

**CITY OF MT. MORRIS  
CITY COUNCIL AGENDA  
March 13, 2017  
7:00 P.M.**

- 1. MEETING CALLED TO ORDER:** Mayor Duane K. Dunckel
- 2. PLEDGE OF ALLEGIANCE**
- 3. ROLL CALL**
- 4. APPROVAL OF AGENDA**
- 5. APPROVAL OF MINUTES:** Regular meeting minutes from February 27, 2017.
- 6. COMMUNICATIONS**
- 7. APPROVAL OF WARRANT:** Approval of Warrant #17-05 in the amount of \$52,195.36.
- 8. PUBLIC COMMENT (Five Minute Time Limit).**
- 9. UNFINISHED BUSINESS:**
  - a. None.
- 10. NEW BUSINESS:**
  - a. **RESOLUTION 17-07:** Acceptance of Saginaw Street Road and Water bids.
  - b. **RESOLUTION 17-08:** Water Bond Authorizing Notice of Intent and Declaring Intention to Reimburse.
- 11. PUBLIC COMMENT (Five Minute Time Limit)**
- 12. COUNCIL MEMBER AND STAFF COMMENTS**
- 13. ADJOURNMENT**

*Per Rules of order of the Mt. Morris City Council 3.11 (c) Persons addressing the Council shall limit their comments to not more than 5 minutes or other time set by the Chair. The Clerk will maintain the official time and notify the speakers when their time is up.*

PLEASE TURN OFF ALL CELL PHONES AND OTHER ELECTRONIC DEVICES PRIOR TO THE MEETING.





**COUNCIL MEMBER AND STAFF COMMENTS:**

Council member D. Davis requested a copy of the City Charter, discussed getting a Parks and Recreation Committee started, Tammy's landscaping working on Land Bank properties, and thanked City Attorney for the information about the 13<sup>th</sup>, and 14<sup>th</sup> amendment. Discussed changing the City Snow Removal Ordinance to include *all* City sidewalks. Thanked Council member Tonya Davis for the wreath she made, and then donated to the city.

Council member Michaels discussed the Dancing in the Street event, and hopes to see everyone attend.

Council member Roth informed Council that he will not be at the next meeting.

Mayor pro-tem T. Davis asked the status of a house located in her neighborhood.

Bryant Nolden asked that the address be emailed to him, so he can look into the status.

Council member Daniels discussed Land Bank lot near his address, which is very well taken care of.

Bryant Nolden discussed the Clean & Green project, where Land Bank will reimburse groups that take care of at least 25 properties. Mentioned grants available for Neighborhood Associations, and or Block Clubs.

Interim City Manager/Treasurer Vicki Fishell discussed HUD funds that were approved, and the requirements needed to use funds.

Bryant Nolden stated that Habitat for Humanity would be a great group for helping with community involvement requirements needed for using funds.

Council member Michaels suggested having the required meetings before or during City Council meetings at City Hall.

City Clerk Kristina Somers informed council that she will be attending her 2<sup>nd</sup> year of Clerks Institute from March 12<sup>th</sup> thru March 17<sup>th</sup>, and will not be at the next council meeting.

Chief Becker discussed HUD funds, and informed Council that crime in the City of Mt. Morris is down 60% from last year.

City Attorney Charles Forrest informed Council that he will not be at the next Council meeting.

