bonds up to the amount of \$6,600,000 to pay to acquire, construct, furnish and equip park and recreation improvements from Wahby Park and Blossom Heath Park to the fishing pier, including seawall, walkway and pier improvements, together with all related road, wayfinding, access improvements appurtenances and attachments.

Final design engineering is underway for the Blossom Heath Park Improvement and Pier Expansion project with an anticipated start date of July 2021. One of the steps that needs to be completed before that start is the issuance of bonds to pay for the project. The City's Bond Counsel has prepared the necessary bond authorization resolution that will allow for the City to issue up to \$6,600,000 in limited tax general obligations bonds for this project. It is anticipated the project will come in at a lower cost than the bond authorization amount. The Tax Increment Finance Authority (TIFA) has pledged a portion of their annual revenue (\$400,000) to pay the debt service for this project.

The City did issue a notice of intent to bond and the forty-five days required before the City could adopt this resolution passed without any residents filing a petition to go to a referendum.

Patrick McGow, Miller, Canfield, Paddock and Stone, P.L.C., outlined the steps that the City has taken regarding this project which started in December 2020.

Mr. Caron requested clarification regarding the \$400,000 payments. TIFA made a motion regarding this payment which specifically said an annual bond payment of \$400,000.

Mr. Coppler explained that the \$400,000 payment amount was an average based upon the full \$6.6 million, and we may not even use the entire amount. They are expecting to be well below the \$400,000 yearly payment. This will all come back before Council after the bids for the bonds are opened.

Ms. Rusie noted there was a typographical error in the original submission of the resolution, and it has been corrected.

Moved by Council Member Rubello, and supported by Council Member Frederick to approve the following Resolution authorizing the issuance of 2021 Capital Improvement Bonds in an amount not to exceed \$6,600,000 to pay to acquire, construct, furnish and equip park and recreation improvements from Wahby Park and Blossom Heath Park to the fishing pier, including seawall, walkway and pier improvements, together with all related road, wayfinding, access improvements appurtenances and attachments:

R-2021-10

**RESOLUTION AUTHORIZING
2021 CAPITAL IMPROVEMENT BONDS
(LIMITED TAX GENERAL OBLIGATION)**

CITY OF ST. CLAIR SHORES
County of Macomb, State of Michigan

WHEREAS, the Tax Increment Finance Authority of the City of St. Clair Shores (the "TIFA") has proposed to pay to acquire, construct, furnish and equip park and recreation improvements from Wahby Park and Blossom Heath Park to the fishing pier, including seawall, walkway and pier improvements, together with all related road, wayfinding, access improvements, appurtenances and attachments (the "Project");

WHEREAS, to finance the cost of the Project, the City Council deems it necessary to borrow the principal amount of not to exceed Six Million Six Hundred Thousand Dollars (\$6,600,000) and issue capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended ("Act 34"), to pay the cost of the Project; and

Item 4 (Cont'd):

WHEREAS, a notice of intent for bonds was published in accordance with Act 34 which provides that the capital improvement bonds may be issued without a vote of the electors of the City unless a proper petition for an election on the question of the issuance of the bonds is filed with the City Clerk within a period of Forty-Five (45) days from the date of publication and no referendum petition has been filed with the Clerk.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. **Authorization of Bonds; Bond Terms.** Bonds of the City designated 2021 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) (the "Bonds") are authorized to be issued in the aggregate principal sum of not to exceed Six Million Six Hundred Thousand Dollars (\$6,600,000) for the purpose of paying all or part of the cost of the Project, including the 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, or multiples thereof not exceeding for each maturity the maximum principal amount of that maturity, numbered consecutively in order of registration, dated as of the date of delivery or such other date as determined by any of the City Manager, Assistant City Manager or Finance Director (each an "Authorized Officer") at the time of sale. 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 April 1, 2022 (or such date as determined at the time of the sale thereof) and semiannually thereafter. The Bonds shall be sold at a price not less than 98.5% 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 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 City 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 the designated office of a bank or trust company to be selected by the City prior to the publication of the notice of sale for the Bonds as the transfer agent for the Bonds (the "Transfer Agent").

The Bonds may be issued in book-entry only form through The Depository Trust Company in New York, New York ("DTC") and Authorized Officers are each 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 Bond Form within the parameters of this resolution as may be required to accomplish the foregoing.

2. **Execution of Bonds.** The Bonds of this issue shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and City Clerk of the City and shall have the seal of the City, or a facsimile thereof, printed or impressed on the Bonds. No Bond executed by facsimile signatures 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 an Authorized Officer upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted.

3. **Transfer of Bonds.** The Transfer Agent shall keep the books of registration for this issue on behalf of the City. 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 City 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.

Item 4 (Cont'd):

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 City. 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 City hereby pledges its limited tax full faith and credit for the prompt payment of the Bonds. The City 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 City subject to applicable constitutional, statutory and charter tax rate limitations, such sums as may be necessary to pay such debt service in said fiscal year. The City intends to pay the debt service on the Bonds from tax increment revenues of the TIFA.

