

Regular Council Meeting of the City of Melvindale was held in the Council Chambers on Wednesday, October 16, 2019 at 7:30 p.m.

The meeting was called to order by Mayor Stacy L. Bazman and roll call was taken.

PRESENT COUNCIL MEMBERS: Marsee, Barnes, Land, Louvet, Cybulski, Densmore

The Pledge of Allegiance was led by Mayor Stacy L. Bazman

ALSO PRESENT: Diana Zarazua, City Clerk; Michel Belch, Treasurer; Lawrence J. Coogan, Corporation Counsel; Richard S. Ortiz, City Administrator/Finance Director; John Allen, Chief of Police; Larrie Ordus, DPW Director; Bradley Burns, Chief Building Official; Susan Louvet, Interim Parks and Recreation Director

Presentation – Tom Collis, Bond Counsel - TANS

19-10-211 Moved by Louvet and supported by Barnes, to accept the resolution authorizing the issuance of notes in anticipation of operating taxes next succeeding fiscal year not to exceed Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000.00)

**RESOLUTION AUTHORIZING ISSUANCE OF NOTES
IN ANTICIPATION OF OPERATING TAXES-
NEXT SUCCEEDING FISCAL YEAR**

**CITY OF MELVINDALE
COUNTY OF WAYNE, MICHIGAN**

Minutes of a regular meeting of the City Council of the City of Melvindale, County of Wayne, Michigan (the “City”), held in the City Hall, on the 16th day of October, 2019, at 7:30 o’clock p.m., prevailing Eastern Time.

PRESENT: Members: Marsee, Barnes, Land, Louvet, Cybulski, Densmore

ABSENT: Members: None

The following preamble and resolution were offered by Member Louvet and supported by Member Barnes

WHEREAS, it is hereby determined that it is necessary to borrow the sum of not to exceed Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000), in anticipation of the collection of the unpaid operating taxes for the next succeeding fiscal year of the City beginning January 1, 2020 (the “Operating Taxes”), which Operating Taxes are first due and payable on July 1, 2020, for the purpose of obtaining funds to meet operating expenses of the City; and

WHEREAS, Act No. 34 of the Public Acts of 2001, as amended (“Act 34”), authorizes the borrowing of money through the issuance of general obligation notes in anticipation of the collection of the unpaid Operating Taxes for the next succeeding fiscal year in an amount not to exceed fifty percent (50%) of the operating tax levy for the current fiscal year when the Operating Taxes for the next fiscal year are not as yet known; and

WHEREAS, the amount included for Operating Taxes in the budget for the fiscal year ending December 31, 2019 was \$5,120,123; and

WHEREAS, the City expects to receive an offer from Comerica Bank to purchase the general obligation notes.

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The City borrow for the above purpose the sum of not to exceed Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000), issue the general obligation notes of the City (the “Notes”) in anticipation of the collection of the Operating Taxes for the fiscal year beginning January 1, 2020.

2. The Notes shall bear interest at a rate not to exceed 6% per annum, be dated as of the date of delivery, and be due and payable September 1, 2020, which is the estimated time of collection of a sufficient amount of the Operating Taxes for the fiscal year beginning January 1, 2020, to pay the Notes in full. The Notes shall be payable in lawful money of the United States of America at such bank or trust company in the State of Michigan qualified to act as paying agent as shall be designated by the original purchaser. The Notes shall be in the denomination of \$100,000, or multiples or combinations of \$5,000 in excess thereof, as shall be designated by the original purchaser of the Notes.

3. Hereafter from the first collections of the Operating Taxes for the fiscal year beginning January 1, 2020, there shall be set aside in a separate depository account (the “Note Repayment Fund” or the “Fund”) a portion of each dollar which is not less than 125% of the percentage that the principal amount of the Notes bears to the amount of the Operating Taxes, to be used for the payment of the

principal of and interest on the Notes and any other notes hereafter issued in anticipation of said taxes, and until the amount so set aside shall be sufficient for such payments, collections of the Operating Taxes shall be used for no other purpose. The right is reserved to issue additional notes of equal standing as to the Operating Taxes pledged for payment of the Notes with the Notes authorized by this resolution, subject to the limitations fixed by law.