**ADJOURNMENT:**

With no further business, the Council Meeting was adjourned at **7:27 p.m.**

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 101 General					
Dept 210 ATTORNEY	PROFESSIONAL SERVICES	CHARLES A. FORREST, JR.	JAN/FEB LEGAL FEES	4,794.00	
101-210-801.000		Total For Dept 210 ATTORNEY		4,794.00	
Dept 212 ACCOUNTANT	PROFESSIONAL SERVICES	PLANTE & MORAN	BANK RECONCILIATION	200.00	
101-212-801.000		Total For Dept 212 ACCOUNTANT		200.00	
Dept 215 ADMINISTRATION	OPERATING EXPENSE	GENESEE COUNTY HERALD	NOTICE OF ORDINANCE ADOPTION	23.88	
101-215-740.000	OPERATING EXPENSE	SHRED-IT	FEB CHARGES	19.25	
101-215-825.000	MAINTENANCE AGREEMENTS	BRADY'S BUSINESS SYSTEMS	MARCH COPIER	13.90	
101-215-850.000	COMMUNICATIONS	COMCAST CABLEVISION	CITY HALL	64.13	
101-215-959.000	MEMBERSHIP & DUES	GCGC	GCGC SPRING MEETING	15.00	
101-215-995.400	DEBT INTEREST-SPECIAL ASSESSM	U.S. BANK OPERATIONS CEN	SPECIAL ASSESSMENT LIMITED TAX BOND	2,548.37	
		Total For Dept 215 ADMINISTRATION		2,684.53	
Dept 253 TREASURER	MAINTENANCE AGREEMENTS	BRADY'S BUSINESS SYSTEMS	MARCH COPIER	13.90	
101-253-825.000		Total For Dept 253 TREASURER		13.90	
Dept 265 CITY HALL & GROUNDS	OPERATING EXPENSE	MENARDS - CLIO	SUPPLIES	4.94	
101-265-740.000	OPERATING EXPENSE	MENARDS - CLIO	SUPPLIES	5.97	
101-265-740.000	OPERATING EXPENSE	MENARDS - CLIO	SUPPLIES	6.06	
101-265-740.000	OPERATING EXPENSE	MENARDS - CLIO	SUPPLIES	8.98	
101-265-920.000	PUBLIC UTILITIES	CITY OF MT. MORRIS	FEB WATER	33.58	
		Total For Dept 265 CITY HALL & GROUNDS		59.53	
Dept 305 POLICE DEPARTMENT	OPERATING EXPENSE	LIFELOC TECHNOLOGIES	PD SUPPLIES	14.00	
101-305-740.000	OPERATING EXPENSE	MAPLE TOWNE PRINTING	PD SUPPLIES	35.00	
101-305-740.000	OPERATING EXPENSE	MAPLE TOWNE PRINTING	PD SUPPLIES	50.00	
101-305-740.000	OPERATING EXPENSE	SHRED-IT	FEB CHARGES	19.25	
101-305-745.000	GAS & FUEL	MICHIGAN PETROLEUM TECH	FUEL - UNLEADED	1,051.80	
101-305-759.000	UNIFORMS	NYE UNIFORM COMPANY	PD	24.00	
101-305-759.000	UNIFORMS	NYE UNIFORM COMPANY	PD	146.01	
101-305-850.000	COMMUNICATIONS	COMCAST CABLEVISION	CITY HALL	36.64	
101-305-850.000	COMMUNICATIONS	VERIZON	FEB CHARGES	58.25	
101-305-930.000	REPAIR & MAINTENANCE - VEHICL	LOUIES TOWING & SERVICE	SERVICE WORK PD #120	31.00	
101-305-930.000	REPAIR & MAINTENANCE - VEHICL	LOUIES TOWING & SERVICE	SERVICE WORK PD #122	54.00	
101-305-930.000	REPAIR & MAINTENANCE - VEHICL	LOUIES TOWING & SERVICE	SERVICE WORK PD #122	54.00	
101-305-930.000	REPAIR & MAINTENANCE - VEHICL	LOUIES TOWING & SERVICE	SERVICE WORK PD #122	75.00	
101-305-930.000	REPAIR & MAINTENANCE - VEHICL	LOUIES TOWING & SERVICE	SERVICE WORK PD #116	205.89	
101-305-930.000	REPAIR & MAINTENANCE - VEHICL	LOUIES TOWING & SERVICE	SERVICE WORK PD #122	682.73	
		Total For Dept 305 POLICE DEPARTMENT		2,483.57	
Dept 336 FIRE DEPARTMENT	OPERATING EXPENSE	GENESEE TOWNSHIP TREASUR	ANNUAL FIT TEST	94.50	
101-336-740.000	GAS & FUEL	MICHIGAN PETROLEUM TECH	FUEL - UNLEADED	21.34	
101-336-850.000	COMMUNICATIONS	COMCAST CABLEVISION	CITY HALL	18.32	
101-336-850.000	COMMUNICATIONS	VERIZON	FEB CHARGES	37.81	
101-336-959.000	MEMBERSHIP & DUES	SMAFC	2017 MEMBERSHIP DUES	40.00	
		Total For Dept 336 FIRE DEPARTMENT		211.97	

