

### **CALL TO ORDER**

IN REGULAR SESSION, Monday, February 1, 2021, at 7:00 P.M., via Electronic Meeting format utilizing ZOOM. City Council was called to order by Mayor Caron.

### **ROLL CALL**

Roll was called:

Present: Council Members: Mayor Caron (Marshall, MI), Gates (Marshall, MI), Rice (Marshall, MI), Schwartz (Marshall, MI), Traver (Marshall, MI), Underhill (Marshall, MI), and Wolfersberger (Marshall, MI).

Also Present: City Manager Tarkiewicz and Clerk Nelson.

Absent: None.

### **INVOCATION/PLEDGE OF ALLEGIANCE**

Scott Loughrige of Cross Roads Church & Ministries gave the invocation and Mayor Caron led the Pledge of Allegiance.

### **APPROVAL OF THE AGENDA**

**Moved** Wolfersberger, supported Underhill, to approve the agenda with the addition of item 12E Notice of Intent to Issue Bonds for Perrin Dam. On a roll call vote – ayes: Gates, Rice, Schwartz, Traver, Underhill, Wolfersberger, and Mayor Caron; nays: none. **MOTION CARRIED.**

### **PUBLIC COMMENT ON AGENDA ITEMS**

Barry Wayne Adams urged Council to think about what they are doing with the garbage issue and feels it will be addressed in federal court. He believes government is fascism.

### **CONSENT AGENDA**

**Moved** Gates, supported Underhill, to approve the Consent Agenda:

- A. Accept the 2<sup>nd</sup> Quarter Financial Report as presented;
- B. Accept the 2<sup>nd</sup> Quarter Investment Portfolio as presented;
- C. Accept the 2<sup>nd</sup> Quarter Cash & Investment Position Report as presented;
- D. Accept and authorize the publication of the FY 2020 DDA and LDFA Annual report as presented and authorize staff to file the report with Michigan State Tax Commission;
- E. Approve the resolution to authorize the Bogar Theater to participate in the Marshall Social District;
- F. Minutes of the City Council Work Session and Regular Session held on Tuesday, January 19, 2021;
- G. Approve city bills in the amount of \$828,353.66.

On a roll call vote – ayes: Rice, Schwartz, Traver, Underhill, Wolfersberger, Mayor Caron, and Gates; nays: none. **MOTION CARRIED.**

### **PRESENTATIONS AND RECOGNITION**

#### **A. Farmers Market Update:**

Farmers Market Manager Pam Wolfersberger provided an update regarding market activities and how they are dealing with the pandemic.

**Moved** Gates, supported Underhill, to allow the Farmers Market use of the Green Street parking lot from May to October for the 2021 Farmers Market. On a roll call vote – ayes: Schwartz, Traver, Underhill, Wolfersberger, Mayor Caron, Gates, and Rice; nays: none. **MOTION CARRIED.**

### **INFORMATIONAL ITEMS**

None.

### **PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION**

#### **A. Adoption of the July 1, 2021 through June 30, 2027 Capital Improvement Program:**

City Manager Tarkiewicz provided background regarding the July 1, 2021 through June 30, 2027 Capital Improvement Program.

Mayor Caron opened the public hearing to hear comment regarding the July 1, 2021 through June 30, 2027 Capital Improvement Program.

Barry Wayne Adams feels that American is something else other than what it is turning in to and feels corporatism is a series of gangsterism.

Hearing no further comments, the hearing was closed.

**Moved** Gates, supported Traver, to approve the June 1, 2021 through June 30, 2027 Capital Improvement Program as presented. On a roll call vote – ayes: Underhill, Wolfersberger, Mayor Caron, Gates, Rice, Schwartz, and Traver; nays: none. **MOTION CARRIED.**

### **OLD BUSINESS**

None.

### **REPORTS AND RECOMMENDATIONS**

#### **A. Granger Contract for Trash and Recycling Services:**

**Moved** Wolfersberger, supported Schwartz, to approve the contract with Granger for

trash and recycling services. On a roll vote – ayes: Traver, Underhill, Wolfersberger, Mayor Caron, Gates, Rice, and Schwartz; nays: none. **MOTION CARRIED.**

**B. Calhoun County Parks Millage Allocation:**

**Moved** Gates, supported Traver, to approve the County Parks Millage allocation of \$19,876 to be used for repairs to the Riverwalk in 2021. On a roll vote – ayes: Wolfersberger, Mayor Caron, Gates, Rice, Schwartz, Traver, and Underhill; nays: none. **MOTION CARRIED.**

**C. CityWorks, Inc. Software Implementation:**

**Moved** Wolfersberger, supported Rice, to approve the implementation, integration, and training of CityWorks, Inc. proposal by Stantec Consulting in an amount of \$92,357 with a contingency of \$7,643 for a total of \$100,000. On a roll call vote - ayes: Gates, Rice, Schwartz, Traver, Underhill, Wolfersberger, and Mayor Caron; nays: none. **MOTION CARRIED.**

**D. Notice of Intent to Issue Road Bonds:**

**Moved** Gates, supported Traver, to adopt the resolution authorizing the issuance and sale of unlimited tax general obligation bonds, series 2021, to finance street improvements, and to authorize the Finance Director or the City Manager to finalize the sale of the bonds. On a roll call vote - ayes: Rice, Schwartz, Traver, Underhill, Wolfersberger, Mayor Caron, and Rice; nays: none. **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN**  
RESOLUTION #2021-07

**City of Marshall**  
**County of Calhoun, State of Michigan**

**RESOLUTION AUTHORIZING ISSUANCE AND SALE OF  
UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021  
TO FINANCE STREET IMPROVEMENTS**

**A RESOLUTION TO APPROVE:**

- Issuance of \$4,750,000 of Bonds approved by the voters to finance street improvements;
- Levy of property taxes for payment of Bonds to begin in 2021 and deposited to Debt Retirement Fund;
- Delegation of Sale of Bonds to Finance Director or City Manager without further approval of City Council;
- Other matters necessary to prepare for sale and delivery of Bonds.