The Treasurer is authorized and directed to open a depository account with a bank or trust company designated by the City Council, to be designated 2021 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) 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 Treasurer is authorized and directed to open a separate depository account with a bank or trust company designated by the City Council, to be designated 2021 CAPITAL IMPROVEMENT BONDS (LIMITED TAX GENERAL OBLIGATION) CONSTRUCTION FUND (the "Construction Fund") and deposit into said Construction Fund the proceeds of the Bonds less accrued interest, if any, which shall be deposited into the Debt Retirement Fund. The moneys in the Construction Fund shall be used solely to pay the costs of the Project and the costs of issuance of the Bonds.

6. Bond Form. The Bonds shall be in substantially the following form subject to such changes as may be determined necessary by Bond Counsel to the City:

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF MACOMB

CITY OF ST. CLAIR SHORES
2021 CAPITAL IMPROVEMENT BOND
(LIMITED TAX GENERAL OBLIGATION)

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>	<u>CUSIP</u>
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Item 4 (Cont'd):

April 1, _____, 2021

Registered Owner:

Principal Amount: _____ Dollars

The City of St. Clair Shores, County of Macomb, State of Michigan (the "City"), 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 April 1, 2022 and semiannually thereafter. Principal of this bond is payable at the designated office of _____, _____, Michigan, or such other transfer agent as the City 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 City 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 City are hereby irrevocably pledged.

This bond is one of a series of bonds aggregating the principal sum of \$6,600,000, issued for the purpose of paying the cost of certain capital improvements for the City. This bond is issued under the provisions of Act 34, Public Acts of Michigan, 2001, as amended and a duly adopted resolution of the City.

Bonds of this issue maturing in the years 2022 to 2030, 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 2031 and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after April 1, 2030, 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 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 said bond or portion thereof.

This bond is transferable only upon the registration books of the City 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 City, and the City is required, if necessary, to levy ad valorem taxes on all taxable property in the City for the payment thereof, subject to applicable constitutional, statutory and charter 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

Item 4 (Cont'd):

indebtedness of the City, including this bond, 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 City of St. Clair Shores, by its City Council, has caused this bond to be signed in the name of the City by the facsimile signatures of its Mayor and City Clerk and a facsimile of its corporate seal to be printed hereon, all as of the Date of Original Issue.

CITY OF ST. CLAIR SHORES
County of Macomb
State of Michigan

By: _____
Its: Mayor

(SEAL)

By: _____
Its: City Clerk

7. **Notice of Sale.** The Authorized Officers are each authorized to fix a date of sale for the Bonds and to publish a notice of sale of the Bonds in *The Bond Buyer*, New York, New York, which notice of sale shall be in substantially the following form:

OFFICIAL NOTICE OF SALE

\$6,600,000*

**CITY OF ST. CLAIR SHORES
COUNTY OF MACOMB, STATE OF MICHIGAN
2021 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 Official Notice of Sale on _____, _____, 2021 until ____ .m., prevailing Eastern Time, at which time said bids will be read. The award or rejection of bids will occur on that same day.

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

Electronic bids may be submitted to the Municipal Advisory Council of Michigan at munibids@macmi.com; provided that electronic bids must arrive before the time of sale and the bidder bears all risks of transmission failure.

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. No change of the dated date will be allowed for the computation of the winning bid.

Bidders may choose any means or location to present bids but a bidder may not present a bid by more than one means or at more than one location.

BOND DETAILS: The bonds will be registered bonds of the denomination of \$5,000 or any integral multiple thereof not exceeding for each maturity the maximum principal amount of that maturity, originally dated as of the date of delivery (currently anticipated to be _____, 2021), numbered in order of registration, and will bear interest from their date payable on April 1, 2022 and semiannually thereafter.

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

Item 4 (Cont'd):

<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>	<u>YEAR</u>	<u>PRINCIPAL AMOUNT</u>
2022	\$200,000	2032	\$330,000
2023	300,000	2033	335,000
2024	300,000	2034	345,000
2025	305,000	2035	350,000
2026	305,000	2036	355,000
2027	310,000	2037	360,000
2028	315,000	2038	370,000
2029	315,000	2039	380,000
2030	320,000	2040	385,000
2031	325,000	2041	395,000

***ADJUSTMENT OF TOTAL PAR AMOUNT OF BONDS AND PRINCIPAL MATURITIES:** The City reserves the right to 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 City 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 City, the purchase price of the bonds will be adjusted by the City 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.

PRIOR REDEMPTION OF BONDS: Bonds maturing in the years 2022 to 2030, inclusive, shall not be subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2031 and thereafter shall be subject to redemption prior to maturity, at the option of the City, in any order of maturity and by lot within any maturity, on any date on or after April 1, 2030, at par plus 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 said bond or portion thereof.

TERM BOND OPTION: The initial purchaser of the bonds may designate any one or more maturities from April 1, 2031 through the final maturity as term bonds. If a bidder designates bonds as term bonds, the principal requirements shown above for the designated years shall represent a mandatory redemption requirement for a term bond or a term bond maturity as designated by the bidder. In any event, the above principal amounts shall be represented by either serial bond maturities or mandatory redemption requirements or a combination of both, in the years and in the amounts set forth, at par. If the winning bidder does not designate bonds as term bonds at the time of sale, then the maturities shown above shall be serial maturities.

