



MARSHALL CITY COUNCIL AGENDA

MONDAY – 7:00 P.M.

July 15, 2019

- 1) **CALL TO ORDER**
- 2) **ROLL CALL**
- 3) **INVOCATION – Brandon Crawford, Grace Baptist Church**
- 4) **PLEDGE OF ALLEGIANCE**
- 5) **APPROVAL OF AGENDA – Items can be added or deleted from the Agenda by Council action.**
- 6) **PUBLIC COMMENT ON AGENDA ITEMS – Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any agenda item.**
- 7) **CONSENT AGENDA**

A. Schedule Public Hearing to amend Ordinance 136.03, Tobacco Products, Vapor Products, Alternative Nicotine Products P. 3

City Council will consider the recommendation to schedule a public hearing for Monday, August 19, 2019 to hear public comment on the amendment to Ordinance 136.03: Tobacco Products, Vapor Products, Alternative Nicotine Products.

B. Purchase of Valve Turner Trailer P. 10

City Council will consider the recommendation to approve the bid from E. H. Wachs from Lincolnshire, IL in the amount of \$70,875 for the purchase of a Valve Turning Trailer.

C. Police Department Vehicle Purchases P. 12

City Council will consider the recommendation to approve the purchase from Boshears Ford for a Police Explorer/Interceptor, in the amount of \$34,316.00 and the purchase from LaFontaine Dodge for two (2) Dodge Charger Pursuit vehicles in the amount of \$50,152.00.

D. Prairie State Replacement Power P. 13

City Council will consider the recommendation to adopt the resolutions authorizing the execution of the Prairie State replacement power schedule with AMP and the Prairie State replacement power schedule.

E. City Council Minutes P. 22

Regular Session..... Monday, June 17, 2019

F. City Bills P. 72

Regular Purchases.....	\$ 105,408.77
Regular Purchases.....	\$ 207,645.57
Weekly Purchases – 6/14/19.....	\$ 52,254.80
Purchases –6/19/19	\$ 23,454.90
Weekly Purchases –6/21/19.....	\$ 183,792.40
Weekly Purchases – 6/28/19.....	\$ 259,217.06
Weekly Purchases – 7/3/19.....	\$ 107,674.97
Total	\$ 939,448.47

Mayor:

Joe Caron

Council Members:

Ward 1 - Scott Wolfersberger

Ward 2 - Nick Metzger

Ward 3 - Jacob Gates

Ward 4 - Michael McNeil

Ward 5 - Ryan Underhill

At-Large - Ryan Traver



8) PRESENTATIONS AND RECOGNITIONS

- A. Calhoun County Consolidated Dispatch Authority Presentation
- B. Marshall District Library Presentation

9) INFORMATIONAL ITEMS

10) PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

11) OLD BUSINESS

12) REPORTS AND RECOMMENDATIONS

- A. Transformer Purchase for the Pearl Street Substation P. 81

City Council will consider the recommendation to approve the purchase of a 30mva 138/12.47kv transformer to the low bidder of Delta Star in the amount of \$818,888 with a deliver date of January 27, 2020.

- B. Goal II. C. DOWNTOWN TREE LIGHTING P. 83

City staff will provide an update on the downtown tree lighting program. No action needed.

- C. Goal Area III – INCOME TAX P. 85

City Council is requested to give guidance on Goal III. A. Income Tax.

13) APPOINTMENTS / ELECTIONS

- A. Northeast Neighborhood Improvement Authority Board P. 87

City Council will consider the recommendation to appoint Matt Davis to the Northeast Neighborhood Improvement Authority Board with a term expiring December 31, 2022.

- B. Parks, Recreation, and Cemetery Board P. 88

City Council will consider the recommendation to appoint Jake Andrews to the Parks, Recreation and Cemetery Board with a term expiring July 1, 2021 and Sara Jeffery with a term expiring July 1, 2022.

- C. Construction Board of Appeals P. 90

City Council will consider the recommendation to appoint Joe Booton to the Construction Board of Appeals with a term expiring October 6, 2019.

14) PUBLIC COMMENT ON NON-AGENDA ITEMS

Persons addressing Council are required to give their name and address for the record when called upon by the Mayor. Members of the public shall be limited to speaking for a maximum of five (5) minutes on any item not on the agenda.

15) COUNCIL AND MANAGER COMMUNICATIONS

16) ADJOURNMENT

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Tom Tarkiewicz".

Tom Tarkiewicz
City Manager

July 15, 2019



ADMINISTRATIVE REPORT
July 15, 2019 - CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: James M. Schwartz, Police Chief
Tom Tarkiewicz, City Manager

SUBJECT: Schedule public hearing to amend City of Marshall
**ORDINANCE 136.03, TOBACCO PRODUCTS,
VAPOR PRODUCTS, ALTERNATIVE NICOTINE
PRODUCTS**

BACKGROUND: The City of Marshall, Michigan has previously enacted ordinance 136.03. The ordinance changed June 4, 2019, the State of Michigan enacted Public Act 17 and Public Act 18 of Public Acts of 2019, which amend the Youth Tobacco Act of Michigan, codified in MCL 722.641. The amendments to the Youth Tobacco Act of Michigan necessitate corresponding amendments to Section 136.03 of the Marshall Code of Ordinances; and the public good is furthered by maintaining consistency and uniformity between the Act and local ordinance.

THE CITY OF MARSHALL ORDAINS that the current version of Section 136.03 be deleted and replaced with the version set forth herein to be in compliance with state law.

RECOMMENDATION: It is the recommendation from the City Attorney through the Chief of Police and the City Manager to set a Public Hearing for Monday, August 19, 2019 to hear public comment on the amendment of **ORDINANCE 136.03, TOBACCO PRODUCTS, VAPOR PRODUCTS, ALTERNATIVE NICOTINE PRODUCTS.**

FISCAL EFFECTS: None expected

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

A handwritten signature in black ink, appearing to read "James M. Schwartz".

James M. Schwartz
Police Chief

A handwritten signature in black ink, appearing to read "Tom Tarkiewicz".

Tom Tarkiewicz
City Manager

City of Marshall, Michigan

Ordinance # _____

AN ORDINANCE AMENDING CITY OF MARSHALL CODE OF ORDINANCES,
SECTION 136.03

WHEREAS, on June 4, 2019, the State of Michigan enacted Public Act 17 and Public Act 18 of Public Acts of 2019, which amend the Youth Tobacco Act of Michigan, codified in MCL 722.641 et seq; and

WHEREAS, the amendments to the Youth Tobacco Act of Michigan necessitate corresponding amendments to Section 136.03 of the Marshall Code of Ordinances; and

WHEREAS, the public good is furthered by maintaining consistency and uniformity between the Act and local ordinance;

NOW, THEREFORE, THE CITY OF MARSHALL ORDAINS that the current version of Section 136.03 be deleted and replaced with the version set forth herein;

~~**§ 136.03 SMOKING BY MINORS IN PUBLIC PLACES AND SALES OF TOBACCO PRODUCTS TO MINORS**~~

~~(A) No person under 18 years of age shall use or possess cigarettes or an age regulated tobacco product in any form on any public highway, street, alley, park or other land used for public purposes, or in a public place of business or amusement.~~

~~(B) No person under 18 years of age shall purchase, or attempt to purchase, or otherwise obtain or possess cigarettes or any other age regulated tobacco product.~~

~~(C) Any person who violates this section shall be deemed responsible for a municipal civil infraction subject to such penalties as shall be established pursuant to the code.~~

~~(Prior Code, § 18-119) (Ord. 98.4, passed 4-6-1998)~~

§ 136.03 TOBACCO PRODUCTS, VAPOR PRODUCTS, ALTERNATIVE NICOTINE PRODUCTS,

(A) Definitions. As used in this section:

“TOBACCO PRODUCT” means a product that contains tobacco and is intended for human consumption, including, but not limited to, a cigarette, noncigarette smoking tobacco, or smokeless tobacco, as those terms are defined in section 2 of the tobacco products tax act, 1993 PA 327, MCL 205.422, as may be from time to time amended, and a cigar.

“VAPOR PRODUCT” means a noncombustible product that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of shape or size, that can be used to produce vapor from nicotine or any other substance, and the use or inhalation of which simulates smoking. Vapor product includes an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or similar product or device and a vapor cartridge or other container of nicotine or other substance in a solution or other form that is intended to be used with or in an electronic cigarette, electronic cigar, electronic cigarillo, electronic pipe, or other similar product or device. Vapor product does not include a product regulated as a drug or device by the United States Food and Drug Administration under 21 USC 351 to 360fff-7.

“ALTERNATIVE NICOTINE PRODUCT” means a noncombustible product containing nicotine that is intended for human consumption, whether chewed, absorbed, dissolved, or ingested by any other means. Alternative nicotine product does not include a tobacco product, vapor product, food, or a product regulated as a drug or device by the United States Food and Drug Administration under 21 USC 351 to 360fff-7.

“LIQUID NICOTINE” means a liquid or other substance containing nicotine in any concentration that is sold, marketed, or intended for use in a noncombustible product that employs a heating element, power source, electronic circuit, or other electronic, chemical, or mechanical means, regardless of shape or size, that can be used to produce vapor from nicotine or any other substance, and the use or inhalation of which simulates smoking.

“LIQUID NICOTINE CONTAINER” means a bottle or other container holding liquid nicotine in any concentration but does not include a cartridge containing liquid nicotine if the cartridge is prefilled and sealed by the manufacturer of the cartridge and is not intended to be opened by the consumer.

“MINOR” means an individual who is less than 18 years of age.

“PUBLIC PLACE” means a public street, sidewalk, park, any outside area open to the general public, any public conveyance or private vehicle located in an area open to the general public, or any area open to the general public in a publicly

owned or operated building or public place of business. Public place shall also include the grounds of a public or private school where children attend classes in preschool programs, kindergarten programs, or grades 1 through 12, in a school bus, or on the grounds of any correctional facility, including the juvenile detention facility or the property upon which the facility is located.

“USE A TOBACCO PRODUCT, VAPOR PRODUCT, OR ALTERNATIVE NICOTINE PRODUCT” means to smoke, chew, suck, inhale, or otherwise consume a tobacco product, vapor product, or alternative nicotine.

“PERSON WHO SELLS TOBACCO PRODUCTS AT RETAIL” means a person whose ordinary course of business consists, in whole or part, of the retail sales of tobacco products subject to state sales tax.

“PERSON WHO SELLS VAPOR PRODUCTS OR ALTERNATIVE NICOTINE PRODUCTS AT RETAIL” means a person whose ordinary course of business consists, in whole or part, of the retail sales of vapor products or alternative nicotine products.

- (B) A person shall not sell, give, or furnish a tobacco product, vapor product, or alternative nicotine product to a minor, including, but not limited to, through a vending machine. This section does not apply to the handling or transportation of a tobacco product, vapor product, or alternative nicotine product by a minor under the terms of the minor’s employment.
- (C) Before selling, offering for sale, giving or furnishing a tobacco product, vapor product, or alternative nicotine product to an individual, a person shall verify that the individual is at least 18 years of age by doing 1 of the following:
 - (1) If the individual appears to be under 27 years of age, examining a government-issued photographic identification that establishes that the individual is at least 18 years of age.
 - (2) For sales made by the internet or other remote sales method, performing an age verification through an independent, third-party age verification service that compares information available from a commercially available data base, or aggregate of databases, that are regularly used by government agencies and businesses for the purpose of age and identity verification to the personal information entered by the individual during the ordering process that establishes that the individual is 18 years of age or older.
- (D) A person who violates subsections (B) or (C) is guilty of a misdemeanor punishable by a fine as follows:
 - (1) For a first offense, not more than \$100.00.
 - (2) For a second offense, not more than \$500.00

- (E) A person who sells tobacco products at retail shall not sell a cigarette separately from its package. This section does not apply to a person who sells tobacco products at retail in a tobacco specialty retail store or other retail store that deals exclusively in the sale of tobacco products and smoking paraphernalia. A person who violates this subsection is guilty of a misdemeanor, punishable by a fine of not more than \$500.00.
- (F) A person shall not sell a liquid nicotine container unless the liquid nicotine container meets the child-resistant effectiveness standards of 16 CFR 1700.15(b). A person who violates this subsection is guilty of a misdemeanor punishable by a fine of not more than \$50.00 for each violation.
- (G) A person who sells vapor products or alternative nicotine products at retail shall not display for sale a vapor product unless the vapor product is stored for sale behind a counter in an area accessible only to employees or within a locked case. A person who violates this subsection is responsible for a municipal civil infraction and shall be fined not more than \$500.00.
- (H) A minor shall not do any of the following;
- (1) Purchase or attempt to purchase a tobacco product.
 - (2) Possess or attempt to possess a tobacco product.
 - (3) Use a tobacco product in a public place.
 - (4) Present or offer to an individual a purported proof of age that is false, fraudulent, or not actually his or her own proof of age for the purpose of purchasing, attempting to purchase, possessing, or attempting to possess a tobacco product.
- (I) A minor who violates subsection (H) shall be punished as follows:
- (1) For a first offense, the minor is guilty of a misdemeanor punishable by a fine of not more than \$50.00. The court may also require the minor to participate in a health and risk reduction assessment program and order up to 16 hours of community service.
 - (2) For a second offense, the minor is guilty of a misdemeanor punishable by a fine of not more than \$50.00. The court may also require the minor to participate in a health and risk reduction assessment program and order up to 32 hours of community service.
 - (3) For a third or subsequent offense, the minor is guilty of a misdemeanor punishable by a fine of not more than \$50.00. The court may also require the minor to participate in a health and risk reduction assessment program and order up to 48 hours of community service.

(J) A minor shall not do any of the following:

- (1) Purchase or attempt to purchase a vapor product or alternative nicotine product.
- (2) Possess or attempt to possess a vapor product or alternative nicotine product.
- (3) Use a vapor product or alternative nicotine product.
- (4) Present or offer to an individual a purported proof of age that is false, fraudulent, or not actually his or her own proof of age for the purpose of purchasing, attempting to purchase, possessing, or attempting to possess a vapor product or alternative nicotine product.

(K) A minor who violates subsection (J) shall be punished as follows:

- (1) For a first violation, the minor is responsible for a municipal civil infraction and shall be fined not more than \$50.00. The court may also order the minor to participate in a health and risk reduction program and perform up to 16 hours of community service.
- (2) For a second violation, the minor is responsible for a municipal civil infraction and shall be fined not more than \$50.00. The court may also order the minor to participate in a health and risk reduction program and perform up to 32 hours of community service.
- (3) For a third violation, the minor is guilty of a misdemeanor punishable by a fine of not more than \$50.00. The court may also order the minor to participate in a health and risk reduction program and perform up to 48 hours of community service.

(L) Subsections (H) and (J) do not apply to the following:

- (1) The handling or transportation of a tobacco product, vapor product or alternative nicotine product by a minor under the terms of the minor's employment.
- (2) Undercover operations or compliance checks conducted in accordance with MCL 722.642(6)(a)-(c).
- (3) A minor charged with violating sections (H) or (J) may be charged with, convicted of, or sentenced for any other violation of law arising out of the violation of section (E) or (G).

(Prior Code, § 18-119) (Ord. 98.4, passed 4-6-1998)

REPEALER

All Ordinances or parts of Ordinances in conflict herewith are hereby repealed only to the extent necessary to give this Ordinance full force and effect, and the City of Marshall City Code shall remain in full force and effect, amended only as specified above.

SEVERABILITY

If any section, clause or provision of this Ordinance shall be declared to be unconstitutional, void or illegal by any Court of competent jurisdiction, such section, clause or provision shall thereby cease to be a part of this Ordinance, but the remainder of this Ordinance shall stand and be in full force and effect.

ENACTMENT

This ordinance is declared to have been enacted by the City Council of the City of Marshall at a meeting called and held on the ____ day of _____, 2019, and ordered to be given publication in the manner prescribed by law.

AYES:

NAYES:

ABSTENTIONS:

Mayor

STATE OF MICHIGAN

COUNTY OF CALHOUN

I, the undersigned, the qualified and acting City Clerk of the City of Marshall, Calhoun County, Michigan, do certify that the foregoing is a true and complete copy of the ordinance adopted by the City Council of the City of Marshall at a meeting called and held on the ____ day of _____, 2019, the original of which is on file in my office.

Clerk

Adopted:

Published:



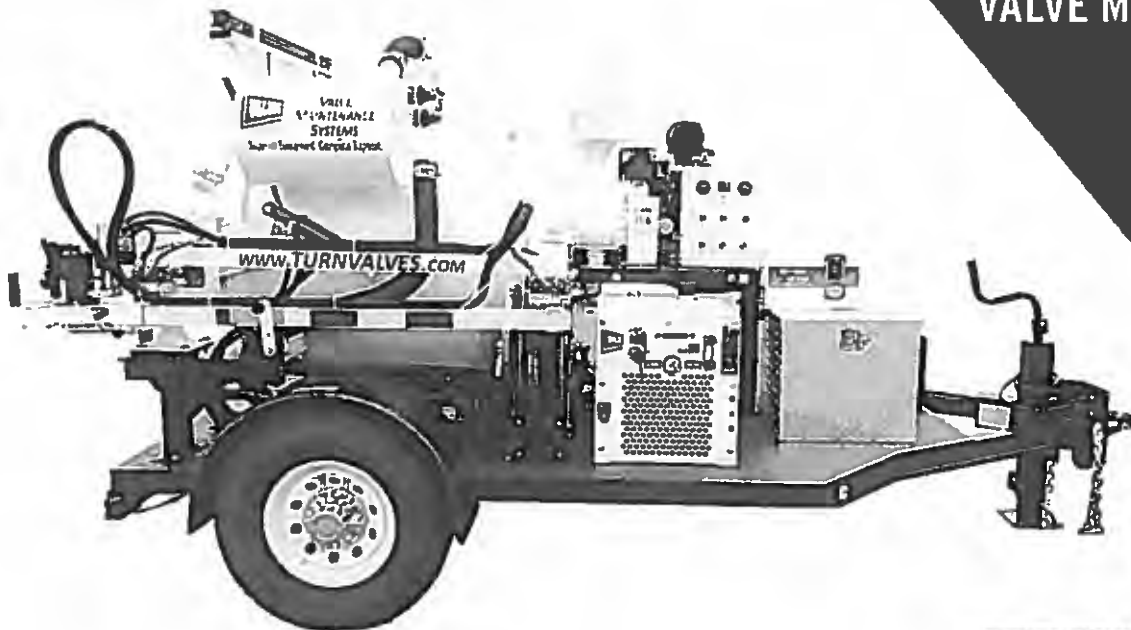
Utility Products

A Division of ITW

The Valve Maintenance Experts™

Standard LX

VALVE MAINTENANCE TRAILER



The Standard LX, an E.H. Wachs exclusive valve maintenance trailer, comes with our industry-leading ERV-750 extended reach valve exerciser, our newest controller – the HC-100 wireless handheld computer / controller/ datalogger with GPS and Vitals software. Also equipped with the powerful 500CFM-11in HG vacuum with hydraulic slide, tilt & dump (rear discharge) with latching rear door spoils tank. Loaded with storage and accessories this trailer is ready for serious valve maintenance work.

FEATURES

- 270° of motion, 13ft total extended reach, 750 ft/lbs ERV-750 valve exerciser
- Ruggedized HC-100 controller/data logger with built in GPS
- Available in two types of engines:
Diesel: Tier 4F compliant Kubota 1.1 L, I-3 4-stroke, liquid cooled IDI. #77-000-38
Gas: 27HP Kohler overhead cam, air cooled, #77-000-36
- HTMA Class II circuit, 10 gal reservoir, fan cooled heat exchanger, 8gpm@2000psi
- Positive displacement blower provides 500 CFM-11in Hg vacuum
- 250 gal spoils tank utilizing exclusive hydraulic slide, tilt & dump (rear discharge) with latching rear door
- 2.5 GPM@3000 psi pressure washer system with 95 gallon water tank

INCLUDES

- 2 1/2in, 1 1/4in & 7/8in suction wands
- Short wash down gun
- Long hydro excavation gun
- 20ft suction hose
- 50ft retractable water hose reel

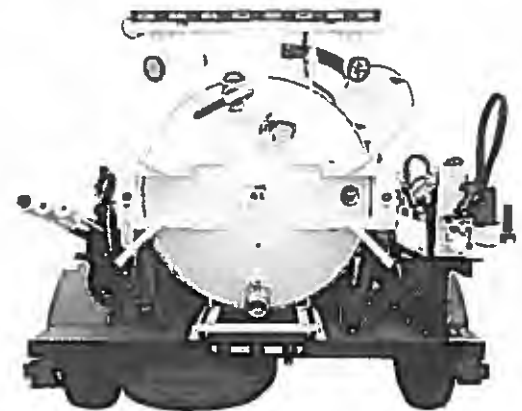
SPECIFICATIONS

- Gross Vehicle Weight: 7000 lb (3175 kg)
- Length: 15 ft, Height: 7 ft, Width: 7 1/2 ft

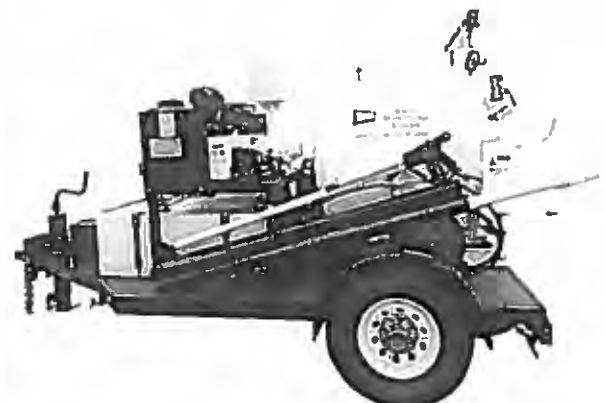
LX PACKAGE BUNDLE

- LED work light & arrow board bar
- 45in auxiliary hydraulic hose reel
- Bluetooth connectivity
- Job box

*Images shown with LX options



Designed for ease of use, the Standard LX rear-mounted spoils tank gets the job done



2.5GPM@3000 psi pressure washer with 95 gallon water tank makes clean-up easy

WACHS UTILITY PRODUCTS

600 Knightsbridge Parkway Lincolnshire, IL 60069 +1 (847) 537-8800

www.turnvalves.com

February 07, 2018



ADMINISTRATIVE REPORT
July 15 2019 - CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Kristin Bauer, Director of Public Services
Tom Tarkiewicz, City Manager
Christy Ramey, Purchasing Agent

SUBJECT: FY 2020 Police Department Vehicle Purchases:
2019 Ford Interceptor (Explorer)
(2) 2019 Dodge Charger Pursuit

BACKGROUND: The City of Marshall has budgeted \$87,500.00 in Fiscal Year 2019/2020 for the purchase of a Ford Explorer/Police Interceptor to replace the current M-3 in the fleet. Additionally, we budgeted for the addition of two (2) 2019 Dodge Charger Pursuit vehicles for the new School Resource Officer and Detective positions.