## **PREAMBLE**

WHEREAS, the qualified electors of the City of Marshall, County of Calhoun, Michigan (the “City”) at the general election held on Tuesday, November 3, 2020, did by more than the required majority of those voting approve the following proposition:

### **STREET IMPROVEMENT BOND PROPOSAL MILLAGE**

Shall the City of Marshall, Michigan, borrow the principal sum of not to exceed four million seven hundred fifty thousand dollars (\$4,750,000.00) and issue general obligation unlimited tax bonds, in one or more series, payable in not to exceed 10 years from the date of issuance of each series, to provide funds, including any premium from the bond sale, to pay the City’s cost to improve, replace, and reconstruct major and local City roads, including necessary right of way and appurtenances and attachments thereto? If approved, the estimated millage that would be levied to pay the proposed bonds in the first year that the levy is authorized is 2.50 (\$2.50 per \$1,000 of taxable value) and the estimated simple average annual millage rate required to retire the bonds is 2.5 mills (\$2.50 per \$1,000 of taxable value). Taxes within the Downtown Development Authority (DDA) and Local Development Finance Authority (LDFA) districts will be distributed as prescribed by law.

AND WHEREAS, it is the determination of the City Council that at this time the unlimited tax general obligation bonds authorized under the proposition (the “Bonds”) should be issued and sold for the purpose of paying the cost of street improvements (the “Project”) as described in the proposition; and

WHEREAS, Bendzinski & Co., Municipal Finance Advisors (the “Municipal Advisor”) has recommended that the City sell the Bonds by competitive sale through publication of a Notice of Sale; and

WHEREAS, the City Council wishes to authorize either the Finance Director or the City Manager of the City (each, an “Authorized Officer”) to sell and deliver and receive payment for the Bonds without the necessity of the City Council taking further action prior to sale and delivery of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. Bonds of the City designated as the UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021 shall be issued in the aggregate principal amount of not to exceed Four Million Seven Hundred Fifty Thousand Dollars (\$4,750,000), as finally determined by the Authorized Officer at the time of sale of the Bonds, for the purpose of paying the cost of the Project, including the costs incidental to the issuance, sale and delivery of the Bonds.

2. The Bonds shall consist of Bonds in fully-registered form of the denomination of \$5,000, or integral multiples thereof, numbered as determined by the Transfer Agent (as hereinafter defined). The Bonds shall mature as serial or term bonds and be payable as to

principal and interest at the times and in the manner as determined by the Authorized Officer upon sale of the Bonds within the parameters provided by this resolution. The Bonds shall be dated as of the date of delivery thereof, or such other date as determined by the Authorized Officer at the time of sale of the Bonds. Principal of the Bonds shall be payable annually on April 1 or on such other date as determined by the Authorized Officer at the time of sale of the Bonds. The Bonds shall bear interest at the rates determined upon sale of the Bonds within the parameters provided by this resolution, payable semiannually on April 1st and October 1st of each year, beginning on the date determined upon sale of the Bonds.

The Bonds shall be subject to optional or mandatory redemption prior to maturity at the times and prices and in the manner as may be determined by the Authorized Officer at the time of sale of the Bonds.

The Huntington National Bank, Grand Rapids, Michigan, is hereby selected as transfer agent for the Bonds (the "Transfer Agent"). The Authorized Officer is hereby authorized to execute an agreement with the Transfer Agent on behalf of the City. The City reserves the right to replace the Transfer Agent at any time upon written notice to the registered owners of record of the Bonds not less than sixty (60) days prior to an interest payment date. If the purchaser of the Bonds does not require a third-party transfer agent then the Authorized Officer may appoint an officer of the City as Transfer Agent.

The Bonds may be issued in book-entry only form through The Depository Trust Company in New York, New York ("DTC") and the Authorized Officer is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Bonds in book-entry only form, and to make such changes in the form of the Bonds within the parameters of this resolution as may be required to accomplish the foregoing. If the Bonds are not held in book-entry form through DTC then, if acceptable to the purchaser of the Bonds, the Bonds may be issued in the form of a single fully-registered, nonconvertible bond of the denomination of the principal sum issued, and principal of and interest on the Bonds shall be payable by check drawn by Transfer Agent and mailed to the registered owner or by wire transfer or other method of payment determined by agreement with the purchaser of the Bonds. Otherwise, the principal of the Bonds shall be payable upon presentation and surrender at the designated office of the Transfer Agent, and interest on the Bonds shall be payable by check drawn on the Transfer Agent mailed to the registered owner at the registered address, as shown on the registration books of the City maintained by the Transfer Agent, or other method of payment to the registered owner which conforms with market practice at the time of payment. Interest shall be payable to the person who is the registered owner of record as of the fifteenth day of the month prior to the payment date for each interest payment. The date of determination of the 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. Notwithstanding the foregoing, if the Bonds are held in book-entry form by DTC, payment shall be made in the manner prescribed by DTC.

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.

If in the future the City calls Bonds for redemption prior to maturity, then official notice of redemption shall be given by the Transfer Agent on behalf of the City unless receipt of notice is waived by any registered owner of Bonds to be redeemed. 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.