INTEREST RATE AND BIDDING DETAILS: The bonds shall bear interest at rate or rates not exceeding 6.00% per annum, to be fixed by the bids therefor, expressed in multiples of 1/8 or 1/20 of 1%, or both. The interest on any one bond shall be at one rate only and all bonds maturing in any one year must carry the same

Item 4 (Cont'd):

interest rate. The difference between the highest and lowest interest rates bid shall not exceed three percent (3%) per annum. THE INTEREST RATE FOR EACH SERIAL OR TERM BOND MATURITY SHALL BE EQUAL TO OR GREATER THAN THE PRECEDING SERIAL OR TERM BOND MATURITY. No proposal for the purchase of less than all of the bonds or at a price less than 98.50% of their par value will be considered.

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. An authorized agent of 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. The book-entry-only system is described further in the preliminary Official Statement for the bonds. 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 _____, Michigan, or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner of record not less than 60 days prior to an interest payment date. As long as The Depository Trust Company or its nominee, Cede & Co., is the bondholder, payments will be made directly to DTC. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners of the bonds is the responsibility of the DTC Participants and Indirect Participants as described in the preliminary official statement for the bonds. Interest shall be paid by check or draft mailed to the registered owner of record as shown on the registration books kept by the transfer agent as of the 15th day of the month preceding the interest payment date. The bonds will be transferred only upon the registration books of the City kept by the transfer agent.

PURPOSE AND SECURITY: The bonds are authorized for the purpose of paying the cost of acquiring and constructing certain capital improvements for the City. The bonds will be a first budget obligation of the City, payable from the general funds of the City including the collection of ad valorem taxes on all taxable property in the City subject to applicable constitutional, statutory and charter 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.

GOOD FAITH: A good faith deposit in the form of a certified or cashier's check drawn upon an incorporated bank or trust company, or wire transfer, in the amount of \$_____, payable to the order of the City will be required of the successful bidder. THE SUCCESSFUL BIDDER IS REQUIRED TO SUBMIT ITS GOOD FAITH DEPOSIT TO THE CITY AS INSTRUCTED BY THE CITY OR THE MUNICIPAL ADVISOR NOT LATER THAN NOON, PREVAILING EASTERN TIME, ON THE NEXT BUSINESS DAY FOLLOWING THE SALE. The good faith deposit will be applied to the purchase price of the bonds. In the event the purchaser fails to honor its accepted bid, the good faith deposit will be retained by the City. No interest shall be allowed on the good faith check. The good faith check of the successful bidder will be cashed and payment for the balance of the purchase price of the bonds shall be made at the closing.

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 April 1, 2022 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to _____, 2021, in an amount equal to the price bid, excluding accrued interest. Each bidder shall state in its bid the true interest cost to the City, 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 and the issue price rules set forth below, 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 by any taxing authority within the State of Michigan except estate taxes and taxes on gains realized from the sale, payment or other disposition thereof.

Item 4 (Cont'd):

“QUALIFIED TAX EXEMPT OBLIGATIONS”: The City has designated the bonds as “Qualified Tax Exempt Obligations” for purposes of the deduction of interest expense by financial institutions pursuant to the Code.

ISSUE PRICE: The winning bidder shall assist the City in establishing the issue price of the bonds and shall execute and deliver to the City 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 __ or Appendix __ 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 City and Bond Counsel.

The City 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 City 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 City 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 City 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 City shall so advise the winning bidder. The City 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 City, may elect to apply the “hold-the-offering price rule” (as described below). 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 City 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 City 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 City 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 City 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 City 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 the following three paragraphs shall apply:

Item 4 (Cont'd):

- a. The winning bidder, in consultation with the City, 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 City 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 City, 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:
- i. the close of the fifth (5th) business day after the sale date; or
 - ii. 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 City 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 City 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 City 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

Item 4 (Cont'd):

- b. 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.

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 establishing issue price. 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 City (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 City 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. In submitting a bid for the bonds, the bidder agrees to the representation of the City by Miller, Canfield, Paddock and Stone, P.L.C., as bond counsel.

Item 4 (Cont'd):

DELIVERY OF BONDS: The City 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 said 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 City shall promptly return the good faith deposit. Payment for the bonds shall be made in immediately available 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. Application for CUSIP numbers will be made by Northland Securities, Inc., municipal advisor to the City. The CUSIP Service Bureau's charge for the assignment of CUSIP identification numbers shall be paid by the purchaser.

OFFICIAL STATEMENT: A preliminary Official Statement that the City 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 Northland Securities, Inc., municipal advisor to the City, at the address and telephone listed under MUNICIPAL ADVISOR below. Northland Securities, Inc. will provide the winning bidder with 100 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. Additional copies of the Official Statement will be supplied by Northland Securities, Inc., upon request and agreement by the purchaser to Northland Securities, Inc., 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 City has requested and received a rating on the bonds from a rating agency, the City shall pay the fee for the requested rating. Any other rating agency fees shall be the responsibility of the purchaser of the insurance. **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 CITY.**

CONTINUING DISCLOSURE: As described more fully in the Official Statement, the City 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 June 30, 2021, (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 City to provide the required annual financial information on or before the date specified in (i) above.