The vehicles will be purchased utilizing the State of Michigan MiDeal program.

The MiDeal price for the 2019 Ford Interceptor (Explorer) is \$34,316.00 from Boshears Ford in Marshall, Michigan.

The MiDeal price for the 2019 Dodge Charger Pursuit is \$25,076 each from LaFontaine Dodge in Lansing Michigan.

RECOMMENDATION: To authorize the budgeted purchases from Boshears Ford for the Police Explorer/Interceptor, in the amount of \$34,316.00 and a purchase from LaFontaine Dodge for two Dodge Charger Pursuit vehicles in the amount of \$50,152.00.

FISCAL EFFECTS: Funds to be expensed from the Motor Pool Fund Capital Outlay account, 661-898-970.00, in the amount of \$84,468.00 which is under the budgeted amount by \$3,032.00.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Kristin Bauer
Director of Public Services

Tom Tarkiewicz
City Manager

Christy Ramey
Purchasing Agent

323 W. Michigan Ave.
Marshall, MI 49068
p 269.781.5183
f 269.781.3835
cityofmarshall.com



ADMINISTRATIVE REPORT
July 15, 2019 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members

FROM: Tom Tarkiewicz, City Manager

SUBJECT: Prairie State Replacement Power

BACKGROUND: The City owns a 2 MW share in the 1,600 MW Prairie State Generating Station, a coal fired power plant in Illinois. This summer one of the two generating units will be down for maintenance. The original power sales contracts required AMP to purchase replacement power. The City through MSCPA has available power resources already to replace the Prairie State power. There may be a need requiring a purchase because of supply needs or power plant failures

Attached is a memo from MSCPA General Manager Paul Beckhusen and resolutions to allow the City and MSCPA to purchase its own replacement power, if needed.

RECOMMENDATION: It is recommended that the City Council adopt the resolutions authorizing the execution of the Prairie State replacement power schedule with AMP and the Prairie State replacement power schedule.

FISCAL EFFECTS: Unknown at this time.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Tom Tarkiewicz".

Tom Tarkiewicz
City Manager

23 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

CITY OF MARSHALL
PRAIRIE STATE REPLACEMENT POWER SCHEDULE

AMP Contract No. 2019-005497-SCHED

A Schedule to
American Municipal Power, Inc.
and
City of Marshall, Michigan
Master Service Agreement No. C-12-2005-4629
Dated September 7, 2006

WHEREAS, the City of Marshall, Michigan ("Municipality") and American Municipal Power, Inc. ("AMP"), collectively ("Parties"), have entered into a Master Service Agreement ("Agreement") under which certain services may be provided under schedules thereto;

WHEREAS, Municipality is a Participant in the Prairie State Energy Campus Project ("Project"), and is subject to the Project Power Sales Contract, which permits AMP to purchase Replacement Power to back-up all or any portion of the output of the Project's generation or to replace the same during periods in which any unit of the Project is not, for any reason in service or is derated or otherwise incapable of generating its full nominal capability on behalf of Municipality;

WHEREAS, the Project Participants may elect not to include Replacement Power on the Project's behalf for specific planned and unplanned outages through the Project;

WHEREAS, such Replacement Power purchases would be outside of the Project rate structure and require additional Project Participant authorization;

WHEREAS, the Municipality is a member of Michigan South Central Power Agency (MSCPA), and coordinates with, and receives all of its power supply needs from, MSCPA;

WHEREAS, the Municipality, MSCPA and AMP, have entered into a Supplement to Power Sales Contract Regarding the Prairie State Energy Campus dated November 1, 2007; and

WHEREAS, AMP and Municipality agree that AMP will purchase and deliver Project Replacement Power at the same delivery point as identified in the Project Power Sales Contract as specified herein.

NOW, THEREFORE, in consideration of the conditions, terms and covenants hereinafter contained, the Parties hereto do hereby mutually agree as follows:

ARTICLE I
TERM

Subject to the conditions contained herein, this Schedule shall be for a term beginning on June 1, 2019 and ending no later than December 31, 2057.

ARTICLE II
CONTRACT QUANTITIES AND RATE

SECTION 201 - CONTRACT QUANTITIES: For the compensation hereinafter set forth, and pursuant to the terms and conditions contained herein, AMP shall arrange for the delivery of Replacement Power to the Municipality. The Municipality shall be invoiced and responsible for paying, and AMP is entitled to receive as compensation, the following:

- A. Actual monthly transmission fees, congestion charges, ancillary services, unforced capacity charges, losses, customer charges, security costs, Replacement Power, and taxes or other such costs incurred by AMP to deliver the Replacement Power to the Municipality's Delivery Point as specified in the Project Power Sales Contract; and
- B. AMP's Service Fee B, as defined in the Agreement, for all Replacement Power sold or arranged for and delivered pursuant to this Schedule, unless the same is paid for under another power supply schedule; and
- C. The contract rates or fees that AMP pays or incurs for each MW or MWh of Replacement Power and/or energy supplied to the Municipality.

The Municipality's Authorized Representative as designated in Section 402 (or his/her designee) shall be authorized to approve purchases (and execute necessary Replacement Power confirmations) of Replacement Power as set forth in the transaction confirmations.

Section 202 – Procedures for Authorization of Power Supply Acquisition and Sale

A. It is understood and anticipated that AMP may throughout the term of this Schedule, enter into power purchase arrangements on behalf of the Municipality, subject to the approval of Municipality's Authorized Representative, to implement the Replacement Power purchases contemplated in Section 201 of this Schedule. The steps that will be followed in securing such Replacement Power purchases are set forth below.

At the time that AMP recommends that a Replacement Power purchase should be finalized, the following shall take place:

1. Authorized personnel of AMP shall confer with the Municipality's Authorized Representative (or his/her designee) on a recorded telephone line or through E-mail, regarding AMP's recommended Replacement Power purchase that

meet the requirements of Section 201 prior to entering into a purchase arrangement. AMP will provide Replacement Power supply recommendations to Municipality's Authorized Representative based upon the best market information available to AMP at the time any conferring takes place.

2. If the Municipality's Authorized Representative approves AMP's recommendation and authorizes acquisition of the Replacement Power purchase over a recorded telephone line or through E-mail, then AMP shall acquire the power on behalf of the Municipality subject to the effective date and other terms and conditions approved by the Municipality's Authorized Representative.

3. AMP will enter into a transaction confirmation or other arrangement as soon as reasonably possible after approval is received as set forth above.

4. Once a Purchase is finalized and transaction confirmation executed, AMP will send an acknowledgement of the transaction via email to Municipality's Authorized Representative that contains the commercial terms for Municipality's review and records.

ARTICLE III **DELIVERY POINT**

The delivery point(s) for Replacement Power to be delivered hereunder ("Point of Delivery" or "Delivery Point") shall be consistent with the Project Power Sales Contract Delivery Point.

ARTICLE IV **GENERAL**

SECTION 401 - FIRMNESS OF SUPPLY: Firmness of supply under this Schedule shall be equal to the firmness provided by the power supply schedules and transmission service arrangements executed by AMP, which are utilized to provide Replacement Power under this Schedule.

AMP's obligations hereunder are specifically dependent upon the performance of its suppliers or otherwise agreed to by the Parties. AMP will have selected the power suppliers based on AMP's current risk management policies. In the event of default of a power supplier, AMP shall provide replacement power to Municipality and Municipality shall pay any cost difference (if any) of the replacement power (or, if the cost of replacement power is less, then Municipality shall pay that lower cost). Should a supplier default to such a degree that the agreement by and between that supplier and AMP is terminated, AMP shall execute an alternate supply agreement, with another supplier, utilizing the four (4) step method described in Section 202.

Municipality specifically acknowledges that although power and energy made

available or otherwise agreed to by the Parties are intended to be the primary source of power and energy pursuant to this Schedule, AMP may, from time to time, substitute for actual delivery purposes other power and energy; provided that such substitute power be of a similar firmness and reliability as that made available under the power supplier agreements and further provided that such substitution does not result in increased costs to Municipality.

When third parties providing firm transmission service interrupt deliveries from AMP to Municipality, AMP will use commercially reasonable efforts to deliver energy across other parties' transmission systems if interruptions occur from the primary firm transmission provider's system.

All other terms and conditions of the Project Power Sales Contract between AMP and the Municipality that are not consistent with the terms and conditions of this Schedule shall be applicable as if fully restated herein.

SECTION 402 – AUTHORIZED REPRESENTATIVE: The Municipality's Representative shall be the Director of Utilities until modified by written notice to AMP by the Municipality.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

CITY OF MARSHALL, MICHIGAN

AMERICAN MUNICIPAL POWER, INC.

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Legal Counsel

Lisa G. McAlister, Senior VP/General
Counsel for Regulatory Affairs

APPENDIX A (SAMPLE)

AMP Contract No. _____

_____, 2019

The purpose of this email is to inform you that, pursuant to the terms of AMP Schedule No. 2023-005295-SCHED, and the authorization you already provided, AMP has transacted with a supplier to purchase electric energy on behalf of the Municipality. The commercial terms of this Transaction are as follows:

Trade Date: _____
Buyer: Village/City of _____
Seller: American Municipal Power, Inc.
Supplier: _____
Commodity: Firm Physical Power with Liquidating Damages
Term: _____
Delivery Period: _____
Hourly Schedule: Jan Feb Mar Apr May Jun Jul Aug Sep Oct Nov Dec
 ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___ ___
Energy Rate: \$ _____
Delivery Point: _____

Please confirm that the aforementioned correctly sets forth the terms and conditions of our written agreement by executing and returning via facsimile to the attention of Director of Energy Marketing at (614) 540-1080.

Jerry Willman
Assistant Vice President of Energy Marketing
American Municipal Power, Inc.
Desk: 614-540-6419
Cell: 614-561-9817
Fax: 617-540-1080
jwillman@amppartners.org
ICE IM: jwillman1

4828-7457-8074, v. 1

CITY OF MARSHALL

RESOLUTION NO. _____

**A RESOLUTION AUTHORIZING THE EXECUTION
OF THE PRAIRIE STATE REPLACEMENT POWER SCHEDULE
WITH AMERICAN MUNICIPAL POWER, INC. ("AMP")**

WHEREAS, the City of Marshall ("Municipality") and American Municipal Power, Inc. ("AMP"), collectively ("Parties"), have entered into a Master Service Agreement dated September 7, 2006 ("Agreement") under which certain services may be provided under schedules thereto;

WHEREAS, Municipality is a Participant in the Prairie State Energy Campus Project ("Project"), and is subject to the Project Power Sales Contract, which permits AMP to purchase Replacement Power to back-up all or any portion of the output of the Project's generation or to replace the same during periods in which any unit of the Project is not, for any reason in service or is derated or otherwise incapable of generating its full nominal capability on behalf of Municipality;

WHEREAS, the Municipality is a member of Michigan South Central Power Agency (MSCPA), and coordinates with, and receives all of its power supply needs from, MSCPA;

WHEREAS, the Municipality, MSCPA and AMP, have entered into a Supplement to Power Sales Contract Regarding the Prairie State Energy Campus dated November 1, 2007;

WHEREAS, the Project Participants desire and request that AMP purchase Replacement Power on their behalf only for those Participants that so request and only for specific planned and unplanned outages;

WHEREAS, as a result of the Participants Committee electing that such Replacement Power purchases be outside of the Project rate structure and therefore require additional Project Participant authorization; and,

WHEREAS, AMP and Municipality agree that AMP will purchase and deliver Project Replacement Power as specified in the Prairie State Replacement Power Schedule.

NOW THEREFORE, BE IT [RESOLVED/ORDAINED] BY THE COUNCIL OF THE CITY OF MARSHALL.

SECTION 1. That the form of the Prairie State Replacement Power Schedule between this Municipality and AMP, substantially in the form attached hereto as Exhibit

1, is approved, subject to and with any and all changes provided for herein and therein.

SECTION 2. That the City Manager or the City Manager's designee are hereby authorized to execute the Prairie State Replacement Power Schedule and to acquire the Municipality's Replacement Power, and is further authorized to execute and deliver any and all documents necessary to replace the output of the Prairie State Project's generation facilities or to replace the same during periods in which any unit of the Project is not, for any reason, in service or is derated or otherwise incapable of generating its full nominal capability, pursuant to the conditions set forth herein and as set forth in the Prairie State Replacement Power Schedule.

SECTION 3. That competitive bidding is not required on the Municipality's acquisition of its right to secure Replacement Power the Prairie State Replacement Power Schedule, and in the event any competitive bidding requirements are applicable, any such competitive bidding requirement that might otherwise be applicable, are hereby waived.

SECTION 4. That it is found and determined that all formal actions of this Council concerning and relating to the adoption of this Resolution were adopted in an open meeting of a quorum of the Council, and that all deliberations of this Council and of any its committees that resulted in such formal action, were held in meetings open to the public, in compliance with all legal requirements.

SECTION 5. If any section, subsection, paragraph, clause or provision or any part thereof of this Resolution shall be finally adjudicated by a court of competent jurisdiction to be invalid, the remainder of this Resolution shall be unaffected by such adjudication and all the remaining provisions of this Resolution shall remain in full force and effect as though such section, subsection, paragraph, clause or provision or any part thereof so adjudicated to be invalid had not, to the extent of such invalidity, been included herein.

SECTION 6. That this Resolution shall take effect at the earliest date allowed by law.

MEMO

To: Tom Tarkiewicz, Marshall City Manager
From: Paul H. Beckhusen, General Manager PHB
Date: June 18, 2019

Subject: Prairie State Replacement Power

The power sales contract (PSC) for the Prairie State project required American Municipal Power (AMP) to purchase replacement power during planned and unplanned plant outages. The Prairie State Participants Committee approved eliminating this automatic replacement power requirement, allowing the participants to choose on an individual basis to transact replacement power or not during an outage. Based on this, Michigan South Central Power Agency (MSCPA) will review the replacement power needs for all future Prairie State outages and make a recommendation to the City of Marshall as to the most economical replacement power option at the time.

Enclosed is an authorizing resolution and related power schedule to purchase replacement power via the AMP Master Service Agreement. This will establish the framework to transact the related replacement power supply purchases via AMP if MSCPA determines that is the most economical option. I recommend that the City of Marshall authorize the resolution and execute the schedule.

Please contact me with any questions.

Enclosure

CALL TO ORDER

IN REGULAR SESSION Monday, June 17, 2019 at 7:00 P.M. in the Council Chambers of Town Hall, 323 West Michigan Avenue, Marshall, MI, the Marshall City Council was called to order by Mayor Caron.

ROLL CALL

Roll was called:

Present: Council Members: Mayor Caron, Gates, McNeil, Traver, Underhill, and Wolfersberger.

Also Present: City Manager Tarkiewicz and Clerk Nelson.

Absent: Council Member Metzger.

Moved Traver, supported Wolfersberger, to excuse Council Member Metzger. On a voice vote – **MOTION CARRIED.**

INVOCATION/PLEDGE OF ALLEGIANCE

Mayor Caron led the Pledge of Allegiance.

APPROVAL OF THE AGENDA

Moved McNeil, supported Wolfersberger, to approve the agenda with the addition of the Michigan South Central Power Agency invoice in the amount of \$595,996.94. On a voice vote – **MOTION CARRIED.**

PUBLIC COMMENT ON AGENDA ITEMS

None.

CONSENT AGENDA

Moved Wolfersberger, supported Gates, to approve the Consent Agenda:

- A. Approve the bid for Marshall House Apartment Remodeling from Maple Lake Builders of Paw Paw, MI in the amount of \$33,250 for a 1-bedroom remodel and \$35,000 for the ADA remodel contingent upon HUD's approval of the project and the release of Replacement Reserve Funds to fund the project and approve the \$88,000 budget in account 536-900-970.00, Marshall House Capital Outlay, for FY2019 be carried over into FY2020;
- B. Approve the bid for Mill & Pave and Crack Fill & Sealcoating Projects from Asphalt Solutions of Marshall, MI for the amount of \$198,500 with a contingency amount of \$72.50/cubic yard for as needed subgrade undercutting and also approve the \$24,000 that was budgeted for PSB parking lot repairs in 101-900-970.00 in FY2019 be carried over into FY2020;
- C. Minutes of the City Council Work Regular Session held on Monday, May 20, 2019;

- D. Approve city bills in the amount of \$ 1,851,039.81.

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

PRESENTATIONS AND RECOGNITION

Greg Beeg, CEO of Oaklawn Hospital, Richard Lindsey, Executive Director of Legal and Community Affairs for Oaklawn Hospital, and Helen Guzzo, Calhoun County Senior Services Manager, presented the grants awarded for exercise equipment to Marshall House Apartments.

INFORMATIONAL ITEMS

Event Reports were provided for Blues Fest and Cruise at the Fountain.

PUBLIC HEARINGS & SUBSEQUENT COUNCIL ACTION

None.

OLD BUSINESS

None.

REPORTS AND RECOMMENDATIONS

A. Marshall Township Master PA 425 Conditional Land Transfer Agreement Revision:

Moved Wolfersberger, supported Underhill, to approve the revised Master PA 425 Conditional Land Transfer Agreement with Marshall Township. On a voice vote – **MOTION CARRIED.**

B. Local 1929 International Association of Firefighters:

Moved Traver, supported McNeil, to approve the contract with Local 1929 International Association of Firefighters. On a roll call vote – ayes: McNeil, Traver, Underhill, Wolfersberger, Mayor Caron, and Gates; nays: none. **MOTION CARRIED.**

C. Department of Public Works Contract, Teamsters Local 214:

Moved Wolfersberger, supported Gates, to approve the contract with the Department of Public Works, Teamsters Local. On a roll call vote – ayes: Traver, Underhill, Wolfersberger, Mayor Caron, Gates, and McNeil; nays: none. **MOTION CARRIED.**

D. Authorize Issuance of Water Supply Revenue Bonds Ordinance:

Moved Gates, supported Underhill, to approve the Water Supply System Revenue Bond Ordinance to authorize and provide for the issuance of City of Marshall Water Supply System Revenue Bonds under the provision of Act 94 of 1933, as amended. On a roll call vote – ayes: Underhill, Wolfersberger, Mayor Caron, Gates, McNeil, and Traver; nays: none. **MOTION CARRIED.**

CITY OF MARSHALL, MICHIGAN
ORDINANCE #2019-04

WATER SUPPLY SYSTEM REVENUE BOND ORDINANCE

AN ORDINANCE TO AUTHORIZE AND PROVIDE FOR THE ISSUANCE OF CITY OF MARSHALL WATER SUPPLY SYSTEM REVENUE BONDS UNDER THE PROVISIONS OF ACT 94, PUBLIC ACTS OF MICHIGAN, 1933, AS AMENDED, FOR THE PURPOSES OF PAYING COSTS OF ACQUISITION, CONSTRUCTION, IMPROVEMENT, ENLARGEMENT, EXTENSION OR REPAIR OF THE CITY OF MARSHALL WATER SUPPLY SYSTEM; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF SYSTEM REVENUES; TO PROVIDE FOR THE RETIREMENT AND SECURITY OF THE BONDS HEREIN AUTHORIZED AND THE RIGHTS OF THE HOLDERS OF THE BONDS IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR RELATED MATTERS.

THE CITY OF MARSHALL ORDAINS:

Section 1. Definitions. All terms not defined herein shall have the meanings set forth in this Ordinance, and whenever used in this Ordinance, except when otherwise indicated by the context, the following terms shall have the following meanings:

(a) “acquire,” “acquiring” and “acquired” shall include acquisition by purchase, construction or any other method.

(b) “Act 34” means the revised Municipal Finance Act, Act 34, Public Acts of Michigan, 2001, as amended.

(c) “Act 94” means the Revenue Bond Act of 1933, Act 94, Public Acts of Michigan, 1933, as amended.

(d) “Additional Bonds” means any additional bonds of equal standing with the Series 2019 Bonds and any other outstanding Senior Lien Bonds to be issued pursuant to Section 20 of this Ordinance.

(e) “Adjusted Net Revenues” means for any operating year the excess of revenues over expenses for the System determined in accordance with generally accepted accounting principles, to which shall be added depreciation, amortization, interest expense on Bonds and any payments to the City in lieu of taxes, to which may be made the following adjustments.

(i) Revenues may be augmented by the amount of any rate increases adopted prior to the issuance of Additional Bonds or to be placed into effect before the time principal or interest on the Additional Bonds becomes payable from Revenues as applied to quantities of service furnished during the operating year or portion thereof that the increased rates were not in effect.

(ii) Revenues may be augmented by amounts which may be derived from rates and charges to be paid by new customers of the System.

The adjustment of revenues and expenses by the factors set forth in (i) and (ii) above shall be reported upon by professional engineers or certified public accountants or other experts not in the regular employment of the City.

(f) “Aggregate Debt Service” for any period means, as of any date of calculation by the City, the sum of the amounts of the debt service for such period with respect to all Outstanding Senior Lien Bonds. In the event that any of the Outstanding Senior Lien Bonds bear interest at a variable rate, each such series of variable rate Bonds shall, for purposes of calculating Aggregate Debt Service, be assumed by the City to be the rate established for such computation in writing by the Authorized Officer; provided, however, that such assumed rate shall not be less than the average rate borne by such variable rate Bonds during the twelve full calendar months immediately preceding the date on which such computation is made; and provided further, however, that, to the extent such variable rate Bonds have not been Outstanding during the entirety of such twelve month period, the assumed rate shall not be less than the average rate on the SIFMA Index during such twelve month period.