4. The full faith and credit of the City is hereby irrevocably pledged for payment of principal of and interest on the Notes and in case of the insufficiency of the Operating Taxes pledged for the payment thereof, the City shall pay the Notes from any funds legally available therefor, and, if necessary, within applicable constitutional, charter and statutory limitations, levy sufficient taxes on all taxable property in the City for the payment thereof.

5. The Mayor and City Clerk of the City shall execute the Notes on behalf of the City, and the City's seal or a facsimile thereof shall be imprinted or printed thereon, and the executed notes shall be delivered to the City Administrator/Finance Director of the City who shall deliver the Notes to the purchaser thereof upon the receipt of the purchase price therefor. Printed notes may be executed with facsimile signatures of the foregoing officers, in which case the Notes shall not be valid unless authenticated in a manner approved by the City Administrator/Finance Director. The foregoing officers are hereby authorized to execute and deliver a temporary note or notes and exchange, when available, final printed notes therefor at the request of the original purchaser. The Notes may be issued in book-entry only form.

6. The City Council hereby declares that it has pursued a negotiated sale of the Notes because of the flexibility provided in adjusting the timing of the sale of the Notes and the terms of the Notes at the time of sale. The City Administrator/Finance Director is authorized to negotiate the sale of the Notes within the parameters authorized in this resolution.

7. The City Council hereby designates the Notes to be “qualified tax exempt obligations” within the meaning of the Internal Revenue Code of 1986, as amended (the “Code”).

8. Any of the following: City Administrator/Finance Director and City Clerk of the City, are each hereby authorized to adjust the final Note details set forth herein to the extent necessary or convenient to complete the transaction authorized herein, and in pursuance of the foregoing are authorized to exercise the authority and make the determinations authorized pursuant to Section 315(1)(d) of Act 34, Public Acts of Michigan, 2001, as amended, including but not limited to, determinations regarding interest rates, prices, discounts, maturities, principal amounts, denominations, dates of issuance, interest payment dates, redemption rights, the place of delivery and payment, and other matters, provided that the principal amount of the Note issued shall not exceed the principal amount authorized in this resolution, the interest rate per annum on the Bonds shall not exceed six percent (6%), and the Note shall mature in not more than one (1) annual installment.

9. The Mayor, City Clerk, and City Administrator/Finance Director of the City are each authorized to file any and all applications with the Michigan Department of Treasury so as to seek approval for the Notes and to file such other documents as may be required to secure such approval, including any necessary waivers.

10. The City hereby covenants that, to the extent permitted by law, it shall take all actions within its control necessary to maintain the exclusion of the interest on the Notes from adjusted gross income for general federal income tax purposes under the Code, including, but not limited to, actions relating to the rebate of arbitrage earnings, if applicable, and the expenditure and investment of note proceeds and moneys deemed to be note proceeds.

11. The representation of the City by Miller, Canfield, Paddock and Stone, P.L.C. as note counsel is hereby approved, notwithstanding Miller, Canfield’s periodic representation of the potential parties to the transaction, including Comerica Bank, in unrelated matters.

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

AYES: Members: Marsee, Barnes, Land, Louvet, Cybulski, Densmore

NAYS: Members: None

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 Melvindale, County of Wayne, State of Michigan, at a regular meeting held on October 16, 2019, 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

Passed Unanimously

19-10-212 Moved by Louvet and supported by Barnes, to approve the Regular Council Meeting minutes dated October 2, 2019.

Yeas: Marsee, Barnes, Land, Louvet, Cybulski

Nays: None

Abstain: Densmore

Motion Passes

Audience Participation

19-10-213 Moved by Barnes and supported by Louvet, to close the Regular meeting at 7:54 p.m. for the 2019 Police and Fire Special Assessment Public Hearing.

Passed Unanimously

19-10-214 Moved by Marsee and supported by Louvet, to open the Public Hearing for the 2019 Police and Fire Special Assessment at 7:54 p.m.