BIDDER CERTIFICATION: NOT "IRAN-LINKED BUSINESS" In submitting a bid for the bonds, the bidder represents that it is not an "Iran linked business" within the meaning of the Iran Economic Sanctions Act, Act 517 of the Public Acts of Michigan of 2012.

MUNICIPAL ADVISOR: Further information relating to the bonds may be obtained from Northland Securities, Inc., Municipal Advisor to the City by contacting Mr. Michael T. Gormely, Managing Director, (586) 745-8066, Mr. Bill Roche, Managing Director, (586) 745-8065, or Mr. Steve DiClaudio, Analyst, (586) 745-8069, 100 Maple Park Blvd., Suite 142, St. Clair Shores, Michigan 48081. Email: mgormely@northlandsecurities.com, broche@northlandsecurities.com or sdiclaudio@northlandsecurities.com

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Mary A. Kotowski
City Clerk

Item 4 (Cont'd):

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 City 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 City 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.** Any Authorized Officer is hereby authorized and directed to (a) approve the circulation of a preliminary official statement describing the Bonds and to deem the preliminary official statement "final" for purposes of Rule 15c2-12 of the SEC; (b) solicit bids for and approve the purchase of a municipal bond insurance policy for the Bonds, if deemed economically advantageous to the City; (c) apply for ratings on the Bonds; and, (d) do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Bonds.

11. **Continuing Disclosure.** The City 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 the Authorized Officers are each hereby authorized to execute such undertaking prior to delivery of the Bonds.

12. **Authorization of Other Actions.** 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 315(1)(d) of Act 34, Public Acts of Michigan, 2001, as amended, 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 within the parameters described in this resolution. The Authorized Officers are each 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.** The Authorized Officers are each hereby authorized on behalf of the City 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 City computed in accordance with the terms of the Official Notice of Sale as published.

14. **Bond Counsel.** The City recognizes that Miller, Canfield, Paddock and Stone, P.L.C., has represented from time to time, and currently represents financial institutions and other potential participants in the bond financing process for unrelated projects, any of which might offer to purchase the City's Bonds. The City appoints Miller, Canfield, Paddock and Stone, P.L.C. as bond counsel for this issue notwithstanding the potential concurrent representation of any such bidder regarding any unrelated manner.

15. **Financial Advisor.** The City hereby appoints Northland Securities, Inc. to act as financial advisor with respect to 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: Mayor Walby, Council Members Peter Accica, John Caron, Ron Frederick, David Rubello, Candice Rusie and Chris Vitale

NAYS: None

Item 4 (Cont'd):

RESOLUTION DECLARED ADOPTED.

Mary A. Kotowski, MMC, MiPMC II
City Clerk

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of St. Clair Shores, County of Macomb, State of Michigan, at a regular meeting held on March 15, 2021, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

Mary A. Kotowski, MMC, MiPMC II
City Clerk

5. MICHIGAN DEPARTMENT OF NATURAL RESOURCES LAND AND WATER CONSERVATION GRANT APPLICATION – BRY'S PARK EXERCISE EQUIPMENT AND ADA ACCESS IMPROVEMENTS

a. Public Hearing

Mayor Walby opened the public hearing at 7:16 p.m.

There were no speakers.

Mayor Walby closed the public hearing at 7:17 p.m.

b. Adoption of Resolution approving Application

Background: It was recommended that Mayor and Council approve the submission of a Michigan Department of Natural Resources (MDNR) Land and Water Conservation Fund (LWCF) grant application for Exercise Equipment and ADA Access Improvements at Brys Park.

The City of St Clair Shores received a 2019 MDNR LWCF grant to renovate the Brys Park bathroom and playground to meet ADA standards. The scope of this proposed project will bring more areas of Brys Park into compliance with ADA standards. In addition to adding exercise stations to the park, this grant includes providing access to field viewing areas, the expansion of twelve disk golf tee pads, solar lighting along the walk/run path, a new ADA drinking fountain, new improved signage and baseball field renovations including new dugouts. The St. Clair Shores Recreation Master Plan supports upgrading facilities to ensure that City parks meet ADA safety and accessibility standards.

The MDNR requires the approval of the resolution below and the commitment of matching funds be included with the grant application. The LWCF grant requires a 50% match, the maximum LWCF grant amount is now \$500,000 (\$1,000,000 total project cost). The engineering estimate for the project is \$510,880.

Mr. Caron asked Mr. Gambill to confirm in the Brys Park grant application that all the disc golf tee pads are concrete pads, that halogen lighting be included, adding standalone solar panels along the back path and to add some lighting to the utility poles near the LA Fitness Center property line.

Ms. Rusie asked for the status of the restroom renovations grant at Brys Park. She also asked what the grant allocation award amounts for this application are and when we will hear about our scoring and if we are awarded the grant.