(g) “Aggregate Debt Service Requirement” means for any period, and as of any date of calculation, Aggregate Debt Service for such period, less any capitalized interest to be paid from the proceeds of the Bonds.

(h) “Authorized Officer” means, with respect to the Series 2019 Bonds, either the Finance Director or the City Manager of the City or a person designated by an Authorized Officer, or, with respect to any series of Additional Bonds, the officer of the City designated at the time the Additional Bonds are authorized.

(i) “Bond Insurer” means a municipal bond insurance provider which is insuring any Outstanding Bonds.

(j) “Bond Reserve Account” means the Bond Reserve Account of the Redemption Account established pursuant to Section 12(B) of this Ordinance.

(k) “Bond Reserve Requirement” means the lesser of (i) the maximum annual debt service requirements on the Outstanding Bonds, (ii) 125% of the average annual debt service requirements on the Outstanding Bonds, or (iii) the total of 10% of the original aggregate face

amount of each series of the Outstanding Bonds, reduced by the net original issue discount, if any; provided, however, that the Reserve Requirement shall not at any time exceed the amount allowed to be invested at an unrestricted yield pursuant to Treas. Reg. Section 1.148-2(f)(2) or any successor provision thereto as applicable to the Bonds. For purposes of the Bond Reserve Requirement annual debt service on any variable rate Bonds shall not, after the issuance of such variable rate Bonds, be adjusted because of an adjustment to the interest rate borne by such variable rate Bonds.

(l) "Bonds" means the Series 2019 Bonds, any Additional Bonds, and any Junior Lien Bonds.

(m) "City" means the City of Marshall, Calhoun County, Michigan.

(n) "Consulting Engineers" means the engineer or engineering firm or firms appointed from time to time, and having a favorable reputation for skill and experience in the design and operation of water supply utilities at the time retained by the City, to perform the acts and carry out the duties provided for such Consulting Engineers in this Ordinance.

(o) "Council" or "City Council" means the City Council of the City.

(p) "Event of Default" shall refer to one of the Events of Default specified in Section 21 of this Ordinance.

(q) "General Obligation Debt Account" means the General Obligation Debt Account established pursuant to Section 12(D) of this Ordinance.

(r) "Government Obligations" means (i) direct obligations of (including obligations issued or held in book entry form on the books of) the United States of America, (ii) obligations the payment on which is guaranteed by the United States of America including, but not limited to, stripped interest components of obligations issued by the Resolution Funding Corporation (REFCORP) and non-callable, non-prepayable debt obligations of the United States Agency for International Development (US AID), which pay principal and interest at least three (3) business days prior to any respective escrow requirement dates, or (iii) non-callable, senior debt obligations of any government-sponsored enterprise or federal agency, corporation, or instrumentality of the United States of America created by an act of congress including, but not limited to, the Federal Home Loan Banks, Freddie Mac, Federal Farm Credit Banks Funding Corporation, and Fannie Mae.

(s) "Improvement Account" means the Improvement Account established pursuant to Section 12(E) of this Ordinance.

(t) "Internal Revenue Code" means the Internal Revenue Code of 1986, as amended.

(u) "Investment Obligations" means to the extent authorized by law, and if provided by an investment policy duly adopted by the City, one or more of the following: (i) bonds, securities and other obligations of the United States or an agency or instrumentality of the United States; (ii) certificates of deposit, savings accounts, deposit accounts, or

depository receipts of a Financial Institution who is eligible to be a depository of funds belonging to the State; (iii) commercial paper rated at the time of purchase within the two highest classifications established by not less than two nationally recognized rating services and that matures not more than 270 days after the date of purchase; repurchase agreements consisting of instruments listed in subdivision (i) above; (iv) bankers' acceptances of United States banks; (v) obligations of this State or any of its political subdivisions that at the time of purchase are rated as investment grade by not less than one nationally recognized rating service; (vi) mutual funds registered under the investment company act of 1940, title I of chapter 686, 54 Stat. 789, 15 U.S.C. 80a-1 to 80a-3 and 80a-4 to 80a-64, with authority to purchase only investments that are legal for direct investment by a public corporation; (vii) investment pools organized under the surplus funds investment pool act, 1982 PA 367, MCL 129.111 to 129.118; and (viii) investment pools organized under the local government investment pool act, 1985 PA 121, MCL 129.141 to 129.150.

(v) "Junior Lien Bonds" means bonds, bond anticipation notes issued under Act 34, Public Acts of Michigan, 2001, as amended, or other obligations which may be issued or incurred by the City to provide funds for any lawful purpose of the System which are of junior standing and priority of lien with respect to the Net Revenues to the claim of the Senior Lien Bonds.

(w) "Junior Lien Redemption Account" means the Junior Lien Bond and Interest Redemption Account established pursuant to Section 12(C) of this Ordinance.

(x) "Municipal Obligations" means any bonds or other obligations of the State of Michigan or of any agency, instrumentality or local governmental unit of the State of Michigan (i) which are not callable at the option of the obligor prior to maturity or as to which irrevocable notice has been given by the obligor to call on the date specified in the notice, and (ii) which are fully secured as to principal and interest and redemption premium, if any, by a fund consisting only of cash or Government Obligations, which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate, and (iii) which fund is sufficient, as verified by an independent certified public accountant, to pay principal of and interest and redemption premium, if any, on the bonds or other obligations described in this definition of Municipal Obligation on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in sub-clause (i) of this definition of Municipal Obligation, as appropriate, and (iv) which are rated, based on the escrow, in the highest rating category of either two of the following three ratings agencies: Standard & Poor's Corporation, Fitch Ratings, and Moody's Investors Service, Inc. or any successors thereto.

(y) "Net Revenues" means the Revenues remaining after deducting the reasonable expenses of administration, operation, and maintenance of the System and shall be construed as defined in Section 3 of Act 94.

(z) "Operation and Maintenance Account" means the Operation and Maintenance Account established pursuant to Section 12(A) of this Ordinance.

(aa) “Ordinance” means this Ordinance and any other ordinance amendatory or supplemental hereto.

(bb) “Outstanding Bonds” means Bonds issued and delivered under this Ordinance except:

- (i) Bonds canceled by the Transfer Agent;
- (ii) Bonds (or portions of Bonds) for the payment or redemption of which moneys or Government Obligations, equal to the principal amount or redemption price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under this Ordinance and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portion of Bonds) are to be redeemed, notice of redemption shall have been given as provided in this Ordinance or provision satisfactory to the Transfer Agent shall have been made for the giving of such notice;
- (iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered; and
- (iv) Bonds no longer deemed to be Outstanding Bonds as provided in Section 7 of this Ordinance.

(cc) “Project” means the acquisition, construction, improvement, enlargement, extension or repair of the System to be acquired and constructed pursuant to this Ordinance.

(dd) “Rebate Account” means the Rebate Account established pursuant to Section 13 of this Ordinance.

(ee) “Receiving Fund” means the Receiving Fund established pursuant to Section 12 of this Ordinance.

(ff) “Redemption Account” means the Bond and Interest Redemption Account established pursuant to Section 12(B) of this Ordinance.

(gg) “Registered Owner” means the owner of a Bond as shown by the registration records as kept by the Transfer Agent.

(hh) “Revenues” and “Net Revenues” shall mean the revenues and net revenues of the City derived from the operation of the System and shall be construed as defined in Section 3 of Act 94, including with respect to “Revenues,” the earnings derived from the investment of moneys in the various funds and accounts established by this Ordinance.

(ii) “Senior Lien Bonds” means the Series 2019 Bonds, while they remain outstanding, and any Additional Bonds.

(jj) “Series 2019 Bonds” means the Water Supply System Revenue Bonds, Series 2019 authorized by Section 4 of this Ordinance. If the Series 2019 Bonds are sold in two or more series then the term “Series 2019 Bonds” shall be construed to refer to all series.

(kk) "Series 2019 Construction Account" means the Water Supply System Revenue Bonds Series 2019 Construction Account created under Section 18 of this Ordinance.

(ll) "Series 2019 Project" refers to improvements and extensions of the water supply system, together with any appurtenances and attachments thereto and any related site acquisition or improvements to be acquired and constructed as part of the System with proceeds of the Series 2019 Bonds.

(mm) "Sufficient" means with respect to (i) cash or (ii) Government Obligations or (iii) Municipal Obligations, or any combination thereof, not redeemable at the option of the issuer thereof, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts, as to be fully sufficient to pay the interest as it comes due on the Bonds or any portion thereof and the principal and redemption premium, if any, on the Bonds or any portion thereof as they come due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations or cash shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the Transfer Agent.

(nn) "System" means the entire water supply system of the City, both inside and outside the City, including all plants, works, instrumentalities and properties, used or useful in connection with the purification, supply and treatment of potable water as the same now exists, and all enlargements, extensions, repairs and improvements thereto hereafter made.

(oo) "Transfer Agent" means The Huntington National Bank, or such other bank selected by the City for payment of each series of the Bonds.

(pp) "Trustee" means The Huntington National Bank, or such other bank or trust company named as Trustee by the City to serve as Trustee pursuant to this Ordinance upon occurrence of an Event of Default, or any successor Trustee appointed pursuant to Section 31 of this Ordinance.

Section 2. Necessity; Approval of Plans and Specifications. It is hereby determined to be necessary for the public health and welfare of the City to acquire the Series 2019 Project in accordance with the plans and specifications heretofore prepared by the Consulting Engineers which plans and specifications are hereby approved.

Section 3. Costs of Series 2019 Project; Useful Life. The aggregate cost of the Series 2019 Project is estimated to be an amount not-to-exceed Four Million Two Hundred Thousand Dollars (\$4,200,000) subject to the taking of construction bids, including the payment of legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2019 Bonds, and deposit of monies to the Bond Reserve Account as necessary to meet the Bond Reserve Requirement, which estimate of cost is hereby approved and confirmed. The period of usefulness of the Series 2019 Project is estimated to be not less than thirty (30) years.

Section 4. Series 2019 Bonds Authorized. The City shall issue the Series 2019 Bonds pursuant to the provisions of Act 94 in one or more series in the aggregate principal

amount of not-to-exceed Four Million Two Hundred Thousand Dollars (\$4,200,000) as finally determined by the Authorized Officer at the time of sale, for the purposes of paying the costs of acquiring and constructing the Series 2019 Project, including payment of legal, engineering, financial and other expenses incident thereto and incident to the issuance and sale of the Series 2019 Bonds, and deposit of monies to the Bond Reserve Account as necessary to meet the Bond Reserve Requirement. The Series 2019 Bonds shall not be a general obligation of the City but shall be payable solely out of the Net Revenues of the System. The Authorized Officer is hereby authorized to determine, based upon the advice of bond counsel and the municipal advisor, whether to sell a portion of the Series 2019 Bonds as taxable bonds.

Section 5. Series 2019 Bond Data. The Series 2019 Bonds shall be designated as the WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2019, with any additional series designations as determined by the Authorized Officer to distinguish different series of bonds. The Series 2019 Bonds shall be issued as term bonds or serial bonds as determined at the time of sale of the Series 2019 Bonds, in fully-registered form in denominations of \$5,000 or integral multiples thereof, not exceeding the amount of bonds maturing on the same date such bond matures, and shall be numbered in consecutive order of authentication from 1 upwards. The Series 2019 Bonds shall be dated as of such date as may be determined at the time of sale, and shall mature on such dates as shall be determined at the time of sale, provided, however, that the Series 2019 Bonds shall mature within 20 years of the date of issuance thereof.

The Series 2019 Bonds shall bear interest at the rate or rates to be determined at the time of sale of the Series 2019 Bonds, payable semi-annually on such dates as approved at the time of sale thereof, and semi-annually thereafter by check drawn on the Transfer Agent and mailed to the registered owner at the registered address, as shown on the registration books of the City maintained by the Transfer Agent. Interest shall be payable to 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 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. The principal of the Series 2019 Bonds shall be payable at the designated office of the Transfer Agent.

The Series 2019 Bonds may be subject to redemption prior to maturity at the times and prices finally determined at the time of sale. In the event that any of the Series 2019 Bonds shall be issued as term bonds, the mandatory redemption requirements for such term bonds shall be specified at the time of sale.

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.

The Series 2019 Bonds shall be signed by the manual or facsimile signature of the Mayor and countersigned by the manual or facsimile signature of the City Clerk. The Series 2019 Bonds shall have the corporate seal of the City impressed or printed thereon. If any of the Series 2019 Bonds shall be signed by the facsimile signature of both the Mayor and the City Clerk then such bond shall not be valid until authenticated by an authorized officer of the Transfer Agent. The Series 2019 Bonds shall be delivered to the Transfer Agent for authentication and be delivered by the Transfer Agent to the purchaser in accordance with instructions from the City upon payment of the purchase price therefor in accordance with the bond purchase agreement with the purchaser of the Series 2019 Bonds. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the Transfer Agent for safekeeping.

The Series 2019 Bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York ("DTC"), and any official of the City is authorized to execute such custodial or other agreement with DTC as may be necessary to accomplish the issuance of the Series 2019 Bonds in book-entry-only form and to make such changes in the bond form within the parameters of this Ordinance as may be required to accomplish the foregoing. If the Series 2019 Bonds are held in book-entry form by DTC, payment of principal of and interest shall be made in the manner prescribed by DTC.

Any Series 2019 Bond may be transferred upon the books of the City maintained by the Transfer Agent by the person in whose name it is registered, in person or by his 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 Series 2019 Bond or Bonds shall be surrendered for transfer, the Transfer Agent shall authenticate and deliver a new bond or bonds of the same series 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. The Transfer Agent shall not be required (i) to issue, register the transfer of, or exchange any bond during a period beginning at the opening of 15 business days before the day of the mailing of a notice of redemption of bonds selected for redemption prior to maturity and ending at the close of business on the day of that mailing, or (ii) to register the transfer of or exchange any bond so selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part. Notwithstanding the foregoing, if the Series 2019 Bonds are held by DTC in book-entry form, the transfer of the Series 2019 Bonds shall be made in the manner prescribed by DTC.

Section 6. Senior Lien Bond Form. The Senior Lien Bonds, including the Series 2019 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 established upon sale thereof.

UNITED STATES OF AMERICA
STATE OF MICHIGAN
COUNTY OF CALHOUN
CITY OF MARSHALL
WATER SUPPLY SYSTEM REVENUE BOND
[SERIES DESIGNATION]

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, but only out of the hereinafter described Net Revenues, 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 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 [first payment date] and semiannually thereafter. Principal of this bond is payable at the designated corporate trust office of [Transfer Agent], 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 an 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 by the Transfer Agent to the Registered Owner of record at the registered address. The date of determination of Registered Owner for purposes of payment of interest may be changed by the City to conform to market practice in the future. For the prompt payment of the principal of and interest on this bond, the revenues of the water supply system of the City including all enlargements, extensions, repairs and improvements thereto hereafter made (the "System"), after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and certain funds and accounts established by the Ordinance (defined below), are irrevocably pledged and a statutory lien thereon has been created. [This bond and the series of which it is one are of equal standing and priority of lien as to the Net Revenues of the System with the City's outstanding [series bonds] (collectively, the "Senior Lien Bonds")].

This bond is one of a series of bonds of even Date of Original Issue aggregating the principal sum of \$[principal amount], issued pursuant to Ordinance No. [ordinance number] (the "Ordinance") duly adopted by the City Council of the City, and under and in full compliance with the Constitution and statutes of the State of Michigan, including specifically Act 94, Public Acts of Michigan, 1933, as amended ("Act 94") for the purposes of acquiring

and constructing improvements to the System[, to fund the bond reserve account for the bonds,] and to pay costs of issuance of the bonds.

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of equal standing as to the Net Revenues may hereafter be issued, and the general covenants and provisions pursuant to which this bond is issued, reference is made to the Ordinance. The City has reserved the right to issue additional bonds of equal standing with the bonds of this issue on the conditions stated in the Ordinance. Copies of the Ordinance are on file at the office of the City Clerk and at the designated corporate trust office of The Huntington National Bank, as Trustee (the "Trustee"), and reference is made to the Ordinance and any and all supplements thereto and modifications and amendments thereof, if any, and to Act 94 for a more complete description of the pledges and covenants securing the bonds, the nature, extent and manner of enforcement of such pledges, the rights and remedies of the registered owners of the bonds with respect thereto and the terms and conditions upon which the bonds are issued and may be issued thereunder. To the extent and in the manner permitted by the terms of the Ordinance, the provisions of the Ordinance or any resolution or agreement amendatory thereof or supplemental thereto, may be modified or amended by the City, except in specified cases, only with the written consent of the registered owners of at least fifty-one percent (51%) of the principal amount of the bonds then outstanding.

Bonds maturing in the years [maturity dates of bonds which can't be prepaid] inclusive, shall not be subject to redemption prior to maturity at the option of the City.

Bonds or portions thereof in multiples of \$5,000 maturing on or after [first maturity date of bonds which can be prepaid], will be subject to redemption prior to maturity at the option of the City on any date occurring on or after [first date bonds can be prepaid], in such order as the City may determine and within any maturity by lot at par plus accrued interest to the date fixed for redemption.

[If Term Bonds are sold, provisions describing
mandatory sinking fund redemption of Term Bonds]

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

Notice of redemption shall be given 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. 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.

This bond is transferable only upon the books of the City kept for that purpose at the office of the Transfer Agent by the Registered Owner hereof 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 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 Ordinance, and upon the payment of the charges, if any, therein prescribed. The Transfer Agent shall not be required (i) to issue, register the transfer of, or exchange any bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of bonds selected for redemption under the Ordinance and ending at the close of business on the date of that mailing, or (ii) to register the transfer of or exchange any bond so selected for redemption in whole or in part, except the unredeemed portion of bonds being redeemed in part.

THIS BOND IS A SELF-LIQUIDATING BOND AND IS NOT A GENERAL OBLIGATION OF THE CITY AND DOES NOT CONSTITUTE AN INDEBTEDNESS OF THE CITY WITHIN ANY CONSTITUTIONAL, STATUTORY OR CHARTER LIMITATION, AND IS PAYABLE BOTH AS TO PRINCIPAL AND INTEREST SOLELY FROM THE NET REVENUES OF THE SYSTEM AND CERTAIN FUNDS AND ACCOUNTS ESTABLISHED UNDER THE ORDINANCE. THE PRINCIPAL OF AND INTEREST ON THIS BOND ARE SECURED BY THE STATUTORY LIEN HEREINBEFORE DESCRIBED.

The City has covenanted and agreed in the Ordinance that the City will at all times fix, establish, maintain and collect rates, fees and charges for the sale of the output, capacity, use or service of the System which, together with other income, are reasonably expected to yield Net Revenues equal to at least 110% of the aggregate debt service requirement on all Senior Lien Bonds payable from the Net Revenues of the System as and when the same become due and payable, and in addition to maintain a bond and interest redemption account (including a bond reserve account) therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinance.

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 have been done and performed in regular and due time and form as required by law.

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 Marshall, County of Calhoun, State of Michigan, by its City Council, has caused this bond to be signed in the name of said City [by] / [with the facsimile signatures of] its Mayor and its City Clerk and the City seal or a facsimile thereof to be [manually impressed/printed], all as of the Date of Original Issue.

CITY OF MARSHALL

By [facsimile] _____
Mayor

(Seal)

Countersigned:

By [facsimile] _____
City Clerk

*[STANDARD FORM OF AUTHENTICATION CERTIFICATE
AND ASSIGNMENT TO APPEAR ON DEFINITIVE BOND]*

Section 7. Payment of Bonds; Defeasance. The Bonds and the interest thereon shall be payable solely from the Net Revenues (except to the extent payable from the proceeds of bond insurance or other credit enhancement or from the proceeds of Bonds), and to secure such payment, there is hereby created a statutory lien upon the whole of the Net Revenues which shall be a first lien. Pursuant to provisions of Act 94, the City hereby pledges to the repayment of principal of, interest on and redemption premiums, if any, on the Bonds, the funds and accounts established by this Ordinance other than the Rebate Account, and a statutory lien is hereby created on such funds and accounts. The liens and pledge provided above shall continue until payment in full of the principal of and interest on all Bonds payable from Net Revenues, or, until Sufficient cash, Sufficient Government Obligations, Sufficient Municipal Obligations or any combination thereof shall have been deposited in trust for payment in full of the principal of and the interest on all Bonds to be paid or defeased to their maturity, or, if called or if irrevocable instructions have been given to call for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. Upon deposit Sufficient cash, Sufficient Government Obligations, Sufficient Municipal Obligations or any combination thereof, as provided in the previous sentence, the statutory lien herein created shall be terminated with respect to the Bonds to be defeased, the Registered Owners of these Bonds shall have no further rights under this Ordinance except for payment from the deposited funds and for rights of replacement, registration and transfer, and such Bonds shall no longer be considered to be Outstanding Bonds under this Ordinance.

Section 8. Management; Operating Year. The operation, repair and management of the System and the acquisition and construction of the Series 2019 Project shall be under the supervision and control of the City Council. The City Council, in accordance with the relevant provisions of the City Charter, may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The City Council may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. The System shall be operated on the basis of an operating year which is the same as the fiscal year of the City.

Section 9. Rates and Charges. The rates and charges for service furnished by and the use of the System and the methods of collection and enforcement of the collection of the rates shall be those in effect on the date of adoption of this Ordinance.

Section 10. No Free Service or Use. No free service or use of the System, or service or use of the System at less than cost, shall be furnished by the System to any person, firm or corporation, public or private, or to any public agency or instrumentality, including the City.