GL Number Invoice Line Desc Vendor Invoice Description Amount Check #

Fund 101 General  
 Dept 400 PLANNING COMMISSION  
 101-400-740.000 OPERATING EXPENSE GENESEE COUNTY HERALD PLANNING COMMISSION HEARING 58.00

Dept 441 PUBLIC WORKS  
 101-441-740.000 OPERATING EXPENSE Total For Dept 400 PLANNING COMMISSION 58.00

101-441-740.000 OPERATING EXPENSE FAIRHAVEN AUTO PARTS DPW PARTS 50.66

101-441-745.000 GAS & FUEL MENARDS - CLIO SUPPLIES 7.98

101-441-850.000 COMMUNICATIONS MICHIGAN PETROLEUM TECH FUEL - UNLEADED 3.64

101-441-920.000 PUBLIC UTILITIES COMCAST CABLEVISION DPW 46.59

101-441-922.000 STREET LIGHTING VERIZON FEB CHARGES 26.09

101-441-923.000 DRAINING-AT-LARGE CITY OF MT. MORRIS FEB WATER 40.53

101-441-930.000 REPAIR & MAINTENANCE - VEHICL GENESEE COUNTY DRAIN COM TRAFFIC/STREET LIGHTS 3,889.72

101-441-930.000 REPAIR & MAINTENANCE - VEHICL FAIRHAVEN AUTO PARTS DPW PARTS 402.17

101-441-930.000 REPAIR & MAINTENANCE - VEHICL TERMINAL SUPPLY CO. PARTS TRUCK#36 159.65

Dept 528 TRASH COLLECTION  
 101-528-801.000 PROFESSIONAL SERVICES Total For Dept 441 PUBLIC WORKS 4,672.68

Dept 738 LIBRARY  
 101-738-740.000 OPERATING EXPENSE REPUBLIC SERVICES #237 FEB TRASH SERVICES 10,525.95

101-738-801.000 PROFESSIONAL SERVICES Total For Dept 528 TRASH COLLECTION 10,525.95

101-738-920.000 PUBLIC UTILITIES MENARDS - CLIO SUPPLIES 8.99

Fund 202 Major Street  
 Dept 451 STREET CONSTRUCTION  
 202-451-820.000 ENGINEERING SHERWOOD PROFESSIONAL CL LIBRARY CLEANING 240.00

Dept 463 STREET ROUTINE MAINTENANCE  
 202-463-740.000 OPERATING EXPENSE CITY OF MT. MORRIS FEB WATER 65.72

Dept 474 TRAFFIC SERVICES  
 202-474-740.000 OPERATING EXPENSE Total For Dept 738 LIBRARY 314.71

202-474-920.000 PUBLIC UTILITIES Total For Fund 101 General 26,018.84

Fund 203 Local Street  
 Dept 474 TRAFFIC SERVICES  
 203-474-740.000 OPERATING EXPENSE ROME PROFESSIONAL SERVIC 15C0036 SAGINAW STREET IMPROVEMENTS 747.01