Whereas, the Common Council for the City of Melvindale is levying the Special 2019 Assessment to maintain the current level of Police and Fire Protection for the protection and wellbeing of its citizens as permitted by MCLA 41.801 et seq; and,

Whereas, the City Clerk published a Notice of Public Hearing regarding the estimate of the expenses for Police and Fire protection, the amount of the Special Assessment levied for such Police and Fire protection and for the distribution of the Special Assessment levy in the News Herald Newspaper; and,

Whereas, a Public Hearing was held on October 16, 2019 at 7:54 p.m. before the Common Council for the City of Melvindale where citizens were given the opportunity to state their comments and objections to the estimate of the expenses for Police and Fire protection, the amount of the Special Assessment levied for such Police and Fire protection and for the distribution of the Special Assessment levy; and,

Now, THEREFORE, BE IT RESOLVED by the Common Council for the City of Melvindale that:

1. It is estimated that the cost and expenses of Police and Fire protection, exclusive of healthcare and pension is **\$3,488,357**; and
2. The amount of the Special Assessment shall be 10 Mills which is estimated to generate **\$1,572,637**; and
3. The City Administrator or his designee shall spread the assessment on the taxable value of all property in the City of Melvindale except lands exempt from collection of taxes under the general property tax act.

Passed Unanimously

19-10-215 Moved by Barnes and supported by Marsee, to close the Public Hearing for the 2019 Police and Fire Special Assessment at 7:59 p.m.

Passed Unanimously

19-10-216 Moved by Barnes and supported by Louvet, to reopen the Regular Council Meeting at 7:59 p.m.

Passed Unanimously

19-10-217 Moved by Barnes and supported by Louvet, to adopt the 2019 Police and Fire Special Assessment as presented.

Yeas: Marsee, Barnes, Land, Louvet, Cybulski

Nays: None

Abstain: Densmore

Motion Passes

19-10-218 Moved by Barnes and supported by Marsee, to approve the request of John Allen, Chief of Police, to purchase a 2020 Ford Utility Interceptor AWD from Gorno Ford, at a price of \$32,749.00 and further the purchase of this vehicle will come out of the general fund and is in the budget for this year.

Passed Unanimously

19-10-219 Moved by Barnes and supported by Marsee, to approve the request of John Allen, Chief of Police to purchase equipment for the 2020 Ford Utility Interceptor AWD from Herkimer Radio, with installation, at a cost not to exceed \$13,000 and further that the purchase of this equipment will come out of the drug forfeiture account.

Passed Unanimously

19-10-220 Moved by Barnes and supported by Land, to concur with the request of John Allen, Chief of Police, temporarily change the curfew for October 30th and October 31st (Angels Night/Halloween), from 10 p.m. to 8 p.m. for everyone under the age of 18.

Passed Unanimously

19-10-221 Moved by Louvet and supported by Marsee, to concur with the resolution of the Planning Commission PC 19 – 10, to approve the site plan for 3822 Oakwood.

Passed Unanimously

19-10-222 Moved by Louvet and supported by Marsee, to concur with the resolution of the Planning Commission PC 19 – 08, to approve the site plan for Rialto Street Parcel #47003990010004.

Passed Unanimously

19-10-223 Moved by Marsee and supported by Louvet, to concur with the resolution of the Planning Commission PC 19 -09, to approve the site plan for 17575 Dix.

Passed Unanimously

19-10-224 Moved by Louvet and supported by Barnes, to authorize the first reading by title only, ORDINANCE NO. 775, as follows:

AN ORDINANCE TO AMEND THE ZONING CODE OF ORDINANCES OF THE CITY OF MELVINDALE ARTICLE 4 SECTION 24 – 166 TO PROVIDE NEW REGULATIONS FOR VARIETY STORES AND SMALL BOX STORES.

Passed Unanimously

19-10-225 Moved by Louvet and supported by Barnes, to accept the Subrecipient Agreement for Community Development Block Grant (CDBG) between the Charter County of Wayne and City of Melvindale for the term July 1, 2019 through June 30, 2024.

Passed Unanimously

19-10-226 Moved by Barnes and supported by Cybulski, to recess into closed session, to discuss pending litigation, at 8:10 p.m.

Passed Unanimously

19-10-227 Moved by Barnes and supported by Land, to reconvene the Regular Council meeting at 9:28 p.m.

Passed Unanimously

19-10-228 Moved by Barnes and supported by Louvet, to receive and place on file the September 2019 Treasurer's report.

Passed Unanimously

Second Audience Participation

19-10-229 Moved by Barnes and supported by Marsee, to receive and place on file the invoice and cover sheet and to authorize the payment of the approved invoices totaling \$525,414.64.

Passed Unanimously

19-10-230 Moved by Barnes and supported by Marsee, to adjourn at 9:32 p.m., no objections, so ordered.

Passed Unanimously

Stacy L. Bazman, Mayor

Diana Zarazua, City Clerk