Moved by Council Member Frederick, and supported by Council Member Accica to approve the request to apply for a Land and Water Conservation Fund grant for Exercise Equipment, ADA Access Improvements and Baseball Dugout and Field Renovation at Brys Park and the following MDNR Resolution committing matching funds in the amount up to \$255,440:

R-2021-11

LAND AND WATER CONSERVATION FUND RESOLUTION OF AUTHORIZATION – LOCAL UNIT OF GOVERNMENT MATCH

Item 5 (Cont'd):

WHEREAS, the City of St. Clair Shores supports the submission of an application titled, “Brys Park Exercise Equipment and ADA Access Improvements” to the Land and Water Conservation Fund for Exercise Equipment, ADA Access Improvements and Baseball Dugout and Field Renovation at Brys Park; and,

WHEREAS, the proposed application is supported by the Community’s 5-Year Approved Parks and Recreation Plan; and,

WHEREAS, The City of St. Clair Shores is hereby making a financial commitment to the project in an amount up to \$255,440 in matching funds, in cash and/or force account; and,

NOW THEREFORE, BE IT RESOLVED that the City of St. Clair Shores hereby authorizes the submission of a Land and Water Conservation Fund Application for \$255,440 and resolves to make available its financial obligation amount up to \$255,440 project cost (50%), of a total of \$510,880 for Exercise Equipment, ADA Access Improvements and Baseball Dugout and Field Renovation Brys Park during the 2021 - 2022 fiscal year.

Ayes: All – 7

6. PLANNING CASE PPC 210003, REQUEST FOR SITE PLAN APPROVAL FOR ADDITIONAL PERMANENT OUTDOOR SEATING AT BUTTER RUN BAR AT 27626 HARPER AVENUE, REPRESENTED BY DAVE HARDEN, BUTTER RUN

Background: It was recommended to approve the site plan for additional permanent outdoor seating at Butter Run, 27626 Harper Avenue represented by Dave Harden.

The applicant is requesting Site Plan Approval to permanently expand the outdoor seating area. The existing permanent outdoor seating area is 949 square feet. The existing temporary seating area is an additional 1,530 square feet. The petitioner is requesting to convert all the temporary outdoor seating into permanent seasonal outdoor seating. The expanded permanent outdoor seating area is proposed to block the Harper Avenue drive approach and eliminate 4 parking spaces within the existing parking lot. The site plan proposes to re-stripe the existing parking lot resulting in a net loss of 1 parking space overall. A letter from Lakeview Public Schools indicates the approval for the use of their parking lot as additional parking as needed. The petitioner indicates that the existing split rail fencing that surrounds the temporary seating area will be removed. The site plan indicates the use of snow fence to enclose the area; however, the petitioner has verbally confirmed that 42-inch-tall wooden picket fencing that is painted to create a “beach feel” is being proposed. The existing planters will continue to be used as blocks along the Harper Avenue Drive approach. The petitioner proposes to keep the existing drive approach on Harper, and he does not propose the installation of bollards in that area. The existing wooden picnic tables and umbrellas will remain as well as the sand in the seating area.

Dave Harden, Butter Run Saloon, presented his request.

Mr. Accica made it clear he was not in favor of using Lakeview’s lot for patron parking as it seems dangerous to have people crossing Harper.

Mr. Vitale asked that they paint the cooler in the parking lot once the weather breaks. Mr. Hardin was agreeable to do that.

Mr. Ihrie noted that normally when parking is offsite the City has required there to be an agreement in printed form allowing the permission. In this case, there is no such agreement. There is a letter from the school authorizing the parking but there is no term, so that agreement could be yanked by the school system at any time. If it is not in existence at any point there needs to be parking somewhere.

Mr. Harden noted the fence will be done in the spring.

Moved by Council Member Rubello, and supported by Council Member Frederick to approve the site plan for additional permanent outdoor seating at 27626 Harper Avenue, Butter Run, represented by Dave Harden including repairing any potholes in the parking lot and re-striping the lot.

Ayes: All – 7

7. BIDS/CONTRACTS/PURCHASE ORDERS

a. Request to award contract for renovation of 30042 Oakgrove (2020 Tax foreclose Property)

Background: It was recommended to award the contract to HP Snap in the amount of \$89,000 for the renovation of 30042 Oakgrove. (bids opened 03/9/21).

This house was acquired from Macomb County via Tax Foreclosure last July. The house was emptied of any personal effects left behind. The home had suffered from mold due to a failed sump pump coupled with the basement drains being plugged. The property was remediated by a professional company with the cost to clean covered by insurance. The home needs updating and replacement of some work due to the mold remediation.

A dilapidated detached garage was removed, contents of the house were removed, and the furnace and hot water tank replaced due to being damaged in the flooded basement. This work totaled \$10,980.00

This home was put out to bid on February 16, 2021, with bids opened on March 9, 2021. Nine bidders attended the mandatory walk-thru and six bids were received. The low bidder is HP Snap Investment at \$89,000. We have not worked with this contractor previously, but City Manager Coppler is familiar with this company from his previous community. Based on his familiarity with HP Snap, we are recommending HP Snap for the renovation of 30042 Oakgrove. The house was acquired for \$18,427.00.

Moved by Council Member Rubello, and supported by Council Member Accica to approve the bid award to HP Snap Investment, in the amount of \$89,000.00 for renovations of 30042 Oakgrove (bids opened 03/09/21), as recommended by the City Manager.

Ayes: Rubello, Accica, Caron, Frederick, Vitale, Walby
Nays: Rusie

b. Request to Authorize Pilot Operating Agreement with Bird Rides Inc.

Background: It was recommended that City Council Authorize a Pilot Operating Agreement with Bird Rides Inc.