203-474-920.000 OPERATING EXPENSE Total For Dept 451 STREET CONSTRUCTION 747.01

203-474-920.000 OPERATING EXPENSE VERIZON FEB CHARGES 52.22

203-474-920.000 OPERATING EXPENSE Total For Dept 463 STREET ROUTINE MAINTENANCE 52.22

203-474-920.000 OPERATING EXPENSE CONSTRUCTION FASTENERS, PARTS 8.00

203-474-920.000 OPERATING EXPENSE CONSUMERS ENERGY TRAFFIC/STREET LIGHTS 164.87

203-474-920.000 OPERATING EXPENSE Total For Dept 474 TRAFFIC SERVICES 172.87

203-474-920.000 OPERATING EXPENSE Total For Fund 202 Major Street 972.10

203-474-920.000 OPERATING EXPENSE CONSTRUCTION FASTENERS, PARTS 8.00

203-474-920.000 OPERATING EXPENSE Total For Dept 474 TRAFFIC SERVICES 8.00

203-474-920.000 OPERATING EXPENSE Total For Fund 203 Local Street 8.00

203-474-920.000 OPERATING EXPENSE B'S FLOWERS CHRISTMAS LIGHTS 79.39

203-474-920.000 OPERATING EXPENSE Total For Fund 203 Local Street 8.00

203-474-920.000 OPERATING EXPENSE Total For Fund 203 Local Street 8.00

203-474-920.000 OPERATING EXPENSE Total For Fund 203 Local Street 8.00

203-474-920.000 OPERATING EXPENSE Total For Fund 203 Local Street 8.00

203-474-920.000 OPERATING EXPENSE Total For Fund 203 Local Street 8.00

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund 276	Downtown Development Authority				
Dept 103	AUTHORITY BOARD				
	Total For Dept 103 AUTHORITY BOARD			79.39	
	Total For Fund 276 Downtown Development Authority			79.39	
Fund 591	Water Fund				
Dept 215	ADMINISTRATION				
591-215-801.000	PROFESSIONAL SERVICES	PLANTE & MORAN	BANK RECONCILIATION	200.00	
591-215-825.000	MAINTENANCE AGREEMENTS	BRADY'S BUSINESS SYSTEMS	MARCH COPIER	13.90	
591-215-850.000	COMMUNICATIONS	COMCAST CABLEVISION	CITY HALL	36.65	
591-215-850.000	COMMUNICATIONS	COMCAST CABLEVISION	DPW	46.59	
591-215-850.000	COMMUNICATIONS	VERIZON	FEB CHARGES	26.09	
591-215-957.000	CONFERENCES AND WORKSHOPS	MICHIGAN RURAL WATER ASS	CROSS CONNECTION CLASS PRE REGISTRATI	135.00	
591-215-995.400	DEBT INTEREST-SPECIAL ASSESSM	U.S. BANK OPERATIONS CEN	SPECIAL ASSESSMENT LIMITED TAX BOND	4,157.88	
	Total For Dept 215 ADMINISTRATION			4,616.11	
Dept 537	WATER DISTRIBUTION				
591-537-740.000	OPERATING EXPENSE	STATE OF MICHIGAN - MI D	WATER TEST SAMPLE	102.00	
591-537-740.700	OPERATING EXP. - METER REPLAC	ETNA SUPPLY COMPANY	DPW PARTS/SUPPLIES	1,120.00	
591-537-745.000	GAS & FUEL	MICHIGAN PETROLEUM TECH	FUEL - UNLEADED	109.10	
591-537-930.000	REPAIR & MAINTENANCE - VEHICL	FAIRHAVEN AUTO PARTS	DPW PARTS	237.28	
	Total For Dept 537 WATER DISTRIBUTION			1,568.38	
	Total For Fund 591 Water Fund			6,184.49	
Fund 592	Sewer Fund				
Dept 215	ADMINISTRATION				
592-215-801.000	PROFESSIONAL SERVICES	PLANTE & MORAN	BANK RECONCILIATION	200.00	
592-215-825.000	MAINTENANCE AGREEMENTS	BRADY'S BUSINESS SYSTEMS	MARCH COPIER	13.90	
592-215-850.000	COMMUNICATIONS	COMCAST CABLEVISION	CITY HALL	27.49	
592-215-850.000	COMMUNICATIONS	COMCAST CABLEVISION	DPW	46.60	
592-215-850.000	COMMUNICATIONS	VERIZON	FEB CHARGES	26.09	
	Total For Dept 215 ADMINISTRATION			314.08	
Dept 536	SEWER DISTRIBUTION				
592-536-921.000	COST OF SEWER/WATER	GENESEEE COUNTY DRAIN COM	JAN SEWER	18,618.46	
	Total For Dept 536 SEWER DISTRIBUTION			18,618.46	
	Total For Fund 592 Sewer Fund			18,932.54	

INVOICE GL DISTRIBUTION REPORT FOR MT MORRIS

POST DATES 03/09/2017 - 03/09/2017  
 BOTH JOURNALIZED AND UNJOURNALIZED  
 BOTH OPEN AND PAID  
 WARRANT #17-05

GL Number	Invoice Line Desc	Vendor	Invoice Description	Amount	Check #
Fund Totals:					
			Fund 101 General	26,018.84	
			Fund 202 Major Street	972.10	
			Fund 203 Local Street	8.00	
			Fund 276 Downtown Deve	79.39	
			Fund 591 Water Fund	6,184.49	
			Fund 592 Sewer Fund	18,932.54	
Total For All Funds:				52,195.36	

This Warrant is hereby approved and directed for payment.