The Bonds shall be executed in the name of the City with the manual or facsimile signatures of the Mayor and Clerk, and the corporate seal of the City shall be manually impressed or a facsimile thereof shall be printed on the Bonds. No Bond authorized under this resolution shall be valid until authenticated by an authorized representative of the Transfer Agent, unless the purchaser thereof does not require the Bonds to be authenticated. If the Bonds are not authenticated, then at least one signature on the Bonds shall be a manual signature. The Bonds shall be delivered to the Transfer Agent for authentication, if applicable, and be delivered by the Transfer Agent to the purchaser or other person in accordance with instructions from the Authorized Officer upon payment of the purchase price for the Bonds.

3. The City Treasurer is directed to open a separate depository or trust account with a bank or trust company to be designated as the UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021 DEBT RETIREMENT FUND (the "Debt Retirement Fund"). The Debt Retirement Fund may be pooled or combined with other debt retirement funds for issues of bonds of like character as provided by the Revised Municipal Finance Act, Act No. 34, Public Acts of Michigan, 2001, as amended ("Act 34") or other state law. The moneys deposited in the Debt Retirement Fund shall be specifically earmarked and used solely for the purpose of paying the principal of and interest on the Bonds and, as may be necessary, to rebate arbitrage earnings, if any, for the Bonds to the United States Department of Treasury as required by the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code").

All proceeds from taxes levied for the Debt Retirement Fund shall be deposited into the Debt Retirement Fund as collected. Commencing with the year 2021, each year there shall be levied upon the tax rolls of the City for the purpose of the Debt Retirement Fund, in the manner required by the provisions of Act 34 or other state law, an amount sufficient so that the estimated collection therefrom will be sufficient to pay promptly, when due, the principal

of and interest on the Bonds becoming due prior to the next annual tax levy, which tax levies shall not be subject to limitation as to rate or amount; provided, however, that if at the time of making any such annual tax levy there shall be surplus moneys on hand in the Debt Retirement Fund for the payment of principal of and interest on the Bonds, then credit therefor may be taken against such annual levy for the Debt Retirement Fund. The City expressly and irrevocably pledges its full faith, credit and resources for the prompt and timely payment of the principal of and interest on the Bonds.

The City may provide for the payment of principal of any of the Bonds issued as term bonds through the purchase of municipal securities in the open market at a price not greater than that payable on the next redemption date in order to satisfy all or part of the next succeeding scheduled mandatory redemption.

In the event a deposit of trust is made of 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 or mandatory redemption, the principal of, premium, if any, and interest on the Bonds, 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 of 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.

4. The City Treasurer is directed to establish a fund designated as the UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021 PROJECT FUND (the "Project Fund"). At the discretion of the Authorized Officer, the City may deposit all or a portion of any premium received upon delivery of the Bonds in either the Debt Retirement Fund or the Project Fund. The remaining proceeds received upon delivery of the Bonds shall be deposited to the Project Fund.

Except for investment pending disbursement the moneys in the Project Fund shall be used solely and only to pay costs of the Project, any legal, financing or other expenses incidental thereto or to the issuance of the Bonds, and as may be necessary to rebate arbitrage earnings, if any, to the United States Department of Treasury as required by the Internal Revenue Code. Obligations so purchased as an investment of moneys of the Project Fund shall be deemed at all times to be a part of such fund, and the interest accruing thereon and any profit realized from such investment shall be credited to such fund

Moneys remaining in the Project Fund after completion of the Project may be used for any purpose permitted by law.

5. The Bonds shall be in substantially the following form with such revisions, additions and deletions as may be advisable or necessary to comply with the final terms of the Bonds established upon sale thereof:

[FORM OF BOND TO BE COMPLETED AFTER BOND SALE]

UNITED STATES OF AMERICA  
STATE OF MICHIGAN  
COUNTY OF CALHOUN

CITY OF MARSHALL  
UNLIMITED TAX GENERAL OBLIGATION BOND, SERIES 2021

Interest Rate                      Date of Maturity                      Date of Original Issue                      CUSIP

Registered Owner:

Principal Amount:

The CITY OF MARSHALL, County of Calhoun, 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 Date of Maturity 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 [date] and semiannually thereafter. Principal of this bond is payable upon presentation and surrender hereof at the designated office of [transfer agent], [location], or such other transfer agent as the City may hereafter designate by notice mailed to the registered owner of record not less than sixty (60) days prior to any interest payment date (the “Transfer Agent”). Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who or which is as of the fifteenth (15th) day of the month prior to each interest payment date, 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 and the interest hereon are payable out of the City’s Debt Retirement Fund for this issue. The City is obligated to levy annually ad valorem taxes on all taxable property within its boundaries in an amount sufficient to provide for the payment of principal of and interest on this bond as it matures, without limitation as to either rate or amount.

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$[amount], issued for the purpose of paying the costs to improve, replace, and reconstruct major and local City roads in pursuance of approval of a ballot proposal by vote of the qualified electors of the City at an election held on November 3, 2020.

Bonds of this issue maturing on or prior to [date] are not subject to redemption prior to maturity.



Bonds or portions of bonds in multiples of \$5,000 of this issue maturing on or after [date] shall be subject to redemption prior to maturity without a premium, at the option of the City, in such order as the City shall determine and within any maturity by lot, on any date on or after [date], at par plus accrued interest to the date fixed for redemption.

[MANDATORY REDEMPTION]

[The bonds maturing [date] and [date] (the “Term Bonds”) are subject to mandatory sinking fund redemption by lot prior to maturity on [date] in the years and amounts set forth below, at a price equal to 100% of the principal amount to be redeemed, plus accrued interest to the date of redemption.]