Section 11. Fixing and Revising Rates; Rate Covenant. The rates now in effect are estimated to be sufficient to provide for the payment of the expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the System in good repair and working order, to provide for the payment of the principal of and interest on the Bonds as the same become due and payable, and the maintenance of the reserve therefor and to provide for all other obligations, expenditures and funds for the System required by law and this Ordinance. In addition, it is agreed that the City will at all times fix, establish, maintain and collect rates, fees and charges for the sale of the output, capacity, use

or service of the System which, together with other income, are reasonably expected to yield Net Revenues equal to at least 110% of the Aggregate Debt Service Requirement on the Senior Lien Bonds for the forthcoming twelve (12) month period plus such amount as is necessary to comply with all covenants in this Ordinance and to pay all charges and liens whatsoever payable out of Net Revenues in such period. In calculating Net Revenues under this section the City shall not include any investment earnings to be received from investment of the Bond Reserve Account.

Section 12. Funds and Accounts; Flow of Funds. All Revenues of the System shall be set aside as collected and credited to a fund to be designated WATER SUPPLY SYSTEM RECEIVING FUND. The Revenues so credited are pledged for the purpose of the following funds and shall be transferred or debited from the Receiving Fund periodically in the manner and at the times hereinafter specified:

A. OPERATION AND MAINTENANCE ACCOUNT:

Out of the Revenues credited to the Receiving Fund there shall be first set aside in, or credited to an account hereby ordered to be established, maintained and designated OPERATION AND MAINTENANCE ACCOUNT, a sum sufficient to provide for the payment of the expenses of administration and operation of the System including such current expenses for the maintenance of the System as may be necessary to preserve the System in good repair and working order.

A budget, showing in detail the estimated costs of administration, operation and maintenance of the System for the next ensuing operating year, shall be prepared by the City at least 30 days prior to the commencement of each ensuing operating year. No payments shall be made to the City from moneys credited to the Operation and Maintenance Account except for services directly rendered to the System by the City or its personnel.

B. BOND AND INTEREST REDEMPTION ACCOUNT:

There shall be established and maintained a separate depository account designated BOND AND INTEREST REDEMPTION ACCOUNT, the moneys on deposit therein from time to time to be used solely, except for required deposits to the Rebate Account, for the purpose of paying the principal of, redemption premiums (if any) and interest on the Senior Lien Bonds.

Out of the Revenues remaining in the Receiving Fund, after provision for the credit or deposit to the Operation and Maintenance Account, there shall next be set aside, monthly, in the Redemption Account a sum proportionately sufficient to provide for the payment of the principal of, mandatory redemption requirements, if any, and interest on the Senior Lien Bonds as and when the same become due and payable, subject to any credit therefor as provided in this Section 12(B). If there shall be any deficiency in the amount previously required to be set aside, then the amount of such deficiency shall be added to the next succeeding month's requirements.

No further payments need be made into the Redemption Fund after enough of the Senior Lien Bonds have been retired so that the amount then held in the Redemption Fund

(including the Bond Reserve Account) is equal to the entire amount of principal and interest which will be payable at the time of maturity of all Outstanding Senior Lien Bonds and the monies so held shall be used solely to pay the principal of and interest on the Senior Lien Bonds including redemption premiums, if any, as the Senior Lien Bonds become due either by maturity or by redemption prior to maturity.

A redemption requirement for the Senior Lien Bonds may be satisfied by calling the Senior Lien Bonds as provided in this Ordinance or by the purchase and surrender to the Transfer Agent of Senior Lien Bonds of the same issue and maturity from moneys allocated therefor as provided herein, or purchased with other funds legally available therefor. The City shall elect the manner in which it intends to satisfy a redemption requirement not less than forty five days prior to the date of redemption.

There is hereby established in the Redemption Account a separate account to be known as the BOND RESERVE ACCOUNT. From the proceeds of the sale of the Series 2019 Bonds or other moneys available to the City there shall be deposited an amount in the Bond Reserve Account which shall cause the amount on deposit in the Bond Reserve Account to equal the Bond Reserve Requirement. The City may meet the Bond Reserve Requirement by cash, a letter of credit, a surety bond, or an insurance policy if the provider or issuer thereof shall be rated by a nationally recognized bond rating agency as high or higher than the Senior Lien Bonds. Except as hereinafter provided, the moneys credited to the Bond Reserve Account shall be used solely for the payment of the principal of, redemption premiums (if any) and interest on the Senior Lien Bonds as to which there would otherwise be a default. If at any time it shall be necessary to use the moneys or the surety bond credited to the Bond Reserve Account for such payment, then the moneys so used shall be replaced or repaid over a period of not more than 5 years, or such other period as required by the letter of credit, surety bond, or insurance policy securing the Bond Reserve Account, from the Net Revenues first received thereafter which are not required for current principal and interest requirements. If at any time there is any excess in the Bond Reserve Account over the Bond Reserve Requirement, such excess may be transferred to such fund or account as the City shall direct. If Additional Bonds are issued, each ordinance authorizing such Additional Bonds shall provide for additional deposits to the Redemption Account for credit to the Bond Reserve Account from the proceeds of such Additional Bonds, or other moneys available to the City, in such an amount as will result in the total credited to the Bond Reserve Account being equal to the Bond Reserve Requirement.

C. JUNIOR LIEN BOND AND INTEREST REDEMPTION ACCOUNT:

If the City shall ever issue Junior Lien Bonds, there shall be established and maintained a separate depository account designated JUNIOR LIEN BOND AND INTEREST REDEMPTION ACCOUNT for the purpose of paying the principal, redemption premiums, if any, and interest on such Junior Lien Bonds as they come due. Revenues remaining in the Receiving Fund, after provision has been made for the requirements of the Operation and Maintenance Account and the Redemption Account including the Bond Reserve Account, shall be set aside, but not more often than monthly, in the Junior Lien Redemption Account in accordance with the ordinance authorizing the issuance of the Junior Lien Bonds. Additionally, a separate account may also be established within the Junior Lien Redemption

Account as a bond reserve account to be funded on a junior lien basis in accordance with the ordinance authorizing the issuance of the Junior Lien Bonds. The detail of the establishment and maintenance of the Junior Lien Redemption Account shall be provided in the ordinance of the City Council authorizing the issuance of such Junior Lien Bonds.

D. GENERAL OBLIGATION DEBT ACCOUNT:

Out of the remaining Revenues in the Receiving Fund, there may be next set aside in or credited to monthly after meeting the requirements of the foregoing Account, to an account designated GENERAL OBLIGATION DEBT ACCOUNT, or from other available moneys such sums as shall be necessary to pay debt service on presently existing or future general obligation bond issues of the City or general obligations or contractual obligations of the City incurred or to be incurred for System purposes.

E. IMPROVEMENT ACCOUNT:

There next shall be established and maintained an account designated IMPROVEMENT ACCOUNT. Except as hereinafter provided, the money credited thereto shall be used solely for the purpose of making major repairs, replacements and improvements to the System. There shall next be set aside in or credited to the Improvement Account, after provision is made for the requirements of the foregoing funds and accounts, such additional funds as the City may deem advisable. If at any time it shall be necessary to use moneys in the Improvement Account the moneys so used shall be replaced from any moneys in the Receiving Fund which are not required by this Ordinance to be used for the Rebate Account, Operation and Maintenance Account, Redemption Account (including the Bond Reserve Account), or the Junior Lien Redemption Account.

F. SURPLUS MONEYS:

Thereafter, any Revenues in the Receiving Fund after satisfying all the foregoing requirements of this Section 12 may, at the discretion of the City, be used for any of the following purposes:

1. Transferred to the Improvement Account.
2. Transferred to the Redemption Account and used for the purchase of Bonds on the open market at not more than the fair market value thereof or used to redeem Bonds prior to maturity pursuant to this Ordinance.
3. Any other use permitted by law.

Section 13. Rebate Account. There shall be established and maintained an account designated the REBATE ACCOUNT. Moneys representing investment earnings or profits shall be transferred annually from all funds and accounts established under this Ordinance and deposited in the Rebate Account in an amount sufficient to enable the City to rebate investment earnings to the federal government, if necessary, in accordance with the requirements of the Internal Revenue Code. Funds on deposit in the Rebate Account are not pledged as security for the Bonds. Monies shall be deposited in the Rebate Account and shall

be rebated to the federal government unless the City has received an opinion of nationally recognized bond counsel that failure to take such actions will not adversely affect the exclusion from gross income for federal income tax purposes of the interest on such Bonds.

Section 14. Segregation of Accounts; Funds on Hand. Moneys in the several funds and accounts established pursuant to this Ordinance, except moneys in the Redemption Account (including the Bond Reserve Account), the Junior Lien Redemption Account, the General Obligation Debt Account, and the Rebate Account, and moneys derived from the proceeds of sale of the Bonds, may be kept in one deposit account, in which event the moneys in said account shall be allocated on the books and records of the City or deposited to the funds and accounts herein established, in the manner and at the times provided in this Ordinance.

Section 15. Priority of Funds. In the event the moneys in the Receiving Fund are insufficient to provide for the current requirements of the Operation and Maintenance Account, the Redemption Account, or the Junior Lien Redemption Account, any moneys or securities in other funds of the System, except the proceeds of sale of the Bonds, shall be credited or transferred, first, to the Operation and Maintenance Account, second, to the Redemption Account, to the extent of any deficit therein, and third, to the Junior Lien Redemption Account.

Section 16. Investments. Moneys in the funds and accounts established herein may be invested by the City in Investment Obligations, provided, however, that moneys deemed to be proceeds of tax-exempt Bonds shall be invested in accordance with the requirements of Section 33 of this Ordinance. Investment of moneys in the Redemption Account being accumulated for payment on the next maturing principal or interest payment on the Bonds shall be limited to Government Obligations bearing maturity dates prior to the date of the next maturing principal or interest payment respectively on the Bonds. Investment of moneys in any other funds or accounts, including moneys derived from the proceeds of sale of the Bonds, shall be limited to obligations bearing maturity dates or subject to redemption, at the option of the holder thereof, not later than the time estimated by the City when the moneys from such investments will be required. In the event investments are made, any securities representing the same shall be kept on deposit with the bank or trust company having on deposit the fund or funds or accounts from which such purchase was made. Earnings or profits on any investment of funds in any fund or account established in this Ordinance shall be deposited in or credited to the Rebate Account to extent necessary as required by Section 13 of this Ordinance and any earnings or profits remaining in the Receiving Fund, Operation and Maintenance Account, Redemption Account, Junior Lien Redemption Account, General Obligation Debt Account, and, at any time after they are fully funded, the Bond Reserve Account and the Improvement Account, shall be deposited in or credited to the Receiving Fund provided, however, that any earning or profit on the Bond Reserve Account received prior to the completion of the Project shall be deposited in the Construction Account.

The City shall value investments in the Bond Reserve Account at fair market value and marked to market at least once per year. The average duration of investments in the Bond Reserve Account may not have maturities extending beyond 5 years.

Section 17. Applicable Law. The Bonds shall be sold and the proceeds applied in accordance with the provisions of Act 94.

Section 18. Proceeds of Series 2019 Bonds. There shall be established and maintained a separate depository account designated as the WATER SUPPLY SYSTEM REVENUE BONDS SERIES 2019 CONSTRUCTION ACCOUNT in a bank qualified to act as depository of the proceeds of sale of revenue bonds under the provisions of Section 15 of Act 94. If the Series 2019 Bonds are sold as both a tax exempt series and a taxable series then separate accounts shall be established within the Series 2019 Construction Account for proceeds of each series. Monies in the Series 2019 Construction Account shall be applied solely in payment of the cost of the Series 2019 Project and any costs of engineering, legal, bond issuance and other expenses incident thereto and to the issuance of the Series 2019 Bonds. Any unexpended balance of the proceeds of sale of the Series 2019 Bonds remaining in the Series 2019 Construction Account after completion of the Series 2019 Project may, in the discretion of the Authorized Officer, be used for meeting requirements, if any, of the Bond Reserve Account, or for further improvements, enlargements and extension to the System. Any balance remaining after such expenditure shall be paid into the Redemption Account.

From the proceeds of sale of the Series 2019 Bonds there first shall be immediately deposited in the Redemption Account an amount equal to the accrued interest, if any, received on delivery of the Series 2019 Bonds, and the City may take credit for the amount so deposited against the amount required to be deposited in the Redemption Account for payment of the next maturing interest. All or a portion of any premium received upon delivery of the Series 2019 Bonds may be deposited in either the Redemption Account or the Series 2019 Construction Account, as determined by the Authorized Officer in consultation with bond counsel.

There shall next be deposited from the proceeds of sale of the Series 2019 Bonds to the Bond Reserve Account an amount, if any, designated by the Authorized Officer at the time of sale as necessary to meet the requirements of this Ordinance.

The remaining proceeds of sale of the Series 2019 Bonds shall be deposited to the Series 2019 Construction Account.

Section 19. Covenants. The City covenants and agrees with the Registered Owners of the Bonds that so long as any of the Bonds remain as Outstanding Bonds and unpaid as to either principal or interest:

(a) The City will maintain the System in good repair and working order and will operate the same efficiently and will faithfully and punctually perform all duties with reference to the System required by the Constitution and laws of the State of Michigan and this Ordinance.

(b) The City will maintain and keep proper books of record and account separate from all other records and accounts of the City in accordance with Act 2, Public Acts of Michigan, 1968, as amended. The City will cause an annual audit of the books of record and account of the System for the preceding operating year each year by a recognized independent certified

public accountant. The audit shall be completed and so made available in accordance with Act 2, Public Acts of Michigan 1968, as amended.

(c) The City shall maintain and carry, for the benefit of the Registered Owners of the Bonds, insurance on all physical properties of the System and liability insurance, of the kinds and in the amounts normally carried by public utility companies and municipalities engaged in the operation of water supply systems. All moneys received for losses under any such insurance policies shall be applied solely to the replacement and restoration of the property damaged or destroyed, and to the extent not so used, shall be placed in the Redemption Account and used for the purpose of redeeming or purchasing Bonds.

(d) The City will not sell, lease, mortgage or otherwise dispose of any part of the System, except for sales or exchanges of property or facilities (1) which are not useful in the operation of the System, or (2) for which the proceeds received are, or the fair market value of the subject property (as certified by the Consulting Engineers) is, less than 1% of the Revenues of the preceding fiscal year, or (3) as to which the Consulting Engineers certify that the ability of the City to comply with the rate covenant described in Section 11 of this Ordinance will not be impaired.

(e) The City will not grant any franchise or other rights to any person, firm or corporation to operate a system that will compete with the System and the City will not operate a system that will compete with the System.

(f) The City will cause the Series 2019 Project to be acquired and constructed promptly and in accordance with the plans and specification therefor.

(g) Any bonds issued by the City payable from the Net Revenues of the System shall be issued under this Ordinance.

Section 20. Additional Bonds. The right is reserved, in accordance with the provisions of Act 94, to issue additional bonds payable from the Revenues of the System which shall be of equal standing and priority of lien on the Net Revenues of the System with the Senior Lien Bonds but only for the following purposes and under the following terms and conditions.

(a) To complete the Project in accordance with the plans and specifications therefor. Such Bonds shall not be authorized unless the Consulting Engineers shall execute a certificate evidencing the fact that additional funds are needed to complete the Project in accordance with the plans and specifications therefor and stating the amount that will be required to complete the Project. If such certificate shall be so executed and filed with the City, it shall be the duty of the City Council to provide for and issue Additional Bonds in the amount stated in said certificate to be necessary to complete the Project in accordance with the plans and specifications plus in accordance with the plans and specifications plus an amount necessary to pay the cost of issuing such Bonds or to provide for part or all of such amount from other sources legally available therefor.

(b) For subsequent repairs, extensions, enlargements and improvements to the System or for the purpose of refunding a part of any Outstanding Bonds (unless such partial refunding

is done in compliance with (c) below) and paying costs of issuing such Additional Bonds including deposits which may be required to be made to the Bond Reserve Account. Bonds for such purposes shall not be issued pursuant to this subparagraph (b) unless the Adjusted Net Revenues of the System for the then last two (2) preceding 12-month operating years, or the Adjusted Net Revenues of the System for the then last preceding 12-month operating year, if the same shall be lower than the average, shall be equal to at least 125% of the maximum Aggregate Debt Service in any future operating year on the then Outstanding Bonds and on the Additional Bonds then being issued. If the Additional Bonds are to be issued in whole or in part for the purpose of refunding Outstanding Bonds, the maximum Aggregate Debt Service shall be determined by deducting from the principal and interest requirements for each operating year the annual Aggregate Debt Service Requirements of any Bonds to be refunded from the proceeds of the Additional Bonds. For purposes of this subparagraph (b) the City may elect to use as the last preceding operating year any operating year ending not more than sixteen months prior to the date of delivery of the Additional Bonds and as the next to the last preceding operating year, any operating year ending not more than twenty-eight months prior to the date of delivery of the Additional Bonds. Determination by the City as to existence of conditions permitting the issuance of Additional Bonds shall be conclusive.

No Additional Bonds of equal standing as to the Net Revenues of the System shall be issued pursuant to the authorization contained in subparagraphs (b) or (d) if the City shall then be in default in making its required payments to the Operating and Maintenance Account or the Redemption Account.

(c) For refunding all of the Outstanding Bonds and paying costs of issuing such Additional Bonds including deposits which may be required to be made to the Bond Reserve Account. For refunding a part of the Outstanding Bonds and paying costs of issuing such Additional Bonds, if after giving effect to the refunding the maximum amount of Aggregate Debt Service in each future fiscal year shall be less than the Aggregate Debt Service in each future fiscal year prior to giving effect to the refunding.

(d) Additional Bonds may be issued without meeting any of the conditions and tests set forth in subsection (b) above for any one or more of the following purposes:

(i) the cost of acquisition and construction of any repairs, replacements, betterments, improvements, major renewals or corrections of any damage or loss to the System necessary, in the opinion of the Consulting Engineers, to keep the System in good operating condition or to prevent a loss of Revenues therefrom to the extent that the cost thereof cannot reasonably be paid from the Improvement Account or from insurance proceeds, or

(ii) the cost of decommissioning, disposal or termination of any part of the System.

Determination by the City Council as to existence of conditions permitting the issuance of Additional Bonds shall be conclusive, provided this shall not eliminate any requirement for any other approval required herein.

As long as any Outstanding Bonds are insured, or any policy costs thereon are owed to a Bond Insurer, the City shall get the prior written consent of the Bond Insurer, if any, before the issuance of Additional Bonds under subsections (a) and (d) of this Section 20, which consent shall not be unreasonably withheld.

Notwithstanding the foregoing requirements of this Section 20, the City reserves the right to issue Junior Lien Bonds payable as provided herein.

Section 21. Events of Default. Each of the following events, with respect to an issue of Bonds, is hereby declared an "Event of Default":

(a) default in the payment of the principal of or interest, or redemption premium, if any, on any Bond after the same shall become due, whether at maturity or upon call for redemption; or

(b) default by the City in the performance or observance of any other of the covenants, agreements or conditions on its part in this Ordinance, or contained in the Bonds; provided, no such default shall constitute an Event of Default until written notice thereof shall have been given by the Registered Owners of not less than twenty percent (20%) in principal amount of the Outstanding Bonds to the City and the City shall have had sixty (60) days after receipt of such notice to correct such default or cause the same to be corrected and shall not have corrected such default or caused the same to be corrected within such period; and provided, further, that if the default be such that it cannot be corrected within such period, it shall not constitute an Event of Default if action to correct the same is instituted within such period and diligently pursued until the default is corrected. The City shall forward a copy of any such notice as described in this Section 21(b) to the Trustee and to any Bond Insurer which is insuring Bonds subject to an Event of Default.

The Transfer Agent shall notify the Trustee and any Bond Insurer which is insuring Bonds subject to an Event of Default if the Transfer Agent lacks sufficient funds for the payment of the principal of, or interest, or redemption premium, if any, on any Bond when the same shall become due whether at maturity or upon call for redemption.

If any of the Bonds subject to an Event of Default are insured, then (a) the Bond Insurer, if any, shall have the right to consent to pursuit of any available legal remedy before the Trustee or the Bondholder shall be permitted to take such action, and (b) the Bond Insurer, if any, shall have the same rights as the Trustee or any Bondholder to pursue any legal remedy in an Event of Default.

Section 22. Accounting and Examination of Records After Default. The City covenants that (i) if an Event of Default shall have happened and shall not have been remedied, the books of record and account of the City and all other records relating to the System shall at all times be subject to the inspection and use of the Trustee and of its agents and attorneys, and (ii) if an Event of Default shall have happened and shall not have been remedied, the City, upon demand of the Trustee, will account, as if it were the trustee of an express trust, for all Revenues and other moneys, securities and funds pledged or held under this Ordinance for such period as shall be stated in such demand.

Section 23. Application of Revenues and Other Moneys After Default. The City covenants that if an Event of Default shall happen and shall not have been remedied, the City, upon the demand of the Trustee, shall pay over or cause to be paid over to the Trustee (i) forthwith, all moneys, securities and funds then held by the City in any fund or account established under this Ordinance, and (ii) all Revenues as promptly as practicable after receipt thereof. During the continuance of an Event of Default, the Trustee shall apply all moneys, securities, funds and Revenues received by the Trustee pursuant to any right given or action taken under the provisions of this section as follows and in the following order:

(a) To the payment of the reasonable and proper charges, expenses and liabilities of the Trustee, and to the payment of the amounts required for operation and maintenance expenses and for the reasonable renewals, repairs and replacements of the System necessary in the judgment of the Trustee to prevent loss of Revenues. For this purpose the books of record and accounts of the City relating to the System shall at all times be subject to the inspection of the Trustee and its representatives and agents during the continuance of such Event of Default; and

(b) To the payment of the interest and principal or redemption price then due on the Bonds, as follows:

First: To the payment to the persons entitled thereto of all installments of interest then due in the order of the maturity of such installments, together with accrued and unpaid interest on the Bonds theretofore called for redemption, and, if the amount available shall not be sufficient to pay in full any installment or installments maturing on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference; and

Second: To the payment to the persons entitled thereto of the unpaid principal or redemption price of any Bonds which shall have become due, whether at maturity or by call for redemption, in the order of their due dates, and, if the amount available shall not be sufficient to pay in full all the Bonds due on any date, then to the payment thereof ratably, according to the amounts of principal or redemption price due on such date, to the persons entitled thereto, without any discrimination or preference.