Duane Dunckel, Mayor

Kristina K. Somers, City Clerk



CITY OF MT. MORRIS  
RESOLUTION NO. 17-07

**WHEREAS:** Pursuant to the bidding process with respect to the Saginaw Street Resurfacing & Water Main Replacement Project, bids were submitted and the City's Engineer, Rowe Professional Services Company has reviewed and tabulated the same and the results thereof are set forth on the exhibit attached hereto, and,

**WHEREAS:** Further action with respect to the said project shall be in accordance with the City's contract with the Michigan Department of Transportation and the Department's Regulations and Rowe Professional Services Company is in the process of proceeding with further steps in accordance with the requirements of the Michigan Department of Transportation and, specifically, with respect to their rules and regulations with reference to acceptance of bids and contractual procedures pursuant thereto, and,

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

That this Council does hereby acknowledge receipt of the said bids as set forth on the exhibit attached hereto and does confirm its understanding that further action with respect to the said project shall be in accordance with the contract and rules and regulations of the Michigan Department of Transportation, as aforesaid.

Moved by Council member \_\_\_\_\_, seconded by Council member \_\_\_\_\_, and thereafter adopted by the City Council of the City of Mt. Morris at a meeting held Monday, March 13, 2017 at 7:00 p.m.

\_\_\_\_\_ Yea                      \_\_\_\_\_ Nay                      \_\_\_\_\_ Absent

\_\_\_\_\_  
Duane Dunckel, Mayor

\_\_\_\_\_  
Kristina K. Somers, City Clerk

**Letting of March 03, 2017**

**Letting Call:** 1703 053

**Low Bid:** \$2,564,104.41

**Project:** NH 25402-121482

**Engineer Estimate:** \$2,391,108.00

**Local Agreement:** 17-5048

**Pct Over/Under Estimate:** 7.23 %

**Start Date:** June 5, 2017

**Completion Date:** June 8, 2018

**Description:**

1.00 mi of hot mix asphalt cold milling and resurfacing, concrete cold milling, drainage, concrete pavement repairs, concrete curb, gutter, sidewalk and ramps, and watermain on North Saginaw Street from the Mt. Morris south city limits to the north city limits in the city of Mt. Morris, Genesee County.

6.00 % DBE participation required

<b>Bidder</b>	<b>As-Submitted</b>
Champagne and Marx Excavating, Inc.	\$2,564,104.41
Zito Construction	\$2,624,361.75
Dan's Excavating, Inc.	\$2,653,874.77
Rohde Bros. Excavating, Inc.	\$2,843,402.00

**Total Number of Bidders:** 4

**RESOLUTION AUTHORIZING NOTICE OF INTENT  
AND DECLARING INTENTION TO REIMBURSE  
City of Mt. Morris  
County of Genesee, State of Michigan  
RESOLUTION 17-08**

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Minutes of a regular meeting of the City Council of the City of Mt. Morris, County of Genesee, State of Michigan held on the 13th day of March, 2017, at 7:00 p.m. Eastern Standard Time.

PRESENT: Members \_\_\_\_\_

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ABSENT: Members \_\_\_\_\_

The following preamble and resolution were offered by Member \_\_\_\_\_ and supported by Member \_\_\_\_\_:

WHEREAS, the City of Mt. Morris, County of Genesee, State of Michigan (the "City") intends to issue and sell revenue bonds, pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in an amount not to exceed Three Hundred Fifty-Five Thousand Dollars (\$355,000) for the purpose of paying part of the cost of acquiring and constructing water supply system improvements (the "Project"); and

WHEREAS, the Revenue Bond Act, Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), provides a means for financing the purchase, acquisition, construction, improvement, enlargement, extension, and repair of public improvements such as the Project through the issuance of revenue bonds; and

WHEREAS, a notice of intent to issue bonds must be published before the issuance of the aforesaid bonds in order to comply with the requirements of Section 33 of Act 94; and

WHEREAS, the City intends at this time to state its intentions to be reimbursed from proceeds of the Bonds for any expenditures undertaken by the City for the Project prior to issuance of the Bonds.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City Clerk is hereby authorized and directed to publish a notice of intent to issue bonds in a newspaper of general circulation in the City.
2. Said notice of intent shall be published as a one-quarter (1/4) page display advertisement in substantially the following form:

NOTICE TO TAXPAYERS AND ELECTORS OF THE  
CITY OF MT. MORRIS AND TO USERS OF SAID CITY'S  
WATER SUPPLY SYSTEM OF INTENT TO ISSUE  
BONDS AND THE  
RIGHT OF REFERENDUM RELATING THERETO

PLEASE TAKE NOTICE that the City Council of the City of Mt. Morris, Genesee County, Michigan, intends to issue and sell revenue bonds, pursuant to Act 94, Public Acts of Michigan, 1933, as amended, in an amount not to exceed Three Hundred Fifty-Five Thousand Dollars (\$355,000), for the purpose of paying part of the cost of acquiring and constructing water supply system improvements to serve the City.

SOURCE OF PAYMENT OF  
REVENUE BONDS

THE PRINCIPAL OF AND INTEREST ON SAID REVENUE BONDS SHALL BE PAYABLE solely from the revenues received by the City from the operations of said water supply system. Said revenues will consist of rates and charges billed to the users of the system, a schedule of which is presently on file in the office of the City Clerk. Said rates and charges may from time to time be revised to provide sufficient revenues to provide for the expenses of operating and maintaining the system, to pay the principal of and interest on said bonds and to pay other obligations of the system. The City has a remaining authorization of \$715,000 from a prior notice of intent which is intended to be supplemented by this Notice

BOND DETAILS

SAID BONDS will be payable in annual installments not to exceed forty (40) in number and will bear interest at not to exceed 5% per annum on the balance of the bonds from time to time remaining unpaid.

RIGHT OF REFERENDUM

THE REVENUE BONDS WILL BE ISSUED WITHOUT A VOTE OF THE ELECTORS UNLESS A PETITION REQUESTING SUCH A VOTE SIGNED BY NOT LESS THAN 10% OF THE REGISTERED ELECTORS OF THE CITY IS FILED WITH THE CITY CLERK WITHIN FORTY-FIVE (45) DAYS AFTER PUBLICATION OF THIS NOTICE. IF SUCH PETITION IS FILED, THE BONDS MAY NOT BE ISSUED WITHOUT AN APPROVING VOTE OF A MAJORITY OF THE QUALIFIED ELECTORS OF THE CITY VOTING THEREON.

THIS NOTICE is given pursuant to the requirements of Section 33, Act 94, Public Acts of Michigan, 1933, as amended.

Kristina Somers  
Clerk, City of Mt. Morris

3. The City Council does hereby determine that the foregoing form of Notice of Intent and the manner of publication directed is the method best calculated to give notice to the water supply system's users and the City's taxpayers and electors of this Council's intent to issue the bonds, the purpose of the bonds, the security for the bonds, and the right of referendum relating thereto.

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

- a) As of the date hereof, the City reasonably expects to reimburse the City for the expenditures described in (b) below with proceeds of debt to be incurred by the City.
- b) The expenditures described in this paragraph (b) are for the costs of acquiring and constructing the Project which were or will be paid subsequent to sixty (60) days prior to the date hereof.
- c) The maximum principal amount of debt expected to be issued for the Project, including issuance costs, is \$355,000.
- d) A reimbursement allocation of the expenditures described in b) above with the proceeds of the borrowing described herein will occur not later than 18 months after the later of (i) the date on which the expenditure is paid, or (ii) the date the Project is placed in service or abandoned, but in no event more than three (3) years after the original expenditure is paid. A reimbursement allocation is an allocation in writing that evidences the City's use of the proceeds of the debt to be issued for the Project to reimburse the City for a capital expenditure made pursuant to this resolution.
- e) The expenditures described in b) above are "capital expenditures" as defined in Treas. Reg. § 1.150-1(b), which are any costs of a type which are properly chargeable to a capital account (or would be so chargeable with a proper election or with the application of the definition of placed in service under Treas. Reg. § 1.150-2(c)) under general Federal income tax principles (as determined at the time the expenditure is paid).
- f) No proceeds of the borrowing paid to the City in reimbursement pursuant to this resolution will be used in a manner described in Treas. Reg. § 1.150-2(h) with respect to abusive uses of such proceeds, including, but not limited to, using funds corresponding to the proceeds of the borrowing in a manner that results in the creation of replacement proceeds (within Treas. Reg. § 1.148-1) within one year of the reimbursement allocation described in d) above.