The scooter rental company that operated primarily out of the TIFA District last year, Gotcha, no longer exists. The company was absorbed by Bolt Mobility Co. Bolt has not provided a proposal to operate in St. Clair Shores this year. Several scooter companies have reached out to the City regarding providing scooters. Bird is an established scooter company and does not require any money from the City to operate.

The Bird Rides, Inc. contract is being brought before Council for consideration in order to provide residents and visitors with scooter rental this year should Council wish to do so.

Michael Covato, Bird Rides, Inc., joined the Council meeting via Zoom from Santa Monica, CA. He gave a comprehensive presentation about the product they are offering.

There were many questions from Council members and a lengthy discussion ensued. The issues that Council would like addressed include: Concerns about the scooters being ridden in the street, how well lit the scooters are for traveling at night and what other safety features are included, no dedicated parking areas and removal of the auto renew clause in the agreement. It was suggested that they be allowed to bring in their fleet for a trial period to be reevaluated after the first season.

Moved by Council Member Rubello to deny the contract as written and supported by Council Member Rusie.

Mr. Caron noted that last year was an experiment and he was surprised that people were using the scooters and there were no complaints. This vendor's proposal is a vast improvement. He was ok with a one year trial and not an automatic contract renewal but that they come back to renew the contract.

Mayor Walby noted that the seven months this season would be their trial period and then Council still has time to renew or not renew their contract.

Mr. Ihrie noted that it is permissible to table the request so that the contract can be refined to Council's satisfaction and then brought back to another meeting.

Item 7 (Cont'd):

Moved by Council Member Rubello, and supported by Council Member Rusie to DENY Pilot Operating Agreement with Bird Rides, Inc.

Roll Call

Ayes: Rubello, Rusie

Nays: Accica, Caron, Frederick, Vitale, Walby

Motion Failed

Moved by Council Member Vitale, and supported by Council Member Frederick to TABLE Pilot Operating Agreement with Bird Rides, Inc. to the April 5, 2021 Council meeting.

Roll call

Ayes: Vitale, Frederick, Accica, Caron, Rubello, Rusie, Walby

Motion Carried

c. Request for Computer Replacement Refresh for Police Department

Background: It was recommended to approve the purchase of up to 40 Dell OptiPlex 7080 MFF desktop computers from Dell Computers through the State of Michigan MiDeal program for a cost not to exceed \$31,160. These computers will replace older computers that are currently being used by the Police Department.

The 2021 computer refresh program is slated to replace older desktops that are currently being used by the St. Clair Shores Police Department. Most of the machines are greater than five years old and are running Windows 2007. The proposed Dell machines are like the desktops the City has purchased in the past as part of the computer refresh program. The specifications for this computer will enable the full line of software utilized in the Police Department to be used.

Moved by Council Member Caron, and supported by Council Member Frederick to authorize the purchase of up to 40 Dell OptiPlex 7080 MFF desktops from Dell Computers through the State of Michigan MiDeal cooperative purchasing for an amount not to exceed \$31,160.

Ayes: All – 7

8. CONSENT AGENDA – All items listed on the consent agenda are considered to be routine and will be enacted by one motion and approved by a vote of City Council. There will be no separate discussion of the items unless the Mayor and or a Council Member so requests, in which event the item will be removed from the general order of business and considered under the last item of the Consent Agenda.

Moved by Council Member Caron supported by Council Member Frederick to approve the Consent Agenda items a – h as follows:

a. Bills

March 4, 2021 **\$1,221,423.41**

Resolved to approve the release of checks in the amount of \$1,221,423.41 for services rendered, of the report that is 20 pages in length, and of the grand total amount of \$1,221.423.41, \$0 went to other taxing authorities.

b. Fees

Resolved that the following Fees be approved as presented:

Shifman Fournier	\$ 360.00
Ihrie O'Brien	\$16,413.75

c. Progress Payments

Resolved that the following Progress Payments be approved as presented:

Galui Construction	\$ 31,991.24
Galui Construction	\$ 7,500.00

Item 8 (Cont'd):

RBF Construction, Inc.	\$310,192.00
L Anthony Construction	\$ 29,431.92

- d. Approval of Minutes
Resolved that the following Minutes be approved as presented:

<u>Minutes</u>	<u>Meeting Date</u>
City Council	March 1, 2021

- e. Receive & File Boards, Commissions & Committee Minutes
Resolved that the following minutes be received and filed:

<u>Minutes</u>	<u>Meeting Date</u>
Council Sub-Committee on Boards, Commissions & Committees	January 26, 2021
Sign Arbitration	January 28, 2021
Zoning Board of Appeals	February 4, 2021

- f. Set Council Budget Hearing Dates for FY 2021-2022 on April 26 & 27, 2021 at 6 p.m.
Resolved to set the 2021 Public Council Budget Hearings for April 26 & 27, 2021 at 6 p.m.

- g. Request to deny the claim of Sam Gizzi, Jordan Mckelvey, Jenn Mckelvey v. the City of St. Clair Shores and the Zoning Board of Appeals and refer to the City Attorney for response
Resolved to deny the claim of Sam Gizzi, Jordan Mckelvey and Jenn Mckelvey v. the City of St. Clair Shores and the Zoning Board of Appeals and refer to the City Attorney for response.