If and whenever all overdue installments of interest on all Bonds, together with the reasonable and proper charges, expenses and liabilities of the Trustee, and all other sums payable by the City under this Ordinance, including the principal and redemption price of and accrued unpaid interest on all Bonds which shall then be payable by declaration or otherwise, shall either be paid by or for the account of the City, or provisions satisfactory to the Trustee shall be made for such payment, and all defaults under this Ordinance or the Bonds shall be made good or secured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate shall be made therefor, the Trustee shall pay over to the City, all moneys, securities and funds then remaining unexpended in the hands of the Trustee (except moneys, securities and funds deposited or pledged, or required by the terms of this Ordinance to be deposited or pledged, with the Trustee), and thereupon the City and the Trustee shall be restored, respectively, to their former positions and rights under this Ordinance. No such payment over to the City by the Trustee nor such restoration of the City and the Trustee to

their former positions and rights shall extend to or affect any subsequent default under this Ordinance or impair any right consequent thereon.

Section 24. Appointment of Receiver and Statutory Rights. In the event of a default in the punctual payment of principal of and interest on the Bonds when due, the Trustee shall have the right to apply in an appropriate proceeding for the appointment of a receiver of the System in accordance with the provisions of Act 94. Subject to the provisions of Section 26 of this Ordinance, the Registered Owners of Bonds representing in the aggregate not less than twenty percent (20%) of all Outstanding Bonds, may protect and enforce the statutory lien and pledge of the funds and accounts and Net Revenues created by Act 94, and enforce and compel the performance of all duties of the officials of the City, including the fixing of sufficient rates, the collection of Revenues, the proper segregation of Revenues, and the proper application of Revenues. In addition to the rights conferred to Registered Owners by this Ordinance, the Registered Owners shall have all the rights conferred by the Act 94; provided, however, that the Registered Owner of each Bond agrees to enforce such right subject to the provisions of Section 26. The statutory lien upon the Net Revenues, however, shall not be construed to compel the sale of the System or any part thereof.

Section 25. Proceedings Brought by Trustee. If an Event of Default shall happen and shall not have been remedied, then and in every such case, the Trustee, by its agents and attorneys, may proceed, and upon written request of the Registered Owners of not less than 20% in principal amount of the Outstanding Bonds shall proceed, to protect and enforce its rights and the rights of the Registered Owners of the Bonds under this Ordinance forthwith by a suit or suits in equity or at law, whether for the specific performance of any covenant herein contained, or in aid of the execution of any power herein granted, or for an accounting against the City as if the City were the trustee of an express trust, or in the enforcement of any other legal or equitable right as the Trustee, being advised by counsel, shall deem most effectual to enforce any of its rights or to perform any of its duties under this Ordinance.

All rights of action under this Ordinance may be enforced by the Trustee without the possession of any of the Bonds or the production thereof at the trial or other proceedings, and any such suit or proceedings instituted by the Trustee shall be brought in its name.

Subject to the provisions of Section 26, the Registered Owners of not less than twenty percent in principal amount of the Outstanding Bonds may direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, provided that the Trustee shall have the right to decline to follow any such direction if the Trustee shall be advised by counsel that the action or proceeding so directed may not lawfully be taken, or if the Trustee in good faith shall determine that the action or proceeding so directed would involve the Trustee in personal liability or be unjustly prejudicial to the Registered Owners not parties to such direction.

Upon commencing a suit in equity or upon other commencement of judicial proceedings by the Trustee to enforce any right under this Ordinance, the Trustee shall be entitled to exercise any and all rights and powers conferred in this Ordinance and provided to be exercised by the Trustee upon the concurrence of any Event of Default.

Regardless of the happening of an Event of Default, the Trustee shall have power to, but unless requested in writing by the Registered Owners of not less than 20% in principal amount of the Outstanding Bonds, and furnished with reasonable security and indemnity, shall be under no obligation to, institute and maintain such suits and proceedings as it may be advised shall be necessary or expedient to prevent any impairment of the security under this Ordinance or any acts which may be unlawful or in violation of this Ordinance, and such suits and proceedings as the Trustee may be advised shall be necessary or expedient to preserve or protect its interests and the interests of the Registered Owners.

Section 26. Restriction on Registered Owner's Action. No Registered Owner of any Bond shall have any right to institute any suit, action or proceeding at law or in equity for the enforcement of any provision of this Ordinance or the execution of any trust under this Ordinance or for any remedy under this Ordinance, unless such Registered Owner shall have previously given to the Trustee written notice of the happening of an Event of Default, as provided in this Ordinance, and the Registered Owners of at least 20% in principal amount of the Outstanding Bonds shall have filed a written request with the Trustee, and shall have offered it reasonable opportunity, either to exercise the powers granted in this Ordinance or by Act 94 or by the laws of the State of Michigan or to institute such action, suit or proceeding in its own name, and unless such Registered Owners shall have offered to the Trustee adequate security and indemnity against the costs, expenses and liabilities to be incurred therein or thereby, and the Trustee shall have refused to comply with such request for a period of 60 days after receipt by it of such notice, request and offer of indemnity, it being understood and intended that no one or more Registered Owners of Bonds shall have any right in any manner whatever by his or their action to affect, disturb or prejudice the liens or pledge created by this Ordinance, or to enforce any right under this Ordinance, except in the manner therein provided; and that all proceedings at law or in equity to enforce any provision of this Ordinance shall be instituted, had and maintained in the manner provided in this Ordinance and for equal benefit of all Registered Owners of the Outstanding Bonds; provided, however, nothing herein shall be construed as impairing any right granted to Registered Owners pursuant to the provisions of Act 94.

Section 27. Remedies Not Exclusive. No remedy by the terms of this Ordinance conferred upon or reserved to the Trustee or the Registered Owners is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Ordinance or existing at law or in equity or by statute on or after the date of this Ordinance.

Section 28. Effect of Waiver and Other Circumstances. No delay or omission of the Trustee or any Registered Owner to exercise any right or power arising upon the happening or an Event of Default shall impair any right or power or shall be construed to be a waiver of any such Event of Default or be an acquiescence therein; and every power and remedy given by this Ordinance to the Trustee or to the Registered Owners may be exercised from time to time and as often as may be deemed expedient by the Trustee or by the Registered Owners.

The Registered Owners of not less than 20% in principal amount of the Bonds at the time outstanding, or their attorneys in fact duly authorized, may on behalf of the Registered

Owners of all of the Bonds waive any past default under this Ordinance and its consequences, except a default in the payment of interest on or principal of or premium (if any) on any of the Bonds. No such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 29. Notice to Trustee of Default. The Trustee shall not be obliged to take notice or be deemed to have notice or knowledge of any Event of Default hereunder, unless specifically notified in writing of such Event of Default by the Transfer Agent or by the Registered Owners of not less than twenty percent (20%) in aggregate principal amount of the Outstanding Bonds in default.

Section 30. Notice to Registered Owners of Default. The Trustee shall promptly mail written notice of the occurrence of any Event of Default to each Registered Owner of Outstanding Bonds at the address appearing upon the books kept by the Transfer Agent for each series of Bonds.

Section 31. Acceptance by Trustee of Trust and Duties. The Trustee shall evidence its acceptance of the trusts and duties imposed upon it by this Ordinance upon the occurrence of an Event of Default by filing a written acceptance thereof with the City. The Trustee shall execute the trusts and duties imposed upon it by this Ordinance upon the occurrence of an Event of Default but only upon the terms and conditions set forth in and subject to the provisions of this Ordinance. The Trustee shall, prior to having knowledge of any Event of Default as defined in this Ordinance and after the curing of all such Events of Default which may have occurred, perform such duties and only such duties of the Trustee as are specifically set forth in this Ordinance. The Trustee shall, during the existence of any such Event of Default (which has not been cured) exercise such of the rights and powers vested in it by this Ordinance and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

No such provision of this Ordinance shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own willful misconduct, except that:

(a) prior to any such Event of Default hereunder, and after the curing of any such Events of Default which may have occurred:

(1) the duties and obligations of the Trustee shall be determined solely by the express provisions of this Ordinance and the Trustee shall not be liable except for the performance of such duties and obligations as are specifically set forth in this Ordinance, and no implied covenants or obligations shall be read into this Ordinance against the Trustee, and

(2) in the absence of bad faith on its part the Trustee may conclusively rely, as to the accuracy of the statements and the correctness of the opinions expressed therein, upon any certificate or opinion furnished to it conforming to the requirements of this Ordinance; and

(b) at all times, regardless of whether or not any such Event of Default shall exist:

(1) the Trustee shall not be liable for any error of judgment made in good faith by a responsible officer or officers of the Trustee unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts:

(2) the Trustee may consult with counsel (who may be counsel for any Registered Owner) and the written advice of such counsel or any opinion of counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon; and

(3) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys.

None of the provisions contained in this Ordinance shall require the Trustee to expend or risk its own funds or otherwise incur individual financial liability in the performance of any of its duties or in the exercise of any of its rights or powers.

The Trustee may at any time resign and be discharged of the duties and obligations created by this Ordinance, by giving at least sixty days written notice to the City and to any Bond Insurer insuring Outstanding Bonds. The successor Trustee shall be appointed by the City and shall be a national banking association or a bank or trust company organized under the laws of the United States of America or any state of the United States of America having a reported capital and surplus aggregating at least \$50,000,000, and shall be willing and able to accept the office on reasonable and customary terms, and shall be authorized by law to perform all the duties imposed on it by this Ordinance. Appointment of the successor Trustee shall be subject to approval of any Bond Insurer if required by such company.

Section 32. Amendments; Consent of Registered Owners.

(a) The City, from time to time and at any time, subject to the conditions and restrictions contained in this Ordinance, may enact one or more supplemental or amendatory ordinances or resolutions or both which thereafter shall form a part hereof, for any one or more or all of the following purposes:

(i) To issue Additional Bonds or Junior Lien Bonds;

(ii) To add to the covenants and agreements of the City contained in this Ordinance, other covenants and agreements thereafter to be observed or to surrender, restrict or limit any right or power herein reserved to or conferred upon the City (including but not limited to the right to issue Additional Bonds);

(iii) To make such provisions for the purpose of curing any ambiguity, or of curing, correcting or supplementing any defective provisions contained in this Ordinance, or in regard to matters or questions arising under this Ordinance, as the City may deem necessary or desirable and not inconsistent with this Ordinance and which shall not have material, adverse effect on the interests of the Registered Owners of the Bonds;

(iv) To increase the size or scope of the System;

(v) To make such modifications in the provisions hereof as may be deemed necessary by the City to accommodate the issuance of Additional Bonds or junior lien bonds which (a) are "Capital Appreciation Bonds" or "Zero Coupon Bonds" to the extent permitted by law or (b) are variable rate bonds, but only if such modifications, in the written opinion of nationally recognized bond counsel filed with the City, do not result in materially diminishing the security hereby granted to the Registered Owners of any Outstanding Bonds;

(vi) To make such modifications in the provisions hereof as may be deemed advisable by the City, provided that the City has confirmed in writing with each rating agency rating Outstanding Bonds to which the provision will apply that the adoption of such provision will not result in the reduction or withdrawal of any rating on such Bonds; and

(vii) To make such modifications in the provisions hereof as may be deemed necessary to maintain the exemption of interest from gross income for federal income tax purposes on any series of tax-exempt bonds issued under this Ordinance.

Any amendment or supplemental ordinance or resolution authorized by the provisions of this Section 32(a) may be enacted by the City without the consent of or notice to the Registered Owners of any of the Outstanding Bonds, notwithstanding any of the provisions of Section 32(b) below.

(b) With the consent of the Registered Owners of not less than 51% in principal amount of the Bonds then outstanding and with the written consent of any Bond Insurer insuring Outstanding Bonds, which consent shall not be unreasonably withheld, the City may from time to time and at any time adopt an ordinance or ordinances supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Ordinance or of any supplemental ordinance, provided, however, that no such supplemental ordinance shall (i) extend the fixed maturity of any Bond, change a Mandatory Redemption Requirement for any series of Bonds or reduce the rate of interest thereon or extend the time of payment of interest, or reduce the amount of the principal thereof, or reduce or extend the time for payment of any premium payable on the redemption thereof, without the consent of the Registered Owner of each Bond so affected, or (ii) reduce the aforesaid percentage of Registered Owners of the Bonds required to approve any such supplemental ordinance, or (iii) deprive the Registered Owners of the Bonds (except as aforesaid) of the right to payment of the Bonds from the Net Revenues, without the consent of the Registered Owners of all the Outstanding Bonds or, (iv) cause any modification or reduction of the lien on or pledge of the Net Revenues or the funds or accounts established hereunder.

It shall not be necessary for the consent of the Registered Owners under this Section 32(b) to approve the particular form of any proposed supplemental ordinance, but it shall be sufficient if such consent shall approve the substance thereof.

Promptly after the enactment by the City of any supplemental ordinance pursuant to the provisions of this Section 32(b), the City shall cause the Transfer Agent to mail a notice by registered or certified mail to the Registered Owners of all Outstanding Bonds at their addresses shown on the bond register or at such other address as is furnished in writing by such Registered Owner to the Transfer Agent setting forth in general terms the substance of such supplemental ordinance.

Section 33. Non-Arbitrage Covenant. For any series of Bonds issued under this Ordinance on a tax-exempt basis, the City covenants and agrees that as long as any of the tax-exempt bonds remain outstanding and unpaid as to either principal or interest, the City shall not invest, reinvest or accumulate any moneys deemed to be proceeds thereof pursuant to the Internal Revenue Code in such a manner as to cause the tax-exempt 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 will take all actions within its control and that it shall not fail to take any action as may be necessary to maintain the exemption of interest on any series of tax-exempt Bonds from gross income for federal income tax purposes, including but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and 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 the tax-exempt bonds.

Section 34. Municipal Bond Insurance. For any series of Bonds issued under this Ordinance, 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. The Authorized Officer is hereby authorized to enter into an agreement with the Bond Insurer regarding notices to be provided to the Bond Insurer, filing of annual financial information to be provided to the Bond Insurer, consents or approvals to be obtained from the Bond Insurer, the dates of receipt by the Transfer Agent of bond payments, and other requirements which the City may be obliged to meet in order to obtain municipal bond insurance.

Section 35. Sale of Series 2019 Bonds. The City Council will authorize sale of the Series 2019 Bonds by separate resolution.

Section 36. Necessary Actions. In the event that the Authorized Officer is not available to undertake responsibilities delegated to the Authorized Officer under this Ordinance, then the City Manager or a person designated by the Authorized Officer or the City Manager is authorized to take such actions. Any one or more of the officers, administrators, agents and attorneys of the City are authorized and directed to execute and deliver all other agreements, documents and certificates and to take all other actions necessary or convenient to complete the issuance and delivery of the Series 2019 Bonds in accordance with this Ordinance.

Section 37. Ordinance to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall hold the same from time to time, this Ordinance shall be deemed to be and shall constitute a contract between the City and the Registered Owners from time to time of the Bonds; and the lien and pledge made in this Ordinance and the covenants and agreements therein set forth to be performed on behalf of the City shall be for the equal benefit, protection and security of the Registered Owners of any and all of the Bonds, all of which, regardless of the time or times of their authentication and delivery or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or permitted by this Ordinance.

Section 38. Repeal. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are repealed, including the following ordinances which authorized issuance of water supply and sewage disposal system revenue bonds which are no longer outstanding: Ordinance No. 4.4 adopted on April 13, 1959; Ordinance No. 4.4(a) adopted on October 3, 1962; Ordinance No. 4.4(b) adopted on February 10, 1964; Ordinance No. 4.4(c) adopted on May 25, 1964; Ordinance No. 4.4(d) adopted on December 16, 1968; Ordinance No. 4.4(e) adopted on March 3, 1977; Ordinance No. 4.4(f) adopted on September 15, 1986; Ordinance No. 4.4(g) adopted on September 21, 1989; and Ordinance No. 4.4(h) adopted on August 2, 1993.

Section 39. Severability and Paragraph Headings. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be a part of this Ordinance.

Section 40. Publication and Recordation. This Ordinance shall be published in full in Marshall *Ad-Visor & Chronicle*, a newspaper of general circulation in the City of Marshall qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the City and such recording authenticated by the signatures of the Mayor and the City Clerk.

Section 41. Effective Date. As provided in Act 94, this Ordinance shall be effective immediately upon its adoption.

Passed and adopted by the City Council of the City of Marshall, County of Calhoun, State of Michigan, on June 17, 2019.

Signed: _____
Mayor

Signed: _____
City Clerk

I hereby certify that the foregoing is a true and complete copy of an Ordinance duly enacted by the City Council of the City of Marshall, County of Calhoun, State of Michigan, at a Regular meeting held on June 17, 2019, at 7:00 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. I further certify 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 Council Members were present at said meeting: Council Members Gates, McNeil, Traver, Underhill, Wolfersberger, and Mayor Caron and that the following Council Members were absent: Metzger.

I further certify that Council Member Gates moved for adoption of said Ordinance and that Council Member Underhill supported said motion.

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

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signature of the Mayor and the City Clerk.

Signed: _____,
City Clerk

E. Resolution Authorizing issuance and Sale of 2019 Water Revenue Bonds:

Moved McNeil, supported Wolfersberger, to adopt the resolution authorizing the issuance and sale of 2019 Revenue Water Bonds in an amount not to exceed \$4,200,000 and to grant the City Manager or Finance Director the authority to sell and deliver the bonds without any further Council action. On a voice vote – **MOTION CARRIED.**

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

Resolution #2019-18

**RESOLUTION AUTHORIZING SALE OF
WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2019**

A RESOLUTION TO PROVIDE FOR:

- Sale of \$4,200,000 of Bonds to construct water supply system improvements.
- Publication of Official Notice of Sale in *The Bond Buyer*;

- Delegation of Sale of Bonds to Authorized Officer without further approval of City Council;
- Other matters necessary to prepare for sale and delivery of Bonds.

PREAMBLE

WHEREAS, the City of Marshall, County of Calhoun, State of Michigan (the “City”) has by an Ordinance duly adopted on the date hereof (the “Ordinance”) authorized the issuance and sale of not to exceed Four Million Two Hundred Thousand Dollars (\$4,200,000) in principal amount of the City’s Water Supply System Revenue Bonds, Series 2019 (the “Bonds”); and

WHEREAS, Bendzinski & Co., Registered Municipal Advisors with the Municipal Securities Rulemaking Council, Municipal Advisor to the City (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 (the “Authorized Officer”) to award sale of the Bonds to the lowest bidder, and to 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. Preliminary Official Statement. The Authorized Officer is directed to approve circulation of a preliminary official statement describing the Bonds and, once the Bonds are sold, to deem such preliminary official statement “final” for purposes of compliance with Securities and Exchange Commission Rule 15c2-12.

2. Ratings and Bond Insurance. 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 qualification for approval for municipal bond insurance or purchase of 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.

3. Notice of Sale. The Authorized Officer shall, in consultation with the Municipal Advisor, fix a date of sale for the Bonds, approve circulation of a Preliminary Official Statement describing 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 state law. 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 within the parameters set forth in Section 5 of this resolution, in consultation with the Municipal Advisor and Miller, Canfield, Paddock and Stone, P.L.C. (“Bond Counsel”).

OFFICIAL NOTICE OF SALE

\$4,200,000

CITY OF MARSHALL

County of Calhoun, State of Michigan

WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 2019

BID OPENING: Bids for the purchase of the above bonds (the “Bonds”) will be publicly opened and read by an agent of the City of Marshall on **Tuesday, July 9, 2019** and may be submitted until **1:00 p.m.** Eastern Time.

SEALED BIDS for the purchase of the Bonds will be received at the office of Bendzinski & Co., Municipal Finance Advisors, 17000 Kercheval Ave., Suite 230, Grosse Pointe, Michigan 48230.

FAXED BIDS, signed by the bidder may be submitted by fax to Bendzinski & Co. at fax number (313) 961-8220 provided that faxed bids must arrive before the time of bid opening, and the bidder bears all risks of transmission failure.

ELECTRONIC BIDS: 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 July 25, 2019), and will bear interest from their date payable on October 1, 2019, 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>	<u>Year</u>	<u>Principal Amount</u>
2021	\$ 90,000	2028	\$160,000	2035	\$270,000
2022	100,000	2029	175,000	2036	290,000
2023	110,000	2030	190,000	2037	310,000
2024	120,000	2031	205,000	2038	330,000
2025	130,000	2032	220,000	2039	350,000
2026	140,000	2033	235,000	2040	370,000
2027	150,000	2034	255,000		

TERM BOND OPTION: Bidders shall have the option of designating the Bonds maturing in the years 2021 through 2040, inclusive, as term bonds or serial bonds or both. The bid must designate whether each of the principal amounts shown above for the years 2021 through 2040, 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 2021 through 2040, 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.

PRIOR REDEMPTION OF BONDS: The Bonds maturing or subject to mandatory redemption on or before April 1, 2027 are not subject to optional redemption prior to maturity.

Bonds or portions of Bonds in multiples of \$5,000 maturing or subject to mandatory redemption on or after April 1, 2028 shall be subject to redemption prior to maturity at the option of the City in such order of maturity as the City shall determine and within any maturity by lot, on any date on or after April 1, 2027, at par and accrued interest to the date fixed 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.