<u>[Term Bonds due [date]]</u>	<u>Principal</u>	<u>Term Bonds due [date]</u>	<u>Principal</u>
<u>Redemption Dates</u>	<u>Amounts</u>	<u>Redemption Dates</u>	<u>Amounts</u>
[date]	[amount]	[date]	[amount]
[date]	[amount]	[date]	[amount]
[date] (maturity)	[amount]	[date] (maturity)	[amount]

[The principal amount of Term Bonds to be redeemed on the dates set forth above shall be reduced, in the order determined by the City, by the principal amount of Term Bonds of the same maturity which have been previously redeemed (other than as a result of a previous mandatory redemption requirement), or purchased or acquired by the City and delivered to the Transfer Agent for cancellation; provided, that each such Term Bond has not previously been applied as a credit against any mandatory redemption obligation.]

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 of the same maturity and in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption shall be given by the Transfer Agent to each registered owner of bonds or portions thereof to be redeemed by mailing such notice not less than thirty (30) days prior to the date fixed for redemption to the registered owner at the address of the registered owner as shown on the registration books of the City kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000, and bonds of denominations of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bonds by \$5,000, and such bonds may be redeemed in part. The notice of redemption for bonds redeemed in part shall state that, upon surrender of the bond to be redeemed, a new bond or bonds in the same aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof with the same interest rate and maturity. No further interest on bonds or portions of bonds called for redemption shall accrue after the date fixed for redemption, whether the bonds have been presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bonds or portion thereof.

Any bond may be transferred by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney or legal representative, upon surrender of the bond to the Transfer Agent for cancellation, together with a duly executed written instrument of transfer in a form approved by the Transfer Agent. Whenever any bond is surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds, in like aggregate principal amount, interest rate and maturity. The Transfer Agent shall require the bondholder requesting the transfer to pay any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required 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 mailing of a notice of redemption of bonds selected for redemption and ending at the close of business on the day of that mailing.

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

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

IN WITNESS WHEREOF, the City, 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 Clerk, and a facsimile of its corporate seal to be [manually impressed/printed] hereon, all as of the Date of Original Issue.

CITY OF MARSHALL

By           [definitive Bonds to be signed          ]  
Mayor

(Seal)

Countersigned:

By           [definitive Bonds to be signed          ]  
Clerk

[INSERT STANDARD FORMS OF  
TRANSFER AGENT'S CERTIFICATE OF AUTHENTICATION  
AND ASSIGNMENT]

6. The Authorized Officer shall, in consultation with the Municipal Advisor, fix a date of sale for the Bonds and publish the Notice of Sale of the Bonds in The Bond Buyer, New York, New York, or such other newspaper as may fulfill the requirements of Act 34. The Notice of Sale for the Bonds shall be in substantially the following form, with such revisions as the Authorized Officer may determine to be in the best interests of the City in consultation with the Municipal Advisor and Bond Counsel.

OFFICIAL NOTICE OF SALE

\$4,750,000\*

CITY OF MARSHALL

County of Calhoun, State of Michigan

UNLIMITED TAX GENERAL OBLIGATION BONDS, SERIES 2021

\*Preliminary; subject to change

**BIDS** for the purchase of the above bonds (the “Bonds”) can be submitted until **Tuesday, March 9, 2021**, at \_\_\_:\_\_\_ \_\_.m., Eastern Time, to either of the following agents of the undersigned.

**Bendzinski & Co.:** bids may be submitted to the office of Bendzinski & Co., Municipal Finance Advisors, by email to [info@bendzinski.com](mailto:info@bendzinski.com) or by fax to Bendzinski & Co. at fax number (313) 961-8220, provided that bids must arrive before the time of bid opening, and the bidder bears all risks of transmission failure.

**Bidcomp/Parity:** Electronic bids will be received 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 to present bids but a bidder may not present a bid by more than one means. The City will award or reject bids on the date of the bid opening.

**BOND DETAILS:** The Bonds will be registered bonds of the denomination of \$5,000 or integral multiples thereof up to the principal amount of that maturity, originally dated as of the date of delivery thereof (currently anticipated to be April 1, 2021), and will bear interest from their date payable on October 1, 2021, and semiannually thereafter.

The Bonds will mature on April 1 of each year, as follows:

<u>Year</u>	<u>Principal Amount</u>	<u>Year</u>	<u>Principal Amount</u>
2022	\$365,000	2027	\$485,000
2023	390,000	2028	510,000
2024	410,000	2029	535,000
2025	435,000	2030	565,000
2026	460,000	2031	595,000

**\*ADJUSTMENT TO 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 by the City to be sufficient to construct the project and to pay cost 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 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.

**TERM BOND OPTION:** Bidders shall have the option of designating the Bonds as term bonds or serial bonds or both. The bid must designate whether each of the principal amounts shown above for the years 2022 through 2031, inclusive, represent a serial maturity or a mandatory redemption requirement for a term bond maturity. In any event, the above principal amount schedule for the years 2022 through 2031, inclusive, shall be represented by either serial bond maturities or mandatory redemption requirements, or a combination of both. Any such designation must be made at the time bids are submitted.

If the term bond option is selected, then the principal amount of the term bonds of a maturity to be redeemed on the dates set forth above may be reduced by the principal amount of the term bonds of the same maturity which have been previously redeemed or called for redemption (other than as a result of a mandatory redemption) or purchased or acquired by the City and delivered to the transfer agent. The City may satisfy mandatory redemption requirements by the purchase and surrender of term bonds in lieu of the calling of such term bonds for redemption.

Notice of redemption of any Bond or portion thereof shall be given by the transfer agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the transfer agent. No further interest on a Bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the transfer agent to redeem the Bond or portion thereof. 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.

**NO OPTIONAL REDEMPTION:** The Bonds are not subject to redemption prior to maturity at the option of the City.

**INTEREST RATE AND BIDDING DETAILS:** The Bonds shall bear interest at a rate or rates not exceeding 4.00% per annum, to be fixed by the bids therefor. The interest on any one Bond shall be at one rate only and all Bonds maturing in any one year must carry the same interest rate. The difference between the highest and lowest interest rate on the Bonds shall not exceed 1.00% per annum. No proposal for the purchase of less than all of the Bonds or at a price greater than 100.00% or less than 99.00% of their par value will be considered. 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.