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

AYES: Member \_\_\_\_\_

\_\_\_\_\_

NAYS: Member \_\_\_\_\_

RESOLUTION DECLARED ADOPTED.

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

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the City Council of the City of Mt. Morris, County of Genesee, State of Michigan, at a regular meeting held on March 13, 2017, 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.

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

28717449.1\111919-00012

Founded in 1852  
by Sidney Davy Miller

# MILLER CANFIELD

JEFFREY S. ARONOFF  
TEL (313) 496-7694  
FAX (313) 496-8452  
E-MAIL [aronoff@millercanfield.com](mailto:aronoff@millercanfield.com)

**Miller, Canfield, Paddock and Stone, P.L.C.**  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
TEL (313) 963-6420  
FAX (313) 496-7500  
[www.millercanfield.com](http://www.millercanfield.com)

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FLORIDA: Naples

ILLINOIS: Chicago

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CANADA: Toronto • Windsor

CHINA: Shanghai

MEXICO: Monterrey

POLAND: Gdynia

Warsaw • Wrocław

March 8, 2017

Vicki Fishell  
Treasurer/City Manager  
City of Mt. Morris  
11649 N. Saginaw St.  
Mt Morris, MI 48458

**Re: *City of Mt. Morris Supplemental Notice of Intent Resolution for Revenue Bond Issue***

Dear Vicki:

Based on our recent discussions regarding the City's water main project, enclosed please find a resolution for the City Council's consideration. This resolution is necessary to allow the City to issue revenue bonds to finance water system improvements in the City through the USDA's Rural Development Program. As discussed, the City has already published a notice of intent for \$715,000 for this project, which will be supplemented by the \$355,000 referenced in this resolution. The resolution serves two purposes:

***1. 45-Day Referendum Notice***

The first purpose is to authorize the publication of a 45-day referendum notice. Under Act 94, Public Acts of Michigan, 1933, as amended ("Act 94"), the City is authorized to issue revenue bonds. However, Act 94 requires the City first to publish a notice of intent to issue the bonds. If ten percent of the registered electors of the City fill a referendum petition within 45 days of publication of the notice, then the bonds cannot be issued without voter approval.

I have prepared the resolution in the not-to-exceed amount of \$355,000 and for a maximum term of not to exceed 40 years. This does not mean that the City has to borrow the full amount, but that it has authority to borrow up to \$355,000 (for a total of \$1,070,000, including the existing notice). The same general concept applies to the maximum interest rate, which is stated as not to exceed 5%, although the Rural Development rate is currently 2.75%.

Act 94 requires the notice of intent (and not the entire resolution) to be published in a newspaper of general circulation in the City ***as a display advertisement not less than ¼-page in size***. You may simply cut and paste the form of notice contained on page 2 of the resolution and forward it to the newspaper. It is very important that the display ad meets this requirement

Ms. Vicki Fishell

-2-

March 8, 2017

because the statute expressly requires it. Therefore I suggest that you check with the newspaper before the ad is published to make sure it meets the Act 94 requirements.

***2. Declaration of Intention to Reimburse***

The resolution's second purpose is to meet the requirements of the federal tax law regulations pertaining to tax-exempt bonds. Treasury Regulation § 1.150-2 provides in effect that an issuer of municipal bonds may reimburse itself for expenditures made prior to the issuance of bonds only if it has declared its intention to do so in advance. (There is a 60 day grace period in the regulation. That is, the resolution covers expenditures made up to 60 days prior to the date of the resolution.) The Section 4 of the resolution makes this declaration.

The language of the section is taken from the regulation and, not surprisingly, it therefore reads as tax jargon. The essential notion of the reimbursement declaration can be found in subparagraphs (a)-(c). Subparagraph (d) is a reminder of the need to keep a careful paper trail of expenditures and of reimbursements. Both the expenditure and the subsequent reimbursement must be specifically linked to the project.

***Documentation Needed***

After the resolution has been adopted please send me **three certified copies**. In addition please send me **five publisher's affidavits of publication** (with "tear sheets" attached) of the notice of intent after the notice has been published.

If you have any questions, please do not hesitate to call.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By: \_\_\_\_\_

  
Jeffrey S. Aronoff

Enclosure

Cc: Charles A. Forrest, Jr., Esq.  
Scott Hemeyer  
Mary Capizzo