INTEREST RATE AND BIDDING DETAILS: The Bonds shall bear interest at a rate or rates not exceeding 6.00% 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 2.00% per annum. No proposal for the purchase of less than all of the Bonds or at a price 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, 2019 and semi-annually thereafter) necessary to discount the debt service payments from their respective payment date to July 25, 2019 in an amount equal to the price bid. July 25, 2019 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 are issued under the provisions of Act 94, Public Acts of Michigan, 1933, as amended, and an Ordinance adopted by the City Council on June 17, 2019 (the “Ordinance”) for the purpose of defraying the cost of acquiring and constructing improvements and extensions to the City’s Water Supply System (the “System”) including the funding of a bond reserve fund. The bonds are payable solely and only from the Net Revenues of the System, and a statutory first lien on said Net Revenues has been established by the Ordinance. The City has covenanted and agreed that while any bonds payable solely and only from the Net Revenues of the System shall be outstanding that the City shall fix and maintain at all times such rates for service furnished by the System as shall be sufficient to provide for payment of the necessary expenses of operation, maintenance and administration of the System, to produce net revenues equal to one-hundred ten percent (110%) of the annual principal and interest on all of said bonds when due, to maintain a bond reserve account therefor, and to provide for such other expenditures and funds for the System as are required by the Ordinance. 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.

ADDITIONAL BONDS: For the terms upon which additional bonds of equal standing with the bonds of this issue as to the Net Revenues of the System may be issued, reference is made to the Ordinance.

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 \$42,000 payable to the order of the Treasurer 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, 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.

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 any taxing authority within the State of Michigan except inheritance and 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 in which event the City shall promptly return the good faith deposit. 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. Application for CUSIP numbers will be made by the Municipal Advisor. 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.

ENVELOPES containing the bids should be plainly marked “Proposal for Water Revenue Bonds.”

Jon Bartlett, Finance Director
City of Marshall, Michigan

4. Bank Qualified Bonds. If the Authorized Officer determines that the City does not intend to issue, or to authorize to be issued on its behalf, tax-exempt obligations totaling an aggregate issue price of \$10,000,000 or more within the 2019 calendar year, then the City designates the Bonds as “qualified tax-exempt obligations” for purposes of deduction of interest expense by financial institutions under the Internal Revenue Code of 1986, as amended. Any such designation shall be evidenced by execution of the Non-Arbitrage and Tax Compliance Certificate or other certificate to be delivered by the City in connection with delivery of the Bonds.

5. Award of Sale. 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 meets the requirements of law and which produces the lowest true interest cost to the City computed in accordance with the terms of the Notice of Sale as published. If fewer than three (3) bids are received from underwriters (as defined by the Internal Revenue Code of 1986, as amended) 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).

This authorization includes, but is not limited to, determination of original principal amount of the Bonds; the interest rates and prices at which the Bonds are sold; 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 payment dates of the Bonds, provided that the Bonds shall bear interest at a rate or rates not exceeding 6.00% per annum, the purchase price for the Bonds, exclusive of any original issue discount or premium, shall not be less than 99.00% of the principal amount of the Bonds plus accrued interest if any, and the Bonds shall mature in annual installments not to exceed twenty (20) in number. In making such determinations the City is authorized to rely upon data and computer runs provided by the Municipal Advisor.

6. Continuing Disclosure Undertaking Agreement. After awarding sale of the Bonds, the Authorized Officer is authorized to prepare, execute and deliver a final Official Statement describing the Bonds. The City hereby agrees to execute a Continuing Disclosure Undertaking Agreement 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.

7. Other Actions. In the event that an Authorized Officer is not available at the time that it becomes necessary to take actions directed or authorized under this resolution, then a person designated by an Authorized Officer is authorized to take the actions delegated to an Authorized Officer by this Resolution. 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 printing the Bonds and the preliminary and final official statements, publication of the Notice of Sale, and any other costs necessary to accomplish sale and delivery of the Bonds.

8. Rescission. 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 Monday, June 17, 2019 at 7:00 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, 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: Mayor Caron, Gates, McNeil, Traver, Underhill and Wolfersberger and that the following Members were absent: Metzger.

I further certify that Member McNeil moved for adoption of said resolution and that Member Wolfersberger supported said motion.

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

City Clerk

F. Year-End Budget Adjustments:

Moved McNeil, supported Gates, to adopt the resolution to amend the Fiscal Year 2019 Budget. On a roll call vote – ayes: Wolfersberger, Mayor Caron, Gates, McNeil, Traver, and Underhill; nays: none. **MOTION CARRIED.**

**CITY OF MARSHALL, MICHIGAN
RESOLUTION #2019-19**

**THE CITY OF MARSHALL
AMENDED GENERAL APPROPRIATION ACT RESOLUTION
July 1, 2018 – June 30, 2019**

THE CITY OF MARSHALL RESOLVES that the revenues and expenditures for the fiscal year, commencing July 1, 2018, and ending June 30, 2019, are hereby amended on a departmental and fund total basis as follows:

<u>General Fund Revenues</u>	<u>Adopted</u>	<u>Amended Mid-Year</u>	<u>Amended June, 2019</u>	<u>Change</u>
Taxes	3,647,761	3,647,761	3,644,579	(3,182)
Licenses and Permits	147,000	147,000	147,000	0
Intergovernmental Revenues	867,352	867,352	821,500	(45,852)
Charges for Services	58,150	58,150	45,350	(12,800)
Fines and Forfeits	51,800	51,800	23,400	(28,400)
Rents	45,000	45,000	51,000	6000
Interest	10,000	10,000	31,000	21,000
Miscellaneous	308,502	308,502	290,000	(18,502)
Other Financing Sources	1,476,857	1,476,857	1,517,500	40,643
Total Revenues	6,612,422	6,612,422	6,571,329	(41,093)
<u>General Fund Expenditures</u>				
City Council	3,509	3,939	5,204	(1,265)
City Manager	172,515	172,515	172,515	0
Assessor	138,600	138,600	70,000	68,600
Attorney	50,000	50,000	60,000	(10,000)
Human Resources	86,650	86,650	83,000	3,650
Clerk	101,860	101,860	101,860	0
Finance/Treasurer	540,651	540,651	510,185	30,466
City Hall	76,346	76,346	73,000	3,346
Chapel	906	906	906	0
Other City Property	31,420	31,420	35,600	(4,180)
Cemetery	171,339	171,339	163,500	7,839
Non-Departmental	811,614	811,614	760,445	51,169
Police	1,823,621	1,823,621	1,823,621	0
Crossing Guards	12,501	12,501	12,501	0
Dispatch	112,500	112,500	114,100	(1,600)
Fire	1,149,187	1,149,187	1,149,187	0
Inspection	124,606	124,606	124,606	0
Planning/Zoning	38,545	38,546	25,846	12,700
Streets	785,606	785,606	757,725	27,881
Engineering	32,604	32,604	32,604	0
Public Svcs. Build Operations	145,443	145,443	145,443	0
Community Development	0	0	0	0
Compost	32,488	32,488	32,488	0
	<u>Adopted</u>	<u>Amended Mid-Year</u>	<u>Amended June, 2019</u>	<u>Change</u>
Parks	94,523	94,523	97,957	0
Capital Improvements	74,500	74,500	74,500	0
Total Expenditures	6,611,535	6,611,965	6,426,793	185,172
GF Net Surplus/(Deficit)	887	457	144,536	

GF - Recreation				
Revenues	416,010	416,010	380,500	(35,510)
Expenditures	409,868	409,868	409,868	0
Net Surplus/(Deficit)	6,142	6,142	(29,368)	

GF – Farmers Market				
Revenues	30,815	30,815	20,100	(10,715)
Expenditures	25,570	25,570	25,570	0
Net Surplus/(Deficit)	5,245	5,245	(5,470)	

Leaf/Brush				
Revenues	93,730	93,730	93,730	0
Expenditures	93,662	93,662	93,662	0
Net Surplus/(Deficit)	68	68	68	

MVH-Major & Trunkline				
Revenues	622,080	622,080	640,000	17,920
Expenditures	881,984	942,584	1,410,000	(467,416)
Net Surplus/(Deficit)	(259,904)	(320,504)	(770,000)	

MVH-Local				
Revenues	387,070	387,070	462,000	74,930
Expenditures	435,004	479,504	479,504	0
Net Surplus/(Deficit)	(47,934)	(92,434)	(17,504)	

MRLEC				
Revenues	287,079	287,079	311,000	23,921
Expenditures	325,689	325,689	311,000	14,689
Net Surplus/(Deficit)	(38,610)	(38,610)	0	

Drug Forfeiture Fund				
Revenues	0	0	800	0
Expenditures	0	0	0	0
Net Surplus/(Deficit)	0	0	800	

	<u>Adopted</u>	<u>Amended Mid-Year</u>	<u>Amended June, 2019</u>	<u>Change</u>
<u>Local Develop. Finance Auth.</u>				
Revenues	941,263	941,263	641,500	(299,763)
Expenditures	966,165	966,165	1,120,000	(153,835)
Net Surplus/(Deficit)	(24,902)	(24,902)	(478,500)	

<u>Downtown Develop. Auth.</u>				
Revenues	185,109	185,109	192,000	6,891
Expenditures	167,963	167,963	167,963	0
Net Surplus/(Deficit)	17,146	17,146	24,037	

<u>GF - Airport</u>				
Revenues	167,920	167,920	160,000	(7,920)
Expenditures	168,933	168,933	168,933	0
Net Surplus/(Deficit)	(1,013)	(1,013)	(8,933)	

<u>Marshall House</u>				
Revenues	881,000	881,000	856,605	(24,395)
Expenditures	865,779	865,779	805,779	60,000
Net Surplus/(Deficit)	15,221	15,221	50,826	

<u>FiberNet</u>				
Revenues	1,080,000	1,080,000	550,000	(530,000)
Expenditures	1,831,100	1,831,100	2,250,000	(418,900)
Net Surplus/(Deficit)	(751,100)	(751,100)	(1,700,000)	

<u>Electric</u>				
Revenues	18,250,500	18,250,500	13,141,387	(5,109,113)
Expenditures	17,765,800	17,765,800	14,387,000	3,378,800
Net Surplus/(Deficit)	484,700	484,700	(1,245,613)	

<u>Dial-A-Ride</u>				
Revenues	858,471	861,871	735,390	(126,481)
Expenditures	860,522	863,922	740,000	123,922
Net Surplus/(Deficit)	(2,051)	(2,051)	(4,610)	

<u>Wastewater</u>				
Revenues	1,990,002	1,990,002	1,910,365	(79,637)
Expenditures	2,080,019	2,080,019	1,940,000	140,019
Net Surplus/(Deficit)	(90,017)	(90,017)	(29,635)	

	<u>Adopted</u>	<u>Amended Mid-Year</u>	<u>Amended June, 2019</u>	<u>Change</u>
Water				
Revenues	1,884,296	1,884,296	1,810,000	(74,296)
Expenditures	1,944,630	3,806,030	3,980,000	(173,970)
Net Surplus/(Deficit)	(60,334)	(1,921,734)	(2,170,000)	

Data Processing				
Revenues	184,790	184,790	187,000	2,210
Expenditures	208,116	208,116	(213,600)	(5,484)
Net Surplus/(Deficit)	(23,326)	(23,326)	(26,600)	

Motorpool				
Revenues	863,193	863,193	900,000	36,807
Expenditures	821,903	821,903	1,640,000	(818,097)
Net Surplus/(Deficit)	41,290	41,290	(740,000)	

RESOLVED, the use of prior year's fund balance/net position reserves is not reflected in a Fund's revenue figure above, and that the source of funding for a Fund's Net Loss/(Deficit) shall be the use of prior year's fund balance/net position reserves;

This Resolution shall take effect upon adoption.
Dated June 17, 2019

Trisha Nelson, City Clerk

I, Trisha Nelson, being duly sworn as the City Clerk for the City of Marshall, hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council, City of Marshall, County of Calhoun, State of Michigan, at a regular meeting held on June 17, 2019 and that said meeting was conducted and that the minutes of said meeting were kept and will be or have been made available.

Trisha Nelson, City Clerk

APPOINTMENTS/ELECTIONS

A. Zoning Board of Appeals:

Moved Gates, supported Traver, to approve the appointment of Scott Wolfersberger as an Alternate Member to the Zoning Board of Appeals and Justin Fisher-Short as full member of the Zoning Board of Appeals with terms expiring March 10, 2021. On a voice vote – **MOTION CARRIED.**

PUBLIC COMMENT ON NON-AGENDA ITEMS

Kayla Leach of 115 S. Fountain spoke regarding the Autism Awareness Event that she is organizing.

Kathy Miller of 540 Cosmopolitan announced the 5th Annual Farm to Table dinner to be held on August 5th.

Matt Parks, President of Local 1929, thanked City Council for approving the union contract and stated the process went well working with the City.

COUNCIL AND MANAGER COMMUNICATIONS

ADJOURNMENT

The meeting was adjourned at 7:45 p.m.

Joe Caron, Mayor

Trisha Nelson, City Clerk

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
41780	ACTRON SECURITY ALARM	QUARTERLY MONITORING - POWERHOUSE		356.40
291680	AD-VISOR & CHRONICLE	MONTHLY ADS 6/1-6/30/2019		2,847.84
1052769275	ADOBE, INC.	ACROBAT PRO SUBS CC ALL MLP 12MO ESD SUB		173.74
4586	ALL RELIABLE SERVICES	LINE CLEARANCE TREE TRIMMING FOR JAN 201 2019.213		2,610.19
4597	ALL RELIABLE SERVICES	LINE CLEARANCE TREE TRIMMING FOR JAN 201 2019.213		3,255.20
4284515-00	ANIXTER	320A SOCKET		289.92
4286280-00	ANIXTER	ABB METERING MATERIALS -CT AND PT'S FOR 2019.344		1,975.00
4286280-01	ANIXTER	CONNECTION KIT		100.00
02250448784	AUTO VALUE MARSHALL	OIL FILTER		5.63
02250448810	AUTO VALUE MARSHALL	CARBURETOR		2.79
02250448854	AUTO VALUE MARSHALL	LIGHTER RENEWAL		5.78
02250449146	AUTO VALUE MARSHALL	BATTERY/SCOTCH BRITE/TOWELS/SIMPLE GREEN		138.26
02250448964	AUTO VALUE MARSHALL	GLOSS WHITE		15.38
02250448907	AUTO VALUE MARSHALL	LOOM & TIES		5.39
02250448866	AUTO VALUE MARSHALL	BRUSH SET/ CARBCHOKE LNR		65.95
02250448830	AUTO VALUE MARSHALL	RAZOR BLADE/ PARTS CLNR W/BSKT		40.18
02250448369	AUTO VALUE MARSHALL	STOVE BOLT/SPRING ASST/CARB RET SPRING		17.07
02250448403	AUTO VALUE MARSHALL	UNION/ POLY ARM/DOT BRAKE FLUID		33.64
02250448493	AUTO VALUE MARSHALL	EXHAUST PIPE/ CONV GASKET/GASKET MAKER/U		64.66
02250447876	AUTO VALUE MARSHALL	COPPER PLUG		14.94
02250447879	AUTO VALUE MARSHALL	111- 100 MO WET BATTERY		129.99
02250447955	AUTO VALUE MARSHALL	FUEL LINE HOSE		26.75
02250447925	AUTO VALUE MARSHALL	EXP PLUGS		2.68
0225447924	AUTO VALUE MARSHALL	IGN SPK TESTER		7.39
02250448202	AUTO VALUE MARSHALL	MOLDED COOL/ ROLL HEAT HOSE		45.85
02250448204	AUTO VALUE MARSHALL	COOLANT HOSE		11.59
02250448228	AUTO VALUE MARSHALL	M5 - BRAKES/ BATTERY		488.36
02250448855	AUTO VALUE MARSHALL	BALL FIELD - PLUMBING		51.20
02250448925	AUTO VALUE MARSHALL	CAR WASH BRUSH		18.38
02250447987	AUTO VALUE MARSHALL	107- OIL FILTER/ AIR FILTER		32.04
02250447990	AUTO VALUE MARSHALL	115- OIL FILTER/ AIR FILTER		25.75
02250448813	AUTO VALUE MARSHALL	115- OIL FILTER		6.80
02250448256	AUTO VALUE MARSHALL	TAP SOCKET SET		36.19
02250448272	AUTO VALUE MARSHALL	T40 STAR BIT SOCKET		7.38
5312019	BONNIE'S TAILORING	SEW ON STRIPES		15.00
917970646	BORDER STATES INDUSTRI	LANDIS & GYR ELECTRIC METERS	2019.385	333.69
917970647	BORDER STATES INDUSTRI	LANDIS & GYR ELECTRIC METERS	2019.385	731.07
109684	CARR BROTHERS & SONS	12 YDS SCREENED TOPSOIL		373.80
239192	CHEMCO PRODUCTS INC	BLANKET PO FOR POLYMER	2019.014	8,301.81
062019MRLEC	CRT, INC	RACK CABINET		731.00
062019 MRLEC2	CRT, INC	PRODSK 405/ADAPTERS/OFFICE 2019		935.00
101249CR	D & D MAINTENANCE SUPP	CREDIT		(98.64)
152208	D & D MAINTENANCE SUPP	WYPAL		115.60
550619	DARLING ACE HARDWARE	CHLORINE TABS		129.98
549882	DARLING ACE HARDWARE	DUCT TAPE		27.95
550481	DARLING ACE HARDWARE	HOSE MENDER		9.59
550530	DARLING ACE HARDWARE	SNAP BOLT/SCREEN REPAIR		48.05
550357	DARLING ACE HARDWARE	SMOKE IN A CAN		31.96
550371	DARLING ACE HARDWARE	BRUSH WHEEL		11.98
550317	DARLING ACE HARDWARE	LIQTITE FIT		9.98
550257	DARLING ACE HARDWARE	PLUMBING		18.57
550246	DARLING ACE HARDWARE	PLUMBING		11.99
549661	DARLING ACE HARDWARE	KEY		4.78
550288	DARLING ACE HARDWARE	BATTERIES		17.99
550224	DARLING ACE HARDWARE	TORCH RCLIP		22.99
551010	DARLING ACE HARDWARE	ANIT - SEIZE LUBRICANT		5.99
550703	DARLING ACE HARDWARE	CARTRIDGE FILTER CREDIT		(14.99)
4337	DIGICOM GLOBAL INC	PAGERS	2019.366	3,779.95
140149	DLZ	S MARSHALL AT RICE CREEK DESIGN SERVICES	2019.343	12,750.00
19-44393	ELECTION SOURCE	DEMOCRACY SUITE TABULATOR/CODER		445.00
19-745	FIRST DUE	FIREFIGHTER GEAR BAG		664.78
19-06306	GARAGE DOORS UNLIMITED	PSB - DOOR MAINTENANCE		627.80
114477981	GLOBAL EQUIPMENT COMP	PAIGLOVES/UNIFORM PANT		232.06
1078	GRANDMA'S HELPING HAND	APARTMENT CLEANING SERVICES		200.00
6212019	GUILFORD, DAVID	STONE WORK AT PSB		1,125.00
612019	HERITAGE CLEANERS	UNIFORM CLEANING		977.75
81695	HERMANS MARSHALL HARDW	ENGRAVER		17.49
81725	HERMANS MARSHALL HARDW	BRUSHES		48.84
0052830-IN	HYDROCORP	CROSS CONNECTION CONTROL PROGRAM	2019.052	865.00
1045	IMPACT LAWN & LANDSCAP	2019 LAWN MOWING	2019.354	360.00
1046	IMPACT LAWN & LANDSCAP	2019 LAWN MOWING	2019.354	1,580.00
1041	IMPACT LAWN & LANDSCAP	2019 LAWN MOWING	2019.354	400.00
1040	IMPACT LAWN & LANDSCAP	2019 LAWN MOWING	2019.354	300.00
1042	IMPACT LAWN & LANDSCAP	2019 LAWN MOWING	2019.354	440.00
MN0000015855	INTERACT PUBLIC SAFETY	ONLINE RMS AUGUST 2019 TO JULY 2020		132.30
MN0000015636	INTERACT PUBLIC SAFETY	ONLINE RMS JULY 2019-JUNE2020		132.30
12314	J AND K PLUMBING SUPPL	PLUG		10.05
12316	J AND K PLUMBING SUPPL	PVC FITTINGS		54.59
6302019	JIMMY'S JOHNS	PUMP 4 AT ATHLETIC FIELD		800.00