**AWARD OF BONDS - TRUE INTEREST COST:** The Bonds will be awarded to the bidder whose bid produces the lowest true interest cost determined in the following manner: the lowest true interest cost will be the single interest rate (compounded on October 1, 2021

and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to April 1, 2021 in an amount equal to the price bid. April 1, 2021 is the anticipated date of delivery of the Bonds. In the event there is an election to exercise the Term Bond option, true interest cost shall be calculated by applying the interest rate of such Term Bonds to each mandatory sinking fund redemption for such Term Bonds.

**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 integral multiple of \$5,000, and bondholders 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 corporate trust office of The Huntington National Bank, Grand Rapids, Michigan, or other designated office, 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 any 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 prior to an 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 were authorized by approval by the City voters of a ballot proposal at the general election held on Tuesday, November 3, 2021, and are issued for the purpose of paying costs to improve, replace, and reconstruct major and local City roads, including necessary right of way and appurtenances and attachments thereto, and paying costs incidental to the issuance of the Bonds. The Bonds will pledge the full faith and credit of the City for payment of the principal and interest thereon and will be payable from ad valorem taxes which may be levied without limitation as to rate or amount. 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.

**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.

**ISSUE PRICE:** The winning bidder will be required to 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 \_\_ of the preliminary Official Statement, 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,” 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-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:

- 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 occurred, until either all bonds of that maturity allocated to it have been sold or it is notified by the winning bidder that the 10% Test has been satisfied as to the bonds of that maturity, provided that, the reporting obligation after the closing date may be at reasonable periodic intervals or otherwise upon request of the winning bidder, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the winning bidder and as set forth in the related pricing wires, (B) to promptly notify the winning bidder of any sales of bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the bonds to the public (each such term being used as defined below), and (C) to acknowledge that, unless otherwise advised by the underwriter, dealer or broker-dealer, the winning bidder shall assume that each order submitted by the underwriter, dealer or broker-dealer is a sale to the public.

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

**QUALIFIED TAX EXEMPT OBLIGATIONS:** The City has designated the Bonds as “qualified tax exempt obligations” for purposes of deduction of interest expense by financial institutions pursuant to the Internal Revenue Code of 1986, as amended.

**LEGAL OPINION:** Bids shall be conditioned upon the approving opinion of Miller, Canfield, Paddock and Stone, P.L.C., attorneys of Lansing and Detroit, Michigan. The 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 the validity of the Bonds, Miller, Canfield, Paddock and Stone, P.L.C. has not been requested to examine or review and has not examined or reviewed any financial documents, statements or materials that have been or may be furnished in connection with the authorization, issuance or marketing of the Bonds, and accordingly will not express any opinion with respect to the accuracy or completeness of any such financial documents, statements or materials.

**DELIVERY OF BONDS:** The City will furnish executed Bonds to be delivered at its expense to an authorized agent of DTC. 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, 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. Payment for the Bonds shall be made in immediately available funds.

**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 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 will pay 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.**

**CUSIP NUMBERS:** 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 of the Bonds to accept delivery of and pay for the Bonds. The CUSIP Service Bureau charge for the assignment of such numbers shall be the responsibility of and shall be paid for by the purchaser of the Bonds.

**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 Bendzinski & Co., at the address and telephone listed under REGISTERED MUNICIPAL ADVISOR below. The City will provide the winning bidder with 50 final Official Statements within 7 business days from the date of sale so as to permit the underwriter to comply with Rule 15c2-12. Additional copies of the Official Statement will be supplied by Bendzinski &

Co. upon request and agreement by the purchaser of the bonds to pay the cost of additional copies. Requests for additional copies should be made to Bendzinski & Co. within 24 hours of the date of sale.

**CONTINUING DISCLOSURE:** As described more fully in the Official Statement, the City will execute and deliver prior to delivery of the bonds a written continuing disclosure undertaking in order to enable the underwriters of the bonds to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**REGISTERED MUNICIPAL ADVISORS:** Bendzinski & Co. Municipal Finance Advisors, Grosse Pointe, Michigan (the “Municipal Advisor”) is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Council (“MSRB”). The Municipal Advisor has been retained by the City to provide certain financial advisory services relating to the planning, structuring and issuance of the Bonds. The Municipal Advisor is not engaged in the business of underwriting, trading, marketing or the distribution of securities or any other negotiable instruments. The Municipal Advisor’s duties, responsibilities and fees arise solely as a Registered Municipal Advisor to the City and it has no secondary obligation or other responsibility. Further information relating to the bonds may be obtained from Bendzinski & Co. Municipal Finance Advisors, 17000 Kercheval Ave., Suite 230, Grosse Pointe, Michigan 48230, Telephone (313) 961-8222.

**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.

THE RIGHT IS RESERVED TO REJECT ANY OR ALL BIDS.

Jon Bartlett, Finance Director  
City of Marshall, Michigan

7. The City makes the following declarations for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code:

- (a) As of the date hereof, the City reasonably expects to reimburse itself with the proceeds of bonds to be incurred by the City for costs of the Project that were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (b) The maximum principal amount of bonds expected to be issued for the Project is \$4,750,000.
- (c) The expenditures described above are “capital expenditures” as defined in Treasury Regulation § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

8. The City shall not invest, reinvest or accumulate any moneys deemed to be proceeds of the Bonds pursuant to the Internal Revenue Code, in such a manner as to cause the Bonds to be “arbitrage bonds” within the meaning of the Internal Revenue Code. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control and that it shall not fail to take any action necessary to maintain the exclusion of the interest on the Bonds from adjusted gross income for general federal income tax purposes under the Internal Revenue Code, including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure of investment of Bond proceeds and moneys deemed to be Bond proceeds, all as more fully set forth in the Non-Arbitrage and Tax Compliance Certificate to be delivered by the City with respect to the Bonds.