- h. Request to adopt Amended Resolution R-2021-09a Authorizing the Filing of a Petition with the County Public Works Commissioner Regarding the Eight and One Half (8 ½) Mile Drain
Resolved to adopt the Amended Resolution Authorizing the Filing of a Petition with the County Public Works Commissioner Regarding the Eight and One Half (8½) Mile Drain, as recommended by the City Manager which reads as follows:

R-2021-09a

RESOLUTION AUTHORIZING THE FILING OF A PETITION WITH THE COUNTY PUBLIC WORKS COMMISSIONER REGARDING THE 8 1/2 MILE DRAIN

Minutes of a regular meeting of the City Council of the City of St. Clair Shores, County of Macomb, State of Michigan, on March 15, 2021, at 7:00 p.m., prevailing Eastern Time.

The following preamble and resolution were offered by Member Caron, and supported by Member Frederick:

WHEREAS, the City Council of the City of St. Clair Shores, County of Macomb, State of Michigan (the "City"), has determined that the requesting of maintenance and improvement, including without limitation, construction of in-system storage control structures (the "Project"), to the 8 ½ Mile Drain (the "Drain") are necessary for the public health, safety, and welfare of the City; and

WHEREAS, the City Council desires to file a petition with the Macomb County Public Works Commissioner pursuant to Chapter 20 of the Drain Code, Act 40, Public Acts of Michigan, 1956, as amended (the "Act 40"), to facilitate implementation of the Project; and

WHEREAS, the City Council has declared the lots and parcels of land more particularly described in Appendix A of the Petition, substantially in the form attached hereto as Exhibit A (the "Petition"), and made a part hereof, as the area to be serviced by the Project, and these parcels will be especially benefited by the Project and that a special assessment, fee, or charge may be levied by the City against benefited parcels pursuant to Chapter 20 of Act 40; and

Item 8 (Cont'd):

WHEREAS, the City Council, after due and legal notice, held a public hearing to hear objections to the proposed Project and special assessments, fees, or charges to be levied, as required by Section 489a of Act 40.

NOW, THEREFORE, BE IT RESOLVED THAT:

- 1. The City Clerk is hereby authorized and directed to execute and send the Petition to the Macomb County Public Works Commissioner by registered mail.**
- 2. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same hereby are rescinded.**

AYES: Caron, Frederick, Accica, Rubello, Rusie, Vitale, Walby

RESOLUTION DECLARED ADOPTED.

**Mary A. Kotowski, MMC, MiPMC II
City Clerk**

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of St. Clair Shores, County of Macomb, State of Michigan, at a regular meeting held on March 15, 2021, and that said meeting was conducted and public notice of said 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 said meeting were kept and will be or have been made available as required by said Act.

**Mary A. Kotowski, MMC, MiPMC II
City Clerk**

EXHIBIT A

Form of Petition

PETITION FOR MAINTENANCE AND IMPROVEMENT PURSUANT TO CHAPTER 20 OF ACT 40 OF THE PUBLIC ACTS OF 1956, AS AMENDED

8 1/2 MILE DRAIN

Pursuant to Chapter 20 of the Michigan Drain Code, Act 40, Public Acts of Michigan 1956, as amended ("Act 40"), the City Council of the City of St. Clair Shores (the "City") hereby petitions for an intracounty drain project consisting of maintenance and improvement, including without limitation, construction of in-system storage control structures (the "Project"), to the 8 ½ Mile Drain (the "Drain"), which is wholly located and established in the City.

In a Resolution of the City Council duly adopted at its meeting on March 2, 2020, the City Council determined that the Project is necessary for the public health, safety, and welfare of the residents of the City, and authorized and sent a Notice of Intent to File Petition with the Macomb County Public Works Commissioner. The City Council, after due and legal notice, held a public hearing to hear objections to the proposed Project and special assessments, fees, or charges to be levied by the City, as required by Section 489a of Act 40.

The Project will serve property located within the limits of the City. The City Council hereby consents to the Project and it is understood and agreed that the cost of the Project is to be assessed against the City. The City may levy a special assessment, charge or fee for all or a portion of the cost of the Project against benefitting properties under section 490 of Act 40 or levy a tax for all or a portion of the cost of the Project against all taxable property within the City pursuant to Chapter 20 of Act 40 including, but not limited to, Section 475.

Item 8 (Cont'd):

All of the lots and parcels of land in the City make up the area to be serviced by the Project.

This petition is authorized and sent pursuant to a Resolution of the City Council adopted at its meeting of March 15, 2021, a certified copy of which is attached hereto.