APPROVAL LIST FOR CITY OF MARSHALL
 EXP CHECK RUN DATES 07/19/2019 - 07/19/2019
 UNJOURNALIZED
 OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
S108057740.005	KENDALL ELECTRIC INCOR	CREDIT		(435.60)
S108062482.001	KENDALL ELECTRIC INCOR	RAW PUMP VFD PROJECT	2019.380	4,359.70
S108057740.003	KENDALL ELECTRIC INCOR	FOUNTAIN ST. LIFT STATION REPAIR		29.66
S108057740.004	KENDALL ELECTRIC INCOR	FOUNTAIN ST. LIFT STATION REPAIR		435.60
S108057740.002	KENDALL ELECTRIC INCOR	FOUNTAIN ST. LIFT STATION REPAIR		217.80
S108057740.001	KENDALL ELECTRIC INCOR	FOUNTAIN ST. LIFT STATION REPAIR		217.80
611400	KENNEDY INDUSTRIES INC	REC FIELD LIFT STATION PACKAGE	2019.299	7,075.00
01052514	LEGG LUMBER	PEGBOARD/PLYWOOD/		385.23
01052285	LEGG LUMBER	80 LB GRAVEL MIX		31.74
441635	MARSHALL ANIMAL CARE C	EAR CLEANING/HOSPITALIZATION		160.00
8766	MARSHALL WELDING & FAB	WELD DRIVE SHAFT		20.00
S4533273.001	MEDLER ELECTRIC COMPAN	ATHLETIC FIELDS LIFT STATION		36.19
S4533250.001	MEDLER ELECTRIC COMPAN	ATHLETIC FIELDS LIFT STATION		45.95
S4533788.001	MEDLER ELECTRIC COMPAN	175W MH LAMP		159.18
280999	MICHIGAN INDUSTRIAL GA	WELDING GASES		61.10
19-89965A	MILLENNIUM	CONDUIT		1,235.00
696316	NYE UNIFORM COMPANY	MOLLE AMMO POUCH/ CUFF POUCH/RADIO HOLDE		105.00
699565	NYE UNIFORM COMPANY	COLLAR BRASS		33.00
699574	NYE UNIFORM COMPANY	2 BADGES		214.00
4788-222110	O'REILLY FIRST CALL	CLOTHS		9.99
005083	OERTHERS	PLANTS		4.36
1375460	OFFICE 360	BATTERIES/SOAP		57.88
1307936	OFFICE 360	FILE CENTRAL SYSTEM		31.40
1319712	OFFICE 360	NOTEBOOKS		9.48
1375575	OFFICE 360	PENS/ TAPE		21.12
1697100-00	POTTER DISTRIBUTING	PERFECT AIRE 12000 BTU THW 115V	2019.360	1,187.00
6720025-00	POWER & TELEPHONE SUPP	ADAPTER PLATE		894.13
56378394	POWER LINE SUPPLY	4/0 COPPER EPR FULL NEUTRAL 15KV WIRE	Q2019.326	25,561.76
56377192	POWER LINE SUPPLY	POWERGRIP		530.40
56377378	POWER LINE SUPPLY	METER CONNECTOR		110.40
099AR	POWERPLAN	CREDIT		(219.29)
296679	PRINTLINK	BROCHURE		491.00
9610	SIGNWORLD CONCEPTS	ADDITIONAL BROOKS INDUSTRIAL SIGN	2020.006	2,800.00
9601	SIGNWORLD CONCEPTS	NEW BROOKS SIGN AT OLIVER	2019.235	3,135.00
5259141-00	SUNSOURCE	THICKENER FEED PUMP REPAIR	2019.378	2,875.21
26959	THE IRRIGATOR, INC.	SPRING START UP		99.75
MAR17264	TIRE CITY TIRE PROS	DART 14 - FRONT END ALIGNMENT		847.87
154 0063502	UNIFIRST CORPORATION	MARSHALL HOUSE UNIFORMS		39.88
154 0063500	UNIFIRST CORPORATION	POWER HOUSE UNIFORMS		55.37
154 0063497	UNIFIRST CORPORATION	WASTE WATER UNIFORMS		31.45
154 0064103	UNIFIRST CORPORATION	POWER HOUSE UNIFORMS		52.87
154 0064105	UNIFIRST CORPORATION	MARSHALL HOUSE UNIFORMS		39.88
154 0064104	UNIFIRST CORPORATION	WATER UNIFORMS		34.82
154 0064100	UNIFIRST CORPORATION	WASTE WATER UNIFORMS		31.45
154 0063501	UNIFIRST CORPORATION	WATER UNIFORMS		34.82
154 0063498	UNIFIRST CORPORATION	DPW GARAGE UNIFORMS		59.43
932426	USA BLUEBOOK	HACH DPD1		58.29
936470	USA BLUEBOOK	LEAD FREE BACKFLOW TEST COCK		50.34
1863-6	VIRIDIS DESIGN GROUP	DESIGN SERVICES - KETCHUM PARK PAVILION	2019.208	1,460.00
GRAND TOTAL:				105,408.77

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
4555	ALL RELIABLE SERVICES	LINE CLEARANCE TREE TRIMMING FOR JAN 201	2019.213	4,180.80
4570	ALL RELIABLE SERVICES	LINE CLEARANCE TREE TRIMMING FOR JAN 201	2019.213	3,782.05
89767	ALL-TRONICS INC	QUATERLY FIRE ALARM MONITORING		81.00
02250448550	AUTO VALUE MARSHALL	FLEET WHT/GUN FILTER/GUN CLEANING KIT		59.07
02250448075	AUTO VALUE MARSHALL	2015 F250 OIL FILTER		6.80
02250448114	AUTO VALUE MARSHALL	GRAY FILL/PRIMER OIL FILTER		15.01
02250448132	AUTO VALUE MARSHALL	12V 850 CCA		131.00
02250448134	AUTO VALUE MARSHALL	BATTERY CORE RETURN		(18.00)
02250448441	AUTO VALUE MARSHALL	DS; EXH FLUID 55G/PLASTIC LVR PUMP/DRUM		442.87
02250448506	AUTO VALUE MARSHALL	OIL 10W30		7.58
100176278	BALTIC NETWORKS USA	MIKROTIK HAP AC GIGABIT DUAL BAND- INTER	2019.347	10,315.00
P15580699	BATTERIES PLUS BULBS	12V BATTERY		468.00
0295828-IN	BEAVER RESEARCH CO	FOAMING DEGREASER/INSECT REPELLANT		448.50
0296434-IN	BEAVER RESEARCH CO	BLUE MAGIC		124.20
19-1243695	BUD'S TOWING & AUTOMOT	INVOICES 13323 & 16212		165.00
MB-90748	CALHOUN COUNTY CONS	DI.CONSOLIDATED DISPATCH PAYMENT	2019.377	29,898.58
MB-91358	CALHOUN COUNTY TREASUR	LAW ENFORCEMENT RECORDS SYSTEM - ANNUAL		3,858.40
109683	CARR BROTHERS & SONS	CRUSHED STONE		721.20
109531	CARR BROTHERS & SONS	PEASTONE		611.52
6182019	CARRIS, STEVE	UNIT 201 - MILL WORK		350.00
2019-00000075	CITY OF BATTLE CREEK	TRAFFIC SIGNAL MAINTENANCE		264.26
6242019	CITY OF COLDWATER	HELP DESK		1,231.95
59837	CLEANCUT	TUB		345.00
6242019	COLLINS PROFESSIONAL T	STUMP GRINDING		150.00
99434	CRT, INC	CLOUD STORAGE		1,076.04
99201	CRT, INC	CLOUD STORAGE		1,050.07
99375B	CRT, INC	ELITE DESK 705MINI		91.00
001016172	CRYSTAL FLASH MARSHALL	PROPANE		17.21
71570855	CRYSTAL FLASH MARSHALL	OFF ROAD DIESEL	2019.376	1,602.55
549865	DARLING ACE HARDWARE	EXCHANGE SHOPLIGHT		11.00
550036	DARLING ACE HARDWARE	PVC ADAPTER		1.99
550044	DARLING ACE HARDWARE	PVC VALVES/NUTS & BOLTS		2.67
550034	DARLING ACE HARDWARE	TOOL KIT/PLUMBING SUPPLIES		88.62
549909	DARLING ACE HARDWARE	REPAIR KIT		3.99
549483	DARLING ACE HARDWARE	MOTO MIX TIMMER FUEL		15.49
549509	DARLING ACE HARDWARE	BULBS		36.95
549097	DARLING ACE HARDWARE	PAINT SUPPLIES		160.93
548652	DARLING ACE HARDWARE	PAINT AND BRUSHES		251.98
549515	DARLING ACE HARDWARE	VALVE		59.99
549867	DARLING ACE HARDWARE	THOMPSON WATERSEAL		41.97
546702	DARLING ACE HARDWARE	COUPLER		5.58
547233	DARLING ACE HARDWARE	CONDUIT/COUPLER/CLAP/WIRE		11.72
547955	DARLING ACE HARDWARE	HOLE SAW BLADES/NUTS & BOLTS		39.14
549339	DARLING ACE HARDWARE	PLUG		5.56
550191	DARLING ACE HARDWARE	SPRAY PAINT		4.00
550199	DARLING ACE HARDWARE	WIRE BRUSH/ SPRAY PAINT		8.99
550218	DARLING ACE HARDWARE	SMOKE IN A CAN		15.98
550252	DARLING ACE HARDWARE	KEY		9.56
36604	ERIC DALE HEATING & AI	AIR CONDITIONING UNIT FOR CITY HALL	2019.361	9,950.00
S103116906.001	ETNA SUPPLY	PVC PIPES AND FITTINGS		801.66
MIBAT277248	FASTENAL COMPANY	SHOP SUPPLIES		38.55
138969	FIRST ADVANTAGE LNS OC	ORLANDO, ANTOINETTE/ APT # 425		13.75
6142019	FORTITUDE FIRE LLC	HALLIGAN TOOLS		552.00
114421403	GLOBAL EQUIPMENT COMPA	CITY HALL DRINKING FOUNTAIN		1,151.65
114465998	GLOBAL EQUIPMENT COMPA	PSB DRINKING FOUNTAIN		1,151.65
4179	GOODWIN'S PLUMBING, LL	MENS RESTROOM 2ND FLOOR - PSB		161.20
9310512660	GRAYBAR ELECTRIC	GEL PLUGS		148.30
20190456	GRP ENGINEERING INC	ENGINEERING SERVICES FOR MONROE STREET L	2019.381	3,000.00
20190455	GRP ENGINEERING INC	ELECTRICAL ENGINEER		620.00
20190457	GRP ENGINEERING INC	ENGINEERING SERVICES FOR PEARL STREET SU	2019.334	6,000.00
6132019	GUILFORD, DAVID	BRICK TUCKPOINTING AND SILL REPAIR AT PO	2019.375	16,900.85
4435-628698	HARMON AUTOGLASS	CLEAR ANNEALED		687.00
318995	HAVILAND PRODUCTS COMP.	POTASSIUM PERMANGANATE	2019.348	2,685.99
81673	HERMANS MARSHALL HARDW.	IMPACT DRILL		922.95
81684	HERMANS MARSHALL HARDW.	DRILL KIT		199.99
81641	HERMANS MARSHALL HARDW.	SHOP SUPPLIES		145.43
81709	HERMANS MARSHALL HARDW.	COFFEE MAKER/FILTERS		132.28
1505602	HONIGMAN	PROF. SERVICES - TRADEMARK DISPUTE		890.00
24030	HUNTER PRELL COMPANY	EMERGENCY REPLACEMENT OF HOT WATER STORA	2019.358	2,700.00
6212019	ISAAC & SONS	CARPET CLEANING UNITS 402 & 322		170.00
5282019	ISAAC & SONS	HALL		150.00
12307	J AND K PLUMBING SUPPL	HOLESAW		89.54
12301	J AND K PLUMBING SUPPL	PVC ELBOW		5.91
12297	J AND K PLUMBING SUPPL	PVC ELBOW/ PVC FLOOR STRAINER		19.03
3247171	J.C. EHRlich	PEST CONTROL		69.00
3338823	J.C. EHRlich	PEST CONTROL		224.67
2080	KATZ WELL DRILLING INC	CRANE AND OPERATOR FOR TREE REMOVAL	2019.382	2,962.50
317207	KNIGHT WATCH, INC	FIRE ALARM SERVICE CALL		170.00
34917	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		126.56

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
34834	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		239.12
34844	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		119.84
34876	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		87.92
34865	LAKELAND ASPHALT CORPO	BITUMINOUS AGGREGATES		236.88
01052326	LEGG LUMBER	WINDOWS, DOORS FOR AIRPORT MAIN HANGAR	2019.364	2,082.11
104	MAGIC MAIDS	FULL CLEAN UNIT #425		100.00
440857/440856	MARSHALL ANIMAL CARE C	BINGO -YEARLY VAX/ FLEA & TICK/ EAR MEDS		200.00
20052840	MARSHALL LANES	TWO GAMES AND SHOES		476.00
13537C11831	MARSHALL MEDICAL ASSOC	DRUG SCREEN - ANNETTE CAMPAU		57.00
98245960	MSC INDUSTRIAL SUPPLY	(MARKING PAINT		552.24
061419	MTM RECOGNITION CORP.	SET UP		1,244.32
532515	NAPA OF MARSHALL	SLIP PLATE SPRAY		20.60
424612	NORTH CENTRAL LABORATO	BLANKET PO FOR LAB SUPPLIES	2019.013	257.06
699504	NYE UNIFORM COMPANY	NAME BAR - POLISHED		14.00
699859	NYE UNIFORM COMPANY	PANTS		139.50
93341	O'LEARY WATER CONDITIO	WATER DELIVERED		27.00
92753	O'LEARY WATER CONDITIO	WATER DELIVERED		56.50
93338	O'LEARY WATER CONDITIO	BOTTLED WATER		70.00
2019-63	OERTHERS	BACCTO		39.45
2019-78	OERTHERS	GRASS SEED AND TOP SOIL		306.26
1329332	OFFICE 360	PAPER/ BANDAGES		37.43
1319713	OFFICE 360	WALL FILE/SCISSORS		15.56
1311891	OFFICE 360	MH LIBRARY STAMP		20.40
1305279	OFFICE 360	PAPER		52.99
1308036	OFFICE 360	COPY PAPER		197.94
1320587	OFFICE 360	ENVELOPES/ SOAP		55.88
1368774	OFFICE 360	PAPER		194.43
1359279	OFFICE 360	PAPER/ BINDER		10.04
1962	PALM TEES	YTH BASEBALL/ SUMMER PLAYGROUND TSHIRTS		714.00
478977	PEERLESS MIDWEST INC	WELL 6 MONITORING WELLS & TESTING	2019.332	45,000.00
10800	PMG	ENVELOPES		180.00
6699639-00	POWER & TELEPHONE SUPP	TII TECHNOLOGIES 509F FIBER INTERFACE DE	2019.353	2,256.52
56375531	POWER LINE SUPPLY	METER SOCKETS		1,433.58
56375529	POWER LINE SUPPLY	METER SOCKET		307.88
56373286	POWER LINE SUPPLY	GROUND ROD		379.25
56374334	POWER LINE SUPPLY	BLANKET PURCHASE ORDER FOR ELECTRIC DEPT	2019.143	5,640.85
56375530	POWER LINE SUPPLY	FLAGS		16.00
296409	PRINTLINK	BUSINESS CARDS		162.80
00003380	RATHCO SAFETY SUPPLY I	IS MARSHALL @ RICE CREEK BARRICADES	2019.369	2,228.00
752802-00	RESCO	350 MCM ALUMINUM QUAD UNDERGROUND CABLE	2019.362	4,986.80
0090606	ROWE PROFESSIONAL SERV	CE SERVICES MONROE STREET BRIDGE	2019.295	6,486.20
79965974	SAFETY-KLEEN	PARTS WASHER SOLVENT		175.00
70657	SPORTSARAMA	SOFTBALLS		745.58
591-10425011	STATE OF MICHIGAN MDOT	AERO LOC SPONSOR DEPOSIT		550.00
S011398054.001	STUART C IRBY CO	GLOVES		108.46
1376634	SUMMIT COMPANIES	ANNUAL FIRE EXTINGUISHER MAINTENANCE		892.40
MARI7319	TIRE CITY TIRE PROS	#313 - 4 TIRES		1,061.11
154 0062880	UNIFIRST CORPORATION	POWER HOUSE UNIFORMS		52.87
154 0062877	UNIFIRST CORPORATION	WASTE WATER UNIFORMS		31.45
154 0062881	UNIFIRST CORPORATION	WATER UNIFORMS		34.82
154 0062882	UNIFIRST CORPORATION	MARSHALL HOUSE UNIFORMS		39.88
154 0062261	UNIFIRST CORPORATION	MARSHALL HOUSE UNIFORMS		39.88
154 0062259	UNIFIRST CORPORATION	POWER HOUSE UNIFORMS		55.37
154 0062256	UNIFIRST CORPORATION	WASTE WATER UNIFORMS		31.45
154 0062257	UNIFIRST CORPORATION	DPW GARAGE UNIFORMS		59.43
154 0062258	UNIFIRST CORPORATION	ELECTRIC UNIFORMS		169.53
154 0062879	UNIFIRST CORPORATION	ELECTRIC UNIFORMS		169.53
154 0062878	UNIFIRST CORPORATION	DPW GARAGE UNIFORMS		59.43
154 0062260	UNIFIRST CORPORATION	WATER UNIFORMS		42.57
920818	USA BLUEBOOK	BACKFLOW TEST		80.64
530357066	UTILITIES INSTRUMENTAT	SERVICE AND REPAIR OF GENERATOR #5 AND R	2019.383	2,641.45
1863-5	VIRIDIS DESIGN GROUP	DESIGN SERVICES - KETCHUM PARK PAVILION	2019.208	5,976.14
55291	WEST MICHIGAN LAWN SER	SPRINKLER SYSTEM SERVICE		148.00
26417	WEST SHORE SERVICES	WEATHER SIREN TESTS AND CERTIFICATION	2019.371	2,025.00
MRLECMAY19	WHITE COLLAR LAWN & LA	2019 LAWN MOWING AT MRLEC BUILDING	2019.356	660.00
GRAND TOTAL:				207,645.57

APPROVAL LIST FOR CITY OF MARSHALL
 EXP CHECK RUN DATES 06/14/2019 - 06/14/2019
 UNJOURNALIZED
 OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
289781444706	AT&T MOBILITY	ACCT 269 781 447 749 4		421.65
269781907006	AT&T MOBILITY	269 781 9070 573 1		107.75
269789901106	AT&T MOBILITY	ACCT 269 789 9011 599 1		140.90
269781981506	AT&T MOBILITY	ACCT 269 781 9815 267 0		5,758.23
6142019	BABCOCK, CLIF	FARMERS MARKET ENTERTAINMENT 5/18/2019		30.00
5312019	BARTLETT, KEVIN	REIMBURSEMENT FOR SPRINKLE/INVISIBLE FEN		225.41
6142019	BATES, RICHARD	BLUES FEST ENTERTAINMENT - HEADLINER		2,125.00
06/13/2019	BATTLE CREEK PROPERTY	UB refund for account: 1100780004		63.87
6142019	BUSTER, BRODY	BLUES FEST ENTERTAINMENT		700.00
0614	BUTTERS, SCOTTY	FARMERS MARKET ENTERTAINMENT 5/25/2019		30.00
06/13/2019	C & S LAND INVESTMENTS	UB refund for account: 1600240018		21.37
06/13/2019	C & S LAND INVESTMENTS	UB refund for account: 1600260027		15.71
06/13/2019	C & S PROPERTIES	UB refund for account: 1600260029		18.42
6142019	CITY OF MARSHALL	BLUES FEST START UP CASH		2,000.00
061319 COM	CRT, INC	100 T-BRICKS	2019.367	11,000.00
6142019	DANAE AND THE GRIND	BLUES FEST ENTERTAINMENT		500.00
6142019	DIXON, DAVE	FARMERS MARKET ENTERTAINMENT 6/1/2019		30.00
06/13/2019	FASANO, MICHELE	UB refund for account: 401020026		125.53
6142019	GLEASON, JAMES	BLUES FEST ENTERTAINMENT		800.00
6132019	HAMILTON LANDSCAPE SUP	TREE REPLACEMENT - CTN LINE		560.00
6142019	HANN, DAVE	FARMERS MARKET ENTERTAINMENT 6/15		30.00
6142019	LERETA, LLC	PROP TAX REFUND - OVERPAY/DUP PAY		3,498.16
015790	LEWEY'S SHOE REPAIR	MIKE FULLER - BOOT ALLOWANCE		190.00
015789	LEWEY'S SHOE REPAIR	KYLER CASE BOOT ALLOWANCE		190.00
014060	LEWEY'S SHOE REPAIR	STRAP REPAIR X2		12.00
15965	LOWE'S	ACCT 821 3023 105909 5		932.85
06/13/2019	MAHER, MARCIA	UB refund for account: 1602790041		10.82
6142019	MARSHALL FIREFIGHTERS	BLUES FEST - TEAR DOWN AFTER EVENT		400.00
06/13/2019	MICHAEL BEACH	FIBERNET DEPOSIT REFUND FOR ACCOUNT: 865		50.00
6142019	MILLER, KATHY	REIMBURSEMENT 2-10X10 CANOPIES		113.92
6132019	MILLER, KATHY	REIMBURSEMENT FUTURE VENDORS WORKSHOP SU		156.74
6132019	NEOFUNDS	ACCT 7900044055829307 POSTAGE FOR METER		3,000.00
06/13/2019	NISWANDER, HOLLY	UB refund for account: 1601600004		268.81
06/13/2019	REMAX - PERRETT	UB refund for account: 1603000010		42.28
286791	RICE'S SHOES, INC	DAN JINKS BOOT ALLOWANCE		124.20
6142019	ROSS, CHRIS	FARMERS MARKET ENTERTAINMENT 6/8/2019		30.00
0010760663	SPARTAN STORES	DISTILLED WATER		159.60
1490708R	STANTEC CONSULTING MIC	ENGINEERING SERVICES FOR SEDIMENT TESTIN 2019.268		2,934.00
06/13/2019	SUMBERA, SIERRA	UB refund for account: 2900030042		84.46
14759964	UPRIGHT, CINDY	1 LOAD SAND/ 2 TOPSOIL		860.00
9831289122	VERIZON WIRELESS	ACCT 987146080-00001		1,089.94
59667674	WEX BANK	GAS CARDS		11,003.89
6142019	WHO DAT BLUES BAND	BLUES FEST ENTERTAINMENT		1,000.00
6132019	WOW! BUSINESS	ACCT 013934621		39.49
6132019MH	WOW! INTERNET-CABLE-PH	ACCT 010040764		1,359.80
GRAND TOTAL:				52,254.80

APPROVAL LIST FOR CITY OF MARSHALL
EXP CHECK RUN DATES 06/19/2019 - 06/19/2019
BOTH JOURNALIZED AND UNJOURNALIZED
OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
6182019	ALL YOU NEED GRAND RE	TENTS/TABLES/CHAIRS FOR BLUES FEST		3,296.50
6142019	BATES, RICHARD	BLUES FEST ENTERTAINMENT - HEADLINER		2,125.00
1901	BC SOUND & STAGE	STAGE WITH ROOF, SOUND, LIGHTS, TECHS -		3,500.00
6142019	BUSTER, BRODY	BLUES FEST ENTERTAINMENT		700.00
6/13/2019	CITY OF MARSHALL	PETTY CASH - JANITORIAL - BLUES FEST		250.00
06142019	CITY OF MARSHALL	PETTY CASH - JANITORIAL - BLUES FEST		400.00
6192019	CITY OF MARSHALL	START UP - BAND		5,125.00
W-667313	DAN HENRY DISTRIBUTIN	BEER FOR BLUES FEST	2019.372	3,830.40
10111970	PAW PAW WINE DISTRIBU	BEER FOR BEER TENT		3,484.00
6192019	SCOOTER'S REFUSE SERV	REFUSE PICK UP - BLUES FEST		744.00
GRAND TOTAL:				23,454.90