9. The City hereby designates the Bonds as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions pursuant to the Internal Revenue Code.

10. The estimated period of usefulness of the Project to be constructed and acquired with proceeds of the Bonds is hereby declared to be not less than 10 years. The City shall not issue the Bonds in an amount greater than the estimated total cost of constructing the Project, including costs incidental to the issuance, sale and delivery of the Bonds.

11. Bendzinski & Co., Municipal Advisors with the Municipal Securities Rulemaking Council (the “Municipal Advisor”) is hereby retained to act as Registered Municipal Advisor to the City for the Bonds. Bendzinski & Co. Municipal Finance Advisors, Grosse Pointe, MI, (the “Municipal Advisor”) is a Registered Municipal Advisor in accordance with the rules of the Municipal Securities Rulemaking Board (“MSRB”). The Municipal Advisor has been retained by the City to provide certain financial advisory services relating to the planning, structuring and issuance of the Bonds. The Municipal Advisor is not

engaged in the business of underwriting, trading, marketing or the distribution of securities or any other negotiable instruments. The Municipal Advisor's duties, responsibilities and fees arise solely as a Registered Municipal Advisor to the City and it has no secondary obligation or other responsibility.

12. The City hereby requests that Miller, Canfield, Paddock and Stone, P.L.C. ("Bond Counsel") continue to serve as bond counsel for the Bonds. The City Council acknowledges that Miller, Canfield, Paddock and Stone, P.L.C., represents various municipal bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Bonds.

13. The Authorized Officer is directed to approve circulation of a preliminary official statement describing the Bonds and to deem such Preliminary Official Statement "final" for purposes of compliance with Securities and Exchange Commission Rule 15c2-12.

14. The Authorized Officer is authorized to apply for one or more ratings on the Bonds as shall be recommended by the Municipal Advisor. If the Municipal Advisor recommends that the City consider purchase of municipal bond insurance, or consider qualification for approval for municipal bond insurance, then the Authorized Officer is hereby authorized and directed, on behalf of the City, to apply for municipal bond insurance, to negotiate with insurers regarding acquisition of municipal bond insurance, and, in consultation with the Municipal Advisor, to select an insurer and determine which Bonds, if any, shall be insured.

15. The Authorized Officer is hereby authorized on behalf of the City, subject to the provisions and limitations of this Resolution, to award sale of the Bonds to the bidder whose bid produces the lowest interest cost computed in compliance with the terms of the Notice of Sale as published, which bid shall comply with the requirements for bids specified in the Notice of Sale and shall be within the limitations contained in this Resolution. If fewer than three (3) bids are received from underwriters (as defined by the Internal Revenue Code) at the time set for competitive sale, the City may reject all bids and carry out a negotiated sale to comply with the regulations of Treas. Reg. § 1.148-1(f)

The maximum interest rate on the Bonds shall not exceed 4.00%. The final maturity of principal on the Bonds shall occur within 10 years of delivery of the Bonds. The purchase price of the Bonds (exclusive of original issue premium or discount) shall not be greater than 100% or less than 99% of the par amount of the Bonds.

If the Authorized Officer determines, based on the advice of the Municipal Advisor, that due to market conditions a negotiated sale of the Bonds would enable the City to better market the Bonds, then it is determined to be in the best interests of the City to negotiate the sale of the Bonds, and the Authorized Officer is hereby authorized and directed on behalf of the City to select a placement agent or underwriter for the Bonds in consultation with the Municipal Advisor or circulate a request for quotes from financial institutions or other investors, and to accept an offer to purchase the Bonds without further resolution of this City Council. The Authorized Officer is authorized to sign a certificate of award of sale,

acknowledgement of offer to purchase the Bonds, purchase agreement, placement agreement, or other document agreeing to sell the Bonds.

The authorization to the Authorized Officer to sell the Bonds includes, but is not limited to, determination of original principal amount of the Bonds; the prices at which the Bonds are sold; underwriter's discount for the Bonds (if sold by negotiated sale), the date of the Bonds; the schedule of principal maturities and whether the Bonds shall mature serially or as term bonds; the provisions for early redemption including mandatory redemption of term Bonds, if any; and the interest rates and payment dates of the Bonds.

16. After sale of the Bonds, the Authorized Officer is authorized to prepare, execute and deliver a final Official Statement describing the Bonds. In order to enable the underwriters to comply with the requirements of Rule 15c2-12 promulgated by the Securities and Exchange Commission, the City hereby agrees to undertake Continuing Disclosure as issuer of the Bonds. The Authorized Officer is authorized to execute such Continuing Disclosure Undertaking on behalf of the City in such form as he shall, in consultation with bond counsel, determine appropriate.

17. The officers, administrators, agents and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate sale and delivery of the Bonds and expenditure of Bond proceeds, and to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance, sale, and delivery of the Bonds and expenditure of Bond proceeds in accordance with this resolution, including payment of costs of issuance including bond counsel fees, municipal advisor fees, rating agency fees, costs of distributing the preliminary and final official statements, and any other costs necessary to accomplish sale and delivery of the Bonds.

18. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Marshall, County of Calhoun, State of Michigan, at a Regular meeting held on February 1, 2021, at 7:00 p.m., Eastern Time, that the meeting was conducted and public notice of the meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976 as amended (“Act 267”), and that the minutes of said meeting were kept and will be or have been made available as required by Act 267.