**CITY OF ST. CLAIR SHORES
Mary A. Kotowski, MMC, MiPMC II
City Clerk**

Ayes: All – 7

9. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

- **Ambulance Engine Hours** – Squad One has 6,880 hours with 118,000+ miles, and the Squad being traded in has 8,126 hours with 141,344 miles.
- **Fire Department/Capital Request to Purchase an Ambulance** – There is no recommendation at this point as we are still going through the budget process.
- **Blossom Heath Beach/Aerial Photos** – Pictures from 20 years ago have been provided to Council.
- **Elevation of Proposed Retaining Wall/Veterans Memorial Park Beach** – The top of the wall will be 578.528 feet. The project is moving along quite well.
- **Blossom Health Boat Ramp Expansion Contract** – There is a pre-construction conference tomorrow.
- **Blossom Heath Park Canal Opportunity** – We are researching the idea of providing an opportunity to metal detector clubs to go into this area when the canal is dewatered.
- **Violet Street/Neighbor Pumping Water from Yard** – An inspector from CDI has made contact with the resident and will be doing follow up this week.
- **Watermain Breaks** – DPW has added Council to the list of who is notified when we receive notification. It should be noted that it is limited to when we have staff in the office.
- **Signage/12 Mile** – The new “Greater Mack” sign has been ordered.

10. COMMENTS BY INDIVIDUAL COUNCIL MEMBERS

Council Member Frederick asked for a “Yield for Pedestrians” sign at Mack and California.

He also asked that the “Greater Mack” signs on both sides of 10 Mile be made bigger.

He made several Library announcements.

Council Member Vitale asked CDI to address the debris at the former church/new assisted living facility on Harper north of 13 Mile.

He noted failing concrete at the intersection of Hazelwood and Grant Street. He asked how old it is and if it is still under warranty.

He asked to have a discussion with Mr. Coppler regarding DPW follow-up he received about a leaky gate valve on Blackburn.

Council Member Accica spoke about the great assistance he received from Paul, an inspector from CDI.

Council Member Rubello spoke about the Cool City Committee passing out s'mores at the St. Patty's Day in the Park event this weekend.

He said the Memorial Day Parade committee is working on the 2021 parade.

He asked if businesses and shopping centers are required to have lighting in their parking lots.

Mr. Rayes said lighting is not required in the ordinance. If a business does have lighting, it must be shielded.

Mr. Rubello asked when construction will begin at Blossom Heath.

Item 10 (Cont'd):

Mayor Walby said the expected timeframe is mid-July or early August.

Council Member Rusie announced that the Sign Ordinance Committee will be bringing suggested amendments to several existing ordinances as well as a new ordinance on murals to a Council meeting in April. These should be much more business friendly.

Council Member Caron commended the City Clerk's Office for resuming passport services which is not a required service.

He said that there was an attempted carjacking on one of our streets, and our Police apprehended all of the suspects.

He asked that Ms. Koto inquire if the federal tenant rental assistance funds can be given only to rentals in full compliance of our City ordinances.

He would like to know if the Fire Chief has been reaching out to future vaccination clinics sites such as Ascension, McLaren, etc. in the City.

He asked for a meeting with himself, ECT and Parks & Recreation in the next two weeks regarding replanting the Green Structure at Kyte Monroe this year.

He asked that Mr. Coppler investigate what happened with the four parking blocks that were taken out at Kyte Monroe and if we have replacement blocks on order.

He noted that the Dog Park needs six new garbage cans, and he suggested using a special paint because of the dog urine if there is one available.

He received a call from a resident in the area of Ridgeway and Greater Mack regarding someone who has been dropping peanuts around that area. He asked that the person be discouraged from doing this as it attracts rodents.

11. CITY MANAGER'S REPORT - None

12. AUDIENCE PARTICIPATION (5 MINUTE TIME LIMIT) - None

13. MAYOR'S COMMENTS

Mayor Walby spoke about U.S. Air Force Airman First Class Maria Marable, a 2017 graduate of Lakeview High School who grew up in St. Clair Shores. She was recently awarded 2020 Airman of the Year for the 58th Training Squadron in Albuquerque, New Mexico.

He spoke about the St. Patty's Day in the Park event and how well it went.

14. REQUEST THAT THE CITY COUNCIL OF THE CITY OF ST. CLAIR SHORES SHALL MEET IN CLOSED SESSION AS PERMITTED BY STATE STATUTE MCLA 15.268, SECTION 8(e) PENDING LITIGATIONS: MARCELLA DUFFEY V CITY OF ST. CLAIR SHORES AND MILLER MARINA INC. V CITY OF ST. CLAIR SHORES, AND CITY OF ST. CLAIR SHORES V THE ESTATE OF C. BAUR

Moved by Council Member Frederick, supported by Council Member Caron to enter Closed Session as permitted by State Statute MCLA 15.268, Section 8 (e) pending litigations: Marcella Duffey v City of St. Clair Shores, Miller Marina Inc. v City of St. Clair Shores and City of St. Clair Shores v the Estate of C. Baur at 9:13 p.m.

Roll Call Vote
Ayes: All – 7

Moved by Council Member Frederick, supported by Council Member Caron to return to Open Session at 10:06 p.m.

Ayes: All – 7

Item 14 (Cont'd):

Moved by Council Member Caron, supported by Council Member Accica to direct the City Attorney to DENY case evaluation Marcella Duffy v City of St. Clair Shores.

Ayes: All – 7

15. ADJOURNMENT

Moved by Council Member Accica, supported by Council Member Rusie to adjourn at 10:10 p.m.

Ayes: All – 7

KIP C. WALBY, MAYOR

MARY A. KOTOWSKI, CITY CLERK

(THE PRECEDING MINUTES ARE A SYNOPSIS OF A CITY COUNCIL MEETING AND DO NOT REPRESENT A VERBATIM RECORD).