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
21909-00	BAILEY EXCAVATING INC	MICHIGAN AVE WATER MAIN CONSTRUCTION	2019.316	172,700.71
6192019	BOYNE HIGHLANDS RESORT	POLICE CHIEFS CONFERENCE HOTEL - JAMES S		342.34
6132019	CONSUMERS ENERGY	REF. ROW PERMIT BOND PROW 18-025 AT 410		500.00
6142019	CONSUMERS ENERGY	REF. ROW PERMIT BOND 18-014 AT 125 GREEN		500.00
205722340017	CONSUMERS ENERGY	ACCT NO 1000 0916 3435		136.05
601011872460	CONSUMERS ENERGY	ACCT 1030 1580 0248		186.41
205633333272	CONSUMERS ENERGY	ACCT 1030 1852 1130		1,394.64
206345136250	CONSUMERS ENERGY	ACCT 1000 0916 3203		20.25
71570865	CRYSTAL FLASH MARSHALL GAS			1,171.36
06/20/2019	DARBY, MILDRED	UB refund for account: 3101760006		69.27
547783	DARLING ACE HARDWARE	2019 CEMETERY FLOWERS FOR OAKRIDGE PERPE	2019.275	1,430.40
6192019	DECKER, RICHARD	CDL REIMBURSMENT		155.00
6202019	EARTHLINK BUSINESS	ACCT 7018274 TELEPHONE SERVICES		69.84
2501331905	FIRST ADVANTAGE LNS OC	CLINIC COLLECTION - FISHER, CHARLIE		35.64
6202019	GROSS, JOHN	INSPECTIONS 5/26-6/19/19		731.25
06/20/2019	LAFLEUR, BENJAMIN	UB refund for account: 3204260028		58.94
6202019SNC	MARSHALL COMMUNITY CU	CITY CREDIT CARD - SCOTT MCDONALD		823.44
6192019CR	MARSHALL COMMUNITY CU	CITY CREDIT CARD - CHRISTY RAMEY		422.75
6192019TT	MARSHALL COMMUNITY CU	CITY CREDIT CARD - TOM TARKIEWICZ		66.00
6192019CITY	MARSHALL COMMUNITY CU	CITY CREDIT CARD - TRAVEL		40.49
6192019	MILLER, JUSTIN	REIMBURSMENT - BATTERIES		22.99
6202019	PARKS, MATT	BOOT ALLOWANCE		100.05
9548	SIGNWORLD CONCEPTS	BUS WRAP		730.00
6172019	TARKIEWICZ, TOM	REIMBURSEMENT		25.50
168906	TELNET WORLDWIDE	ACCT 8948 TELECOMMUNICATIONS		1,869.06
06/20/2019	TINCH, MASON & SKOGLUN	UB refund for account: 401000028		90.02
6202019	WMACP	W. MICH. ASSOC. OF C OF POLICE MEMBERSHI		100.00
GRAND TOTAL:				183,792.40

APPROVAL LIST FOR CITY OF MARSHALL
 EXP CHECK RUN DATES 06/28/2019 - 06/28/2019
 UNJOURNALIZED
 OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
6262019	ASHBY, RON	OUTERWEAR REIMBURSEMENT		119.98
6262019	AT&T MOBILITY	ACCT 145970911		83.17
17353	C.C. POWER LLC	LINEMEN WORK TO RELOCATE MONROE STREET L 2019.386		231,153.00
6262019	CALHOUN COUNTY TREASUR.	DELINQUENT PERSONAL PROPERTY TAX COLLECT		3,650.41
6272019	CALHOUN COUNTY TREASUR.	DELINQUENT PERSONAL PROPERTY TAX COLLECT		4,063.82
6262019	CALHOUN INTERMEDIATE S	DELINQUENT PERSONAL PROPERTY TAX COLLECT		3,179.13
06/27/2019	COLBY HEINZEN	UB deposit refund for account: 1213		50.00
601011872880	CONSUMERS ENERGY	1000 0033 5602		383.21
201895704150	CONSUMERS ENERGY	1000 0916 3708		17.44
204565483207	CONSUMERS ENERGY	1030 1852 0884		14.00
201984709435	CONSUMERS ENERGY	1030 1352 1119		16.87
203408590519	CONSUMERS ENERGY	1000 0916 3435		159.86
203319583348	CONSUMERS ENERGY	1000 7224 3312		43.60
201094864560	CONSUMERS ENERGY	1000 0759 4680		24.81
201717718892	CONSUMERS ENERGY	1030 0915 7670		17.79
203408590520	CONSUMERS ENERGY	1000 0916 3971		102.37
2024209506395	CONSUMERS ENERGY	1000 6710 1772		15.71
6262019	DEAN HOPSON	HOP DADDY'S BBQ DENIED LICENSE BY CC HEA		285.00
6262019	ERB, JASON	UTER WEAR REIMBURSEMENT		26.97
06/26/2019	FEW, DOUGLAS	UB refund for account: 3204540014		39.23
06/26/2019	GROSSMAN, HORNE & CANN	UB refund for account: 1802760001		82.20
6262019	GRUBER, LYNN	REIMBURSEMENT 15 CASES WATER FOR BLUES F		44.85
06/26/2019	HENSON, TIMOTHY	UB refund for account: 1301740013		84.07
06/27/2019	JASON LIPSEY	UB deposit refund for account: 1245		50.00
6202019	JIMMY'S JOHNS	JIMMY'S JOHNS AND PORTABLE SINKS - BLUES		1,125.00
6262019	KELLOGG COMMUNITY COLL.	DELINQUENT PERSONAL PROPERTY TAX COLLECT		2,273.59
06/26/2019	LEWIS, MARY	UB refund for account: 3202360016		20.38
692019TS	MARSHALL COMMUNITY CU	CITY CREDIT CARD - THERESA SEARS		448.38
6262019ER	MARSHALL COMMUNITY CU	CITY CREDIT CARD - ED RICE		107.35
6262019JM	MARSHALL COMMUNITY CU	CITY CREDIT CARD - JUSTIN MILLER		509.91
6202019	MARSHALL DISTRICT LIBR.	DELINQUENT PERSONAL PROPERTY TAX COLLECT		1,170.35
6262019	MARSHALL FIREFIGHTER A	DELINQUENT PERSONAL PROPERTY TAX		366.82
6262019	MARSHALL PUBLIC SCHOOL	DELINQUENT PERSONAL PROPERTY TAX COLLECT		8,261.55
6262019	MICHIGAN DEPT OF TREAS	DELINQUENT IFT TAX COLLECTIONS		1,026.02
06/26/2019	ROGERS, D. & DENISE	UB refund for account: 1300640008		58.38
6262019	SLUSARSKI, JESSICA	FACEBOOK ADVERTISEMENTS BILLED TO PERSON		91.84
06/27/2019	TOM CERAN	UB deposit refund for account: 1409		50.00
GRAND TOTAL:				259,217.06

APPROVAL LIST FOR CITY OF MARSHALL
 EXP CHECK RUN DATES 07/03/2019 - 07/03/2019
 UNJOURNALIZED
 OPEN

INVOICE NUMBER	VENDOR NAME	DESCRIPTION	PO NUMBER	AMOUNT
722019	AMERICAN WATER WORKS	MEMBERSHIP DUES MEMBER # 00269636		340.00
732019	CONSUMERS ENERGY	REF ROW PERMIT BOND PROW 18-023 AT 109		500.00
9996	COURTNEY & ASSOCIATES	MONTHLY RETAINER FEES		250.00
07/02/2019	DENISE ROGERS	UB deposit refund for account: 389		50.00
6182019	HOFFMAN BROS	S KALAMAZOO WATER MAIN	2019.131	100,049.85
07/03/2019	HULKOW, RICHARD	UB refund for account: 2100980011		4.98
07/02/2019	KRAGT, APRIL	UB refund for account: 60140007		169.80
722019	MARANA GROUP	POSTAGE ACCT#M323		500.00
SUMR2019	MARENGO TOWNSHIP	SUMMER TAXES PARCEL # 15-331-015-00		359.70
6132019	MICHIGAN RURAL WATER	ANNUAL MEMBERSHIP DUES		810.00
07/02/2019	MUNRO, SHAWNA & JACOB	UB refund for account: 1900210011		54.96
0249-006415344	REPUBLIC SERVICES #24	ACCT # 3-0249-1022021		1,668.93
722019	SCOTT, DOUGLAS	INSPECTIONS 5/26/19-7/1/2019		675.00
1624576645	STAPLES BUSINESS CRED	ACCT # 10081052DET		222.26
1247	UNITED PARTY & EVENT	BEER TENT STAGE - BLUES FEST		1,900.00
6282019	WISE, TIM	UNIFORM/OUTERWEAR REIMBURSEMENT		80.00
722019	WOW! BUSINESS	CABLE		39.49
GRAND TOTAL:				107,674.97



ADMINISTRATIVE REPORT
JULY 15, 2019 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and Council Members
FROM: Ed Rice, Director of Electric Utilities
Tom Tarkiewicz, City Manager
SUBJECT: Transformer Purchase for the Pearl Street Substation Increase in Capacity Project.

BACKGROUND: The City Council approved the expediting of the engineering and design for the increase in capacity of the Pearl St. Electric Substation Project (Project) at its regular meeting on March 4, 2019. The increase in capacity is necessitated by the planned addition of 30MW of planned new load within the next two (2) years mainly from new marijuana grow facilities.

A major component of the Project is the acquisition of a 30mva substation transformer which reduces the voltage from 138kv to 12.47kv to match the voltage of the existing Marshall Electric system. The transformer is a long lead time (seven-nine months) item.

Bids were solicited and received from three qualified transformer manufactures; Delta Star, ABB Kuhlman and Waukesha/SPX. The bids were evaluated by the City’s owner representative (GRP) and were further analyzed by City staff with the following results:

	<u>Cost</u>	<u>Delivery Date</u>	<u>Payment Terms</u>
Delta Star	\$818,888	1/27/20	30%/30%/30%/10%
ABB Kuhlman	\$824,710	2/10/20	20%/30%/40%/10%
Waukesha/SPX	\$838,012	12/22/20	30%/30%/30%/10%

RECOMMENDATION: It is recommended by staff that the City Council approve the awarding of the purchase of a 30mva 138/12.47kv transformer to the low bidder of Delta Star in the amount of \$818,888 (including spare high and low side bushings) with a delivery date of January 27, 2020.

FISCAL EFFECTS: The total estimated cost of the Pearl Street Substation Project is \$2.415 million including a \$105,000 contingency. The transformer cost that was included in the total estimate was \$750,000 which results in an actual to estimate variance \$68,888 to be covered by the project

323 W. Michigan Ave.
Marshall, MI 49068
p 269.781.5183
f 269.781.3835
cityofmarshall.com

contingency amount. Expenditures for the project will be acquired through the most beneficial arrangement of bonds, commercial loans or interfund loans. It is expected that the annual cost for funding the project will not cause an increase in customer electricity costs, and will be covered from the Electric fund operating budget.

- ALTERNATIVES:** 1) Project cancellation
2) Suggestions by City Council

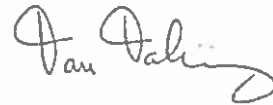
CITY GOAL CLASSIFICATION: GOAL AREA IV -- INFRASTRUCTURE

Goal Statement: Preserve, rehabilitate, maintain and expand city infrastructure and assets.

Respectfully Submitted,



Edward E. Rice, P.E.
Electric Utilities Director



Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
July 15, 2019 – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council

FROM: Kristin Bauer, Director of Public Services
Christy Ramey, Purchasing Agent
Tom Tarkiewicz, City Manager

SUBJECT: **Goal II.C. DOWNTOWN TREE LIGHTING**

BACKGROUND: On February 1 and 2, 2019 the Mayor, City Council Members, City Manager, and City Directors met to discuss and identify a vision and direction for the City of Marshall. A "Vision Tour" for the City was created outlining major goals and objectives, and actions to be taken in the first year of a five-year plan. Four major goal areas were developed as follows:

- I. Attractive – Walkable – Livable Community
- II. Downtown – Central Business District
- III. Infrastructure and City Services
- IV. Community and Economic Development

As part of this "Vision Tour" the goal for providing Downtown Tree Lighting was established and sub-tasks developed. The sub-tasks and their status are shown below:

Champions – MAEDA, Kristin Bauer, & Christy Ramey

1. Determine funding sources - **Completed**
 - a. DDA
 - b. Electric Fund
 - c. Foundation grants
 - d. Donations
2. Determine extent of project- **Completed**
3. Determine funding of light strings- **Completed**
 - a. MAEDA donation campaign – **See attached flyer**
4. Design electric infrastructure - **Completed**
5. Finalize funding - **Completed**
6. Bid project- **Completed**
7. Council approval- **Completed – 7/15/19 Update**
8. Construct the lighting infrastructure – *50% completed with the downtown water main project. It is anticipated that the remaining 50% of the electrical infrastructure will be completed by early September.*
9. Light string campaign - *Tom Tarkiewicz, Christy Ramey, Scott Fleming and Jane Reid met on April 22 to determine the amount lighting and adapters needed; the amount of funding required to light each tree including the amount needed to sustain the project for at least 10 years; the installation and dedication timeline, and the fundraising parameters.*

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

A grant submitted to the Cronin Foundation was declined so Jane Reid from MAEDA was assigned the task to pursue funding. The fundraising goal is \$9,600. Fundraising from the public began on June 22 with a deadline of August 11. The MAEDA Board voted to cover any costs not obtained through the fundraising campaign.

Money for the project is being held in the "Light Up Marshall" account at the Marshall Community Foundation and as of July 8, 2019, \$5,000 has been received through the fundraising campaign.

10. *Purchase and install light strings - Christy Ramey obtained a bid from Medler Electric in Battle Creek for the lighting and adapters and she recently negotiated an additional 10% discount. All materials have been ordered and are being currently being held at Medler Electric in Battle Creek. Medler will invoice us when we are ready to take delivery.*

A tree lighting ribbon cutting ceremony will be scheduled once the lights have been installed. It is the goal to have the lights installed by City crews by the holidays.

RECOMMENDATION: Staff recommends that the project maintain its current trajectory and all items are in place to complete this project prior to the Christmas season.

FISCAL EFFECTS: No additional fiscal effects are anticipated as all funding for the project has been previously approved and the lighting is donation based or otherwise approved by MAEDA.

CITY GOAL CLASSIFICATION:

GOAL AREA II – Downtown – Central Business District

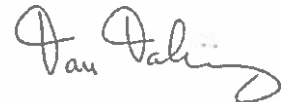
Respectfully Submitted,



Kristin Bauer
Director of Public Services



Christy Ramey
Purchasing Agent



Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT

July 15, 2019 – CITY COUNCIL MEETING

TO: Honorable Mayor and City Council
FROM: Jon B. Bartlett, Finance Director
Tom Tarkiewicz, City Manager
SUBJECT: *Goal Area III – Infrastructure and City Services*

- III. A. Income Tax – One Year Tasks
 - 1. Supply Council with 2014 Income Tax Study (sent by email by City Manager)
 - 2. Ask Council whether to move forward and update study

BACKGROUND: On February 1 and 2, 2019 the Mayor, City Council Members, City Manager, and City Directors met to discuss and identify a vision and direction for the City of Marshall. A “Vision Tour” for the City was created outlining major goals and objectives, and actions to be taken in the first year of a five-year plan. Four major goal areas were developed as follows:

- I. Attractive – Walkable – Livable Community
- II. Downtown – Central Business District
- III. Infrastructure and City Services
- IV. Community and Economic Development

In 2012, City Council requested that an income tax study be completed and an RFP was issued in April of 2012. The Income Tax Study was awarded to Municipal Analytics in October of 2012, with John Kaczor as the principle consultant. The Income Tax Report Findings was presented to City Council on August 18, 2014. Municipal Analytics was contacted in June 2019, to see if Mr. Kaczor would be available to update the 2014 Study and what the cost would be. The response was Mr. Kaczor would be available to update the “Study” at a not-to exceed cost of \$6,750. The information that would be updated for the “Study” is in the attached email.

RECOMMENDATION: Staff is requesting guidance on this Goal.

- 1. Council can delay the Study
- 2. Remove the Income Tax Study from future goals
- 3. Update the 2014 Income Tax Study by Municipal Analytics in an amount not-to-exceed \$6,750.

FISCAL EFFECTS: The FY2020 budgets for 101-294-801.00 and 101-294-820.00 is \$18,000 that can be used for the Study.

323 W. Michigan Ave.

Marshall, MI 49068

p 269.781.5183

f 269.781.3835

cityofmarshall.com

ALTERNATIVES: Council can delay the Study, remove the Income Tax Study from future goals, or any other suggestions by Council

CITY GOAL CLASSIFICATION:

GOAL AREA III – Infrastructure and City Services

Respectfully Submitted,



Jon B. Bartlett
Finance Director



Tom Tarkiewicz
City Manager



ADMINISTRATIVE REPORT
July 15, 2019 - CITY COUNCIL MEETING

REPORT TO: Honorable Mayor and City Council Members
FROM: Tom Tarkiewicz, City Manager
SUBJECT: Appointment to the Northeast Neighborhood Improvement Authority Board

BACKGROUND: The Neighborhood Improvement Authority is created under State statutes. The Authority is established to promote development and economic growth of residential areas.

The State statute requires the City Manager to recommend Board appointments. The Board can have five to nine members. The following appointments were made in December:

Richard Lindsey	Representing Oaklawn Hospital
Krista Trout-Edwards	Representing Calhoun Land Bank
Scott Wolfersberger	Representing Ward One
Open	Representing Calhoun County
Open	Representing Kellogg Community College
David DeGraw	Representing Neighborhood

The City Manager, by statute, is a member of this Board. Calhoun County and Kellogg Community College have generously allowed the capture of their jurisdiction's taxes. At this time, the KCC Board is recommending Matt Davis to represent Kellogg Community College.

RECOMMENDATION: It is recommended that the City Council approve the appointment of Matt Davis to the Northeast Neighborhood Improvement Authority Board with a term expiring December 31, 2022.

FISCAL EFFECTS: None.

ALTERNATIVES: As suggested by Council.

Respectfully submitted,

Tom Tarkiewicz
City Manager

323 W. Michigan Ave.
Marshall, MI 49068
p 269.781.5183
f 269.781.3835
cityofmarshall.com



**CITY OF MARSHALL
BOARDS & COMMISSIONS
APPLICATION**

Your interest and willingness to serve the City of Marshall is appreciated. The purpose of this application is to provide the Mayor and Council with basic reference data and information pertaining to residents being considered for appointment to a City board or commission. The information supplied on this form will be available for the Mayor and Council and may be used for their deliberation concerning such appointments.

Date 6-27-19

Applicant Name Jake Andrews

Address 727 W Green St

Home Phone 269-924-8596 Work Phone N/A

E-Mail Address jaandrews16@gmail.com

How long have you lived in the City of Marshall? 5 years
Lakeview High School

Education Kellogg Community College

Community Experience and Affiliations: I do not have much
experience here in Marshall yet, but I've
volunteered a lot with various organizations in

Battle Creek, such as Hands on Battle Creek, Salvation Army Drives,
The Charitable Union, and blood drives.

Please specify the Board/Committee sought: Park/Recreational

Why would you like to serve in this capacity? Include experience or expertise relevant to board or committee for which you are applying.

I've been in Marshall for five years now
and I feel like I've really found my home
I have a wife and three kids; I would
really like to make an impact with helping
the community so that Marshall can continue
to be great while my kids grow.

Can you commit to attend all meetings: Yes or No

Please feel free to attach a resume, brief bio, hobbies, former committee work, etc.



**CITY OF MARSHALL
BOARDS & COMMISSIONS
APPLICATION**

Your interest and willingness to serve the City of Marshall is appreciated. The purpose of this application is to provide the Mayor and Council with basic reference data and information pertaining to residents being considered for appointment to a City board or commission. The information supplied on this form will be available for the Mayor and Council and may be used for their deliberation concerning such appointments.

Date 6-27-2019

Applicant Name Sara Jeffery

Address 1116 S. Sycamore St. Marshall

Home Phone 269-275-9130 Work Phone _____

E-Mail Address Sjeffery102@gmail.com

How long have you lived in the City of Marshall? 25 years

Education B.A. - Albion College

Community Experience and Affiliations: Fountain Clinic - Board of Directors
Womens Philanthropic Circle - Marshall
Marshall Exchange Club - Board of Directors
Sherman Park Committee

Please specify the Board/Committee sought: Parks & Recreation

Why would you like to serve in this capacity? Include experience or expertise relevant to board or committee for which you are applying.

Since starting my job at Oaklawn I have become more involved in the community. I am interested in getting involved in the Parks & Rec board because I have a 3 year old that enjoys our parks & rec programs. With my past experience on Sherman Park Committee I think this would be a great fit.

Can you commit to attend all meeting: Yes or No

Please feel free to attach a resume, brief bio, hobbies, former committee work, etc.



**CITY OF MARSHALL
BOARDS & COMMISSIONS
APPLICATION**

Your interest and willingness to serve the City of Marshall is appreciated. The purpose of this application is to provide the Mayor and Council with basic reference data and information pertaining to residents being considered for appointment to a City board or commission. The information supplied on this form will be available for the Mayor and Council and may be used for their deliberation concerning such appointments.

Date July 10th 2019

Applicant Name Joe Booton

Address 19526 US Hwy 27 North Marshall, MI

Home Phone _____ Work Phone 269-275-4251

E-Mail Address Joebooton78@gmail.com

How long have you lived in the City of Marshall? 41 years with Marshall address

Education High school Diploma

Community Experience and Affiliations: 7 years of Construction Business Ownership

Please specify the Board/Committee sought: Construction Board of Appeals

Why would you like to serve in this capacity? Include experience or expertise relevant to board or committee for which you are applying.

I am a local building contractor, and have lived in Marshall my whole life so I care about this community and seeing any and all problems solved in a reasonable manner fair to both parties. Also stand behind the local authorities that enforce our codes and laws.

Can you commit to attend all meeting: Yes or No

Please feel free to attach a resume, brief bio, hobbies, former committee work, etc.