I further certify that the following Members were present at said meeting: Mayor Caron, Gates, Rice, Schwartz, Traver, Underhill, and Wolfersberger and that the following Members were absent: None.

I further certify that Member Gates moved for adoption of said resolution and that Member Traver supported said motion.

I further certify that the following Members voted for adoption of said resolution: Rice, Schwartz, Traver, Underhill, Wolfersberger, Mayor Caron, and Gates and that the following Members voted against adoption of said resolution: None.

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City Clerk

**E. Notice of Intent to Issue Bonds for Perrin Dam:**

**Moved** Gates, supported Rice, to adopt the resolution authorizing the issuance and sale of capital improvement bonds to finance the rehabilitation of the Perrin Dam on the Kalamazoo River and authorize the Finance Director or the City Manager the authority to finalize the sale of the bonds. On a roll call vote - ayes: Traver, Underhill, Wolfersberger, Mayor Caron, Gates, and Rice; nays: Schwartz. **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN  
RESOLUTION #2021-08**

**City of Marshall  
County of Calhoun, State of Michigan**

**NOTICE OF INTENT RESOLUTION  
CAPITAL IMPROVEMENT BONDS  
PERRIN DAM**

**A RESOLUTION TO PROVIDE FOR:**

- Publication of a Notice of Intent to Issue Bonds and Right of Referendum for up to \$3,100,000 of bonds to construct improvements to the Perrin Dam.



- When the Notice is published in *The Marshall Advisor/Chronicle*, voters will have a 45-day referendum period during which they could petition for referendum.

### **PREAMBLE**

WHEREAS, the City of Marshall, County of Calhoun, State of Michigan (the “City”) determines it to be necessary for the public health, safety and welfare of the City and its residents to construct improvements to the Perrin Dam including but not limited to clearing and grubbing the dam crest and upstream and downstream embankment slopes, placement of embankment fill on the upstream and downstream slopes, installation of a geomembrane liner on the upstream slope, placement of heavy riprap on the upstream slope, installation of a toe drain system with manholes at the downstream toe of slope, cast-in-place concrete abutment wall extensions, installation of geogrid and welded wire forms near the abutment walls, and concrete repair of spillway walls, together with related improvements (collectively, the “Capital Improvements”); and

WHEREAS, Bendzinski & Co., Registered Municipal Advisors with the Municipal Securities Rulemaking Council (the “Municipal Advisor”) has recommended that the City sell bonds to finance the Capital Improvements; and

WHEREAS, under the provisions of Section 517 of Act No. 34, Public Acts of Michigan, 2001, as amended (“Act 34”), a City may issue municipal securities to pay the cost of any capital improvement items within the limitations provided by law; and

WHEREAS, the issuance by the City of bonds under Section 517 of Act 34 in an amount not to exceed Three Million One Hundred Thousand Dollars (\$3,100,000) (the “Bonds”) for the purposes of financing costs of acquisition and construction of the Capital Improvements appears to be the most practical means to that end; and

WHEREAS, Act 34 requires that the aggregate outstanding balance of municipal securities issued under Section 517 of Act 34 by a City shall not exceed 5% of the state equalized valuation of the property assessed in that City, and after the issuance of the Bonds the outstanding balance of all municipal securities issued under Section 517 of Act 34 by the City will not exceed this limit; and

WHEREAS, a notice of intent to issue the Bonds must be published in order to comply with the requirements of Section 517 of Act 34 and Section 5(g) of the Home Rule Cities Act, Act 279, Public Acts of Michigan, 1909, as amended.

**NOW, THEREFORE, BE IT RESOLVED THAT:**

1. The City Clerk is hereby authorized and directed to publish a notice of intent to issue the Bonds in *The Marshall Advisor/Chronicle*, a newspaper of general circulation in the City.

2. The notice of intent shall be published as a one-quarter (1/4) page display advertisement as required by Section 517 of Act 34, and shall be in substantially the following form:

NOTICE TO ELECTORS AND TAXPAYERS  
OF THE CITY OF MARSHALL  
OF INTENT TO ISSUE BONDS SECURED BY THE  
TAXING POWER OF THE CITY AND RIGHT OF REFERENDUM THEREON

PLEASE TAKE NOTICE that the City Council of the City of Marshall, County of Calhoun, State of Michigan, intends to issue and sell general obligation capital improvement bonds pursuant to Act 34, Public Acts of Michigan, 2001, as amended, in the maximum aggregate principal amount not to exceed Three Million One Hundred Thousand Dollars (\$3,100,000) for the purposes of paying costs to construct improvements to the Perrin Dam including but not limited to clearing and grubbing the dam crest and upstream and downstream embankment slopes, placement of embankment fill on the upstream and downstream slopes, installation of a geomembrane liner on the upstream slope, placement of heavy riprap on the upstream slope, installation of a toe drain system with manholes at the downstream toe of slope, cast-in-place concrete abutment wall extensions, installation of geogrid and welded wire forms near the abutment walls, and concrete repair of spillway walls, together with related improvements. The bonds may be issued in one or more series and may be combined with bonds issued for other purposes as shall be determined by the City Council. The bonds will mature in annual installments not to exceed 25 years, with interest on the unpaid balance from time to time remaining outstanding on said bonds to be payable at rates to be determined at sale of the bonds but in no event to exceed such rates as may be permitted by law. Bond proceeds may be used for capitalized interest to the extent permitted by law.

SOURCE OF PAYMENT OF BONDS

The City intends to pay all or part of the principal of and interest on the bonds from electric system revenues. In case of the insufficiency of these revenues, the principal of and interest on the bonds shall be payable from the general funds of the City lawfully available for such purposes including property taxes levied within existing charter, statutory and constitutional limitations.

RIGHT OF REFERENDUM

THE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A VALID PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS RESIDING WITHIN THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. If such petition is filed, the bonds may not be issued without an approving vote of a majority of the qualified electors of the City voting thereon.

THIS NOTICE is given pursuant to the requirements of Section 517 of Act 34, Public Acts of Michigan, 2001, as amended, and Section 5(g), Act 279, Public Acts of Michigan, 1909, as amended. Further information concerning the matters set out in this notice may be secured from the City Clerk's office.

Trisha Nelson  
City Clerk, City of Marshall

3. The City Council does hereby determine that the foregoing form of notice of intent to issue the Bonds, and the manner of publication directed, is adequate notice to the electors of the City and is the method best calculated to give them notice of the City's intent to issue the Bonds, the purpose of the Bonds, the source of payment of the Bonds, the security for the Bonds, and the right of referendum of the electors with respect thereto. The City Council does hereby determine that the newspaper named for publication will reach the largest number of persons to whom the notice is directed.

4. The City may incur expenditures for the Capital Improvements prior to receipt of proceeds of the Bonds, and may advance moneys for that purpose from the general fund, to be reimbursed from proceeds of the Bonds when available. The Finance Director shall keep a specific record of all such expenditures.

5. The City makes the following declaration of intent for the purpose of complying with the reimbursement rules of Treas. Reg. § 1.150-2 pursuant to the Internal Revenue Code of 1986, as amended:

- (a) As of the date hereof, the City reasonably expects to reimburse itself with the proceeds of debt to be incurred by the City for costs of the Capital Improvements that were or will be paid subsequent to sixty (60) days prior to the date hereof.
- (b) The maximum principal amount of debt expected to be issued for the Capital Improvements is the amount shown in the foregoing notice of intent.
- (c) The expenditures described above are "capital expenditures" as defined in Treasury Regulation § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).

6. The City hereby requests that Bendzinski & Co., Registered Municipal Advisors with the Municipal Securities Rulemaking Board, continue to serve the City as Municipal Advisor for the Bonds to advise the City on the marketing and sale of the Bonds.

7. The City hereby requests Miller, Canfield, Paddock and Stone, P.L.C. to continue as bond counsel to the City for the Bonds. The City Council acknowledges that Miller, Canfield, Paddock and Stone, P.L.C., represents many municipal bond underwriters, banks, and financial institutions in connection with matters unrelated to issuance of the Bonds by the City.

8. The officers, administrators, agents, and attorneys of the City are authorized and directed to take all other actions necessary and convenient to facilitate sale of the Bonds.

9. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution are hereby rescinded.

I hereby certify that the foregoing is a true and complete copy of a resolution duly adopted by the City Council of the City of Marshall, County of Calhoun, State of Michigan, at a Regular meeting held on February 1, 2021 at 7:00 o'clock p.m., Eastern Time, 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 267.

I further certify that the following Members were present at said meeting: Members Mayor Caron, Gates, Rice, Schwartz, Traver, Underhill, Wolfersberger and that the following Members were absent: None.

I further certify that Member Gates moved for adoption of said Resolution and that Member Rice supported said motion.

I further certify that the following Members voted for adoption of said Resolution: Members Traver, Underhill, Wolfersberger, Mayor Caron, Gates, and Rice. The following Members voted against adoption of said Resolution: Schwartz.

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City Clerk

## **APPOINTMENTS/ELECTIONS**

### **A. Marshall District Library Board Appointment:**

**Moved** Wolfersberger, supported Underhill, to appoint Ann Fitzpatrick to the Marshall District Library Board with a term expiring March 31, 2024. On a roll call vote - ayes: Traver, Underhill, Wolfersberger, Mayor Caron, Gates, Rice, and Schwartz; nays: none. **MOTION CARRIED.**

### **B. Marshall Farmers Market Advisory Board:**

**Moved** Gates, supported Rice, to appoint Katy Reed to the Marshall Farmers Market Advisory board with a term expiring October 1, 2023 and appoint Todd Hazel and TJ McCully for terms expiring October 1, 2022. On a roll call vote - ayes: Underhill, Wolfersberger, Mayor Caron, Gates, Rice, Schwartz, and Traver; nays: none. **MOTION CARRIED.**

## **PUBLIC COMMENT ON NON-AGENDA ITEMS**

Barry Wayne Adams feels the republic is lost. Washington is overrun with troops and a fence around the Capital and we are under Marshall law. He stated that City Council has obligations to fulfill with their oath they took for office.

### **CLOSED SESSION**

#### **A. Item 1:**

**Moved** Wolfersberger, supported Gates, to enter in closed session under section 8(h) of the Open Meetings Act, to consider material exempt from disclosure by state statute, section 13(1)(g) of the Freedom of Information Act, being written communications from its attorney dated **February 1, 2021** for the reason that the written communications are exempt from disclosure under State law due to the attorney-client privilege. On a roll call vote - ayes: Gates, Rice, Schwartz, Traver, Underhill, Wolfersberger, and Mayor Caron; nays: none. **MOTION CARRIED.**

#### **B. Item 2:**

**Moved** Schwartz, supported Underhill, to enter in closed session under section 8(e) of the Open Meetings Act, to consult with our attorney regarding trial or settlement strategy in connection with *Drunch LLC, et al v BHD Properties LLC, and the City of Marshall*, Case No. 21-86-CK. On a roll call vote - ayes: Rice, Schwartz, Traver, Underhill, Wolfersberger, Mayor Caron, and Gates; nays: none. **MOTION CARRIED.**

Enter into Closed Session at 8:20 p.m.

Return to Open Session at 9:38 p.m.

### **ADJOURNMENT**

The meeting was adjourned at 9:38 p.m.

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Joe Caron, Mayor

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Trisha Nelson, City Clerk